
SUBSTITUTE SENATE BILL 6444

State of Washington

61st Legislature

2010 Regular Session

By Senate Ways & Means (originally sponsored by Senators Prentice and Tom; by request of Governor Gregoire)

READ FIRST TIME 02/27/10.

1 AN ACT Relating to fiscal matters; amending RCW 13.06.050,
2 15.76.115, 28A.300.380, 28A.510.250, 28B.50.837, 28B.76.565,
3 28B.76.610, 43.17.390, 43.20A.725, 43.60A.185, 43.131.406, 43.70.110,
4 43.79.460, 43.79.465, 43.89.010, 43.105.080, 43.155.050, 43.320.110,
5 46.66.080, 67.70.044, 67.70.230, 74.31.060, 70.93.180, 70.105D.130,
6 70.146.100, 79.105.150, 80.01.080, 80.36.430, 82.14.495, and
7 83.100.230; amending 2010 c 3 ss 101, 103, 104, 105, 106, 107, 108,
8 109, 110, 111, 112, 113, 201, 202, 203, 204, 205, 206, 207, 208, 209,
9 210, 211, 212, 213, 214, 215, 216, 301, 302, 303, 304, 305, 306, 401,
10 402, and 501; amending 2009 c 564 ss 101, 102, 103, 104, 105, 106, 107,
11 108, 110, 112, 113, 114, 115, 116, 117, 118, 119, 121, 122, 123, 124,
12 131, 132, 133, 134, 135, 136, 138, 140, 141, 142, 144, 145, 147, 148,
13 150, 152, 201, 213, 214, 216, 217, 218, 220, 221, 224, 226, 301, 304,
14 305, 308, 501, 502, 503, 504, 505, 506, 507, 509, 510, 511, 512, 514,
15 515, 516, 601, 605, 606, 607, 608, 609, 610, 611, 612, 613, 614, 615,
16 616, 617, 618, 619, 620, 621, 701, 703, 704, 710, 712, 717, 801, 805,
17 and 914; reenacting and amending RCW 28B.105.110 and 46.09.170; adding
18 a new section to chapter 43.79 RCW; adding new sections to 2009 c 564
19 (uncodified); creating a new section; repealing 2009 c 564 ss 111 and
20 720 (uncodified); making appropriations; providing expiration dates;

1 and declaring an emergency.

2 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF WASHINGTON:

3 **PART I**

4 **GENERAL GOVERNMENT**

5 **Sec. 101.** 2009 c 564 s 101 (uncodified) is amended to read as
6 follows:

7 **FOR THE HOUSE OF REPRESENTATIVES**

8	General Fund--State Appropriation (FY 2010)	((\$33,500,000))
9		<u>\$33,450,000</u>
10	General Fund--State Appropriation (FY 2011)	((\$33,379,000))
11		<u>\$32,216,000</u>
12	TOTAL APPROPRIATION	((\$66,879,000))
13		<u>\$65,666,000</u>

14 **Sec. 102.** 2009 c 564 s 102 (uncodified) is amended to read as
15 follows:

16 **FOR THE SENATE**

17	General Fund--State Appropriation (FY 2010)	((\$24,957,000))
18		<u>\$24,914,000</u>
19	General Fund--State Appropriation (FY 2011)	((\$27,182,000))
20		<u>\$26,278,000</u>
21	TOTAL APPROPRIATION	((\$52,139,000))
22		<u>\$51,192,000</u>

23 **Sec. 103.** 2009 c 564 s 103 (uncodified) is amended to read as
24 follows:

25 **FOR THE JOINT LEGISLATIVE AUDIT AND REVIEW COMMITTEE**

26	General Fund--State Appropriation (FY 2010)	((\$2,874,000))
27		<u>\$2,868,000</u>
28	General Fund--State Appropriation (FY 2011)	((\$2,884,000))
29		<u>\$3,135,000</u>
30	TOTAL APPROPRIATION	((\$5,758,000))
31		<u>\$6,003,000</u>

32 The appropriations in this section are subject to the following
33 conditions and limitations:

1 (1) Notwithstanding the provisions of this section, the joint
2 legislative audit and review committee may adjust the due dates for
3 projects included on the committee's 2009-11 work plan as necessary to
4 efficiently manage workload.

5 (2) Within the amounts appropriated in this section, the committee
6 shall conduct a review of the effect of risk management practices on
7 tort payouts. This review shall include an analysis of the state's
8 laws, policies, procedures, and practices as they relate to the conduct
9 of post-incident reviews and the impact of such reviews on the state's
10 conduct and liability.

11 (3) Within the amounts appropriated in this section, the committee
12 shall conduct a review of the state's workplace safety and health
13 program. The review shall examine workplace safety inspection,
14 enforcement, training, and outreach efforts compared to other states
15 and federal programs; analyze workplace injury and illness rates and
16 trends in Washington; identify factors that may influence workplace
17 safety and health; and identify practices that may improve workplace
18 safety and health and/or impact insurance costs.

19 (4) Within the amounts appropriated in this section, the committee
20 shall prepare an evaluation of the implementation of legislation
21 designed to improve communication, collaboration, and expedited
22 medicaid attainment with regard to persons released from confinement
23 who have mental health or chemical dependency disorders. The review
24 shall evaluate the implementation of: (a) Chapter 166, Laws of 2004
25 (E2SSB 6358); (b) sections 507 and 508 of chapter 504, Laws of 2005
26 (E2SSB 5763); (c) sections 12 and 13 of chapter 503, Laws of 2005
27 (E2SHB 1290); and (d) section 8 of chapter 359, Laws of 2007 (2SHB
28 1088). The departments of corrections and social and health services,
29 the administrative office of the courts, institutions for mental
30 disease, city and county jails, city and county courts, county clerks,
31 and mental health and chemical dependency treatment providers shall
32 provide the committee with information necessary for the study.

33 (5) Within the amount appropriated in this section, the joint
34 legislative audit and review committee shall conduct a review of the
35 state's recreational boating programs. This review shall include
36 examination of the following:

37 (a) Revenue sources for state recreational boating programs;

38 (b) Expenditures for state boating programs;

1 (c) Methods of administrating state recreational boating programs,
2 including the roles of both state and local government entities; and

3 (d) Approaches other states have taken to funding and administering
4 their recreational boating programs.

5 The committee shall complete the review by October 31, 2010.

6 ~~((+7))~~ (6) Within the amount appropriated in this section, the
7 joint legislative audit and review committee shall examine the
8 operations of employment and day services as provided by the department
9 of social and health services, division of developmental disabilities
10 and administered by the counties. The examination shall include a
11 thorough review of the contracts for all services including, but not
12 limited to, employment services, day services, child development
13 services and other uses of state dollars for county administration of
14 services to the developmentally disabled. In its final report, due to
15 the legislature by September 1, 2010, the joint legislative audit and
16 review committee shall provide: A description of how funds are used
17 and the rates paid to vendors, and a recommendation on best practices
18 the agency may use for the development of a consistent, outcome-based
19 contract for services provided under contract with the counties.

20 ~~((+8))~~ (7) Within the amount appropriated in this section, the
21 joint legislative audit and review committee shall conduct a study of
22 the relationship between the cost of school districts and their
23 enrollment size. The study shall be completed by June 2010 and shall
24 include:

25 (a) An analysis of how categories of costs vary related to size,
26 including but not limited to facility costs, transportation costs,
27 educational costs, and administrative costs;

28 (b) A review of other factors that may impact costs, such as
29 revenues available from local levies and other sources, geographic
30 dispersion, demographics, level of services received from educational
31 service districts, and whether districts operate a high school;

32 (c) Case studies on the change in cost patterns occurring after
33 school district consolidations and for school districts operating under
34 state oversight condition specified in RCW 28A.505.110; and

35 (d) A review of available research on nonfinancial benefits and
36 impacts associated with school and school district size.

37 (8) \$200,000 of the general fund--state appropriation for fiscal
38 year 2011 is provided for the committee to contract with a consultant

1 specializing in medicaid programs nationwide to review Washington
2 state's medicaid program and report on cost containment strategies for
3 the 2011-13 biennial budget. The report is due to the fiscal
4 committees of the legislature by June 1, 2011.

5 (9) \$50,000 of the general fund--state appropriation for fiscal
6 year 2011 is provided solely for the joint legislative audit and review
7 committee to complete a report that includes the following: (a) An
8 analysis of the availability within eastern Washington of helicopters
9 that are privately owned or owned by nonstate governmental entities
10 that are sufficiently outfitted to participate in wildfire suppression
11 efforts of the department of natural resources; (b) a comparison of the
12 costs to the department of natural resources for maintaining the
13 existing helicopter fleet versus entering into exclusive use contracts
14 with the helicopters noted in (a) of this subsection; and (c) an
15 analysis that compares the use and funding of helicopters utilized for
16 wildfire suppression in the states of California, Oregon, Idaho, and
17 Montana. The committee shall submit the report to the appropriate
18 fiscal committees of the legislature and the office of financial
19 management no later than December 1, 2010.

20 (10) \$100,000 of the general fund--state appropriation for fiscal
21 year 2011 is provided solely for the implementation of Senate Bill No.
22 6853 (legislative review of tax preferences). If the bill is not
23 enacted by June 30, 2010, the amount provided in this subsection shall
24 lapse.

25 **Sec. 104.** 2009 c 564 s 104 (uncodified) is amended to read as
26 follows:

27 **FOR THE LEGISLATIVE EVALUATION AND ACCOUNTABILITY PROGRAM COMMITTEE**

28 General Fund--State Appropriation (FY 2010)	((\$1,748,000))
	\$1,746,000
30 General Fund--State Appropriation (FY 2011)	((\$1,927,000))
	\$1,862,000
32 TOTAL APPROPRIATION	((\$3,675,000))
	\$3,608,000

34 **Sec. 105.** 2009 c 564 s 105 (uncodified) is amended to read as
35 follows:

1 **FOR THE OFFICE OF THE STATE ACTUARY**

2	General Fund--State Appropriation (FY 2010)	(((\$200,000))
3		<u>\$199,000</u>
4	General Fund--State Appropriation (FY 2011)	(((\$25,000))
5		<u>\$18,000</u>
6	((Health Care Authority Administrative Account--State	
7	Appropriation	\$735,000))
8	Department of Retirement Systems Expense	
9	Account--State Appropriation	(((\$3,309,000))
10		<u>\$3,289,000</u>
11	TOTAL APPROPRIATION	(((\$4,269,000))
12		<u>\$3,506,000</u>

13 The appropriations in this section are subject to the following
14 conditions and limitations:

15 (1) \$25,000 of the department of retirement systems--state
16 appropriation is provided solely for the continued study of local
17 government liabilities for postretirement medical benefits for members
18 of plan 1 of the law enforcement officers' and firefighters' retirement
19 system.

20 (2) \$51,000 of the department of retirement systems expense
21 account--state appropriation is provided solely for the state actuary
22 to contract with the Washington state institute for public policy for
23 a study of the disability benefits provided to the plan 2 and plan 3
24 members of the public employees' retirement system, the teachers'
25 retirement system, and the school employees' retirement system. Among
26 the options the institute shall examine include statutory changes to
27 the retirement systems and insurance products. The institute shall
28 report its findings and recommendations to the select committee on
29 pension policy by November 1, 2009.

30 ~~((+4))~~ (3) \$175,000 of the general fund--state appropriation for
31 fiscal year 2010 is provided solely for the office of the state actuary
32 to conduct an independent assessment of alternatives for assuring the
33 long-term financial solvency of the guaranteed education tuition
34 program including suspension of the program. In conducting this
35 review, the office may contract for assistance, and shall consult with
36 the higher education coordinating board, the operating budget
37 committees of the legislature, the office of financial management, and
38 the state's public colleges and universities. The office shall report

1 findings, an assessment of the major alternatives, and suggested
2 actions to the governor and to the relevant legislative committees by
3 November 15, 2009.

4 **Sec. 106.** 2009 c 564 s 106 (uncodified) is amended to read as
5 follows:

6 **FOR THE JOINT LEGISLATIVE SYSTEMS COMMITTEE**

7	General Fund--State Appropriation (FY 2010)	((\$8,651,000))
8		<u>\$8,640,000</u>
9	General Fund--State Appropriation (FY 2011)	((\$8,519,000))
10		<u>\$8,305,000</u>
11	TOTAL APPROPRIATION	((\$17,170,000))
12		<u>\$16,945,000</u>

13 **Sec. 107.** 2009 c 564 s 107 (uncodified) is amended to read as
14 follows:

15 **FOR THE STATUTE LAW COMMITTEE**

16	General Fund--State Appropriation (FY 2010)	((\$4,610,000))
17		<u>\$4,603,000</u>
18	General Fund--State Appropriation (FY 2011)	((\$5,029,000))
19		<u>\$4,862,000</u>
20	TOTAL APPROPRIATION	((\$9,639,000))
21		<u>\$9,465,000</u>

22 **Sec. 108.** 2009 c 564 s 108 (uncodified) is amended to read as
23 follows:

24 **FOR THE REDISTRICTING COMMISSION**

25	General Fund--State Appropriation (FY 2011)	((\$610,000))
26		<u>\$1,270,000</u>

27 The appropriations in this section are subject to the following
28 conditions and limitations: \$671,000 of the general fund--state
29 appropriation for fiscal year 2011 is provided solely for the support
30 of legislative redistricting efforts. Prior to the appointment of the
31 redistricting commission, the secretary of the senate and chief clerk
32 of the house of representatives may jointly authorize the expenditure
33 of these funds to facilitate preparations for the 2012 redistricting
34 effort. Following the appointment of the commission, the senate and

1 house of representatives shall enter into an interagency agreement with
2 the commission authorizing the continued expenditure of these funds for
3 legislative redistricting support.

4 **Sec. 109.** 2009 c 564 s 110 (uncodified) is amended to read as
5 follows:

6 **FOR THE SUPREME COURT**

7	General Fund--State Appropriation (FY 2010)	((\$6,912,000))
8		<u>\$8,823,000</u>
9	General Fund--State Appropriation (FY 2011)	((\$6,948,000))
10		<u>\$8,076,000</u>
11	TOTAL APPROPRIATION	((\$13,860,000))
12		<u>\$16,899,000</u>

13 The appropriations in this section are subject to the following
14 conditions and limitations: It is the intent of the legislature that
15 the reductions in appropriations in this section shall be achieved, to
16 the greatest extent possible, by reducing those state government
17 administrative costs that do not affect direct client services or
18 direct service delivery or programs. The agency shall, to the greatest
19 extent possible, reduce spending in those areas that shall have the
20 least impact on implementing its mission. The appropriations in this
21 section reflect the transfer of the entire 2009-2011 fiscal biennial
22 appropriations for the state law library. The authorization to expend
23 from these transferred appropriations shall be reduced by any
24 expenditures from the appropriations prior to the effective date of
25 this section.

26 NEW SECTION. **Sec. 110. LAW LIBRARY**

27 2009 c 564 s 111 (uncodified) is repealed.

28 **Sec. 111.** 2009 c 564 s 112 (uncodified) is amended to read as
29 follows:

30 **FOR THE COURT OF APPEALS**

31	General Fund--State Appropriation (FY 2010)	((\$15,793,000))
32		<u>\$15,770,000</u>
33	General Fund--State Appropriation (FY 2011)	((\$15,895,000))
34		<u>\$15,298,000</u>
35	TOTAL APPROPRIATION	((\$31,688,000))

1 \$31,068,000

2 The appropriations in this section are subject to the following
3 conditions and limitations: It is the intent of the legislature that
4 the reductions in appropriations in this section shall be achieved, to
5 the greatest extent possible, by reducing those state government
6 administrative costs that do not affect direct client services or
7 direct service delivery or programs. The agency shall, to the greatest
8 extent possible, reduce spending in those areas that shall have the
9 least impact on implementing its mission.

10 **Sec. 112.** 2009 c 564 s 113 (uncodified) is amended to read as
11 follows:

12 **FOR THE COMMISSION ON JUDICIAL CONDUCT**

13	General Fund--State Appropriation (FY 2010)	((\$1,032,000))
14		<u>\$1,040,000</u>
15	General Fund--State Appropriation (FY 2011)	((\$1,082,000))
16		<u>\$1,054,000</u>
17	TOTAL APPROPRIATION	((\$2,114,000))
18		<u>\$2,094,000</u>

19 The appropriations in this section are subject to the following
20 conditions and limitations: It is the intent of the legislature that
21 the reductions in appropriations in this section shall be achieved, to
22 the greatest extent possible, by reducing those state government
23 administrative costs that do not affect direct client services or
24 direct service delivery or programs. The agency shall, to the greatest
25 extent possible, reduce spending in those areas that shall have the
26 least impact on implementing its mission.

27 **Sec. 113.** 2009 c 564 s 114 (uncodified) is amended to read as
28 follows:

29 **FOR THE ADMINISTRATOR FOR THE COURTS**

30	General Fund--State Appropriation (FY 2010)	((\$53,607,000))
31		<u>\$52,588,000</u>
32	General Fund--State Appropriation (FY 2011)	((\$51,812,000))
33		<u>\$47,473,000</u>
34	<u>General Fund--Federal Appropriation</u>	<u>\$979,000</u>
35	Judicial Information Systems Account--State	
36	Appropriation	((\$29,676,000))

1		<u>\$33,625,000</u>
2	Judicial Stabilization Trust Account--State	
3	Appropriation	((\$6,598,000))
4		<u>\$11,734,000</u>
5	TOTAL APPROPRIATION	((\$141,693,000))
6		<u>\$146,399,000</u>

7 The appropriations in this section are subject to the following
8 conditions and limitations:

9 (1) \$1,800,000 of the general fund--state appropriation for fiscal
10 year 2010 and \$1,800,000 of the general fund--state appropriation for
11 fiscal year 2011 are provided solely for school districts for petitions
12 to juvenile court for truant students as provided in RCW 28A.225.030
13 and 28A.225.035. The office of the administrator for the courts shall
14 develop an interagency agreement with the superintendent of public
15 instruction to allocate the funding provided in this subsection.
16 Allocation of this money to school districts shall be based on the
17 number of petitions filed. This funding includes amounts school
18 districts may expend on the cost of serving petitions filed under RCW
19 28A.225.030 by certified mail or by personal service or for the
20 performance of service of process for any hearing associated with RCW
21 28A.225.030.

22 (2)(a) \$8,252,000 of the general fund--state appropriation for
23 fiscal year 2010 and \$8,253,000 of the general fund--state
24 appropriation for fiscal year 2011 are provided solely for distribution
25 to county juvenile court administrators to fund the costs of processing
26 truancy, children in need of services, and at-risk youth petitions.
27 The administrator for the courts, in conjunction with the juvenile
28 court administrators, shall develop an equitable funding distribution
29 formula. The formula shall neither reward counties with higher than
30 average per-petition processing costs nor shall it penalize counties
31 with lower than average per-petition processing costs.

32 (b) Each fiscal year during the 2009-11 fiscal biennium, each
33 county shall report the number of petitions processed and the total
34 actual costs of processing truancy, children in need of services, and
35 at-risk youth petitions. Counties shall submit the reports to the
36 administrator for the courts no later than 45 days after the end of the
37 fiscal year. The administrator for the courts shall electronically
38 transmit this information to the chairs and ranking minority members of

1 the house of representatives appropriations committee and the senate
2 ways and means committee no later than 60 days after a fiscal year
3 ends. These reports are deemed informational in nature and are not for
4 the purpose of distributing funds.

5 (3) The distributions made under this subsection and distributions
6 from the county criminal justice assistance account made pursuant to
7 section 801 of this act constitute appropriate reimbursement for costs
8 for any new programs or increased level of service for purposes of RCW
9 43.135.060.

10 (4) \$5,700,000 of the judicial information systems account--state
11 appropriation is provided solely for modernization and integration of
12 the judicial information system.

13 (a) Of this amount, \$1,700,000 is for the development of a
14 comprehensive enterprise-level information technology strategy and
15 detailed business and operational plans in support of that strategy,
16 and \$4,000,000 is to continue to modernize and integrate current
17 systems and enhance case management functionality on an incremental
18 basis.

19 (b) The amount provided in this subsection may not be expended
20 without prior approval by the judicial information system committee
21 (~~in consultation with the information services board~~). The
22 administrator shall regularly submit project plan updates for approval
23 to the judicial information system committee (~~and the information~~
24 ~~services board~~).

25 (c) The judicial information system committee (~~and the information~~
26 ~~services board~~) shall review project progress on a regular basis and
27 may require quality assurance plans. The judicial information systems
28 committee (~~and the information services board~~) shall provide a report
29 to the appropriate committees of the legislature no later than November
30 1, 2011, on the status of the judicial information system modernization
31 and integration, and the consistency of the project with the state's
32 architecture, infrastructure and statewide enterprise view of service
33 delivery.

34 (d) \$100,000 of the judicial information systems account--state
35 appropriation is provided solely for the administrative office of the
36 courts, in coordination with the judicial information system committee,
37 to conduct an independent third-party executive-level review of the
38 judicial information system. This review shall examine, at a minimum,

1 the scope of the current project plan, governance structure, and
2 organizational change management procedures. The review will also
3 benchmark the system plans against similarly sized projects in other
4 states or localities, review the large scale program risks, and
5 estimate life cycle costs, including capitol and on-going operational
6 expenditures.

7 (5) \$3,000,000 of the judicial information systems account--state
8 appropriation is provided solely for replacing computer equipment at
9 state courts, and at state judicial agencies. The administrator for
10 the courts shall prioritize equipment replacement purchasing and shall
11 fund those items that are most essential or critical. By October 1,
12 2010, the administrative office of the courts shall report to the
13 appropriate legislative fiscal committees on expenditures for equipment
14 under this subsection.

15 (6) \$3,797,000 of the judicial information systems account--state
16 appropriation is provided solely for continued planning and
17 implementation of improvements to the court case management system.

18 (7) \$100,000 of the judicial information systems account--state
19 appropriation is provided solely for Engrossed Second Substitute Senate
20 Bill 6561 (juvenile offender records). If the bill is not enacted by
21 June 30, 2010, the amount provided in this subsection shall lapse.

22 (8) \$12,000 of the judicial information systems account--state
23 appropriation is provided solely to implement Engrossed Substitute
24 House Bill No. 1954 (sealing juvenile records). If the bill is not
25 enacted by June 30, 2009, the amount provided in this subsection shall
26 lapse.

27 ((+7)) (9) \$106,000 of the general fund--state appropriation for
28 fiscal year 2010 and \$106,000 of the general fund--state appropriation
29 for fiscal year 2011 are provided solely for the twenty-third superior
30 court judge position in Pierce county. The funds appropriated in this
31 subsection shall be expended only if the judge is appointed and serving
32 on the bench.

33 ((+8)) (10) It is the intent of the legislature that the
34 reductions in appropriations in this section shall be achieved, to the
35 greatest extent possible, by reducing those state government
36 administrative costs that do not affect direct client services or
37 direct service delivery or programs. The agency shall, to the greatest

1 extent possible, reduce spending in those areas that shall have the
2 least impact on implementing its mission.

3 (11) \$100,000 of the general fund--state appropriation for fiscal
4 year 2011 is provided solely for the implementation of Second
5 Substitute Senate Bill No. 5912 (judicial election reform act). If the
6 bill is not enacted by June 30, 2010, the amount provided in this
7 subsection shall lapse.

8 **Sec. 114.** 2009 c 564 s 115 (uncodified) is amended to read as
9 follows:

10 **FOR THE OFFICE OF PUBLIC DEFENSE**

11	General Fund--State Appropriation (FY 2010)	\$25,385,000
12	General Fund--State Appropriation (FY 2011)	(\$24,592,000)
13		<u>\$22,161,000</u>
14	Judicial Stabilization Trust Account--State	
15	Appropriation	(\$2,923,000)
16		<u>\$5,354,000</u>
17	TOTAL APPROPRIATION	(\$52,900,000)
18		<u>\$52,900,000</u>

19 The appropriations in this section are subject to the following
20 conditions and limitations:

21 (1) It is the intent of the legislature that the reductions in
22 appropriations in this section shall be achieved, to the greatest
23 extent possible, by reducing those state government administrative
24 costs that do not affect direct client services or direct service
25 delivery or programs. The agency shall, to the greatest extent
26 possible, reduce spending in those areas that shall have the least
27 impact on implementing its mission.

28 (2) The amounts provided include funding for expert and
29 investigative services in death penalty personal restraint petitions.

30 **Sec. 115.** 2009 c 564 s 116 (uncodified) is amended to read as
31 follows:

32 **FOR THE OFFICE OF CIVIL LEGAL AID**

33	General Fund--State Appropriation (FY 2010)	\$11,175,000
34	General Fund--State Appropriation (FY 2011)	(\$11,105,000)
35		<u>\$9,780,000</u>
36	Judicial Stabilization Trust Account--State	

1 audit, an annual financial statement, and an annual report, including
2 benchmarks that measure the success of the nonprofit organization in
3 meeting the intent of the program.

4 (d) No portion of any amounts disbursed pursuant to this subsection
5 may be used, directly or indirectly, for any of the following purposes:

6 (i) Attempting to influence the passage or defeat of any
7 legislation by the legislature of the state of Washington, by any
8 county, city, town, or other political subdivision of the state of
9 Washington, or by the congress, or the adoption or rejection of any
10 rule, standard, rate, or other legislative enactment of any state
11 agency;

12 (ii) Making contributions reportable under chapter 42.17 RCW; or

13 (iii) Providing any: (A) Gift; (B) honoraria; or (C) travel,
14 lodging, meals, or entertainment to a public officer or employee.

15 (3) The appropriations in this section are based upon savings
16 assumed from the implementation of Senate Bill No. 6122 (election
17 costs).

18 (4) (~~The secretary of state shall not reduce the services provided
19 by the talking book and Braille library below the service level
20 provided in fiscal year 2008.~~

21 +5)) In implementing budget reductions, the office of the
22 secretary of state must make its first priority to maintain funding for
23 the elections division.

24 (5) \$820,000 of the general fund--state appropriation and
25 \$1,539,000 of the general fund--federal appropriation are provided
26 solely for the library services to state institutions.

27 (6) \$77,000 of the general fund--state appropriation for fiscal
28 year 2010 is provided solely for deposit to the election account.

29 **Sec. 120.** 2009 c 564 s 121 (uncodified) is amended to read as
30 follows:

31 FOR THE GOVERNOR'S OFFICE OF INDIAN AFFAIRS	
32 General Fund--State Appropriation (FY 2010)	(((\$266,000))
33	<u>\$273,000</u>
34 General Fund--State Appropriation (FY 2011)	(((\$276,000))
35	<u>\$189,000</u>
36 TOTAL APPROPRIATION	(((\$542,000))
37	<u>\$462,000</u>

1 The appropriations in this section are subject to the following
 2 conditions and limitations: The office shall assist the department of
 3 personnel on providing the government-to-government training sessions
 4 for federal, state, local, and tribal government employees. The
 5 training sessions shall cover tribal historical perspectives, legal
 6 issues, tribal sovereignty, and tribal governments. Costs of the
 7 training sessions shall be recouped through a fee charged to the
 8 participants of each session. The department of personnel shall be
 9 responsible for all of the administrative aspects of the training,
 10 including the billing and collection of the fees for the training.

11 **Sec. 121.** 2009 c 564 s 122 (uncodified) is amended to read as
 12 follows:

13 **FOR THE COMMISSION ON ASIAN PACIFIC AMERICAN AFFAIRS**

14	General Fund--State Appropriation (FY 2010)	((\$236,000))
15		<u>\$221,000</u>
16	General Fund--State Appropriation (FY 2011)	((\$224,000))
17		<u>\$161,000</u>
18	TOTAL APPROPRIATION	((\$460,000))
19		<u>\$382,000</u>

20 **Sec. 122.** 2009 c 564 s 123 (uncodified) is amended to read as
 21 follows:

22 **FOR THE STATE TREASURER**

23	State Treasurer's Service Account--State	
24	Appropriation	((\$14,802,000))
25		<u>\$14,804,000</u>

26 **Sec. 123.** 2009 c 564 s 124 (uncodified) is amended to read as
 27 follows:

28 **FOR THE STATE AUDITOR**

29	General Fund--State Appropriation (FY 2010)	((\$722,000))
30		<u>\$720,000</u>
31	General Fund--State Appropriation (FY 2011)	((\$729,000))
32		<u>\$702,000</u>
33	State Auditing Services Revolving	
34	Account--State Appropriation	((\$12,061,000))
35		<u>\$10,857,000</u>

1 TOTAL APPROPRIATION ((~~\$13,512,000~~))
2 \$12,279,000

3 The appropriations in this section are subject to the following
4 conditions and limitations:

5 (1) Audits of school districts by the division of municipal
6 corporations shall include findings regarding the accuracy of: (a)
7 Student enrollment data; and (b) the experience and education of the
8 district's certified instructional staff, as reported to the
9 superintendent of public instruction for allocation of state funding.

10 (2) (~~\$722,000~~) \$720,000 of the general fund--state appropriation
11 for fiscal year 2010 and (~~\$729,000~~) \$702,000 of the general fund--
12 state appropriation for fiscal year 2011 are provided solely for staff
13 and related costs to verify the accuracy of reported school district
14 data submitted for state funding purposes; conduct school district
15 program audits of state funded public school programs; establish the
16 specific amount of state funding adjustments whenever audit exceptions
17 occur and the amount is not firmly established in the course of regular
18 public school audits; and to assist the state special education safety
19 net committee when requested.

20 (3) Within the amounts appropriated in this section, the state
21 auditor shall continue to complete the annual audit of the state's
22 comprehensive annual financial report and the annual federal single
23 audit consistent with the auditing standards generally accepted in the
24 United States and the standards applicable to financial audits
25 contained in government auditing standards, issued by the comptroller
26 general of the United States, and OMB circular A-133, audits of states,
27 local governments, and nonprofit organizations.

28 **Sec. 124.** 2010 c 3 s 103 (uncodified) is amended to read as
29 follows:

30 **FOR THE ATTORNEY GENERAL**

31 General Fund--State Appropriation (FY 2010) (~~\$5,285,000~~)
32 \$5,712,000
33 General Fund--State Appropriation (FY 2011) (~~\$5,614,000~~)
34 \$5,727,000
35 General Fund--Federal Appropriation \$4,026,000
36 New Motor Vehicle Arbitration Account--State
37 Appropriation \$1,346,000

1 Legal Services Revolving Account--State
2 Appropriation ((\$221,515,000))
3 \$223,480,000
4 Tobacco Prevention and Control Account--State
5 Appropriation \$270,000
6 TOTAL APPROPRIATION ((\$238,056,000))
7 \$240,561,000

8 The appropriations in this section are subject to the following
9 conditions and limitations:

10 (1) The attorney general shall report each fiscal year on actual
11 legal services expenditures and actual attorney staffing levels for
12 each agency receiving legal services. The report shall be submitted to
13 the office of financial management and the fiscal committees of the
14 senate and house of representatives no later than ninety days after the
15 end of each fiscal year. As part of its by agency report to the
16 legislative fiscal committees and the office of financial management,
17 the office of the attorney general shall include information detailing
18 the agency's expenditures for its agency-wide overhead and a breakdown
19 by division of division administration expenses.

20 (2) Prior to entering into any negotiated settlement of a claim
21 against the state that exceeds five million dollars, the attorney
22 general shall notify the director of financial management and the
23 chairs of the senate committee on ways and means and the house of
24 representatives committee on ways and means.

25 (3) The office of the attorney general is authorized to expend
26 \$2,100,000 from the Zyprexa and other cy pres awards towards consumer
27 protection costs in accordance with uses authorized in the court
28 orders.

29 (4) The attorney general shall annually report to the fiscal
30 committees of the legislature all new cy pres awards and settlements
31 and all new accounts, disclosing their intended uses, balances, the
32 nature of the claim or account, proposals, and intended timeframes for
33 the expenditure of each amount. The report shall be distributed
34 electronically and posted on the attorney general's web site. The
35 report shall not be printed on paper or distributed physically.

36 **Sec. 125.** 2010 c 3 s 104 (uncodified) is amended to read as
37 follows:

1 **FOR THE CASELOAD FORECAST COUNCIL**

2	General Fund--State Appropriation (FY 2010)	\$766,000
3	General Fund--State Appropriation (FY 2011)	(((\$759,000))
4		<u>\$0</u>
5	TOTAL APPROPRIATION	(((\$1,525,000))
6		<u>\$766,000</u>

7 The appropriations in this section are subject to the following
8 conditions and limitations: ~~(((\$13,000 of the general fund state~~
9 ~~appropriation for fiscal year 2010 and \$7,000 of the general fund~~
10 ~~state appropriation for fiscal year 2011 are for the implementation of~~
11 ~~Second Substitute House Bill No. 2106 (improving child welfare outcomes~~
12 ~~through the phased implementation of strategic and proven reforms). If~~
13 ~~the bill is not enacted by June 30, 2009, the amounts provided in this~~
14 ~~subsection shall lapse.)) If Senate Bill No. 6849 (consolidating
15 forecast functions) is not enacted by June 30, 2010, the general fund--
16 state appropriation for fiscal year 2011 in this section shall be
17 increased by \$756,000.~~

18 **Sec. 126.** 2010 c 3 s 105 (uncodified) is amended to read as
19 follows:

20 **FOR THE DEPARTMENT OF COMMERCE**

21	General Fund--State Appropriation (FY 2010)	(((\$51,015,000))
22		<u>\$49,548,000</u>
23	General Fund--State Appropriation (FY 2011)	(((\$51,813,000))
24		<u>\$25,231,000</u>
25	General Fund--Federal Appropriation	(((\$384,540,000))
26		<u>\$367,559,000</u>
27	General Fund--Private/Local Appropriation	(((\$16,266,000))
28		<u>\$10,635,000</u>
29	Public Works Assistance Account--State Appropriation	\$2,990,000
30	Tourism Development and Promotion Account--State	
31	Appropriation	\$1,003,000
32	Drinking Water Assistance Administrative	
33	Account--State Appropriation	\$439,000
34	Lead Paint Account--State Appropriation	(((\$18,000))
35		<u>\$35,000</u>
36	Building Code Council Account--State Appropriation . . .	(((\$1,286,000))
37		<u>\$693,000</u>

1	Home Security Fund Account--State Appropriation	((\$23,498,000))
2		<u>\$24,533,000</u>
3	Affordable Housing for All Account--State Appropriation . .	\$11,900,000
4	Washington Auto Theft Prevention Authority	
5	Account--State Appropriation	\$300,000
6	Independent Youth Housing Account--State Appropriation . .	((\$80,000))
7		<u>\$220,000</u>
8	Community Preservation and Development Authority	
9	Account--State Appropriation	\$350,000
10	Financial Fraud and Identity Theft Crimes Investigation	
11	and Prosecution Account--State Appropriation	\$1,166,000
12	Low-Income Weatherization Assistance Account--State	
13	Appropriation	((\$8,382,000))
14		<u>\$6,883,000</u>
15	Manufacturing Innovation and Modernization	
16	Account--State Appropriation	((\$246,000))
17		<u>\$230,000</u>
18	Community and Economic Development Fee	
19	Account--State Appropriation	((\$1,833,000))
20		<u>\$1,535,000</u>
21	Washington Housing Trust Account--State	
22	Appropriation	((\$15,372,000))
23		<u>\$15,289,000</u>
24	Public Facility Construction Loan Revolving	
25	Account--State Appropriation	\$755,000
26	<u>County Research Services Account--State Appropriation</u>	<u>\$469,000</u>
27	<u>City and Town Research Services Account--State</u>	
28	<u> Appropriation</u>	<u>\$2,246,000</u>
29	TOTAL APPROPRIATION	((\$573,252,000))
30		<u>\$524,009,000</u>

31 The appropriations in this section are subject to the following
32 conditions and limitations:

33 (1) ((~~\$2,520,000~~)) \$2,295,000 of the general fund--state
34 appropriation for fiscal year 2010 and ((~~\$2,521,000~~)) \$2,256,000 of the
35 general fund--state appropriation for fiscal year 2011 are provided
36 solely for a contract with the Washington technology center for work

1 essential to the mission of the Washington technology center and
2 conducted in partnership with universities.

3 (2) Repayments of outstanding loans granted under RCW 43.63A.600,
4 the mortgage and rental assistance program, shall be remitted to the
5 department, including any current revolving account balances. The
6 department shall collect payments on outstanding loans, and deposit
7 them into the state general fund. Repayments of funds owed under the
8 program shall be remitted to the department according to the terms
9 included in the original loan agreements.

10 (3) \$100,000 of the general fund--state appropriation for fiscal
11 year 2010 and \$100,000 of the general fund--state appropriation for
12 fiscal year 2011 are provided solely to implement section 2(7) of
13 Engrossed Substitute House Bill No. 1959 (land use and transportation
14 planning for marine container ports).

15 (4) \$102,000 of the building code council account--state
16 appropriation is provided solely for the implementation of sections 3
17 and 7 of Engrossed Second Substitute Senate Bill No. 5854 (built
18 environment pollution). If sections 3 and 7 of the bill are not
19 enacted by June 30, 2009, the amounts provided in this subsection shall
20 lapse.

21 (5)(a) \$10,500,000 of the general fund--federal appropriation is
22 provided for training and technical assistance associated with low
23 income weatherization programs. Subject to federal requirements, the
24 department shall provide: (i) Up to \$4,000,000 to the state board for
25 community and technical colleges to provide workforce training related
26 to weatherization and energy efficiency; (ii) up to \$3,000,000 to the
27 Bellingham opportunity council to provide workforce training related to
28 energy efficiency and weatherization; and (iii) up to \$3,500,000 to
29 community-based organizations and to community action agencies
30 consistent with the provisions of Engrossed Second Substitute House
31 Bill No. 2227 (evergreen jobs act). Any funding remaining shall be
32 expended in project 91000013, weatherization, in the omnibus capital
33 appropriations act, Substitute House Bill No. 1216 (capital budget).

34 (b) \$6,787,000 of the general fund--federal appropriation is
35 provided solely for the state energy program, including not less than
36 \$5,000,000 to provide credit enhancements consistent with the
37 provisions of Engrossed Second Substitute Senate Bill No. 5649 (energy
38 efficiency in buildings).

1 (c) Of the general fund--federal appropriation the department shall
2 provide: \$14,500,000 to the Washington State University for the
3 purpose of making grants for pilot projects providing community-wide
4 urban, residential, and commercial energy efficiency upgrades
5 consistent with the provisions of Engrossed Second Substitute Senate
6 Bill No. 5649 (energy efficiency in buildings); \$500,000 to Washington
7 State University to conduct farm energy assessments. In contracting
8 with the Washington State University for the provision of these
9 services, the total administration of Washington State University and
10 the department shall not exceed 3 percent of the amounts provided.

11 (d) \$38,500,000 of the general fund--federal appropriation is
12 provided for deposit in the energy recovery act account to establish a
13 revolving loan program, consistent with the provisions of Engrossed
14 Substitute House Bill No. 2289 (expanding energy freedom program).

15 (e) \$10,646,000 of the general fund--federal appropriation is
16 provided pursuant to the energy efficiency and conservation block grant
17 under the American reinvestment and recovery act. The department may
18 use up to \$3,000,000 of the amount provided in this subsection to
19 provide technical assistance for energy programs administered by the
20 agency under the American reinvestment and recovery act.

21 (6) \$14,000 of the general fund--state appropriation for fiscal
22 year 2010 is provided solely for the implementation of Engrossed Second
23 Substitute Senate Bill No. 5560 (state agency climate leadership). If
24 the bill is not enacted by June 30, 2009, the amount provided in this
25 subsection shall lapse.

26 (7) \$22,400,000 of the general fund--federal appropriation is
27 provided solely for the justice assistance grant program and is
28 contingent upon the department transferring: \$1,200,000 to the
29 department of corrections for security threat mitigation, \$2,336,000 to
30 the department of corrections for offender reentry, \$1,960,000 to the
31 Washington state patrol for law enforcement activities, \$2,087,000 to
32 the department of social and health services, division of alcohol and
33 substance abuse for drug courts, and \$428,000 to the department of
34 social and health services for sex abuse recognition training. The
35 remaining funds shall be distributed by the department to local
36 jurisdictions.

37 (8) \$20,000 of the general fund--state appropriation for fiscal
38 year 2010 and \$20,000 of the general fund--state appropriation for

1 fiscal year 2011 are provided solely for a grant to KCTS public
2 television to support Spanish language programming and the V-me Spanish
3 language channel.

4 (9) \$500,000 of the general fund--state appropriation for fiscal
5 year 2010 and \$500,000 of the general fund--state appropriation for
6 fiscal year 2011 are provided solely for a grant to resolution
7 Washington to building statewide capacity for alternative dispute
8 resolution centers and dispute resolution programs that guarantee that
9 citizens have access to low-cost resolution as an alternative to
10 litigation.

11 (10) \$30,000 of the general fund--state appropriation for fiscal
12 year 2010 is provided solely for implementation of Engrossed Second
13 Substitute Senate Bill No. 6015 (commercialization of technology). If
14 the bill is not enacted by June 30, 2009, the amount provided in this
15 subsection shall lapse.

16 (11) By June 30, 2011, the department shall request information
17 that describes what jurisdictions have adopted, or are in the process
18 of adopting, plans that address RCW 36.70A.020 and helps achieve the
19 greenhouse gas emission reductions established in RCW 70.235.020. This
20 information request in this subsection applies to jurisdictions that
21 are required to review and if necessary revise their comprehensive
22 plans (~~((by December 1, 2011))~~), in accordance with RCW 36.70A.130.

23 (12) During the 2009-11 fiscal biennium, the department shall allot
24 all of its appropriations subject to allotment by object, account, and
25 expenditure authority code to conform with the office of financial
26 management's definition of an option 2 allotment. For those funds
27 subject to allotment but not appropriation, the agency shall submit
28 option 2 allotments to the office of financial management.

29 (13) \$50,000 of the general fund--state appropriation for fiscal
30 year 2010 and \$50,000 of the general fund--state appropriation for
31 fiscal year 2011 are provided solely for a grant for the state's
32 participation in the Pacific Northwest economic region.

33 (14)(a) \$712,000 of the general fund--state appropriation for
34 fiscal year 2010 (~~((and \$712,000 of the general fund state
35 appropriation for fiscal year 2011 are))~~) is provided solely to the
36 office of crime victims advocacy. These funds shall be contracted with
37 the 39 county prosecuting attorneys' offices to support victim-witness

1 services. The funds must be prioritized to ensure a full-time victim-
2 witness coordinator in each county. The office may retain only the
3 amount currently allocated for this activity for administrative costs.

4 (b) Beginning July 1, 2010, the functions of the office of crime
5 victims advocacy are transferred to the department of labor and
6 industries. Funding for these activities for fiscal year 2011 is
7 appropriated to the department of labor and industries.

8 (15) \$306,000 of the general fund--state appropriation for fiscal
9 year 2010 and \$306,000 of the general fund--state appropriation for
10 fiscal year 2011 are provided solely for a grant to the retired senior
11 volunteer program.

12 (16)(a) \$65,000 of the general fund--state appropriation for fiscal
13 year 2010 (~~and \$65,000 of the general fund--state appropriation for~~
14 ~~fiscal year 2011 are~~) is provided solely for a contract with a food
15 distribution program for communities in the southwestern portion of the
16 state and for workers impacted by timber and salmon fishing closures
17 and reductions. The department may not charge administrative overhead
18 or expenses to the funds provided in this subsection.

19 (b) Beginning July 1, 2010, the functions of the emergency food
20 assistance program are transferred to the department of agriculture.
21 Funding for these activities for fiscal year 2011 is appropriated to
22 the department of agriculture.

23 (17) \$371,000 of the general fund--state appropriation for fiscal
24 year 2010 and \$371,000 of the general fund--state appropriation for
25 fiscal year 2011 are provided solely to the northwest agriculture
26 business center.

27 (18) The department shall administer its growth management act
28 technical assistance so that smaller cities receive proportionately
29 more assistance than larger cities or counties. Pass-through grants
30 shall continue to be funded under 2007-09 policy.

31 (19) \$212,000 of the general fund--federal appropriation is
32 provided solely for implementation of Second Substitute House Bill No.
33 1172 (development rights transfer). If the bill is not enacted by June
34 30, 2009, the amount provided in this subsection shall lapse.

35 (20) \$69,000 of the general fund--state appropriation for fiscal
36 year 2010 and \$66,000 of the general fund--state appropriation for
37 fiscal year 2011 are provided solely for implementation of Engrossed

1 Second Substitute House Bill No. 2227 (evergreen jobs act). If the
2 bill is not enacted by June 30, 2009, the amounts provided in this
3 subsection shall lapse.

4 (21) \$350,000 of the community development and preservation
5 authority account--state appropriation is provided solely for a grant
6 to a community development authority established under chapter 43.167
7 RCW. The community preservation and development's board of directors
8 may contract with nonprofit community organizations to aid in
9 mitigating the effects of increased public impact on urban
10 neighborhoods due to events in stadia that have a capacity of over
11 50,000 spectators.

12 (22) \$300,000 of the Washington auto theft prevention authority
13 account--state appropriation is provided solely for a contract with a
14 community group to build local community capacity and economic
15 development within the state by strengthening political relationships
16 between economically distressed communities and governmental
17 institutions. The community group shall identify opportunities for
18 collaboration and initiate activities and events that bring community
19 organizations, local governments, and state agencies together to
20 address the impacts of poverty, political disenfranchisement, and
21 economic inequality on communities of color. These funds must be
22 matched by other nonstate sources on an equal basis.

23 ~~(23) ((\$1,800,000 of the home security fund--state appropriation is
24 provided for transitional housing assistance or partial payments for
25 rental assistance under the independent youth housing program.~~

26 ~~(24))~~ \$5,000,000 of the home security fund--state appropriation is
27 provided solely for the operation, repair, and staffing of shelters in
28 the homeless family shelter program.

29 (24) \$100,000 of the general fund--state appropriation for fiscal
30 year 2011 is provided solely to implement Second Substitute Senate Bill
31 No. 6679 (export finance assistance center). If the bill is not
32 enacted by June 30, 2010, the amount provided in this subsection shall
33 lapse.

34 (25) \$250,000 of the general fund--state appropriation for fiscal
35 year 2011 is provided solely to implement Second Substitute Senate Bill
36 No. 6667 (business assistance programs). If the bill is not enacted by
37 June 30, 2010, the amount provided in this subsection shall lapse.

1 (26) \$250,000 of the general fund--state appropriation for fiscal
2 year 2011 is provided solely to implement Second Substitute Senate Bill
3 No. 6790 (innovation partnership zones). If the bill is not enacted by
4 June 30, 2010, the amount provided in this subsection shall lapse.

5 (27)(a) The economic development commission must develop a biennial
6 budget request for approval by the office of financial management. The
7 commission must adopt an annual budget and work plan in accordance with
8 the omnibus appropriations bill approved by the legislature.

9 (b) Of state appropriated funds for the operation of the
10 commission, the state agency serving as the commission's fiscal agent
11 may use no more than ten percent of funds appropriated for commission
12 personnel costs and no more than three percent of funds in the
13 Washington state economic development commission account to cover
14 administrative expenses.

15 (c) The commission may accept gifts, grants, donations,
16 sponsorships, or contributions from any federal, state, or local
17 governmental agency or program, or any private source, and expend the
18 same for any purpose consistent with this chapter.

19 (d) The Washington state economic development commission account is
20 created in the custody of the state treasurer. All receipts from
21 gifts, grants, donations, sponsorships, or contributions must be
22 deposited into the account. State appropriated funds may not be
23 deposited into the account. The account is subject to the allotment
24 procedures under chapter 43.88 RCW, but an appropriation is not
25 required for expenditures. Expenditures from the account may be used
26 only for purposes related to carrying out the mission, roles, and
27 responsibilities of the commission. Only the commission, or the
28 commission's designee, may authorize expenditures from the account.

29 (28) \$250,000 of the general fund--state appropriation for fiscal
30 year 2011 is provided solely for the department to administer a
31 competitive grant program to fund economic development activities
32 designed to further regional cluster growth and to integrate its
33 sector-based and cluster-based strategies with its support for the
34 development of innovation partnership zones. Grant recipients must
35 provide matching funds equal to the size of the grant. Grants may be
36 awarded to support the formation of sector associations or cluster
37 associations, the identification of the technology and
38 commercialization needs of a sector or cluster, facilitating working

1 relationships between a sector association or cluster association and
2 an innovation partnership zone, expanding the operations of an
3 innovation partnership zone, and developing and implementing plans to
4 meet the technology development and commercialization needs of industry
5 sectors, industry clusters, and innovation partnership zones. The
6 projects receiving grants must not duplicate the purpose or efforts of
7 industry skill panels but priority must be given to applicants that
8 complement industry skill panels and will use the grant funds to build
9 linkages and joint projects.

10 (29) \$100,000 of the general fund--state appropriation for fiscal
11 year 2011 is provided solely for the small business export finance
12 assistance center to make loans or provide loan guarantees on loans
13 made by financial institutions to Washington businesses with annual
14 sales of two hundred million dollars or less for the purpose of
15 financing exports of goods or services by those businesses to buyers in
16 foreign countries and for the purpose of financing business growth to
17 accommodate increased export sales. Loans or loan guarantees made
18 under the authority of this section may only be considered upon a
19 financial institution's assurance that such loan or loan guarantee is
20 otherwise not available. The small business export finance assistance
21 center must:

22 (a) Develop a rural manufacturer export outreach program in
23 conjunction with impact Washington. The program must provide outreach
24 services to rural manufacturers in Washington to inform them of the
25 importance of and opportunities in international trade, and to inform
26 them of the export assistance programs available to assist these
27 businesses to become exporters; and

28 (b) Develop export loan or loan guarantee programs in conjunction
29 with the Washington economic development finance authority and the
30 appropriate federal and private entities.

31 (30) \$1,000,000 of the general fund--state appropriation for fiscal
32 year 2011 is provided solely for a Washington global health
33 technologies and product development competitiveness program.

34 (a) The program must be administered by a board of directors
35 appointed by the governor. The governor must make the appointments
36 after consultation with a statewide alliance of global health research,
37 nonprofit, and private entities. The board consists of the following
38 members:

1 (i) Three members representing private companies engaged in the
2 provision of global health products or services;

3 (ii) Three members representing nonprofit organizations supporting
4 global health research or providing global health products or services;

5 (iii) Three members representing public research institutions
6 engaged in global health research and education; and

7 (iv) One member who is a former elected official.

8 (b) The governor must appoint the chair of the board from among the
9 members. The governor must appoint the members to staggered terms and
10 each appointment may not last more than three years, but an appointee
11 may serve more than one term.

12 (c) The board must contract with the department of health for
13 management services to assist the board in implementing the program.

14 (d) The board must solicit and receive gifts, grants, bequests,
15 royalty payments, licensing income, and other funds from businesses,
16 foundations, and the federal government to promote the development and
17 delivery of global health technologies and products. When required by
18 those providing the funds, all such funds received must be deposited in
19 the Washington global health technologies and product development
20 account created in this subsection. For all other funds received, the
21 board must create and administer an account to carry out the purposes
22 of this section. Funds from the account created by the board may be
23 used solely for expenditures on activities required in this section.

24 (e) The board must establish eligibility criteria for global health
25 technologies and product development grants and adopt policies and
26 procedures to facilitate the orderly process of grant application,
27 review, and reward.

28 (f) The board must make grants to entities pursuant to contract for
29 the development, production, promotion, and delivery of global health
30 technologies and products considering the following:

31 (i) The quality of the proposed research or the proposed technical
32 assistance in product development or production process design. Any
33 grant funds awarded for research activities must be awarded for
34 nonbasic research which will assist in commercialization or manufacture
35 of global health technologies;

36 (ii) The potential for the grant recipient to improve global health
37 outcomes;

1 (iii) The potential for the grant to leverage additional funding
2 for the development of global health technologies and products;

3 (iv) The potential for the grant to stimulate, or promote technical
4 skills training for, employment in the development of global health
5 technologies in the state;

6 (v) The willingness of the grant recipient, when appropriate, to
7 enter into royalty or licensing income agreements with the board; and

8 (vi) Any other factors, as the board determines.

9 (g) Grant contracts must specify that award recipients must conduct
10 their research, development, and any subsequent production activities
11 within Washington, with the exception of activities such as clinical
12 trials that must be carried out in developing countries, and that a
13 failure to comply with this requirement will obligate the recipient to
14 return the amount of the award plus interest as determined by the
15 board.

16 (h) Upon the recommendation of the Washington economic development
17 commission, the board may provide funding for the recruitment and
18 employment by public research and global health nonprofit institutions
19 in the state of global health researchers with a history of
20 commercialization of global health technologies.

21 (i) The Washington global health technologies and product
22 development account is created in the custody of the state treasurer.
23 Only the board of directors of the Washington global health
24 technologies and product development competitiveness program or the
25 board's designee may authorize expenditures from the account. All
26 receipts from the solicitations required in this subsection must be
27 deposited in the account if such deposition is required by those
28 providing the funds. Expenditures from the account may be used only
29 for funding activities of the Washington global health technologies and
30 product development competitiveness program under this subsection. The
31 account is subject to the allotment procedures under chapter 43.88 RCW,
32 but an appropriation is not required for expenditures. No state or
33 local governmental funds may be deposited in the account and moneys in
34 the account do not constitute public funds for the purposes of any
35 constitutional or statutory limitation on the use of public funds. Of
36 the total amounts deposited into the account the department of health
37 may use up to three percent for management services and administrative
38 expenses related to the program.

1 (31) \$50,000 of the general fund--state appropriation for fiscal
2 year 2011 is provided solely for the creation of the Washington
3 entrepreneurial development and small business reference service in the
4 department of commerce.

5 (a) The department must:

6 (i) In conjunction with and drawing on information compiled by the
7 work force training and education coordinating board and the Washington
8 economic development commission:

9 (A) Establish and maintain an inventory of the public and private
10 entrepreneurial training and technical assistance services, programs,
11 and resources available in the state;

12 (B) Disseminate information about available entrepreneurial
13 development and small business assistance services, programs, and
14 resources via in-person presentations and electronic and printed
15 materials and undertake other activities to raise awareness of
16 entrepreneurial training and small business assistance offerings; and

17 (C) Evaluate the extent to which existing entrepreneurial training
18 and technical assistance programs in the state are effective and
19 represent a consistent, integrated approach to meeting the needs of
20 start-up and existing entrepreneurs;

21 (ii) Assist providers of entrepreneurial development and small
22 business assistance services in applying for federal and private
23 funding to support the entrepreneurial development and small business
24 assistance activities in the state;

25 (iii) Distribute awards for excellence in entrepreneurial training
26 and small business assistance; and

27 (iv) Report to the governor, the economic development commission,
28 the work force training and education coordinating board, and the
29 appropriate legislative committees its recommendations for statutory
30 changes necessary to enhance operational efficiencies or enhance
31 coordination related to entrepreneurial development and small business
32 assistance.

33 (b) In carrying out the duties under this section, the department
34 must seek the advice of small business owners and advocates, the
35 Washington economic development commission, the work force training and
36 education coordinating board, the state board for community and
37 technical colleges, the employment security department, the Washington
38 state microenterprise association, associate development organizations,

1 impact Washington, the Washington quality award council, the Washington
2 technology center, the small business export finance assistance center,
3 the Spokane intercollegiate research and technology institute,
4 representatives of the University of Washington business school and the
5 Washington State University college of business and economics, the
6 office of minority and women's business enterprises, the Washington
7 economic development finance authority, and staff from small business
8 development centers.

9 (c) The director may appoint an advisory board or convene such
10 other individuals or groups as he or she deems appropriate to assist in
11 carrying out the department's duties under this section.

12 (32) \$100,000 of the general fund--state appropriation for fiscal
13 year 2011 is provided solely for the Washington state microenterprise
14 association.

15 (33) The investing in innovation account is created in the custody
16 of the state treasurer. Funds may be directed to the account from
17 federal, state, and private sources. Expenditures from the account may
18 be used only to carry out the investing in innovation grants program
19 established under RCW 70.210.030, and other innovation and
20 commercialization purposes consistent with the federal, state, or
21 private and other funding guidelines that apply to the funds deposited
22 in the account. Only the executive director of the Washington
23 technology center or the executive director's designee may authorize
24 expenditures from the account. The account is subject to allotment
25 procedures under chapter 43.88 RCW, but an appropriation is not
26 required for expenditures.

27 (34) \$400,000 of the general fund--state appropriation for fiscal
28 year 2011 is provided solely for a grant to the asset building
29 coalition to provide outreach to consumers.

30 (35) \$50,000 of the general fund--state appropriation for fiscal
31 year 2011 is provided solely for a grant to HistoryLink.

32 **Sec. 127.** 2010 c 3 s 106 (uncodified) is amended to read as
33 follows:

34 **FOR THE ECONOMIC AND REVENUE FORECAST COUNCIL**

35	General Fund--State Appropriation (FY 2010)	\$711,000
36	General Fund--State Appropriation (FY 2011)	(\$785,000)
37		<u>\$1,979,000</u>

1 TOTAL APPROPRIATION ((~~\$1,496,000~~))
2 \$2,690,000

3 The appropriations in this section are subject to the following
4 conditions and limitations:

5 (1) \$1,194,000 of the general fund--state appropriation for fiscal
6 year 2011 is for the implementation of Senate Bill No. 6849
7 (consolidating forecast functions). If the bill is not enacted by June
8 30, 2010, the amounts provided in this subsection shall lapse.

9 (2) The economic and revenue forecast council, in its quarterly
10 revenue forecasts, shall forecast the total revenue for the state
11 lottery.

12 **Sec. 128.** 2010 c 3 s 107 (uncodified) is amended to read as
13 follows:

14 **FOR THE OFFICE OF FINANCIAL MANAGEMENT**

15 General Fund--State Appropriation (FY 2010) ((~~\$21,599,000~~))
16 \$20,628,000
17 General Fund--State Appropriation (FY 2011) ((~~\$20,670,000~~))
18 \$19,640,000
19 General Fund--Federal Appropriation ((~~\$23,597,000~~))
20 \$27,109,000
21 General Fund--Private/Local Appropriation \$1,270,000
22 State Auditing Services Revolving
23 Account--State Appropriation \$25,000
24 Economic Development Strategic Reserve Account--
25 State Appropriation \$280,000
26 TOTAL APPROPRIATION ((~~\$67,441,000~~))
27 \$68,952,000

28 The appropriations in this section are subject to the following
29 conditions and limitations:

30 (1) \$188,000 of the general fund--state appropriation for fiscal
31 year 2010 is provided solely for the implementation of Second
32 Substitute Senate Bill No. 5945 (Washington health partnership plan).

33 If the bill is not enacted by June 30, 2009, the amount provided in
34 this subsection shall lapse.

35 (2) The office of financial management shall conduct a study on
36 alternatives for consolidating or transferring activities and
37 responsibilities of the state lottery commission, state horse racing

1 commission, state liquor control board, and the state gambling
2 commission to achieve cost savings and regulatory efficiencies. In
3 conducting the study, the office of financial management shall consult
4 with the legislative fiscal committees. Further, the office of
5 financial management shall establish an advisory group to include, but
6 not be limited to, representatives of affected businesses, state
7 agencies or entities, local governments, and stakeholder groups. The
8 office of financial management shall submit a final report to the
9 governor and the legislative fiscal committees by November 15, 2009.

10 (3) \$500,000 of the general fund--state appropriation for fiscal
11 year 2010 is provided solely for a study of the feasibility of closing
12 state institutional facilities and a plan on eliminating beds in the
13 state institutional facility inventory. The office of financial
14 management shall contract with consultants with expertise related to
15 the subject matters included in this study. The office of financial
16 management and the consultants shall consult with the department of
17 social and health services, the department of corrections, stakeholder
18 groups that represent the people served in these institutions, labor
19 organizations that represent employees who work in these institutions
20 and other persons or entities with expertise in the areas being
21 studied.

22 (a) For the purposes of this study, "state institutional
23 facilities" means facilities operated by the department of corrections
24 to house persons convicted of a criminal offense, Green Hill school and
25 Maple Lane school operated by the department of social and health
26 services juvenile rehabilitation administration, and residential
27 habilitation centers operated by the department of social and health
28 services.

29 (b) In conducting this study, the consultants shall consider the
30 following factors as appropriate:

31 (i) The availability of alternate facilities including alternatives
32 and opportunities for consolidation with other facilities, impacts on
33 those alternate facilities, and any related capital costs;

34 (ii) The cost of operating the facility, including the cost of
35 providing services and the cost of maintaining or improving the
36 physical plant of the facility;

37 (iii) The geographic factors associated with the facility,

1 including the impact of the facility on the local economy and the
2 economic impact of its closure, and alternative uses for a facility
3 recommended for closure;

4 (iv) The costs associated with closing the facility, including the
5 continuing costs following the closure of the facility;

6 (v) Number and type of staff and the impact on the facility staff
7 including other employment opportunities if the facility is closed;

8 (vi) The savings that will accrue to the state from closure or
9 consolidation of a facility and the impact any closure would have on
10 funding the associated services; and

11 (vii) For the residential habilitation centers, the impact on
12 clients in the facility being recommended for closure and their
13 families, including ability to get alternate services and impact on
14 being moved to another facility.

15 (c) The office of financial management shall submit a final report
16 to the governor and the ways and means committees of the house of
17 representatives and senate by November 1, 2009. The report shall
18 provide a recommendation and a plan to eliminate 1,580 beds in the
19 department of corrections facilities, 235 beds from juvenile
20 rehabilitation facilities, and 250 funded beds in the residential
21 habilitation centers through closure or consolidation of facilities.
22 The report shall include an assessment of each facility studied, where
23 and how the services should be provided, and any costs or savings
24 associated with each recommendation. ((In considering the
25 recommendations of the report, the governor and the legislature shall
26 not consider closure of any state institutional facility unless the
27 report recommended the facility for closure.))

28 (4) The office of financial management shall, with the assistance
29 of the natural resources cabinet as created in executive order 09-07,
30 reduce the number of facilities being leased by the state by
31 consolidating, wherever possible, regional offices and storage
32 facilities of the natural resource agencies. The office of financial
33 management and the natural resources cabinet shall submit a report on
34 the progress of this effort and the associated savings to the
35 appropriate fiscal committees of the legislature no later than December
36 1, 2010.

1 **FOR THE COMMISSION ON HISPANIC AFFAIRS**

2 General Fund--State Appropriation (FY 2010) ((~~\$253,000~~))

3 \$252,000

4 General Fund--State Appropriation (FY 2011) ((~~\$260,000~~))

5 \$183,000

6 TOTAL APPROPRIATION ((~~\$513,000~~))

7 \$435,000

8 **Sec. 133.** 2009 c 564 s 135 (uncodified) is amended to read as

9 follows:

10 **FOR THE COMMISSION ON AFRICAN-AMERICAN AFFAIRS**

11 General Fund--State Appropriation (FY 2010) ((~~\$243,000~~))

12 \$242,000

13 General Fund--State Appropriation (FY 2011) ((~~\$244,000~~))

14 \$167,000

15 TOTAL APPROPRIATION ((~~\$487,000~~))

16 \$409,000

17 **Sec. 134.** 2009 c 564 s 136 (uncodified) is amended to read as

18 follows:

19 **FOR THE DEPARTMENT OF RETIREMENT SYSTEMS--OPERATIONS**

20 Department of Retirement Systems Expense

21 Account--State Appropriation ((~~\$49,504,000~~))

22 \$48,780,000

23 The appropriation in this section is subject to the following

24 conditions and limitations:

25 (1) \$148,000 of the department of retirement systems--state

26 appropriation is provided solely for the administrative costs

27 associated with implementation of Senate Bill No. 5303 (transferring

28 members of retirement systems). If the bill is not enacted by June 30,

29 2009, the amount provided in this subsection shall lapse.

30 (2) \$66,000 of the department of retirement systems expense

31 account--state appropriation is provided for the department of

32 retirement systems to make revisions to various administrative

33 processes as necessary to implement Engrossed Second Substitute Senate

34 Bill No. 5688 (registered domestic partners). If the bill is not

35 enacted by June 30, 2009, the amount provided in this subsection shall

36 lapse.

1 (3) \$12,000 of the department of retirement systems--state
2 appropriation is provided solely for the administrative costs
3 associated with implementation of Senate Bill No. 5542 or House Bill
4 No. 1678 (minimum disability benefits). If neither bill is enacted by
5 June 30, 2009, the amount provided in this subsection shall lapse.

6 (4) \$45,000 of the department of retirement systems expense
7 account--state appropriation is provided solely to implement Engrossed
8 Substitute House Bill No. 1445 (Washington state patrol retirement
9 system domestic partners). If the bill is not enacted by June 30,
10 2009, the amount provided in this subsection shall lapse.

11 (5) \$45,000 of the department of retirement systems expense
12 account--state appropriation is provided solely to implement Engrossed
13 House Bill No. 1616 (law enforcement officers' and firefighters'
14 retirement system plan 2 domestic partners). If the bill is not
15 enacted by June 30, 2009, the amount provided in this subsection shall
16 lapse.

17 (6) \$56,000 of the department of retirement systems expense
18 account--state appropriation is provided solely to implement House Bill
19 No. 1548 (military service credit purchases). If the bill is not
20 enacted by June 30, 2009, the amount provided in this subsection shall
21 lapse.

22 (7) \$35,000 of the department of retirement systems expense
23 account--state appropriation is provided solely to implement Substitute
24 House Bill No. 1953 (department of fish and wildlife enforcement
25 officers' past service credit). If the bill is not enacted by June 30,
26 2009, the amount provided in this subsection shall lapse.

27 (8) \$31,000 of the department of retirement systems expense
28 account--state appropriation is provided solely to implement Engrossed
29 House Bill No. 2519 (public safety death benefits). If the bill is not
30 enacted by June 30, 2010, the amount provided in this subsection shall
31 lapse.

32 (9) \$239,000 of the department of retirement systems expense
33 account--state appropriation is provided solely to implement Engrossed
34 Senate Bill No. 5523 (court commissioners' retirement benefits). If
35 the bill is not enacted by June 30, 2010, the amount provided in this
36 subsection shall lapse.

1 **Sec. 135.** 2010 c 3 s 108 (uncodified) is amended to read as
2 follows:

3 **FOR THE DEPARTMENT OF REVENUE**

4	General Fund--State Appropriation (FY 2010)	((\$108,215,000))
5		<u>\$108,782,000</u>
6	General Fund--State Appropriation (FY 2011)	((\$106,995,000))
7		<u>\$114,180,000</u>
8	Timber Tax Distribution Account--State	
9	Appropriation	\$5,904,000
10	Waste Reduction/Recycling/Litter	
11	Control--State Appropriation	\$130,000
12	Waste Tire Removal Account--State Appropriation	\$2,000
13	Real Estate Excise Tax Grant Account--State	
14	Appropriation	((\$1,050,000))
15		<u>\$3,429,000</u>
16	State Toxics Control Account--State Appropriation	\$87,000
17	Oil Spill Prevention Account--State Appropriation	\$19,000
18	TOTAL APPROPRIATION	((\$222,402,000))
19		<u>\$232,533,000</u>

20 The appropriations in this section are subject to the following
21 conditions and limitations:

22 (1) \$469,000 of the general fund--state appropriation for fiscal
23 year 2010 and \$374,000 of the general fund--state appropriation for
24 fiscal year 2011 are for the implementation of Substitute Senate Bill
25 No. 5368 (annual property revaluation). If the bill is not enacted by
26 June 30, 2009, the amounts in this subsection shall lapse.

27 (2) \$4,653,000 of the general fund--state appropriation for fiscal
28 year 2010 and \$4,424,000 of the general fund--state appropriation for
29 fiscal year 2011 are for the implementation of revenue enhancement
30 strategies. The strategies must include increased out-of-state
31 auditing and compliance, the purchase of third party data sources for
32 enhanced audit selection, and increased traditional auditing and
33 compliance efforts.

34 (3) \$3,127,000 of the general fund--state appropriation for fiscal
35 year 2010 and \$1,737,000 of the general fund--state appropriation for
36 fiscal year 2011 are for the implementation of Senate Bill No. 6173
37 (sales tax compliance). If the bill is not enacted by June 30, 2009,
38 the amounts provided in this subsection shall lapse.

1 (4) \$5,250,000 of the general fund--state appropriation for fiscal
2 year 2011 is provided solely for the implementation of Senate Bill No.
3 6875 (working families tax exemption). If the bill is not enacted by
4 June 30, 2010, the amount provided in this subsection shall lapse. It
5 is also the intent of this subsection to approve implementation of the
6 working families tax exemption as required in RCW 82.08.0206(4).

7 (5) \$2,613,000 of the general fund--state appropriation for fiscal
8 year 2011 is for the implementation of Senate Bill No. 6873 (increasing
9 state revenues to preserve funding for essential public services). If
10 the bill is not enacted by June 30, 2010, the amount provided in this
11 subsection shall lapse.

12 (6) \$163,000 of the general fund--state appropriation for fiscal
13 year 2011 is provided solely for the implementation of Senate Bill No.
14 6846 (enhanced 911 emergency communications services). If the bill is
15 not enacted by June 30, 2010, the amount provided in this subsection
16 shall lapse.

17 **Sec. 136.** 2009 c 564 s 138 (uncodified) is amended to read as
18 follows:

19 **FOR THE STATE INVESTMENT BOARD**

20 State Investment Board Expense Account--State
21 Appropriation ((~~\$29,581,000~~))
22 \$29,585,000

23 The appropriation in this section is subject to the following
24 conditions and limitations:

25 (1) \$2,471,000 of the state investment board expense account--state
26 appropriation is provided solely for development of a risk management
27 information system, with the intent that further expenditures for this
28 project be made only by appropriation.

29 (2) The state investment board shall include funding for any future
30 salary increases authorized under RCW 43.33A.100 in the agency's budget
31 request submitted in accordance with chapter 43.88 RCW in advance of
32 granting related salary increases. The biennial salary survey required
33 under RCW 43.33A.100 shall also be provided to the office of financial
34 management and to the fiscal committees of the legislature as part of
35 the state investment board's biennial budget submittal, and shall
36 include the total amount of compensation increases proposed, as well as
37 recommended salary ranges.

1 **Sec. 137.** 2010 c 3 s 109 (uncodified) is amended to read as
2 follows:

3 **FOR THE BOARD OF TAX APPEALS**

4	General Fund--State Appropriation (FY 2010)	((\$1,342,000))
5		<u>\$1,345,000</u>
6	General Fund--State Appropriation (FY 2011)	((\$1,346,000))
7		<u>\$1,336,000</u>
8	TOTAL APPROPRIATION	((\$2,688,000))
9		<u>\$2,681,000</u>

10 **Sec. 138.** 2009 c 564 s 140 (uncodified) is amended to read as
11 follows:

12 **FOR THE MUNICIPAL RESEARCH COUNCIL**

13	County Research Services Account--State	
14	Appropriation	((\$940,000))
15		<u>\$471,000</u>
16	City and Town Research Services--State	
17	Appropriation	((\$4,515,000))
18		<u>\$2,258,000</u>
19	TOTAL APPROPRIATION	((\$5,455,000))
20		<u>\$2,729,000</u>

21 The appropriations in this section are subject to the following
22 conditions and limitations: Beginning July 1, 2010, the functions of
23 the municipal research council are transferred to the department of
24 commerce. Funding for these activities for fiscal year 2011 is
25 appropriated to the department of commerce.

26 **Sec. 139.** 2009 c 564 s 141 (uncodified) is amended to read as
27 follows:

28 **FOR THE OFFICE OF MINORITY AND WOMEN'S BUSINESS ENTERPRISES**

29	OMWBE Enterprises Account--State Appropriation	((\$3,622,000))
30		<u>\$3,792,000</u>

31 **Sec. 140.** 2009 c 564 s 142 (uncodified) is amended to read as
32 follows:

33 **FOR THE DEPARTMENT OF GENERAL ADMINISTRATION**

34	General Fund--State Appropriation (FY 2010)	\$815,000
35	General Fund--State Appropriation (FY 2011)	((\$811,000))

1		<u>\$415,000</u>
2	General Fund--Federal Appropriation	((\$5,738,000))
3		<u>\$2,956,000</u>
4	<u>General Fund--Private/Local Appropriation</u>	<u>\$84,000</u>
5	<u>Building Code Council--State Appropriation</u>	<u>\$593,000</u>
6	General Administration Service Account--State	
7	Appropriation	((\$35,044,000))
8		<u>\$31,550,000</u>
9	TOTAL APPROPRIATION	((\$42,408,000))
10		<u>\$36,413,000</u>

11 The appropriations in this section are subject to the following
12 conditions and limitations: \$28,000 of the general fund--state
13 appropriation for fiscal year 2010 and \$28,000 of the general fund--
14 state appropriation for fiscal year 2011 are provided solely for the
15 purposes of section 8 of Engrossed Second Substitute Senate Bill No.
16 5854 (built environment pollution). If section 8 of the bill is not
17 enacted by June 30, 2009, the amounts provided in this subsection shall
18 lapse.

19 **Sec. 141.** 2010 c 3 s 110 (uncodified) is amended to read as
20 follows:

21 **FOR THE DEPARTMENT OF INFORMATION SERVICES**

22	General Fund--State Appropriation (FY 2010)	\$1,086,000
23	General Fund--State Appropriation (FY 2011)	\$1,086,000
24	General Fund--Federal Appropriation	\$701,000
25	Data Processing Revolving Account--State	
26	Appropriation	((\$7,824,000))
27		<u>\$7,635,000</u>
28	TOTAL APPROPRIATION	((\$10,697,000))
29		<u>\$10,508,000</u>

30 The appropriations in this section are subject to the following
31 conditions and limitations:

32 (1) \$100,000 of the general fund--state appropriation for fiscal
33 year 2010 and \$100,000 of the general fund--state appropriation for
34 fiscal year 2011 are provided solely for the purposes of Engrossed
35 Second Substitute House Bill No. 1701 (high-speed internet), including
36 expenditure for deposit to the community technology opportunity

1 account. If the bill is not enacted by June 30, 2009, the amounts
2 provided in this subsection shall lapse.

3 (2) The department shall implement some or all of the following
4 strategies to achieve savings on information technology expenditures
5 through: (a) Holistic virtualization strategies; (b) wide-area network
6 optimization strategies; (c) replacement of traditional telephone
7 communications systems with alternatives; and (d) migration of external
8 voice mail systems to internal voice mail systems coordinated by the
9 department. The department shall report to the office of financial
10 management and the fiscal committees of the legislature semiannually on
11 progress made towards the implementation of savings strategies and the
12 savings realized to date. No later than June 30, 2011, the department
13 shall submit a final report on its findings and savings realized to the
14 office of financial management and the fiscal committees of the
15 legislature.

16 **Sec. 142.** 2009 c 564 s 144 (uncodified) is amended to read as
17 follows:

18 **FOR THE INSURANCE COMMISSIONER**

19	General Fund--Federal Appropriation	\$1,943,000
20	Insurance Commissioners Regulatory Account--State	
21	Appropriation	(\$47,978,000)
22		<u>\$47,984,000</u>
23	TOTAL APPROPRIATION	(\$49,921,000)
24		<u>\$49,927,000</u>

25 The appropriations in this section are subject to the following
26 conditions and limitations:

27 (1) \$410,000 of the insurance commissioner's regulatory account
28 appropriation is provided solely to implement Substitute Senate Bill
29 No. 5480 (discount health plans). If the bill is not enacted by June
30 30, 2009, the amount provided in this subsection shall lapse.

31 (2) \$598,000 of the insurance commissioner's regulatory account
32 appropriation is provided solely to implement Substitute Senate Bill
33 No. 5195 (life settlements model act). If the bill is not enacted by
34 June 30, 2009, the amount provided in this subsection shall lapse.

35 (3) \$551,000 of the insurance commissioner's regulatory account
36 appropriation is provided solely to implement Second Substitute Senate

1 Bill No. 5346 (health care administration simplification). If the bill
2 is not enacted by June 30, 2009, the amount provided in this subsection
3 shall lapse.

4 **Sec. 143.** 2009 c 564 s 145 (uncodified) is amended to read as
5 follows:

6 **FOR THE BOARD OF ACCOUNTANCY**

7 Certified Public Accountants' Account--State

8 Appropriation ((~~\$3,016,000~~))
9 \$3,666,000

10 **Sec. 144.** 2009 c 564 s 147 (uncodified) is amended to read as
11 follows:

12 **FOR THE HORSE RACING COMMISSION**

13 Horse Racing Commission Operating Account--State

14 Appropriation ((~~\$5,123,000~~))
15 \$4,846,000

16 The appropriation in this section is subject to the following
17 conditions and limitations: Pursuant to RCW 43.135.055, the commission
18 is authorized to increase licensing fees during the 2009-2011 fiscal
19 biennium as necessary to support the appropriation in this section.

20 **Sec. 145.** 2009 c 564 s 148 (uncodified) is amended to read as
21 follows:

22 **FOR THE LIQUOR CONTROL BOARD**

23 Liquor Control Board Construction and Maintenance

24 Account--State Appropriation \$8,817,000

25 Liquor Revolving Account--State Appropriation ((~~\$209,506,000~~))

26 \$155,857,000

27 TOTAL APPROPRIATION ((~~\$209,323,000~~))

28 \$164,674,000

29 The appropriations in this section are subject to the following
30 conditions and limitations:

31 (1) \$1,306,000 of the liquor revolving account--state appropriation
32 is provided solely for the liquor control board to open five new state
33 stores.

34 (2) \$40,000 of the liquor revolving account--state appropriation is

1 provided solely for the liquor control board to open ten new contract
2 stores.

3 (3) \$3,059,000 of the liquor revolving account--state appropriation
4 is provided solely for the liquor control board to increase state and
5 local revenues from new retail strategies including opening nine state
6 stores on Sunday, opening state liquor stores on seven holidays,
7 opening six mall locations during the holiday season, and increasing
8 lottery sales.

9 (4) \$173,000 of the liquor revolving account--state appropriation
10 is provided solely for the Engrossed House Bill No. 2040 (beer and wine
11 regulation commission). If the bill is not enacted by June 30, 2009,
12 the amount provided in this subsection shall lapse.

13 **Sec. 146.** 2009 c 564 s 150 (uncodified) is amended to read as
14 follows:

15 **FOR THE UTILITIES AND TRANSPORTATION COMMISSION**

16	<u>General Fund--Federal Appropriation</u>	<u>\$267,000</u>
17	<u>General Fund--Private/Local Appropriation</u>	<u>\$5,547,000</u>
18	Public Service Revolving Account--State	
19	Appropriation	((\$31,306,000))
20		<u>\$31,310,000</u>
21	Pipeline Safety Account--State Appropriation	\$3,194,000
22	Pipeline Safety Account--Federal Appropriation	\$1,536,000
23	TOTAL APPROPRIATION	((\$36,036,000))
24		<u>\$41,854,000</u>

25 **Sec. 147.** 2010 c 3 s 111 (uncodified) is amended to read as
26 follows:

27 **FOR THE MILITARY DEPARTMENT**

28	General Fund--State Appropriation (FY 2010)	((\$10,084,000))
29		<u>\$9,338,000</u>
30	General Fund--State Appropriation (FY 2011)	((\$10,190,000))
31		<u>\$8,757,000</u>
32	General Fund--Federal Appropriation	((\$149,101,000))
33		<u>\$168,586,000</u>
34	Enhanced 911 Account--State Appropriation	((\$39,598,000))
35		<u>\$44,498,000</u>
36	Disaster Response Account--State Appropriation	((\$28,194,000))

1		<u>\$28,326,000</u>
2	Disaster Response Account--Federal Appropriation . . .	(((\$91,263,000))
3		<u>\$114,496,000</u>
4	Military Department Rent and Lease Account--State	
5	Appropriation	\$615,000
6	Military Department Active State Service Account--Federal	
7	Appropriation	(((\$200,000))
8		<u>\$592,000</u>
9	Worker and Community Right-to-Know Account--State	
10	Appropriation	\$341,000
11	Nisqually Earthquake Account--State Appropriation	(((\$144,000))
12		<u>\$307,000</u>
13	Nisqually Earthquake Account--Federal Appropriation . . .	(((\$856,000))
14		<u>\$1,067,000</u>
15	TOTAL APPROPRIATION	(((\$330,586,000))
16		<u>\$376,923,000</u>

17 The appropriations in this section are subject to the following
18 conditions and limitations:

19 (1) \$28,194,000 of the disaster response account--state
20 appropriation and \$91,263,000 of the disaster response account--federal
21 appropriation may be spent only on disasters declared by the governor
22 and with the approval of the office of financial management. The
23 military department shall submit a report (~~(quarterly)~~) to the office
24 of financial management and the legislative fiscal committees on
25 October 1st and February 1st of each year detailing information on the
26 disaster response account, including: (a) The amount and type of
27 deposits into the account; (b) the current available fund balance as of
28 the reporting date; and (c) the projected fund balance at the end of
29 the 2009-2011 biennium based on current revenue and expenditure
30 patterns.

31 (2) \$144,000 of the Nisqually earthquake account--state
32 appropriation and \$856,000 of the Nisqually earthquake account--federal
33 appropriation are provided solely for response and recovery costs
34 associated with the February 28, 2001, earthquake. The military
35 department shall submit a report (~~(quarterly)~~) to the office of
36 financial management and the legislative fiscal committees on October
37 1st and February 1st of each year detailing earthquake recovery costs,
38 including: (a) Estimates of total costs; (b) incremental changes from

1 the previous estimate; (c) actual expenditures; (d) estimates of total
2 remaining costs to be paid; and (e) estimates of future payments by
3 biennium. This information shall be displayed by fund, by type of
4 assistance, and by amount paid on behalf of state agencies or local
5 organizations. The military department shall also submit a report
6 quarterly to the office of financial management and the legislative
7 fiscal committees detailing information on the Nisqually earthquake
8 account, including: (a) The amount and type of deposits into the
9 account; (b) the current available fund balance as of the reporting
10 date; and (c) the projected fund balance at the end of the 2009-2011
11 biennium based on current revenue and expenditure patterns.

12 (3) \$85,000,000 of the general fund--federal appropriation is
13 provided solely for homeland security, subject to the following
14 conditions:

15 (a) Any communications equipment purchased by local jurisdictions
16 or state agencies shall be consistent with standards set by the
17 Washington state interoperability executive committee;

18 (b) The department shall submit a quarterly report to the office of
19 financial management and the legislative fiscal committees detailing
20 the governor's domestic security advisory group recommendations;
21 homeland security revenues and expenditures, including estimates of
22 total federal funding for the state; incremental changes from the
23 previous estimate, planned and actual homeland security expenditures by
24 the state and local governments with this federal funding; and matching
25 or accompanying state or local expenditures; and

26 (c) The department shall submit a report by December 1st of each
27 year to the office of financial management and the legislative fiscal
28 committees detailing homeland security revenues and expenditures for
29 the previous fiscal year by county and legislative district.

30 (4) \$500,000 of the general fund--state appropriation for fiscal
31 year 2010 (~~and \$500,000 of the general fund--state appropriation for~~
32 ~~fiscal year 2011 are~~) is provided solely for the military department
33 to contract with the Washington information network 2-1-1 to operate a
34 statewide 2-1-1 system. The department shall provide the entire amount
35 for 2-1-1 and shall use any of the funds for administrative purposes.

36 **Sec. 148.** 2009 c 564 s 152 (uncodified) is amended to read as
37 follows:

1	FOR THE PUBLIC EMPLOYMENT RELATIONS COMMISSION	
2	General Fund--State Appropriation (FY 2010)	((\$3,128,000))
3		<u>\$2,761,000</u>
4	General Fund--State Appropriation (FY 2011)	((\$3,130,000))
5		<u>\$2,540,000</u>
6	Department of Personnel Service Account--State	
7	Appropriation	\$3,290,000
8	<u>Higher Education Personnel Services Account--State</u>	
9	<u>Appropriation</u>	<u>\$250,000</u>
10	TOTAL APPROPRIATION	((\$9,548,000))
11		<u>\$8,841,000</u>

12 **Sec. 149.** 2010 c 3 s 112 (uncodified) is amended to read as
13 follows:

14	FOR THE DEPARTMENT OF ARCHAEOLOGY AND HISTORIC PRESERVATION	
15	General Fund--State Appropriation (FY 2010)	((\$1,371,000))
16		<u>\$1,369,000</u>
17	General Fund--State Appropriation (FY 2011)	((\$1,349,000))
18		<u>\$1,330,000</u>
19	General Fund--Federal Appropriation	((\$1,653,000))
20		<u>\$2,303,000</u>
21	General Fund--Private/Local Appropriation	\$14,000
22	TOTAL APPROPRIATION	((\$4,387,000))
23		<u>\$5,016,000</u>

24 **Sec. 150.** 2010 c 3 s 113 (uncodified) is amended to read as
25 follows:

26	FOR THE GROWTH MANAGEMENT HEARINGS BOARD	
27	General Fund--State Appropriation (FY 2010)	((\$1,623,000))
28		<u>\$1,642,000</u>
29	General Fund--State Appropriation (FY 2011)	((\$1,549,000))
30		<u>\$1,461,000</u>
31	TOTAL APPROPRIATION	((\$3,172,000))
32		<u>\$3,103,000</u>

33 The appropriations in this section are subject to the following
34 conditions and limitations: \$26,000 of the general fund--state
35 appropriation for fiscal year 2011 is provided solely for

1 implementation of Substitute Senate Bill No. 6422 (hearing
2 boards/environmental land use). If the bill is not enacted by June 30,
3 2010, the amount provided in this subsection shall lapse.
4

(End of part)

1 appropriated under sections 204, 206, 208, and 209 of this act as may
2 be necessary to finance a unified health care plan for the WMIP program
3 enrollment. The WMIP pilot projects shall not exceed a daily
4 enrollment of 6,000 persons, nor expand beyond one county, during the
5 2009-2011 biennium. The amount of funding assigned to the pilot
6 projects from each program may not exceed the average per capita cost
7 assumed in this act for individuals covered by that program,
8 actuarially adjusted for the health condition of persons enrolled in
9 the pilot project, times the number of clients enrolled in the pilot
10 project. In implementing the WMIP pilot projects, the department may:
11 (a) Withhold from calculations of "available resources" as set forth in
12 RCW 71.24.025 a sum equal to the capitated rate for individuals
13 enrolled in the pilots; and (b) employ capitation financing and risk-
14 sharing arrangements in collaboration with health care service
15 contractors licensed by the office of the insurance commissioner and
16 qualified to participate in both the medicaid and medicare programs.
17 The department shall conduct an evaluation of the WMIP, measuring
18 changes in participant health outcomes, changes in patterns of service
19 utilization, participant satisfaction, participant access to services,
20 and the state fiscal impact.

21 (5)(a) The appropriations to the department of social and health
22 services in this act shall be expended for the programs and in the
23 amounts specified in this act. However, after May 1, 2010, unless
24 specifically prohibited by this act, the department may transfer
25 general fund--state appropriations for fiscal year 2010 among programs
26 after approval by the director of financial management. However, the
27 department shall not transfer state moneys that are provided solely for
28 a specified purpose except as expressly provided in (b) of this
29 subsection.

30 (b) To the extent that transfers under (a) of this subsection are
31 insufficient to fund actual expenditures in excess of fiscal year 2010
32 caseload forecasts and utilization assumptions in the medical
33 assistance, long-term care, foster care, adoptions support, and child
34 support programs, the department may transfer state moneys that are
35 provided solely for a specified purpose. The department shall not
36 transfer funds, and the director of financial management shall not
37 approve the transfer, unless the transfer is consistent with the
38 objective of conserving, to the maximum extent possible, the

1 expenditure of state funds. The director of financial management shall
 2 notify the appropriate fiscal committees of the senate and house of
 3 representatives in writing seven days prior to approving any allotment
 4 modifications or transfers under this subsection. The written
 5 notification shall include a narrative explanation and justification of
 6 the changes, along with expenditures and allotments by budget unit and
 7 appropriation, both before and after any allotment modifications or
 8 transfers.

9 (6) The legislature finds that medicaid payment rates, as
 10 calculated by the department pursuant to the appropriations in this
 11 act, bear a reasonable relationship to the costs incurred by
 12 efficiently and economically operated facilities for providing quality
 13 services and will be sufficient to enlist enough providers so that care
 14 and services are available to the extent that such care and services
 15 are available to the general population in the geographic area. The
 16 legislature finds that cost reports, payment data from the federal
 17 government, historical utilization, economic data, and clinical input
 18 constitute reliable data upon which to determine the payment rates.

19 **Sec. 202.** 2010 c 3 s 201 (uncodified) is amended to read as
 20 follows:

21 **FOR THE DEPARTMENT OF SOCIAL AND HEALTH SERVICES--CHILDREN AND FAMILY**
 22 **SERVICES PROGRAM**

23	General Fund--State Appropriation (FY 2010)	((\$314,698,000))
24		<u>\$314,978,000</u>
25	General Fund--State Appropriation (FY 2011)	((\$316,181,000))
26		<u>\$304,635,000</u>
27	General Fund--Federal Appropriation	((\$494,889,000))
28		<u>\$506,747,000</u>
29	General Fund--Private/Local Appropriation	((\$828,000))
30		<u>\$2,858,000</u>
31	Home Security Fund Appropriation	((\$8,389,000))
32		<u>\$11,866,000</u>
33	Domestic Violence Prevention Account--State	
34	Appropriation	\$1,154,000
35	Education Legacy Trust Account--State Appropriation	\$725,000
36	TOTAL APPROPRIATION	((\$1,136,864,000))
37		<u>\$1,142,963,000</u>

1 The appropriations in this section are subject to the following
2 conditions and limitations:

3 (1) (~~(\$5,563,000)~~) \$5,467,000 of the general fund--state
4 appropriation for fiscal year 2010 and (~~(\$5,563,000)~~) \$5,435,000 of the
5 general fund--state appropriation for fiscal year 2011 are provided
6 solely for intensive family preservation services as defined in RCW
7 74.14C.010 and for evidence-based services that prevent out-of-home
8 placement and reduce length of stay in the child welfare system.

9 (2) (~~(\$993,000)~~) \$937,000 of the general fund--state appropriation
10 for fiscal year 2010 and (~~(\$993,000)~~) \$742,000 of the general fund--
11 state appropriation for fiscal year 2011 are provided solely to
12 contract for the operation of one pediatric interim care facility. The
13 facility shall provide residential care for up to (~~seventeen~~)
14 thirteen children through two years of age. Seventy-five percent of
15 the children served by the facility must be in need of special care as
16 a result of substance abuse by their mothers. The facility shall also
17 provide on-site training to biological, adoptive, or foster parents.
18 The facility shall provide at least three months of consultation and
19 support to parents accepting placement of children from the facility.
20 The facility may recruit new and current foster and adoptive parents
21 for infants served by the facility. The department shall not require
22 case management as a condition of the contract.

23 (3) (~~(\$375,000)~~) \$369,000 of the general fund--state appropriation
24 for fiscal year 2010, (~~(\$375,000)~~) \$366,000 of the general fund--state
25 appropriation for fiscal year 2011, and (~~(\$322,000)~~) \$316,000 of the
26 general fund--federal appropriation are provided solely for up to three
27 nonfacility-based programs for the training, consultation, support, and
28 recruitment of biological, foster, and adoptive parents of children
29 through age three in need of special care as a result of substance
30 abuse by their mothers, except that each program may serve up to three
31 medically fragile nonsubstance-abuse-affected children. In selecting
32 nonfacility-based programs, preference shall be given to programs whose
33 federal or private funding sources have expired or that have
34 successfully performed under the existing pediatric interim care
35 program.

36 (4) (~~(\$2,500,000)~~) \$1,875,000 of the general fund--state
37 appropriation for fiscal year 2010 and (~~(\$2,500,000)~~) \$3,125,000 of the
38 (~~general fund state appropriation for fiscal year 2011~~) home

1 security fund appropriation are provided solely for secure crisis
2 residential centers. Within appropriated amounts, the department shall
3 collaborate with providers to maintain no less than forty-five beds
4 that are geographically representative of the state. The department
5 shall examine current secure crisis residential staffing requirements,
6 flexible payment options, center specific waivers, and other
7 appropriate methods to accomplish this outcome.

8 (5) A maximum of (~~(\$76,831,000)~~) \$75,285,000 of the general fund--
9 state appropriations and (~~(\$56,901,000)~~) \$55,756,000 of the general
10 fund--federal appropriations for the 2009-11 biennium shall be expended
11 for behavioral rehabilitative services and these amounts are provided
12 solely for this purpose. The department shall work with behavioral
13 rehabilitative service providers to decrease the length of stay through
14 improved emotional, behavioral, or medical outcomes for children in
15 behavioral rehabilitative services in order to achieve the appropriated
16 levels.

17 (a) Contracted providers shall act in good faith and accept the
18 hardest to (~~(place)~~) serve children, to the greatest extent possible,
19 in order to improve their emotional, behavioral, or medical conditions.

20 (b) The department and the contracted provider shall mutually agree
21 and establish an exit date for when the child is to exit the behavioral
22 rehabilitative service provider. The department and the contracted
23 provider should mutually agree, to the greatest extent possible, on a
24 viable placement for the child to go to once the child's treatment
25 process has been completed. The child shall exit only when the
26 emotional, behavioral, or medical condition has improved or if the
27 provider has not shown progress toward the outcomes specified in the
28 signed contract at the time of exit. This subsection (b) does not
29 prevent or eliminate the department's responsibility for removing the
30 child from the provider if the child's emotional, behavioral, or
31 medical condition worsens or is threatened.

32 (c) The department is encouraged to use performance-based contracts
33 with incentives directly tied to outcomes described in this section.
34 The contracts should incentivize contracted providers to accept the
35 hardest to (~~(place)~~) serve children and incentivize improvement in
36 children's emotional, mental, and medical well-being within the
37 established exit date. The department is further encouraged to

1 increase the use of behavioral rehabilitative service group homes, wrap
2 around services to facilitate and support placement of youth with
3 relatives, and other means to control expenditures.

4 (d) The total foster care per capita amount shall not increase more
5 than four percent in the 2009-11 biennium and shall not include
6 behavioral rehabilitative service.

7 (6) Within amounts provided for the foster care and adoption
8 support programs, the department shall control reimbursement decisions
9 for foster care and adoption support cases such that the aggregate
10 average cost per case for foster care and for adoption support does not
11 exceed the amounts assumed in the projected caseload expenditures.

12 (7) Within amounts appropriated in this section, priority shall be
13 given to proven intervention models, including evidence-based
14 prevention and early intervention programs identified by the Washington
15 state institute for public policy and the department. The department
16 shall include information on the number, type, and outcomes of the
17 evidence-based programs being implemented in its reports on child
18 welfare reform efforts.

19 (8) (~~(\$37,000)~~) \$36,000 of the general fund--state appropriation
20 for fiscal year 2010, (~~(\$37,000)~~) \$36,000 of the general fund--state
21 appropriation for fiscal year 2011, and (~~(\$32,000)~~) \$31,000 of the
22 general fund--federal appropriation are provided solely for the
23 implementation of chapter 465, Laws of 2007 (child welfare).

24 (9) \$125,000 of the general fund--state appropriation for fiscal
25 year 2010 and \$125,000 of the general fund--state appropriation for
26 fiscal year 2011 are provided solely for continuum of care services.
27 \$100,000 of this amount is for Casey family partners and \$25,000 of
28 this amount is for volunteers of America crosswalk in fiscal year 2010.
29 \$100,000 of this amount is for Casey family partners and \$25,000 of
30 this amount is for volunteers of America crosswalk in fiscal year 2011.

31 (10) (~~(\$616,000)~~) \$554,000 of the general fund--state appropriation
32 for fiscal year 2010(~~(, \$616,000)~~) and \$294,000 of the general fund--
33 state appropriation for fiscal year 2011(~~(, and \$368,000 of the general~~
34 ~~fund--federal appropriation)~~) are provided solely to contract with
35 medical professionals for comprehensive safety assessments of high-risk
36 families(~~(. The safety assessments will use validated assessment tools~~
37 ~~to guide intervention decisions through the identification of~~
38 ~~additional safety and risk factors. \$800,000 of this amount is for~~

1 ~~comprehensive safety assessments for families receiving in-home child~~
2 ~~protective services or family voluntary services. \$800,000 of this~~
3 ~~amount is for comprehensive safety assessments of families))~~ with an
4 infant age birth to fifteen days where the infant was, at birth,
5 diagnosed as substance exposed and the department received an intake
6 referral related to the infant due to the substance exposure.

7 (11) (~~(\$7,970,000)~~) \$7,679,000 of the general fund--state
8 appropriation for fiscal year 2010, (~~(\$7,711,000)~~) \$6,643,000 of the
9 general fund--state appropriation for fiscal year 2011, and
10 (~~(\$5,177,000)~~) \$4,791,000 of the general fund--federal appropriation
11 are provided solely for court-ordered supervised visits between parents
12 and dependent children and for sibling visits. The department shall
13 work collaboratively with the juvenile dependency courts to stay within
14 appropriations without impeding reunification outcomes between parents
15 and dependent children. The department shall report to the legislative
16 fiscal committees quarterly, the number of children in foster care who
17 receive supervised visits, their frequency, length of time of each
18 visit, and whether reunification is attained.

19 (12) (~~(\$1,789,000)~~) \$145,000 of the general fund--state
20 appropriation for fiscal year 2010 and \$871,000 of the general fund--
21 state appropriation for fiscal year 2011, and \$773,000 of the home
22 security fund--state appropriation is provided solely for street youth
23 program services.

24 (13) (~~(\$1,584,000)~~) \$1,522,000 of the general fund--state
25 appropriation for fiscal year 2010, (~~(\$1,584,000)~~) \$1,340,000 of the
26 general fund--state appropriation for fiscal year 2011, and
27 (~~(\$1,586,000)~~) \$1,464,000 of the general fund--federal appropriation
28 are provided solely for the department to recruit foster parents. The
29 recruitment efforts shall include collaborating with community-based
30 organizations and current or former foster parents to recruit foster
31 parents.

32 (14) \$725,000 of the education legacy trust account--state
33 appropriation is provided solely for children's administration to
34 contract with an educational advocacy provider with expertise in foster
35 care educational outreach. Funding is provided solely for contracted
36 education coordinators to assist foster children in succeeding in K-12
37 and higher education systems. Funding shall be prioritized to regions

1 with high numbers of foster care youth and/or regions where backlogs of
2 youth that have formerly requested educational outreach services exist.

3 (15) (~~(\$1,300,000)~~) \$1,703,000 of the home security fund account--
4 state appropriation is provided solely for HOPE beds.

5 (16) (~~(\$5,300,000)~~) \$5,193,000 of the home security fund account--
6 state appropriation is provided solely for the crisis residential
7 centers.

8 (17) The appropriations in this section reflect reductions in the
9 appropriations for the children's administration administrative
10 expenses. It is the intent of the legislature that these reductions
11 shall be achieved, to the greatest extent possible, by reducing those
12 administrative costs that do not affect direct client services or
13 direct service delivery or programs.

14 (18) Within the amounts appropriated in this section, the
15 department shall contract for a pilot project with family and community
16 networks in Whatcom county and up to four additional counties to
17 provide services. The pilot project shall be designed to provide a
18 continuum of services that reduce out-of-home placements and the
19 lengths of stay for children in out-of-home placement. The department
20 and the community networks shall collaboratively select the additional
21 counties for the pilot project and shall collaboratively design the
22 contract. Within the framework of the pilot project, the contract
23 shall seek to maximize federal funds. The pilot project in each county
24 shall include the creation of advisory and management teams which
25 include members from neighborhood-based family advisory committees,
26 residents, parents, youth, providers, and local and regional department
27 staff. The Whatcom county team shall facilitate the development of
28 outcome-based protocols and policies for the pilot project and develop
29 a structure to oversee, monitor, and evaluate the results of the pilot
30 projects. The department shall report the costs and savings of the
31 pilot project to the appropriate committees of the legislature by
32 November 1 of each year.

33 (19) (~~(\$157,000)~~) \$154,000 of the general fund--state appropriation
34 for fiscal year 2010 and (~~(\$157,000)~~) \$153,000 of the general fund--
35 state appropriation for fiscal year 2011 are provided solely for the
36 department to contract with a nonprofit entity for a reunification
37 pilot project in Whatcom and Skagit counties. The contract for the
38 reunification pilot project shall include (~~a rate of \$46.16 per hour~~

1 ~~for~~) evidence-based interventions, in combination with supervised
2 visits, (~~to provide 3,564 hours of services~~) to reduce the length of
3 stay for children in the child welfare system. The contract shall also
4 include evidence-based intensive parenting skills building services and
5 family support case management services for ((38)) families
6 participating in the reunification pilot project. The contract shall
7 include the flexibility for the nonprofit entity to subcontract with
8 trained providers.

9 (20) \$303,000 of the general fund--state appropriation for fiscal
10 year 2010, \$418,000 of the general fund--state appropriation for fiscal
11 year 2011, and \$257,000 of the general fund--federal appropriation are
12 provided solely to implement Engrossed Substitute House Bill No. 1961
13 (increasing adoptions act). If the bill is not enacted by June 30,
14 2009, the amounts provided in this subsection shall lapse.

15 (21) (~~(\$100,000)~~) \$98,000 of the general fund--state appropriation
16 for fiscal year 2010 and (~~(\$100,000)~~) \$98,000 of the general fund--
17 state appropriation for fiscal year 2011 are provided solely for the
18 department to contract with an agency that is working in partnership
19 with, and has been evaluated by, the University of Washington school of
20 social work to implement promising practice constellation hub models of
21 foster care support.

22 (22) The legislature intends for the department to reduce the time
23 a child remains in the child welfare system. The department shall
24 establish a measurable goal and report progress toward meeting that
25 goal to the legislature by January 15 of each fiscal year of the 2009-
26 11 fiscal biennium. To the extent that actual caseloads exceed those
27 assumed in this section, it is the intent of the legislature to address
28 those issues in a manner similar to all other caseload programs.

29 (23) To ensure expenditures remain within available funds
30 appropriated in this section as required by RCW 74.13A.005 and
31 74.13A.020, the secretary shall not set the amount of any adoption
32 assistance payment or payments, made pursuant to RCW 26.33.320 and
33 74.13A.005 through 74.13A.080, to more than ninety percent of the
34 foster care maintenance payment for that child had he or she remained
35 in a foster family home during the same period. This subsection does
36 not apply to adoption assistance agreements in existence on the
37 effective date of this section.

1 (24) \$688,000 of the general fund--state appropriation for fiscal
2 year 2010 and \$608,000 of the general fund--state appropriation for
3 fiscal year 2011 are provided solely for services provided through
4 child advocacy centers.

5 **Sec. 203.** 2010 c 3 s 202 (uncodified) is amended to read as
6 follows:

7 **FOR THE DEPARTMENT OF SOCIAL AND HEALTH SERVICES--JUVENILE**
8 **REHABILITATION PROGRAM**

9	General Fund--State Appropriation (FY 2010)	((\$104,185,000))
10		<u>\$103,672,000</u>
11	General Fund--State Appropriation (FY 2011)	((\$92,392,000))
12		<u>\$95,427,000</u>
13	General Fund--Federal Appropriation	((\$6,565,000))
14		<u>\$1,715,000</u>
15	General Fund--Private/Local Appropriation	\$1,900,000
16	Washington Auto Theft Prevention Authority Account--	
17	State Appropriation	\$3,896,000
18	Juvenile Accountability Incentive Account--Federal	
19	Appropriation	\$2,801,000
20	<u>State Efficiency and Restructuring Account--State</u>	
21	<u> Appropriation</u>	<u>\$4,958,000</u>
22	TOTAL APPROPRIATION	((\$211,739,000))
23		<u>\$214,369,000</u>

24 The appropriations in this section are subject to the following
25 conditions and limitations:

26 (1) \$353,000 of the general fund--state appropriation for fiscal
27 year 2010 and \$353,000 of the general fund--state appropriation for
28 fiscal year 2011 are provided solely for deposit in the county criminal
29 justice assistance account for costs to the criminal justice system
30 associated with the implementation of chapter 338, Laws of 1997
31 (juvenile code revisions). The amounts provided in this subsection are
32 intended to provide funding for county adult court costs associated
33 with the implementation of chapter 338, Laws of 1997 and shall be
34 distributed in accordance with RCW 82.14.310.

35 (2) ((~~\$3,578,000~~)) \$3,408,000 of the general fund--state
36 appropriation for fiscal year 2010 and ((~~\$3,578,000~~)) \$2,898,000 of the
37 general fund--state appropriation for fiscal year 2011 are provided

1 solely for the implementation of chapter 338, Laws of 1997 (juvenile
2 code revisions). The amounts provided in this subsection are intended
3 to provide funding for county impacts associated with the
4 implementation of chapter 338, Laws of 1997 and shall be distributed to
5 counties as prescribed in the current consolidated juvenile services
6 (CJS) formula.

7 (3) \$3,716,000 of the general fund--state appropriation for fiscal
8 year 2010 and \$3,716,000 of the general fund--state appropriation for
9 fiscal year 2011 are provided solely to implement community juvenile
10 accountability grants pursuant to chapter 338, Laws of 1997 (juvenile
11 code revisions). Funds provided in this subsection may be used solely
12 for community juvenile accountability grants, administration of the
13 grants, and evaluations of programs funded by the grants.

14 (4) (~~(\$1,506,000)~~) \$1,431,000 of the general fund--state
15 appropriation for fiscal year 2010 and (~~(\$1,506,000)~~) \$1,206,000 of the
16 general fund--state appropriation for fiscal year 2011 are provided
17 solely to implement alcohol and substance abuse treatment programs for
18 locally committed offenders. The juvenile rehabilitation
19 administration shall award these moneys on a competitive basis to
20 counties that submitted a plan for the provision of services approved
21 by the division of alcohol and substance abuse. The juvenile
22 rehabilitation administration shall develop criteria for evaluation of
23 plans submitted and a timeline for awarding funding and shall assist
24 counties in creating and submitting plans for evaluation.

25 (5) \$3,066,000 of the general fund--state appropriation for fiscal
26 year 2010 and \$3,066,000 of the general fund--state appropriation for
27 fiscal year 2011 are provided solely for grants to county juvenile
28 courts for the following programs identified by the Washington state
29 institute for public policy (institute) in its October 2006 report:
30 "Evidence-Based Public Policy Options to Reduce Future Prison
31 Construction, Criminal Justice Costs and Crime Rates": Functional
32 family therapy, multi-systemic therapy, aggression replacement training
33 and interagency coordination programs, or other programs with a
34 positive benefit-cost finding in the institute's report. County
35 juvenile courts shall apply to the juvenile rehabilitation
36 administration for funding for program-specific participation and the
37 administration shall provide grants to the courts consistent with the
38 per-participant treatment costs identified by the institute.

1 (6) \$1,287,000 of the general fund--state appropriation for fiscal
2 year 2010 and \$1,287,000 of the general fund--state appropriation for
3 fiscal year 2011 are provided solely for expansion of the following
4 treatments and therapies in juvenile rehabilitation administration
5 programs identified by the Washington state institute for public policy
6 in its October 2006 report: "Evidence-Based Public Policy Options to
7 Reduce Future Prison Construction, Criminal Justice Costs and Crime
8 Rates": Multidimensional treatment foster care, family integrated
9 transitions, and aggression replacement training. The administration
10 may concentrate delivery of these treatments and therapies at a limited
11 number of programs to deliver the treatments in a cost-effective
12 manner.

13 ~~(7)(a) ((For the fiscal year ending June 30, 2010, the juvenile
14 rehabilitation administration shall administer a block grant, rather
15 than categorical funding, of consolidated juvenile service funds,
16 community juvenile accountability act grants, the chemical dependency
17 disposition alternative funds, the special sex offender disposition
18 alternative funds, the mental health disposition alternative,
19 sentencing disposition alternative, and evidence based program
20 expansion grants to juvenile courts for the purpose of serving youth
21 adjudicated in the juvenile justice system. Evidence based programs,
22 based on the criteria established by the Washington state institute for
23 public policy, and disposition alternatives will be funding priorities.
24 Funds may be used for promising practices when approved by juvenile
25 rehabilitation administration, based on criteria established in
26 consultation with Washington state institute for public policy and the
27 juvenile courts.~~

28 ~~By September 1, 2009, a committee with four members, in
29 consultation with Washington state institute for public policy, shall
30 develop a funding formula that takes into account the juvenile courts
31 average daily population of program eligible youth in conjunction with
32 the number of youth served in each approved evidence based program or
33 disposition alternative. The committee shall have one representative
34 from the juvenile rehabilitation administration, one representative
35 from the office of financial management, one representative from the
36 office of the administrator of the courts, and one representative from
37 the juvenile courts. Decision making will be by majority rule.~~

1 By September 1, 2010, the Washington state institute for public
2 policy shall provide a report to the office of financial management and
3 the legislature on the administration of the block grant authorized in
4 this subsection. The report shall include the criteria used for
5 allocating the funding as a block grant and the participation targets
6 and actual participation in the programs subject to the block grant.

7 (b) By December 1, 2009, the committee established in (a) of this
8 subsection, in consultation with Washington state institute for public
9 policy, shall propose to the office of financial management and the
10 legislature changes in the process of funding and managing, including
11 accountability and information collection and dissemination, grants to
12 juvenile courts for serving youth adjudicated in the juvenile court
13 system use in the fiscal year ending June 30, 2011. The proposal shall
14 include, but is not limited to: A process of making a block grant of
15 funds consistent with (a) of this subsection; a program of data
16 collection and measurement criteria for receiving the funds which will
17 include targets of the number of youth served in identified evidence-
18 based programs and disposition alternatives in which the juvenile
19 courts and office of the administrator of the courts will have
20 responsibility for collecting and distributing information and
21 providing access to the data systems to the juvenile rehabilitation
22 administration and the Washington state institute for public policy
23 related to program and outcome data; and necessary changes to the
24 Washington administrative code.

25 (c) Within the funds provided for criminal justice analysis in
26 section 610(4) of this act, the Washington state institute for public
27 policy shall conduct an analysis of the costs per participant of
28 evidence-based programs by the juvenile courts and by December 1, 2009,
29 shall report the results of this analysis to the juvenile
30 rehabilitation administration, the juvenile courts, office of the
31 administrator of the courts, the office of financial management, and
32 the fiscal committees of the legislature)) For the fiscal year ending
33 June 30, 2011, the juvenile rehabilitation administration shall
34 administer a block grant, rather than categorical funding, of
35 consolidated juvenile service funds, community juvenile accountability
36 act grants, the chemical dependency disposition alternative funds, the
37 mental health disposition alternative, and the sentencing disposition
38 alternative for the purpose of serving youth adjudicated in the

1 juvenile justice system. In making the block grant, the juvenile
2 rehabilitation administration shall follow the following formula and
3 will prioritize evidence-based programs and disposition alternatives
4 and take into account juvenile courts program-eligible youth in
5 conjunction with the number of youth served in each approved evidence-
6 based program or disposition alternative: (i) Thirty-seven and one-
7 half percent for the at-risk population of youth ten to seventeen years
8 old; (ii) fifteen percent for moderate and high-risk youth; (iii)
9 twenty-five percent for evidence-based program participation; (iv)
10 seventeen and one-half percent for minority populations; (v) three
11 percent for the chemical dependency disposition alternative; and (vi)
12 two percent for the mental health and sentencing dispositional
13 alternatives. Funding for the special sex offender disposition
14 alternative (SSODA) shall not be included in the block grant, but
15 allocated on the average daily population in juvenile courts. Funding
16 for the evidence-based expansion grants shall be excluded from the
17 block grant formula. Funds may be used for promising practices when
18 approved by the juvenile rehabilitation administration and juvenile
19 courts, through the community juvenile accountability act committee,
20 based on the criteria established in consultation with Washington state
21 institute for public policy and the juvenile courts.

22 (b) It is the intent of the legislature that the juvenile
23 rehabilitation administration phase the implementation of the formula
24 provided in subsection (1) of this section by including a stop-loss
25 formula of three percent in fiscal year 2011, five percent in fiscal
26 year 2012, and five percent in fiscal year 2013. It is further the
27 intent of the legislature that the evidence-based expansion grants be
28 incorporated into the block grant formula by fiscal year 2013 and SSODA
29 remain separate unless changes would result in increasing the cost
30 benefit savings to the state as identified in (c) of this subsection.

31 (c) The juvenile rehabilitation administration and the juvenile
32 courts shall establish a block grant funding formula oversight
33 committee with equal representation from the juvenile rehabilitation
34 administration and the juvenile courts. The purpose of this committee
35 is to assess the ongoing implementation of the block grant funding
36 formula, utilizing data-driven decision making and the most current
37 available information. The committee will be cochaired by the juvenile
38 rehabilitation administration and the juvenile courts, who will also

1 have the ability to change members of the committee as needed to
2 achieve its purpose. Initial members will include one juvenile court
3 representative from the finance committee, the community juvenile
4 accountability act committee, the risk assessment quality assurance
5 committee, the executive board of the Washington association of
6 juvenile court administrators, the Washington state center for court
7 research, and a representative of the superior court judges
8 association; two representatives from the juvenile rehabilitation
9 administration headquarters program oversight staff, two
10 representatives of the juvenile rehabilitation administration regional
11 office staff, one representative of the juvenile rehabilitation
12 administration fiscal staff and a juvenile rehabilitation
13 administration division director. The committee may make changes to
14 the formula categories other than the evidence-based program and
15 disposition alternative categories if it is determined the changes will
16 increase statewide service delivery or effectiveness of evidence-based
17 program or disposition alternative resulting in increased cost benefit
18 savings to the state. Long-term cost benefit must be considered.
19 Percentage changes may occur in the evidence-based program or
20 disposition alternative categories of the formula should it be
21 determined the changes will increase evidence-based program or
22 disposition alternative delivery and increase the cost benefit to the
23 state. These outcomes will also be considered in determining when
24 evidence-based expansion or special sex offender disposition
25 alternative funds should be included in the block grant or left
26 separate.

27 (d) The juvenile courts and administrative office of the courts
28 shall be responsible for collecting and distributing information and
29 providing access to the data systems to the juvenile rehabilitation
30 administration and the Washington state institute for public policy
31 related to program and outcome data. The juvenile rehabilitation
32 administration and the juvenile courts will work collaboratively to
33 develop program outcomes that reinforce the greatest cost benefit to
34 the state in the implementation of evidence-based practices and
35 disposition alternatives.

36 (e) By December 1, 2010, the Washington state institute for public
37 policy shall report to the office of financial management and
38 appropriate committees of the legislature on the administration of the

1 block grant authorized in this subsection. The report shall include
2 the criteria used for allocating the funding as a block grant and the
3 participation targets and actual participation in the programs subject
4 to the block grant.

5 (8) \$3,700,000 of the Washington auto theft prevention authority
6 account--state appropriation is provided solely for competitive grants
7 to community-based organizations to provide at-risk youth intervention
8 services, including but not limited to, case management, employment
9 services, educational services, and street outreach intervention
10 programs. Projects funded should focus on preventing, intervening, and
11 suppressing behavioral problems and violence while linking at-risk
12 youth to pro-social activities. The department may not expend more
13 than \$1,850,000 per fiscal year. The costs of administration must not
14 exceed four percent of appropriated funding for each grant recipient.
15 Each entity receiving funds must report to the juvenile rehabilitation
16 administration on the number and types of youth served, the services
17 provided, and the impact of those services upon the youth and the
18 community.

19 (9) \$12,000,000 of the general fund--state appropriation for fiscal
20 year 2011 and the state efficiency and restructuring account--state
21 appropriation are provided solely for the one-time costs and other
22 transition costs necessary for the closure of Maple Lane school by June
23 30, 2013, including the financing of \$15,000,000 for renovation and
24 construction of specialized housing and treatment facilities associated
25 with the closure of Maple Lane school and requiring savings in fiscal
26 year 2011 to reflect the immediate allocation of 30 percent of the
27 funded capacity at Maple Lane school to other institutions or
28 community-based facilities.

29 **Sec. 204.** 2010 c 3 s 203 (uncodified) is amended to read as
30 follows:

31 **FOR THE DEPARTMENT OF SOCIAL AND HEALTH SERVICES--MENTAL HEALTH**
32 **PROGRAM**

33 (1) COMMUNITY SERVICES/REGIONAL SUPPORT NETWORKS

34 General Fund--State Appropriation (FY 2010)	(\$266,677,000)
	<u>\$273,648,000</u>
36 General Fund--State Appropriation (FY 2011)	(\$296,619,000)
	<u>\$275,784,000</u>

37

1 General Fund--Federal Appropriation ((~~\$463,180,000~~))
 2 \$522,309,000
 3 General Fund--Private/Local Appropriation ((~~\$14,868,000~~))
 4 \$22,152,000
 5 Washington Housing Trust Account--State Appropriation \$83,000
 6 TOTAL APPROPRIATION ((~~\$1,041,344,000~~))
 7 \$1,093,976,000

8 The appropriations in this subsection are subject to the following
 9 conditions and limitations:

10 (a) \$113,689,000 of the general fund--state appropriation for
 11 fiscal year 2010 and ((~~\$113,689,000~~)) \$112,599,000 of the general
 12 fund--state appropriation for fiscal year 2011 are provided solely for
 13 persons and services not covered by the medicaid program. This is a
 14 reduction of \$11,606,000 ((~~each fiscal year~~)) in fiscal year 2010 and
 15 of \$12,736,000 in fiscal year 2012 from the nonmedicaid funding that
 16 was allocated for expenditure by regional support networks during
 17 fiscal year 2009 prior to supplemental budget reductions. ((~~This~~
 18 ~~\$11,606,000~~)) These reductions shall be distributed among regional
 19 support networks proportional to each network's share of the total
 20 state population. To the extent possible, levels of regional support
 21 network spending shall be maintained in the following priority order:
 22 (i) Crisis and commitment services; (ii) community inpatient services;
 23 and (iii) residential care services, including personal care and
 24 emergency housing assistance.

25 (b) ((~~\$16,900,000~~)) \$10,400,000 of the general fund--state
 26 appropriation for fiscal year 2010 ((~~and \$16,900,000~~)), \$9,750,000 of
 27 the general fund--state appropriation for fiscal year 2011, and
 28 \$650,000 of the general fund--federal appropriation are provided solely
 29 for the department and regional support networks to contract for
 30 implementation of high-intensity program for active community treatment
 31 (PACT) teams((~~, and other proven program approaches that the department~~
 32 ~~concurs will enable the regional support network to achieve significant~~
 33 ~~reductions in the number of beds the regional support network would~~
 34 ~~otherwise need to use at the state hospitals)). The department shall
 35 work with regional support networks and the center for medicare and
 36 medicaid services to integrate eligible components of the PACT service
 37 delivery model into medicaid capitation rates no later than April 2011,~~

1 while maintaining consistency with all essential elements of the PACT
2 evidence-based practice model.

3 (c) \$6,500,000 of the general fund--state appropriation for fiscal
4 year 2010 and \$5,250,000 of the general fund--state appropriation for
5 fiscal year 2011 are provided solely for the western Washington
6 regional support networks to provide either community or hospital
7 campus-based services for persons who require the level of care
8 provided by the program for adaptive living skills (PALS) at western
9 state hospital.

10 (d) The number of nonforensic beds allocated for use by regional
11 support networks at eastern state hospital shall be 192 per day. The
12 number of nonforensic beds allocated for use by regional support
13 networks at western state hospital shall be 617 per day during the
14 first quarter of fiscal year 2010, and 587 per day thereafter. Beds in
15 the program for adaptive living skills (PALS) are not included in the
16 preceding bed allocations. The department shall separately charge
17 regional support networks for persons served in the PALS program.

18 ~~((d))~~ (e) From the general fund--state appropriations in this
19 subsection, the secretary of social and health services shall assure
20 that regional support networks reimburse the aging and disability
21 services administration for the general fund--state cost of medicaid
22 personal care services that enrolled regional support network consumers
23 use because of their psychiatric disability.

24 ~~((e))~~ (f) \$4,582,000 of the general fund--state appropriation for
25 fiscal year 2010 and \$4,582,000 of the general fund--state
26 appropriation for fiscal year 2011 are provided solely for mental
27 health services for mentally ill offenders while confined in a county
28 or city jail and for facilitating access to programs that offer mental
29 health services upon release from confinement.

30 ~~((f))~~ (g) The department is authorized to continue to contract
31 directly, rather than through contracts with regional support networks,
32 for children's long-term inpatient facility services.

33 ~~((g))~~ (h) \$750,000 of the general fund--state appropriation for
34 fiscal year 2010 ~~((and \$750,000 of the general fund--state~~
35 ~~appropriation for fiscal year 2011 are))~~ is provided solely to continue
36 performance-based incentive contracts to provide appropriate community
37 support services for individuals with severe mental illness who were
38 discharged from the state hospitals as part of the expanding community

1 services initiative. These funds will be used to enhance community
2 residential and support services provided by regional support networks
3 through other state and federal funding.

4 ~~((h))~~ (i) \$1,500,000 of the general fund--state appropriation for
5 fiscal year 2010 and \$1,500,000 of the general fund--state
6 appropriation for fiscal year 2011 are provided solely for the Spokane
7 regional support network to implement services to reduce utilization
8 and the census at eastern state hospital. Such services shall include:

9 (i) High intensity treatment team for persons who are high
10 utilizers of psychiatric inpatient services, including those with co-
11 occurring disorders and other special needs;

12 (ii) Crisis outreach and diversion services to stabilize in the
13 community individuals in crisis who are at risk of requiring inpatient
14 care or jail services;

15 (iii) Mental health services provided in nursing facilities to
16 individuals with dementia, and consultation to facility staff treating
17 those individuals; and

18 (iv) Services at the sixteen-bed evaluation and treatment facility.

19 At least annually, the Spokane regional support network shall
20 assess the effectiveness of these services in reducing utilization at
21 eastern state hospital, identify services that are not optimally
22 effective, and modify those services to improve their effectiveness.

23 ~~((i))~~ (j) The department shall return to the Spokane regional
24 support network fifty percent of the amounts assessed against the
25 network during the last six months of calendar year 2009 for state
26 hospital utilization in excess of its contractual limit. The regional
27 support network shall use these funds for operation during its initial
28 months of a new sixteen-bed evaluation and treatment facility that will
29 enable the network to reduce its use of the state hospital, and for
30 diversion and community support services for persons with dementia who
31 would likely otherwise require care at the state hospital.

32 ~~((j))~~ (k) The department is directed to identify and implement
33 program efficiencies and benefit changes in its delivery of medicaid
34 managed-care services that are sufficient to operate within the state
35 and federal appropriations in this section. Such actions may include
36 but are not limited to methods such as adjusting the care access
37 standards; improved utilization management of ongoing, recurring, and
38 high-intensity services; and increased uniformity in provider payment

1 rates. The department shall ensure that the capitation rate
2 adjustments necessary to accomplish these efficiencies and changes are
3 distributed uniformly and equitably across all regional support
4 networks statewide. The department is directed to report to the
5 relevant legislative fiscal and policy committees at least thirty days
6 prior to implementing rate adjustments reflecting these changes.

7 ~~((k))~~ (l) In developing the new medicaid managed care rates under
8 which the public mental health managed care system will operate during
9 the five years beginning in fiscal year 2011, the department should
10 seek to estimate the reasonable and necessary cost of efficiently and
11 effectively providing a comparable set of medically necessary mental
12 health benefits to persons of different acuity levels regardless of
13 where in the state they live. Actual prior period spending in a
14 regional administrative area shall not be a key determinant of future
15 payment rates. The department shall report to the office of financial
16 management and to the relevant fiscal and policy committees of the
17 legislature on its proposed new waiver and mental health managed care
18 rate-setting approach by October 1, 2009, and again at least sixty days
19 prior to implementation of new capitation rates.

20 (m) In implementing new public mental health managed care payment
21 rates for fiscal year 2011, the department shall to the maximum extent
22 possible within each regional support network's allowable rate range
23 establish rates so that there is no increase or decrease in the total
24 state and federal funding that the regional support network would
25 receive if it were to continue to be paid at its October 2009 through
26 June 2010 rates. The department shall additionally revise the draft
27 rates issued January 28, 2010, to more accurately reflect the lower
28 practitioner productivity inherent in the delivery of services in
29 extremely rural regions in which a majority of the population reside in
30 frontier counties, as defined and designated by the national center for
31 frontier communities.

32 (n) \$50,000 of the general fund--state appropriation for fiscal
33 year 2011 is provided solely for consultation, training, and technical
34 assistance to regional support networks on strategies for effective
35 service delivery in frontier counties.

36 ~~((l))~~ (o) \$1,529,000 of the general fund--state appropriation for
37 fiscal year 2010 and \$1,529,000 of the general fund--state

1 appropriation for fiscal year 2011 are provided solely to reimburse
2 Pierce and Spokane counties for the cost of conducting 180-day
3 commitment hearings at the state psychiatric hospitals.

4 ((+m+)) (p) The legislature intends and expects that regional
5 support networks and contracted community mental health agencies shall
6 make all possible efforts to, at a minimum, maintain current
7 compensation levels of direct care staff. Such efforts shall include,
8 but not be limited to, identifying local funding that can preserve
9 client services and staff compensation, achieving administrative
10 reductions at the regional support network level, and engaging
11 stakeholders on cost-savings ideas that maintain client services and
12 staff compensation. For purposes of this section, "direct care staff"
13 means persons employed by community mental health agencies whose
14 primary responsibility is providing direct treatment and support to
15 people with mental illness, or whose primary responsibility is
16 providing direct support to such staff in areas such as client
17 scheduling, client intake, client reception, client records-keeping,
18 and facilities maintenance.

19 (2) INSTITUTIONAL SERVICES

20	General Fund--State Appropriation (FY 2010)	((\$120,637,000))
21		<u>\$118,988,000</u>
22	General Fund--State Appropriation (FY 2011)	((\$124,995,000))
23		<u>\$120,048,000</u>
24	General Fund--Federal Appropriation	((\$151,160,000))
25		<u>\$153,112,000</u>
26	General Fund--Private/Local Appropriation	((\$65,868,000))
27		<u>\$64,806,000</u>
28	TOTAL APPROPRIATION	((\$462,660,000))
29		<u>\$456,954,000</u>

30 The appropriations in this subsection are subject to the following
31 conditions and limitations:

32 (a) The state psychiatric hospitals may use funds appropriated in
33 this subsection to purchase goods and supplies through hospital group
34 purchasing organizations when it is cost-effective to do so.

35 (b) \$231,000 of the general fund--state appropriation for fiscal
36 year 2008 and \$231,000 of the general fund--state appropriation for
37 fiscal year 2009 are provided solely for a community partnership
38 between western state hospital and the city of Lakewood to support

1 community policing efforts in the Lakewood community surrounding
2 western state hospital. The amounts provided in this subsection (2)(b)
3 are for the salaries, benefits, supplies, and equipment for one full-
4 time investigator, one full-time police officer, and one full-time
5 community service officer at the city of Lakewood.

6 (c) \$45,000 of the general fund--state appropriation for fiscal
7 year 2010 and \$45,000 of the general fund--state appropriation for
8 fiscal year 2011 are provided solely for payment to the city of
9 Lakewood for police services provided by the city at western state
10 hospital and adjacent areas.

11 (d) \$200,000 of the general fund--state appropriation for fiscal
12 year 2011 is provided solely for support of the psychiatric security
13 review panel established pursuant to Senate Bill No. 6610. If Senate
14 Bill No. 6610 is not enacted by June 30, 2010, the amount provided in
15 this subsection shall lapse.

16 (3) SPECIAL PROJECTS

17	General Fund--State Appropriation (FY 2010)	\$1,819,000
18	General Fund--State Appropriation (FY 2011)	(\$1,812,000)
19		<u>\$1,932,000</u>
20	General Fund--Federal Appropriation	\$2,142,000
21	TOTAL APPROPRIATION	(\$5,773,000)
22		<u>\$5,893,000</u>

23 The appropriations in this subsection are subject to the following
24 conditions and limitations:

25 (a) \$1,511,000 of the general fund--state appropriation for fiscal
26 year 2010 and \$1,511,000 of the general fund--state appropriation for
27 fiscal year 2011 are provided solely for children's evidence based
28 mental health services. Funding is sufficient to continue serving
29 children at the same levels as fiscal year 2009.

30 (b) \$60,000 of the general fund--state appropriation for fiscal
31 year 2011 is provided solely for the department to contract with the
32 Washington state institute for public policy for completion of the
33 research reviews to be conducted in accordance with Senate Bill No.
34 6610. If Senate Bill No. 6610 is not enacted by June 30, 2010, the
35 amount provided in this subsection shall lapse.

36 (c) \$60,000 of the general fund--state appropriation for fiscal
37 year 2011 is provided solely for the department to contract with the
38 Washington state institute for public policy for completion of the

1 research reviews to be conducted in accordance with Senate Bill No.
2 6791 (involuntary treatment). If Senate Bill No. 6791 is not enacted
3 by June 30, 2010, the amount provided in this subsection shall lapse.

4 (4) PROGRAM SUPPORT

5	General Fund--State Appropriation (FY 2010)	((\$4,077,000))
6		<u>\$4,078,000</u>
7	General Fund--State Appropriation (FY 2011)	((\$4,094,000))
8		<u>\$4,027,000</u>
9	General Fund--Federal Appropriation	((\$7,227,000))
10		<u>\$7,185,000</u>
11	TOTAL APPROPRIATION	((\$15,398,000))
12		<u>\$15,290,000</u>

13 The appropriations in this subsection are subject to the following
14 conditions and limitations:

15 (a) The department is authorized and encouraged to continue its
16 contract with the Washington state institute for public policy to
17 provide a longitudinal analysis of long-term mental health outcomes as
18 directed in chapter 334, Laws of 2001 (mental health performance
19 audit); to build upon the evaluation of the impacts of chapter 214,
20 Laws of 1999 (mentally ill offenders); and to assess program outcomes
21 and cost effectiveness of the children's mental health pilot projects
22 as required by chapter 372, Laws of 2006.

23 (b) The department shall report to the governor and appropriate
24 committees of the legislature by October 1, 2010, with a specific,
25 actionable plan for improving and expanding services for children who
26 are at greatest risk of requiring long-term inpatient and residential
27 care due to the severity of their emotional impairments. The plan
28 shall be developed in consultation with treatment specialists, regional
29 support networks, behavioral health provider organizations, and
30 consumer and family representatives, and shall include specific
31 proposals regarding program components, delivery system organization,
32 timelines for implementation, and cost estimates.

33 **Sec. 205.** 2010 c 3 s 204 (uncodified) is amended to read as
34 follows:

35 **FOR THE DEPARTMENT OF SOCIAL AND HEALTH SERVICES--DEVELOPMENTAL**
36 **DISABILITIES PROGRAM**

37 (1) COMMUNITY SERVICES

1	General Fund--State Appropriation (FY 2010)	((\$311,589,000))
2		<u>\$307,232,000</u>
3	General Fund--State Appropriation (FY 2011)	((\$366,489,000))
4		<u>\$334,786,000</u>
5	General Fund--Federal Appropriation	((\$849,263,000))
6		<u>\$901,204,000</u>
7	<u>General Fund--Local Appropriation</u>	<u>\$88,000</u>
8	TOTAL APPROPRIATION	((\$1,527,341,000))
9		<u>\$1,543,310,000</u>

10 The appropriations in this subsection are subject to the following
11 conditions and limitations:

12 (a) Individuals receiving services as supplemental security income
13 (SSI) state supplemental payments shall not become eligible for medical
14 assistance under RCW 74.09.510 due solely to the receipt of SSI state
15 supplemental payments.

16 (b) Amounts appropriated in this section reflect a reduction to
17 funds appropriated for in-home care. The department shall reduce the
18 number of in-home hours authorized. The reduction shall be scaled
19 based on the acuity level of care recipients. The largest hour
20 reductions shall be to lower acuity patients and the smallest hour
21 reductions shall be to higher acuity patients. In doing so, the
22 department shall comply with all maintenance of effort requirements
23 contained in the American reinvestment and recovery act.

24 (c) Amounts appropriated in this section are sufficient to develop
25 and implement the use of a consistent, statewide outcome-based vendor
26 contract for employment and day services by April 1, 2011. The rates
27 paid to vendors under this contract shall also be made consistent. In
28 its description of activities the agency shall include activity
29 listings and dollars appropriated for: Employment services, day
30 services, child development services and county administration of
31 services to the developmentally disabled. The department shall begin
32 reporting to the office of financial management on these activities
33 beginning in fiscal year 2010.

34 (d) ~~((~~\$5,593,000~~ of the general fund state appropriation for~~
35 ~~fiscal year 2010, ~~\$4,002,000~~ of the general fund state appropriation~~
36 ~~for fiscal year 2011, and ~~\$14,701,000~~ of the general fund federal~~
37 ~~appropriation are provided solely for community residential and support~~
38 ~~services. Funding in this subsection shall be prioritized for (i)~~

1 residents of residential habilitation centers who are able to be
2 adequately cared for in community settings and who choose to live in
3 those community settings; (ii) clients without residential services who
4 are at immediate risk of institutionalization or in crisis; (iii)
5 children who are at risk of institutionalization or who are aging out
6 of other state services; and (iv) current home and community-based
7 waiver program clients who have been assessed as having an immediate
8 need for increased services. First priority shall be given to children
9 who are at risk of institutionalization. The department shall ensure
10 that the average cost per day for all program services other than
11 start-up costs shall not exceed \$300. In order to maximize the number
12 of clients served and ensure the cost-effectiveness of the waiver
13 programs, the department will strive to limit new client placement
14 expenditures to 90 percent of the budgeted daily rate. If this can be
15 accomplished, additional clients may be served with excess funds,
16 provided the total projected carry-forward expenditures do not exceed
17 the amounts estimated. The department shall electronically report to
18 the appropriate committees of the legislature, within 45 days following
19 each fiscal year quarter, the number of persons served with these
20 additional community services, where they were residing, what kinds of
21 services they were receiving prior to placement, and the actual
22 expenditures for all community services to support these clients.

23 (e)(i) \$493,000 of the general fund state appropriation for fiscal
24 year 2010, \$1,463,000 of the general fund state appropriation for
25 fiscal year 2011, and \$2,741,000 of the general fund federal
26 appropriation are provided solely for community services for persons
27 with developmental disabilities who also have community protection
28 issues. Funding in this subsection shall be prioritized for (A)
29 clients being diverted or discharged from the state psychiatric
30 hospitals; (B) clients participating in the dangerous mentally ill
31 offender program; (C) clients participating in the community protection
32 program; and (D) mental health crisis diversion outplacements. The
33 department shall ensure that the average cost per day for all program
34 services other than start-up costs shall not exceed \$349 per day in
35 fiscal year 2010 and \$356 per day in fiscal year 2011. In order to
36 maximize the number of clients served and ensure the cost-effectiveness
37 of the waiver programs, the department will strive to limit new client
38 placement expenditures to 90 percent of the budgeted daily rate. If

1 this can be accomplished, additional clients may be served with excess
2 funds if the total projected carry forward expenditures do not exceed
3 the amounts estimated.

4 (ii) The department shall electronically report to the appropriate
5 committees of the legislature, within 45 days following each fiscal
6 year quarter, the number of persons served with these additional
7 community services, where they were residing, what kinds of services
8 they were receiving prior to placement, and the actual expenditures for
9 all community services to support these clients.

10 (f) \$302,000 of the general fund state appropriation for fiscal
11 year 2010, \$831,000 of the general fund state appropriation for fiscal
12 year 2011, and \$1,592,000 of the general fund federal appropriation
13 are provided solely for health care benefits pursuant to a collective
14 bargaining agreement negotiated with the exclusive bargaining
15 representative of individual providers established under RCW
16 74.39A.270.

17 (g)(i) \$682,000 of the general fund state appropriation for fiscal
18 year 2010, \$1,651,000 of the general fund state appropriation for
19 fiscal year 2011, and \$1,678,000 of the general fund federal
20 appropriation are provided solely for the state's contribution to the
21 training partnership, as provided in RCW 74.39A.360, pursuant to a
22 collective bargaining agreement negotiated with the exclusive
23 bargaining representative of individual providers established under RCW
24 74.39A.270.

25 (ii) The federal portion of the amounts in this subsection (g) is
26 contingent upon federal approval of participation in contributions to
27 the trust and shall remain unallotted and placed in reserve status
28 until the office of financial management and the department of social
29 and health services receive federal approval.

30 (iii) Expenditures for the purposes specified in this subsection
31 (g) shall not exceed the amounts provided in this subsection.

32 (h)) The department shall electronically report to the appropriate
33 committees of the legislature, within 45 days following each fiscal
34 year quarter, the number of persons served in each of the following
35 categories: (i) Residents of residential habilitation centers who are
36 able to be adequately cared for in community settings and who choose to
37 live in those community settings; (ii) clients without residential
38 services who are at immediate risk of institutionalization or in

1 crisis; (iii) children who are at risk of institutionalization or who
2 are aging out of other state services; (iv) current home and community-
3 based waiver program clients who have been assessed as having an
4 immediate need for increased services; (v) clients being diverted or
5 discharged from the state psychiatric hospitals; (vi) clients
6 participating in the dangerous mentally ill offender program; (vii)
7 clients participating in the community protection program; or (viii)
8 mental health crisis diversion outplacements. The department shall
9 strive to serve these clients in the most cost-effective manner.

10 (e) Within the amounts appropriated in this subsection (1), the
11 department shall implement all necessary rules to facilitate the
12 transfer to a department home and community-based services (HCBS)
13 waiver of all eligible individuals who (i) currently receive services
14 under the existing state-only employment and day program or the
15 existing state-only residential program, and (ii) otherwise meet the
16 waiver eligibility requirements. ~~((The amounts appropriated are~~
17 ~~sufficient to ensure that all individuals currently receiving services~~
18 ~~under the state only employment and day and state only residential~~
19 ~~programs who are not transferred to a department HCBS waiver will~~
20 ~~continue to receive services.~~

21 ~~(i) Adult day health services shall only be authorized for in-home~~
22 ~~clients.~~

23 ~~(j))~~ (f) In addition to other reductions, the appropriations in
24 this subsection reflect reductions targeted specifically to state
25 government administrative costs. These administrative reductions shall
26 be achieved, to the greatest extent possible, by reducing those
27 administrative costs that do not affect direct client services or
28 direct service delivery or programs.

29 ~~((k))~~ (g) The department shall not pay a home care agency
30 licensed under chapter 70.127 RCW for personal care services provided
31 by a family member, pursuant to Substitute House Bill No. 2361
32 (modifying state payments for in-home care).

33 ~~((l))~~ (h) Within the appropriations of this section, the
34 department shall reduce all seventeen payment levels of the seventeen-
35 level payment system from the fiscal year 2009 levels for boarding
36 homes, boarding homes contracted as assisted living, and adult family
37 homes. Excluded from the reductions are exceptional care rate add-ons.

1 The long-term care program may develop add-ons to pay exceptional care
2 rates to adult family homes and boarding homes with specialty contracts
3 to provide support for the following specifically eligible clients:

4 (i) Persons with AIDS or HIV-related diseases who might otherwise
5 require nursing home or hospital care;

6 (ii) Persons with Alzheimer's disease and related dementia who
7 might otherwise require nursing home care; and

8 (iii) Persons with co-occurring mental illness and long-term care
9 needs who are eligible for expanded community services and who might
10 otherwise require state and local psychiatric hospital care.

11 Within amounts appropriated, exceptional add-on rates for AIDS/HIV,
12 dementia specialty care, and expanded community services may be
13 standardized within each program.

14 ~~((m))~~ (i) The amounts appropriated in this subsection reflect a
15 reduction in funds available for employment and day services. In
16 administering this reduction the department shall negotiate with
17 counties and their vendors so that this reduction, to the greatest
18 extent possible, is achieved by reducing vendor rates and allowable
19 contract administrative charges (overhead) and not through reductions
20 to direct client services or direct service delivery or programs.

21 ~~((n) Within the amounts allotted for employment and day services
22 in this section, the department shall prioritize the funding of
23 employment services for students graduating from high school during
24 fiscal years 2010 and 2011. However, nothing in this subsection is
25 intended to displace services for other recipients of employment
26 services.~~

27 ~~(o))~~ (j) \$81,000 of the general fund--state appropriation for
28 fiscal year 2010, and \$599,000 of the general fund--state appropriation
29 for fiscal year 2011, and \$1,111,000 of the general fund--federal
30 appropriation are provided solely for the department to provide
31 employment and day services for eligible students graduating from high
32 school during fiscal years 2010 and 2011.

33 (k) During fiscal year 2010, the initial licensing fee for an adult
34 family home shall be set at \$900.00 and the annual renewal fee shall be
35 set at \$100.00. Pursuant to Senate Bill No. 6571 (nursing and boarding
36 home fees), during fiscal year 2011, the initial licensing fee for an
37 adult family home shall be set at \$1,600.00 per home and the annual
38 renewal fee shall be set at \$190.00 per bed.

1 (l) As part of the needs assessment instrument, the department may
2 collect data on family income for minor children with developmental
3 disabilities and all individuals who are receiving state-only funded
4 services. The department may ensure that this information is collected
5 as part of the client assessment process.

6 (m) \$100,000 of the general fund--state appropriation for fiscal
7 year 2011 is provided solely for direct support to families of
8 individuals with developmental disabilities to provide instruction in
9 self-advocacy.

10 (n) \$100,000 of the general fund--state appropriation for fiscal
11 year 2011 is provided solely for direct support of local organizations
12 that utilize parent-to-parent networks and communication to promote
13 access and quality of care for individuals with developmental
14 disabilities and their families.

15 (o) \$508,000 of the general fund--state appropriation for fiscal
16 year 2011 and \$822,000 of the general fund--federal appropriation are
17 provided solely for the department to restore, to the extent possible,
18 the reduction in subsection (b). The department will use the same
19 formula to restore personal care hours that it used to reduce personal
20 care hours.

21 (2) INSTITUTIONAL SERVICES

22	General Fund--State Appropriation (FY 2010)	((\$61,612,000))
23		<u>\$61,646,000</u>
24	General Fund--State Appropriation (FY 2011)	((\$74,185,000))
25		<u>\$62,988,000</u>
26	<u>State Efficiency and Restructuring Account--State</u>	
27	<u>Appropriation</u>	<u>\$2,875,000</u>
28	General Fund--Federal Appropriation	((\$202,160,000))
29		<u>\$210,724,000</u>
30	General Fund--Private/Local Appropriation	((\$22,441,000))
31		<u>\$22,234,000</u>
32	TOTAL APPROPRIATION	((\$360,398,000))
33		<u>\$360,467,000</u>

34 The appropriations in this subsection are subject to the following
35 conditions and limitations:

36 (a) Individuals receiving services as supplemental security income
37 (SSI) state supplemental payments shall not become eligible for medical

1 assistance under RCW 74.09.510 due solely to the receipt of SSI state
2 supplemental payments.

3 (b) The developmental disabilities program is authorized to use
4 funds appropriated in this subsection to purchase goods and supplies
5 through direct contracting with vendors when the program determines it
6 is cost-effective to do so.

7 (c) \$721,000 of the general fund--state appropriation for fiscal
8 year 2010 and \$721,000 of the general fund--state appropriation for
9 fiscal year 2011 are provided solely for the department to fulfill its
10 contracts with the school districts under chapter 28A.190 RCW to
11 provide transportation, building space, and other support services as
12 are reasonably necessary to support the educational programs of
13 students living in residential habilitation centers.

14 (d) In addition to other reductions, the appropriations in this
15 subsection reflect reductions targeted specifically to state government
16 administrative costs. These administrative reductions shall be
17 achieved, to the greatest extent possible, by reducing those
18 administrative costs that do not affect direct client services or
19 direct service delivery or programs.

20 (e) The state efficiency and restructuring account--state
21 appropriation is provided solely for one-time costs and other
22 transition costs necessary for the closure of Frances Haddon Morgan
23 center by June 20, 2011. The department shall transition all residents
24 to the appropriate home, community, or institutional setting by June
25 30, 2011.

26 (f) By December 1, 2010, the department shall report to the
27 legislature with a proposal for closure of a residential habilitation
28 center. The proposal shall consider and include where appropriate:

29 (i) The degree to which existing publicly and privately operated
30 community residential programs need to be expanded to facilitate the
31 relocation of residents from a residential habilitation center to
32 community-based care; (ii) the establishment of at least one community
33 resource team to include staff of the residential habilitation centers
34 and others with specialized skills and expertise in the treatment of
35 people with developmental disabilities, adaptive equipment specialists,
36 and staff trained in evidence-based treatment of autism spectrum
37 disorders; (iii) prerelocation individual assessments for all
38 residential habilitation center residents impacted by the proposed

1 closure; (iv) any savings generated from restructuring or closing
2 residential habilitation centers be invested in serving additional
3 clients with services, as well as improving system capacity and service
4 quality; and (v) the full fiscal and staff resources necessary for
5 implementing the proposal. The proposal shall target full closure of
6 the specified residential habilitation center by June 30, 2015.

7 (3) PROGRAM SUPPORT

8	General Fund--State Appropriation (FY 2010)	(((\$1,420,000))
9		<u>\$1,392,000</u>
10	General Fund--State Appropriation (FY 2011)	(((\$1,372,000))
11		<u>\$1,345,000</u>
12	General Fund--Federal Appropriation	(((\$1,360,000))
13		<u>\$1,305,000</u>
14	TOTAL APPROPRIATION	(((\$4,152,000))
15		<u>\$4,042,000</u>

16 The appropriations in this subsection are subject to the following
17 conditions and limitations: In addition to other reductions, the
18 appropriations in this subsection reflect reductions targeted
19 specifically to state government administrative costs. These
20 administrative reductions shall be achieved, to the greatest extent
21 possible, by reducing those administrative costs that do not affect
22 direct client services or direct service delivery or programs.

23 (4) SPECIAL PROJECTS

24	General Fund--State Appropriation (FY 2010)	\$15,000
25	(General Fund--State Appropriation (FY 2011)	\$15,000)
26	General Fund--Federal Appropriation	(((\$21,066,000))
27		<u>\$9,617,000</u>
28	TOTAL APPROPRIATION	(((\$21,096,000))
29		<u>\$9,632,000</u>

30 The appropriations in this subsection are subject to the following
31 conditions and limitations: The appropriations in this subsection are
32 available solely for the infant toddler early intervention program.

33 **Sec. 206.** 2010 c 3 s 205 (uncodified) is amended to read as
34 follows:

35 **FOR THE DEPARTMENT OF SOCIAL AND HEALTH SERVICES--AGING AND ADULT**

1	SERVICES PROGRAM	
2	General Fund--State Appropriation (FY 2010)	((\$584,741,000))
3		<u>\$616,784,000</u>
4	General Fund--State Appropriation (FY 2011)	((\$693,325,000))
5		<u>\$621,146,000</u>
6	General Fund--Federal Appropriation	((\$1,805,958,000))
7		<u>\$1,930,659,000</u>
8	General Fund--Private/Local Appropriation	((\$19,973,000))
9		<u>\$20,824,000</u>
10	Traumatic Brain Injury Account--State Appropriation . .	((\$1,816,000))
11		<u>\$3,816,000</u>
12	TOTAL APPROPRIATION	((\$3,105,813,000))
13		<u>\$3,193,229,000</u>

14 The appropriations in this section are subject to the following
15 conditions and limitations:

16 (1) Funding provided in this section is sufficient for medicaid
17 nursing facility rates calculated pursuant to Senate Bill No. 6872. As
18 required by Senate Bill No. 6872, effective July 1, 2011, the
19 department shall establish medicaid nursing facility rates that are
20 calculated using facility-specific information and have the following
21 six components: Direct care, therapy care, support services,
22 operations, property, and a financing allowance. To ensure that the
23 state's medicaid nursing facility rates are consistent with efficiency,
24 economy, and quality of care and are sufficient to reimburse providers,
25 beginning July 1, 2011, the department shall (a) provide rate
26 allocations for direct care, support services, and operations at one
27 hundred percent of the median for allowable costs of all facilities,
28 (b) provide rate allocations for therapy care, support services,
29 operations, property, and a financing allowance assuming all facilities
30 operate at ninety-five percent occupancy, (c) provide a financing
31 allowance of 0.04 for all assets acquired on or after May 17, 1999, (d)
32 use the case mix index from the January 1, 2010, through March 31,
33 2010, calendar quarter, and (e) eliminate the 0.006 low-wage worker
34 adjustment to the direct care rate. After examining actual facility
35 cost information, the legislature finds that the medicaid nursing
36 facility rates calculated pursuant to Senate Bill No. 6872 provide
37 sufficient reimbursement to efficient and economically operating
38 facilities and bear a reasonable relationship to costs.

1 (c) Persons with co-occurring mental illness and long-term care
2 needs who are eligible for expanded community services and who might
3 otherwise require state and local psychiatric hospital care.

4 Within amounts appropriated, exceptional add-on rates for AIDS/HIV,
5 dementia specialty care, and expanded community services may be
6 standardized within each program.

7 ~~((+5))~~ (6) Amounts appropriated in this section reflect a
8 reduction to funds appropriated for in-home care. The department shall
9 reduce the number of in-home hours authorized. The reduction shall be
10 scaled based on the acuity level of care recipients. The largest hour
11 reductions shall be to lower acuity patients and the smallest hour
12 reductions shall be to higher acuity patients. In doing so, the
13 department shall comply with all maintenance of effort requirements
14 contained in the American reinvestment and recovery act.

15 ~~((+6)) \$536,000 of the general fund state appropriation for fiscal~~
16 ~~year 2010, \$1,477,000 of the general fund state appropriation for~~
17 ~~fiscal year 2011, and \$2,830,000 of the general fund federal~~
18 ~~appropriation are provided solely for health care benefits pursuant to~~
19 ~~a collective bargaining agreement negotiated with the exclusive~~
20 ~~bargaining representative of individual providers established under RCW~~
21 ~~74.39A.270.~~

22 ~~(7)(a) \$1,212,000 of the general fund state appropriation for~~
23 ~~fiscal year 2010, \$2,934,000 of the general fund state appropriation~~
24 ~~for fiscal year 2011, and \$2,982,000 of the general fund federal~~
25 ~~appropriation are provided solely for the state's contribution to the~~
26 ~~training partnership, as provided in RCW 74.39A.360, pursuant to a~~
27 ~~collective bargaining agreement negotiated with the exclusive~~
28 ~~bargaining representative of individual providers established under RCW~~
29 ~~74.39A.270.~~

30 ~~(b) \$330,000 of the general fund state appropriation for fiscal~~
31 ~~year 2010, \$660,000 of the general fund state appropriation for fiscal~~
32 ~~year 2011, and \$810,000 of the general fund federal appropriation are~~
33 ~~provided solely for transfer from the department to the training~~
34 ~~partnership, as provided in RCW 74.39A.360, for infrastructure and~~
35 ~~instructional costs associated with training of individual providers,~~
36 ~~pursuant to a collective bargaining agreement negotiated with the~~
37 ~~exclusive bargaining representative of individual providers established~~
38 ~~under RCW 74.39A.270.~~

1 ~~(c) The federal portion of the amounts in this subsection is~~
2 ~~contingent upon federal approval of participation in contributions to~~
3 ~~the trust and shall remain unallotted and placed in reserve status~~
4 ~~until the office of financial management and the department of social~~
5 ~~and health services receive federal approval.~~

6 ~~(d) Expenditures for the purposes specified in this subsection~~
7 ~~shall not exceed the amounts provided in this subsection.~~

8 ~~(8))~~ (7) Within the amounts appropriated in this section, the
9 department may expand the new freedom waiver program to accommodate new
10 waiver recipients throughout the state. As possible, and in compliance
11 with current state and federal laws, the department shall allow current
12 waiver recipients to transfer to the new freedom waiver.

13 ~~((9))~~ (8) Individuals receiving services as supplemental security
14 income (SSI) state supplemental payments shall not become eligible for
15 medical assistance under RCW 74.09.510 due solely to the receipt of SSI
16 state supplemental payments.

17 ~~((10) Adult day health services shall only be authorized for in-~~
18 ~~home clients.~~

19 ~~(11) \$3,955,000 of the general fund state appropriation for fiscal~~
20 ~~year 2010, \$4,239,000 of the general fund state appropriation for~~
21 ~~fiscal year 2011, and \$10,190,000 of the general fund federal~~
22 ~~appropriation are provided solely for the continued operation of~~
23 ~~community residential and support services for persons who are older~~
24 ~~adults or who have co-occurring medical and behavioral disorders and~~
25 ~~who have been discharged or diverted from a state psychiatric hospital.~~
26 ~~These funds shall be used to serve individuals whose treatment needs~~
27 ~~constitute substantial barriers to community placement, who no longer~~
28 ~~require active psychiatric treatment at an inpatient hospital level of~~
29 ~~care, and who no longer meet the criteria for inpatient involuntary~~
30 ~~commitment. Coordination of these services will be done in partnership~~
31 ~~between the mental health program and the aging and disability services~~
32 ~~administration.~~

33 ~~(12))~~ (9) Within the funds provided, the department shall continue
34 to provide an add-on per medicaid resident day per facility not to
35 exceed \$1.57 for fiscal year 2010. There shall be no add-on for fiscal
36 year 2011. The add-on shall be used to increase wages, benefits,
37 and/or staffing levels for certified nurse aides; or to increase wages
38 and/or benefits for dietary aides, housekeepers, laundry aides, or any

1 other category of worker whose statewide average dollars-per-hour wage
2 was less than \$15 in calendar year 2008, according to cost report data.
3 The add-on may also be used to address resulting wage compression for
4 related job classes immediately affected by wage increases to low-wage
5 workers. The department shall continue reporting requirements and a
6 settlement process to ensure that the funds are spent according to this
7 subsection. The department shall adopt rules to implement the terms of
8 this subsection.

9 ~~((+13+))~~ (10) \$1,840,000 of the general fund--state appropriation
10 for fiscal year 2010 and \$1,877,000 of the general fund--state
11 appropriation for fiscal year 2011 are provided solely for operation of
12 the volunteer chore services program.

13 ~~((+14+))~~ (11) In accordance with chapter 74.39 RCW, the department
14 may implement two medicaid waiver programs for persons who do not
15 qualify for such services as categorically needy, subject to federal
16 approval and the following conditions and limitations:

17 (a) One waiver program shall include coverage of care in community
18 residential facilities. Enrollment in the waiver shall not exceed 600
19 persons at any time.

20 (b) The second waiver program shall include coverage of in-home
21 care. Enrollment in this second waiver shall not exceed 200 persons at
22 any time.

23 (c) The department shall identify the number of medically needy
24 nursing home residents, and enrollment and expenditures on each of the
25 two medically needy waivers, on monthly management reports.

26 (d) If it is necessary to establish a waiting list for either
27 waiver because the budgeted number of enrollment opportunities has been
28 reached, the department shall track how the long-term care needs of
29 applicants assigned to the waiting list are met.

30 ~~((+15+))~~ (12) The department shall establish waiting lists to the
31 extent necessary to assure that annual expenditures on the community
32 options program entry systems (COPES) program do not exceed
33 appropriated levels. In establishing and managing any such waiting
34 list, the department shall assure priority access to persons with the
35 greatest unmet needs, as determined by department assessment processes.

36 ~~((+16+))~~ (13) The department shall contract for housing with
37 service models, such as cluster care, to create efficiencies in service

1 delivery and responsiveness to unscheduled personal care needs by
2 clustering hours for clients that live in close proximity to each
3 other.

4 ~~((+17))~~ (14) The department shall not pay a home care agency
5 licensed under chapter 70.127 RCW for personal care services provided
6 by a family member, pursuant to Substitute House Bill No. 2361
7 (modifying state payments for in-home care).

8 ~~((+18)---\$204,000))~~ (15) \$209,000 of the general fund--state
9 appropriation for fiscal year 2010, ~~((+\$1,099,000))~~ \$781,000 of the
10 general fund--state appropriation for fiscal year 2011, and
11 ~~((+\$1,697,000))~~ \$1,293,000 of the general fund--federal appropriation
12 are provided solely to implement Engrossed House Bill No. 2194
13 (extraordinary medical placement for offenders). The department shall
14 work in partnership with the department of corrections to identify
15 services and find placements for offenders who are released through the
16 extraordinary medical placement program. The department shall
17 collaborate with the department of corrections to identify and track
18 cost savings to the department of corrections, including medical cost
19 savings and to identify and track expenditures incurred by the aging
20 and disability services program for community services and by the
21 medical assistance program for medical expenses. A joint report
22 regarding the identified savings and expenditures shall be provided to
23 the office of financial management and the appropriate fiscal
24 committees of the legislature by November 30, 2010. If this bill is
25 not enacted by June 30, 2009, the amounts provided in this subsection
26 shall lapse.

27 ~~((+19))~~ (16) Sufficient funding is provided in this section for
28 the department to implement Engrossed Second Substitute House Bill No.
29 1935 (adult family homes). During ~~((the 2009-11 biennium,))~~ fiscal
30 year 2010 the initial licensing fee for an adult family home shall be
31 set at \$900.00~~((---During the 2009-11 biennium,))~~ and the annual
32 licensing renewal fee shall be set at \$100.00. During fiscal year
33 2011, the initial licensing fee for an adult family home shall be set
34 at \$1,600.00 per home and the annual renewal fee shall be set at
35 \$190.00 per bed, pursuant to Substitute Senate Bill No. 6571 (nursing
36 and boarding home fees).

37 (17) \$4,100,000 of the general fund--state appropriation for fiscal
38 year 2010, \$4,222,000 of the general fund--state appropriation for

1 fiscal year 2011, and \$8,129,000 of the general fund--federal
 2 appropriation are provided solely for the operation of the management
 3 services division of the aging and disability services administration.
 4 This includes but is not limited to the budget, contracts, accounting,
 5 decision support, information technology, and rate development
 6 activities for programs administered by the aging and disability
 7 services administration.

8 (18) \$116,000 of the general fund--state appropriation for fiscal
 9 year 2010, \$884,000 of the general fund--state appropriation for fiscal
 10 year 2011, and \$1,622,000 of the general fund--federal appropriation
 11 are provided solely for the department to maintain enrollment in the
 12 adult day health services program.

13 (19) \$3,070,000 of the general fund--state appropriation for fiscal
 14 year 2011 and \$4,980,000 of the general fund--federal appropriation are
 15 provided solely for the department to restore, to the extent possible,
 16 the reduction in subsection (6) of this section. The department will
 17 use the same formula to restore personal care hours that it used to
 18 reduce personal care hours.

19 (20) \$1,000,000 of the general fund--state appropriation for fiscal
 20 year 2011 is provided solely for the department to contract for the
 21 provision of an individual provider referral registry.

22 **Sec. 207.** 2010 c 3 s 206 (uncodified) is amended to read as
 23 follows:

24 **FOR THE DEPARTMENT OF SOCIAL AND HEALTH SERVICES--ECONOMIC SERVICES**
 25 **PROGRAM**

26	General Fund--State Appropriation (FY 2010)	((\$557,452,000))
27		<u>\$566,620,000</u>
28	General Fund--State Appropriation (FY 2011)	((\$587,973,000))
29		<u>\$525,208,000</u>
30	General Fund--Federal Appropriation	((\$1,139,899,000))
31		<u>\$1,157,923,000</u>
32	General Fund--Private/Local Appropriation	((\$27,920,000))
33		<u>\$28,925,000</u>
34	Administrative Contingency Account--State	
35	Appropriation	((\$29,136,000))
36		<u>\$24,336,000</u>
37	TOTAL APPROPRIATION	((\$2,342,380,000))

The appropriations in this section are subject to the following conditions and limitations:

(1) (~~(\$303,196,000)~~) \$303,393,000 of the general fund--state appropriation for fiscal year 2010, (~~(\$309,755,000)~~) \$294,553,000 of the general fund--state appropriation for fiscal year 2011, (~~(\$29,136,000)~~) \$24,336,000 of the administrative contingency account--state appropriation, and \$778,606,000 of the general fund--federal appropriation are provided solely for all components of the WorkFirst program. The department shall use moneys from the administrative contingency account for WorkFirst job placement services provided by the employment security department. Within the amounts provided for the WorkFirst program, the department may provide assistance using state-only funds for families eligible for temporary assistance for needy families. In addition, within the amounts provided for WorkFirst the department shall:

(a) Establish a career services work transition program;

(b) Continue to implement WorkFirst program improvements that are designed to achieve progress against outcome measures specified in RCW 74.08A.410. Outcome data regarding job retention and wage progression shall be 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. 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;

(c) Submit a report electronically by October 1, 2009, to the fiscal committees of the legislature containing a spending plan for the WorkFirst program. The plan shall identify how spending levels in the 2009-2011 biennium will be adjusted to stay within available federal grant levels and the appropriated state-fund levels;

(d) Provide quarterly fiscal reports to the office of financial management and the legislative fiscal committees detailing information on the amount expended from general fund--state and general fund--federal by activity;

(e) (~~(Maintain the fiscal year 2009 grant standard for the temporary assistance for needy families grant)~~) The department shall establish a ratable reduction to the temporary assistance cash grant amounts, pursuant to RCW 74.04.770, to achieve the appropriated levels

1 in this section. If additional federal stimulus funds are received for
2 temporary assistance for needy families after the effective date of
3 this section, the ratable reduction in this subsection to the temporary
4 assistance cash benefits shall not take effect.

5 (2) The department and the office of financial management shall
6 electronically report quarterly the expenditures, maintenance of effort
7 allotments, expenditure amounts, and caseloads for the WorkFirst
8 program to the legislative fiscal committees.

9 ~~(3) ((\$84,856,000 of the general fund state appropriation for~~
10 ~~fiscal year 2010 and \$95,173,000 of the general fund state~~
11 ~~appropriation for fiscal year 2011 are provided solely for cash~~
12 ~~assistance and other services to recipients in the general assistance~~
13 ~~unemployable program.~~

14 ~~Within these amounts:~~

15 ~~(a) The department shall aggressively pursue opportunities to~~
16 ~~transfer general assistance unemployable clients to general assistance~~
17 ~~expedited coverage and to facilitate client applications for federal~~
18 ~~supplemental security income when the client's incapacities indicate~~
19 ~~that he or she would be likely to meet the federal disability criteria~~
20 ~~for supplemental security income. The department shall initiate and~~
21 ~~file the federal supplemental security income interim agreement as~~
22 ~~quickly as possible in order to maximize the recovery of federal funds;~~

23 ~~(b) The department shall review the general assistance caseload to~~
24 ~~identify recipients that would benefit from assistance in becoming~~
25 ~~naturalized citizens, and thus be eligible to receive federal~~
26 ~~supplemental security income benefits. Those cases shall be given high~~
27 ~~priority for naturalization funding through the department;~~

28 ~~(c) The department shall actively coordinate with local workforce~~
29 ~~development councils to expedite access to worker retraining programs~~
30 ~~for general assistance unemployable clients in those regions of the~~
31 ~~state with the greatest number of such clients;~~

32 ~~(d) By July 1, 2009, the department shall enter into an interagency~~
33 ~~agreement with the department of veterans' affairs to establish a~~
34 ~~process for referral of veterans who may be eligible for veteran's~~
35 ~~services. This agreement must include outstationing department of~~
36 ~~veterans' affairs staff in selected community service office locations~~
37 ~~in King and Pierce counties to facilitate applications for veterans'~~
38 ~~services; and~~

1 ~~(e) In addition to any earlier evaluation that may have been~~
2 ~~conducted, the department shall intensively evaluate those clients who~~
3 ~~have been receiving general assistance unemployable benefits for twelve~~
4 ~~months or more as of July 1, 2009, or thereafter, if the available~~
5 ~~medical and incapacity related evidence indicates that the client is~~
6 ~~unlikely to meet the disability standard for federal supplemental~~
7 ~~security income benefits. The evaluation shall identify services~~
8 ~~necessary to eliminate or minimize barriers to employment, including~~
9 ~~mental health treatment, substance abuse treatment and vocational~~
10 ~~rehabilitation services. The department shall expedite referrals to~~
11 ~~chemical dependency treatment, mental health and vocational~~
12 ~~rehabilitation services for these clients.~~

13 ~~(f) The appropriations in this subsection reflect a change in the~~
14 ~~earned income disregard policy for general assistance unemployable~~
15 ~~clients. It is the intent of the legislature that the department shall~~
16 ~~adopt the temporary assistance for needy families earned income policy~~
17 ~~for general assistance unemployable)) \$73,339,000 of the general~~
18 ~~fund--state appropriation for fiscal year 2010 and \$28,928,000 of the~~
19 ~~general fund--state appropriation for fiscal year 2011 are for the~~
20 ~~disability lifeline benefit program under Second Substitute House Bill~~
21 ~~No. 2782. The department shall purchase services as follows:~~

22 (a) Within the amounts appropriated in this section, pursuant to
23 section 5 of Second Substitute House Bill No. 2782, the department
24 shall require those recipients who have a secondary alcohol or drug
25 addiction to attend the appropriate treatment program. The enrollee's
26 participation in treatment is a condition for receipt of a monthly cash
27 stipend of fifty dollars and a housing voucher to be used with a vendor
28 approved by the department. If the enrollee fails to accept such
29 services, the department shall terminate the stipend and housing
30 voucher benefits but may not terminate medical coverage or basic food
31 benefits as a result.

32 (b) Within the amounts appropriated in this section, pursuant to
33 section 5 of Second Substitute House Bill No. 2782, the department
34 shall require those clients who are homeless to enter a housing program
35 as designated by the department. If the recipient participates in the
36 program, he or she shall receive a cash stipend of fifty dollars a
37 month. If the recipient fails to accept such services, the department
38 shall terminate the monthly stipend but may not terminate medical

1 coverage or basic food benefits. If shelter or housing is not
2 available, the recipient may receive a housing voucher to use with a
3 vendor approved by the department until a placement in the housing
4 program becomes available.

5 (c) Within the amounts appropriated in this section, pursuant to
6 section 5 of Second Substitute House Bill No. 2782, a recipient who is
7 neither homeless nor has a secondary addiction to drugs or alcohol
8 shall be eligible for a monthly cash stipend of fifty dollars a month.
9 If the recipient is terminated from the program for reasons other than
10 a material improvement in the condition on which his or her eligibility
11 for benefits is based, the department shall not terminate medical
12 coverage or food benefits.

13 (d) The department shall establish a ratable reduction to the cash
14 grant amounts, pursuant to RCW 74.04.770, to achieve the appropriated
15 levels.

16 (e) If any provision of this subsection is in conflict with House
17 Bill No. 2782, as enacted, the provision shall lapse.

18 (4) \$750,000 of the general fund--state appropriation for fiscal
19 year 2010 and \$750,000 of the general fund--state appropriation for
20 fiscal year 2011 are provided solely for naturalization services.

21 (5)(a) \$3,550,000 of the general fund--state appropriation for
22 fiscal year 2010 is provided solely for refugee employment services, of
23 which \$2,650,000 is provided solely for the department to pass through
24 to statewide refugee assistance organizations for limited English
25 proficiency pathway services; and \$3,550,000 of the general fund--state
26 appropriation for fiscal year 2011 is provided solely for refugee
27 employment services, of which \$2,650,000 is provided solely for the
28 department to pass through to statewide refugee assistance
29 organizations for limited English proficiency pathway services.

30 (b) The legislature intends that the appropriation in this
31 subsection for the 2009-11 fiscal biennium will maintain funding for
32 refugee programs at a level at least equal to expenditures on these
33 programs in the 2007-09 fiscal biennium.

34 (6) To ensure expenditures remain within available funds
35 appropriated in this section, the legislature establishes the benefit
36 under the state food assistance program, made pursuant to RCW
37 74.08A.120, to be ninety-four percent of the federal supplemental
38 nutrition assistance program benefit amount.

1 (7) The appropriations in this section reflect reductions in the
2 appropriations for the economic services administration's
3 administrative expenses. It is the intent of the legislature that
4 these reductions shall be achieved, to the greatest extent possible, by
5 reducing those administrative costs that do not affect direct client
6 services or direct service delivery or program.

7 **Sec. 208.** 2010 c 3 s 207 (uncodified) is amended to read as
8 follows:

9 **FOR THE DEPARTMENT OF SOCIAL AND HEALTH SERVICES--ALCOHOL AND**
10 **SUBSTANCE ABUSE PROGRAM**

11	General Fund--State Appropriation (FY 2010)	((\$82,028,000))
12		<u>\$82,010,000</u>
13	General Fund--State Appropriation (FY 2011)	((\$84,682,000))
14		<u>\$80,944,000</u>
15	General Fund--Federal Appropriation	((\$145,604,000))
16		<u>\$149,704,000</u>
17	General Fund--Private/Local Appropriation	\$2,719,000
18	Criminal Justice Treatment Account--State	
19	Appropriation	\$17,747,000
20	Problem Gambling Account--State Appropriation	\$1,459,000
21	TOTAL APPROPRIATION	((\$334,239,000))
22		<u>\$334,583,000</u>

23 The appropriations in this section are subject to the following
24 conditions and limitations:

25 (1) Within the amounts appropriated in this section, the department
26 may contract with the University of Washington and community-based
27 providers for the provision of the parent-child assistance program.
28 For all contractors, indirect charges for administering the program
29 shall not exceed ten percent of the total contract amount.

30 (2) Within the amounts appropriated in this section, the department
31 shall continue to provide for chemical dependency treatment services
32 for adult medicaid eligible and general assistance-unemployable
33 patients.

34 (3) In addition to other reductions, the appropriations in this
35 section reflect reductions targeted specifically to state government
36 administrative costs. These administrative reductions shall be

1 achieved, to the greatest extent possible, by reducing those
2 administrative costs that do not affect direct client services or
3 direct service delivery or programs.

4 **Sec. 209.** 2010 c 3 s 208 (uncodified) is amended to read as
5 follows:

6 **FOR THE DEPARTMENT OF SOCIAL AND HEALTH SERVICES--MEDICAL ASSISTANCE**
7 **PROGRAM**

8	General Fund--State Appropriation (FY 2010)	((\$1,598,043,000))
9		<u>\$1,693,397,000</u>
10	General Fund--State Appropriation (FY 2011)	((\$1,985,797,000))
11		<u>\$1,803,896,000</u>
12	General Fund--Federal Appropriation	((\$5,212,855,000))
13		<u>\$5,998,193,000</u>
14	General Fund--Private/Local Appropriation	((\$12,903,000))
15		<u>\$37,196,000</u>
16	Emergency Medical Services and Trauma Care Systems	
17	Trust Account--State Appropriation	\$15,076,000
18	Tobacco Prevention and Control Account--	
19	State Appropriation	((\$3,766,000))
20		<u>\$4,464,000</u>
21	<u>Hospital Safety Account--State Appropriation</u>	<u>\$231,313,000</u>
22	TOTAL APPROPRIATION	((\$8,828,440,000))
23		<u>\$9,783,535,000</u>

24 The appropriations in this section are subject to the following
25 conditions and limitations:

26 (1) Based on quarterly expenditure reports and caseload forecasts,
27 if the department estimates that expenditures for the medical
28 assistance program will exceed the appropriations, the department shall
29 take steps including but not limited to reduction of rates or
30 elimination of optional services to reduce expenditures so that total
31 program costs do not exceed the annual appropriation authority.

32 (2) In determining financial eligibility for medicaid-funded
33 services, the department is authorized to disregard recoveries by
34 Holocaust survivors of insurance proceeds or other assets, as defined
35 in RCW 48.104.030.

36 (3) The legislature affirms that it is in the state's interest for

1 Harborview medical center to remain an economically viable component of
2 the state's health care system.

3 (4) When a person is ineligible for medicaid solely by reason of
4 residence in an institution for mental diseases, the department shall
5 provide the person with the same benefits as he or she would receive if
6 eligible for medicaid, using state-only funds to the extent necessary.

7 (5) In accordance with RCW 74.46.625, \$6,000,000 of the general
8 fund--federal appropriation is provided solely for supplemental
9 payments to nursing homes operated by public hospital districts. The
10 public hospital district shall be responsible for providing the
11 required nonfederal match for the supplemental payment, and the
12 payments shall not exceed the maximum allowable under federal rules.
13 It is the legislature's intent that the payments shall be supplemental
14 to and shall not in any way offset or reduce the payments calculated
15 and provided in accordance with part E of chapter 74.46 RCW. It is the
16 legislature's further intent that costs otherwise allowable for rate-
17 setting and settlement against payments under chapter 74.46 RCW shall
18 not be disallowed solely because such costs have been paid by revenues
19 retained by the nursing home from these supplemental payments. The
20 supplemental payments are subject to retrospective interim and final
21 cost settlements based on the nursing homes' as-filed and final
22 medicare cost reports. The timing of the interim and final cost
23 settlements shall be at the department's discretion. During either the
24 interim cost settlement or the final cost settlement, the department
25 shall recoup from the public hospital districts the supplemental
26 payments that exceed the medicaid cost limit and/or the medicare upper
27 payment limit. The department shall apply federal rules for
28 identifying the eligible incurred medicaid costs and the medicare upper
29 payment limit.

30 ~~(6) ((\$1,110,000 of the general fund--federal appropriation and~~
31 ~~\$1,105,000 of the general fund--state appropriation for fiscal year~~
32 ~~2011 are provided solely for grants to rural hospitals. The department~~
33 ~~shall distribute the funds under a formula that provides a relatively~~
34 ~~larger share of the available funding to hospitals that (a) serve a~~
35 ~~disproportionate share of low income and medically indigent patients,~~
36 ~~and (b) have relatively smaller net financial margins, to the extent~~
37 ~~allowed by the federal medicaid program.~~

1 ~~(7) \$9,818,000 of the general fund state appropriation for fiscal~~
2 ~~year 2011, and \$9,865,000 of the general fund federal appropriation~~
3 ~~are provided solely for grants to nonrural hospitals. The department~~
4 ~~shall distribute the funds under a formula that provides a relatively~~
5 ~~larger share of the available funding to hospitals that (a) serve a~~
6 ~~disproportionate share of low income and medically indigent patients,~~
7 ~~and (b) have relatively smaller net financial margins, to the extent~~
8 ~~allowed by the federal medicaid program.~~

9 (8)) The department shall continue the inpatient hospital
10 certified public expenditures program for the 2009-11 biennium. The
11 program shall apply to all public hospitals, including those owned or
12 operated by the state, except those classified as critical access
13 hospitals or state psychiatric institutions. The department shall
14 submit reports to the governor and legislature by November 1, 2009, and
15 by November 1, 2010, that evaluate whether savings continue to exceed
16 costs for this program. If the certified public expenditures (CPE)
17 program in its current form is no longer cost-effective to maintain,
18 the department shall submit a report to the governor and legislature
19 detailing cost-effective alternative uses of local, state, and federal
20 resources as a replacement for this program. During fiscal year 2010
21 and fiscal year 2011, hospitals in the program shall be paid and shall
22 retain one hundred percent of the federal portion of the allowable
23 hospital cost for each medicaid inpatient fee-for-service claim payable
24 by medical assistance and one hundred percent of the federal portion of
25 the maximum disproportionate share hospital payment allowable under
26 federal regulations. Inpatient medicaid payments shall be established
27 using an allowable methodology that approximates the cost of claims
28 submitted by the hospitals. Payments made to each hospital in the
29 program in each fiscal year of the biennium shall be compared to a
30 baseline amount. The baseline amount will be determined by the total
31 of (a) the inpatient claim payment amounts that would have been paid
32 during the fiscal year had the hospital not been in the CPE program,
33 (b) one half of the indigent assistance disproportionate share hospital
34 payment amounts paid to and retained by each hospital during fiscal
35 year 2005, and (c) all of the other disproportionate share hospital
36 payment amounts paid to and retained by each hospital during fiscal
37 year 2005 to the extent the same disproportionate share hospital
38 programs exist in the 2009-11 biennium. If payments during the fiscal

1 year exceed the hospital's baseline amount, no additional payments will
2 be made to the hospital except the federal portion of allowable
3 disproportionate share hospital payments for which the hospital can
4 certify allowable match. If payments during the fiscal year are less
5 than the baseline amount, the hospital will be paid a state grant equal
6 to the difference between payments during the fiscal year and the
7 applicable baseline amount. Payment of the state grant shall be made
8 in the applicable fiscal year and distributed in monthly payments. The
9 grants will be recalculated and redistributed as the baseline is
10 updated during the fiscal year. The grant payments are subject to an
11 interim settlement within eleven months after the end of the fiscal
12 year. A final settlement shall be performed. To the extent that
13 either settlement determines that a hospital has received funds in
14 excess of what it would have received as described in this subsection,
15 the hospital must repay the excess amounts to the state when requested.
16 \$6,570,000 of the general fund--state appropriation for fiscal year
17 2010, which is appropriated in section 204(1) of this act, and
18 \$1,500,000 of the general fund--state appropriation for fiscal year
19 2011, which is appropriated in section 204(1) of this act, are provided
20 solely for state grants for the participating hospitals. Sufficient
21 amounts are appropriated in this section for the remaining state grants
22 for the participating hospitals.

23 ~~((+9))~~ (7) The department is authorized to use funds appropriated
24 in this section to purchase goods and supplies through direct
25 contracting with vendors when the department determines it is cost-
26 effective to do so.

27 ~~((+10))~~ (8) \$93,000 of the general fund--state appropriation for
28 fiscal year 2010 and \$93,000 of the general fund--federal appropriation
29 are provided solely for the department to pursue a federal Medicaid
30 waiver pursuant to Second Substitute Senate Bill No. 5945 (Washington
31 health partnership plan). ~~((If the bill is not enacted by June 30,
32 2009, the amounts provided in this subsection shall lapse.~~

33 ~~(+11))~~ (9) The department shall require managed health care systems
34 that have contracts with the department to serve medical assistance
35 clients to limit any reimbursements or payments the systems make to
36 providers not employed by or under contract with the systems to no more
37 than the medical assistance rates paid by the department to providers

1 for comparable services rendered to clients in the fee-for-service
2 delivery system.

3 ~~((12))~~ (10) A maximum of ~~(((\$166,875,000))~~ \$177,735,000 of the
4 general fund--state appropriation and ~~(((\$38,389,000))~~ \$38,369,000 of
5 the general fund--federal appropriation may be expended in the fiscal
6 biennium for the general assistance-unemployable medical program~~(, and~~
7 ~~these amounts are provided solely for this program. Of these amounts,~~
8 ~~\$10,749,000 of the general fund--state appropriation for fiscal year~~
9 ~~2010 and \$10,892,000 of the general fund--federal appropriation are~~
10 ~~provided solely for payments to hospitals for providing outpatient~~
11 ~~services to low income patients who are recipients of general~~
12 ~~assistance-unemployable)). Pursuant to RCW 74.09.035, the department~~
13 ~~shall not expend for the general assistance medical care services~~
14 ~~program any amounts in excess of the amounts provided in this~~
15 ~~subsection. \$14,524,000 of the general fund--state appropriation~~
16 ~~provided in this subsection may be expended only if the customer client~~
17 ~~services contract is amended to allow for any actuarial savings~~
18 ~~achieved in inpatient and outpatient hospital care to accrue to the~~
19 ~~state. If the contract is not so amended, \$14,524,000 of the general~~
20 ~~fund--state appropriation shall lapse.~~

21 ~~((13) If the department determines that it is feasible within the~~
22 ~~amounts provided in subsection (16) of this section, and without the~~
23 ~~loss of federal disproportionate share hospital funds, the department~~
24 ~~shall contract with the carrier currently operating a managed care~~
25 ~~pilot project for the provision of medical care services to general~~
26 ~~assistance-unemployable clients.)) Mental health services shall be~~
27 ~~included in the services provided through the managed care system.~~
28 ~~((If the department determines that it is feasible, effective October~~
29 ~~1, 2009, in addition to serving clients in the pilot counties, the~~
30 ~~carrier shall expand managed care services to clients residing in at~~
31 ~~least the following counties: Spokane, Yakima, Chelan, Kitsap, and~~
32 ~~Cowlitz. If the department determines that it is feasible, the carrier~~
33 ~~shall complete implementation into the remaining counties. Total per~~
34 ~~person costs to the state, including outpatient and inpatient services~~
35 ~~and any additional costs due to stop loss agreements, shall not exceed~~
36 ~~the per capita payments projected for the general assistance-~~
37 ~~unemployable eligibility category, by fiscal year, in the February 2009~~
38 ~~medical assistance expenditures forecast.)) (11) The department, in~~

1 collaboration with the carrier, shall seek to improve the transition
2 rate of general assistance clients to the federal supplemental security
3 income program, as required in the special terms and conditions section
4 of the custom client services contract.

5 ~~((+14))~~ (12) The department shall evaluate the impact of the use
6 of a managed care delivery and financing system on state costs and
7 outcomes for general assistance medical clients and report to the
8 governor and the fiscal committees of the legislature by November 1,
9 2010. Outcomes measured shall include state costs, utilization,
10 changes in mental health status and symptoms, and involvement in the
11 criminal justice system. Monthly encounter data shall be included in
12 the report.

13 ~~((+15))~~ (13) The department shall report to the governor and the
14 fiscal committees of the legislature by June 1, 2010, on its progress
15 toward achieving a twenty percentage point increase in the generic
16 prescription drug utilization rate.

17 ~~((+16))~~ (14) State funds shall not be used by hospitals for
18 advertising purposes.

19 ~~((+17))~~ (15) The department shall seek a medicaid state plan
20 amendment to create a professional services supplemental payment
21 program for University of Washington medicine professional providers no
22 later than July 1, 2009. The department shall apply federal rules for
23 identifying the shortfall between current fee-for-service medicaid
24 payments to participating providers and the applicable federal upper
25 payment limit. Participating providers shall be solely responsible for
26 providing the local funds required to obtain federal matching funds.
27 Any incremental costs incurred by the department in the development,
28 implementation, and maintenance of this program will be the
29 responsibility of the participating providers. Participating providers
30 will retain the full amount of supplemental payments provided under
31 this program, net of any potential costs for any related audits or
32 litigation brought against the state. The department shall report to
33 the governor and the legislative fiscal committees on the prospects for
34 expansion of the program to other qualifying providers as soon as
35 feasibility is determined but no later than December 31, 2009. The
36 report will outline estimated impacts on the participating providers,
37 the procedures necessary to comply with federal guidelines, and the
38 administrative resource requirements necessary to implement the

1 program. The department will create a process for expansion of the
2 program to other qualifying providers as soon as it is determined
3 feasible by both the department and providers but no later than June
4 30, 2010.

5 ~~((18) \$9,350,000))~~ (16) \$9,075,000 of the general fund--state
6 appropriation for fiscal year 2010, ~~((8,313,000))~~ \$3,932,000 of the
7 general fund--state appropriation for fiscal year 2011, and
8 ~~((20,371,000))~~ \$33,510,000 of the general fund--federal appropriation
9 are provided solely for development and implementation of a replacement
10 system for the existing medicaid management information system. The
11 amounts provided in this subsection are conditioned on the department
12 satisfying the requirements of section 902 of this act. Sufficient
13 funding is provided for post-implementation phase 1 operations,
14 maintenance, stabilization, and certification. The department shall
15 pursue necessary system certification and approval from the federal
16 centers for medicare and medicaid services.

17 ~~((19))~~ (17) \$506,000 of the general fund--state appropriation for
18 fiscal year 2011 and \$657,000 of the general fund--federal
19 appropriation are provided solely for the implementation of Second
20 Substitute House Bill No. 1373 (children's mental health). ~~((If the~~
21 ~~bill is not enacted by June 30, 2009, the amounts provided in this~~
22 ~~subsection shall lapse.~~

23 ~~(20))~~ (18) Pursuant to 42 U.S.C. Sec. 1396(a)(25), the department
24 shall pursue insurance claims on behalf of medicaid children served
25 through its in-home medically intensive child program under WAC 388-
26 551-3000. The department shall report to the Legislature by December
27 31, 2009, on the results of its efforts to recover such claims.

28 ~~((21))~~ (19) The department may, on a case-by-case basis and in
29 the best interests of the child, set payment rates for medically
30 intensive home care services to promote access to home care as an
31 alternative to hospitalization. Expenditures related to these
32 increased payments shall not exceed the amount the department would
33 otherwise pay for hospitalization for the child receiving medically
34 intensive home care services.

35 ~~((22) \$425,000 of the general fund--state appropriation for fiscal~~
36 ~~year 2010, \$425,000 of the general fund--state appropriation for fiscal~~
37 ~~year 2011, and \$1,580,000 of the general fund--federal appropriation~~
38 ~~are provided solely to continue children's health coverage outreach and~~

1 ~~education efforts under RCW 74.09.470. These efforts shall rely on~~
2 ~~existing relationships and systems developed with local public health~~
3 ~~agencies, health care providers, public schools, the women, infants,~~
4 ~~and children program, the early childhood education and assistance~~
5 ~~program, child care providers, newborn visiting nurses, and other~~
6 ~~community based organizations. The department shall seek public-~~
7 ~~private partnerships and federal funds that are or may become available~~
8 ~~to provide on-going support for outreach and education efforts under~~
9 ~~the federal children's health insurance program reauthorization act of~~
10 ~~2009.~~

11 ~~(+23+))~~ (20) The department, in conjunction with the office of
12 financial management, shall reduce outpatient and inpatient hospital
13 rates and implement a prorated inpatient payment policy. In
14 determining the level of reductions needed, the department shall
15 include in its calculations services paid under fee-for-service,
16 managed care, and certified public expenditure payment methods; but
17 reductions shall not apply to payments for psychiatric inpatient
18 services or payments to critical access hospitals.

19 ~~((+24+))~~ (21) The department will pursue a competitive procurement
20 process for antihemophilic products, emphasizing evidence-based
21 medicine and protection of patient access without significant
22 disruption in treatment.

23 ~~((+25+))~~ (22) The department will pursue several strategies towards
24 reducing pharmacy expenditures including but not limited to increasing
25 generic prescription drug utilization by 20 percentage points and
26 promoting increased utilization of the existing mail-order pharmacy
27 program.

28 ~~((+26+))~~ (23) The department shall reduce reimbursement for over-
29 the-counter medications while maintaining reimbursement for those over-
30 the-counter medications that can replace more costly prescription
31 medications.

32 ~~((+27+))~~ (24) The department shall seek public-private partnerships
33 and federal funds that are or may become available to implement health
34 information technology projects under the federal American recovery and
35 reinvestment act of 2009.

36 ~~((+28+))~~ (25) The department shall target funding for maternity
37 support services towards pregnant women with factors that lead to
38 higher rates of poor birth outcomes, including hypertension, a preterm

1 or low birth weight birth in the most recent previous birth, a
2 cognitive deficit or developmental disability, substance abuse, severe
3 mental illness, unhealthy weight or failure to gain weight, tobacco
4 use, or African American or Native American race.

5 ~~((+29))~~ (26) \$79,000 of the general fund--state appropriation for
6 fiscal year 2010 and \$53,000 of the general fund--federal appropriation
7 are provided solely to implement Substitute House Bill No. 1845
8 (medical support obligations).

9 ~~((+30))~~ (27) \$63,000 of the general fund--state appropriation for
10 fiscal year 2010, \$583,000 of the general fund--state appropriation for
11 fiscal year 2011, and \$864,000 of the general fund--federal
12 appropriation are provided solely to implement Engrossed House Bill No.
13 2194 (extraordinary medical placement for offenders). The department
14 shall work in partnership with the department of corrections to
15 identify services and find placements for offenders who are released
16 through the extraordinary medical placement program. The department
17 shall collaborate with the department of corrections to identify and
18 track cost savings to the department of corrections, including medical
19 cost savings, and to identify and track expenditures incurred by the
20 aging and disability services program for community services and by the
21 medical assistance program for medical expenses. A joint report
22 regarding the identified savings and expenditures shall be provided to
23 the office of financial management and the appropriate fiscal
24 committees of the legislature by November 30, 2010. ~~((If this bill is
25 not enacted by June 30, 2009, the amounts provided in this subsection
26 shall lapse.~~

27 ~~(+31))~~ (28) Sufficient amounts are provided in this section to
28 provide full benefit dual eligible beneficiaries with medicare part D
29 prescription drug copayment coverage in accordance with RCW 74.09.520.

30 (29) Sufficient amounts are provided in this section to provide
31 medicaid school-based medical services.

32 (30) The department shall pursue all opportunities to maximize
33 discounted drug pricing through the 340B drug pricing program in
34 section 340B of the public health service act. The department shall
35 report its findings to the governor and the fiscal committees of the
36 legislature by December 1, 2010.

37 (31) For rates established on or after July 1, 2010, the department
38 shall pay to health plans participating in the healthy options managed

1 care program capitation rates and delivery case rates that are
2 developed using actuarially sound methods. Health plans operating in
3 the same county shall be paid the same base capitation rates for that
4 county, with plan-specific adjustments related to risk characteristics
5 of the plan's members including age, gender and diagnostic-based risk
6 adjustments, such as chronic disability payment system risk scores.
7 The department shall provide preliminary rates for the upcoming fiscal
8 year to all the healthy options plans and the fiscal committees of the
9 legislature by September 30, 2010.

10 (32) Sufficient amounts are appropriated in this section for the
11 department to provide dental benefits that are at least equivalent to
12 the benefits provided in the 2005-07 biennium.

13 (33) The department shall develop a transition plan from a fee-for-
14 service delivery system to a managed care delivery system for aged,
15 blind, and disabled clients eligible for medical assistance coverage by
16 June 1, 2011.

17 (34) The department shall propose a new medicaid prescription drug
18 pricing benchmark to replace the average wholesale price (AWP), and
19 report on the transition plan, the potential impact on stakeholders,
20 and impact on state expenditures for the 2011-13 biennium to the
21 governor and the fiscal committees of the legislature by November 1,
22 2010. This effort will include collaboration with stakeholders and be
23 consistent with the recommendations of the American medicaid pharmacy
24 administrators association and the national association of medicaid
25 directors working group on post-AWP pricing and reimbursement.

26 **Sec. 210.** 2010 c 3 s 209 (uncodified) is amended to read as
27 follows:

28 **FOR THE DEPARTMENT OF SOCIAL AND HEALTH SERVICES--VOCATIONAL**
29 **REHABILITATION PROGRAM**

30	General Fund--State Appropriation (FY 2010)	((\$10,451,000))
31		\$10,386,000
32	General Fund--State Appropriation (FY 2011)	((\$10,125,000))
33		\$9,756,000
34	General Fund--Federal Appropriation	((\$83,534,000))
35		\$107,570,000

36 Telecommunications Devices for the Hearing and
37 Speech Impaired--State Appropriation ((\$1,979,000))

1 \$5,979,000
 2 TOTAL APPROPRIATION ((\$106,089,000))
 3 \$133,691,000

4 The appropriations in this section are subject to the following
 5 conditions and limitations: The vocational rehabilitation program
 6 shall coordinate closely with the economic services program to serve
 7 general assistance unemployable clients who are referred for
 8 eligibility determination and vocational rehabilitation services, and
 9 shall make every effort, within the requirements of the federal
 10 rehabilitation act of 1973, to serve these clients.

11 **Sec. 211.** 2010 c 3 s 210 (uncodified) is amended to read as
 12 follows:

13 **FOR THE DEPARTMENT OF SOCIAL AND HEALTH SERVICES--SPECIAL COMMITMENT**
 14 **PROGRAM**

15 General Fund--State Appropriation (FY 2010) ((\$49,818,000))
 16 \$48,827,000
 17 General Fund--State Appropriation (FY 2011) ((\$47,259,000))
 18 \$45,739,000
 19 TOTAL APPROPRIATION ((\$97,077,000))
 20 \$94,566,000

21 The appropriations in this section are subject to the following
 22 conditions and limitations: \$100,000 of the general fund--state
 23 appropriation for fiscal year 2011 is provided solely for coordination
 24 with the department of corrections and preparation to assume island
 25 operations on McNeil Island associated with the closure of the McNeil
 26 Island corrections center on June 30, 2011.

27 **Sec. 212.** 2010 c 3 s 211 (uncodified) is amended to read as
 28 follows:

29 **FOR THE DEPARTMENT OF SOCIAL AND HEALTH SERVICES--ADMINISTRATION AND**
 30 **SUPPORTING SERVICES PROGRAM**

31 General Fund--State Appropriation (FY 2010) ((\$34,425,000))
 32 \$33,909,000
 33 General Fund--State Appropriation (FY 2011) ((\$34,627,000))
 34 \$28,934,000
 35 General Fund--Federal Appropriation ((\$55,169,000))
 36 \$51,516,000

1	General Fund--Private/Local Appropriation	((\$1,526,000))
2		<u>\$1,121,000</u>
3	<u>Institutional Impact Account--State Appropriation</u>	<u>\$22,000</u>
4	TOTAL APPROPRIATION	((\$125,747,000))
5		<u>\$115,502,000</u>

6 The appropriations in this section are subject to the following
7 conditions and limitations: In addition to other reductions, the
8 appropriations in this section reflect reductions targeted specifically
9 to state government administrative costs. These administrative
10 reductions shall be achieved, to the greatest extent possible, by
11 reducing those administrative costs that do not affect direct client
12 services or direct service delivery or programs.

13 (1) \$150,000 of the general fund--state appropriation for fiscal
14 year 2010 and \$150,000 of the general fund--state appropriation for
15 fiscal year 2011 are provided solely for the Washington state mentors
16 program to continue its public-private partnerships to provide
17 technical assistance and training to mentoring programs that serve at-
18 risk youth.

19 (2) \$445,000 of the general fund--state appropriation for fiscal
20 year 2010 and \$445,000 of the general fund--state appropriation for
21 fiscal year 2011 are provided solely for funding of the teamchild
22 project through the governor's juvenile justice advisory committee.

23 (3) \$178,000 of the general fund--state appropriation for fiscal
24 year 2010 and \$178,000 of the general fund--state appropriation for
25 fiscal year 2011 are provided solely for the juvenile detention
26 alternatives initiative.

27 (4) Amounts appropriated in this section reflect a reduction to the
28 family policy council. The family policy council shall reevaluate
29 staffing levels and administrative costs to ensure to the extent
30 possible a maximum ratio of grant moneys provided and administrative
31 costs.

32 (5) Amounts appropriated in this section reflect a reduction to the
33 council on children and families. The council on children and families
34 shall reevaluate staffing levels and administrative costs to ensure to
35 the extent possible a maximum ratio of grant moneys provided and
36 administrative costs.

37 (6) \$25,000 of the general fund--state appropriation for fiscal
38 year 2010 is provided for the department, in collaboration with the

1 department of health and the health care authority, to report to the
2 fiscal committees of the legislature by November 1, 2010, on estimates
3 of the full costs and savings to all state purchased health care from
4 the inclusion of coverage for the diagnosis and treatment of autism
5 spectrum disorders for individuals less than 21 years of age. Autism
6 spectrum disorders are defined to mean any of the pervasive
7 developmental disorders defined by the most recent edition of the
8 diagnostic and statistical manual of mental disorders. Coverage must
9 include all medically necessary care which is defined to include any
10 care, treatment, intervention, service, or item that is prescribed,
11 provided, or ordered by a licensed physician or licensed psychologist.
12 Treatment of autism spectrum disorders includes the following care
13 prescribed, ordered, or provided for an individual diagnosed with one
14 of the autism spectrum disorders by a licensed physician or licensed
15 psychologist who determines the care to be medically necessary: (a)
16 Habilitative or rehabilitative care; (b) pharmacy care, except when
17 plans do not offer any pharmacy benefits; (c) psychiatric care; and (d)
18 psychological care. The estimates should fully consider all potential
19 offsets to currently funded care and services and should consider
20 including the coverage of the diagnosis and treatment of autism
21 spectrum disorders within the currently mandated provision of mental
22 health benefits.

23 **Sec. 213.** 2009 c 564 s 213 (uncodified) is amended to read as
24 follows:

25 **FOR THE DEPARTMENT OF SOCIAL AND HEALTH SERVICES--PAYMENTS TO OTHER**
26 **AGENCIES PROGRAM**

27	General Fund--State Appropriation (FY 2010)	((\$53,431,000))
28		<u>\$64,485,000</u>
29	General Fund--State Appropriation (FY 2011)	((\$53,472,000))
30		<u>\$63,961,000</u>
31	General Fund--Federal Appropriation	((\$49,494,000))
32		<u>\$58,718,000</u>
33	TOTAL APPROPRIATION	((\$156,397,000))
34		<u>\$187,164,000</u>

35 **Sec. 214.** 2009 c 564 s 214 (uncodified) is amended to read as
36 follows:

1	FOR THE STATE HEALTH CARE AUTHORITY	
2	General Fund--State Appropriation (FY 2010)	((\$206,295,000))
3		<u>\$208,229,000</u>
4	General Fund--State Appropriation (FY 2011)	((\$182,138,000))
5		<u>\$96,796,000</u>
6	General Fund--Federal Appropriation	((\$6,302,000))
7		<u>\$8,841,000</u>
8	State Health Care Authority Administration Account--	
9	State Appropriation	((\$35,261,000))
10		<u>\$35,033,000</u>
11	Medical Aid Account--State Appropriation	\$529,000
12	<u>Basic Health Plan Stabilization Account--</u>	
13	<u>State Appropriation</u>	<u>\$85,698,000</u>
14	TOTAL APPROPRIATION	((\$430,525,000))
15		<u>\$435,126,000</u>

16 The appropriations in this section are subject to the following
17 conditions and limitations:

18 (1) Within amounts appropriated in this section and sections 205
19 and 206 of this act, the health care authority shall continue to
20 provide an enhanced basic health plan subsidy for foster parents
21 licensed under chapter 74.15 RCW and workers in state-funded home care
22 programs. Under this enhanced subsidy option, foster parents eligible
23 to participate in the basic health plan as subsidized enrollees and
24 home care workers with family incomes below 200 percent of the federal
25 poverty level shall be allowed to enroll in the basic health plan at
26 the minimum premium amount charged to enrollees with incomes below
27 sixty-five percent of the federal poverty level.

28 (2) The health care authority shall require organizations and
29 individuals that are paid to deliver basic health plan services and
30 that choose to sponsor enrollment in the subsidized basic health plan
31 to pay 133 percent of the premium amount which would otherwise be due
32 from the sponsored enrollees.

33 (3) The administrator shall take at least the following actions to
34 assure that persons participating in the basic health plan are eligible
35 for the level of assistance they receive: (a) Require submission of
36 (i) income tax returns, and recent pay history, from all applicants, or
37 (ii) other verifiable evidence of earned and unearned income from those
38 persons not required to file income tax returns; (b) check employment

1 security payroll records at least once every twelve months on all
2 enrollees; (c) require enrollees whose income as indicated by payroll
3 records exceeds that upon which their subsidy is based to document
4 their current income as a condition of continued eligibility; (d)
5 require enrollees for whom employment security payroll records cannot
6 be obtained to document their current income at least once every six
7 months; (e) not reduce gross family income for self-employed persons by
8 noncash-flow expenses such as, but not limited to, depreciation,
9 amortization, and home office deductions, as defined by the United
10 States internal revenue service; and (f) pursue repayment and civil
11 penalties from persons who have received excessive subsidies, as
12 provided in RCW 70.47.060(9).

13 (4) In order to maximize the funding appropriated for the basic
14 health plan, the health care authority is directed to make
15 modifications that will reduce the total number of subsidized enrollees
16 to approximately 65,000 by January 1, 2010. In addition to the reduced
17 enrollment, other modifications may include changes in enrollee premium
18 obligations, changes in benefits, enrollee cost-sharing, and
19 termination of the enrollment of individuals concurrently enrolled in
20 a medical assistance program as provided in Substitute House Bill No.
21 2341.

22 (5) \$250,000 of the general fund--state appropriation for fiscal
23 year 2010 and \$250,000 of the general fund--state appropriation for
24 fiscal year 2011 are provided solely for the implementation of
25 Substitute Senate Bill No. 5360 (community collaboratives). (~~If the~~
26 ~~bill is not enacted by June 30, 2009, the amounts provided in this~~
27 ~~section shall lapse.~~)

28 (6) The department shall seek public-private partnerships and
29 federal funds that are or may become available to implement health
30 information technology projects under the federal American recovery and
31 reinvestment act of 2009.

32 (7) \$20,000 of the general fund--state appropriation for fiscal
33 year 2010 and \$63,000 of the general fund--state appropriation for
34 fiscal year 2011 are provided solely for the implementation of
35 Engrossed Substitute Senate Bill No. 6522 (accountable care
36 organization pilot projects). If the bill is not enacted by June 30,
37 2010, the amounts provided in this section shall lapse.

1	Washington Auto Theft Prevention Authority Account--	
2	State Appropriation	\$5,844,000
3	TOTAL APPROPRIATION	((\$44,974,000))
4		<u>\$43,444,000</u>

5 The appropriations in this section are subject to the following
6 conditions and limitations:

7 ~~(1) ((\$1,874,000 of the general fund state appropriation for
8 fiscal year 2010 and \$1,922,000 of the general fund state
9 appropriation for fiscal year 2011 are provided solely for 10
10 additional basic law enforcement academies in fiscal year 2010 and 10
11 additional basic law enforcement academies in fiscal year 2011.~~

12 ~~(2))~~ \$1,191,000 of the general fund--state appropriation for
13 fiscal year 2010 and \$1,191,000 of the general fund--state
14 appropriation for fiscal year 2011 are provided solely for the
15 Washington association of sheriffs and police chiefs to continue to
16 develop, maintain, and operate the jail booking and reporting system
17 (JBRS) and the statewide automated victim information and notification
18 system (SAVIN).

19 ~~((3))~~ (2) \$5,000,000 of the general fund--state appropriation for
20 fiscal year 2010 and \$5,000,000 of the general fund--state
21 appropriation for fiscal year 2011, are provided to the Washington
22 association of sheriffs and police chiefs solely to verify the address
23 and residency of registered sex offenders and kidnapping offenders
24 under RCW 9A.44.130. The Washington association of sheriffs and police
25 chiefs shall:

26 (a) Enter into performance-based agreements with units of local
27 government to ensure that registered offender address and residency are
28 verified:

- 29 (i) For level I offenders, every twelve months;
- 30 (ii) For level II offenders, every six months; and
- 31 (iii) For level III offenders, every three months.

32 For the purposes of this subsection, unclassified offenders and
33 kidnapping offenders shall be considered at risk level I unless in the
34 opinion of the local jurisdiction a higher classification is in the
35 interest of public safety.

36 (b) Collect performance data from all participating jurisdictions
37 sufficient to evaluate the efficiency and effectiveness of the address
38 and residency verification program; and

1 (c) Submit a report on the effectiveness of the address and
2 residency verification program to the governor and the appropriate
3 committees of the house of representatives and senate by December 31,
4 each year.

5 The Washington association of sheriffs and police chiefs may retain up
6 to three percent of the amount provided in this subsection for the cost
7 of administration. Any funds not disbursed for address and residency
8 verification or retained for administration may be allocated to local
9 prosecutors for the prosecution costs associated with failing-to-
10 register offenses.

11 ~~((4))~~ (3) \$30,000 of the general fund--state appropriation for
12 fiscal year 2010 is provided solely for the implementation of Second
13 Substitute House Bill No. 2078 (persons with developmental disabilities
14 in correctional facilities or jails). If the bill is not enacted by
15 June 30, 2009, the amount provided in this subsection shall lapse.

16 (4) \$75,000 of the general fund--state appropriation for fiscal
17 year 2011 is provided solely to implement Second Substitute Senate Bill
18 No. 6316 (law enforcement and corrections). If the bill is not enacted
19 by June 30, 2010, the amount provided in this subsection shall lapse.

20 (5) \$1,500,000 of the general fund--state appropriation for fiscal
21 year 2011 is provided solely for continuing the enforcement of illegal
22 drug laws in the rural pilot project enforcement areas as set forth in
23 chapter 339, Laws of 2006.

24 **Sec. 218.** 2009 c 564 s 218 (uncodified) is amended to read as
25 follows:

26 **FOR THE DEPARTMENT OF LABOR AND INDUSTRIES**

27	General Fund--State Appropriation (FY 2010)	((\$24,224,000))
28		<u>\$24,838,000</u>
29	General Fund--State Appropriation (FY 2011)	((\$25,237,000))
30		<u>\$30,472,000</u>
31	((General Fund--Federal Appropriation	(\$100,000))
32	General Fund--Federal Appropriation	((\$10,000,000))
33		<u>\$23,403,000</u>
34	Asbestos Account--State Appropriation	((\$924,000))
35		<u>\$918,000</u>
36	Electrical License Account--State Appropriation	((\$43,162,000))
37		<u>\$36,908,000</u>

1	Farm Labor Revolving Account--Private/Local Appropriation . . .	\$28,000
2	Worker and Community Right-to-Know Account--	
3	State Appropriation	(((\$1,979,000))
4		<u>\$1,977,000</u>
5	Public Works Administration Account--State	
6	Appropriation	(((\$5,764,000))
7		<u>\$5,862,000</u>
8	Manufactured Home Installation Training Account--	
9	State Appropriation	(((\$138,000))
10		<u>\$144,000</u>
11	Accident Account--State Appropriation	(((\$248,281,000))
12		<u>\$250,335,000</u>
13	Accident Account--Federal Appropriation	\$13,622,000
14	Medical Aid Account--State Appropriation	(((\$249,537,000))
15		<u>\$248,712,000</u>
16	Medical Aid Account--Federal Appropriation	\$3,186,000
17	Plumbing Certificate Account--State Appropriation . . .	(((\$1,693,000))
18		<u>\$1,700,000</u>
19	Pressure Systems Safety Account--State	
20	Appropriation	(((\$3,775,000))
21		<u>\$4,141,000</u>
22	TOTAL APPROPRIATION	(((\$631,650,000))
23		<u>\$646,246,000</u>

24 The appropriations in this section are subject to the following
25 conditions and limitations:

26 (1) Pursuant to RCW 43.135.055, the department is authorized to
27 increase fees related to factory assembled structures, contractor
28 registration, electricians, plumbers, asbestos removal, boilers,
29 elevators, and manufactured home installers. These increases are
30 necessary to support expenditures authorized in this section,
31 consistent with chapters 43.22, 18.27, 19.28, and 18.106 RCW, RCW
32 49.26.130, and chapters 70.79, 70.87, and 43.22A RCW.

33 (2) \$424,000 of the accident account--state appropriation and
34 \$76,000 of the medical aid account--state appropriation are provided
35 solely for implementation of a community agricultural worker safety
36 grant at the department of agriculture. The department shall enter
37 into an interagency agreement with the department of agriculture to
38 implement the grant.

1 (3) \$4,850,000 of the medical aid account--state appropriation is
2 provided solely to continue the program of safety and health as
3 authorized by RCW 49.17.210 to be administered under rules adopted
4 pursuant to chapter 34.05 RCW, provided that projects funded involve
5 workplaces insured by the medical aid fund, and that priority is given
6 to projects fostering accident prevention through cooperation between
7 employers and employees or their representatives.

8 (4) \$150,000 of the medical aid account--state appropriation is
9 provided solely for the department to contract with one or more
10 independent experts to evaluate and recommend improvements to the
11 rating plan under chapter 51.18 RCW, including analyzing how risks are
12 pooled, the effect of including worker premium contributions in
13 adjustment calculations, incentives for accident and illness
14 prevention, return-to-work practices, and other sound risk-management
15 strategies that are consistent with recognized insurance principles.

16 (5) The department shall continue to conduct utilization reviews of
17 physical and occupational therapy cases at the 24th visit. The
18 department shall continue to report performance measures and targets
19 for these reviews on the agency web site. The reports are due
20 September 30th for the prior fiscal year and must include the amount
21 spent and the estimated savings per fiscal year.

22 (6) The appropriations in this section reflect reductions in the
23 appropriations for the department of labor and industries'
24 administrative expenses. It is the intent of the legislature that
25 these reductions shall be achieved, to the greatest extent possible, by
26 reducing administrative costs only.

27 (7) \$500,000 of the accident account--state appropriation is
28 provided solely for the department to contract with one or more
29 independent experts to oversee and assist the department's
30 implementation of improvements to the rating plan under chapter 51.18
31 RCW, in collaboration with the department and with the department's
32 work group of retrospective rating and workers' compensation
33 stakeholders. The independent experts will validate the impact of
34 recommended changes on retrospective rating participants and
35 nonparticipants, confirm implementation technology changes, and provide
36 other implementation assistance as determined by the department.

37 (8) \$194,000 of the accident account--state appropriation and
38 \$192,000 of the medical aid account--state appropriation are provided

1 solely for implementation of Senate Bill No. 5346 (health care
2 administrative procedures). (~~If the bill is not enacted by June 30,~~
3 ~~2009, the amounts provided in this subsection shall lapse.~~)

4 (9) \$131,000 of the accident account--state appropriation and
5 \$128,000 of the medical aid account--state appropriation are provided
6 solely for implementation of Senate Bill No. 5613 (stop work orders).
7 (~~If the bill is not enacted by June 30, 2009, the amounts provided in~~
8 ~~this subsection shall lapse.~~)

9 (10) \$68,000 of the accident account--state appropriation and
10 \$68,000 of the medical aid account--state appropriation are provided
11 solely for implementation of Senate Bill No. 5688 (registered domestic
12 partners). (~~If the bill is not enacted by June 30, 2009, the amounts~~
13 ~~provided in this subsection shall lapse.~~)

14 (11) \$320,000 of the accident account--state appropriation and
15 \$147,000 of the medical aid account--state appropriation are provided
16 solely for implementation of Senate Bill No. 5873 (apprenticeship
17 utilization). (~~If the bill is not enacted by June 30, 2009, the~~
18 ~~amounts provided in this subsection shall lapse.~~

19 ~~(15))~~ (12) \$73,000 of the general fund--state appropriation for
20 fiscal year 2010, \$66,000 of the general fund--state appropriation for
21 fiscal year 2011, \$606,000 of the accident account--state
22 appropriation, and \$600,000 of the medical aid account--state
23 appropriation are provided solely for the implementation of House Bill
24 No. 1555 (underground economy). (~~If the bill is not enacted by June~~
25 ~~30, 2009, the amounts provided in this subsection shall lapse.~~

26 ~~(16))~~ (13) \$574,000 of the accident account--state appropriation
27 and \$579,000 of the medical account--state appropriation are provided
28 solely for the implementation of House Bill No. 1402 (industrial
29 insurance appeals). (~~If the bill is not enacted by June 30, 2009, the~~
30 ~~amounts provided in this subsection shall lapse.~~)

31 (14) \$466,000 of the accident account--state appropriation and
32 \$89,000 of the medical aid account--state appropriation are provided
33 solely for implementation of Senate Bill No. 6349 (farm internship
34 program). If the bill is not enacted by June 30, 2010, the amounts
35 provided in this subsection shall lapse.

36 (15) \$112,000 of the accident account--state appropriation and
37 \$112,000 of the medical aid account--local appropriation are provided

1 solely for implementation of Senate Bill No. 6332 (human trafficking).
2 If the bill is not enacted by June 30, 2010, the amounts provided in
3 this subsection shall lapse.

4 **Sec. 219.** 2010 c 3 s 213 (uncodified) is amended to read as
5 follows:

6 **FOR THE INDETERMINATE SENTENCE REVIEW BOARD**

7 General Fund--State Appropriation (FY 2010)	\$1,882,000
8 (General Fund--State Appropriation (FY 2011))	\$1,886,000
9 TOTAL APPROPRIATION	\$3,768,000))

10 The appropriation in this section is subject to the following
11 conditions and limitations: Beginning July 1, 2010, the functions of
12 the indeterminate sentence review board are transferred to the
13 department of corrections. Funding for these activities for fiscal
14 year 2011 is appropriated to the department of corrections.

15 **Sec. 220.** 2009 c 564 s 220 (uncodified) is amended to read as
16 follows:

17 **FOR THE DEPARTMENT OF VETERANS AFFAIRS**

18 (1) HEADQUARTERS

19 General Fund--State Appropriation (FY 2010)	(\$1,913,000)
20	<u>\$1,908,000</u>
21 General Fund--State Appropriation (FY 2011)	(\$1,899,000)
22	<u>\$1,834,000</u>
23 Charitable, Educational, Penal, and Reformatory	
24 Institutions Account--State Appropriation	\$10,000
25 TOTAL APPROPRIATION	(\$3,822,000)
26	<u>\$3,752,000</u>

27 The appropriations in this subsection are subject to the following
28 conditions and limitations: In addition to other reductions, the
29 appropriations in this section reflect reductions targeted specifically
30 to state government administrative costs. These administrative
31 reductions shall be achieved, to the greatest extent possible, by
32 reducing those administrative costs that do not affect direct client
33 services or direct service delivery or programs.

34 (2) FIELD SERVICES

35 General Fund--State Appropriation (FY 2010)	(\$4,885,000)
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1		<u>\$4,884,000</u>
2	General Fund--State Appropriation (FY 2011)	((\$4,943,000))
3		<u>\$4,933,000</u>
4	General Fund--Federal Appropriation	((\$1,842,000))
5		<u>\$2,385,000</u>
6	General Fund--Private/Local Appropriation	((\$3,491,000))
7		<u>\$4,512,000</u>
8	Veterans Innovations Program Account--State	
9	Appropriation	\$648,000
10	Veteran Estate Management Account--Private/Local	
11	Appropriation	\$1,069,000
12	TOTAL APPROPRIATION	((\$16,878,000))
13		<u>\$18,431,000</u>

14 The appropriations in this subsection are subject to the following
15 conditions and limitations:

16 (a) The department shall collaborate with the department of social
17 and health services to identify and assist eligible general assistance
18 unemployable clients to access the federal department of veterans
19 affairs benefits.

20 (b) \$648,000 of the veterans innovations program account--state
21 appropriation is provided solely for the department to continue support
22 for returning combat veterans through the veterans innovation program,
23 including emergency financial assistance through the defenders' fund
24 and long-term financial assistance through the competitive grant
25 program.

26 (c) In addition to other reductions, the appropriations in this
27 section reflect reductions targeted specifically to state government
28 administrative costs. These administrative reductions shall be
29 achieved, to the greatest extent possible, by reducing those
30 administrative costs that do not affect direct client services or
31 direct service delivery or programs.

32 (3) INSTITUTIONAL SERVICES

33	General Fund--State Appropriation (FY 2010)	((\$3,638,000))
34		<u>\$3,317,000</u>
35	General Fund--State Appropriation (FY 2011)	((\$2,845,000))
36		<u>\$2,272,000</u>
37	General Fund--Federal Appropriation	((\$50,791,000))
38		<u>\$50,224,000</u>

1 General Fund--Private/Local Appropriation ((~~\$31,734,000~~))
 2 \$34,070,000
 3 TOTAL APPROPRIATION ((~~\$89,008,000~~))
 4 \$89,883,000

5 The appropriations in this subsection are subject to the following
 6 conditions and limitations: In addition to other reductions, the
 7 appropriations in this section reflect reductions targeted specifically
 8 to state government administrative costs. These administrative
 9 reductions shall be achieved, to the greatest extent possible, by
 10 reducing those administrative costs that do not affect direct client
 11 services or direct service delivery or programs.

12 **Sec. 221.** 2009 c 564 s 221 (uncodified) is amended to read as
 13 follows:

14 **FOR THE HOME CARE QUALITY AUTHORITY**

15 General Fund--State Appropriation (FY 2010) ((~~\$1,229,000~~))
 16 \$1,227,000
 17 ((~~General Fund--State Appropriation (FY 2011) \$1,221,000~~)
 18 ~~TOTAL APPROPRIATION \$2,450,000~~)

19 **Sec. 222.** 2010 c 3 s 214 (uncodified) is amended to read as
 20 follows:

21 **FOR THE DEPARTMENT OF HEALTH**

22 General Fund--State Appropriation (FY 2010) ((~~\$107,413,000~~))
 23 \$105,352,000
 24 General Fund--State Appropriation (FY 2011) ((~~\$82,806,000~~))
 25 \$81,406,000
 26 General Fund--Federal Appropriation ((~~\$480,871,000~~))
 27 \$564,709,000
 28 General Fund--Private/Local Appropriation ((~~\$138,846,000~~))
 29 \$162,044,000
 30 Hospital Data Collection Account--State Appropriation ((~~\$326,000~~))
 31 \$213,000
 32 Health Professions Account--State Appropriation ((~~\$76,218,000~~))
 33 \$82,662,000
 34 Aquatic Lands Enhancement Account--State Appropriation \$603,000
 35 Emergency Medical Services and Trauma Care Systems
 36 Trust Account--State Appropriation ((~~\$13,531,000~~))

1		<u>\$11,612,000</u>
2	Safe Drinking Water Account--State Appropriation	\$2,723,000
3	Drinking Water Assistance Account--Federal	
4	Appropriation	((\$22,817,000))
5		<u>\$22,819,000</u>
6	Waterworks Operator Certification--State Appropriation . . .	\$1,519,000
7	Drinking Water Assistance Administrative Account--	
8	State Appropriation	\$326,000
9	State Toxics Control Account--State Appropriation . . .	((\$3,600,000))
10		<u>\$4,100,000</u>
11	Medical Test Site Licensure Account--	
12	State Appropriation	((\$2,117,000))
13		<u>\$2,270,000</u>
14	Youth Tobacco Prevention Account--State Appropriation . . .	\$1,512,000
15	<u>Community and Economic Development Fee Account--</u>	
16	<u>State Appropriation</u>	<u>\$298,000</u>
17	Public Health Supplemental Account--Private/Local	
18	Appropriation	((\$3,525,000))
19		<u>\$3,805,000</u>
20	Accident Account--State Appropriation	\$295,000
21	Medical Aid Account--State Appropriation	\$48,000
22	Tobacco Prevention and Control Account--	
23	State Appropriation	((\$46,852,000))
24		<u>\$44,235,000</u>
25	Biotoxin Account--State Appropriation	\$1,165,000
26	TOTAL APPROPRIATION	((\$987,113,000))
27		<u>\$1,093,716,000</u>

28 The appropriations in this section are subject to the following
29 conditions and limitations:

30 (1) The department of health shall not initiate any services that
31 will require expenditure of state general fund moneys unless expressly
32 authorized in this act or other law. The department of health and the
33 state board of health shall not implement any new or amended rules
34 pertaining to primary and secondary school facilities until the rules
35 and a final cost estimate have been presented to the legislature, and
36 the legislature has formally funded implementation of the rules through
37 the omnibus appropriations act or by statute. The department may seek,
38 receive, and spend, under RCW 43.79.260 through 43.79.282, federal

1 moneys not anticipated in this act as long as the federal funding does
2 not require expenditure of state moneys for the program in excess of
3 amounts anticipated in this act. If the department receives
4 unanticipated unrestricted federal moneys, those moneys shall be spent
5 for services authorized in this act or in any other legislation that
6 provides appropriation authority, and an equal amount of appropriated
7 state moneys shall lapse. Upon the lapsing of any moneys under this
8 subsection, the office of financial management shall notify the
9 legislative fiscal committees. As used in this subsection,
10 "unrestricted federal moneys" includes block grants and other funds
11 that federal law does not require to be spent on specifically defined
12 projects or matched on a formula basis by state funds.

13 (2) In accordance with RCW 43.70.250 and 43.135.055, the department
14 is authorized to raise fees in fiscal year 2011 as necessary to meet
15 the actual costs of conducting business and the appropriation levels in
16 this section. This authorization applies to fees for the review of
17 sewage tank designs, fees related to regulation and inspection of
18 farmworker housing, and fees associated with the following professions:
19 Acupuncture, dental, denturist, mental health counselor, nursing,
20 nursing assistant, optometry, radiologic technologist, recreational
21 therapy, respiratory therapy, social worker, and practitioners
22 authorized under chapter 18.240 RCW.

23 (3) \$801,000 of the health professions account--state appropriation
24 is provided solely for the purpose of funding approved treatment
25 programs for impaired registered nurses, registered nursing license
26 process functions, and disciplinary activities related to registered
27 nurses.

28 (4) Pursuant to RCW 43.135.055 and RCW 43.70.250, the department is
29 authorized to establish fees by the amount necessary to fully support
30 the cost of activities related to the administration of long-term care
31 worker certification. The department is further authorized to increase
32 fees by the amount necessary to implement the regulatory requirements
33 of the following bills: House Bill No. 1414 (health care assistants),
34 House Bill No. 1740 (dental residency licenses), and House Bill No.
35 1899 (retired active physician licenses).

36 ~~((+3))~~ (5) \$764,000 of the health professions account--state
37 appropriation is provided solely for the medical quality assurance

1 commission to maintain disciplinary staff and associated costs
2 sufficient to reduce the backlog of disciplinary cases and to continue
3 to manage the disciplinary caseload of the commission.

4 ~~((+4))~~ (6) \$57,000 of the general fund--state appropriation for
5 fiscal year 2010 and \$58,000 of the general fund--state appropriation
6 for fiscal year 2011 are provided solely for the midwifery licensure
7 and regulatory program to offset a reduction in revenue from fees.
8 ~~((There shall be no change to the current annual fees for new or
9 renewed licenses for the midwifery program.))~~ The department shall
10 convene the midwifery advisory committee on a quarterly basis to
11 address issues related to licensed midwifery. The appropriations in
12 this section assume that the current application and renewal fee for
13 midwives shall be increased by fifty dollars and all other fees for
14 midwives be adjusted accordingly.

15 ~~((+5))~~ (7) Funding for the human papillomavirus vaccine shall not
16 be included in the department's universal vaccine purchase program in
17 fiscal year 2010. Remaining funds for the universal vaccine purchase
18 program shall be used to continue the purchase of all other vaccines
19 included in the program until May 1, 2010, or until state funds are
20 exhausted, at which point state funding for the universal vaccine
21 purchase program shall be discontinued. Funds from section 317 of the
22 federal public health services act direct assistance shall not be used
23 in lieu of state funds.

24 ~~((+6))~~ (8) Beginning July 1, 2010, the department, in
25 collaboration with the department of social and health services, shall
26 maximize the use of existing federal funds, including section 317 of
27 the federal public health services act direct assistance as well as
28 federal funds that may become available under the American recovery and
29 reinvestment act, in order to continue to provide immunizations for
30 low-income, nonmedicaid eligible children up to three hundred percent
31 of the federal poverty level in state-sponsored health programs.

32 ~~((+7))~~ (9) The department shall eliminate outreach activities for
33 the health care directives registry and use the remaining amounts to
34 maintain the contract for the registry and minimal staffing necessary
35 to administer the basic entry functions for the registry.

36 ~~((+8))~~ (10) Funding in this section reflects a temporary reduction
37 of resources for the 2009-11 fiscal biennium for the state board of
38 health to conduct health impact reviews.

1 ~~((9))~~ (11) Pursuant to RCW 43.135.055 and 43.70.125, the
2 department is authorized to adopt rules to establish a fee schedule to
3 apply to applicants for initial certification surveys of health care
4 facilities for purposes of receiving federal health care program
5 reimbursement. The fees shall only apply when the department has
6 determined that federal funding is not sufficient to compensate the
7 department for the cost of conducting initial certification surveys.
8 The fees for initial certification surveys may be established as
9 follows: Up to \$1,815 for ambulatory surgery centers, up to \$2,015 for
10 critical access hospitals, up to \$980 for end stage renal disease
11 facilities, up to \$2,285 for home health agencies, up to \$2,285 for
12 hospice agencies, up to \$2,285 for hospitals, up to \$520 for
13 rehabilitation facilities, up to \$690 for rural health clinics, and up
14 to \$7,000 for transplant hospitals.

15 ~~((10))~~ (12) Funding for family planning grants for fiscal year
16 2011 is reduced in the expectation that federal funding shall become
17 available to expand coverage of services for individuals through
18 programs at the department of social and health services. In the event
19 that such funding is not provided, the legislature intends to continue
20 funding through a supplemental appropriation at fiscal year 2010
21 levels. \$3,500,000 of the general fund--state appropriation is
22 provided solely for family planning grants due to federal funding not
23 becoming available.

24 ~~((11))~~ (13) \$16,000,000 of the tobacco prevention and control
25 account--state appropriation is provided solely for local health
26 jurisdictions to conduct core public health functions as defined in RCW
27 43.70.514.

28 ~~((12))~~ (14) \$100,000 of the health professions account
29 appropriation is provided solely for implementation of Substitute House
30 Bill No. 1414 (health care assistants). If the bill is not enacted by
31 June 30, 2009, the amount provided in this subsection shall lapse.

32 ~~((13))~~ (15) \$42,000 of the health professions account--state
33 appropriation is provided solely to implement Substitute House Bill No.
34 1740 (dentistry license issuance). If the bill is not enacted by June
35 30, 2009, the amount provided in this section shall lapse.

36 ~~((14))~~ (16) \$23,000 of the health professions account--state
37 appropriation is provided solely to implement Second Substitute House

1 Bill No. 1899 (retired active physician licenses). If the bill is not
2 enacted by June 30, 2009, the amount provided in this section shall
3 lapse.

4 ~~((+15))~~ (17) \$12,000 of the general fund--state appropriation for
5 fiscal year 2010 and \$67,000 of the general fund--private/local
6 appropriation are provided solely to implement House Bill No. 1510
7 (birth certificates). If the bill is not enacted by June 30, 2009, the
8 amount provided in this section shall lapse.

9 ~~((+16))~~ (18) \$31,000 of the health professions account is provided
10 for the implementation of Second Substitute Senate Bill No. 5850 (human
11 trafficking). If the bill is not enacted by June 2009, the amount
12 provided in this subsection shall lapse.

13 ~~((+17))~~ (19) \$282,000 of the health professions account is
14 provided for the implementation of Substitute Senate Bill No. 5752
15 (dentists cost recovery). If the bill is not enacted by June 2009, the
16 amount provided in this subsection shall lapse.

17 ~~((+18))~~ (20) \$106,000 of the health professions account is
18 provided for the implementation of Substitute Senate Bill No. 5601
19 (speech language assistants). If the bill is not enacted by June 2009,
20 the amount provided in this subsection shall lapse.

21 (21) \$390,000 of the health professions account--state
22 appropriation is provided solely to implement Engrossed Substitute
23 Senate Bill No. 6582 (nursing assistants). The amount provided in this
24 subsection is from fee revenue authorized by Engrossed Substitute
25 Senate Bill No. 6582. If the bill is not enacted by June 30, 2010, the
26 amount provided in this subsection shall lapse.

27 (22) Subject to existing resources, the department is encouraged to
28 examine, in the ordinary course of business, current and prospective
29 programs, treatments, education, and awareness of cardiovascular
30 disease that are needed for a thriving and healthy Washington.

31 (23) \$500,000 of the state toxics control account--state
32 appropriation is provided solely to provide immediate assistance to
33 residents who have serious nitrate problems in their wells which
34 results in nitrates that exceed safe drinking water standards.

35 NEW SECTION. Sec. 223. A new section is added to 2009 c 564
36 (uncodified) to read as follows:

37 **FOR THE DEPARTMENT OF CORRECTIONS.** The appropriations to the

1 department of corrections in this act shall be expended for the
 2 programs and in the amounts specified herein. However, after May 1,
 3 2010, after approval by the director of financial management and unless
 4 specifically prohibited by this act, the department may transfer
 5 general fund--state appropriations for fiscal year 2010 between
 6 programs. The department shall not transfer funds, and the director of
 7 financial management shall not approve the transfer, unless the
 8 transfer is consistent with the objective of conserving, to the maximum
 9 extent possible, the expenditure of state funds and not federal funds.
 10 The director of financial management shall notify the appropriate
 11 fiscal committees of the senate and house of representatives in writing
 12 seven days prior to approving any deviations from appropriation levels.
 13 The written notification shall include a narrative explanation and
 14 justification of the changes, along with expenditures and allotments by
 15 budget unit and appropriation, both before and after any allotment
 16 modifications or transfers.

17 **Sec. 224.** 2010 c 3 s 215 (uncodified) is amended to read as
 18 follows:

19 **FOR THE DEPARTMENT OF CORRECTIONS**

20 (1) ADMINISTRATION AND SUPPORT SERVICES

21 General Fund--State Appropriation (FY 2010)	((\$55,622,000))
	<u>\$55,626,000</u>
23 General Fund--State Appropriation (FY 2011)	((\$56,318,000))
	<u>\$56,087,000</u>
25 TOTAL APPROPRIATION	((\$111,940,000))
	<u>\$111,713,000</u>

27 The appropriations in this subsection are subject to the following
 28 conditions and limitations:

29 (a) Within funds appropriated in this section, the department shall
 30 seek contracts for chemical dependency vendors to provide chemical
 31 dependency treatment of offenders in corrections facilities, including
 32 corrections centers and community supervision facilities, which have
 33 demonstrated effectiveness in treatment of offenders and are able to
 34 provide data to show a successful treatment rate.

35 (b) \$35,000 of the general fund--state appropriation for fiscal
 36 year 2010 and \$35,000 of the general fund--state appropriation for
 37 fiscal year 2011 are provided solely for the support of a statewide

1 council on mentally ill offenders that includes as its members
 2 representatives of community-based mental health treatment programs,
 3 current or former judicial officers, and directors and commanders of
 4 city and county jails and state prison facilities. The council will
 5 investigate and promote cost-effective approaches to meeting the long-
 6 term needs of adults and juveniles with mental disorders who have a
 7 history of offending or who are at-risk of offending, including their
 8 mental health, physiological, housing, employment, and job training
 9 needs.

10 (2) CORRECTIONAL OPERATIONS

11	General Fund--State Appropriation (FY 2010)	((\$456,657,000))
12		<u>\$458,304,000</u>
13	General Fund--State Appropriation (FY 2011)	((\$626,303,000))
14		<u>\$595,877,000</u>
15	General Fund--Federal Appropriation	((\$185,131,000))
16		<u>\$186,240,000</u>
17	((General Fund--Private/Local Appropriation	\$3,536,000))
18	Washington Auto Theft Prevention Authority Account--	
19	State Appropriation	\$5,960,000
20	<u>State Efficiency and Restructuring Account--State</u>	
21	<u> Appropriation</u>	<u>\$31,033,000</u>
22	TOTAL APPROPRIATION	((\$1,277,587,000))
23		<u>\$1,277,414,000</u>

24 The appropriations in this subsection are subject to the following
 25 conditions and limitations:

26 (a) The department may expend funds generated by contractual
 27 agreements entered into for mitigation of severe overcrowding in local
 28 jails. Any funds generated in excess of actual costs shall be
 29 deposited in the state general fund. Expenditures shall not exceed
 30 revenue generated by such agreements and shall be treated as a recovery
 31 of costs.

32 (b) The department shall accomplish personnel reductions with the
 33 least possible impact on correctional custody staff, community custody
 34 staff, and correctional industries. For the purposes of this
 35 subsection, correctional custody staff means employees responsible for
 36 the direct supervision of offenders.

37 (c) During the 2009-11 biennium, when contracts are established or
 38 renewed for offender pay phone and other telephone services provided to

1 inmates, the department shall select the contractor or contractors
2 primarily based on the following factors: (i) The lowest rate charged
3 to both the inmate and the person paying for the telephone call; and
4 (ii) the lowest commission rates paid to the department, while
5 providing reasonable compensation to cover the costs of the department
6 to provide the telephone services to inmates and provide sufficient
7 revenues for the activities funded from the institutional welfare
8 betterment account.

9 (d) The Harborview medical center shall provide inpatient and
10 outpatient hospital services to offenders confined in department of
11 corrections facilities at a rate no greater than the average rate that
12 the department has negotiated with other community hospitals in
13 Washington state.

14 (e) A political subdivision which is applying for funding to
15 mitigate one-time impacts associated with construction or expansion of
16 a correctional institution, consistent with WAC 137-12A-030, may apply
17 for the mitigation funds in the fiscal biennium in which the impacts
18 occur or in the immediately succeeding fiscal biennium.

19 (f) Within amounts provided in this subsection, the department,
20 jointly with the department of social and health services, shall
21 identify the number of offenders released through the extraordinary
22 medical placement program, the cost savings to the department of
23 corrections, including estimated medical cost savings, and the costs
24 for medical services in the community incurred by the department of
25 social and health services. The department and the department of
26 social and health services shall jointly report to the office of
27 financial management and the appropriate fiscal committees of the
28 legislature by November 30, 2010.

29 (g) \$11,863,000 of the general fund--state appropriation for fiscal
30 year 2010, \$11,864,000 of the general fund--state appropriation for
31 fiscal year 2011, and \$2,336,000 of the general fund-private/local
32 appropriation are provided solely for in-prison evidence-based programs
33 and for the reception diagnostic center program as part of the offender
34 re-entry initiative.

35 (h) The department shall transition offenders from custody as close
36 as possible to the offender's earned release date without adversely
37 affecting public safety. The number of offenders held beyond their
38 earned release date shall not exceed the number of offenders held

1 beyond their earned release date in fiscal year 2008. By May 15, 2010,
2 the department shall provide a report to the office of financial
3 management and the legislative fiscal committees on the following:

4 (i) An explanation of the increase in adult inmate population
5 between the November 2009 and the February 2010 forecast;

6 (ii) An explanation of the increase in the number of offenders held
7 beyond their earned release date between the beginning of fiscal year
8 2008 and December 2009; and

9 (iii) A description of the department's actions to reduce and
10 maintain during fiscal year 2011 the number of offenders held beyond
11 their earned release date to the level of fiscal year 2008 and a
12 timetable for achieving that goal.

13 For fiscal year 2011, if the department has not limited the number
14 of offenders held beyond their earned release date to the level of
15 fiscal year 2008, the department shall utilize contract rental beds,
16 including the rental of beds from out-of-state vendors, to satisfy
17 needed capacity in excess of funded capacity.

18 (i) \$12,000,000 of the general fund--state appropriation for fiscal
19 year 2011 and the state efficiency and restructuring account
20 appropriation are provided solely for and contingent upon the
21 department: (A) closing McNeil Island corrections center by June 30,
22 2011, decreasing the offender population at Pine Lodge corrections
23 center for women to no fewer than 86 offenders, financing the
24 relocation of correctional industries facilities and operations from
25 McNeil Island corrections center to Stafford Creek corrections center
26 using the savings from the closure of McNeil Island corrections center,
27 and (B) consistent with section 503(2) of this act, in which the
28 Steilacoom historical school district will receive no funding for the
29 McNeil Island school, no instruction will be offered at the school
30 during the 2010-2011 school year.

31 (j) \$465,000 of the general fund--state appropriation for fiscal
32 year 2011 is provided solely to implement Substitute Senate Bill No.
33 6550 (assault against law officer). If the bill is not enacted by June
34 30, 2010, the amount provided in this subsection shall lapse.

35 (3) COMMUNITY SUPERVISION

36 General Fund--State Appropriation (FY 2010) ((\$151,249,000))
37 \$151,699,000
38 General Fund--State Appropriation (FY 2011) ((\$141,785,000))

1		\$139,187,000
2	<u>Federal Narcotics Forfeiture Account--State</u>	
3	<u>Appropriation</u>	\$217,000
4	<u>Controlled Substance Account--State Appropriation</u>	\$61,000
5	TOTAL APPROPRIATION	(((\$293,034,000))
6		<u>\$291,164,000</u>

7 The appropriations in this subsection are subject to the following
8 conditions and limitations:

9 (a) The department shall accomplish personnel reductions with the
10 least possible impact on correctional custody staff, community custody
11 staff, and correctional industries. For the purposes of this
12 subsection, correctional custody staff means employees responsible for
13 the direct supervision of offenders.

14 (b) \$2,083,000 of the general fund--state appropriation for fiscal
15 year 2010 and \$2,083,000 of the general fund--state appropriation for
16 fiscal year 2011 are provided solely to implement Senate Bill No. 5525
17 (state institutions/release). If the bill is not enacted by June 30,
18 2009, the amounts provided in this subsection shall lapse.

19 (c) The appropriations in this subsection are based upon savings
20 assumed from the implementation of Engrossed Substitute Senate Bill No.
21 5288 (supervision of offenders).

22 (d) \$2,791,000 of the general fund--state appropriation for fiscal
23 year 2010 and \$3,166,000 of the general fund--state appropriation for
24 fiscal year 2011 are provided solely for evidence-based community
25 programs and for community justice centers as part of the offender re-
26 entry initiative.

27 (e) \$418,300 of the general fund--state appropriation for fiscal
28 year 2010 is provided solely for the purposes of settling all claims in
29 Hilda Solis, Secretary of Labor, United States Department of Labor v.
30 State of Washington, Department of Corrections, United States District
31 Court, Western District of Washington, Cause No. C08-cv-05362-RJB. The
32 expenditure of this amount is contingent on the release of all claims
33 in the case, and total settlement costs shall not exceed the amount
34 provided in this subsection. If settlement is not fully executed by
35 June 30, 2010, the amount provided in this subsection shall lapse.

36 (4) CORRECTIONAL INDUSTRIES

37	General Fund--State Appropriation (FY 2010)	(((\$2,574,000))
38		<u>\$2,572,000</u>

1 General Fund--State Appropriation (FY 2011) ((~~\$2,565,000~~))
2 \$2,537,000
3 TOTAL APPROPRIATION ((~~\$5,139,000~~))
4 \$5,109,000

5 The appropriations in this subsection are subject to the following
6 conditions and limitations: \$132,000 of the general fund--state
7 appropriation for fiscal year 2010 and \$132,000 of the general fund--
8 state appropriation for fiscal year 2011 are provided solely for
9 transfer to the jail industries board. The board shall use the amounts
10 provided only for administrative expenses, equipment purchases, and
11 technical assistance associated with advising cities and counties in
12 developing, promoting, and implementing consistent, safe, and efficient
13 offender work programs.

14 (5) INTERAGENCY PAYMENTS

15 General Fund--State Appropriation (FY 2010) ((~~\$40,455,000~~))
16 \$40,728,000
17 General Fund--State Appropriation (FY 2011) ((~~\$40,450,000~~))
18 \$40,084,000
19 TOTAL APPROPRIATION ((~~\$80,905,000~~))
20 \$80,812,000

21 The appropriations in this subsection are subject to the following
22 conditions and limitations:

23 (a) The state prison institutions may use funds appropriated in
24 this subsection to rent uniforms from correctional industries in
25 accordance with existing legislative mandates.

26 (b) The state prison medical facilities may use funds appropriated
27 in this subsection to purchase goods and supplies through hospital or
28 other group purchasing organizations when it is cost effective to do
29 so.

30 **Sec. 225.** 2009 c 564 s 224 (uncodified) is amended to read as
31 follows:

32 **FOR THE DEPARTMENT OF SERVICES FOR THE BLIND**

33 General Fund--State Appropriation (FY 2010) ((~~\$2,544,000~~))
34 \$2,500,000
35 General Fund--State Appropriation (FY 2011) ((~~\$2,550,000~~))
36 \$2,364,000

1	General Fund--Federal Appropriation	((\$18,125,000))
2		<u>\$18,197,000</u>
3	General Fund--Private/Local Appropriation	((\$20,000))
4		<u>\$30,000</u>
5	TOTAL APPROPRIATION	((\$23,239,000))
6		<u>\$23,091,000</u>

7 The amounts appropriated in this section are subject to the
8 following conditions and limitations:

9 (1) Sufficient amounts are appropriated in this section to support
10 contracts for services that provide employment support and help with
11 life activities for deaf and blind individuals in King county.

12 (2) In making reductions to the independent living program, the
13 department shall seek to minimize the impact to the department's older
14 blind clients.

15 **Sec. 226.** 2010 c 3 s 216 (uncodified) is amended to read as
16 follows:

17 **FOR THE SENTENCING GUIDELINES COMMISSION**

18	General Fund--State Appropriation (FY 2010)	\$962,000
19	General Fund--State Appropriation (FY 2011)	((\$960,000))
20		<u>\$374,000</u>
21	TOTAL APPROPRIATION	((\$1,922,000))
22		<u>\$1,336,000</u>

23 The appropriations in this section are subject to the following
24 conditions and limitations:

25 (1) Within the amounts appropriated in this section, the sentencing
26 guidelines commission, in partnership with the courts, shall develop a
27 plan to implement an evidence-based system of community custody for
28 adult felons that will include the consistent use of evidence-based
29 risk and needs assessment tools, programs, supervision modalities, and
30 monitoring of program integrity. The plan for the evidence-based
31 system of community custody shall include provisions for identifying
32 cost-effective rehabilitative programs; identifying offenders for whom
33 such programs would be cost-effective; monitoring the system for cost-
34 effectiveness; and reporting annually to the legislature. In
35 developing the plan, the sentencing guidelines shall consult with: The
36 Washington state institute for public policy; the legislature; the
37 department of corrections; local governments; prosecutors; defense

1 attorneys; victim advocate groups; law enforcement; the Washington
2 federation of state employees; and other interested entities. The
3 sentencing guidelines commission shall report its recommendations to
4 the governor and the legislature by December 1, 2009.

5 (2)(a) Except as provided in subsection (b), during the 2009-11
6 biennium, the reports required by RCW 9.94A.480(2) and 9.94A.850(2) (d)
7 and (h) shall be prepared within the available funds and may be delayed
8 or suspended at the discretion of the commission.

9 (b) The commission shall submit the analysis described in section
10 15 of Engrossed Substitute Senate Bill No. 5288 no later than December
11 1, 2011.

12 (3) Beginning July 1, 2010, the data analysis functions of the
13 sentencing guidelines commission are transferred to the economic and
14 revenue forecast council, consistent with Substitute Senate Bill No.
15 6849 (forecast functions). Funding for these activities for fiscal
16 year 2011 is appropriated to the economic and revenue forecast council.
17 If the bill is not enacted by June 30, 2010, the general fund--state
18 appropriation for fiscal year 2011 in this section shall be increased
19 by \$586,000.

20 **Sec. 227.** 2009 c 564 s 226 (uncodified) is amended to read as
21 follows:

22 **FOR THE EMPLOYMENT SECURITY DEPARTMENT**

23	General Fund--State Appropriation (FY 2010)	((\$7,054,000))
24		<u>\$2,054,000</u>
25	General Fund--State Appropriation (FY 2011)	((\$53,000))
26		<u>\$5,053,000</u>
27	General Fund--Federal Appropriation	((\$320,561,000))
28		<u>\$324,245,000</u>
29	General Fund--Private/Local Appropriation	((\$33,825,000))
30		<u>\$33,825,000</u>
31	Unemployment Compensation Administration	
32	Account--Federal Appropriation	((\$332,904,000))
33		<u>\$361,235,000</u>
34	Administrative Contingency Account--State	
35	Appropriation	((\$293,000))
36		<u>\$295,000</u>
37	Employment Service Administrative Account--	

1	State Appropriation	((\$37,195,000))
2		<u>\$37,669,000</u>
3	TOTAL APPROPRIATION	((\$731,885,000))
4		<u>\$764,376,000</u>

5 The appropriations in this subsection are subject to the following
6 conditions and limitations:

7 (1) (~~(\$55,029,000)~~) \$59,829,000 of the unemployment compensation
8 administration account--federal appropriation is provided from amounts
9 made available to the state by section 903 (d) and (f) of the social
10 security act (Reed act). This amount is authorized to continue current
11 unemployment insurance functions and department services to employers
12 and job seekers.

13 (2) \$32,067,000 of the unemployment compensation administration
14 account--federal appropriation is provided from amounts made available
15 to the state by section 903(d) of the social security act (Reed act).
16 This amount is authorized to fund the replacement of the unemployment
17 insurance tax information system (TAXIS) for the employment security
18 department. This section is subject to section 902 of this act.

19 (3) \$110,000 of the unemployment compensation administration
20 account--federal appropriation is provided solely for implementation of
21 Senate Bill No. 5804 (leaving part time work voluntarily). (~~(If the~~
22 ~~bill is not enacted by June 30, 2009, the amounts provided in this~~
23 ~~subsection shall lapse.)~~)

24 (4) \$1,263,000 of the unemployment compensation administration
25 account--federal appropriation is provided solely for implementation of
26 Senate Bill No. 5963 (unemployment insurance). (~~(If the bill is not~~
27 ~~enacted by June 30, 2009, the amounts provided in this subsection shall~~
28 ~~lapse.)~~)

29 (5) \$159,000 of the unemployment compensation account--federal
30 appropriation is provided solely for the implementation of House Bill
31 No. 1555 (underground economy) from funds made available to the state
32 by section 903(d) of the social security act (Reed act).

33 (6) (~~(\$293,000)~~) \$295,000 of the administrative contingency--state
34 appropriation for fiscal year 2010 is provided solely for the
35 implementation of House Bill No. 2227 (evergreen jobs act). (~~(If the~~
36 ~~bill is not enacted by June 30, 2009, the amounts provided in this~~
37 ~~subsection shall lapse.)~~)

1 (7) (~~(\$7,000,000)~~) \$2,000,000 of the general fund--state
2 appropriation for fiscal year 2010 (~~(is)~~) and \$5,000,000 of the general
3 fund--state appropriation for fiscal year 2011 are provided solely for
4 the implementation of Senate Bill No. 5809 (WorkForce employment and
5 training). (~~(If the bill is not enacted by June 30, 2009, the amounts~~
6 provided in this subsection shall lapse.))

7 (8) \$444,000 of the unemployment compensation administration
8 account--federal appropriation is provided solely for the
9 implementation of Substitute Senate Bill No. 6524 (unemployment
10 insurance penalties and contribution rates) from funds made available
11 to the state by section 903 (d) or (f) of the social security act (Reed
12 act). If the bill is not enacted by June 30, 2010, the amount provided
13 in this subsection shall lapse.

(End of part)

PART III
NATURAL RESOURCES

Sec. 301. 2009 c 564 s 301 (uncodified) is amended to read as follows:

FOR THE COLUMBIA RIVER GORGE COMMISSION

General Fund--State Appropriation (FY 2010)	(\$441,000)
	<u>\$440,000</u>
General Fund--State Appropriation (FY 2011)	(\$445,000)
	<u>\$432,000</u>
General Fund--Federal Appropriation	\$30,000
General Fund--Private/Local Appropriation	(\$864,000)
	<u>\$850,000</u>
TOTAL APPROPRIATION	(\$1,780,000)
	<u>\$1,752,000</u>

Sec. 302. 2010 c 3 s 301 (uncodified) is amended to read as follows:

FOR THE DEPARTMENT OF ECOLOGY

General Fund--State Appropriation (FY 2010)	(\$59,991,000)
	<u>\$58,340,000</u>
General Fund--State Appropriation (FY 2011)	(\$58,047,000)
	<u>\$51,931,000</u>
General Fund--Federal Appropriation	(\$82,452,000)
	<u>\$82,207,000</u>
General Fund--Private/Local Appropriation	(\$16,668,000)
	<u>\$16,899,000</u>
Special Grass Seed Burning Research Account--State Appropriation	\$14,000
Reclamation Account--State Appropriation	(\$3,679,000)
	<u>\$3,681,000</u>
Flood Control Assistance Account--State Appropriation	(\$1,965,000)
	<u>\$1,957,000</u>
Waste Reduction/Recycling/Litter Control--State Appropriation	(\$14,554,000)
	<u>\$12,463,000</u>

1 State and Local Improvements Revolving Account
2 (Water Supply Facilities)--State Appropriation ((~~\$426,000~~))
3 \$423,000
4 Freshwater Aquatic Algae Control Account--State
5 Appropriation \$509,000
6 Water Rights Tracking System Account--State
7 Appropriation \$116,000
8 Site Closure Account--State Appropriation ((~~\$706,000~~))
9 \$923,000
10 Wood Stove Education and Enforcement Account--
11 State Appropriation \$612,000
12 Worker and Community Right-to-Know Account--
13 State Appropriation ((~~\$1,670,000~~))
14 \$1,662,000
15 State Toxics Control Account--State
16 Appropriation ((~~\$101,705,000~~))
17 \$107,237,000
18 State Toxics Control Account--Private/Local
19 Appropriation ((~~\$383,000~~))
20 \$379,000
21 Local Toxics Control Account--State Appropriation ((~~\$24,730,000~~))
22 \$24,691,000
23 Water Quality Permit Account--State Appropriation ((~~\$37,433,000~~))
24 \$37,210,000
25 Underground Storage Tank Account--State
26 Appropriation ((~~\$3,298,000~~))
27 \$3,273,000
28 Biosolids Permit Account--State Appropriation ((~~\$1,413,000~~))
29 \$1,873,000
30 Hazardous Waste Assistance Account--State
31 Appropriation ((~~\$5,930,000~~))
32 \$5,892,000
33 Air Pollution Control Account--State Appropriation ((~~\$2,030,000~~))
34 \$2,167,000
35 Oil Spill Prevention Account--State Appropriation ((~~\$10,688,000~~))
36 \$10,621,000
37 Air Operating Permit Account--State Appropriation ((~~\$2,783,000~~))
38 \$2,762,000

1	Freshwater Aquatic Weeds Account--State	
2	Appropriation	((\$1,699,000))
3		<u>\$1,698,000</u>
4	Oil Spill Response Account--State Appropriation	((\$7,078,000))
5		<u>\$7,077,000</u>
6	Metals Mining Account--State Appropriation	\$14,000
7	Water Pollution Control Revolving Account--State	
8	Appropriation	((\$465,000))
9		<u>\$534,000</u>
10	Water Pollution Control Revolving Account--Federal	
11	Appropriation	((\$1,940,000))
12		<u>\$2,220,000</u>
13	<u>Water Rights Processing Account--State Appropriation</u>	<u>\$235,000</u>
14	TOTAL APPROPRIATION	((\$442,998,000))
15		<u>\$439,620,000</u>

16 The appropriations in this section are subject to the following
17 conditions and limitations:

18 (1) \$170,000 of the oil spill prevention account--state
19 appropriation is provided solely for a contract with the University of
20 Washington's sea grant program to continue an educational program
21 targeted to small spills from commercial fishing vessels, ferries,
22 cruise ships, ports, and marinas.

23 (2) \$240,000 of the woodstove education and enforcement account--
24 state appropriation is provided solely for citizen outreach efforts to
25 improve understanding of burn curtailments, the proper use of wood
26 heating devices, and public awareness of the adverse health effects of
27 woodsmoke pollution.

28 (3) \$3,000,000 of the general fund--private/local appropriation is
29 provided solely for contracted toxic-site cleanup actions at sites
30 where multiple potentially liable parties agree to provide funding.

31 (4) \$3,600,000 of the local toxics account--state appropriation is
32 provided solely for the standby emergency rescue tug stationed at Neah
33 Bay.

34 (5) \$811,000 of the state toxics account--state appropriation is
35 provided solely for oversight of toxic cleanup at facilities that
36 treat, store, and dispose of hazardous wastes.

37 (6) \$1,456,000 of the state toxics account--state appropriation is

1 provided solely for toxic cleanup at sites where willing parties
2 negotiate prepayment agreements with the department and provide
3 necessary funding.

4 (7) \$558,000 of the state toxics account--state appropriation and
5 \$3,000,000 of the local toxics account--state appropriation are
6 provided solely for grants and technical assistance to Puget Sound-area
7 local governments engaged in updating shoreline master programs.

8 (8) \$950,000 of the state toxics control account--state
9 appropriation is provided solely for measuring water and habitat
10 quality to determine watershed health and assist salmon recovery,
11 beginning in fiscal year 2011.

12 (9) RCW 70.105.280 authorizes the department to assess reasonable
13 service charges against those facilities that store, treat, incinerate,
14 or dispose of dangerous or extremely hazardous waste that involves both
15 a nonradioactive hazardous component and a radioactive component.
16 Service charges may not exceed the costs to the department in carrying
17 out the duties in RCW 70.105.280. The current service charges do not
18 meet the costs of the department to carry out its duties. Pursuant to
19 RCW 43.135.055 and 70.105.280, the department is authorized to increase
20 the service charges no greater than 18 percent for fiscal year 2010 and
21 no greater than 15 percent for fiscal year 2011. Such service charges
22 shall include all costs of public participation grants awarded to
23 qualified entities by the department pursuant to RCW 70.105D.070(5) for
24 facilities at which such grants are recognized as a component of a
25 community relations or public participation plan authorized or required
26 as an element of a consent order, federal facility agreement or agreed
27 order entered into or issued by the department pursuant to any federal
28 or state law governing investigation and remediation of releases of
29 hazardous substances. Public participation grants funded by such
30 service charges shall be in addition to, and not in place of, any other
31 grants made pursuant to RCW 70.105D.070(5). Costs for the public
32 participation grants shall be billed individually to the mixed waste
33 facility associated with the grant.

34 (10) The department (~~(is authorized to)~~) shall increase the
35 following fees in the 2009-2011 biennium as necessary to meet the
36 actual costs of conducting business and the appropriation levels in
37 this section: Environmental lab accreditation, dam safety and
38 inspection, biosolids permitting, air emissions new source review,

1 ((and)) manufacturer registration and renewal, and sewage treatment
2 plant operator licensing. The department shall increase the air
3 contaminate source registration fee as necessary to reduce the general
4 fund support by fifty percent.

5 (11) \$63,000 of the state toxics control account--state
6 appropriation is provided solely for implementation of Substitute
7 Senate Bill No. 5797 (solid waste handling permits). If the bill is
8 not enacted by June 30, 2009, the amount provided in this subsection
9 shall lapse.

10 (12) \$225,000 of the general fund--state appropriation for fiscal
11 year 2010 and \$193,000 of the general fund--state appropriation for
12 fiscal year 2011 are provided solely for implementation of Engrossed
13 Second Substitute Bill No. 5560 (agency climate leadership). If the
14 bill is not enacted by June 30, 2009, the amounts provided in this
15 subsection shall lapse.

16 (13) \$150,000 of the general fund--state appropriation for fiscal
17 year 2010 and \$150,000 of the general fund--state appropriation for
18 fiscal year 2011 are provided solely for watershed planning
19 implementation grants to continue ongoing efforts to develop and
20 implement water agreements in the Nooksack Basin and the Bertrand
21 watershed. These amounts are intended to support project
22 administration; monitoring; negotiations in the Nooksack watershed
23 between tribes, the department, and affected water users; continued
24 implementation of a flow augmentation project; plan implementation in
25 the Fishtrap watershed; and the development of a water bank.

26 (14) \$215,000 of the general fund--state appropriation for fiscal
27 year 2010 and \$235,000 of the general fund--state appropriation for
28 fiscal year 2011 are provided solely to provide watershed planning
29 implementation grants for WRIA 32 to implement Substitute House Bill
30 No. 1580 (pilot local water management program). If the bill is not
31 enacted by June 30, 2009, the amounts provided in this subsection shall
32 lapse.

33 (15) \$200,000 of the general fund--state appropriation for fiscal
34 year 2010 and \$200,000 of the general fund--state appropriation for
35 fiscal year 2011 are provided solely for the purpose of supporting the
36 trust water rights program and processing trust water right transfer
37 applications that improve instream flow.

1 (16)(a) The department shall convene a stock water working group
2 that includes: Legislators, four members representing agricultural
3 interests, three members representing environmental interests, the
4 attorney general or designee, the director of the department of ecology
5 or designee, the director of the department of agriculture or designee,
6 and affected federally recognized tribes shall be invited to send
7 participants.

8 (b) The group shall review issues surrounding the use of permit-
9 exempt wells for stock-watering purposes and may develop
10 recommendations for legislative action.

11 (c) The working group shall meet periodically and report its
12 activities and recommendations to the governor and the appropriate
13 legislative committees by December 1, 2009.

14 (17) \$73,000 of the water quality permit account--state
15 appropriation is provided solely to implement Substitute House Bill No.
16 1413 (water discharge fees). If the bill is not enacted by June 30,
17 2009, the amount provided in this subsection shall lapse.

18 (18) The department shall continue to work with the Columbia Snake
19 River irrigators' association to determine how seasonal water operation
20 and maintenance conservation can be utilized. In implementing this
21 proviso, the department shall also consult with the Columbia River
22 policy advisory group as appropriate.

23 (19) The department shall track any changes in costs, wages, and
24 benefits that would have resulted if House Bill No. 1716 (public
25 contract living wages), as introduced in the 2009 regular session of
26 the legislature, were enacted and made applicable to contracts and
27 related subcontracts entered into, renewed, or extended during the
28 2009-11 biennium. The department shall submit a report to the house of
29 representatives commerce and labor committee and the senate labor,
30 commerce, and consumer protection committee by December 1, 2011. The
31 report shall include data on any aggregate changes in wages and
32 benefits that would have resulted during the 2009-11 biennium.

33 (20) Within amounts appropriated in this section the department
34 shall develop recommendations by December 1, 2009, for a convenient and
35 effective mercury-containing light recycling program for residents,
36 small businesses, and small school districts throughout the state. The
37 department shall consider options including but not limited to, a
38 producer-funded program, a recycler-supported or recycle fee program,

1 a consumer fee at the time of purchase, general fund appropriations, or
2 a currently existing dedicated account. The department shall involve
3 and consult with stakeholders including persons who represent
4 retailers, waste haulers, recyclers, mercury-containing light
5 manufacturers or wholesalers, cities, counties, environmental
6 organizations and other interested parties. The department shall
7 report its findings and recommendations for a recycling program for
8 mercury-containing lights to the appropriate committees of the
9 legislature by December 1, 2009.

10 ~~(21) ((During the 2009-11 biennium, the department shall implement~~
11 ~~its cost reimbursement authority for processing water right~~
12 ~~applications using a competitive bidding process. For each cost~~
13 ~~reimbursement application, the department shall obtain cost proposals~~
14 ~~and other necessary information from at least three prequalified costs~~
15 ~~reimbursement consultants and shall select the lowest responsive~~
16 ~~bidder.~~

17 ~~(+22))~~ \$140,000 of the freshwater aquatic algae control account--
18 state appropriation is provided solely for grants to cities, counties,
19 tribes, special purpose districts, and state agencies for capital and
20 operational expenses used to manage and study excessive saltwater algae
21 with an emphasis on the periodic accumulation of sea lettuce on Puget
22 Sound beaches.

23 ~~((+23))~~ (22) By December 1, 2009, the department in consultation
24 with local governments shall conduct a remedial action grant financing
25 alternatives report. The report shall address options for financing the
26 remedial action grants identified in the department's report, entitled
27 "House Bill 1761, Model Toxics Control Accounts Ten-Year Financing
28 Plan" and shall include but not be limited to the following: (a)
29 Capitalizing cleanup costs using debt insurance; (b) capitalizing
30 cleanup costs using prefunded cost-cap insurance; (c) other contractual
31 instruments with local governments; and (d) an assessment of overall
32 economic benefits of the remedial action grants funded using the
33 instruments identified in this section.

34 (23) \$220,000 of the site closure account--state appropriation is
35 provided solely for litigation expenses associated with the lawsuit
36 filed by energy solutions, inc., against the Northwest interstate
37 compact on low-level radioactive waste management and its executive
38 director.

1 (24) \$133,000 of the general fund--state appropriation for fiscal
2 year 2011 is provided solely for implementation of Second Substitute
3 Senate Bill No. 6803 (stock watering/groundwater). If the bill is not
4 enacted by June 30, 2010, the amount provided in this subsection shall
5 lapse.

6 (25) \$392,000 of state toxics control account--state appropriation
7 is provided solely for implementation of Substitute Senate Bill No.
8 5543 (mercury-containing lights). If the bill is not enacted by June
9 30, 2010, the amount provided in this subsection shall lapse.

10 (26) \$22,000 of the reclamation revolving account--state
11 appropriation is provided solely for implementation of Substitute
12 Senate Bill No. 6683 (electronic renewal notices). If the bill is not
13 enacted by June 30, 2010, the amount provided in this subsection shall
14 lapse.

15 **Sec. 303.** 2010 c 3 s 302 (uncodified) is amended to read as
16 follows:

17 **FOR THE STATE PARKS AND RECREATION COMMISSION**

18 General Fund--State Appropriation (FY 2010)	((\$23,326,000))
19	<u>\$23,158,000</u>
20 General Fund--State Appropriation (FY 2011)	((\$22,729,000))
21	<u>\$19,208,000</u>
22 General Fund--Federal Appropriation	((\$5,902,000))
23	<u>\$6,902,000</u>
24 General Fund--Private/Local Appropriation	\$73,000
25 Winter Recreation Program Account--State	
26 Appropriation	\$1,558,000
27 Off Road Vehicle Account--State Appropriation	\$239,000
28 Snowmobile Account--State Appropriation	\$4,842,000
29 Aquatic Lands Enhancement Account--State Appropriation	\$363,000
30 Recreation Resources Account--State Appropriation	\$9,802,000
31 NOVA Program Account--State Appropriation	\$9,560,000
32 Parks Renewal and Stewardship Account--State	
33 Appropriation	((\$71,778,000))
34	<u>\$72,978,000</u>
35 Parks Renewal and Stewardship Account--	
36 Private/Local Appropriation	\$300,000
37 TOTAL APPROPRIATION	((\$150,472,000))

The appropriations in this section are subject to the following conditions and limitations:

(1) \$79,000 of the general fund--state appropriation for fiscal year 2010 and \$79,000 of the general fund--state appropriation for fiscal year 2011 are provided solely for a grant for the operation of the Northwest avalanche center.

(2) Proceeds received from voluntary donations given by motor vehicle registration applicants shall be used solely for the operation and maintenance of state parks.

(3) With the passage of Substitute House Bill No. 2339 (state parks system donation), the legislature finds that it has provided sufficient funds to ensure that all state parks remain open during the 2009-11 biennium. The commission shall not close state parks (~~unless the bill is not enacted by June 30, 2009, or revenue collections are insufficient to fund the ongoing operation of state parks. By January 10, 2010, the commission shall provide a report to the legislature on their budget and resources related to operating parks for the remainder of the biennium~~). The commission shall not close or transfer Tolmie state park.

(4) The commission shall work with the department of general administration to evaluate the commission's existing leases with the intention of increasing net revenue to state parks. The commission shall provide to the office of financial management and the legislative fiscal committees no later than September 30, 2009, a list of leases the commission proposes be managed by the department of general administration.

Sec. 304. 2009 c 564 s 304 (uncodified) is amended to read as follows:

FOR THE RECREATION AND CONSERVATION FUNDING BOARD

General Fund--State Appropriation (FY 2010)	(\$1,511,000)
	<u>\$1,513,000</u>
General Fund--State Appropriation (FY 2011)	(\$1,558,000)
	<u>\$1,499,000</u>
General Fund--Federal Appropriation	(\$10,431,000)
	<u>\$10,322,000</u>
General Fund--Private/Local Appropriation	\$250,000

1	Aquatic Lands Enhancement Account--State Appropriation	\$278,000
2	Firearms Range Account--State Appropriation	\$39,000
3	Recreation Resources Account--State Appropriation	((\$2,805,000))
4		<u>\$2,776,000</u>
5	NOVA Program Account--State Appropriation	((\$1,062,000))
6		<u>\$1,052,000</u>
7	TOTAL APPROPRIATION	((\$17,934,000))
8		<u>\$17,729,000</u>

9 The appropriations in this section are subject to the following
10 conditions and limitations:

11 (1) \$204,000 of the general fund--state appropriation for fiscal
12 year 2010 and \$244,000 of the general fund-- state appropriation for
13 fiscal year 2011 are provided solely for the implementation of
14 Substitute House Bill No. 2157 (salmon recovery). If the bill is not
15 enacted by June 30, 2009, the amounts provided in this subsection shall
16 lapse.

17 (2) The recreation and conservation office, under the direction of
18 the salmon recovery funding board, shall assess watershed and regional-
19 scale capacity issues relating to the support and implementation of
20 salmon recovery. The assessment shall examine priority setting and
21 incentives to further promote coordination to ensure that effective and
22 efficient mechanisms for delivery of salmon recovery funding board
23 funds are being utilized. The salmon recovery funding board shall
24 distribute its operational funding to the appropriate entities based on
25 this assessment.

26 (3) The recreation and conservation office shall negotiate an
27 agreement with the Puget Sound partnership to consolidate or share
28 certain administrative functions currently performed by each agency
29 independently. The agencies shall proportionately share the costs of
30 such shared functions. Examples of shared functions may include, but
31 are not limited to, support for personnel, information technology,
32 grant and contract management, invasive species work, legislative
33 coordination, and policy and administrative support of various boards
34 and councils.

35 (4) \$25,000 of the general fund--state appropriation for fiscal
36 year 2011 is provided solely for implementation of Senate Bill No. 6274
37 (trail interactions work group). If the bill is not enacted by June
38 30, 2010, the amount provided in this subsection shall lapse.

1		<u>\$40,706,000</u>
2	General Fund--State Appropriation (FY 2011)	((\$38,891,000))
3		<u>\$30,789,000</u>
4	General Fund--Federal Appropriation	((\$86,330,000))
5		<u>\$86,336,000</u>
6	General Fund--Private/Local Appropriation	((\$47,490,000))
7		<u>\$47,492,000</u>
8	Off Road Vehicle Account--State Appropriation	\$415,000
9	Aquatic Lands Enhancement Account--State	
10	Appropriation	\$6,757,000
11	Recreational Fisheries Enhancement--State	
12	Appropriation	\$3,640,000
13	Warm Water Game Fish Account--State Appropriation	\$2,877,000
14	Eastern Washington Pheasant Enhancement Account--	
15	State Appropriation	\$848,000
16	Aquatic Invasive Species Enforcement Account--	
17	State Appropriation	\$207,000
18	Aquatic Invasive Species Prevention Account--	
19	State Appropriation	\$844,000
20	Wildlife Account--State Appropriation	((\$76,178,000))
21		<u>\$87,263,000</u>
22	Game Special Wildlife Account--State Appropriation	\$2,381,000
23	Game Special Wildlife Account--Federal Appropriation	\$8,928,000
24	Game Special Wildlife Account--Private/Local	
25	Appropriation	\$487,000
26	Wildlife Rehabilitation Account--State Appropriation	\$270,000
27	Regional Fisheries Salmonid Recovery Account--	
28	Federal Appropriation	\$5,001,000
29	Oil Spill Prevention Account--State Appropriation	\$884,000
30	Oyster Reserve Land Account--State Appropriation	\$918,000
31	<u>Hydraulic Permit Fee Account--State Appropriation</u>	<u>\$2,555,000</u>
32	TOTAL APPROPRIATION	((\$324,032,000))
33		<u>\$329,598,000</u>

34 The appropriations in this section are subject to the following
35 conditions and limitations:

- 36 (1) \$294,000 of the aquatic lands enhancement account--state
37 appropriation is provided solely for the implementation of hatchery
38 reform recommendations defined by the hatchery scientific review group.

1 (2) \$355,000 of the general fund--state appropriation for fiscal
2 year 2010 and \$422,000 of the general fund--state appropriation for
3 fiscal year 2011 are provided solely for the department to implement a
4 pilot project with the Confederated Tribes of the Colville Reservation
5 to develop expanded recreational fishing opportunities on Lake Rufus
6 Woods and its northern shoreline and to conduct joint enforcement of
7 lake fisheries on Lake Rufus Woods and adjoining waters, pursuant to
8 state and tribal intergovernmental agreements developed under the
9 Columbia River water supply program. For the purposes of the pilot
10 project:

11 (a) A fishing permit issued to a nontribal member by the Colville
12 Tribes shall satisfy the license requirement of RCW 77.32.010 on the
13 waters of Lake Rufus Woods and on the north shore of Lake Rufus Woods;

14 (b) The Colville Tribes have agreed to provide to holders of its
15 nontribal member fishing permits a means to demonstrate that fish in
16 their possession were lawfully taken in Lake Rufus Woods;

17 (c) A Colville tribal member identification card shall satisfy the
18 license requirement of RCW 77.32.010 on all waters of Lake Rufus Woods;

19 (d) The department and the Colville Tribes shall jointly designate
20 fishing areas on the north shore of Lake Rufus Woods for the purposes
21 of enhancing access to the recreational fisheries on the lake; and

22 (e) The Colville Tribes have agreed to recognize a fishing license
23 issued under RCW 77.32.470 or RCW 77.32.490 as satisfying the nontribal
24 member fishing permit requirements of Colville tribal law on the
25 reservation portion of the waters of Lake Rufus Woods and at designated
26 fishing areas on the north shore of Lake Rufus Woods;

27 (3) Prior to submitting its 2011-2013 biennial operating and
28 capital budget request related to state fish hatcheries to the office
29 of financial management, the department shall contract with the
30 hatchery scientific review group (HSRG) to review this request. This
31 review shall: (a) Determine if the proposed requests are consistent
32 with HSRG recommendations; (b) prioritize the components of the
33 requests based on their contributions to protecting wild salmonid
34 stocks and meeting the recommendations of the HSRG; and (c) evaluate
35 whether the proposed requests are being made in the most cost effective
36 manner. The department shall provide a copy of the HSRG review to the
37 office of financial management with their agency budget proposal.

1 (4) Within existing funds, the department shall continue
2 implementing its capital program action plan dated September 1, 2007,
3 including the purchase of the necessary maintenance and support costs
4 for the capital programs and engineering tools. The department shall
5 report to the office of financial management and the appropriate
6 committees of the legislature, its progress in implementing the plan,
7 including improvements instituted in its capital program, by September
8 30, (~~(2011)~~) 2010.

9 (5) \$1,232,000 of the state wildlife account--state appropriation
10 is provided solely to implement Substitute House Bill No. 1778 (fish
11 and wildlife). If the bill is not enacted by June 30, 2009, the amount
12 provided in this subsection shall lapse.

13 (6) \$400,000 of the general fund--state appropriation for fiscal
14 year 2010 and \$400,000 of the general fund--state appropriation for
15 fiscal year 2011 are provided solely for a state match to support the
16 Puget Sound nearshore partnership between the department and the U.S.
17 army corps of engineers.

18 (7) (~~(\$100,000)~~) \$50,000 of the general fund--state appropriation
19 for fiscal year 2010 and (~~(\$100,000)~~) \$50,000 of the general fund--
20 state appropriation for fiscal year 2011 are provided solely for
21 removal of derelict gear in Washington waters.

22 (8) The department of fish and wildlife shall dispose of all
23 (~~(fixed-wing)~~) Cessna aircraft it currently owns. The proceeds from
24 the aircraft shall be deposited into the state wildlife account.
25 Disposal of the aircraft must occur no later than June 30, 2010. The
26 department shall coordinate with the department of natural resources on
27 the installation of fire surveillance equipment into its Partenavia
28 aircraft. The department shall make its Partenavia aircraft available
29 to the department of natural resources on a cost-reimbursement basis
30 for its use in coordinating fire suppression efforts. The two agencies
31 shall develop an interagency agreement that defines how they will share
32 access to the plane.

33 (9) \$50,000 of the general fund--state appropriation for fiscal
34 year 2010 is provided solely for an electron project fish passage study
35 consistent with the recommendations and protocols contained in the 2008
36 electron project downstream fish passage final report.

37 (10) \$60,000 of the general fund--state appropriation for fiscal
38 year 2010 and \$60,000 of the general fund--state appropriation for

1 fiscal year 2011 are provided solely for implementation of Engrossed
2 Second Substitute Bill No. 5560 (agency climate leadership). If the
3 bill is not enacted by June 30, 2009, the amounts provided in this
4 subsection shall lapse.

5 (11) If sufficient new revenues are not identified to continue
6 hatchery operations, within the constraints of legally binding tribal
7 agreements, the department shall dispose of, by removal, sale, lease,
8 reversion, or transfer of ownership, the following hatcheries:
9 McKernan, Colville, Omak, Bellingham, Arlington, and Mossyrock.
10 Disposal of the hatcheries must occur by June 30, 2011, and any
11 proceeds received from disposal shall be deposited in the state
12 wildlife account. Within available funds, the department shall provide
13 quarterly reports on the progress of disposal to the office of
14 financial management and the appropriate fiscal committees of the
15 legislature. The first report shall be submitted no later than
16 September 30, 2009.

17 (12) \$100,000 of the eastern Washington pheasant enhancement
18 account--state appropriation is provided solely for the department to
19 support efforts to enhance permanent and temporary pheasant habitat on
20 public and private lands in Grant, Franklin, and Adams counties. The
21 department may support efforts by entities including conservation
22 districts, nonprofit organizations, and landowners, and must require
23 such entities to provide significant nonstate matching resources, which
24 may be in the form of funds, material, or labor.

25 (13) Within the amounts appropriated in this section, the
26 department of fish and wildlife shall develop a method for allocating
27 its administrative and overhead costs proportionate to program fund
28 use. As part of its 2011-2013 biennial operating budget, the
29 department shall submit a decision package that rebalances expenditure
30 authority for all agency funds based upon proportionate contributions.

31 (14) Within the amounts appropriated in this section, the
32 department shall identify additional opportunities for partnerships in
33 order to keep fish hatcheries operational. Such partnerships shall aim
34 to maintain fish production and salmon recovery with less reliance on
35 state operating funds.

36 (15) \$2,555,000 of the hydraulic project approval account--state
37 appropriation is provided solely for implementation of Substitute

1 Senate Bill No. 6448 (hydraulic project permitting). If the bill is
2 not enacted by June 30, 2010, the amount provided in this subsection
3 shall lapse.

4 (16) Prior to opening game management unit 490 to public hunting,
5 the department shall complete an environmental impact statement that
6 includes an assessment of how public hunting activities will impact the
7 ongoing protection of the public water supply.

8 (17) The department must work with appropriate stakeholders to
9 facilitate the disposition of salmon to best utilize the resource,
10 increase revenues to regional fisheries enhancement groups, and enhance
11 the provision of nutrients to food banks. By November 1, 2010, the
12 department must provide a report to the appropriate committees of the
13 legislature summarizing these discussions, outcomes, and
14 recommendations. After November 1, 2010, the department shall not
15 solicit or award a surplus salmon disposal contract without first
16 giving due consideration to implementing the recommendations developed
17 during the stakeholder process.

18 **Sec. 308.** 2009 c 564 s 308 (uncodified) is amended to read as
19 follows:

20 **FOR THE DEPARTMENT OF NATURAL RESOURCES**

21	General Fund--State Appropriation (FY 2010)	((\$40,275,000))
22		<u>\$48,772,000</u>
23	General Fund--State Appropriation (FY 2011)	((\$40,857,000))
24		<u>\$36,975,000</u>
25	General Fund--Federal Appropriation	((\$26,731,000))
26		<u>\$28,801,000</u>
27	General Fund--Private/Local Appropriation	((\$1,371,000))
28		<u>\$2,371,000</u>
29	Forest Development Account--State Appropriation	((\$41,765,000))
30		<u>\$41,771,000</u>
31	Off Road Vehicle Account--State Appropriation	((\$4,236,000))
32		<u>\$4,436,000</u>
33	Surveys and Maps Account--State Appropriation	\$2,543,000
34	Aquatic Lands Enhancement Account--State	
35	Appropriation	((\$7,217,000))
36		<u>\$8,347,000</u>
37	Resources Management Cost Account--State	

1	Appropriation	((\$78,951,000))
2		<u>\$81,012,000</u>
3	Surface Mining Reclamation Account--State	
4	Appropriation	\$3,490,000
5	Disaster Response Account--State Appropriation	\$5,000,000
6	Forest and Fish Support Account--State Appropriation	\$8,000,000
7	Aquatic Land Dredged Material Disposal Site	
8	Account--State Appropriation	\$1,336,000
9	Natural Resources Conservation Areas Stewardship	
10	Account--State Appropriation	((\$34,000))
11		<u>\$297,000</u>
12	State Toxics Control Account--State Appropriation	((\$80,000))
13		<u>\$720,000</u>
14	Air Pollution Control Account--State Appropriation	\$569,000
15	NOVA Program Account--State Appropriation	\$982,000
16	Derelict Vessel Removal Account--State Appropriation	\$1,754,000
17	Agricultural College Trust Management Account--	
18	State Appropriation	((\$2,643,000))
19		<u>\$1,943,000</u>
20	TOTAL APPROPRIATION	((\$267,834,000))
21		<u>\$279,119,000</u>

22 The appropriations in this section are subject to the following
23 conditions and limitations:

24 (1) \$1,355,000 of the general fund--state appropriation for fiscal
25 year 2010 and \$1,299,000 of the general fund--state appropriation for
26 fiscal year 2011 are provided solely for deposit into the agricultural
27 college trust management account and are provided solely to manage
28 approximately 70,700 acres of Washington State University's
29 agricultural college trust lands.

30 (2) ((~~\$11,128,000~~)) \$22,670,000 of the general fund--state
31 appropriation for fiscal year 2010, \$11,128,000 of the general fund--
32 state appropriation for fiscal year 2011, and \$5,000,000 of the
33 disaster response account--state appropriation are provided solely for
34 emergency fire suppression. None of the general fund and disaster
35 response account amounts provided in this subsection may be used to
36 fund agency indirect and administrative expenses. Agency indirect and
37 administrative costs shall be allocated among the agency's remaining
38 accounts and appropriations. The department of natural resources shall

1 submit a quarterly report to the office of financial management and the
2 legislative fiscal committees detailing information on current and
3 planned expenditures from the disaster response account. This work
4 shall be done in coordination with the military department.

5 (3) \$5,000,000 of the forest and fish support account--state
6 appropriation is provided solely for adaptive management, monitoring,
7 and participation grants to tribes. If federal funding for this
8 purpose is reinstated, the amount provided in this subsection shall
9 lapse.

10 (4) \$600,000 of the derelict vessel removal account--state
11 appropriation is provided solely for removal of derelict and abandoned
12 vessels that have the potential to contaminate Puget Sound.

13 (5) \$666,000 of the general fund--federal appropriation is provided
14 solely to implement House Bill No. 2165 (forest biomass energy
15 project). If the bill is not enacted by June 30, 2009, the amount
16 provided in this subsection shall lapse.

17 (6) \$5,000 of the general fund--state appropriation for fiscal year
18 2010 and \$5,000 of the general fund--state appropriation for fiscal
19 year 2011 are provided solely to implement Substitute House Bill No.
20 1038 (specialized forest products). If the bill is not enacted by June
21 30, 2009, the amounts provided in this subsection shall lapse.

22 (7) \$440,000 of the state general fund--state appropriation for
23 fiscal year 2010 and \$440,000 of the state general fund--state
24 appropriation for fiscal year 2011 are provided solely for forest work
25 crews that support correctional camps and are contingent upon
26 continuing operations of Naselle youth camp at the level provided in
27 fiscal year 2008. The department shall consider using up to \$2,000,000
28 of the general fund--federal appropriation to support and utilize
29 correctional camp crews to implement natural resource projects approved
30 by the federal government for federal stimulus funding.

31 (8) The department of natural resources shall dispose of the King
32 Air aircraft it currently owns. Before disposal and within existing
33 funds, the department shall transfer specialized equipment for fire
34 surveillance to the department of fish and wildlife's Partenavia
35 aircraft. Disposal of the aircraft must occur no later than June 30,
36 2010, and the proceeds from the sale of the aircraft shall be deposited
37 into the ((~~natural resources equipment revolving fund~~)) forest and fish
38 support account. ((~~At the expiration of current leases~~)) No later than

1 June 30, 2011, the department shall lease facilities in eastern
2 Washington sufficient to house the necessary aircraft, mechanics, and
3 pilots used for forest fire prevention and suppression.

4 (9) \$30,000 of the general fund--state appropriation for fiscal
5 year 2010 and \$30,000 of the general fund--state appropriation for
6 fiscal year 2011 are provided solely for implementation of Engrossed
7 Second Substitute Bill No. 5560 (agency climate leadership). If the
8 bill is not enacted by June 30, 2009, the amounts provided in this
9 subsection shall lapse.

10 (10) \$1,030,000 of the aquatic lands enhancement account--state
11 appropriation for fiscal year 2011 is provided solely for continuing
12 scientific studies already underway as part of the adaptive management
13 process. Funds may not be used to initiate new studies unless the
14 department secures new federal funding for the adaptive management
15 process.

16 (11) \$113,000 of the natural resources conservation areas
17 stewardship account--state appropriation is provided solely for
18 implementation of Substitute Senate Bill No. 6747 (natural heritage
19 program/DNR). If the bill is not enacted by June 30, 2010, the amount
20 provided in this subsection shall lapse.

21 (12) Within available funds, the department of natural resources
22 shall review the statutory method for determining aquatic lands lease
23 rates for private marinas, public marinas not owned and operated by
24 port districts, yacht clubs, and other entities leasing state land for
25 boat moorage. The review shall consider alternative methods for
26 determining rents for these entities for a fair distribution of rent,
27 consistent with the department management mandates for state aquatic
28 lands.

29 (13) \$40,000 of the general fund--state appropriation for fiscal
30 year 2011 and \$100,000 of the aquatic lands enhancement account--state
31 appropriation are provided solely to install up to twenty mooring buoys
32 in Eagle Harbor and to remove abandoned boats, floats, and other
33 trespassing structures.

34 **Sec. 309.** 2010 c 3 s 305 (uncodified) is amended to read as
35 follows:

36 **FOR THE DEPARTMENT OF AGRICULTURE**

37 General Fund--State Appropriation (FY 2010) ((\$12,329,000))

1		<u>\$12,158,000</u>
2	General Fund--State Appropriation (FY 2011)	((\$11,271,000))
3		<u>\$15,574,000</u>
4	General Fund--Federal Appropriation	((\$11,565,000))
5		<u>\$21,008,000</u>
6	General Fund--Private/Local Appropriation	\$194,000
7	Aquatic Lands Enhancement Account--State	
8	Appropriation	\$2,559,000
9	State Toxics Control Account--State Appropriation . . .	((\$4,298,000))
10		<u>\$4,689,000</u>
11	Water Quality Permit Account--State Appropriation	\$61,000
12	TOTAL APPROPRIATION	((\$42,277,000))
13		<u>\$56,243,000</u>

14 The appropriations in this section are subject to the following
15 conditions and limitations:

16 (1) \$350,000 of the aquatic lands enhancement account appropriation
17 is provided solely for funding to the Pacific county noxious weed
18 control board to eradicate remaining spartina in Willapa Bay.

19 (2) \$19,000 of the general fund--state appropriation for fiscal
20 year 2010 and \$6,000 of the general fund--state appropriation for
21 fiscal year 2011 are provided solely to implement Substitute Senate
22 Bill No. 5797 (solid waste handling permits). If the bill is not
23 enacted by June 30, 2009, the amounts provided in this subsection shall
24 lapse.

25 (3) The department is authorized to establish or increase the
26 following fees in the 2009-11 biennium as necessary to meet the actual
27 costs of conducting business: Christmas tree grower licensing, nursery
28 dealer licensing, plant pest inspection and testing, and commission
29 merchant licensing.

30 (4) \$65,000 of the general fund--state appropriation for fiscal
31 year 2011 is provided solely for a contract with a food distribution
32 program for communities in the southwestern portion of the state for
33 workers adversely affected by timber harvest reductions and salmon
34 fishing closures and reductions. The department may not charge
35 administrative overhead or expenses to the funds provided in this
36 subsection.

37 (5) When reducing laboratory activities and functions, the

1 department shall not impact any research or analysis pertaining to
2 bees.

3 **Sec. 310.** 2010 c 3 s 306 (uncodified) is amended to read as
4 follows:

5 **FOR THE PUGET SOUND PARTNERSHIP**

6	General Fund--State Appropriation (FY 2010)	((\$3,172,000))
7		<u>\$3,063,000</u>
8	General Fund--State Appropriation (FY 2011)	((\$3,143,000))
9		<u>\$2,785,000</u>
10	General Fund--Federal Appropriation	((\$3,623,000))
11		<u>\$7,236,000</u>
12	Aquatic Lands Enhancement Account--State Appropriation . .	((\$500,000))
13		<u>\$352,000</u>
14	State Toxics Control Account--State Appropriation	((\$896,000))
15		<u>\$817,000</u>
16	TOTAL APPROPRIATION	((\$11,334,000))
17		<u>\$14,253,000</u>

18 The appropriations in this section are subject to the following
19 conditions and limitations:

20 (1) \$305,000 of the general fund--state appropriation for fiscal
21 year 2010 is provided solely for measuring water and habitat quality to
22 determine watershed health and assist salmon recovery.

23 (2) ((~~\$896,000~~)) \$817,000 of the state toxics control account--
24 state appropriation is provided solely for activities that contribute
25 to Puget Sound protection and recovery, including provision of
26 independent advice and assessment of the state's oil spill prevention,
27 preparedness, and response programs, including review of existing
28 activities and recommendations for any necessary improvements. The
29 partnership may carry out this function through an existing committee,
30 such as the ecosystem coordination board or the leadership council, or
31 may appoint a special advisory council. Because this is a unique
32 statewide program, the partnership may invite participation from
33 outside the Puget Sound region.

34 (3) Within the amounts appropriated in this section, the Puget
35 Sound partnership shall facilitate an ongoing monitoring consortium to
36 integrate monitoring efforts for storm water, water quality, watershed

1 health, and other indicators to enhance monitoring efforts in Puget
2 Sound.

3 (4) The Puget Sound partnership shall work with Washington State
4 University and the environmental protection agency to secure funding
5 for the beach watchers program.

6 (5) (~~(\$877,000)~~) \$764,000 of the general fund--state appropriation
7 for fiscal year 2010 and (~~(\$877,000)~~) \$537,000 of the general fund--
8 state appropriation for fiscal year 2011 are provided solely to support
9 public education and volunteer programs. The partnership is directed
10 to distribute the majority of funding as grants to local organizations,
11 local governments, and education, communication, and outreach network
12 partners. The partnership shall track progress for this activity
13 through the accountability system of the Puget Sound partnership.

14 (6) \$36,000 of the general fund--state appropriation for fiscal
15 year 2011 is provided solely for implementation of Senate Bill No. 6347
16 (seawater desalination). If the bill is not enacted by June 30, 2010,
17 the amount provided in this subsection shall lapse.

18 (7) The Puget Sound partnership shall negotiate an agreement with
19 the recreation and conservation office to consolidate or share certain
20 administrative functions currently performed by each agency
21 independently. The agencies shall proportionately share the costs of
22 such shared functions. Examples of shared functions may include, but
23 are not limited to, support for personnel, information technology,
24 grant and contract management, invasive species work, legislative
25 coordination, and policy and administrative support of various boards
26 and councils.

(End of part)

PART IV
TRANSPORTATION

Sec. 401. 2010 c 3 s 401 (uncodified) is amended to read as follows:

FOR THE DEPARTMENT OF LICENSING

General Fund--State Appropriation (FY 2010)	\$1,436,000
General Fund--State Appropriation (FY 2011)	\$1,535,000
Architects' License Account--State Appropriation	\$767,000
Professional Engineers' Account--State Appropriation	(\$3,586,000)
	<u>\$3,580,000</u>
Real Estate Commission Account--State Appropriation	\$10,047,000
Master License Account--State Appropriation	(\$15,718,000)
	<u>\$15,801,000</u>
Uniform Commercial Code Account--State Appropriation	\$3,100,000
Real Estate Education Account--State Appropriation	\$276,000
Real Estate Appraiser Commission Account--State Appropriation	\$1,692,000
Business and Professions Account--State Appropriation	(\$15,270,000)
	<u>\$15,272,000</u>
Real Estate Research Account--State Appropriation	\$320,000
Geologists' Account--State Appropriation	\$53,000
Derelict Vessel Removal Account--State Appropriation	\$31,000
TOTAL APPROPRIATION	(\$53,831,000)
	<u>\$53,910,000</u>

The appropriations in this section are subject to the following conditions and limitations:

- (1) Pursuant to RCW 43.135.055, the department is authorized to increase fees for cosmetologists, funeral directors, cemeteries, court reporters and appraisers. These increases are necessary to support the expenditures authorized in this section, consistent with RCW 43.24.086.
- (2) \$1,352,000 of the business and professions account--state appropriation is provided solely to implement Substitute Senate Bill No. 5391 (tattoo and body piercing). If the bill is not enacted by June 30, 2009, the amount provided in this subsection shall lapse.

1 (3) \$358,000 of the business and professions account--state
2 appropriation is provided solely to implement Senate Bill No. 6126
3 (professional athletics). If the bill is not enacted by June 30, 2009,
4 the amount provided in this subsection shall lapse.

5 (4) \$81,000 of the master license account--state appropriation is
6 provided solely to implement Engrossed Senate Bill No. 6263 (Washington
7 vaccine association). The amount provided in this subsection shall be
8 from fee revenue under Engrossed Senate Bill No. 6263. If the bill is
9 not enacted by June 30, 2010, the amount provided in this subsection
10 shall lapse.

11 **Sec. 402.** 2010 c 3 s 402 (uncodified) is amended to read as
12 follows:

13 **FOR THE STATE PATROL**

14	General Fund--State Appropriation (FY 2010)	((\$40,668,000))
15		<u>\$39,883,000</u>
16	General Fund--State Appropriation (FY 2011)	((\$39,566,000))
17		<u>\$37,906,000</u>
18	General Fund--Federal Appropriation	((\$11,401,000))
19		<u>\$15,168,000</u>
20	General Fund--Private/Local Appropriation	((\$3,568,000))
21		<u>\$4,981,000</u>
22	Death Investigations Account--State Appropriation	((\$6,022,000))
23		<u>\$5,561,000</u>
24	Enhanced 911 Account--State Appropriation	\$589,000
25	County Criminal Justice Assistance Account--State	
26	Appropriation	\$3,122,000
27	Municipal Criminal Justice Assistance Account--State	
28	Appropriation	\$1,245,000
29	Fire Service Trust Account--State Appropriation	\$131,000
30	<u>Vehicle License Fraud--State Appropriation</u>	<u>\$270,000</u>
31	Disaster Response Account--State Appropriation	\$8,002,000
32	Fire Service Training Account--State Appropriation	((\$8,717,000))
33		<u>\$8,715,000</u>
34	Aquatic Invasive Species Enforcement Account--State	
35	Appropriation	\$54,000
36	State Toxics Control Account--State Appropriation	\$504,000
37	Fingerprint Identification Account--State	

1	Appropriation	((\$7,371,000))
2		<u>\$8,387,000</u>
3	TOTAL APPROPRIATION	((\$130,960,000))
4		<u>\$134,518,000</u>

5 The appropriations in this section are subject to the following
6 conditions and limitations:

7 (1) \$200,000 of the fire service training account--state
8 appropriation is provided solely for two FTEs in the office of the
9 state director of fire protection to exclusively review K-12
10 construction documents for fire and life safety in accordance with the
11 state building code. It is the intent of this appropriation to provide
12 these services only to those districts that are located in counties
13 without qualified review capabilities.

14 (2) \$8,000,000 of the disaster response account--state
15 appropriation is provided solely for Washington state fire service
16 resource mobilization costs incurred in response to an emergency or
17 disaster authorized under RCW 43.43.960 and 43.43.964. The state
18 patrol shall submit a report quarterly to the office of financial
19 management and the legislative fiscal committees detailing information
20 on current and planned expenditures from this account. This work shall
21 be done in coordination with the military department.

22 (3) ~~((The 2010 legislature will review the use of king air planes
23 by the executive branch and the adequacy of funding in this budget
24 regarding maintaining and operating the planes to successfully
25 accomplish their mission.))~~ The department shall dispose of the two
26 King Air aircraft it currently owns. The proceeds from the sale of the
27 airplanes shall be deposited into the state general fund and the state
28 patrol highway account in equal amounts. Disposal of the aircraft must
29 occur no later than June 30, 2011.

30 (4) The appropriations in this section reflect reductions in the
31 appropriations for the agency's administrative expenses. It is the
32 intent of the legislature that these reductions shall be achieved, to
33 the greatest extent possible, by reducing those administrative costs
34 that do not affect direct client services or direct service delivery or
35 programs.

36 (5) \$400,000 of the fire service training account--state
37 appropriation is provided solely for the firefighter apprenticeship
38 training program.

1 (6) \$48,000 of the fingerprint identification account--state
2 appropriation is provided solely to implement Substitute House Bill No.
3 1621 (consumer loan companies). If the bill is not enacted by June 30,
4 2009, the amounts provided in this subsection shall lapse.

5 (7) In accordance with RCW 43.43.942, 46.52.085, and 43.135.055,
6 the state patrol is authorized to increase the following fees in fiscal
7 year 2011 as necessary to meet the actual costs of conducting business
8 and the appropriation levels in this section: Collision records
9 requests, fire training academy courses, and fire training academy
10 dormitory accommodations.

(End of part)

PART V
EDUCATION

Sec. 501. 2009 c 564 s 501 (uncodified) is amended to read as follows:

FOR THE SUPERINTENDENT OF PUBLIC INSTRUCTION

General Fund--State Appropriation (FY 2010)	(\$34,798,000)
	<u>\$35,227,000</u>
General Fund--State Appropriation (FY 2011)	(\$32,969,000)
	<u>\$31,503,000</u>
General Fund--Federal Appropriation	(\$86,571,000)
	<u>\$87,433,000</u>
TOTAL APPROPRIATION	(\$154,338,000)
	<u>\$154,163,000</u>

The appropriations in this section are subject to the following conditions and limitations:

(1) A maximum of ~~(\$22,532,000)~~ \$22,907,000 of the general fund--state appropriation for fiscal year 2010 and ~~(\$21,023,000)~~ \$20,359,000 of the general fund--state appropriation for fiscal year 2011 is for state agency operations.

(a) ~~(\$11,792,000)~~ \$11,165,000 of the general fund--state appropriation for fiscal year 2010 and ~~(\$11,325,000)~~ \$9,832,000 of the general fund--state appropriation for fiscal year 2011 are provided solely for the operation and expenses of the office of the superintendent of public instruction.

(i) Within the amounts provided in this subsection, the superintendent shall recognize the extraordinary accomplishments of four students who have demonstrated a strong understanding of the civics essential learning requirements to receive the Daniel J. Evans civic education award.

(ii) Within amounts appropriated in this subsection (1)(a), the office of the superintendent of public instruction, consistent with WAC 392-121-182 (alternative learning experience requirements) which requires documentation of alternative learning experience student headcount and full-time equivalent (FTE) enrollment claimed for basic education funding, shall provide, ~~((via the))~~ monthly ~~((report of school district enrollment))~~, accurate monthly headcount and FTE

1 enrollments for students in (~~internet~~) alternative learning
2 experience (ALE) programs as well as information about resident and
3 serving districts.

4 (iii) (~~(\$927,000)~~) \$919,000 of the general fund--state
5 appropriation for fiscal year 2010 and \$941,000 of the general fund--
6 state appropriation for fiscal year 2011 are provided solely for
7 research and development activities associated with the development of
8 options for new school finance systems, including technical staff,
9 reprogramming, and analysis of alternative student funding formulae.
10 Within this amount is \$150,000 for the state board of education for
11 further development of accountability systems, and \$150,000 for the
12 professional educator standards board for continued development of
13 teacher certification and evaluation systems.

14 (iv) \$250,000 of the general fund--state appropriation for fiscal
15 year 2011 is provided solely for a statewide school district
16 reorganization commission.

17 (A) The commission shall develop and recommend a comprehensive plan
18 for the reorganization of Washington school districts for review and
19 potential adoption by the legislature.

20 (B) The commission shall be composed of the following members: A
21 representative of the state board of education selected by the members
22 of the board; two representatives of school administrators selected by
23 the Washington association of school administrators, with one
24 representative each from eastern and western Washington; two
25 representatives of school board directors selected by the Washington
26 state school directors' association, with one representative each from
27 eastern and western Washington; one representative of certificated
28 instructional school employees selected by the Washington education
29 association; an individual with experience as a demographer or as a
30 participant on the redistricting commission under chapter 44.05 RCW
31 selected by the governor.

32 (C) The commission shall develop objective criteria, ranked in
33 priority order, for the reorganization of Washington school districts
34 to include consideration of but not be limited to criteria in RCW
35 28A.315.015 and 28A.315.205. Based on the adopted objective criteria,
36 the commission shall develop a comprehensive plan for the
37 reorganization and reduction of Washington school districts. The plan

1 may also result in a reorganization of the number and boundaries of
2 educational service districts.

3 (D) The commission shall submit a final comprehensive school
4 district reorganization plan to the superintendent of public
5 instruction, the governor, and the legislature by December 1, 2012, to
6 include the following: A list of the recommended school districts and
7 educational service districts and their respective boundaries;
8 recommended procedures and timelines for phased-in implementation of
9 the reorganization plan; procedures and timelines for determination,
10 adjustment, and transfer of assets and liabilities among school
11 districts, including bonded indebtedness; procedures and timelines for
12 determination and election of school district and educational service
13 district boards of directors; and any other relevant elements the
14 commission deems essential for legislative and gubernatorial
15 consideration.

16 (b) \$965,000 of the general fund--state appropriation for fiscal
17 year 2010 and (~~(\$965,000)~~) \$946,000 of the general fund--state
18 appropriation for fiscal year 2011 are provided solely for the
19 operation and expenses of the state board of education, including basic
20 education assistance activities.

21 (c) \$5,366,000 of the general fund--state appropriation for fiscal
22 year 2010 and (~~(\$5,264,000)~~) \$3,062,000 of the general fund--state
23 appropriation for fiscal year 2011 are provided solely to the
24 professional educator standards board for the following:

25 (i) \$1,070,000 in fiscal year 2010 and (~~(\$1,070,000)~~) \$1,058,000 in
26 fiscal year 2011 are for the operation and expenses of the Washington
27 professional educator standards board, including administering the
28 alternative routes to certification program, pipeline for paraeducators
29 conditional scholarship loan program, and the retooling to teach math
30 conditional loan program;

31 (ii) \$3,431,000 of the general fund--state appropriation for fiscal
32 year 2010 and (~~(\$3,431,000)~~) \$1,716,000 of the general fund--state
33 appropriation for fiscal year 2011 are for conditional scholarship
34 loans and mentor stipends provided through the alternative routes to
35 certification program administered by the professional educator
36 standards board. (~~(Of these amounts:~~

37 ~~(A) \$500,000 each year is for conditional scholarships to~~

1 candidates seeking an endorsement in special education, math, science,
2 or bilingual education;

3 ~~(B) \$2,372,000 for fiscal year 2010 and \$2,372,000 for fiscal year~~
4 ~~2011 are for the expansion of conditional scholarship loans and mentor~~
5 ~~stipends for individuals enrolled in alternative route state~~
6 ~~partnership programs and seeking endorsements in math, science, special~~
7 ~~education or bilingual education;~~

8 ~~(C) Any remaining amounts in this subsection (c) shall be used to~~
9 ~~continue existing alternative routes to certification programs; and~~

10 ~~(D) Candidates seeking math and science endorsements under (A) and~~
11 ~~(B) of this subsection shall receive priority for funding;))~~

12 (iii) \$231,000 of the general fund--state appropriation for fiscal
13 year 2010 (~~and \$231,000 of the general fund--state appropriation for~~
14 ~~fiscal year 2011 are)) is for the recruiting Washington teachers
15 program;~~

16 (iv) \$200,000 of the general fund--state appropriation for fiscal
17 year 2010 and \$200,000 of the general fund--state appropriation for
18 fiscal year 2011 provided in this subsection are for \$4,000 conditional
19 loan stipends for paraeducators participating in the pipeline for
20 paraeducators program;

21 (v) \$244,000 of the general fund--state appropriation for fiscal
22 year 2010 (~~and \$244,000 of the general fund--state appropriation for~~
23 ~~fiscal year 2011 are)) is for conditional stipends for certificated
24 teachers pursuing a mathematics or science endorsement under the
25 retooling to teach mathematics or science program. The conditional
26 stipends shall be for endorsement exam fees as well as stipends for
27 teachers who must also complete coursework; and~~

28 (vi) \$102,000 of the general fund--state appropriation for fiscal
29 year 2010 is provided for the implementation of Second Substitute
30 Senate Bill No. 5973 (student achievement gap). The professional
31 educator standards board (PESB) will convene a workgroup to identify a
32 list of model standards for cultural competency and make
33 recommendations to the education committees of the legislature on the
34 strengths and weaknesses of those standards. Funding is also included
35 here in the amount of \$10,000 for the PESB to develop an interagency
36 agreement with the center for the improvement of student learning to
37 participate.

1 (d) (~~(\$1,099,000)~~) \$1,349,000 of the general fund--state
2 appropriation for fiscal year 2010 and \$144,000 of the general fund--
3 state appropriation for fiscal year 2011 are provided solely for
4 replacement of the apportionment system, which includes the processes
5 that collect school district budget and expenditure information,
6 staffing characteristics, and the student enrollments that drive the
7 funding process.

8 (e) (~~(\$1,227,000)~~) \$1,140,000 of the general fund--state
9 appropriation for fiscal year 2010 and \$1,227,000 of the general fund--
10 state appropriation for fiscal year 2011 are provided solely for the
11 creation of a statewide data base of longitudinal student information.
12 This amount is conditioned on the department satisfying the
13 requirements in section 902 of this act.

14 (f) \$75,000 of the general fund--state appropriation for fiscal
15 year 2010 (~~and \$75,000 of the general fund--state appropriation for~~
16 ~~fiscal year 2011 are~~) is provided solely to promote the financial
17 literacy of students. The effort will be coordinated through the
18 financial education public-private partnership.

19 (g) To the maximum extent possible, in adopting new agency rules or
20 making any changes to existing rules or policies related to the fiscal
21 provisions in the administration of part V of this act, the office of
22 the superintendent of public instruction shall attempt to request
23 approval through the normal legislative budget process.

24 (h) \$44,000 of the general fund--state appropriation for fiscal
25 year 2010 and \$45,000 of the general fund--state appropriation for
26 fiscal year 2011 are provided solely for the implementation of
27 Substitute Senate Bill No. 5248 (enacting the interstate compact on
28 educational opportunity for military children).

29 (i) \$63,000 of the general fund--state appropriation for fiscal
30 year 2011 is provided solely to implement Engrossed Second Substitute
31 House Bill No. 1418 (establishing a statewide dropout reengagement
32 system). If the bill is not enacted by June 30, 2010, the amount
33 provided in this subsection shall lapse.

34 (~~(+i)~~) (j) \$700,000 of the general fund--state appropriation for
35 fiscal year 2010 and \$700,000 of the general fund--state appropriation
36 for fiscal year 2011 are provided solely for the implementation of
37 Substitute Senate Bill No. 5410 (online learning).

1 ~~((+j))~~ (k) \$25,000 of the general fund--state appropriation for
2 fiscal year 2010 ~~((and \$25,000 of the general fund--state appropriation~~
3 ~~for fiscal year 2011 are))~~ is provided solely for project citizen, a
4 program sponsored by the national conference of state legislatures and
5 the center for civic education to promote participation in government
6 by middle school students.

7 (l) \$778,000 of the general fund--state appropriation for fiscal
8 year 2010 is provided solely for office of the attorney general costs
9 related to *McCleary v. State of Washington*.

10 (m) \$1,700,000 of the general fund--state appropriation for fiscal
11 year 2011 is provided solely for implementation of Second Substitute
12 Senate Bill No. 6760 (basic education instructional allocation
13 distribution formula) which includes reprogramming of systems used to
14 calculate, apportion, and distribute state funding for public schools.

15 (n) \$181,000 of the general fund--state appropriation for fiscal
16 year 2011 is provided solely for the implementation of Second
17 Substitute Senate Bill No. 6798 (implementing the recommendations of
18 the achievement gap oversight and accountability committee).

19 (o) \$55,000 of the general fund--state appropriation for fiscal
20 year 2011 is provided to the office of the superintendent of public
21 instruction solely to convene a technical working group to establish
22 standards, guidelines, and definitions for what constitutes a basic
23 education program for highly capable students and the appropriate
24 funding structure for such a program, and to submit recommendations to
25 the legislature for consideration. The working group may convene
26 advisory subgroups on specific topics as necessary to assure
27 participation and input from a broad array of diverse stakeholders.
28 The working group must consult with and seek input from nationally
29 recognized experts; researchers and academics on the unique
30 educational, emotional, and social needs of highly capable students and
31 how to identify such students; representatives of national
32 organizations and associations for educators of or advocates for highly
33 capable students; school district representatives who are educators,
34 counselors, and classified school employees involved with highly
35 capable programs; parents of students who have been identified as
36 highly capable; representatives from the federally recognized tribes;
37 and representatives of cultural, linguistic, and racial minority groups
38 and the community of persons with disabilities. The working group

1 shall make recommendations to the quality education council and to
2 appropriate committees of the legislature by December 1, 2010. The
3 recommendations shall take into consideration that access to the
4 program for highly capable students is not an individual entitlement
5 for any particular student. The recommendations shall seek to minimize
6 underrepresentation of any particular demographic or socioeconomic
7 group by better identification, not lower standards or quotas, and
8 shall include the following:

9 (i) Standardized state-level identification procedures, standards,
10 criteria, and benchmarks, including a definition or definitions of a
11 highly capable student. Students who are both highly capable and are
12 students of color, are poor, or have a disability must be addressed;

13 (ii) Appropriate programs and services that have been shown by
14 research and practice to be effective with highly capable students but
15 maintain options and flexibility for school districts, where possible;

16 (iii) Program administration, management, and reporting
17 requirements for school districts;

18 (iv) Appropriate educator qualifications, certification
19 requirements, and professional development and support for educators
20 and other staff who are involved in programs for highly capable
21 students;

22 (v) Self-evaluation models to be used by school districts to
23 determine the effectiveness of the program and services provided by the
24 school district for highly capable programs;

25 (vi) An appropriate state-level funding structure; and

26 (vii) Other topics deemed to be relevant by the working group.

27 (p) \$1,000,000 of the general fund--state appropriation for fiscal
28 year 2011 is provided solely for contracting with a college scholarship
29 organization with expertise in conducting outreach to students
30 concerning eligibility for the Washington college bound scholarship
31 consistent with chapter 405, Laws of 2007.

32 (q) \$69,000 of the general fund--state appropriation for fiscal
33 year 2010 and \$115,000 of the general fund--state appropriation for
34 fiscal year 2011 are provided solely for implementation of Substitute
35 Senate Bill No. 6759 (requiring a plan for a voluntary program of early
36 learning as a part of basic education).

37 (2) (~~(\$12,836,000)~~) \$12,320,000 of the general fund--state

1 appropriation for fiscal year 2010, (~~(\$12,407,000)~~) \$11,114,000 of the
2 general fund--state appropriation for fiscal year 2011, and \$55,890,000
3 of the general fund--federal appropriation are for statewide programs.

4 (a) HEALTH AND SAFETY

5 (i) \$2,541,000 of the general fund--state appropriation for fiscal
6 year 2010 and \$2,541,000 of the general fund--state appropriation for
7 fiscal year 2011 are provided solely for a corps of nurses located at
8 educational service districts, as determined by the superintendent of
9 public instruction, to be dispatched to the most needy schools to
10 provide direct care to students, health education, and training for
11 school staff.

12 (ii) \$100,000 of the general fund--state appropriation for fiscal
13 year 2010 and \$100,000 of the general fund--state appropriation for
14 fiscal year 2011 are provided solely for a school safety training
15 program provided by the criminal justice training commission. The
16 commission, in collaboration with the school safety center advisory
17 committee, shall provide the school safety training for all school
18 administrators and school safety personnel, including school safety
19 personnel hired after the effective date of this section.

20 (iii) \$9,670,000 of the general fund--federal appropriation is
21 provided for safe and drug free schools and communities grants for drug
22 and violence prevention activities and strategies.

23 (iv) \$96,000 of the general fund--state appropriation for fiscal
24 year 2010 and \$96,000 of the general fund--state appropriation for
25 fiscal year 2011 are provided solely for the school safety center in
26 the office of the superintendent of public instruction subject to the
27 following conditions and limitations:

28 (A) The safety center shall: Disseminate successful models of
29 school safety plans and cooperative efforts; provide assistance to
30 schools to establish a comprehensive safe school plan; select models of
31 cooperative efforts that have been proven successful; act as an
32 information dissemination and resource center when an incident occurs
33 in a school district either in Washington or in another state;
34 coordinate activities relating to school safety; review and approve
35 manuals and curricula used for school safety models and training; and
36 develop and maintain a school safety information web site.

37 (B) The school safety center advisory committee shall develop a

1 training program, using the best practices in school safety, for all
2 school safety personnel.

3 (v) \$70,000 of the general fund--state appropriation for fiscal
4 year 2010 (~~and \$70,000 of the general fund--state appropriation for~~
5 ~~fiscal year 2011 are~~) is provided solely for the youth suicide
6 prevention program.

7 (vi) \$50,000 of the general fund--state appropriation for fiscal
8 year 2010 and \$50,000 of the general fund--state appropriation for
9 fiscal year 2011 are provided solely for a nonviolence and leadership
10 training program provided by the institute for community leadership.

11 (vii) The office of financial management, in collaboration with the
12 superintendent of public instruction, shall create the coordinated
13 school health public-private partnership account as a local account, in
14 accordance with RCW 43.88.195, to support the efforts of the
15 partnership. Revenues to the account may include gifts from the
16 private sector, federal funds, and any appropriations made by the
17 legislature or other sources. Grants and their administration shall be
18 paid from the account. Only the superintendent of public instruction
19 or the superintendent of public instruction's designee may authorize
20 expenditures from the account and only in consultation with the
21 partnership. The account is subject to allotment procedures under
22 chapter 43.88 RCW but an appropriation is not required for expenditure.
23 If funding is not available in sufficient amounts to carry out the
24 specific tasks of the partnership, nothing in this subsection
25 (2)(a)(vii) requires action by the office of the superintendent of
26 public instruction.

27 (viii) The office of the superintendent of public instruction, in
28 collaboration with the Washington state school directors' association
29 and the task force on gangs in schools and other stakeholders, shall
30 develop and make available to school districts a model policy and
31 procedure prohibiting criminal street gang activity by January 1, 2011.
32 Representatives of the following stakeholder groups must be included in
33 the development of the model policy: School directors, school
34 administrators, civil rights organizations, the state ethnic
35 commissions, the tribal leaders' congress, the office of the education
36 ombudsman, the achievement gap oversight and accountability commission,
37 parents, students, and law enforcement.

38 (b) TECHNOLOGY

1 (i) (~~(\$1,939,000)~~) \$1,842,000 of the general fund--state
2 appropriation for fiscal year 2010 and \$1,939,000 of the general fund--
3 state appropriation for fiscal year 2011 are provided solely for K-20
4 telecommunications network technical support in the K-12 sector to
5 prevent system failures and avoid interruptions in school utilization
6 of the data processing and video-conferencing capabilities of the
7 network. These funds may be used to purchase engineering and advanced
8 technical support for the network.

9 (ii) \$1,475,000 of the general fund--state appropriation for fiscal
10 year 2010, \$1,045,000 of the general fund--state appropriation for
11 fiscal year 2011, and \$435,000 of the general fund--federal
12 appropriation are provided solely for implementing a comprehensive data
13 system to include financial, student, and educator data. The office of
14 the superintendent of public instruction will convene a data governance
15 group to create a comprehensive needs-requirement document, conduct a
16 gap analysis, and define operating rules and a governance structure for
17 K-12 data collections. A preliminary report shall be submitted to the
18 fiscal committees and the education policy committees of the house of
19 representatives and senate by November 2009.

20 (iii) \$1,656,000 of the general fund--federal appropriation for
21 fiscal year 2010 and \$2,483,000 of the general fund--federal
22 appropriation for fiscal year 2011 of the American recovery and
23 reinvestment act (ARRA) 2009 funds for education technology are
24 provided solely for distribution to school districts, by formula, as
25 provided in the ARRA and related federal guidelines. \$4,139,000 of the
26 general fund--federal appropriation of the American recovery and
27 reinvestment act (ARRA) 2009 funds for education technology shall be
28 awarded to local education agencies through a competitive grant
29 process.

30 (c) GRANTS AND ALLOCATIONS

31 (i) \$1,329,000 of the general fund--state appropriation for fiscal
32 year 2010 and \$1,329,000 of the general fund--state appropriation for
33 fiscal year 2011 are provided solely for the special services pilot
34 project to include up to seven participating districts. The office of
35 the superintendent of public instruction shall allocate these funds to
36 the district or districts participating in the pilot program according
37 to the provisions of RCW 28A.630.016.

1 (ii) \$750,000 of the general fund--state appropriation for fiscal
2 year 2010 and \$750,000 of the general fund--state appropriation for
3 fiscal year 2011 are provided solely for the Washington state achievers
4 scholarship program. The funds shall be used to support community
5 involvement officers that recruit, train, and match community volunteer
6 mentors with students selected as achievers scholars.

7 (iii) \$25,000 of the general fund--state appropriation for fiscal
8 year 2010 (~~((and \$25,000 of the general fund--state appropriation for
9 fiscal year 2011 are))~~) is provided solely for developing and
10 disseminating curriculum and other materials documenting women's role
11 in World War II.

12 (iv) \$175,000 of the general fund--state appropriation for fiscal
13 year 2010 (~~((and \$175,000 of the general fund--state appropriation for
14 fiscal year 2011 are))~~) is provided solely for incentive grants for
15 districts and pilot projects to develop preapprenticeship programs.
16 Incentive grant awards up to \$10,000 each shall be used to support the
17 program's design, school/business/labor agreement negotiations, and
18 recruiting high school students for preapprenticeship programs in the
19 building trades and crafts.

20 (v) (~~(\$3,219,000)~~) \$2,898,000 of the general fund--state
21 appropriation for fiscal year 2010 and \$3,220,000 of the general fund--
22 state appropriation for fiscal year 2011 are provided solely for the
23 dissemination of the navigation 101 curriculum to all districts. The
24 funding shall support electronic student planning tools and software
25 for analyzing the impact of navigation 101 on student performance, as
26 well as grants to a maximum of one hundred school districts each year,
27 based on progress and need for the implementation of the navigation 101
28 program. The implementation grants shall be awarded to a cross-section
29 of school districts reflecting a balance of geographic and demographic
30 characteristics. Within the amounts provided, the office of the
31 superintendent of public instruction will create a navigation 101
32 accountability model to analyze the impact of the program.

33 (vi) (~~(\$675,000)~~) \$627,000 of the general fund--state appropriation
34 for fiscal year 2010 (~~((and \$675,000 of the general fund--state
35 appropriation for fiscal year 2011 are))~~) is provided solely for
36 implementation of a statewide program for comprehensive dropout
37 prevention, intervention, and retrieval.

1 (vii) (~~(\$50,000)~~) \$40,000 of the general fund--state appropriation
2 for fiscal year 2010 (~~(and \$50,000 of the general fund--state~~
3 ~~appropriation for fiscal year 2011 are)~~) is provided solely for program
4 initiatives to address the educational needs of Latino students and
5 families. Using the full amounts of the appropriations under this
6 subsection (2)(c)(vii), the office of the superintendent of public
7 instruction shall contract with the Seattle community coalition of
8 compaña quetzal to provide for three initiatives: (A) Early childhood
9 education; (B) parent leadership training; and (C) high school success
10 and college preparation programs.

11 (viii) (~~(\$75,000)~~) \$60,000 of the general fund--state appropriation
12 for fiscal year 2010 (~~(and \$75,000 of the general fund--state~~
13 ~~appropriation for fiscal year 2011 are)~~) is provided solely for a pilot
14 project to encourage bilingual high school students to pursue public
15 school teaching as a profession. Using the full amounts of the
16 appropriation under this subsection, the office of the superintendent
17 of public instruction shall contract with the Latino/a educational
18 achievement project (LEAP) to work with school districts to identify
19 and mentor not fewer than fifty bilingual students in their junior year
20 of high school, encouraging them to become bilingual instructors in
21 schools with high English language learner populations. Students shall
22 be mentored by bilingual teachers and complete a curriculum developed
23 and approved by the participating districts.

24 (ix) \$145,000 of the general fund--state appropriation for fiscal
25 year 2010 and (~~(\$145,000)~~) \$75,000 of the general fund--state
26 appropriation for fiscal year 2011 are provided solely to the office of
27 the superintendent of public instruction to enhance the reading skills
28 of students with dyslexia by implementing the findings of the dyslexia
29 pilot program. Funds shall be used to provide information and training
30 to classroom teachers and reading specialists, for development of a
31 dyslexia handbook, and to take other statewide actions to improve the
32 reading skills of students with dyslexia. The training program shall
33 be delivered regionally through the educational service districts.

34 (x) \$97,000 of the general fund--state appropriation for fiscal
35 year 2010 (~~(and \$97,000 of the general fund--state appropriation for~~
36 ~~fiscal year 2011 are)~~) is provided solely to support vocational student
37 leadership organizations.

1 (a) On the basis of each 1,000 average annual full-time equivalent
2 enrollments, excluding full-time equivalent enrollment otherwise
3 recognized for certificated staff unit allocations under (d) through
4 (g) of this subsection:

5 (i) Four certificated administrative staff units per thousand full-
6 time equivalent students in grades K-12;

7 (ii)(A) For the 2009-10 school year, fifty-three and two-tenths
8 certificated instructional staff units per thousand full-time
9 equivalent students in grades K-4, and, for the 2010-11 school year,
10 forty-nine and five-tenths certificated instructional staff units per
11 thousand full-time equivalent students in grades K-3, for districts
12 that enroll fewer than 25 percent of their total full-time equivalent
13 student enrollment in grades K-4 in digital or online learning programs
14 defined in WAC 392-121-182.

15 (B) For the 2010-11 school year, forty-six certificated
16 instructional staff units per thousand full-time equivalent students in
17 grade four.

18 (C) All other districts shall be allocated a minimum of forty-nine
19 certificated instructional staff units per 1,000 full-time-equivalent
20 (FTE) students in grades K through ~~((four))~~ three for the 2009-10
21 school year, and a minimum of forty-nine certificated instructional
22 staff units per 1,000 full-time-equivalent students in grades K through
23 three for the 2010-11 school year, shall be allocated additional
24 certificated instructional staff units to equal the documented staffing
25 level in grades K through four, up to a maximum of fifty-three and two-
26 tenths certificated instructional staff units per 1,000 FTE students in
27 the 2009-10 school year, and a maximum of forty-nine and five-tenths
28 certificated instructional staff units per 1,000 FTE students in the
29 2010-11 school year in grades K through three.

30 ~~((C))~~ (D) Certificated instructional staff allocations in this
31 subsection (2)(a)(ii) exceeding the statutory minimums established in
32 RCW 28A.150.260 shall not be considered part of basic education.

33 (iii) Forty-six certificated instructional staff units per thousand
34 full-time equivalent students in grades 5-12;

35 (b) For school districts with a minimum enrollment of 250 full-time
36 equivalent students whose full-time equivalent student enrollment count
37 in a given month exceeds the first of the month full-time equivalent
38 enrollment count by 5 percent, an additional state allocation of 110

1 percent of the share that such increased enrollment would have
2 generated had such additional full-time equivalent students been
3 included in the normal enrollment count for that particular month;

4 (c)(i) On the basis of full-time equivalent enrollment in:

5 (A) Vocational education programs approved by the superintendent of
6 public instruction, a maximum of 0.92 certificated instructional staff
7 units and 0.08 certificated administrative staff units for each 19.5
8 full-time equivalent vocational students; and

9 (B) Skills center programs meeting the standards for skills center
10 funding established in January 1999 by the superintendent of public
11 instruction with a waiver allowed for skills centers in current
12 operation that are not meeting this standard until the 2010-11 school
13 year, 0.92 certificated instructional staff units and 0.08 certificated
14 administrative units for each 16.67 full-time equivalent vocational
15 students;

16 (ii) Vocational full-time equivalent enrollment shall be reported
17 on the same monthly basis as the enrollment for students eligible for
18 basic support, and payments shall be adjusted for reported vocational
19 enrollments on the same monthly basis as those adjustments for
20 enrollment for students eligible for basic support; and

21 (iii) Indirect cost charges by a school district to vocational-
22 secondary programs shall not exceed 15 percent of the combined basic
23 education and vocational enhancement allocations of state funds;

24 (d) For districts enrolling not more than twenty-five average
25 annual full-time equivalent students in grades K-8, and for small
26 school plants within any school district which have been judged to be
27 remote and necessary by the state board of education and enroll not
28 more than twenty-five average annual full-time equivalent students in
29 grades K-8:

30 (i) For those enrolling no students in grades 7 and 8, 1.76
31 certificated instructional staff units and 0.24 certificated
32 administrative staff units for enrollment of not more than five
33 students, plus one-twentieth of a certificated instructional staff unit
34 for each additional student enrolled; and

35 (ii) For those enrolling students in grades 7 or 8, 1.68
36 certificated instructional staff units and 0.32 certificated
37 administrative staff units for enrollment of not more than five

1 students, plus one-tenth of a certificated instructional staff unit for
2 each additional student enrolled;

3 (e) For specified enrollments in districts enrolling more than
4 twenty-five but not more than one hundred average annual full-time
5 equivalent students in grades K-8, and for small school plants within
6 any school district which enroll more than twenty-five average annual
7 full-time equivalent students in grades K-8 and have been judged to be
8 remote and necessary by the state board of education:

9 (i) For enrollment of up to sixty annual average full-time
10 equivalent students in grades K-6, 2.76 certificated instructional
11 staff units and 0.24 certificated administrative staff units; and

12 (ii) For enrollment of up to twenty annual average full-time
13 equivalent students in grades 7 and 8, 0.92 certificated instructional
14 staff units and 0.08 certificated administrative staff units;

15 (f) For districts operating no more than two high schools with
16 enrollments of less than three hundred average annual full-time
17 equivalent students, for enrollment in grades 9-12 in each such school,
18 other than alternative schools:

19 (i) For remote and necessary schools enrolling students in any
20 grades 9-12 but no more than twenty-five average annual full-time
21 equivalent students in grades K-12, four and one-half certificated
22 instructional staff units and one-quarter of a certificated
23 administrative staff unit;

24 (ii) For all other small high schools under this subsection, nine
25 certificated instructional staff units and one-half of a certificated
26 administrative staff unit for the first sixty average annual full time
27 equivalent students, and additional staff units based on a ratio of
28 0.8732 certificated instructional staff units and 0.1268 certificated
29 administrative staff units per each additional forty-three and one-half
30 average annual full time equivalent students.

31 Units calculated under (f)(ii) of this subsection shall be reduced
32 by certificated staff units at the rate of forty-six certificated
33 instructional staff units and four certificated administrative staff
34 units per thousand vocational full-time equivalent students;

35 (g) For each nonhigh school district having an enrollment of more
36 than seventy annual average full-time equivalent students and less than
37 one hundred eighty students, operating a grades K-8 program or a grades

1 1-8 program, an additional one-half of a certificated instructional
2 staff unit; and

3 (h) For each nonhigh school district having an enrollment of more
4 than fifty annual average full-time equivalent students and less than
5 one hundred eighty students, operating a grades K-6 program or a grades
6 1-6 program, an additional one-half of a certificated instructional
7 staff unit.

8 ~~((+3))~~ (4) Allocations for classified salaries for the 2009-10 and
9 2010-11 school years shall be calculated using formula-generated
10 classified staff units determined as follows:

11 (a) For enrollments generating certificated staff unit allocations
12 under subsection (2)(e) through (h) of this section, one classified
13 staff unit for each 2.94 certificated staff units allocated under such
14 subsections;

15 (b) For all other enrollment in grades K-12, including vocational
16 full-time equivalent enrollments, one classified staff unit for each
17 ~~((58.75))~~ 60.00 average annual full-time equivalent students; and

18 (c) For each nonhigh school district with an enrollment of more
19 than fifty annual average full-time equivalent students and less than
20 one hundred eighty students, an additional one-half of a classified
21 staff unit.

22 ~~((+4))~~ (5) Fringe benefit allocations shall be calculated at a
23 rate of 14.43 percent in the 2009-10 school year and 14.43 percent in
24 the 2010-11 school year for certificated salary allocations provided
25 under subsection (2) of this section, and a rate of 16.58 percent in
26 the 2009-10 school year and 16.58 percent in the 2010-11 school year
27 for classified salary allocations provided under subsection (3) of this
28 section.

29 ~~((+5))~~ (6) Insurance benefit allocations shall be calculated at
30 the maintenance rate specified in section 504(2) of this act, based on
31 the number of benefit units determined as follows:

32 (a) The number of certificated staff units determined in subsection
33 (2) of this section; and

34 (b) The number of classified staff units determined in subsection
35 (3) of this section multiplied by 1.152. This factor is intended to
36 adjust allocations so that, for the purposes of distributing insurance
37 benefits, full-time equivalent classified employees may be calculated

1 on the basis of 1440 hours of work per year, with no individual
2 employee counted as more than one full-time equivalent.

3 ~~((+6))~~ (7)(a) For nonemployee-related costs associated with each
4 certificated staff unit allocated under subsection (2)(a), (b), and (d)
5 through (g) of this section, there shall be provided a maximum of
6 \$10,179 per certificated staff unit in the 2009-10 school year and a
7 maximum of ~~((+\$10,445))~~ \$10,424 per certificated staff unit in the 2010-
8 11 school year.

9 (b) For nonemployee-related costs associated with each vocational
10 certificated staff unit allocated under subsection (2)(c)(i)(A) of this
11 section, there shall be provided a maximum of \$24,999 per certificated
12 staff unit in the 2009-10 school year and a maximum of ~~((+\$25,449))~~
13 \$25,399 per certificated staff unit in the 2010-11 school year.

14 (c) For nonemployee-related costs associated with each vocational
15 certificated staff unit allocated under subsection (2)(c)(i)(B) of this
16 section, there shall be provided a maximum of \$19,395 per certificated
17 staff unit in the 2009-10 school year and a maximum of ~~((+\$19,744))~~
18 \$19,705 per certificated staff unit in the 2010-11 school year.

19 ~~((+7))~~ (8) Allocations for substitute costs for classroom teachers
20 shall be distributed at a maintenance rate of \$607.44 for the 2009-10
21 and 2010-11 school years per allocated classroom teachers exclusive of
22 salary increase amounts provided in section 504 of this act. Solely
23 for the purposes of this subsection, allocated classroom teachers shall
24 be equal to the number of certificated instructional staff units
25 allocated under subsection (2) of this section, multiplied by the ratio
26 between the number of actual basic education certificated teachers and
27 the number of actual basic education certificated instructional staff
28 reported statewide for the prior school year.

29 ~~((+8))~~ (9) Any school district board of directors may petition the
30 superintendent of public instruction by submission of a resolution
31 adopted in a public meeting to reduce or delay any portion of its basic
32 education allocation for any school year. The superintendent of public
33 instruction shall approve such reduction or delay if it does not impair
34 the district's financial condition. Any delay shall not be for more
35 than two school years. Any reduction or delay shall have no impact on
36 levy authority pursuant to RCW 84.52.0531 and local effort assistance
37 pursuant to chapter 28A.500 RCW.

1 (~~(9)~~) (10) Funding in this section is sufficient to provide
2 additional service year credits to educational staff associates
3 pursuant to chapter 403, Laws of 2007.

4 (~~(10)~~) (11)(a) The superintendent may distribute a maximum of
5 (~~(\$7,288,000)~~) \$7,286,000 outside the basic education formula during
6 fiscal years 2010 and 2011 as follows:

7 (i) For fire protection for school districts located in a fire
8 protection district as now or hereafter established pursuant to chapter
9 52.04 RCW, a maximum of \$567,000 may be expended in fiscal year 2010
10 and a maximum of (~~(\$577,000)~~) \$576,000 may be expended in fiscal year
11 2011;

12 (ii) For summer vocational programs at skills centers, a maximum of
13 \$2,385,000 may be expended for the 2010 fiscal year and a maximum of
14 \$2,385,000 for the 2011 fiscal year. 20 percent of each fiscal year
15 amount may carry over from one year to the next;

16 (iii) A maximum of (~~(\$404,000)~~) \$403,000 may be expended for school
17 district emergencies; and

18 (iv) A maximum of \$485,000 each fiscal year may be expended for
19 programs providing skills training for secondary students who are
20 enrolled in extended day school-to-work programs, as approved by the
21 superintendent of public instruction. The funds shall be allocated at
22 a rate not to exceed \$500 per full-time equivalent student enrolled in
23 those programs.

24 (b) Funding in this section is sufficient to fund a maximum of 1.6
25 FTE enrollment for skills center students pursuant to chapter 463, Laws
26 of 2007.

27 (~~(11)~~) (12) For purposes of RCW 84.52.0531, the increase per
28 full-time equivalent student is 4.0 percent from the 2008-09 school
29 year to the 2009-10 school year and (~~(4.0)~~) 1.0 percent from the 2009-
30 10 school year to the 2010-11 school year.

31 (~~(12)~~) (13) If two or more school districts consolidate and each
32 district was receiving additional basic education formula staff units
33 pursuant to subsection (2)(b) through (g) of this section, the
34 following shall apply:

35 (a) For three school years following consolidation, the number of
36 basic education formula staff units shall not be less than the number
37 of basic education formula staff units received by the districts in the
38 school year prior to the consolidation; and

1 (b) For the fourth through eighth school years following
2 consolidation, the difference between the basic education formula staff
3 units received by the districts for the school year prior to
4 consolidation and the basic education formula staff units after
5 consolidation pursuant to subsection (2)(a) through (h) of this section
6 shall be reduced in increments of twenty percent per year.

7 **Sec. 503.** 2009 c 564 s 503 (uncodified) is amended to read as
8 follows:

9 **FOR THE SUPERINTENDENT OF PUBLIC INSTRUCTION--BASIC EDUCATION**
10 **EMPLOYEE COMPENSATION.** (1) The following calculations determine the
11 salaries used in the general fund allocations for certificated
12 instructional, certificated administrative, and classified staff units
13 under section 502 of this act:

14 (a) Salary allocations for certificated instructional staff units
15 shall be determined for each district by multiplying the district's
16 certificated instructional total base salary shown on LEAP Document 2
17 by the district's average staff mix factor for certificated
18 instructional staff in that school year, computed using LEAP Document
19 1; and

20 (b) Salary allocations for certificated administrative staff units
21 and classified staff units for each district shall be based on the
22 district's certificated administrative and classified salary allocation
23 amounts shown on LEAP Document 2.

24 (2) For the purposes of this section:

25 (a) "LEAP Document 1" means the staff mix factors for certificated
26 instructional staff according to education and years of experience, as
27 developed by the legislative evaluation and accountability program
28 committee on (~~April 22, 2009, at 08:22 hours~~) February 16, 2010, at
29 08:22 hours; and

30 (b) "LEAP Document 2" means the school year salary allocations for
31 certificated administrative staff and classified staff and derived and
32 total base salaries for certificated instructional staff as developed
33 by the legislative evaluation and accountability program committee on
34 (~~April 22, 2009, at 08:22 hours~~) February 16, 2010, at 09:10 hours.

35 (3) Incremental fringe benefit factors shall be applied to salary
36 adjustments at a rate of 14.43 percent for school year 2009-10 and

1 14.43 percent for school year 2010-11 for certificated staff and for
 2 classified staff 16.58 percent for school year 2009-10 and 16.58
 3 percent for the 2010-11 school year.

4 (4)(a) Pursuant to RCW 28A.150.410, the following state-wide salary
 5 allocation schedules for certificated instructional staff are
 6 established for basic education salary allocations:

7 Table Of Total Base Salaries For Certificated Instructional Staff
 8 For School Year 2009-10

9	Years of										MA+90
10	Service	BA	BA+15	BA+30	BA+45	BA+90	BA+135	MA	MA+45	or PHD	
11	0	34,237	35,162	36,120	37,080	40,161	42,145	41,047	44,128	46,115	
12	1	34,698	35,635	36,606	37,608	40,721	42,695	41,503	44,617	46,589	
13	2	35,137	36,083	37,064	38,144	41,248	43,242	41,963	45,067	47,061	
14	3	35,589	36,545	37,536	38,650	41,749	43,791	42,398	45,494	47,538	
15	4	36,033	37,031	38,028	39,180	42,297	44,354	42,855	45,971	48,030	
16	5	36,492	37,494	38,501	39,718	42,823	44,921	43,319	46,425	48,523	
17	6	36,963	37,943	38,984	40,262	43,352	45,462	43,794	46,885	48,993	
18	7	37,790	38,786	39,841	41,187	44,324	46,491	44,685	47,820	49,989	
19	8	39,002	40,052	41,132	42,590	45,768	48,016	46,086	49,266	51,512	
20	9		41,363	42,497	44,008	47,260	49,584	47,503	50,757	53,081	
21	10			43,877	45,498	48,794	51,195	48,995	52,291	54,692	
22	11				47,032	50,399	52,849	50,528	53,897	56,345	
23	12				48,517	52,048	54,571	52,122	55,545	58,068	
24	13					53,737	56,335	53,773	57,234	59,831	
25	14					55,434	58,165	55,471	59,042	61,663	
26	15					56,877	59,679	56,913	60,577	63,266	
27	16 or more					58,014	60,871	58,051	61,788	64,531	

28 ((Table Of Total Base Salaries For Certificated Instructional Staff
 29 For School Year 2010-11

30	Years of										MA+90
31	Service	BA	BA+15	BA+30	BA+45	BA+90	BA+135	MA	MA+45	or PHD	
32	0	34,237	35,162	36,120	37,080	40,161	42,145	41,047	44,128	46,115	
33	1	34,698	35,635	36,606	37,608	40,721	42,695	41,503	44,617	46,589	

1	2	35,137	36,083	37,064	38,144	41,248	43,242	41,963	45,067	47,061
2	3	35,589	36,545	37,536	38,650	41,749	43,791	42,398	45,494	47,538
3	4	36,033	37,031	38,028	39,180	42,297	44,354	42,855	45,971	48,030
4	5	36,492	37,494	38,501	39,718	42,823	44,921	43,319	46,425	48,523
5	6	36,963	37,943	38,984	40,262	43,352	45,462	43,794	46,885	48,993
6	7	37,790	38,786	39,841	41,187	44,324	46,491	44,685	47,820	49,989
7	8	39,002	40,052	41,132	42,590	45,768	48,016	46,086	49,266	51,512
8	9		41,363	42,497	44,008	47,260	49,584	47,503	50,757	53,081
9	10			43,877	45,498	48,794	51,195	48,995	52,291	54,692
10	11				47,032	50,399	52,849	50,528	53,897	56,345
11	12				48,517	52,048	54,571	52,122	55,545	58,068
12	13					53,737	56,335	53,773	57,234	59,831
13	14					55,434	58,165	55,471	59,042	61,663
14	15					56,877	59,679	56,913	60,577	63,266
15	16 or more					58,014	60,871	58,051	61,788	64,531))

Table Of Total Base Salaries For Certificated Instructional Staff

For School Year 2010-11

	<u>Years of</u>									<u>MA+90</u>
	<u>Service</u>	<u>BA</u>	<u>BA+15</u>	<u>BA+30</u>	<u>BA+45</u>	<u>BA+90</u>	<u>BA+135</u>	<u>MA</u>	<u>MA+45</u>	<u>or PHD</u>
19	0	34,048	34,968	35,920	36,875	39,939	41,913	40,820	43,885	45,860
20	1	34,506	35,439	36,403	37,400	40,496	42,459	41,274	44,370	46,332
21	2	34,943	35,884	36,859	37,933	41,020	43,004	41,731	44,818	46,802
22	3	35,393	36,343	37,329	38,437	41,518	43,549	42,164	45,243	47,276
23	4	35,834	36,826	37,818	38,964	42,064	44,110	42,618	45,718	47,765
24	5	36,290	37,287	38,288	39,498	42,586	44,673	43,080	46,169	48,256
25	6	36,759	37,734	38,769	40,039	43,113	45,211	43,552	46,626	48,723
26	7	37,582	38,572	39,621	40,960	44,079	46,235	44,438	47,556	49,713
27	8	38,787	39,831	40,905	42,355	45,516	47,751	45,832	48,994	51,228
28	9		41,135	42,262	43,765	46,999	49,310	47,241	50,477	52,788
29	10			43,635	45,247	48,524	50,913	48,724	52,003	54,390
30	11				46,772	50,121	52,557	50,249	53,599	56,034
31	12				48,249	51,761	54,269	51,835	55,238	57,748
32	13					53,440	56,024	53,476	56,918	59,501
33	14					55,128	57,844	55,165	58,716	61,322
34	15					56,563	59,349	56,599	60,242	62,917

1 related to improving student learning that are consistent with
2 education reform implementation, and shall not be considered part of
3 basic education. The principal in each school shall assure that the
4 day(~~s-are~~) is used to provide the necessary school-wide, all staff
5 professional development that is tied directly to the school
6 improvement plan. The school principal and the district superintendent
7 shall maintain documentation as to their approval of these activities.
8 The length of a learning improvement day shall not be less than the
9 length of a full day under the base contract. The superintendent of
10 public instruction shall ensure that school districts adhere to the
11 intent and purposes of this subsection.

12 (8) The salary allocation schedules established in this section are
13 for allocation purposes only except as provided in RCW 28A.400.200(2).

14 **Sec. 504.** 2009 c 564 s 504 (uncodified) is amended to read as
15 follows:

16 **FOR THE SUPERINTENDENT OF PUBLIC INSTRUCTION--FOR SCHOOL EMPLOYEE**
17 **COMPENSATION ADJUSTMENTS**

18	General Fund--State Appropriation (FY 2010)	((\$4,215,000))
19		<u>(\$4,414,000)</u>
20	General Fund--State Appropriation (FY 2011)	((\$14,172,000))
21		<u>(\$1,743,000)</u>
22	General Fund--Federal Appropriation	((\$6,000))
23		<u>(\$1,000)</u>
24	TOTAL APPROPRIATION	((\$9,963,000))
25		<u>(\$6,158,000)</u>

26 The appropriations in this section are subject to the following
27 conditions and limitations:

28 (1)(a) Additional salary adjustments as necessary to fund the base
29 salaries for certificated instructional staff as listed for each
30 district in LEAP Document 2, defined in section 503(2)(b) of this act.
31 Allocations for these salary adjustments shall be provided to all
32 districts that are not grandfathered to receive salary allocations
33 above the statewide salary allocation schedule, and to certain
34 grandfathered districts to the extent necessary to ensure that salary
35 allocations for districts that are currently grandfathered do not fall
36 below the statewide salary allocation schedule.

(b) Additional salary adjustments to certain districts as necessary to fund the per full-time-equivalent salary allocations for certificated administrative staff as listed for each district in LEAP Document 2, defined in section 503(2)(b) of this act. These adjustments shall ensure a minimum salary allocation for certificated administrative staff of \$57,986 in the 2009-10 school year and \$57,986 in the 2010-11 school year.

(c) Additional salary adjustments to certain districts as necessary to fund the per full-time-equivalent salary allocations for classified staff as listed for each district in LEAP Document 2, defined in section 503(2)(b) of this act. These salary adjustments ensure a minimum salary allocation for classified staff of \$31,865 in the 2009-10 school year and \$31,865 in the 2010-11 school year.

(d) The appropriations in this subsection (1) include associated incremental fringe benefit allocations at rates 13.79 percent for the 2009-10 school year and 13.79 percent for the 2010-11 school year for certificated staff and 13.08 percent for the 2009-10 school year and 13.08 percent for the 2010-11 school year for classified staff.

(e) The appropriations in this section include the increased or decreased portion of salaries and incremental fringe benefits for all relevant state-funded school programs in part V of this act. Changes for general apportionment (basic education) are based on the salary allocation schedules and methodology in sections 502 and 503 of this act. Changes for special education result from changes in each district's basic education allocation per student. Changes 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 sections 502 and 503 of this act. The appropriations in this section provide incremental fringe benefit alterations based on formula adjustments as follows:

	School Year	
	2009-10	2010-11
Pupil Transportation (per weighted pupil mile)	\$0	\$0
Highly Capable (per formula student)	(\$1.49)	(((\$1.49)))
		<u>(\$2.98)</u>

1	Transitional Bilingual Education (per eligible bilingual student)	(\$3.93)	(\$3.93)
2			<u>(\$7.86)</u>
3	Learning Assistance (per formula student)	(\$1.18)	(\$1.18)
4			<u>(\$2.36)</u>

5 (f) The appropriations in this section include no salary
6 adjustments for substitute teachers.

7 (2) (~~\$44,188,000~~) \$43,652,000 is provided for adjustments to
8 insurance benefit allocations. The maintenance rate for insurance
9 benefit allocations is \$732.00 per month for the 2009-10 and 2010-11
10 school years. The appropriations in this section provide for a rate
11 increase to \$745.00 per month for the 2009-10 school year and \$768.00
12 per month for the 2010-11 school year. The adjustments to health
13 insurance benefits are at the following rates:

14		School Year	
15		2009-10	2010-11
16	Pupil Transportation (per weighted pupil mile)	\$0.12	\$0.33
17	Highly Capable (per formula student)	\$0.82	\$2.22
18	Transitional Bilingual Education (per eligible bilingual student)	\$2.10	\$5.83
19	Learning Assistance (per formula student)	\$0.54	\$1.49

20 (3) The rates specified in this section are subject to revision
21 each year by the legislature.

22 **Sec. 505.** 2009 c 564 s 505 (uncodified) is amended to read as
23 follows:

24	FOR THE SUPERINTENDENT OF PUBLIC INSTRUCTION--FOR PUPIL TRANSPORTATION	
25	General Fund--State Appropriation (FY 2010)	(\$307,357,000)
26		<u>\$317,105,000</u>
27	General Fund--State Appropriation (FY 2011)	(\$307,070,000)
28		<u>\$318,831,000</u>
29	TOTAL APPROPRIATION	(\$614,427,000)
30		<u>\$635,936,000</u>

31 The appropriations in this section are subject to the following
32 conditions and limitations:

1 (1) Each general fund fiscal year appropriation includes such funds
2 as are necessary to complete the school year ending in the fiscal year
3 and for prior fiscal year adjustments.

4 (2) A maximum of \$878,000 of this fiscal year 2010 appropriation
5 and a maximum of (~~\$894,000~~) \$892,000 of the fiscal year 2011
6 appropriation may be expended for regional transportation coordinators
7 and related activities. The transportation coordinators shall ensure
8 that data submitted by school districts for state transportation
9 funding shall, to the greatest extent practical, reflect the actual
10 transportation activity of each district.

11 (3) Allocations for transportation of students shall be based on
12 reimbursement rates of \$48.15 per weighted mile in the 2009-10 school
13 year and (~~\$48.40~~) \$48.37 per weighted mile in the 2010-11 school year
14 exclusive of salary and benefit adjustments provided in section 504 of
15 this act. Allocations for transportation of students transported more
16 than one radius mile shall be based on weighted miles as determined by
17 superintendent of public instruction multiplied by the per mile
18 reimbursement rates for the school year pursuant to the formulas
19 adopted by the superintendent of public instruction. Allocations for
20 transportation of students living within one radius mile shall be based
21 on the number of enrolled students in grades kindergarten through five
22 living within one radius mile of their assigned school multiplied by
23 the per mile reimbursement rate for the school year multiplied by 1.29.

24 (4) The office of the superintendent of public instruction shall
25 provide reimbursement funding to a school district only after the
26 superintendent of public instruction determines that the school bus was
27 purchased from the list established pursuant to RCW 28A.160.195(2) or
28 a comparable competitive bid process based on the lowest price quote
29 based on similar bus categories to those used to establish the list
30 pursuant to RCW 28A.160.195.

31 (5) The superintendent of public instruction shall base
32 depreciation payments for school district buses on the five-year
33 average of lowest bids in the appropriate category of bus. In the
34 final year on the depreciation schedule, the depreciation payment shall
35 be based on the lowest bid in the appropriate bus category for that
36 school year.

37 (6) Funding levels in this section reflect reductions from the

1 implementation of Substitute House Bill No. 1292 (authorizing waivers
2 from the one hundred eighty-day school year requirement in order to
3 allow four-day school weeks).

4 **Sec. 506.** 2009 c 564 s 506 (uncodified) is amended to read as
5 follows:

6 **FOR THE SUPERINTENDENT OF PUBLIC INSTRUCTION--FOR SCHOOL FOOD SERVICE**
7 **PROGRAMS**

8	General Fund--State Appropriation (FY 2010)	\$3,159,000
9	General Fund--State Appropriation (FY 2011)	\$3,159,000
10	General Fund--Federal Appropriation	(\$281,988,000)
11		<u>\$391,988,000</u>
12	TOTAL APPROPRIATION	(\$288,306,000)
13		<u>\$398,306,000</u>

14 The appropriations in this section are subject to the following
15 conditions and limitations:

16 (1) \$3,000,000 of the general fund--state appropriation for fiscal
17 year 2010 and \$3,000,000 of the general fund--state appropriation for
18 fiscal year 2011 are provided for state matching money for federal
19 child nutrition programs.

20 (2) \$100,000 of the general fund--state appropriation for fiscal
21 year 2010 and \$100,000 of the 2011 fiscal year appropriation are
22 provided for summer food programs for children in low-income areas.

23 (3) \$59,000 of the general fund--state appropriation for fiscal
24 year 2010 and \$59,000 of the general fund--state appropriation for
25 fiscal year 2011 are provided solely to reimburse school districts for
26 school breakfasts served to students enrolled in the free or reduced
27 price meal program pursuant to chapter 287, Laws of 2005 (requiring
28 school breakfast programs in certain schools).

29 (4) \$1,588,000 of the general fund--federal appropriation of
30 American recovery and reinvestment act of 2009 (ARRA) funds is provided
31 solely for equipment assistance to school food authorities (SFAs)
32 participating in the national school lunch program (NSLP). Local SFAs
33 may apply to the office of the superintendent of public instruction to
34 receive grants in accordance with provisions of the ARRA. As
35 stipulated in the ARRA, priority will be given to SFAs for equipment
36 for schools in which at least 50 percent of the students are eligible
37 for free or reduced-priced meals.

1 (4) The superintendent of public instruction shall distribute state
2 funds to school districts based on two categories: (a) The first
3 category includes (i) children birth through age two who are eligible
4 for the optional program for special education eligible developmentally
5 delayed infants and toddlers, and (ii) students eligible for the
6 mandatory special education program and who are age three or four, or
7 five and not yet enrolled in kindergarten; and (b) the second category
8 includes students who are eligible for the mandatory special education
9 program and who are age five and enrolled in kindergarten and students
10 age six through 21.

11 (5)(a) For the 2009-10 and 2010-11 school years, the superintendent
12 shall make allocations to each district based on the sum of:

13 (i) A district's annual average headcount enrollment of students
14 ages birth through four and those five year olds not yet enrolled in
15 kindergarten, as defined in subsection (4) of this section, multiplied
16 by the district's average basic education allocation per full-time
17 equivalent student, multiplied by 1.15; and

18 (ii) A district's annual average full-time equivalent basic
19 education enrollment multiplied by the funded enrollment percent
20 determined pursuant to subsection (6)(b) of this section, multiplied by
21 the district's average basic education allocation per full-time
22 equivalent student multiplied by 0.9309.

23 (b) For purposes of this subsection, "average basic education
24 allocation per full-time equivalent student" for a district shall be
25 based on the staffing ratios required by RCW 28A.150.260 and shall not
26 include enhancements, secondary vocational education, or small schools.

27 (6) The definitions in this subsection apply throughout this
28 section.

29 (a) "Annual average full-time equivalent basic education
30 enrollment" means the resident enrollment including students enrolled
31 through choice (RCW 28A.225.225) and students from nonhigh districts
32 (RCW 28A.225.210) and excluding students residing in another district
33 enrolled as part of an interdistrict cooperative program (RCW
34 28A.225.250).

35 (b) "Enrollment percent" means the district's resident special
36 education annual average enrollment, excluding the birth through age
37 four enrollment and those five year olds not yet enrolled in

1 kindergarten, as a percent of the district's annual average full-time
2 equivalent basic education enrollment.

3 Each district's general fund--state funded special education
4 enrollment shall be the lesser of the district's actual enrollment
5 percent or 12.7 percent.

6 (7) At the request of any interdistrict cooperative of at least 15
7 districts in which all excess cost services for special education
8 students of the districts are provided by the cooperative, the maximum
9 enrollment percent shall be calculated in accordance with subsection
10 (6)(b) of this section, and shall be calculated in the aggregate rather
11 than individual district units. For purposes of this subsection, the
12 average basic education allocation per full-time equivalent student
13 shall be calculated in the aggregate rather than individual district
14 units.

15 (8) To the extent necessary, (~~(\$73,668,000)~~) \$44,269,000 of the
16 general fund--state appropriation and \$29,574,000 of the general fund--
17 federal appropriation are provided for safety net awards for districts
18 with demonstrated needs for special education funding beyond the
19 amounts provided in subsection (5) of this section. If the federal
20 safety net awards based on the federal eligibility threshold exceed the
21 federal appropriation in this subsection (8) in any fiscal year, the
22 superintendent shall expend all available federal discretionary funds
23 necessary to meet this need. Safety net funds shall be awarded by the
24 state safety net oversight committee subject to the following
25 conditions and limitations:

26 (a) The committee shall consider unmet needs for districts that can
27 convincingly demonstrate that all legitimate expenditures for special
28 education exceed all available revenues from state funding formulas.
29 In the determination of need, the committee shall also consider
30 additional available revenues from federal sources. Differences in
31 program costs attributable to district philosophy, service delivery
32 choice, or accounting practices are not a legitimate basis for safety
33 net awards. In the determination of need, the committee shall require
34 that districts demonstrate that they are maximizing their eligibility
35 for all state and federal revenues related to services for special
36 education-eligible students. Awards associated with (b) and (c) of
37 this subsection shall not exceed the total of a district's specific
38 determination of need.

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

6 (c) Using criteria developed by the committee, the committee shall
7 then consider extraordinary costs associated with communities that draw
8 a larger number of families with children in need of special education
9 services. The safety net awards to school districts shall be adjusted
10 to reflect amounts awarded under (b) of this subsection.

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

14 (e) The office of the superintendent of public instruction, at the
15 conclusion of each school year, shall recover safety net funds that
16 were distributed prospectively but for which districts were not
17 subsequently eligible.

18 (f) Safety net awards must be adjusted for any audit findings or
19 exceptions related to special education funding.

20 ((+f)) (g) Safety net awards shall be adjusted based on the
21 percent of potential medicaid eligible students billed as calculated by
22 the superintendent in accordance with chapter 318, Laws of 1999. The
23 state safety net oversight committee shall ensure that safety net
24 documentation and awards are based on current medicaid revenue amounts.

25 (9) The superintendent of public instruction may adopt such rules
26 and procedures as are necessary to administer the special education
27 funding and safety net award process. Prior to revising any standards,
28 procedures, or rules, the superintendent shall consult with the office
29 of financial management and the fiscal committees of the legislature.

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

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

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

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

1 (11) The office of the superintendent of public instruction shall
2 review and streamline the application process to access safety net
3 funds, provide technical assistance to school districts, and annually
4 survey school districts regarding improvement to the process.

5 (12) A maximum of \$678,000 may be expended from the general fund--
6 state appropriations to fund 5.43 full-time equivalent teachers and 2.1
7 full-time equivalent aides at children's orthopedic hospital and
8 medical center. This amount is in lieu of money provided through the
9 home and hospital allocation and the special education program.

10 (13) The superintendent shall maintain the percentage of federal
11 flow-through to school districts at 85 percent. In addition to other
12 purposes, school districts may use increased federal funds for high-
13 cost students, for purchasing regional special education services from
14 educational service districts, and for staff development activities
15 particularly relating to inclusion issues.

16 (14) A school district may carry over from one year to the next
17 year up to 10 percent of the general fund--state funds allocated under
18 this program; however, carryover funds shall be expended in the special
19 education program.

20 (15) \$262,000 of the general fund--state appropriation for fiscal
21 year 2010 and \$251,000 of the general fund--state appropriation for
22 fiscal year 2011 are provided solely for two additional full-time
23 equivalent staff to support the work of the safety net committee and to
24 provide training and support to districts applying for safety net
25 awards.

26 (16) (~~(\$221,357,000)~~) \$229,833,000 of the general fund--federal
27 appropriation of American recovery and reinvestment act of 2009 funds
28 is provided solely for the individuals with disabilities education act
29 (IDEA), Part B, for distribution to school districts. The funds' use
30 is to be consistent with the current IDEA, Part B statutory and
31 regulatory requirements.

32 (17) \$50,000 of the general fund--state appropriation for fiscal
33 year 2010, \$50,000 of the general fund--state appropriation for fiscal
34 2011, and \$100,000 of the general fund--federal appropriation shall be
35 expended to support a special education ombudsman program within the
36 office of superintendent of public instruction.

1 **Sec. 508.** 2009 c 564 s 509 (uncodified) is amended to read as
2 follows:

3 **FOR THE SUPERINTENDENT OF PUBLIC INSTRUCTION--FOR LOCAL EFFORT**
4 **ASSISTANCE**

5	General Fund--State Appropriation (FY 2010)	((\$42,921,000))
6		<u>\$73,900,000</u>
7	General Fund--State Appropriation (FY 2011)	((\$209,997,000))
8		<u>\$143,598,000</u>
9	<u>Education Legacy Trust--State Appropriation (FY 2011) . . .</u>	<u>\$140,832,000</u>
10	General Fund--Federal Appropriation	\$176,284,000
11	TOTAL APPROPRIATION	((\$429,202,000))
12		<u>\$534,614,000</u>

13 The appropriations in this section are subject to the following
14 conditions and limitations:

15 (1) \$176,284,000 of the general fund--federal appropriation for
16 fiscal year 2010 is provided solely for American recovery and
17 reinvestment act of 2009 (ARRA) fiscal stabilization funds to restore
18 state reductions for local effort assistance payments.

19 (2) Within appropriations provided in this section are funds
20 sufficient for implementation of Substitute Senate Bill No. 6502
21 (restoring the school district levy base).

22 (3) \$25,767,000 of the general fund--state appropriation for fiscal
23 year 2011 is provided solely for implementation of Substitute Senate
24 Bill No. 6518 (changing school levy provisions) and the distribution
25 method specified therein. If the bill is not enacted by July 1, 2010,
26 this funding shall lapse.

27 **Sec. 509.** 2009 c 564 s 510 (uncodified) is amended to read as
28 follows:

29 **FOR THE SUPERINTENDENT OF PUBLIC INSTRUCTION--FOR INSTITUTIONAL**
30 **EDUCATION PROGRAMS**

31	General Fund--State Appropriation (FY 2010)	((\$18,943,000))
32		<u>\$18,059,000</u>
33	General Fund--State Appropriation (FY 2011)	((\$17,992,000))
34		<u>\$19,006,000</u>
35	TOTAL APPROPRIATION	((\$36,935,000))
36		<u>\$37,065,000</u>

1 The appropriations in this section are subject to the following
2 conditions and limitations:

3 (1) Each general fund--state fiscal year appropriation includes
4 such funds as are necessary to complete the school year ending in the
5 fiscal year and for prior fiscal year adjustments.

6 (2) State funding provided under this section is based on salaries
7 and other expenditures for a 220-day school year. The superintendent
8 of public instruction shall monitor school district expenditure plans
9 for institutional education programs to ensure that districts plan for
10 a full-time summer program.

11 (3) State funding for each institutional education program shall be
12 based on the institution's annual average full-time equivalent student
13 enrollment. Staffing ratios for each category of institution shall
14 remain the same as those funded in the 1995-97 biennium.

15 (4) The funded staffing ratios for education programs for juveniles
16 age 18 or less in department of corrections facilities shall be the
17 same as those provided in the 1997-99 biennium.

18 (5) (~~(\$329,000)~~) \$228,000 of the general fund--state appropriation
19 for fiscal year 2010 and (~~(\$329,000)~~) \$228,000 of the general fund--
20 state appropriation for fiscal year 2011 are provided solely to
21 maintain at least one certificated instructional staff and related
22 support services at an institution whenever the K-12 enrollment is not
23 sufficient to support one full-time equivalent certificated
24 instructional staff to furnish the educational program. The following
25 types of institutions are included: Residential programs under the
26 department of social and health services for developmentally disabled
27 juveniles, programs for juveniles under the department of corrections,
28 and programs for juveniles under the juvenile rehabilitation
29 administration.

30 (6) Ten percent of the funds allocated for each institution may be
31 carried over from one year to the next.

32 (7) Included within appropriations in this section are funds
33 sufficient to provide for juveniles, up to and including age 18, in
34 adult jails.

35 **Sec. 510.** 2009 c 564 s 511 (uncodified) is amended to read as
36 follows:

1 **FOR THE SUPERINTENDENT OF PUBLIC INSTRUCTION--FOR PROGRAMS FOR HIGHLY**
2 **CAPABLE STUDENTS**

3	General Fund--State Appropriation (FY 2010)	((\$9,430,000))
4		<u>\$9,189,000</u>
5	General Fund--State Appropriation (FY 2011)	((\$9,437,000))
6		<u>\$9,188,000</u>
7	TOTAL APPROPRIATION	((\$18,867,000))
8		<u>\$18,377,000</u>

9 The appropriations in this section are subject to the following
10 conditions and limitations:

11 (1) Each general fund fiscal year appropriation includes such funds
12 as are necessary to complete the school year ending in the fiscal year
13 and for prior fiscal year adjustments.

14 (2) Allocations for school district programs for highly capable
15 students shall be distributed at a maximum rate of \$401.08 per funded
16 student for the 2009-10 school year and \$401.08 per funded student for
17 the 2010-11 school year, exclusive of salary and benefit adjustments
18 pursuant to section 504 of this act. The number of funded students
19 shall be a maximum of 2.314 percent of each district's full-time
20 equivalent basic education enrollment.

21 (3) \$90,000 of the fiscal year 2010 appropriation and \$90,000 of
22 the fiscal year 2011 appropriation are provided for the Washington
23 destination imagination network and future problem-solving programs.

24 (4) \$170,000 of the fiscal year 2010 appropriation and \$170,000 of
25 the fiscal year 2011 appropriation are provided for the centrum program
26 at Fort Worden state park.

27 **Sec. 511.** 2009 c 564 s 512 (uncodified) is amended to read as
28 follows:

29 **FOR THE SUPERINTENDENT OF PUBLIC INSTRUCTION--FOR MISCELLANEOUS**
30 **PURPOSES UNDER THE ELEMENTARY AND SECONDARY SCHOOL IMPROVEMENT ACT AND**
31 **THE NO CHILD LEFT BEHIND ACT**

32	General Fund--Federal Appropriation	((\$43,450,000))
33		<u>\$43,886,000</u>

34 **Sec. 512.** 2010 c 3 s 501 (uncodified) is amended to read as
35 follows:

1 **FOR THE SUPERINTENDENT OF PUBLIC INSTRUCTION--EDUCATION REFORM**
2 **PROGRAMS**

3	General Fund--State Appropriation (FY 2010)	((\$93,681,000))
4		<u>\$93,033,000</u>
5	General Fund--State Appropriation (FY 2011)	((\$102,512,000))
6		<u>\$102,063,000</u>
7	General Fund--Federal Appropriation	\$152,626,000
8	Education Legacy Trust Account--State	
9	Appropriation	((\$95,112,000))
10		<u>\$103,003,000</u>
11	TOTAL APPROPRIATION	((\$443,931,000))
12		<u>\$450,725,000</u>

13 The appropriations in this section are subject to the following
14 conditions and limitations:

15 (1) ((~~\$36,806,000~~)) \$35,624,000 of the general fund--state
16 appropriation for fiscal year 2010, \$34,516,000 of the general fund--
17 state appropriation for fiscal year 2011, \$1,350,000 of the education
18 legacy trust account--state appropriation, and \$15,868,000 of the
19 general fund--federal appropriation are provided solely for development
20 and implementation of ((the Washington)) student assessments ((of
21 ~~student learning (WASL)~~)), including: (i) Development and
22 implementation of retake assessments for high school students who are
23 not successful in one or more content areas of the ((WASL))
24 assessments; and (ii) development and implementation of alternative
25 assessments or appeals procedures to implement the certificate of
26 academic achievement. The superintendent of public instruction shall
27 report quarterly on the progress on development and implementation of
28 alternative assessments or appeals procedures. Within these amounts,
29 the superintendent of public instruction shall contract for the early
30 return of 10th grade student ((WASL)) assessment results, on or around
31 June 10th of each year.

32 (2) \$3,249,000 of the general fund--state appropriation for fiscal
33 year 2010 and \$3,249,000 of the general fund--state appropriation for
34 fiscal year 2011 are provided solely for the design of the state
35 assessment system and the implementation of end of course assessments
36 for high school math.

37 (3) \$1,014,000 of the education legacy trust account appropriation
38 is provided solely for allocations to districts for salaries and

1 benefits for the equivalent of two additional professional development
2 days for fourth and fifth grade teachers during the 2008-2009 school
3 year. The allocations shall be made based on the calculations of
4 certificated instructional staff units for fourth and fifth grade
5 provided in section 502 of this act and on the calculations of
6 compensation provided in sections 503 and 504 of this act. Districts
7 may use the funding to support additional days for professional
8 development as well as job-embedded forms of professional development.

9 (4) \$3,241,000 of the education legacy trust fund appropriation is
10 provided solely for allocations to districts for salaries and benefits
11 for the equivalent of three additional professional development days
12 for middle and high school math and science teachers during the 2008-
13 2009 school year, as well as specialized training for one math and
14 science teacher in each middle school and high school during the 2008-
15 2009 school year. Districts may use the funding to support additional
16 days for professional development as well as job-embedded forms of
17 professional development.

18 (5) (~~(\$3,850,000)~~) \$3,773,000 of the education legacy trust
19 account--state appropriation is provided solely for a math and science
20 instructional coaches program pursuant to chapter 396, Laws of 2007.
21 Funding shall be used to provide grants to schools and districts to
22 provide salaries, benefits, and professional development activities for
23 up to twenty-five instructional coaches in middle and high school math
24 and twenty-five instructional coaches in middle and high school science
25 in each year of the biennium; and up to \$300,000 may be used by the
26 office of the superintendent of public instruction to administer and
27 coordinate the program.

28 (6) (~~(\$1,781,000)~~) \$1,740,000 of the general fund--state
29 appropriation for fiscal year 2010 and (~~(\$1,943,000)~~) \$1,775,000 of the
30 general fund--state appropriation for fiscal year 2011 are provided
31 solely to allow approved middle and junior high school career and
32 technical education programs to receive enhanced vocational funding.
33 The office of the superintendent of public instruction shall provide
34 allocations to districts for middle and junior high school students in
35 accordance with the funding formulas provided in section 502 of this
36 act. (~~(If Second Substitute Senate Bill No. 5676 is enacted the~~
37 ~~allocations are formula driven, otherwise the office of the~~

1 ~~superintendent shall consider the funding provided in this subsection~~
2 ~~as a fixed amount, and shall adjust funding to stay within the amounts~~
3 ~~provided in this subsection.))~~

4 (7) \$139,000 of the general fund--state appropriation for fiscal
5 year 2010 and \$139,000 of the general fund--state appropriation for
6 fiscal year 2011 are provided solely for (a) staff at the office of the
7 superintendent of public instruction to coordinate and promote efforts
8 to develop integrated math, science, technology, and engineering
9 programs in schools and districts across the state; and (b) grants of
10 \$2,500 to provide twenty middle and high school teachers each year
11 professional development training for implementing integrated math,
12 science, technology, and engineering program in their schools.

13 (8) \$150,000 of the general fund--state appropriation for fiscal
14 year 2011 is provided solely for implementation of Substitute House
15 Bill No. 2621 (K-12 schools resource programs). In designating schools
16 as lighthouse models, the office of the superintendent of public
17 instruction will ensure a reasonable balance of both middle and high
18 schools. If the bill is not enacted by June 30, 2010, the amount
19 provided in this subsection shall lapse.

20 (9) ~~(((\$1,579,000))~~ \$1,473,000 of the general fund--state
21 appropriation for fiscal year 2010 ~~((and \$1,579,000 of the general~~
22 ~~fund--state appropriation for fiscal year 2011 are))~~ is provided solely
23 for the Washington state leadership and assistance for science
24 education reform (LASER) regional partnership activities coordinated at
25 the Pacific science center, including instructional material purchases,
26 teacher and principal professional development, and school and
27 community engagement events. Funding shall be distributed to the
28 various LASER activities in a manner proportional to LASER program
29 spending during the 2007-2009 biennium.

30 ~~((9) \$81,010,000))~~ (10) \$88,981,000 of the education legacy trust
31 account--state appropriation is provided solely for grants for
32 voluntary full-day kindergarten at the highest poverty schools, as
33 provided in chapter 400, Laws of 2007. The office of the
34 superintendent of public instruction shall provide allocations to
35 districts for recipient schools in accordance with the funding formulas
36 provided in section 502 of this act. Each kindergarten student who
37 enrolls for the voluntary full-day program in a recipient school shall
38 count as one-half of one full-time equivalent student for the purpose

1 of making allocations under this subsection. Although the allocations
2 are formula-driven, the office of the superintendent shall consider the
3 funding provided in this subsection as a fixed amount, and shall limit
4 the number of recipient schools so as to stay within the amounts
5 appropriated each fiscal year in this subsection. The funding provided
6 in this subsection is estimated to provide full-day kindergarten
7 programs for 20 percent of kindergarten enrollment. Funding priority
8 shall be given to schools with the highest poverty levels, as measured
9 by prior year free and reduced priced lunch eligibility rates in each
10 school. Additionally, as a condition of funding, school districts must
11 agree to provide the full-day program to the children of parents who
12 request it in each eligible school. For the purposes of calculating a
13 school district levy base, funding provided in this subsection shall be
14 considered a state block grant program under RCW 84.52.0531.

15 (a) Of the amounts provided in this subsection, a maximum of
16 \$272,000 may be used for administrative support of the full-day
17 kindergarten program within the office of the superintendent of public
18 instruction.

19 (b) Student enrollment pursuant to this program shall not be
20 included in the determination of a school district's overall K-12 FTE
21 for the allocation of student achievement programs and other funding
22 formulas unless specifically stated.

23 ~~((+10+))~~ (11) \$700,000 of the general fund--state appropriation for
24 fiscal year 2010 and \$900,000 of the general fund--state appropriation
25 for fiscal year 2011 are provided solely for the development of a
26 leadership academy for school principals and administrators. The
27 superintendent of public instruction shall contract with an independent
28 organization to design, field test, and implement a state-of-the-art
29 education leadership academy that will be accessible throughout the
30 state. Initial development of the content of the academy activities
31 shall be supported by private funds. Semiannually the independent
32 organization shall report on amounts committed by foundations and
33 others to support the development and implementation of this program.
34 Leadership academy partners, with varying roles, shall include the
35 state level organizations for school administrators and principals, the
36 superintendent of public instruction, the professional educator
37 standards board, and others as the independent organization shall
38 identify.

1 ~~((+11))~~ (12) \$105,754,000 of the general fund--federal
2 appropriation is provided for preparing, training, and recruiting high
3 quality teachers and principals under Title II of the no child left
4 behind act.

5 ~~((+12) \$1,546,000)~~ (13) \$1,960,000 of the general fund--state
6 appropriation for fiscal year 2010 and \$3,046,000 of the general fund--
7 state appropriation for fiscal year 2011 ~~((are provided solely to the
8 office of the superintendent of public instruction for))~~ must be
9 expended on focused assistance. The office of the superintendent of
10 public instruction shall conduct educational audits of low-performing
11 schools and enter into performance agreements between school districts
12 and the office to implement the recommendations of the audit and the
13 community. Funding in this subsection may be used for focused
14 assistance programs for individual schools as well as school districts.
15 The office of the superintendent of public instruction shall report to
16 the legislature by January 1, 2012, providing certification from the
17 state auditor that the entire funds were used for the designated
18 purpose.

19 ~~((+13))~~ (14) \$30,702,000 of the general fund--federal
20 appropriation is provided for the reading first program under Title I
21 of the no child left behind act.

22 ~~((+14))~~ (15) \$1,667,000 of the general fund--state appropriation
23 for fiscal year 2010 and \$1,667,000 of the general fund--state
24 appropriation for fiscal year 2011 are provided solely to eliminate the
25 lunch co-pay for students in grades kindergarten through third grade
26 that are eligible for reduced price lunch.

27 ~~((+15))~~ (16) \$5,285,000 of the general fund--state appropriation
28 for fiscal year 2010 and \$5,285,000 of the general fund--state
29 appropriation for fiscal year 2011 are provided solely for: (a) The
30 meals for kids program under RCW 28A.235.145 through 28A.235.155; (b)
31 to eliminate the breakfast co-pay for students eligible for reduced
32 price lunch; and (c) for additional assistance for school districts
33 initiating a summer food service program.

34 ~~((+16) \$1,056,000)~~ (17) \$1,003,000 of the general fund--state
35 appropriation for fiscal year 2010 and \$1,056,000 of the general fund--
36 state appropriation for fiscal year 2011 are provided solely for the
37 Washington reading corps. The superintendent shall allocate reading
38 corps members to low-performing schools and school districts that are

1 implementing comprehensive, proven, research-based reading programs.
2 Two or more schools may combine their Washington reading corps
3 programs. Grants provided under this section may be used by school
4 districts for expenditures from September 2009 through August 31, 2011.

5 ~~((17) \$3,594,000))~~ (18) \$3,269,000 of the general fund--state
6 appropriation for fiscal year 2010 and \$3,594,000 of the general fund--
7 state appropriation for fiscal year 2011 are provided solely for grants
8 to school districts to provide a continuum of care for children and
9 families to help children become ready to learn. Grant proposals from
10 school districts shall contain local plans designed collaboratively
11 with community service providers. If a continuum of care program
12 exists in the area in which the school district is located, the local
13 plan shall provide for coordination with existing programs to the
14 greatest extent possible. Grant funds shall be allocated pursuant to
15 RCW 70.190.040.

16 ~~((18) \$1,959,000))~~ (19) \$1,861,000 of the general fund--state
17 appropriation for fiscal year 2010 and \$1,959,000 of the general fund--
18 state appropriation for fiscal year 2011 are provided solely for
19 improving technology infrastructure, monitoring and reporting on school
20 district technology development, promoting standards for school
21 district technology, promoting statewide coordination and planning for
22 technology development, and providing regional educational technology
23 support centers, including state support activities, under chapter
24 28A.650 RCW.

25 ~~((19))~~ (20) \$225,000 of the general fund--state appropriation for
26 fiscal year 2010 and \$225,000 of the general fund--state appropriation
27 for fiscal year 2011 are provided solely for the operation of the
28 center for the improvement of student learning pursuant to RCW
29 28A.300.130.

30 ~~((20) \$250,000))~~ (21) \$246,000 of the education legacy trust
31 account--state appropriation is provided solely for costs associated
32 with the office of the superintendent of public instruction's statewide
33 director of technology position.

34 ~~((21))~~ (22)(a) ~~((28,270,000))~~ \$28,216,000 of the general fund--
35 state appropriation for fiscal year 2010 and ~~((36,513,000))~~
36 \$37,184,000 of the general fund--state appropriation for fiscal year
37 2011 are provided solely for the following bonuses for teachers who

1 hold valid, unexpired certification from the national board for
2 professional teaching standards and who are teaching in a Washington
3 public school, subject to the following conditions and limitations:

4 (i) For national board certified teachers, a bonus of \$5,000 per
5 teacher beginning in the 2007-08 school year and adjusted for inflation
6 in each school year thereafter in which Initiative 732 cost of living
7 adjustments are provided. National board certified teachers who become
8 public school principals shall continue to receive this bonus for as
9 long as they are principals and maintain the national board
10 certification;

11 (ii) An additional \$5,000 annual bonus shall be paid to national
12 board certified teachers who teach in either: (A) High schools where
13 at least 50 percent of student headcount enrollment is eligible for
14 federal free or reduced price lunch, (B) middle schools where at least
15 60 percent of student headcount enrollment is eligible for federal free
16 or reduced price lunch, or (C) elementary schools where at least 70
17 percent of student headcount enrollment is eligible for federal free or
18 reduced price lunch;

19 (iii) The superintendent of public instruction shall adopt rules to
20 ensure that national board certified teachers meet the qualifications
21 for bonuses under (a)(ii) of this subsection for less than one full
22 school year receive bonuses in a pro-rated manner; and

23 (iv) During the 2009-10 and 2010-11 school years, and within the
24 available appropriation, certificated instructional staff who have met
25 the eligibility requirements and have applied for certification from
26 the national board for professional teaching standards may receive a
27 conditional two thousand dollars or the amount set by the office of the
28 superintendent of public instruction to contribute toward the current
29 assessment fee, not including the initial up-front candidacy payment.
30 The fee shall be an advance on the first annual bonus under RCW
31 28A.405.415. The assessment fee for national certification is provided
32 in addition to compensation received under a district's salary schedule
33 adopted in accordance with RCW 28A.405.200 and shall not be included in
34 calculations of a district's average salary and associated salary
35 limitation under RCW 28A.400.200. Recipients who fail to receive
36 certification after three years are required to repay the assessment
37 fee, not including the initial up-front candidacy payment, as set by
38 the national board for professional teaching standards and administered

1 by the office of the superintendent of public instruction. The office
2 of the superintendent of public instruction shall adopt rules to define
3 the terms for initial grant of the assessment fee and repayment,
4 including applicable fees.

5 (b) Included in the amounts provided in this subsection are amounts
6 for mandatory fringe benefits.

7 ~~((+22) \$2,750,000))~~ (23) \$2,475,000 of the general fund--state
8 appropriation for fiscal year 2010 and ~~((+22) \$2,750,000))~~ \$300,000 of the
9 general fund--state appropriation for fiscal year 2011 are provided
10 solely for secondary career and technical education grants pursuant to
11 chapter 170, Laws of 2008. This funding may additionally be used to
12 support FIRST Robotics programs. In fiscal year 2011, if equally
13 matched by private donations, the appropriation shall be used to
14 support FIRST Robotics programs and professional development.

15 ~~((+23))~~ (24) \$300,000 of the general fund--state appropriation for
16 fiscal year 2010 ~~((and \$300,000 of the general fund--state~~
17 ~~appropriation for fiscal year 2011 are))~~ is provided solely for the
18 local farms-healthy kids program as described in chapter 215, Laws of
19 2008.

20 ~~((+24))~~ (25) \$2,348,000 of the general fund--state appropriation
21 for fiscal year 2010 and ~~((+24) \$2,348,000))~~ \$2,000,000 of the general
22 fund--state appropriation for fiscal year 2011 are appropriated for a
23 beginning educator support program. School districts and/or regional
24 consortia may apply for grant funding beginning in the 2009-10 school
25 year. The superintendent shall implement this program in 5 to 15
26 school districts and/or regional consortia. The program provided by a
27 district and/or regional consortia shall include: A paid orientation;
28 assignment of a qualified mentor; development of a professional growth
29 plan for each beginning teacher aligned with professional
30 certification; release time for mentors and new teachers to work
31 together, and teacher observation time with accomplished peers.
32 \$250,000 may be used to provide state-wide professional development
33 opportunities for mentors and beginning educators. The superintendent
34 of public instruction shall adopt rules to establish and operate a
35 research-based beginning educator support program no later than August
36 31, 2009. OSPI must evaluate the program's progress and may contract
37 for this work. A report to the legislature about the beginning
38 educator support program is due November 1, 2010.

1 (2) The superintendent shall distribute a maximum of \$901.46 per
2 eligible bilingual student in the 2009-10 school year and \$901.46 in
3 the 2010-11 school year, exclusive of salary and benefit adjustments
4 provided in section 504 of this act.

5 (3) The superintendent may withhold up to 1.5 percent of the school
6 year allocations to school districts in subsection (2) of this section,
7 and adjust the per eligible pupil rates in subsection (2) of this
8 section accordingly, solely for the central provision of assessments as
9 provided in RCW 28A.180.090 (1) and (2).

10 (4) \$70,000 of the amounts appropriated in this section are
11 provided solely to track current and former transitional bilingual
12 program students.

13 (5) The general fund--federal appropriation in this section is
14 provided for migrant education under Title I Part C and English
15 language acquisition, and language enhancement grants under Title III
16 of the elementary and secondary education act.

17 **Sec. 514.** 2009 c 564 s 515 (uncodified) is amended to read as
18 follows:

19 **FOR THE SUPERINTENDENT OF PUBLIC INSTRUCTION--FOR THE LEARNING**
20 **ASSISTANCE PROGRAM**

21	General Fund--State Appropriation (FY 2010)	((\$101,067,000))
22		<u>\$103,865,000</u>
23	General Fund--State Appropriation (FY 2011)	((\$102,237,000))
24		<u>\$110,520,000</u>
25	General Fund--Federal Appropriation	((\$543,925,000))
26		<u>\$553,925,000</u>
27	Education Legacy Trust Account--State	
28	Appropriation	\$47,980,000
29	TOTAL APPROPRIATION	((\$795,209,000))
30		<u>\$816,290,000</u>

31 The appropriations in this section are subject to the following
32 conditions and limitations:

33 (1) The general fund--state appropriations in this section are
34 subject to the following conditions and limitations:

35 (a) The appropriations include such funds as are necessary to
36 complete the school year ending in the fiscal year and for prior fiscal
37 year adjustments.

1 (b) Funding for school district learning assistance programs shall
2 be allocated at maximum rates of \$281.71 per funded student for the
3 2009-10 school year and (~~(\$282.63)~~) \$282.56 per funded student for the
4 2010-11 school year exclusive of salary and benefit adjustments
5 provided under section 504 of this act.

6 (c) A school district's funded students for the learning assistance
7 program shall be the sum of the following as appropriate:

8 (i) The district's full-time equivalent enrollment in grades K-12
9 for the prior school year multiplied by the district's percentage of
10 October headcount enrollment in grades K-12 eligible for free or
11 reduced price lunch in the prior school year; and

12 (ii) If, in the prior school year, the district's percentage of
13 October headcount enrollment in grades K-12 eligible for free or
14 reduced price lunch exceeded forty percent, subtract forty percent from
15 the district's percentage and multiply the result by the district's K-
16 12 annual average full-time equivalent enrollment for the prior school
17 year.

18 (d) In addition to the amounts allocated in (b) and (c) of this
19 subsection, an additional amount shall be allocated to school districts
20 with high concentrations of poverty and English language learner
21 students, subject to the following rules and conditions:

22 (i) To qualify for additional funding under this subsection, a
23 district's October headcount enrollment in grades kindergarten through
24 grade twelve must have at least twenty percent enrolled in the
25 transitional bilingual instruction program based on an average of the
26 program headcount taken in October and May of the prior school year;
27 and must also have at least forty percent eligible for free or reduced
28 price lunch based on October headcount enrollment in grades
29 kindergarten through twelve in the prior school year.

30 (ii) Districts meeting the specifications in (d)(i) of this
31 subsection shall receive additional funded students for the learning
32 assistance program at the rates specified in subsection (1)(b) of this
33 section. The number of additional funded student units shall be
34 calculated by subtracting twenty percent from the district's percent
35 transitional bilingual instruction program enrollment as defined in
36 (d)(i) of this subsection, and the resulting percent shall be
37 multiplied by the district's kindergarten through twelve annual average
38 full-time equivalent enrollment for the prior school year.

1 (2) The general fund--federal appropriation in this section is
2 provided for Title I Part A allocations of the no child left behind act
3 of 2001.

4 (3) A school district may carry over from one year to the next up
5 to 10 percent of the general fund--state or education legacy trust
6 funds allocated under this program; however, carryover funds shall be
7 expended for the learning assistance program.

8 (4) School districts are encouraged to coordinate the use of these
9 funds with other federal, state, and local sources to serve students
10 who are below grade level and to make efficient use of resources in
11 meeting the needs of students with the greatest academic deficits.

12 (5) Within amounts appropriated in this section, funding is
13 provided for the implementation of extended learning programs required
14 in chapter 328, Laws of 2008.

15 (6) \$51,970,000 of the general fund--federal appropriation for
16 fiscal year 2010 and \$77,955,000 of the general fund--federal
17 appropriation for fiscal year 2011 of American recovery and
18 reinvestment act of 2009 (ARRA) Title I, Part A funds are in addition
19 to regular Title I, Part A allocations solely for allocation to
20 eligible school districts in accordance with the guidelines of ARRA.

21 (7) \$48,981,000 of the general fund--federal appropriation from the
22 American recovery and reinvestment act of 2009 (ARRA) is for school
23 improvement. This consists of 4 percent, or \$5,413,000 of the Title I,
24 Part A recovery funds which must be set aside for school improvement as
25 well as \$43,568,000 in additional school improvement funds.

26 **Sec. 515.** 2009 c 564 s 516 (uncodified) is amended to read as
27 follows:

28 **FOR THE SUPERINTENDENT OF PUBLIC INSTRUCTION--FOR STUDENT ACHIEVEMENT**
29 **PROGRAM**

30	<u>General Fund--State Appropriation (FY 2010)</u>	<u>\$19,260,000</u>
31	General Fund--State Appropriation (FY 2011)	((\$104,101,000))
32		<u>\$25,730,000</u>
33	General Fund--Federal Appropriation	((\$200,295,000))
34		<u>\$181,054,000</u>
35	TOTAL APPROPRIATION	((\$304,396,000))
36		<u>\$226,044,000</u>

1 The appropriations in this section are subject to the following
2 conditions and limitations:

3 (1) Funding for school district student achievement programs shall
4 be allocated at a maximum rate of \$131.16 per FTE student for the 2009-
5 10 school year (~~and \$99.32 per FTE student for the 2010-11 school~~
6 ~~year~~). For the purposes of this section, FTE student refers to the
7 annual average full-time equivalent enrollment of the school district
8 in grades kindergarten through twelve for the prior school year, as
9 reported to the office of the superintendent of public instruction by
10 August 31st of the previous school year.

11 (2) The appropriation is allocated for the following uses as
12 specified in RCW 28A.505.210:

13 (a) To reduce class size by hiring certificated elementary
14 classroom teachers in grades K-4 and paying nonemployee-related costs
15 associated with those new teachers;

16 (b) To make selected reductions in class size in grades 5-12, such
17 as small high school writing classes;

18 (c) To provide extended learning opportunities to improve student
19 academic achievement in grades K-12, including, but not limited to,
20 extended school year, extended school day, before-and-after-school
21 programs, special tutoring programs, weekend school programs, summer
22 school, and all-day kindergarten;

23 (d) To provide additional professional development for educators
24 including additional paid time for curriculum and lesson redesign and
25 alignment, training to ensure that instruction is aligned with state
26 standards and student needs, reimbursement for higher education costs
27 related to enhancing teaching skills and knowledge, and mentoring
28 programs to match teachers with skilled, master teachers. The funding
29 shall not be used for salary increases or additional compensation for
30 existing teaching duties, but may be used for extended year and
31 extended day teaching contracts;

32 (e) To provide early assistance for children who need
33 prekindergarten support in order to be successful in school; or

34 (f) To provide improvements or additions to school building
35 facilities which are directly related to the class size reductions and
36 extended learning opportunities under (a) through (c) of this
37 subsection (2).

1 (3) The superintendent of public instruction shall distribute the
2 school year allocation according to the monthly apportionment schedule
3 defined in RCW 28A.510.250.

4 (4) (~~(\$200,295,000)~~) \$181,054,000 of the general fund--federal
5 appropriation for fiscal year 2010 is provided solely for American
6 recovery and reinvestment act of 2009 (ARRA) fiscal stabilization funds
7 to restore state reductions for the student achievement program.

(End of part)

PART VI
HIGHER EDUCATION

3 **Sec. 601.** 2009 c 564 s 601 (uncodified) is amended to read as
4 follows:

5 The appropriations in sections 605 through 611 of this act are
6 subject to the following conditions and limitations:

7 (1) "Institutions" means the institutions of higher education
8 receiving appropriations under sections 605 through 611 of this act.

9 (2) The legislature, the office of financial management, and other
10 state agencies need consistent and accurate personnel data from
11 institutions of higher education for policy planning purposes.
12 Institutions of higher education shall report personnel data to the
13 department of personnel for inclusion in the department's data
14 warehouse. Uniform reporting procedures shall be established by the
15 department of personnel for use by the reporting institutions,
16 including provisions for common job classifications and common
17 definitions of full-time equivalent staff. Annual contract amounts,
18 number of contract months, and funding sources shall be consistently
19 reported for employees under contract.

20 (3) In addition to waivers granted under the authority of RCW
21 28B.15.910, the governing boards and the state board may waive all or
22 a portion of operating fees for any student. State general fund
23 appropriations shall not be provided to replace tuition and fee revenue
24 foregone as a result of waivers granted under this subsection.

25 (4) The colleges of education for institutions with appropriations
26 in sections 606 through 611 shall develop a plan, by October 30, 2009,
27 to increase the number of math and science teacher endorsements and
28 certificates granted by the institution. The plan shall address the
29 college's math and science teacher endorsement and certification
30 completion goal for each of the next six years, beginning with the
31 2010-2011 academic year, and shall be reported to the governor, the
32 relevant policy committees of the legislature, the higher education
33 coordinating board (HECB) and the professional educator standards board
34 (PESB). Plan components may address: Student advising practices,
35 increased outreach and recruitment efforts to under-represented
36 populations, linkages with university mathematics and science

1 departments, and implementation of redesigned, innovative endorsement
2 and certification programs. To accomplish this work, enrollments may
3 need to be shifted from low-need endorsement and certificate areas to
4 math and science. A report shall be made each October 30th to the HECB
5 and PESB regarding the degree to which plan goals have been met and
6 activities undertaken to support those outcomes.

7 (5) In accordance with RCW 28B.10.920 through 28B.10.922, the state
8 performance agreement committee and each public four-year institution
9 of higher education shall develop performance agreements for the period
10 September 1, 2009, through June 30, 2015. The agreements shall reflect
11 the level of state, tuition, and other resources appropriated or
12 authorized for each institution in this act and in the omnibus 2009-11
13 omnibus capital budget act, as well as reasonably anticipated changes
14 in such resources for the two subsequent biennia as required to
15 accomplish the higher education master plan as adopted by the
16 legislature. The agreements shall build upon each institution's actual
17 performance relative to the 2011 targets previously negotiated between
18 the institution, the higher education coordinating board, and the
19 office of financial management, and shall include measurable
20 performance targets, benchmarks, and goals in areas including but not
21 limited to:

- 22 (a) Student enrollment levels, by campus;
- 23 (b) Baccalaureate and advanced degree production;
- 24 (c) Baccalaureate and advanced degree production in high employer-
25 demand fields;
- 26 (d) Undergraduate retention and graduation rates;
- 27 (e) Time-to-degree for students entering as freshmen, and as upper-
28 division transfers;
- 29 (f) Efficiency to degree; and
- 30 (g) Capital investment as required to (i) maintain existing
31 capacity, and (ii) meet enrollment targets in accordance with the
32 master plan as adopted by the legislature.

33 Each institution shall report progress toward its performance targets
34 during the preceding academic year to the state performance agreement
35 committee prior to November 1, 2010. The higher education coordinating
36 board shall consolidate and summarize the institutional reports, and
37 provide them to the relevant policy and fiscal committees of the
38 legislature by December 1, 2010.

1 (6) To facilitate transparency and compliance with the American
2 recovery and reinvestment act, the institutions of higher education
3 receiving state and federal appropriations under sections 605 through
4 611 of this act shall allot anticipated state, federal, and tuition
5 expenditures by budget program and fiscal year. The office of
6 financial management shall notify the legislative ways and means
7 committees of the proposed allotments at least ten days prior to their
8 approval.

9 (7) To the extent permitted by the applicable personnel system
10 rules, and to the extent collectively bargained with represented
11 employees, institutions of higher education are encouraged to achieve
12 the reductions in full-time-equivalent employment and payroll levels
13 necessary to operate within this budget through strategies that will
14 minimize impacts on employees, their families, their communities, and
15 short- and longer-term accomplishment of institutional mission.
16 Institutions are encouraged to utilize strategies such as reduced work-
17 hours per day or week, voluntary leave without pay, and temporary
18 furloughs that enable employees to maintain permanent employment
19 status. Institutions are further encouraged to implement such
20 strategies in ways that will enable employees to maintain full
21 insurance benefits, full retirement service credit, and a living wage.

22 (8)(a) For institutions receiving appropriations in section 605 of
23 this act the only allowable salary increases provided are those with
24 normally occurring promotions and increases related to faculty and
25 staff retention, to the extent permitted by Engrossed Substitute Senate
26 Bill No. 5460, and House Bill No. 2328.

27 (b) For employees under the jurisdiction of chapter 41.56 RCW,
28 salary increases will be in accordance with the applicable collective
29 bargaining agreement. However, an increase shall not be provided to
30 any classified employee whose salary is above the approved salary range
31 maximum for the class to which the employee's position is allocated.

32 (c) For each institution of higher education receiving
33 appropriations under sections 606 through 611 of this act:

34 (i) The only allowable salary increases are those associated with
35 normally occurring promotions and increases related to faculty and
36 staff retention, to the extent permitted by Engrossed Substitute Senate
37 Bill No. 5460 (~~and~~), House Bill No. 2328, and Senate Bill No. 6382;
38 and

1 (ii) Institutions may provide salary increases from other sources
2 to instructional and research faculty, exempt professional staff,
3 teaching and research assistants, as classified by the office of
4 financial management, and all other nonclassified staff, but not
5 including employees under RCW 28B.16.015, to the extent permitted by
6 Engrossed Substitute Senate Bill No. 5460 and House Bill No. 2328. Any
7 salary increase granted under the authority of this subsection
8 (8)(c)(ii) shall not be included in an institution's salary base for
9 future state funding. It is the intent of the legislature that state
10 general fund support for an institution shall not increase during the
11 current or any future biennium as a result of any salary increases
12 authorized under this subsection (8)(c)(ii).

13 **Sec. 602.** 2009 c 564 s 605 (uncodified) is amended to read as
14 follows:

15 **FOR THE STATE BOARD FOR COMMUNITY AND TECHNICAL COLLEGES**

16 General Fund--State Appropriation (FY 2010)	((\$620,071,000))
	<u>\$630,800,000</u>
18 General Fund--State Appropriation (FY 2011)	((\$642,509,000))
	<u>\$636,676,000</u>
20 General Fund--Federal Appropriation	\$17,171,000
21 Education Legacy Trust Account--State Appropriation	\$95,125,000
22 TOTAL APPROPRIATION	((\$1,374,876,000))
	<u>\$1,379,772,000</u>

24 The appropriations in this section are subject to the following
25 conditions and limitations:

26 (1) \$28,761,000 of the general fund--state appropriation for fiscal
27 year 2010 and ((~~\$28,761,000~~)) \$56,595,000 of the general fund--state
28 appropriation for fiscal year 2011 are provided solely as special funds
29 for training and related support services, including financial aid, as
30 specified in RCW 28C.04.390. Funding is provided to support at least
31 6,200 full-time equivalent students in fiscal year 2010 and at least
32 ((~~6,200~~)) 12,200 full-time equivalent students in fiscal year 2011.

33 (2) \$2,725,000 of the general fund--state appropriation for fiscal
34 year 2010 and \$2,725,000 of the general fund--state appropriation for
35 fiscal year 2011 are provided solely for administration and customized
36 training contracts through the job skills program. The state board
37 shall make an annual report by January 1st of each year to the governor

1 and to the appropriate policy and fiscal committees of the legislature
2 regarding implementation of this section, listing the scope of grant
3 awards, the distribution of funds by educational sector and region of
4 the state, and the results of the partnerships supported by these
5 funds.

6 (3) Of the amounts appropriated in this section, \$3,500,000 is
7 provided solely for the student achievement initiative.

8 (4) When implementing the appropriations in this section, the state
9 board and the trustees of the individual community and technical
10 colleges shall minimize impact on academic programs, maximize
11 reductions in administration, and shall at least maintain, and endeavor
12 to increase, enrollment opportunities and degree and certificate
13 production in high employer-demand fields of study at their academic
14 year 2008-09 levels.

15 (5) Within the board's 2009-11 biennial budget allocation to
16 Bellevue College, and pursuant to RCW 28B.50.810, the college may
17 implement, on a tuition and fee basis, an additional applied
18 baccalaureate degree in interior design. This program is intended to
19 provide students with additional opportunities to earn baccalaureate
20 degrees and to respond to emerging job and economic growth
21 opportunities. The program reviews and approval decisions required by
22 RCW 28B.50.810 (3) and (4) shall be completed by July 31, 2009, so that
23 the degree may be offered during the 2009-10 academic year.

24 (6) In accordance with the recommendations of the higher education
25 coordinating board's 2008 *Kitsap region higher education center study*,
26 the state board shall facilitate development of university centers by
27 allocating thirty 2-year and 4-year partnership full-time enrollment
28 equivalencies to Olympic College and ten 2-year and 4-year partnership
29 full-time enrollment equivalencies to Peninsula College. The colleges
30 shall use the allocations to establish a partnership with a
31 baccalaureate university or universities for delivery of upper division
32 degree programs in the Kitsap region. The Olympic and Peninsula
33 Community College districts shall additionally work together to ensure
34 coordinated development of these and other future baccalaureate
35 opportunities through coordinated needs assessment, planning, and
36 scheduling.

37 (7) By September 1, 2009, the state board for community and
38 technical colleges, the higher education coordinating board, and the

1 office of financial management shall review and to the extent necessary
2 revise current 2009-11 performance measures and targets based on the
3 level of state, tuition, and other resources appropriated or authorized
4 in this act and in the omnibus 2009-11 omnibus capital budget act. The
5 boards and the office of financial management shall additionally
6 develop new performance targets for the 2011-13 and the 2013-15 biennia
7 that will guide and measure the community and technical college
8 system's contributions to achievement of the state's higher education
9 master plan goals.

10 (8) \$2,250,000 of the general fund--state appropriation for fiscal
11 year 2010 and \$2,250,000 of the general fund--state appropriation for
12 fiscal year 2011 are provided solely for the hospital employee
13 education and training program under which labor, management, and
14 college partnerships develop or expand and evaluate training programs
15 for incumbent hospital workers that lead to careers in nursing and
16 other high-demand health care occupations. The board shall report
17 student progress, outcomes, and costs to the relevant fiscal and policy
18 committees of the legislature by November 2009 and November 2010.

19 (9) Community and technical colleges are not required to send mass
20 mailings of course catalogs to residents of their districts. Community
21 and technical colleges shall consider lower cost alternatives, such as
22 mailing postcards or brochures that direct individuals to online
23 information and other ways of acquiring print catalogs.

24 (10) \$1,112,000 of the general fund--state appropriation for fiscal
25 year 2010 and \$1,113,000 of the general fund--state appropriation for
26 fiscal year 2011 are provided solely for the state board to enhance
27 online distance learning and open courseware technology. Funds shall
28 be used to support open courseware, open textbooks, open licenses to
29 increase access, affordability and quality of courses in higher
30 education. The state board for community and technical colleges shall
31 select the most appropriate courses to support open courseware based
32 solely upon criteria of maximizing the value of instruction and
33 reducing costs of textbooks and other instructional materials for the
34 greatest number of students in higher education, regardless of the type
35 of institution those students attend.

36 **Sec. 603.** 2009 c 564 s 606 (uncodified) is amended to read as
37 follows:

1	FOR THE UNIVERSITY OF WASHINGTON	
2	General Fund--State Appropriation (FY 2010)	((\$269,552,000))
3		<u>\$269,082,000</u>
4	General Fund--State Appropriation (FY 2011)	((\$297,130,000))
5		<u>\$262,560,000</u>
6	General Fund--Federal Appropriation	((\$24,730,000))
7		<u>\$43,971,000</u>
8	Education Legacy Trust Account--State Appropriation	\$54,408,000
9	Accident Account--State Appropriation	((\$6,712,000))
10		<u>\$6,544,000</u>
11	Medical Aid Account--State Appropriation	((\$6,524,000))
12		<u>\$6,361,000</u>
13	Biotoxin Account--State Appropriation	\$450,000
14	TOTAL APPROPRIATION	((\$659,506,000))
15		<u>\$643,376,000</u>

16 The appropriations in this section are subject to the following
17 conditions and limitations:

18 (1) In implementing the appropriations in this section, the
19 president and regents shall seek to minimize impacts on student
20 services and instructional programs by maximizing reductions in
21 administration and other non-instructional activities.

22 (2) Because higher education is an essential driver of economic
23 recovery and development, the university shall maintain, and endeavor
24 to increase, enrollment and degree production levels at or beyond their
25 academic year 2008-09 levels in the following high-demand fields:
26 Biological and biomedical sciences; computer and information sciences;
27 education with specializations in special education, math, or science;
28 engineering and engineering technology; health professions and related
29 clinical sciences; and mathematics and statistics.

30 (3) \$75,000 of the general fund--state appropriation for fiscal
31 year 2010 and \$75,000 of the general fund--state appropriation for
32 fiscal year 2011 are provided solely for forestry research by the
33 Olympic natural resources center.

34 (4) \$150,000 of the general fund--state appropriation for fiscal
35 year 2010 is provided solely for the William D. Ruckelshaus center for
36 facilitation, support, and analysis to support the nurse staffing
37 steering committee in its work to apply best practices related to
38 patient safety and nurse staffing.

1 (5) \$54,000 of the general fund--state appropriation for fiscal
 2 year 2010 and \$54,000 of the general fund--state appropriation for
 3 fiscal year 2011 are provided solely for the University of Washington
 4 geriatric education center to provide a voluntary adult family home
 5 certification program. In addition to the minimum qualifications
 6 required under RCW 70.128.120, individuals participating in the
 7 voluntary adult family home certification program shall complete fifty-
 8 two hours of class requirements as established by the University of
 9 Washington geriatric education center. Individuals completing the
 10 requirements of RCW 70.128.120 and the voluntary adult family home
 11 certification program shall be issued a certified adult family home
 12 license by the department of social and health services. The
 13 department of social and health services shall adopt rules implementing
 14 the provisions of this subsection.

15 (6) \$50,000 of the general fund--state appropriation for fiscal
 16 year 2010 and \$52,000 of the general fund--state appropriation for
 17 fiscal year 2011 are provided solely for the center for international
 18 trade in forest products in the college of forest resources.

19 **Sec. 604.** 2009 c 564 s 607 (uncodified) is amended to read as
 20 follows:

21 **FOR WASHINGTON STATE UNIVERSITY**

22	General Fund--State Appropriation (FY 2010)	((\$178,578,000))
23		<u>\$169,132,000</u>
24	General Fund--State Appropriation (FY 2011)	((\$196,163,000))
25		<u>\$173,754,000</u>
26	General Fund--Federal Appropriation	\$15,772,000
27	Education Legacy Trust Account--State Appropriation	\$34,696,000
28	TOTAL APPROPRIATION	((\$425,209,000))
29		<u>\$393,354,000</u>

30 The appropriations in this section are subject to the following
 31 conditions and limitations:

32 (1) In implementing the appropriations in this section, the
 33 president and regents shall seek to minimize impacts on student
 34 services and instructional programs by maximizing reductions in
 35 administration and other non-instructional activities.

36 (2) Because higher education is an essential driver of economic
 37 recovery and development, the university shall maintain, and endeavor

1 to increase, enrollment and degree production levels at or beyond their
2 academic year 2008-09 levels in the following high-demand fields:
3 Biological and biomedical sciences; computer and information sciences;
4 education with specializations in special education, math, or science;
5 engineering and engineering technology; health professions and related
6 clinical sciences; and mathematics and statistics.

7 (3) When implementing reductions for fiscal year 2010 and fiscal
8 year 2011, Washington State University shall minimize reductions to
9 extension services and agriculture extension services. Agriculture
10 extension includes:

11 (a) Faculty with extension appointments working within the
12 following departments in the college of agricultural, human, and
13 natural resource sciences with extension appointments: Animal
14 sciences, crop and soil sciences, entomology, horticulture, and plant
15 pathology;

16 (b) The portion of county extension educators' appointments
17 assigned to the "agricultural programs" area;

18 (c) Staff with extension appointments and extension operating
19 allocations located at the irrigated agriculture research and extension
20 center (Prosser), northwest Washington research and extension center
21 (Mt. Vernon), and tree fruit research and extension center (Wenatchee);
22 and

23 (d) Extension contributions to the center for precision
24 agricultural systems, center for sustaining agriculture and natural
25 resources, and the agriculture weather network.

26 (4) At least \$75,000 of the general fund--state appropriation for
27 fiscal year 2010 and at least \$75,000 of the general fund--state
28 appropriation for fiscal year 2011 (~~(are provided solely for)~~) shall be
29 expended on research related to honeybee colony collapse disease.

30 (5) \$100,000 of the general fund--state appropriation for fiscal
31 year 2011 is provided solely for the small business development center.
32 The center must, consistent with the scope, goals, deliverables, and
33 timeline of work specified in the annual cooperative agreement with the
34 United States small business administration:

35 (a) Develop and maintain a state comprehensive plan for the
36 coordination and integration of small business and entrepreneurial
37 development programs and the operations of a statewide small business

1 and entrepreneurial development system. The plan must include but not
2 be limited to setting measurable goals, objectives, and priorities;

3 (b) Advocate for the state's small business and entrepreneurial
4 development system and for meeting the needs of small start-ups and
5 existing entrepreneurs;

6 (c) Work with private and public entrepreneurial development and
7 small business assistance providers to develop entrepreneurial training
8 and small business assistance instructional materials and curricula
9 that meet the particular entrepreneurial development and small business
10 assistance needs of rural and low-income communities and small
11 manufacturers interested in exporting; and

12 (d) Identify policies to reduce administrative and other barriers
13 to efficient delivery and coordination of small business and
14 entrepreneurial assistance.

15 **Sec. 605.** 2009 c 564 s 608 (uncodified) is amended to read as
16 follows:

17 **FOR EASTERN WASHINGTON UNIVERSITY**

18	General Fund--State Appropriation (FY 2010)	((\$34,685,000))
19		<u>\$34,666,000</u>
20	General Fund--State Appropriation (FY 2011)	((\$40,796,000))
21		<u>\$35,540,000</u>
22	General Fund--Federal Appropriation	\$5,522,000
23	Education Legacy Trust Account--State Appropriation	\$16,087,000
24	TOTAL APPROPRIATION	((\$97,090,000))
25		<u>\$91,815,000</u>

26 The appropriations in this section are subject to the following
27 conditions and limitations:

28 (1) In implementing the appropriations in this section, the
29 president and governing board shall seek to minimize impacts on student
30 services and instructional programs by maximizing reductions in
31 administration and other non-instructional activities.

32 (2) Because higher education is an essential driver of economic
33 recovery and development, the university shall maintain, and endeavor
34 to increase, enrollment and degree production levels at or beyond their
35 academic year 2008-09 levels in the following high-demand fields:
36 Biological and biomedical sciences; computer and information sciences;

1 education with specializations in special education, math, or science;
2 engineering and engineering technology; health professions and related
3 clinical sciences; and mathematics and statistics.

4 (3) At least \$200,000 of the general fund--state appropriation for
5 fiscal year 2010 and at least \$200,000 of the general fund--state
6 appropriation for fiscal year 2011 shall be expended on the northwest
7 autism center.

8 **Sec. 606.** 2009 c 564 s 609 (uncodified) is amended to read as
9 follows:

10 **FOR CENTRAL WASHINGTON UNIVERSITY**

11 General Fund--State Appropriation (FY 2010)	((\$30,284,000))
	<u>\$30,255,000</u>
13 General Fund--State Appropriation (FY 2011)	((\$37,580,000))
	<u>\$32,641,000</u>
15 General Fund--Federal Appropriation	\$6,975,000
16 Education Legacy Trust Account--State Appropriation	\$19,076,000
17 TOTAL APPROPRIATION	((\$93,915,000))
	<u>\$88,947,000</u>

19 The appropriations in this section are subject to the following
20 conditions and limitations:

21 (1) In implementing the appropriations in this section, the
22 president and governing board shall seek to minimize impacts on student
23 services and instructional programs by maximizing reductions in
24 administration and other non-instructional activities.

25 (2) Because higher education is an essential driver of economic
26 recovery and development, the university shall maintain, and endeavor
27 to increase, enrollment and degree production levels at or beyond their
28 academic year 2008-09 levels in the following high-demand fields:
29 Biological and biomedical sciences; computer and information sciences;
30 education with specializations in special education, math, or science;
31 engineering and engineering technology; health professions and related
32 clinical sciences; and mathematics and statistics.

33 **Sec. 607.** 2009 c 564 s 610 (uncodified) is amended to read as
34 follows:

35 **FOR THE EVERGREEN STATE COLLEGE**

36 General Fund--State Appropriation (FY 2010)	((\$20,512,000))
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1		<u>\$20,481,000</u>
2	General Fund--State Appropriation (FY 2011)	((\$22,865,000))
3		<u>\$18,095,000</u>
4	General Fund--Federal Appropriation	\$2,366,000
5	Education Legacy Trust Account--State Appropriation	\$5,450,000
6	TOTAL APPROPRIATION	((\$51,193,000))
7		<u>\$46,392,000</u>

8 The appropriations in this section are subject to the following
9 conditions and limitations:

10 (1) In implementing the appropriations in this section, the
11 president and governing board shall seek to minimize impacts on student
12 services and instructional programs by maximizing reductions in
13 administration and other non-instructional activities.

14 (2) Because higher education is an essential driver of economic
15 recovery and development, the college shall maintain, and endeavor to
16 increase, enrollment and degree production levels at or beyond their
17 academic year 2008-09 levels in the following high-demand fields:
18 Biological and biomedical sciences; computer and information sciences;
19 education with specializations in special education, math, or science;
20 engineering and engineering technology; health professions and related
21 clinical sciences; and mathematics and statistics.

22 (3) At least \$100,000 of the general fund--state appropriation for
23 fiscal year 2010 and at least \$100,000 of the general fund--state
24 appropriation for fiscal year 2011 shall be expended on the labor
25 education and research center.

26 (4) \$100,000 of the general fund--state appropriation for fiscal
27 year 2010 and \$100,000 of the general fund--state appropriation for
28 fiscal year 2011 are provided solely for the Washington state institute
29 for public policy to report to the legislature regarding efficient and
30 effective programs and policies. The report shall calculate the return
31 on investment to taxpayers from evidence-based prevention and
32 intervention programs and policies that influence crime, K-12 education
33 outcomes, child maltreatment, substance abuse, mental health, public
34 health, public assistance, employment, and housing. The institute for
35 public policy shall provide the legislature with a comprehensive list
36 of programs and policies that improve these outcomes for children and
37 adults in Washington and result in more cost-efficient use of public
38 resources. The institute shall submit interim reports by December 15,

1 2009, and October 1, 2010, and a final report by June 30, 2011. The
2 institute may receive additional funds from a private organization for
3 the purpose of conducting this study.

4 (5) To the extent federal or private funding is available for this
5 purpose, the Washington state institute for public policy and the
6 center for reinventing public education at the University of Washington
7 shall examine the relationship between participation in pension systems
8 and teacher quality and mobility patterns in the state. The department
9 of retirement systems shall facilitate researchers' access to necessary
10 individual-level data necessary to effectively conduct the study. The
11 researchers shall ensure that no individually identifiable information
12 will be disclosed at any time. An interim report on project findings
13 shall be completed by November 15, 2010, and a final report shall be
14 submitted to the governor and to the relevant committees of the
15 legislature by October 15, 2011.

16 (6) At least \$200,000 of the general fund--state appropriation for
17 fiscal year 2010 and at least \$200,000 of the general fund--state
18 appropriation for fiscal year 2011 shall be expended on the Washington
19 center for undergraduate education.

20 (7) \$15,000 of the general fund--state appropriation for fiscal
21 year 2010 is provided solely for the Washington state institute for
22 public policy to examine the need for and methods to increase the
23 availability of nonfood items, such as personal hygiene supplies,
24 soaps, paper products, and other items, to needy persons in the state.
25 The study shall examine existing private and public programs that
26 provide such products, and develop recommendations for the most cost-
27 effective incentives for private and public agencies to increase local
28 distribution outlets and local and regional networks of supplies. A
29 final report shall be delivered to the legislature and the governor by
30 December 1, 2009.

31 (8) \$17,000 of the general fund--state appropriation for fiscal
32 year 2010 and \$42,000 of the general fund--state appropriation for
33 fiscal year 2011 are provided to the Washington state institute for
34 public policy to implement Second Substitute House Bill No. 2106 (child
35 welfare outcomes). If the bill is not enacted by June 30, 2009, the
36 amounts provided in this subsection shall lapse.

37 (9) \$54,000 of the general fund--state appropriation for fiscal
38 year 2010 and \$23,000 of the general fund--state appropriation for

1 fiscal year 2011 are provided solely to implement Substitute Senate
2 Bill No. 5882 (racial disproportionality). If the bill is not enacted
3 by June 30, 2009, the amounts provided in this subsection shall lapse.

4 (10) \$75,000 of the general fund--state appropriation for fiscal
5 year 2010 is provided solely for the Washington state institute of
6 public policy to evaluate the adequacy of and access to financial aid
7 and independent living programs for youth in foster care. The
8 examination shall include opportunities to improve efficiencies within
9 these programs. The institute shall report its findings by December 1,
10 2009.

11 (11) \$75,000 of the general fund--state appropriation for fiscal
12 year 2010 is provided solely for the Washington state institute for
13 public policy to conduct an assessment of the general assistance
14 unemployable program and other similar programs. The assessment shall
15 include a review of programs in other states that provide similar
16 services and will include recommendations on promising approaches that
17 both improve client outcomes and reduce state costs. A report is due
18 by December 1, 2009.

19 (12) To the extent funds are available, the Washington state
20 institute for public policy is encouraged to continue the longitudinal
21 analysis of long-term mental health outcomes directed in chapter 334,
22 Laws of 2001 (mental health performance audit), to build upon the
23 evaluation of the impacts of chapter 214, Laws of 1999 (mentally ill
24 offenders); and to assess program outcomes and cost effectiveness of
25 the children's mental health pilot projects as required by chapter 372,
26 Laws of 2006.

27 (13) \$50,000 of the general fund--state appropriation for fiscal
28 year 2011 is provided solely for the institute for public policy to
29 provide research support to the quality education council.

30 **Sec. 608.** 2009 c 564 s 611 (uncodified) is amended to read as
31 follows:

32 **FOR WESTERN WASHINGTON UNIVERSITY**

33	General Fund--State Appropriation (FY 2010)	((\$43,141,000))
34		<u>\$43,028,000</u>
35	General Fund--State Appropriation (FY 2011)	((\$52,752,000))
36		<u>\$46,833,000</u>
37	General Fund--Federal Appropriation	\$8,885,000

1 Education Legacy Trust Account--State Appropriation \$13,036,000
 2 TOTAL APPROPRIATION ((~~\$117,814,000~~))
 3 \$111,782,000

4 The appropriations in this section are subject to the following
 5 conditions and limitations:

6 (1) In implementing the appropriations in this section, the
 7 president and governing board shall seek to minimize impacts on student
 8 services and instructional programs by maximizing reductions in
 9 administration and other non-instructional activities.

10 (2) Because higher education is an essential driver of economic
 11 recovery and development, the university shall maintain, and endeavor
 12 to increase, enrollment and degree production levels at or beyond their
 13 academic year 2008-09 levels in the following high-demand fields:
 14 Biological and biomedical sciences; computer and information sciences;
 15 education with specializations in special education, math, or science;
 16 engineering and engineering technology; health professions and related
 17 clinical sciences; and mathematics and statistics.

18 **Sec. 609.** 2009 c 564 s 612 (uncodified) is amended to read as
 19 follows:

20 **FOR THE HIGHER EDUCATION COORDINATING BOARD--POLICY COORDINATION AND**
 21 **ADMINISTRATION**

22 General Fund--State Appropriation (FY 2010) ((~~\$6,611,000~~))
 23 \$6,394,000
 24 General Fund--State Appropriation (FY 2011) ((~~\$6,203,000~~))
 25 \$5,191,000
 26 General Fund--Federal Appropriation \$4,352,000
 27 TOTAL APPROPRIATION ((~~\$17,166,000~~))
 28 \$15,937,000

29 The appropriations in this section are subject to the following
 30 conditions and limitations:

31 (1) Within the funds appropriated in this section, the higher
 32 education coordinating board shall complete a system design planning
 33 project that defines how the current higher education delivery system
 34 can be shaped and expanded over the next ten years to best meet the
 35 needs of Washington citizens and businesses for high quality and
 36 accessible post-secondary education. The board shall propose policies
 37 and specific, fiscally feasible implementation recommendations to

1 accomplish the goals established in the 2008 strategic master plan for
2 higher education. The project shall specifically address the roles,
3 missions, and instructional delivery systems both of the existing and
4 of proposed new components of the higher education system; the extent
5 to which specific academic programs should be expanded, consolidated,
6 or discontinued and how that would be accomplished; the utilization of
7 innovative instructional delivery systems and pedagogies to reach both
8 traditional and nontraditional students; and opportunities to
9 consolidate institutional administrative functions. The study
10 recommendations shall also address the proposed location, role,
11 mission, academic program, and governance of any recommended new
12 campus, institution, or university center. During the planning
13 process, the board shall inform and actively involve the chairs from
14 the senate and house of representatives committees on higher education,
15 or their designees. The board shall report the findings and
16 recommendations of this system design planning project to the governor
17 and the appropriate committees of the legislature by December 1, 2009.

18 (2) \$146,000 of the general fund--state appropriation for fiscal
19 year 2010 and \$65,000 of the general fund--state appropriation for
20 fiscal year 2011 are provided solely for the higher education
21 coordinating board to administer Engrossed Second Substitute House Bill
22 No. 2021 (revitalizing student financial aid). If the bill is not
23 enacted by June 30, 2009, the amounts provided in this subsection shall
24 lapse.

25 (3) \$227,000 of the general fund--state appropriation for fiscal
26 year 2010 and \$11,000 of the general fund--state appropriation for
27 fiscal year 2011 are provided solely to implement Engrossed Second
28 Substitute House Bill No. 1946 (regarding higher education online
29 technology). If the bill is not enacted by June 30, 2009, the amounts
30 provided in this subsection shall lapse.

31 ~~((4) \$400,000 of the general fund--state appropriation for fiscal
32 year 2010 and \$400,000 of the general fund--state appropriation for
33 fiscal year 2011 are provided solely for the higher education
34 coordinating board to contract with the Pacific Northwest university of
35 health sciences to conduct training and education of health care
36 professionals to promote osteopathic physician services in rural and
37 underserved areas of the state.))~~

1 for students with family incomes between 51 and 55 percent MFI; 65
2 percent for students with family incomes between 56 and 60 percent MFI;
3 60 percent for students with family incomes between 61 and 65 percent
4 MFI; and 50 percent for students with family incomes between 66 and 70
5 percent MFI.

6 (b) Grant awards for students at private four-year colleges shall
7 be set at the same level as the student would receive if attending one
8 of the public research universities.

9 ~~(3) ((\$1,000,000 of the education legacy trust account--state~~
10 ~~appropriation is provided solely to encourage more students to teach~~
11 ~~secondary mathematics and science. \$500,000 of this amount is for the~~
12 ~~future teacher scholarship and conditional loan program. \$500,000 of~~
13 ~~this amount is provided to support state work study positions for~~
14 ~~students to intern in secondary schools and classrooms.~~

15 ~~(4) \$3,872,000))~~ Students selected as Washington scholars and as
16 Washington award for vocational excellence recipients prior to the
17 2009-10 academic year shall continue to receive scholarships during the
18 2010-11 academic year. During the 2010-11 academic year, scholarships
19 shall continue to be set according to the 2009-10 award schedule, with
20 no adjustment for tuition and fee increases. No scholarships or awards
21 shall be provided during the 2010-11 academic year for students
22 graduating high school during the 2009-10 academic year. In 2010 and
23 2011, the board shall continue to designate Washington scholars and
24 scholar-alternates and to recognize them at award ceremonies as
25 provided in RCW 28A.600.150. After the 2010-11 academic year, and as
26 provided in RCW 28B.76.660, the board may distribute grants to these
27 eligible students to the extent that funds are appropriated for this
28 purpose.

29 (4) To the maximum extent practicable, the board shall provide
30 state work study subsidies only to resident students during the 2010-11
31 academic year. Additionally, in order to provide work opportunities to
32 as many resident students as possible, the board is encouraged to
33 increase the proportion of student wages that is to be paid by both
34 proprietary and nonprofit, public, and private employers.

35 (5) \$3,127,000 of the education legacy trust account--state
36 appropriation is provided solely for the passport to college
37 scholarship program pursuant to chapter 28B.117 RCW. ((The higher
38 education coordinating board shall contract with a college scholarship

1 organization with expertise in managing scholarships for low income,
2 high potential students and foster care children and young adults to
3 administer the program. Of the amount in this subsection, \$39,000 is
4 provided solely for the higher education coordinating board for
5 administration of the contract and the remaining shall be contracted
6 out to the organization for the following purposes:

7 (a) \$384,000 is provided solely for program administration, and

8 (b) \$3,449,000 is provided solely for student financial aid for up
9 to 151 students and to fund student support services. Funds are
10 provided for student scholarships, provider training, and for incentive
11 payments to the colleges they attend for individualized student support
12 services which may include, but are not limited to, college and career
13 advising, counseling, tutoring, costs incurred for students while
14 school is not in session, personal expenses, health insurance, and
15 emergency services.

16 ~~(5))~~ (6) \$1,250,000 of the general fund--state appropriation for
17 fiscal year 2010 ~~((and \$1,250,000 of the general fund--state~~
18 ~~appropriation for fiscal year 2011 are))~~ is provided solely for the
19 health professional scholarship and loan program. The funds provided
20 in this subsection shall be: (a) Prioritized for health care delivery
21 sites demonstrating a commitment to serving the uninsured; and (b)
22 allocated between loan repayments and scholarships proportional to
23 current program allocations.

24 ~~((6))~~ (7) For fiscal year 2010 and fiscal year 2011, the board
25 shall defer loan or conditional scholarship repayments to the future
26 teachers conditional scholarship and loan repayment program for up to
27 one year for each participant if the participant has shown evidence of
28 efforts to find a teaching job but has been unable to secure a teaching
29 job per the requirements of the program.

30 ~~((7))~~ (8) \$246,000 of the general fund--state appropriation for
31 fiscal year 2010 and \$246,000 of the general fund--state appropriation
32 for fiscal year 2011 are for community scholarship matching grants and
33 its administration. To be eligible for the matching grant, nonprofit
34 groups organized under section 501(c)(3) of the federal internal
35 revenue code must demonstrate they have raised at least \$2,000 in new
36 moneys for college scholarships after the effective date of this
37 section. Groups may receive no more than one \$2,000 matching grant per
38 year and preference shall be given to groups affiliated with

1 scholarship America. Up to a total of \$46,000 per year of the amount
2 appropriated in this section may be awarded to a nonprofit community
3 organization to administer scholarship matching grants, with preference
4 given to an organization affiliated with scholarship America.

5 ~~((+8))~~ (9) \$500,000 of the general fund--state appropriation for
6 fiscal year 2010 and \$500,000 of the general fund--state appropriation
7 for fiscal year 2011 are provided solely for state need grants provided
8 to students enrolled in three to five credit-bearing quarter credits,
9 or the equivalent semester credits. Total state expenditures on this
10 program shall not exceed the amounts provided in this subsection.

11 ~~((+9) \$3,000,000)~~ (10) \$2,500,000 of the education legacy trust
12 account--state appropriation is provided solely for the gaining early
13 awareness and readiness for undergraduate programs project.

14 ~~((+10) \$75,000 of the general fund--state appropriation for fiscal
15 year 2010 and \$75,000 of the general fund--state appropriation for
16 fiscal year 2011 are provided solely for higher education student child
17 care matching grants under chapter 28B.135 RCW.))~~

18 (11) \$200,000 of the general fund--state appropriation for fiscal
19 year 2011 is provided solely for continuation of the leadership 1000
20 scholarship sponsorship and matching program.

21 (12) If Senate Bill No. 6409 (creating the opportunity pathways
22 account) is enacted by June 30, 2010, the general fund--state
23 appropriation for fiscal year 2011 in this section and in subsection
24 (1) of this section is reduced by \$62,000,000.

25 **Sec. 611.** 2009 c 564 s 614 (uncodified) is amended to read as
26 follows:

27 **FOR THE WORK FORCE TRAINING AND EDUCATION COORDINATING BOARD**

28	General Fund--State Appropriation (FY 2010)	(((\$1,587,000))
29		<u>\$1,460,000</u>
30	General Fund--State Appropriation (FY 2011)	(((\$1,556,000))
31		<u>\$1,418,000</u>
32	General Fund--Federal Appropriation	(((\$54,262,000))
33		<u>\$54,032,000</u>
34	TOTAL APPROPRIATION	(((\$57,405,000))
35		<u>\$56,910,000</u>

36 The appropriations in this section are subject to the following
37 conditions and limitations:

1 ~~((2))~~ (1) \$60,000 of the general fund--state appropriation for
 2 fiscal year 2010 and \$60,000 of the general fund--state appropriation
 3 for fiscal year 2011 are provided solely for implementation of
 4 Engrossed Second Substitute House Bill No. 2227 (evergreen jobs act).
 5 If the bill is not enacted by June 30, 2009, the amounts provided in
 6 this subsection shall lapse.

7 (2) In 2010 and 2011, the board shall continue to designate
 8 recipients of the Washington award for vocational excellence and to
 9 recognize them at award ceremonies as provided in RCW 28C.04.535.
 10 After the 2010-11 academic year, and as provided in RCW 28B.76.670, the
 11 board may distribute grants to these eligible students to the extent
 12 that funds are appropriated for this purpose.

13 **Sec. 612.** 2009 c 564 s 615 (uncodified) is amended to read as
 14 follows:

15 **FOR THE SPOKANE INTERCOLLEGIATE RESEARCH AND TECHNOLOGY INSTITUTE**

16	General Fund--State Appropriation (FY 2010)	(((\$1,598,000))
17		<u>\$1,594,000</u>
18	General Fund--State Appropriation (FY 2011)	(((\$1,611,000))
19		<u>\$1,466,000</u>
20	TOTAL APPROPRIATION	(((\$3,209,000))
21		<u>\$3,060,000</u>

22 **Sec. 613.** 2009 c 564 s 616 (uncodified) is amended to read as
 23 follows:

24 **FOR THE DEPARTMENT OF EARLY LEARNING**

25	General Fund--State Appropriation (FY 2010)	(((\$60,478,000))
26		<u>\$59,909,000</u>
27	General Fund--State Appropriation (FY 2011)	(((\$61,045,000))
28		<u>\$59,985,000</u>
29	General Fund--Federal Appropriation	(((\$244,859,000))
30		<u>\$265,082,000</u>
31	<u>Opportunity Pathways Account--State Appropriation</u>	<u>\$40,000,000</u>
32	((TOTAL APPROPRIATION	(\$366,382,000))

33 The appropriations in this section are subject to the following
 34 conditions and limitations:

35 (1) ~~(((\$55,696,000))~~ \$54,878,000 of the general fund--state
 36 appropriation for fiscal year 2010, the opportunity pathways account

1 appropriation, and (~~(\$55,696,000)~~) \$54,685,000 of the general fund--
2 state appropriation for fiscal year 2011 are provided solely for early
3 childhood education and assistance program services. This
4 appropriation temporarily reduces the number of slots for the 2009-11
5 fiscal biennium for the early childhood education and assistance
6 program. The department shall reduce slots where providers serve both
7 federal headstart and early childhood education and assistance program
8 children, to the greatest extent possible, in order to achieve no
9 reduction of slots across the state. The amounts in this subsection
10 also reflect reductions to the administrative expenditures for the
11 early childhood education and assistance program. The department shall
12 reduce administrative expenditures, to the greatest extent possible,
13 prior to reducing early childhood education and assistance program
14 slots. Of these amounts, \$10,284,000 is a portion of the biennial
15 amount of state matching dollars required to receive federal child care
16 and development fund grant dollars.

17 (2) \$1,000,000 of the general fund--federal appropriation is
18 provided to the department to contract with Thrive by Five, Washington
19 for a pilot project for a quality rating and improvement system to
20 provide parents with information they need to choose quality child care
21 and education programs and to improve the quality of early care and
22 education programs. The department in collaboration with Thrive by
23 Five shall operate the pilot projects in King, Yakima, Clark, Spokane,
24 and Kitsap counties. The department shall use child care development
25 fund quality money for this purpose.

26 (3) \$425,000 of the general fund--state appropriation for fiscal
27 year 2010(~~(, \$425,000 of the general fund--state appropriation for~~
28 ~~fiscal year 2011,)~~) and \$850,000 of the general fund--federal
29 appropriation are provided solely for child care resource and referral
30 network services. The general fund--federal funding represents moneys
31 from the American recovery and reinvestment act of 2009 (child care
32 development block grant).

33 (4) (~~(\$750,000)~~) \$250,000 of the general fund--state appropriation
34 for fiscal year 2010, (~~(\$750,000)~~) \$250,000 of the general fund--state
35 appropriation for fiscal year 2011, and \$1,500,000 of the general
36 fund--federal appropriation are provided solely for the career and wage
37 ladder program created by chapter 507, Laws of 2005. The general fund--

1 -federal funding represents moneys from the American recovery and
2 reinvestment act of 2009 (child care development block grant).

3 (5) \$50,000 of the general fund--state appropriation for fiscal
4 year 2010 and \$50,000 of the general fund--state appropriation for
5 fiscal year 2011 are provided solely for the department to work with
6 stakeholders and the office of the superintendent of public instruction
7 to identify and test a kindergarten assessment process and tools in
8 geographically diverse school districts. School districts may
9 participate in testing the kindergarten assessment process on a
10 voluntary basis. The department shall report to the legislature on the
11 kindergarten assessment process not later than January 15, 2011.
12 Expenditure of amounts provided in this subsection is contingent on
13 receipt of an equal match from private sources. As matching funds are
14 made available, the department may expend the amounts provided in this
15 subsection.

16 (6) \$1,600,000 of the general fund--federal appropriation is
17 provided solely for the department to fund programs to improve the
18 quality of infant and toddler child care through training, technical
19 assistance, and child care consultation.

20 (7) \$200,000 of the general fund--state appropriation for fiscal
21 year 2010 and \$200,000 of the general fund--state appropriation for
22 fiscal year 2011 are provided solely to develop and provide culturally
23 relevant supports for parents, family, and other caregivers.

24 ~~((+9))~~ (8) The department is the lead agency for and recipient of
25 the federal child care and development fund grant. Amounts within this
26 grant shall be used to fund child care licensing, quality initiatives,
27 agency administration, and other costs associated with child care
28 subsidies. The department shall transfer a portion of this grant to
29 the department of social and health services to partially fund the
30 child care subsidies paid by the department of social and health
31 services on behalf of the department of early learning.

32 ~~((+10))~~ (9) The department shall use child care development fund
33 money to satisfy the federal audit requirement of the improper payments
34 act (IPIA) of 2002. In accordance with the IPIA's rules, the money
35 spent on the audits will not count against the five percent state limit
36 on administrative expenditures.

37 ~~((+11))~~ (10) Within available amounts, the department in
38 consultation with the office of financial management and the department

1 of social and health services shall report quarterly enrollments and
2 active caseload for the working connections child care program to the
3 legislative fiscal committees. The report shall also identify the
4 number of cases participating in both temporary assistance for needy
5 families and working connections child care.

6 ~~((+12+))~~ (11) The appropriations in this section reflect reductions
7 in the appropriations for the department's administrative expenses. It
8 is the intent of the legislature that these reductions shall be
9 achieved, to the greatest extent possible, by reducing those
10 administrative costs that do not affect direct client services or
11 direct service delivery or program.

12 (12) Pursuant to RCW 43.215.255(2), the appropriations in this
13 section reflect an increase in fees to the licensee for the cost to the
14 department for the licensure of the activity or class of activities and
15 including costs of necessary inspection.

16 (13) \$150,000 of the general fund--state appropriation for fiscal
17 year 2011 is provided solely for the department to contract with reach
18 out and read for services that promote early literacy by giving new
19 books to children and advice to parents about the importance of
20 reading.

21 (14) If Senate Bill No. 6409 (creating the opportunity pathways
22 account) is enacted by June 30, 2010, the general fund--state
23 appropriation for fiscal year 2011 in this section and in subsection
24 (1) of this section is reduced by \$40,000,000.

25 **Sec. 614.** 2009 c 564 s 617 (uncodified) is amended to read as
26 follows:

27 **FOR THE STATE SCHOOL FOR THE BLIND**

28	General Fund--State Appropriation (FY 2010)	((\$5,902,000))
29		<u>\$5,899,000</u>
30	General Fund--State Appropriation (FY 2011)	((\$5,908,000))
31		<u>\$5,870,000</u>
32	General Fund--Private/Local Appropriation	\$1,928,000
33	TOTAL APPROPRIATION	((\$13,738,000))
34		<u>\$13,697,000</u>

35 The appropriations in this section are subject to the following
36 conditions and limitations: \$271,000 of the general fund--
37 private/local appropriation is provided solely for the school for the

1 blind to offer short course programs, allowing students the opportunity
2 to leave their home schools for short periods and receive intensive
3 training. The school for the blind shall provide this service to the
4 extent that it is funded by contracts with school districts and
5 educational services districts.

6 **Sec. 615.** 2009 c 564 s 618 (uncodified) is amended to read as
7 follows:

8 **FOR THE ((STATE SCHOOL FOR THE DEAF)) WASHINGTON STATE CENTER FOR**
9 **CHILDHOOD DEAFNESS AND HEARING LOSS**

10	General Fund--State Appropriation (FY 2010)	((\$8,592,000))
11		<u>\$8,589,000</u>
12	General Fund--State Appropriation (FY 2011)	((\$8,656,000))
13		<u>\$8,609,000</u>
14	General Fund--Private/Local Appropriation	\$526,000
15	TOTAL APPROPRIATION	((\$17,774,000))
16		<u>\$17,724,000</u>

17 The appropriations in this section are subject to the following
18 conditions and limitations:

19 (1) \$210,000 of the general fund--private/local appropriation is
20 provided solely for the operation of the shared reading video outreach
21 program. The school for the deaf shall provide this service to the
22 extent it is funded by contracts with school districts and educational
23 service districts.

24 (2) \$25,000 of the general fund--state appropriation for fiscal
25 year 2010 and \$25,000 of the general fund--state appropriation for
26 fiscal year 2011 are provided solely for implementation of Engrossed
27 Second Substitute House Bill No. 1879 (deaf and hard of hearing). If
28 the bill is not enacted by June 30, 2009, the amounts provided in this
29 subsection shall lapse.

30 **Sec. 616.** 2009 c 564 s 619 (uncodified) is amended to read as
31 follows:

32 **FOR THE WASHINGTON STATE ARTS COMMISSION**

33	General Fund--State Appropriation (FY 2010)	((\$1,876,000))
34		<u>\$1,861,000</u>
35	General Fund--State Appropriation (FY 2011)	((\$1,883,000))
36		<u>\$1,342,000</u>

1 General Fund--Federal Appropriation ((~~\$1,923,000~~))
2 \$1,944,000
3 General Fund--Private/Local Appropriation \$1,054,000
4 TOTAL APPROPRIATION ((~~\$6,736,000~~))
5 \$6,201,000

6 The appropriations in this section are subject to the following
7 conditions and limitations: It is the intent of the legislature that
8 the reductions in appropriations in this section shall be achieved, to
9 the greatest extent possible, by reducing those administrative costs
10 that do not affect direct client services or direct service delivery or
11 programs. The agency shall, to the greatest extent possible, reduce
12 spending in those areas that shall have the least impact on
13 implementing its mission.

14 **Sec. 617.** 2009 c 564 s 620 (uncodified) is amended to read as
15 follows:

16 **FOR THE WASHINGTON STATE HISTORICAL SOCIETY**

17 General Fund--State Appropriation (FY 2010) ((~~\$2,592,000~~))
18 \$2,586,000
19 General Fund--State Appropriation (FY 2011) ((~~\$2,636,000~~))
20 \$2,560,000
21 TOTAL APPROPRIATION ((~~\$5,228,000~~))
22 \$5,146,000

23 The appropriations in this section are subject to the following
24 conditions and limitations: It is the intent of the legislature that
25 the reductions in appropriations in this section shall be achieved, to
26 the greatest extent possible, by reducing those administrative costs
27 that do not affect direct client services or direct service delivery or
28 programs. The agency shall, to the greatest extent possible, reduce
29 spending in those areas that shall have the least impact on
30 implementing its mission.

31 **Sec. 618.** 2009 c 564 s 621 (uncodified) is amended to read as
32 follows:

33 **FOR THE EASTERN WASHINGTON STATE HISTORICAL SOCIETY**

34 General Fund--State Appropriation (FY 2010) ((~~\$1,612,000~~))
35 \$1,607,000
36 General Fund--State Appropriation (FY 2011) ((~~\$1,655,000~~))

1 \$1,598,000
2 TOTAL APPROPRIATION (~~(\$3,267,000)~~)
3 \$3,205,000

4 The appropriations in this section are subject to the following
5 conditions and limitations: It is the intent of the legislature that
6 the reductions in appropriations in this section shall be achieved, to
7 the greatest extent possible, by reducing those administrative costs
8 that do not affect direct client services or direct service delivery or
9 programs. The agency shall, to the greatest extent possible, reduce
10 spending in those areas that shall have the least impact on
11 implementing its mission.

(End of part)

PART VII

SPECIAL APPROPRIATIONS

Sec. 701. 2009 c 564 s 701 (uncodified) is amended to read as follows:

FOR THE STATE TREASURER--BOND RETIREMENT AND INTEREST, AND ONGOING BOND REGISTRATION AND TRANSFER CHARGES: FOR DEBT SUBJECT TO THE DEBT LIMIT

Table with 2 columns: Description and Amount. Rows include General Fund--State Appropriation (FY 2010), General Fund--State Appropriation (FY 2011), State Building Construction Account--State Appropriation, Columbia River Basin Water Supply Development Account--State Appropriation, Hood Canal Aquatic Rehabilitation Bond Account--State Appropriation, State Taxable Building Construction Account--State Appropriation, Gardner-Evans Higher Education Construction Account--State Appropriation, Debt-Limit Reimbursable Bond Retirement Account--State Appropriation, and TOTAL APPROPRIATION.

The appropriations in this section are subject to the following conditions and limitations: The general fund appropriations are for expenditure into the debt-limit general fund bond retirement account. The entire general fund--state appropriation for fiscal year 2010 shall be expended into the debt-limit general fund bond retirement account by June 30, 2010.

Sec. 702. 2009 c 564 s 703 (uncodified) is amended to read as follows:

1 **FOR THE STATE TREASURER--BOND RETIREMENT AND INTEREST, AND ONGOING**
 2 **BOND REGISTRATION AND TRANSFER CHARGES: FOR GENERAL OBLIGATION DEBT TO**
 3 **BE REIMBURSED AS PRESCRIBED BY STATUTE**

4	General Fund--State Appropriation (FY 2010)	((\$26,463,000))
5		<u>\$26,436,000</u>
6	General Fund--State Appropriation (FY 2011)	((\$27,811,000))
7		<u>\$27,773,000</u>
8	School Construction and Skill Centers Building	
9	Account--State Appropriation	\$477,000
10	Nondebt-Limit Reimbursable Bond Retirement Account--	
11	State Appropriation	((\$141,507,000))
12		<u>\$140,872,000</u>
13	TOTAL APPROPRIATION	((\$196,258,000))
14		<u>\$195,558,000</u>

15 The appropriations in this section are subject to the following
 16 conditions and limitations: The general fund appropriation is for
 17 expenditure into the nondebt-limit general fund bond retirement
 18 account. The entire general fund--state appropriation for fiscal year
 19 2010 shall be expended into the nondebt-limit general fund bond
 20 retirement account by June 30, 2010.

21 **Sec. 703.** 2009 c 564 s 704 (uncodified) is amended to read as
 22 follows:

23 **FOR THE STATE TREASURER--BOND RETIREMENT AND INTEREST, AND ONGOING**
 24 **BOND REGISTRATION AND TRANSFER CHARGES: FOR BOND SALE EXPENSES**

25	General Fund--State Appropriation (FY 2010)	\$1,357,000
26	General Fund--State Appropriation (FY 2011)	\$1,357,000
27	State Building Construction Account--State	
28	Appropriation	\$1,273,000
29	Columbia River Basin Water Supply Development	
30	Account--State Appropriation	((\$6,000))
31		<u>\$9,000</u>
32	Hood Canal Aquatic Rehabilitation Bond Account--	
33	State Appropriation	\$1,000
34	State Taxable Building Construction Account--State	
35	Appropriation	\$72,000
36	Gardner-Evans Higher Education Construction	
37	Account--State Appropriation	\$18,000

1 School Construction and Skill Centers Building
 2 Account--State Appropriation \$30,000
 3 TOTAL APPROPRIATION (~~(\$4,114,000)~~)
 4 \$4,117,000

5 **Sec. 704.** 2009 c 564 s 710 (uncodified) is amended to read as
 6 follows:

7 **FOR THE DEPARTMENT OF RETIREMENT SYSTEMS--CONTRIBUTIONS TO RETIREMENT**
 8 **SYSTEMS.**

9 The appropriations in this section are subject to the following
 10 conditions and limitations: The appropriations for the law enforcement
 11 officers' and firefighters' retirement system shall be made on a
 12 monthly basis beginning July 1, 2009, consistent with chapter 41.45
 13 RCW, and the appropriations for the judges and judicial retirement
 14 systems shall be made on a quarterly basis consistent with chapters
 15 2.10 and 2.12 RCW.

16 (1) There is appropriated for state contributions to the law
 17 enforcement officers' and firefighters' retirement system:

18 General Fund--State Appropriation (FY 2010) \$51,500,000
 19 General Fund--State Appropriation (FY 2011) \$54,300,000
 20 TOTAL APPROPRIATION \$105,800,000

21 (2) There is appropriated for contributions to the judicial
 22 retirement system:

23 General Fund--State Appropriation (FY 2010) \$11,570,000
 24 General Fund--State Appropriation (FY 2011) (~~(\$12,860,000)~~)
 25 \$10,860,000
 26 TOTAL APPROPRIATION (~~(\$24,430,000)~~)
 27 \$22,430,000

28 **Sec. 705.** 2009 c 564 s 712 (uncodified) is amended to read as
 29 follows:

30 **FOR THE OFFICE OF FINANCIAL MANAGEMENT--WATER POLLUTION CONTROL**
 31 **REVOLVING ACCOUNT**

32 General Fund--State Appropriation (FY 2010) \$4,600,000
 33 General Fund--State Appropriation (FY 2011) (~~(\$4,600,000)~~)
 34 \$6,000,000
 35 TOTAL APPROPRIATION (~~(\$9,200,000)~~)
 36 \$10,600,000

1 The appropriations in this section are subject to the following
2 conditions and limitations: The appropriations are provided solely for
3 expenditure into the water pollution control revolving account.

4 **Sec. 706.** 2009 c 564 s 717 (uncodified) is amended to read as
5 follows:

6 **FOR THE OFFICE OF FINANCIAL MANAGEMENT--CAPITOL BUILDING CONSTRUCTION**
7 **ACCOUNT**

8	General Fund--State Appropriation (FY 2010)	(\$2,312,000)
9		<u>\$2,612,000</u>
10	General Fund--State Appropriation (FY 2011)	\$3,615,000
11	TOTAL APPROPRIATION	(\$5,927,000)
12		<u>\$6,227,000</u>

13 The appropriations in this section are subject to the following
14 conditions and limitations: The appropriations are provided solely for
15 expenditure into the capitol building construction account.

16 NEW SECTION. **Sec. 707.** A new section is added to 2009 c 564
17 (uncodified) to read as follows:

18 **FOR THE OFFICE OF FINANCIAL MANAGEMENT--EXTRAORDINARY CRIMINAL JUSTICE**
19 **COSTS**

20	General Fund--State Appropriation (FY 2011)	\$620,000
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21 The appropriation in this section is subject to the following
22 conditions and limitations: The director of financial management shall
23 distribute funds to Franklin county (\$33,000), Skagit county
24 (\$390,000), and Jefferson county (\$197,000) for extraordinary criminal
25 justice costs.

26 NEW SECTION. **Sec. 708. FOR THE OFFICE OF FINANCIAL MANAGEMENT--**
27 **CONTRIBUTIONS TO RETIREMENT SYSTEMS** 2009 c 564 s 720 (uncodified) is
28 repealed.

29 NEW SECTION. **Sec. 709.** A new section is added to 2009 c 564
30 (uncodified) to read as follows:

31 **COMPENSATION--STATE EMPLOYEES--INSURANCE BENEFITS**

32	General Fund--State Appropriation (FY 2011)	\$21,898,000
33	General Fund--Federal Appropriation	\$2,793,000

1	General Fund--Private/Local Appropriation	\$203,000
2	Education Legacy Trust Account--State Appropriation	\$51,000
3	Dedicated Funds and Accounts Appropriation	\$3,858,000
4	TOTAL APPROPRIATION	\$28,803,000

5 The appropriations in this section are subject to the following
6 conditions and limitations: The appropriations in this section are
7 provided solely for the insurance premium rate increases for state
8 agencies, including institutions of higher education, in section 903 of
9 this act, in accordance with LEAP document number GLBO - 2010. The
10 appropriations in this section are provided solely on the condition
11 that the health care authority shall at all times during the 2009-2011
12 fiscal biennium reserve the full amount of funds necessary to pay for
13 its share of the cost of services that have been provided in the
14 uniform medical plan and the uniform dental plan but for which the
15 health care authority has not yet paid, and no such costs shall be
16 deferred for payment from funds provided in the 2011-2013 fiscal
17 biennium.

18 NEW SECTION. **Sec. 710.** A new section is added to 2009 c 564
19 (uncodified) to read as follows:

20 **FOR THE DEPARTMENT OF RETIREMENT SYSTEMS--CONTRIBUTIONS TO RETIREMENT**
21 **SYSTEMS**

22	General Fund--State Appropriation (FY 2011)	\$300,000
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23 The appropriations in this section are subject to the following
24 conditions and limitations: The appropriations in this section are
25 provided solely for increased state contributions to the law
26 enforcement officers' and fire fighters' retirement system as a result
27 of Engrossed House Bill No. 2519 (public safety death benefits). If
28 the bill is not enacted by June 30, 2010, this appropriation lapses.

29 NEW SECTION. **Sec. 711.** A new section is added to 2009 c 564
30 (uncodified) to read as follows:

31 **FOR SUNDRY CLAIMS.** The following sums, or so much thereof as may
32 be necessary, are appropriated from the general fund, unless otherwise
33 indicated, for relief of various individuals, firms, and corporations
34 for sundry claims. These appropriations are to be disbursed on

1 vouchers approved by the director of financial management, except as
2 otherwise provided, as follows:

3 (1) Reimbursement of criminal defendants acquitted on the basis of
4 self-defense, pursuant to RCW 9A.16.110:

5	(a) Gerald S. Morrow, claim number 99970006	\$20,567
6	(b) Darrell R. Baumgart, claim number 99970007	\$4,528
7	(c) William Davis, claim number 99970008	\$8,093
8	(d) Gene T. Strader, claim number 99970009	\$33,875
9	(e) Cecilio Cortez, claim number 99970012	\$17,055
10	(f) Alexander D. Coble, claim number 99970013	\$302,110
11	(g) James W. Jolly, claim number 99970017	\$28,884
12	(h) James Jay Olsen, claim number 99970018	\$97,220
13	(i) Todd E. Miller, claim number 99970019	\$6,957
14	(j) Sean S. DeHart, claim number 99970021	\$52,062
15	(k) Thomas L. Raglin, Jr., claim number 99970022	\$4,360
16	(l) Matthew Smitham, claim number 99970016	\$8,100
17	(m) John R. Frederick, claim number 99970020	\$7,719
18	(n) Justin C. Fredermeyer, claim number 99970023	\$29,728
19	(o) David R. Palmer, claim number 99970024	\$4,250
20	(p) Ian K. Berghoffer, claim number 99970026	\$33,455
21	(2) Payment of death benefit, pursuant to RCW 41.04.017: Estate of	
22	Erik Anderson, claim number 99970014	\$150,000

(End of part)

PART VIII

OTHER TRANSFERS AND APPROPRIATIONS

Sec. 801. 2009 c 564 s 801 (uncodified) is amended to read as follows:

FOR THE STATE TREASURER--STATE REVENUES FOR DISTRIBUTION

General Fund Appropriation for fire insurance	
premium distributions	\$8,268,000
General Fund Appropriation for public utility	
district excise tax distributions	\$48,771,000
General Fund Appropriation for prosecuting	
attorney distributions	\$6,281,000
General Fund Appropriation for boating	
safety and education distributions	\$4,854,000
General Fund Appropriation for other tax	
distributions	\$50,000
General Fund Appropriation for habitat conservation	
program distributions	\$3,000,000
Death Investigations Account Appropriation for distribution	
to counties for publicly funded autopsies	\$2,544,000
Aquatic Lands Enhancement Account Appropriation for	
harbor improvement revenue distribution	\$170,000
Timber Tax Distribution Account Appropriation for	
distribution to "timber" counties	\$69,288,000
County Criminal Justice Assistance Appropriation	\$66,374,000
Municipal Criminal Justice Assistance Appropriation	\$25,622,000
City-County Assistance Account Appropriation for local	
government financial assistance distribution	\$28,564,000
Liquor Excise Tax Account Appropriation for liquor	
excise tax distribution	((\$50,950,000))
	<u>\$50,380,000</u>
Streamline Sales and Use Tax Account Appropriation for	
distribution to local taxing jurisdictions to mitigate	
the unintended revenue redistribution effect of the	
sourcing law changes	((\$65,038,000))
	<u>\$55,038,000</u>
Columbia River Water Delivery Account Appropriation for the	

1	Confederated Tribes of the Colville Reservation	\$7,308,000
2	Columbia River Water Delivery Account Appropriation for the	
3	Spokane Tribe of Indians	\$4,676,000
4	Liquor Revolving Account Appropriation for liquor	
5	profits distribution	\$80,435,000
6	Liquor Revolving Account Appropriation for additional	
7	liquor profits distribution to local	
8	governments	\$18,677,000
9	TOTAL APPROPRIATION	\$490,870,000

10 The total expenditures from the state treasury under the
11 appropriations in this section shall not exceed the funds available
12 under statutory distributions for the stated purposes.

13 **Sec. 802.** 2009 c 564 s 805 (uncodified) is amended to read as
14 follows:

15 **FOR THE STATE TREASURER--TRANSFERS.**

16 State Treasurer's Service Account: For transfer to the
17 state general fund, (~~(\$10,400,000)~~) \$16,400,000 for
18 fiscal year 2010 and (~~(\$10,400,000)~~) \$16,400,000 for
19 fiscal year 2011 (~~(\$20,800,000)~~)
20 \$32,800,000

21 Waste Reduction, Recycling and Litter Control Account: For
22 transfer to the state general fund, (~~(\$2,000,000)~~)
23 \$3,000,000 for fiscal year 2010 and (~~(\$2,000,000)~~)
24 \$3,000,000 for fiscal year 2011 (~~(\$4,000,000)~~)
25 \$6,000,000

26 State Toxics Control Account: For transfer to the state
27 general fund, \$15,340,000 for fiscal year 2010 and
28 \$14,400,000 for fiscal year 2011 \$29,740,000

29 Local Toxics Control Account: For transfer to the state
30 general fund, \$37,060,000 for fiscal year 2010 and
31 \$36,000,000 for fiscal year 2011 \$73,060,000

32 Education Construction Account: For transfer to the state
33 general fund, (~~(\$93,362,000)~~) \$105,228,000 for fiscal
34 year 2010 and (~~(\$100,401,000)~~) \$102,951,000 for fiscal
35 year 2011 (~~(\$193,763,000)~~)
36 \$208,179,000

37 Aquatics Lands Enhancement Account: For transfer to the

1 state general fund, (~~(\$5,050,000)~~) \$8,520,000 for
2 fiscal year 2010 and \$5,050,000 for fiscal year
3 2011 (~~(\$10,100,000)~~)
4 \$13,570,000
5 Drinking Water Assistance Account: For transfer to the
6 drinking water assistance repayment account \$28,600,000
7 Economic Development Strategic Reserve Account: For
8 transfer to the state general fund, \$2,500,000 for
9 fiscal year 2010 and \$2,500,000 for fiscal
10 year 2011 \$5,000,000
11 Tobacco Settlement Account: For transfer to the state
12 general fund, in an amount not to exceed by more
13 than \$26,000,000 the actual amount of the annual
14 payment to the tobacco settlement account \$204,098,000
15 Tobacco Settlement Account: For transfer to the life
16 sciences discovery fund, in an amount not to exceed
17 \$26,000,000 less than the actual amount of the strategic
18 contribution supplemental payment to the tobacco
19 settlement account \$39,170,000
20 General Fund: For transfer to the streamline sales and
21 use tax account, (~~(\$31,447,000)~~) \$24,853,000 for
22 fiscal year 2010 and (~~(\$33,591,000)~~) 28,591,000 for
23 fiscal year 2011 (~~(\$65,038,000)~~)
24 \$53,444,000
25 State Convention and Trade Center Account: For transfer
26 to the state convention and trade center operations
27 account, \$1,000,000 for fiscal year 2010 and \$3,100,000
28 for fiscal year 2011 \$4,100,000
29 Tobacco Prevention and Control Account: For transfer
30 to the state general fund for fiscal year 2010 \$1,961,000
31 Nisqually Earthquake Account: For transfer to the
32 disaster response account for fiscal year 2010 \$500,000
33 Judicial Information Systems Account: For transfer
34 to the state general fund, (~~(\$2,500,000)~~) \$3,250,000
35 for fiscal year 2010 and (~~(\$2,500,000)~~) \$3,250,000
36 for fiscal year 2011 (~~(\$5,000,000)~~)
37 \$6,500,000
38 Department of Retirement Systems Expense Account: For

1		<u>\$10,930,000</u>
2	<u>Shared Game Lottery Account: For transfer to the state</u>	
3	<u>general fund, \$3,600,000 for fiscal year 2010 and</u>	
4	<u>\$2,400,000 for fiscal year 2011</u>	<u>\$6,000,000</u>
5	<u>State Lottery Account: For transfer to the education</u>	
6	<u>legacy trust account, \$16,000,000 for fiscal year</u>	
7	<u>2010 and \$16,000,000 for fiscal year 2011</u>	<u>\$32,000,000</u>
8	<u>College Faculty Awards Trust Fund: For transfer</u>	
9	<u>to the education legacy trust account for</u>	
10	<u>fiscal year 2010, an amount not to exceed</u>	
11	<u>the actual cash balance of the fund</u>	<u>\$4,000,000</u>
12	<u>Washington Distinguished Professorship Trust Fund:</u>	
13	<u>For transfer to the education legacy trust</u>	
14	<u>account for fiscal year 2010, an amount not</u>	
15	<u>to exceed the actual cash balance of the fund</u>	<u>\$6,000,000</u>
16	<u>Washington Graduate Fellowship Trust Account:</u>	
17	<u>For transfer to the education legacy trust</u>	
18	<u>account for fiscal year 2010, an amount not</u>	
19	<u>to exceed the actual cash balance of the fund</u>	<u>\$2,000,000</u>
20	<u>GET Ready for Math and Science Scholarship Account:</u>	
21	<u>For transfer to the state general fund for</u>	
22	<u>fiscal year 2010, an amount not to exceed</u>	
23	<u>the actual cash balance not comprised of or</u>	
24	<u>needed to match private contributions</u>	<u>\$1,800,000</u>
25	<u>Veterans Innovations Program Account: For</u>	
26	<u>transfer to the state general fund,</u>	
27	<u>\$250,000 for fiscal year 2010</u>	<u>\$250,000</u>
28	<u>Financial Services Regulation Account: For</u>	
29	<u>transfer to the state general fund,</u>	
30	<u>\$2,000,000 for fiscal year 2010 and</u>	
31	<u>\$2,000,000 for fiscal year 2011</u>	<u>\$4,000,000</u>
32	<u>Data Processing Revolving Fund: For</u>	
33	<u>transfer to the state general fund,</u>	
34	<u>\$5,632,000 for fiscal year 2010</u>	<u>\$5,632,000</u>
35	<u>Public Service Revolving Account: For</u>	
36	<u>transfer to the state general fund,</u>	
37	<u>\$8,000,000 for fiscal year 2010 and</u>	
38	<u>\$7,000,000 for fiscal year 2011</u>	<u>\$15,000,000</u>

1 Water Quality Capital Account: For
2 transfer to the state general fund,
3 \$278,000 for fiscal year 2011 \$278,000
4 Performance Audits of Government Account:
5 For transfer to the state general fund,
6 \$10,000,000 for fiscal year 2010 and
7 \$5,000,000 for fiscal year 2011 \$15,000,000
8 Job Development Account: For transfer to the
9 state general fund, \$20,930,000 for fiscal
10 year 2010 \$20,930,000
11 Savings Incentive Account: For transfer to the
12 state general fund, \$10,117,000 for fiscal
13 year 2010 \$10,117,000
14 Education Savings Account: For transfer to the
15 education legacy trust account, \$100,767,000
16 for fiscal year 2010 \$100,767,000
17 Education Legacy Trust Account: For transfer to
18 the state general fund, \$110,000,000 for fiscal
19 year 2010 \$110,000,000
20 General Fund: For transfer to the education legacy
21 trust account, \$110,000,000 for fiscal year 2011 . . . \$110,000,000
22 Cleanup Settlement Account: For transfer to the
23 state efficiency and restructuring account for
24 fiscal year 2011 \$38,866,000
25 Community and Economic Development Fee Account:
26 For transfer to the state general fund, \$110,000
27 for fiscal year 2011 \$110,000
28 Washington Auto Theft Prevention Authority Account:
29 For transfer for the judicial stabilization trust
30 account for fiscal year 2011 \$2,800,000

(End of part)

1 point-of-service cost sharing, the implementation of managed
2 competition, or make other changes to benefits consistent with RCW
3 41.05.065. During the 2009-11 fiscal biennium, the board may only
4 authorize benefit plans and premium contributions for an employee and
5 the employee's dependents that are the same, regardless of an
6 employee's status as represented or nonrepresented under the personnel
7 system reform act of 2002.

8 (c) The health care authority shall deposit any moneys received on
9 behalf of the uniform medical plan as a result of rebates on
10 prescription drugs, audits of hospitals, subrogation payments, or any
11 other moneys recovered as a result of prior uniform medical plan claims
12 payments, into the public employees' and retirees' insurance account to
13 be used for insurance benefits. Such receipts shall not be used for
14 administrative expenditures.

15 (d) The conditions in this section apply to benefits for
16 nonrepresented employees, employees represented by the super coalition,
17 and represented employees outside of the super coalition, including
18 employees represented under chapter 47.64 RCW.

19 (2) The health care authority, subject to the approval of the
20 public employees' benefits board, shall provide subsidies for health
21 benefit premiums to eligible retired or disabled public employees and
22 school district employees who are eligible for medicare, pursuant to
23 RCW 41.05.085. From January 1, 2010, through the remainder of the
24 2009-11 fiscal biennium, the subsidy shall be \$182.89.

25 (3) Technical colleges, school districts, and educational service
26 districts shall remit to the health care authority for deposit into the
27 public employees' and retirees' insurance account established in RCW
28 41.05.120 the following amounts:

29 (a) For each full-time employee, \$59.59 per month beginning
30 September 1, 2009, and (~~(\$64.90)~~) \$60.00 beginning September 1, 2010;

31 (b) For each part-time employee, who at the time of the remittance
32 is employed in an eligible position as defined in RCW 41.32.010 or
33 41.40.010 and is eligible for employer fringe benefit contributions for
34 basic benefits, \$59.59 each month beginning September 1, 2009, and
35 (~~(\$64.90)~~) \$60.00 beginning September 1, 2010, prorated by the
36 proportion of employer fringe benefit contributions for a full-time
37 employee that the part-time employee receives. The remittance
38 requirements specified in this subsection shall not apply to employees

1 of a technical college, school district, or educational service
2 district who purchase insurance benefits through contracts with the
3 health care authority.

4 NEW SECTION. **Sec. 904.** A new section is added to 2009 c 564
5 (uncodified) to read as follows:

6 (1) During the 2009-2011 fiscal biennium, every state agency shall
7 implement processes to send all renewal notices to customers via
8 electronic means by July 1, 2012. The appropriations in this act
9 provide funding for this purpose.

10 (2) Every state agency shall allow customers to opt for a physical
11 notice in lieu of, or in addition to, an electronic renewal notice.
12 Every state agency shall charge customers opting for the physical
13 notice a fee to cover the costs of providing the physical notice, if
14 the state agency finds it is economically feasible to do so.

15 (3) For purposes of this section:

16 (a) "Renewal notices" includes, but is not limited to, notices for
17 the renewal of licenses, registrations, and permits; and

18 (b) "State agency" includes every state office, department,
19 division, bureau, board, and commission of the state.

20 **Sec. 905.** RCW 13.06.050 and 1993 c 415 s 7 are each amended to
21 read as follows:

22 No county shall be entitled to receive any state funds provided by
23 this chapter until its application and plan are approved, and unless
24 and until the minimum standards prescribed by the department of social
25 and health services are complied with and then only on such terms as
26 are set forth in this section. In addition, any county making
27 application for state funds under this chapter that also operates a
28 juvenile detention facility must have standards of operations in place
29 that include: Intake and admissions, medical and health care,
30 communication, correspondence, visiting and telephone use, security and
31 control, sanitation and hygiene, juvenile rights, rules and discipline,
32 property, juvenile records, safety and emergency procedures,
33 programming, release and transfer, training and staff development, and
34 food service.

35 (1) For the 2009-2011 fiscal biennium, the distribution of funds to
36 a county or a group of counties (~~shall~~) may be based on criteria

1 including but not limited to the county's per capita income, regional
2 or county at-risk populations, juvenile crime or arrest rates, rates of
3 poverty, size of racial minority populations, existing programs, and
4 the effectiveness and efficiency of consolidating local programs
5 towards reducing commitments to state correctional facilities for
6 offenders whose standard range disposition does not include commitment
7 of the offender to the department and reducing reliance on other
8 traditional departmental services.

9 (2) The secretary will reimburse a county upon presentation and
10 approval of a valid claim pursuant to the provisions of this chapter
11 based on actual performance in meeting the terms and conditions of the
12 approved plan and contract. Funds received by participating counties
13 under this chapter shall not be used to replace local funds for
14 existing programs.

15 (3) The secretary, in conjunction with the human rights commission,
16 shall evaluate the effectiveness of programs funded under this chapter
17 in reducing racial disproportionality. The secretary shall investigate
18 whether implementation of such programs has reduced disproportionality
19 in counties with initially high levels of disproportionality. The
20 analysis shall indicate which programs are cost-effective in reducing
21 disproportionality in such areas as alternatives to detention, intake
22 and risk assessment standards pursuant to RCW 13.40.038, alternatives
23 to incarceration, and in the prosecution and adjudication of juveniles.
24 The secretary shall report his or her findings to the legislature by
25 December 1, 1994, and December 1 of each year thereafter.

26 **Sec. 906.** RCW 15.76.115 and 2001 2nd sp.s. c 16 s 1 are each
27 amended to read as follows:

28 The fair fund is created in the custody of the state treasury. All
29 moneys received by the department of agriculture for the purposes of
30 this fund and from RCW 67.16.105(4) shall be deposited into the fund.
31 At the beginning of fiscal year 2002 and each fiscal year thereafter,
32 the state treasurer shall transfer into the fair fund from the general
33 fund the sum of two million dollars, except for fiscal year 2011 the
34 state treasurer shall transfer into the fair fund from the general fund
35 the sum of one million five hundred thousand dollars. Expenditures
36 from the fund may be used only for assisting fairs in the manner
37 provided in this chapter. Only the director of agriculture or the

1 director's designee may authorize expenditures from the fund. The fund
2 is subject to allotment procedures under chapter 43.88 RCW, but no
3 appropriation is required for expenditures.

4 **Sec. 907.** RCW 28A.300.380 and 2000 c 84 s 2 are each amended to
5 read as follows:

6 (1) The superintendent of public instruction shall maintain support
7 for statewide coordination for career and technical student
8 organizations by providing program staff support that is available to
9 assist in meeting the needs of career and technical student
10 organizations and their members and students. (~~The superintendent
11 shall provide at least one full-time equivalent program staff for
12 purposes of implementing this section.~~) The superintendent may
13 provide additional support to the organizations through contracting
14 with independent coordinators.

15 (2) Career and technical student organizations eligible for
16 technical assistance and other support services under this section are
17 organizations recognized as career and technical student organizations
18 by:

19 (a) The United States department of education; or

20 (b) The superintendent of public instruction, if such recognition
21 is recommended by the Washington association for career and technical
22 education.

23 (3) Career and technical student organizations eligible for
24 technical assistance and other support services under this section
25 include, but are not limited to: The national FFA organization;
26 family, career, and community leaders of America; skillsUSA;
27 distributive education clubs of America; future business leaders of
28 America; and the technology student association.

29 **Sec. 908.** RCW 28A.510.250 and 1990 c 33 s 426 are each amended to
30 read as follows:

31 (1) Except for the 2009-10 school year, on or before the last
32 business day of September 1969 and each month thereafter, the
33 superintendent of public instruction shall apportion from the state
34 general fund to the several educational service districts of the state
35 the proportional share of the total annual amount due and apportionable

1 to such educational service districts for the school districts thereof
2 as follows:

3	September	.....	9%
4	October	.....	9%
5	November	.....	5.5%
6	December	.....	9%
7	January	.....	9%
8	February	.....	9%
9	March	.....	9%
10	April	.....	9%
11	May	.....	5.5%
12	June	.....	6.0%
13	July	.....	10.0%
14	August	.....	10.0%

15 The annual amount due and apportionable shall be the amount
16 apportionable for all apportionment credits estimated to accrue to the
17 schools during the apportionment year beginning September first and
18 continuing through August thirty-first. Appropriations made for school
19 districts for each year of a biennium shall be apportioned according to
20 the schedule set forth in this section for the fiscal year starting
21 September 1st of the then calendar year and ending August 31st of the
22 next calendar year. The apportionment from the state general fund for
23 each month shall be an amount which will equal the amount due and
24 apportionable to the several educational service districts during such
25 month: PROVIDED, That any school district may petition the
26 superintendent of public instruction for an emergency advance of funds
27 which may become apportionable to it but not to exceed ten percent of
28 the total amount to become due and apportionable during the school
29 districts apportionment year. The superintendent of public instruction
30 shall determine if the emergency warrants such advance and if the funds
31 are available therefor. If the superintendent determines in the
32 affirmative, he or she may approve such advance and, at the same time,
33 add such an amount to the apportionment for the educational service
34 district in which the school district is located: PROVIDED, That the
35 emergency advance of funds and the interest earned by school districts

1 on the investment of temporary cash surpluses resulting from obtaining
2 such advance of state funds shall be deducted by the superintendent of
3 public instruction from the remaining amount apportionable to said
4 districts during that apportionment year in which the funds are
5 advanced.

6 (2) During the 2009-10 school year, the superintendent of public
7 instruction shall apportion from the state general fund \$320,000,000 on
8 the first business day of July 2010, rather than by the last business
9 day of June 2010.

10 **Sec. 909.** RCW 28B.50.837 and 2009 c 564 s 1803 are each amended to
11 read as follows:

12 (1) The Washington community and technical college exceptional
13 faculty awards program is established. The program shall be
14 administered by the college board. The college faculty awards trust
15 fund hereby created shall be administered by the state treasurer.

16 (2) Funds appropriated by the legislature for the community and
17 technical college exceptional faculty awards program shall be deposited
18 in the college faculty awards trust fund. At the request of the
19 college board, the treasurer shall release the state matching funds to
20 the local endowment fund of the college or its foundation. No
21 appropriation is necessary for the expenditure of moneys from the fund.
22 Expenditures from the fund may be used solely for the exceptional
23 faculty awards program. During the ~~((2007-2009))~~ 2009-2011 fiscal
24 biennium, the legislature may transfer from the college faculty awards
25 trust fund to the ~~((state general fund))~~ education legacy trust account
26 such amounts as reflect the excess fund balance in the account
27 ~~((fund))~~.

28 **Sec. 910.** RCW 28B.76.565 and 2009 c 564 s 1805 are each amended to
29 read as follows:

30 Funds appropriated by the legislature for the distinguished
31 professorship program shall be deposited in the distinguished
32 professorship trust fund. At the request of the higher education
33 coordinating board under RCW 28B.76.575, the treasurer shall release
34 the state matching funds to the designated institution's local
35 endowment fund. No appropriation is required for expenditures from the
36 fund. During the ~~((2007-2009))~~ 2009-2011 fiscal biennium, the

1 legislature may transfer from the distinguished professorship trust
2 fund to the (~~state general fund~~) education legacy trust account such
3 amounts as reflect the excess fund balance in the account (~~{fund}~~).

4 **Sec. 911.** RCW 28B.76.610 and 2009 c 564 s 1806 are each amended to
5 read as follows:

6 Funds appropriated by the legislature for the graduate fellowship
7 program shall be deposited in the graduate fellowship trust fund. At
8 the request of the higher education coordinating board under RCW
9 28B.76.620, the treasurer shall release the state matching funds to the
10 designated institution's local endowment fund. No appropriation is
11 required for expenditures from the fund. During the (~~2007-2009~~)
12 2009-2011 fiscal biennium, the legislature may transfer from the
13 graduate fellowship trust fund to the (~~state general fund~~) education
14 legacy trust account such amounts as reflect the excess fund balance in
15 the account (~~{fund}~~).

16 **Sec. 912.** RCW 28B.105.110 and 2009 c 564 s 1807 and 2009 c 564 s
17 920 are each reenacted and amended to read as follows:

18 (1) The GET ready for math and science scholarship account is
19 created in the custody of the state treasurer.

20 (2) The board shall deposit into the account all money received for
21 the GET ready for math and science scholarship program from
22 appropriations and private sources. The account shall be
23 self-sustaining.

24 (3) Expenditures from the account shall be used for scholarships to
25 eligible students and for purchases of GET units. Purchased GET units
26 shall be owned and held in trust by the board. Expenditures from the
27 account shall be an equal match of state appropriations and private
28 funds raised by the program administrator. During the 2009-2011 fiscal
29 biennium, expenditures from the account not to exceed five percent may
30 be used by the program administrator to carry out the provisions of RCW
31 28B.105.090.

32 (4) With the exception of the operating costs associated with the
33 management of the account by the treasurer's office as authorized in
34 chapter 43.79A RCW, the account shall be credited with all investment
35 income earned by the account.

1 (5) Disbursements from the account are exempt from appropriations
2 and the allotment provisions of chapter 43.88 RCW.

3 (6) Disbursements from the account shall be made only on the
4 authorization of the board.

5 (7) During the 2007-2009 fiscal biennium, the legislature may
6 transfer state appropriations to the GET ready for math and science
7 scholarship account that have not been matched by private contributions
8 to the state general fund.

9 (8) During the 2009-2011 fiscal biennium, the legislature may
10 transfer from the GET ready for math and science scholarship account to
11 the state general fund such amounts as have not been donated from or
12 matched by private contributions.

13 **Sec. 913.** RCW 43.17.390 and 2009 c 564 s 931 are each amended to
14 read as follows:

15 Starting (~~in 2012~~) June 30, 2010, and at least once every three
16 years thereafter, each agency with more than three hundred full-time
17 equivalent employees shall apply to the Washington state quality award,
18 or similar organization, for an independent assessment of its quality
19 management, accountability, and performance system. The assessment
20 shall evaluate the effectiveness of all elements of its management,
21 accountability, and performance system, including: Leadership,
22 strategic planning, customer focus, analysis and information, employee
23 performance management, and process improvement. The purpose of the
24 assessment is to recognize best practice and identify improvement
25 opportunities.

26 **Sec. 914.** RCW 43.20A.725 and 2004 c 254 s 1 are each amended to
27 read as follows:

28 (1) The department, through the sole authority of the office or its
29 successor organization, shall maintain a program whereby an individual
30 of school age or older who possesses a hearing or speech impairment is
31 provided with telecommunications equipment, software, and/or peripheral
32 devices, digital or otherwise, that is determined by the office to be
33 necessary for such a person to access and use telecommunications
34 transmission services effectively.

35 (2) The department, through the sole authority of the office or its
36 successor organization, shall maintain a program where

1 telecommunications relay services of a human or electronic nature will
2 be provided to connect hearing impaired, deaf-blind, or speech impaired
3 persons with persons who do not have a hearing or speech impairment.
4 Such telecommunications relay services shall provide the ability for an
5 individual who has a hearing or speech impairment to engage in voice,
6 tactile, or visual communication by wire or radio with a hearing
7 individual in a manner that is functionally equivalent to the ability
8 of an individual who does not have a hearing or speech impairment to
9 communicate using voice or visual communication services by wire or
10 radio subject to subsection (4)(b) of this section.

11 (3) The telecommunications relay service and equipment distribution
12 program may operate in such a manner as to provide communications
13 transmission opportunities that are capable of incorporating new
14 technologies that have demonstrated benefits consistent with the intent
15 of this chapter and are in the best interests of the citizens of this
16 state.

17 (4) The office shall administer and control the award of money to
18 all parties incurring costs in implementing and maintaining
19 telecommunications services, programs, equipment, and technical support
20 services according to this section. The relay service contract shall
21 be awarded to an individual company registered as a telecommunications
22 company by the utilities and transportation commission, to a group of
23 registered telecommunications companies, or to any other company or
24 organization determined by the office as qualified to provide relay
25 services, contingent upon that company or organization being approved
26 as a registered telecommunications company prior to final contract
27 approval. The relay system providers and telecommunications equipment
28 vendors shall be selected on the basis of cost-effectiveness and
29 utility to the greatest extent possible under the program and technical
30 specifications established by the office.

31 (a) To the extent funds are available under the then-current rate
32 and not otherwise held in reserve or required for other purposes
33 authorized by this chapter, the office may award contracts for
34 communications and related services and equipment for hearing impaired
35 or speech impaired individuals accessing or receiving services provided
36 by, or contracted for, the department to meet access obligations under
37 Title 2 of the federal Americans with disabilities act or related
38 federal regulations.

1 (b) The office shall perform its duties under this section with the
2 goal of achieving functional equivalency of access to and use of
3 telecommunications services similar to the enjoyment of access to and
4 use of such services experienced by an individual who does not have a
5 hearing or speech impairment only to the extent that funds are
6 available under the then-current rate and not otherwise held in reserve
7 or required for other purposes authorized by this chapter.

8 (5) The program shall be funded by a telecommunications relay
9 service (TRS) excise tax applied to each switched access line provided
10 by the local exchange companies. The office shall determine, in
11 consultation with the office's program advisory committee, the budget
12 needed to fund the program on an annual basis, including both
13 operational costs and a reasonable amount for capital improvements such
14 as equipment upgrade and replacement. The budget proposed by the
15 office, together with documentation and supporting materials, shall be
16 submitted to the office of financial management for review and
17 approval. The approved budget shall be given by the department in an
18 annual budget to the department of revenue no later than March 1st
19 prior to the beginning of the fiscal year. The department of revenue
20 shall then determine the amount of telecommunications relay service
21 excise tax to be placed on each switched access line and shall inform
22 local exchange companies and the utilities and transportation
23 commission of this amount no later than May 1st. The department of
24 revenue shall determine the amount of telecommunications relay service
25 excise tax to be collected in the following fiscal year by dividing the
26 total of the program budget, as submitted by the office, by the total
27 number of switched access lines in the prior calendar year, as reported
28 to the department of revenue under chapter 82.14B RCW, and shall not
29 exercise any further oversight of the program under this subsection
30 other than administering the collection of the telecommunications relay
31 service excise tax as provided in RCW 82.72.010 through 82.72.090. The
32 telecommunications relay service excise tax shall not exceed nineteen
33 cents per month per access line. The telecommunications relay service
34 excise tax shall be separately identified on each ratepayer's bill with
35 the following statement: "Funds federal ADA requirement." All
36 proceeds from the telecommunications relay service excise tax shall be
37 put into a fund to be administered by the office through the
38 department. During the 2009-2011 fiscal biennium, the funds may also

1 be used to provide individualized employment services and employment-
2 related counseling to people with disabilities, and technical
3 assistance to employers about the employment of people with
4 disabilities. "Switched access line" has the meaning provided in RCW
5 82.14B.020.

6 (6) The telecommunications relay service program and equipment
7 vendors shall provide services and equipment consistent with the
8 requirements of federal law for the operation of both interstate and
9 intrastate telecommunications services for the hearing impaired or
10 speech impaired. The department and the utilities and transportation
11 commission shall be responsible for ensuring compliance with federal
12 requirements and shall provide timely notice to the legislature of any
13 legislation that may be required to accomplish compliance.

14 (7) The department shall adopt rules establishing eligibility
15 criteria, ownership obligations, financial contributions, and a program
16 for distribution to individuals requesting and receiving such
17 telecommunications devices distributed by the office, and other rules
18 necessary to administer programs and services consistent with this
19 chapter.

20 **Sec. 915.** RCW 43.60A.185 and 2006 c 343 s 8 are each amended to
21 read as follows:

22 The veterans innovations program account is created in the state
23 treasury. Moneys in the account may be spent only after appropriation.
24 Expenditures from the account may be used only for purposes of the
25 veterans innovations program. During the 2009-2011 fiscal biennium,
26 the legislature may transfer from the veterans innovations program
27 account to the general fund such amounts as reflect the excess fund
28 balance of the account.

29 **Sec. 916.** RCW 43.131.406 and 2006 c 343 s 11 are each amended to
30 read as follows:

31 The following acts or parts of acts, as now existing or hereafter
32 amended, are each repealed, effective June 30, 2017:

- 33 (1) 2006 c 343 s 1 (uncodified);
- 34 (2) RCW 43.60A.160 and 2006 c 343 s 3;
- 35 (3) RCW 43.60A.165 and 2006 c 343 s 4;
- 36 (4) RCW 43.60A.170 and 2006 c 343 s 5;

- 1 (5) RCW 43.60A.175 and 2006 c 343 s 6;
2 (6) RCW 43.60A.180 and 2006 c 343 s 7; and
3 (7) RCW 43.60A.185 and section 915 of this act and 2006 c 343 s 8.

4 **Sec. 917.** RCW 43.70.110 and 2009 c 403 s 5 are each amended to
5 read as follows:

6 (1) The secretary shall charge fees to the licensee for obtaining
7 a license. Physicians regulated pursuant to chapter 18.71 RCW who
8 reside and practice in Washington and obtain or renew a retired active
9 license are exempt from such fees. After June 30, 1995, municipal
10 corporations providing emergency medical care and transportation
11 services pursuant to chapter 18.73 RCW shall be exempt from such fees,
12 provided that such other emergency services shall only be charged for
13 their pro rata share of the cost of licensure and inspection, if
14 appropriate. The secretary may waive the fees when, in the discretion
15 of the secretary, the fees would not be in the best interest of public
16 health and safety, or when the fees would be to the financial
17 disadvantage of the state.

18 (2) Except as provided in subsection (3) of this section, fees
19 charged shall be based on, but shall not exceed, the cost to the
20 department for the licensure of the activity or class of activities and
21 may include costs of necessary inspection.

22 (3) License fees shall include amounts in addition to the cost of
23 licensure activities in the following circumstances:

24 (a) For registered nurses and licensed practical nurses licensed
25 under chapter 18.79 RCW, support of a central nursing resource center
26 as provided in RCW 18.79.202, until June 30, 2013;

27 (b) For all health care providers licensed under RCW 18.130.040,
28 the cost of regulatory activities for retired volunteer medical worker
29 licensees as provided in RCW 18.130.360; and

30 (c) For physicians licensed under chapter 18.71 RCW, physician
31 assistants licensed under chapter 18.71A RCW, osteopathic physicians
32 licensed under chapter 18.57 RCW, osteopathic physicians' assistants
33 licensed under chapter 18.57A RCW, naturopaths licensed under chapter
34 18.36A RCW, podiatrists licensed under chapter 18.22 RCW, chiropractors
35 licensed under chapter 18.25 RCW, psychologists licensed under chapter
36 18.83 RCW, registered nurses licensed under chapter 18.79 RCW,
37 optometrists licensed under chapter 18.53 RCW, mental health counselors

1 licensed under chapter 18.225 RCW, massage therapists licensed under
2 chapter 18.108 RCW, clinical social workers licensed under chapter
3 18.225 RCW, and acupuncturists licensed under chapter 18.06 RCW, the
4 license fees shall include up to an additional twenty-five dollars to
5 be transferred by the department to the University of Washington for
6 the purposes of RCW 43.70.112. During the 2009-2011 fiscal biennium,
7 ten dollars of the current twenty dollar fee received from registered
8 nurses under this subsection may be expended by the department of
9 health exclusively for the purposes of funding approved treatment
10 programs for impaired registered nurses, registered nursing license
11 processing functions, and disciplinary activities related to registered
12 nurses.

13 (4) Department of health advisory committees may review fees
14 established by the secretary for licenses and comment upon the
15 appropriateness of the level of such fees.

16 **Sec. 918.** RCW 43.79.460 and 2009 c 518 s 21 are each amended to
17 read as follows:

18 (1) The savings incentive account is created in the custody of the
19 state treasurer. The account shall consist of all moneys appropriated
20 to the account by the legislature. The account is subject to the
21 allotment procedures under chapter 43.88 RCW, but no appropriation is
22 required for expenditures from the account.

23 (2) Within the savings incentive account, the state treasurer may
24 create subaccounts to be credited with incentive savings attributable
25 to individual state agencies, as determined by the office of financial
26 management in consultation with the legislative fiscal committees.
27 Moneys deposited in the subaccounts may be expended only on the
28 authorization of the agency's executive head or designee and only for
29 the purpose of one-time expenditures to improve the quality,
30 efficiency, and effectiveness of services to customers of the state,
31 such as one-time expenditures for employee training, employee
32 incentives, technology improvements, new work processes, or performance
33 measurement. Funds may not be expended from the account to establish
34 new programs or services, expand existing programs or services, or
35 incur ongoing costs that would require future expenditures.

36 (3) For purposes of this section, "incentive savings" means state
37 general fund appropriations that are unspent as of June 30th of a

1 fiscal year, excluding any amounts included in across-the-board
2 reductions under RCW 43.88.110 and excluding unspent appropriations
3 for:

4 (a) Caseload and enrollment in entitlement programs, except to the
5 extent that an agency has clearly demonstrated that efficiencies have
6 been achieved in the administration of the entitlement program.
7 "Entitlement program," as used in this section, includes programs for
8 which specific sums of money are appropriated for pass-through to third
9 parties or other entities;

10 (b) Enrollments in state institutions of higher education;

11 (c) A specific amount contained in a condition or limitation to an
12 appropriation in the biennial appropriations act, if the agency did not
13 achieve the specific purpose or objective of the condition or
14 limitation;

15 (d) Debt service on state obligations; and

16 (e) State retirement system obligations.

17 (4) The office of financial management, after consulting with the
18 legislative fiscal committees, shall report the amount of savings
19 incentives achieved.

20 (5) For fiscal year 2009, the legislature may transfer from the
21 savings incentive account to the state general fund such amounts as
22 reflect the fund balance of the account attributable to unspent state
23 general fund appropriations for fiscal year 2008. For fiscal year
24 2010, the legislature may transfer from the savings incentive account
25 to the state general fund such amounts as reflect the fund balance of
26 the account attributable to unspent state general fund appropriations
27 for fiscal year 2009.

28 **Sec. 919.** RCW 43.79.465 and 2009 c 4 s 903 are each amended to
29 read as follows:

30 The education savings account is created in the state treasury.
31 The account shall consist of all moneys appropriated to the account by
32 the legislature.

33 (1) Ten percent of legislative appropriations to the education
34 savings account shall be distributed as follows: (a) Fifty percent to
35 the distinguished professorship trust fund under RCW 28B.76.565; (b)
36 seventeen percent to the graduate fellowship trust fund under RCW

1 28B.76.610; and (c) thirty-three percent to the college faculty awards
2 trust fund under RCW 28B.50.837.

3 (2) The remaining moneys in the education savings account may be
4 appropriated solely for (a) common school construction projects that
5 are eligible for funding from the common school construction account,
6 (b) technology improvements in the common schools, (c) during the 2001-
7 03 fiscal biennium, technology improvements in public higher education
8 institutions, (~~and~~) (d) during the 2007-2009 fiscal biennium, the
9 legislature may transfer from the education savings account to the
10 state general fund such amounts as reflect the excess fund balance of
11 the account attributable to unspent state general fund appropriations
12 for fiscal year 2008, and (e) for fiscal year 2010, the legislature may
13 transfer from the education savings account to the education legacy
14 trust account such amounts as reflect the fund balance of the account
15 attributable to unspent general fund appropriations for fiscal year
16 2009.

17 **Sec. 920.** RCW 43.89.010 and 2000 2nd sp.s. c 4 s 7 are each
18 amended to read as follows:

19 The chief of the Washington state patrol is hereby authorized to
20 establish a communications network which will inter-connect the law
21 enforcement agencies of the state and its political subdivisions into
22 a unified written communications system. The chief of the Washington
23 state patrol is authorized to lease or purchase such facilities and
24 equipment as may be necessary to establish and maintain the
25 communications network.

26 (1) The communications network shall be used exclusively for the
27 official business of the state, and the official business of any city,
28 county, city and county, or other public agency.

29 (2) This section does not prohibit the occasional use of the
30 state's communications network by any other state or public agency
31 thereof when the messages transmitted relate to the enforcement of the
32 criminal laws of the state.

33 (3) The chief of the Washington state patrol shall fix the monthly
34 operational charge to be paid by any department or agency of state
35 government, or any city, county, city and county, or other public
36 agency participating in the communications network: PROVIDED, That in
37 computing charges to be made against a city, county, or city and county

1 the state shall bear at least fifty percent of the costs of such
2 service as its share in providing a modern unified communications
3 network to the law enforcement agencies of the state. Of the fees
4 collected pursuant to this section, one-half shall be deposited in the
5 motor vehicle fund and one-half shall be deposited in the state patrol
6 highway account. However, for the 2009-2011 fiscal biennium the fees
7 collected pursuant to this section shall be deposited in the state
8 general fund.

9 (4) The chief of the Washington state patrol is authorized to
10 arrange for the connection of the communications network with the law
11 enforcement communications system of any adjacent state, or the
12 Province of British Columbia, Canada.

13 **Sec. 921.** RCW 43.105.080 and 1999 c 80 s 8 are each amended to
14 read as follows:

15 There is created a revolving fund to be known as the data
16 processing revolving fund in the custody of the state treasurer. The
17 revolving fund shall be used for the acquisition of equipment,
18 software, supplies, and services and the payment of salaries, wages,
19 and other costs incidental to the acquisition, development, operation,
20 and administration of information services, telecommunications,
21 systems, software, supplies and equipment, including the payment of
22 principal and interest on bonds issued for capital projects, by the
23 department, Washington State University's computer services center, the
24 department of personnel's personnel information systems division, the
25 office of financial management's financial systems management group,
26 and other users as jointly determined by the department and the office
27 of financial management. The revolving fund is subject to the
28 allotment procedure provided under chapter 43.88 RCW. Disbursements
29 from the revolving fund for the services component of the department
30 are not subject to appropriation. Disbursements for the strategic
31 planning and policy component of the department are subject to
32 appropriation. All disbursements from the fund are subject to the
33 allotment procedures provided under chapter 43.88 RCW. The department
34 shall establish and implement a billing structure to assure all
35 agencies pay an equitable share of the costs.

36 During the 2009-2011 fiscal biennium, the legislature may transfer

1 from the data processing revolving account to the state general fund
2 such amounts as reflect the excess fund balance associated with the
3 information technology pool.

4 As used in this section, the word "supplies" shall not be
5 interpreted to delegate or abrogate the division of purchasing's
6 responsibilities and authority to purchase supplies as described in RCW
7 43.19.190 and 43.19.200.

8 **Sec. 922.** RCW 43.155.050 and 2009 c 564 s 940 are each amended to
9 read as follows:

10 (1) The public works assistance account is hereby established in
11 the state treasury. Money may be placed in the public works assistance
12 account from the proceeds of bonds when authorized by the legislature
13 or from any other lawful source. Money in the public works assistance
14 account shall be used to make loans and to give financial guarantees to
15 local governments for public works projects. Moneys in the account may
16 also be appropriated to provide for state match requirements under
17 federal law for projects and activities conducted and financed by the
18 board under the drinking water assistance account. Not more than
19 fifteen percent of the biennial capital budget appropriation to the
20 public works board from this account may be expended or obligated for
21 preconstruction loans, emergency loans, or loans for capital facility
22 planning under this chapter; of this amount, not more than ten percent
23 of the biennial capital budget appropriation may be expended for
24 emergency loans and not more than one percent of the biennial capital
25 budget appropriation may be expended for capital facility planning
26 loans. During the 2009-2011 fiscal biennium, the legislature may
27 transfer from the public works assistance account to the general fund
28 and the city-county assistance account such amounts as reflect the
29 excess fund balance of the account.

30 (2) The job development fund is hereby established in the state
31 treasury. Moneys in the job development fund may be spent only after
32 appropriation. During the 2009-2011 fiscal biennium, the legislature
33 may transfer from the job development fund to the general fund such
34 amounts as reflect the excess fund balance of the fund.

35 **Sec. 923.** RCW 43.320.110 and 2005 c 518 s 932 are each amended to
36 read as follows:

1 There is created a local fund known as the "financial services
2 regulation fund" which shall consist of all moneys received by the
3 divisions of the department of financial institutions, except for the
4 division of securities which shall deposit thirteen percent of all
5 moneys received, except as provided in RCW 43.320.115, and which shall
6 be used for the purchase of supplies and necessary equipment; the
7 payment of salaries, wages, and utilities; the establishment of
8 reserves; and other incidental costs required for the proper regulation
9 of individuals and entities subject to regulation by the department.
10 The state treasurer shall be the custodian of the fund. Disbursements
11 from the fund shall be on authorization of the director of financial
12 institutions or the director's designee. In order to maintain an
13 effective expenditure and revenue control, the fund shall be subject in
14 all respects to chapter 43.88 RCW, but no appropriation is required to
15 permit expenditures and payment of obligations from the fund.

16 During the ((2005-2007)) 2009-2011 fiscal biennium, the legislature
17 may transfer from the financial services regulation fund to the state
18 general fund such amounts as reflect the excess fund balance of the
19 fund.

20 **Sec. 924.** RCW 46.09.170 and 2009 c 564 s 944 and 2009 c 187 s 2
21 are each reenacted and amended to read as follows:

22 (1) From time to time, but at least once each year, the state
23 treasurer shall refund from the motor vehicle fund one percent of the
24 motor vehicle fuel tax revenues collected under chapter 82.36 RCW,
25 based on a tax rate of: (a) Nineteen cents per gallon of motor vehicle
26 fuel from July 1, 2003, through June 30, 2005; (b) twenty cents per
27 gallon of motor vehicle fuel from July 1, 2005, through June 30, 2007;
28 (c) twenty-one cents per gallon of motor vehicle fuel from July 1,
29 2007, through June 30, 2009; (d) twenty-two cents per gallon of motor
30 vehicle fuel from July 1, 2009, through June 30, 2011; and (e) twenty-
31 three cents per gallon of motor vehicle fuel beginning July 1, 2011,
32 and thereafter, less proper deductions for refunds and costs of
33 collection as provided in RCW 46.68.090.

34 (2) The treasurer shall place these funds in the general fund as
35 follows:

36 (a) Thirty-six percent shall be credited to the ORV and nonhighway
37 vehicle account and administered by the department of natural resources

1 solely for acquisition, planning, development, maintenance, and
2 management of ORV, nonmotorized, and nonhighway road recreation
3 facilities, and information programs and maintenance of nonhighway
4 roads;

5 (b) Three and one-half percent shall be credited to the ORV and
6 nonhighway vehicle account and administered by the department of fish
7 and wildlife solely for the acquisition, planning, development,
8 maintenance, and management of ORV, nonmotorized, and nonhighway road
9 recreation facilities and the maintenance of nonhighway roads;

10 (c) Two percent shall be credited to the ORV and nonhighway vehicle
11 account and administered by the parks and recreation commission solely
12 for the acquisition, planning, development, maintenance, and management
13 of ORV, nonmotorized, and nonhighway road recreation facilities; and

14 (d) Fifty-eight and one-half percent shall be credited to the
15 nonhighway and off-road vehicle activities program account to be
16 administered by the board for planning, acquisition, development,
17 maintenance, and management of ORV, nonmotorized, and nonhighway road
18 recreation facilities and for education, information, and law
19 enforcement programs. The funds under this subsection shall be
20 expended in accordance with the following limitations:

21 (i) Not more than thirty percent may be expended for education,
22 information, and law enforcement programs under this chapter;

23 (ii) Not less than seventy percent may be expended for ORV,
24 nonmotorized, and nonhighway road recreation facilities. Except as
25 provided in (d)(iii) of this subsection, of this amount:

26 (A) Not less than thirty percent, together with the funds the board
27 receives under RCW 46.09.110, may be expended for ORV recreation
28 facilities;

29 (B) Not less than thirty percent may be expended for nonmotorized
30 recreation facilities. Funds expended under this subsection
31 (2)(d)(ii)(B) shall be known as Ira Spring outdoor recreation
32 facilities funds; and

33 (C) Not less than thirty percent may be expended for nonhighway
34 road recreation facilities;

35 (iii) The board may waive the minimum percentage cited in (d)(ii)
36 of this subsection due to insufficient requests for funds or projects
37 that score low in the board's project evaluation. Funds remaining
38 after such a waiver must be allocated in accordance with board policy.

1 (3) On a yearly basis an agency may not, except as provided in RCW
2 46.09.110, expend more than ten percent of the funds it receives under
3 this chapter for general administration expenses incurred in carrying
4 out this chapter.

5 (4) During the 2009-2011 fiscal biennium, the legislature may
6 appropriate such amounts as reflect the excess fund balance in the NOVA
7 account to the department of natural resources to install consistent
8 off-road vehicle signage at department-managed recreation sites, and to
9 implement the recreation opportunities on department-managed lands in
10 the Reiter block and Ahtanum state forest, and to the state parks and
11 recreation commission. The legislature finds that the appropriation of
12 funds from the NOVA account during the 2009-2011 fiscal biennium for
13 maintenance and operation of state parks ((and)) or to improve
14 accessibility for boaters and off-road vehicle users at state parks
15 will benefit boaters and off-road vehicle users and others who use
16 nonhighway and nonmotorized recreational facilities. ((This
17 ~~appropriation is~~)) The appropriations under this subsection are not
18 required to follow the specific distribution specified in subsection
19 (2) of this section.

20 **Sec. 925.** RCW 46.66.080 and 2009 c 564 s 945 are each amended to
21 read as follows:

22 (1) The Washington auto theft prevention authority account is
23 created in the state treasury, subject to appropriation. All revenues
24 from the traffic infraction surcharge in RCW 46.63.110(7)(b) and all
25 receipts from gifts, grants, bequests, devises, or other funds from
26 public and private sources to support the activities of the auto theft
27 prevention authority must be deposited into the account. Expenditures
28 from the account may be used only for activities relating to motor
29 vehicle theft, including education, prevention, law enforcement,
30 investigation, prosecution, and confinement. During the 2009-2011
31 fiscal biennium, the legislature may appropriate moneys from the
32 Washington auto theft prevention authority account for criminal justice
33 purposes and community building. During the 2009-2011 fiscal biennium,
34 the legislature may transfer from the auto theft prevention authority
35 account to the judicial stabilization account such amounts as reflect
36 the excess fund balance of the fund.

1 (2) The authority shall allocate moneys appropriated from the
2 account to public agencies for the purpose of establishing,
3 maintaining, and supporting programs that are designed to prevent motor
4 vehicle theft, including:

5 (a) Financial support to prosecution agencies to increase the
6 effectiveness of motor vehicle theft prosecution;

7 (b) Financial support to a unit of local government or a team
8 consisting of units of local governments to increase the effectiveness
9 of motor vehicle theft enforcement;

10 (c) Financial support for the procurement of equipment and
11 technologies for use by law enforcement agencies for the purpose of
12 enforcing motor vehicle theft laws; and

13 (d) Financial support for programs that are designed to educate and
14 assist the public in the prevention of motor vehicle theft.

15 (3) The costs of administration shall not exceed ten percent of the
16 moneys in the account in any one year so that the greatest possible
17 portion of the moneys available to the authority is expended on
18 combating motor vehicle theft.

19 (4) Prior to awarding any moneys from the Washington auto theft
20 prevention authority account for motor vehicle theft enforcement, the
21 auto theft prevention authority must verify that the financial award
22 includes sufficient funding to cover proposed activities, which
23 include, but are not limited to: (a) State, municipal, and county
24 offender and juvenile confinement costs; (b) administration costs; (c)
25 law enforcement costs; (d) prosecutor costs; and (e) court costs, with
26 a priority being given to ensuring that sufficient funding is available
27 to cover state, municipal, and county offender and juvenile confinement
28 costs.

29 (5) Moneys expended from the Washington auto theft prevention
30 authority account under subsection (2) of this section shall be used to
31 supplement, not supplant, other moneys that are available for motor
32 vehicle theft prevention.

33 (6) Grants provided under subsection (2) of this section constitute
34 reimbursement for purposes of RCW 43.135.060(1).

35 **Sec. 926.** RCW 67.70.044 and 2009 c 576 s 1 are each amended to
36 read as follows:

37 (1) Pursuant to RCW 67.70.040(1)(a), the commission may enter into

1 the multistate agreement establishing a shared game lottery known as
2 "The Big Game," that was entered into by party state lotteries in
3 August 1996 and subsequently amended and a shared game lottery known as
4 "Powerball."

5 (2) The shared game lottery account is created as a separate
6 account outside the state treasury. The account is managed,
7 maintained, and controlled by the commission and consists of all
8 revenues received from the sale of shared game lottery tickets or
9 shares, and all other moneys credited or transferred to it from any
10 other fund or source under law. The account is allotted according to
11 chapter 43.88 RCW. During the 2009-2011 fiscal biennium, the
12 legislature may transfer from the shared game lottery account to the
13 state general fund such amounts as reflect the excess fund balance of
14 the account.

15 **Sec. 927.** RCW 67.70.230 and 1985 c 375 s 4 are each amended to
16 read as follows:

17 There is hereby created and established a separate account, to be
18 known as the state lottery account. Such account shall be managed,
19 maintained, and controlled by the commission and shall consist of all
20 revenues received from the sale of lottery tickets or shares, and all
21 other moneys credited or transferred thereto from any other fund or
22 source pursuant to law. The account shall be a separate account
23 outside the state treasury. No appropriation is required to permit
24 expenditures and payment of obligations from the account. During the
25 2009-2011 fiscal biennium, the legislature may transfer from the state
26 lottery account to the education legacy trust account such amounts as
27 reflect the excess fund balance of the account.

28 **Sec. 928.** RCW 74.31.060 and 2007 c 356 s 7 are each amended to
29 read as follows:

30 The traumatic brain injury account is created in the state
31 treasury. Two dollars of the fee imposed under RCW 46.63.110(7)(c)
32 must be deposited into the account. Moneys in the account may be spent
33 only after appropriation, and may be used only to provide a public
34 awareness campaign and services relating to traumatic brain injury
35 under RCW 74.31.040 and 74.31.050, for information and referral
36 services, and for costs of required department staff who are providing

1 support for the council and information and referral services under RCW
2 74.31.020 and 74.31.030. During the 2009-2011 fiscal biennium, money
3 in the account may also be spent on long-term care services. The
4 secretary of the department of social and health services has the
5 authority to administer the funds.

6 **Sec. 929.** RCW 70.93.180 and 2009 c 564 s 950 are each amended to
7 read as follows:

8 (1) There is hereby created an account within the state treasury to
9 be known as the "waste reduction, recycling, and litter control
10 account". Moneys in the account may be spent only after appropriation.
11 Expenditures from the waste reduction, recycling, and litter control
12 account shall be used as follows:

13 (a) Fifty percent to the department of ecology, for use by the
14 departments of ecology, natural resources, revenue, transportation, and
15 corrections, and the parks and recreation commission, for use in litter
16 collection programs, to be distributed under RCW 70.93.220. The amount
17 to the department of ecology shall also be used for a central
18 coordination function for litter control efforts statewide, for the
19 biennial litter survey under RCW 70.93.200(8), and for statewide public
20 awareness programs under RCW 70.93.200(7). The amount to the
21 department shall also be used to defray the costs of administering the
22 funding, coordination, and oversight of local government programs for
23 waste reduction, litter control, and recycling, so that local
24 governments can apply one hundred percent of their funding to achieving
25 program goals. The amount to the department of revenue shall be used
26 to enforce compliance with the litter tax imposed in chapter 82.19 RCW;

27 (b) Twenty percent to the department for local government funding
28 programs for waste reduction, litter control, and recycling activities
29 by cities and counties under RCW 70.93.250, to be administered by the
30 department of ecology; and

31 (c) Thirty percent to the department of ecology for waste reduction
32 and recycling efforts.

33 (2) All taxes imposed in RCW 82.19.010 and fines and bail
34 forfeitures collected or received pursuant to this chapter shall be
35 deposited in the waste reduction, recycling, and litter control account
36 and used for the programs under subsection (1) of this section.

1 (3) Not less than five percent and no more than ten percent of the
2 amount appropriated into the waste reduction, recycling, and litter
3 control account every biennium shall be reserved for capital needs,
4 including the purchase of vehicles for transporting crews and for
5 collecting litter and solid waste. Capital funds shall be distributed
6 among state agencies and local governments according to the same
7 criteria provided in RCW 70.93.220 for the remainder of the funds, so
8 that the most effective waste reduction, litter control, and recycling
9 programs receive the most funding. The intent of this subsection is to
10 provide funds for the purchase of equipment that will enable the
11 department to account for the greatest return on investment in terms of
12 reaching a zero litter goal.

13 (4) During the 2009-2011 fiscal biennium, the legislature may
14 transfer from the waste reduction, recycling, and litter control
15 account to the state general fund such amounts as reflect the excess
16 fund balance of the account. ~~((For purposes of subsection (1) of this
17 section, this transfer shall be treated as an expenditure for litter
18 collection.))~~ Additionally, during the 2009-2011 fiscal biennium,
19 subsection (1)(a), (b), and (c) of this section is suspended.

20 NEW SECTION. Sec. 930. A new section is added to chapter 43.79
21 RCW to read as follows:

22 The legislature recognizes that efforts to restructure state
23 operations to achieve greater efficiency are often impeded by the lack
24 of a financing tool to support the transition and phase-down of state
25 operations. The state efficiency and restructuring account is
26 established in the state treasury to finance efforts to restructure
27 state operations and achieve budget savings. Moneys from the account
28 may be expended only after appropriation. As directed by the
29 legislature, the state treasurer must transfer funds from specified
30 accounts into the state efficiency and restructuring account to support
31 appropriations from that account. The state treasurer must maintain a
32 record of such transfers and must calculate repayment obligations to
33 any accounts providing surplus funds for a term of eight years at an
34 interest rate that is five tenths of a percent higher than the interest
35 rate that the account would have earned without the transfer. The
36 state treasurer must submit a report of all such repayment obligations

1 to the office of financial management by September 1st of each year.
2 The governor's budget request under RCW 43.88.060 must include
3 sufficient funds to meet the biennial repayment obligation.

4 **Sec. 931.** RCW 70.105D.130 and 2008 c 106 s 1 are each amended to
5 read as follows:

6 (1) The cleanup settlement account is created in the state
7 treasury. The account is not intended to replace the state toxics
8 control account established under RCW 70.105D.070. All receipts from
9 the sources identified in subsection (2) of this section must be
10 deposited into the account. Moneys in the account may be spent only
11 after appropriation. Expenditures from the account may be used only as
12 identified in subsection (4) of this section.

13 (2) The following receipts must be deposited into the cleanup
14 settlement account:

15 (a) Receipts from settlements or court orders that direct payment
16 to the account and resolve a person's liability or potential liability
17 under this chapter for either or both of the following:

18 (i) Conducting future remedial action at a specific facility, if it
19 is not feasible to require the person to conduct the remedial action
20 based on the person's financial insolvency, limited ability to pay, or
21 insignificant contribution under RCW 70.105D.040(4)(a);

22 (ii) Assessing or addressing the injury to natural resources caused
23 by the release of a hazardous substance from a specific facility; and

24 (b) Receipts from investment of the moneys in the account.

25 (3) If a settlement or court order does not direct payment of
26 receipts described in subsection (2)(a) of this section into the
27 cleanup settlement account, then the receipts from any payment to the
28 state must be deposited into the state toxics control account.

29 (4) Expenditures from the cleanup settlement account may only be
30 used to conduct remedial actions at the specific facility or to assess
31 or address the injury to natural resources caused by the release of
32 hazardous substances from that facility for which the moneys were
33 deposited in the account. Conducting remedial actions or assessing or
34 addressing injury to natural resources includes direct expenditures and
35 indirect expenditures such as department oversight costs. During the
36 2009-2011 fiscal biennium, the legislature may transfer excess fund
37 balances in the account into the state efficiency and restructuring

1 account. Transfers of excess fund balances made under this section
2 shall be made only to the extent amounts transferred with required
3 repayments do not impair the ten-year spending plan administered by the
4 department of ecology for environmental remedial actions dedicated for
5 any designated clean-up site associated with the Everett smelter and
6 Tacoma smelter, including plumes, or former Asarco mine sites. The
7 cleanup settlement account must be repaid with interest under
8 provisions of the state efficiency and restructuring account.

9 (5) The department shall track moneys received, interest earned,
10 and moneys expended separately for each facility.

11 (6) After the department determines that all remedial actions at a
12 specific facility, and all actions assessing or addressing injury to
13 natural resources caused by the release of hazardous substances from
14 that facility, are completed, including payment of all related costs,
15 any moneys remaining for the specific facility must be transferred to
16 the state toxics control account established under RCW 70.105D.070.

17 (7) The department shall provide the office of financial management
18 and the fiscal committees of the legislature with a report by October
19 31st of each year regarding the activity within the cleanup settlement
20 account during the previous fiscal year.

21 **Sec. 932.** RCW 70.146.100 and 2007 c 233 s 1 are each amended to
22 read as follows:

23 (1) The water quality capital account is created in the state
24 treasury. Moneys in the water quality capital account may be spent
25 only after appropriation.

26 (2) Expenditures from the water quality capital account may only be
27 used: (a) To make grants or loans to public bodies, including grants
28 to public bodies as cost-sharing moneys in any case where federal,
29 local, or other moneys are made available on a cost-sharing basis, for
30 the capital component of water pollution control facilities and
31 activities; (b) for purposes of assisting a public body to obtain an
32 ownership interest in water pollution control facilities; or (c) to
33 defray any part of the capital component of the payments made by a
34 public body to a service provider under a service agreement entered
35 into under RCW 70.150.060. During the 2009-2011 fiscal biennium, the
36 legislature may transfer from the water quality capital account to the

1 state general fund such amounts as reflect the excess fund balance of
2 the account.

3 **Sec. 933.** RCW 79.105.150 and 2009 c 564 s 959 are each amended to
4 read as follows:

5 (1) After deduction for management costs as provided in RCW
6 79.64.040 and payments to towns under RCW 79.115.150(2), all moneys
7 received by the state from the sale or lease of state-owned aquatic
8 lands and from the sale of valuable material from state-owned aquatic
9 lands shall be deposited in the aquatic lands enhancement account which
10 is hereby created in the state treasury. After appropriation, these
11 funds shall be used solely for aquatic lands enhancement projects; for
12 the purchase, improvement, or protection of aquatic lands for public
13 purposes; for providing and improving access to the lands; and for
14 volunteer cooperative fish and game projects. During the 2009-2011
15 fiscal biennium, the aquatic lands enhancement account may also be used
16 for scientific research as part of the adaptive management process.
17 During the 2009-11 fiscal biennium, the legislature may transfer from
18 the aquatic lands enhancement account to the state general fund such
19 amounts as reflect excess fund balance of the account.

20 (2) In providing grants for aquatic lands enhancement projects, the
21 recreation and conservation funding board shall:

22 (a) Require grant recipients to incorporate the environmental
23 benefits of the project into their grant applications;

24 (b) Utilize the statement of environmental benefits, consideration,
25 except as provided in RCW 79.105.610, of whether the applicant is a
26 Puget Sound partner, as defined in RCW 90.71.010, whether a project is
27 referenced in the action agenda developed by the Puget Sound
28 partnership under RCW 90.71.310, and except as otherwise provided in
29 RCW 79.105.630, and effective one calendar year following the
30 development and statewide availability of model evergreen community
31 management plans and ordinances under RCW 35.105.050, whether the
32 applicant is an entity that has been recognized, and what gradation of
33 recognition was received, in the evergreen community recognition
34 program created in RCW 35.105.030 in its prioritization and selection
35 process; and

36 (c) Develop appropriate outcome-focused performance measures to be
37 used both for management and performance assessment of the grants.

1 (3) To the extent possible, the department should coordinate its
2 performance measure system with other natural resource-related agencies
3 as defined in RCW 43.41.270.

4 (4) The department shall consult with affected interest groups in
5 implementing this section.

6 (5) After January 1, 2010, any project designed to address the
7 restoration of Puget Sound may be funded under this chapter only if the
8 project is not in conflict with the action agenda developed by the
9 Puget Sound partnership under RCW 90.71.310.

10 **Sec. 934.** RCW 80.01.080 and 2006 c 3 s 2 are each amended to read
11 as follows:

12 There is created in the state treasury a public service revolving
13 fund. Regulatory fees payable by all types of public service companies
14 shall be deposited to the credit of the public service revolving fund.
15 Except for expenses payable out of the pipeline safety account, all
16 expense of operation of the Washington utilities and transportation
17 commission shall be payable out of the public service revolving fund.

18 During the ((2003-2005)) 2009-2011 fiscal biennium, the legislature
19 may transfer from the public service revolving fund to the state
20 general fund such amounts as reflect the excess fund balance of the
21 fund.

22 ((Due to the extraordinarily high winter energy costs, during the
23 2005-2007 fiscal biennium, no more than seven million six hundred
24 thousand dollars, as appropriated in section 1, chapter 3, Laws of
25 2006, shall be payable out of the public service revolving fund to
26 provide energy assistance to customers in accordance with the
27 low-income energy assistance program.))

28 **Sec. 935.** RCW 80.36.430 and 2009 c 564 s 960 are each amended to
29 read as follows:

30 (1) The Washington telephone assistance program shall be funded by
31 a telephone assistance excise tax on all switched access lines and by
32 funds from any federal government or other programs for this purpose.
33 Switched access lines are defined in RCW 82.14B.020. The telephone
34 assistance excise tax shall be applied equally to all residential and
35 business access lines not to exceed fourteen cents per month. The
36 department shall submit an approved annual budget for the Washington

1 telephone assistance program to the department of revenue no later than
2 March 1st prior to the beginning of each fiscal year. The department
3 of revenue shall then determine the amount of telephone assistance
4 excise tax to be placed on each switched access line and shall inform
5 local exchange companies and the utilities and transportation
6 commission of this amount no later than May 1st. The department of
7 revenue shall determine the amount of telephone assistance excise tax
8 by dividing the total of the program budget funded by the telephone
9 assistance excise tax, as submitted by the department, by the total
10 number of switched access lines in the prior calendar year. The
11 telephone assistance excise tax shall be separately identified on each
12 ratepayer's bill as the "Washington telephone assistance program." All
13 money collected from the telephone assistance excise tax shall be
14 transferred to a telephone assistance fund administered by the
15 department.

16 (2) Local exchange companies shall bill the fund for their expenses
17 incurred in offering the telephone assistance program, including
18 administrative and program expenses. The department shall disburse the
19 money to the local exchange companies. The department is exempted from
20 having to conclude a contract with local exchange companies in order to
21 effect this reimbursement. The department shall recover its
22 administrative costs from the fund. The department may specify by rule
23 the range and extent of administrative and program expenses that will
24 be reimbursed to local exchange companies.

25 (3) The department shall enter into an agreement with the
26 department of (~~community, trade, and economic development~~) commerce
27 for an amount not to exceed eight percent of the prior fiscal year's
28 total revenue for the administrative and program expenses of providing
29 community service voice mail services. The community service voice
30 mail service may include toll-free lines in community action agencies
31 through which recipients can access their community service voice
32 mailboxes at no charge.

33 (4) During the 2009-2011 biennium, the department shall enter into
34 an agreement with the (~~military department~~) WIN 211 organization for
35 (~~one million dollars to~~) operational support (~~the WIN 211 program~~).

36 **Sec. 936.** RCW 82.14.495 and 2009 c 4 s 907 are each amended to
37 read as follows:

1 (1) The streamlined sales and use tax mitigation account is created
2 in the state treasury. The state treasurer shall transfer into the
3 account from the general fund amounts as directed in RCW 82.14.500.
4 Expenditures from the account may be used only for the purpose of
5 mitigating the negative fiscal impacts to local taxing jurisdictions as
6 a result of RCW 82.14.490 and the chapter 6, Laws of 2007 amendments to
7 RCW 82.14.020. During the ((2007-2009)) 2009-2011 fiscal biennium, the
8 legislature may transfer from the streamlined sales and use tax
9 mitigation account to the state general fund such amounts as reflect
10 the excess fund balance of the account.

11 (2) Beginning July 1, 2008, the state treasurer, as directed by the
12 department, shall distribute the funds in the streamlined sales and use
13 tax mitigation account to local taxing jurisdictions in accordance with
14 RCW 82.14.500.

15 (3) The definitions in this subsection apply throughout this
16 section and RCW 82.14.390 and 82.14.500.

17 (a) "Agreement" means the same as in RCW 82.32.020.

18 (b) "Local taxing jurisdiction" means counties, cities,
19 transportation authorities under RCW 82.14.045, public facilities
20 districts under chapters 36.100 and 35.57 RCW, public transportation
21 benefit areas under RCW 82.14.440, and regional transit authorities
22 under chapter 81.112 RCW, that impose a sales and use tax.

23 (c) "Loss" or "losses" means the local sales and use tax revenue
24 reduction to a local taxing jurisdiction resulting from the sourcing
25 provisions in RCW 82.14.490 and the chapter 6, Laws of 2007 amendments
26 to RCW 82.14.020.

27 (d) "Net loss" or "net losses" means a loss offset by any voluntary
28 compliance revenue.

29 (e) "Voluntary compliance revenue" means the local sales tax
30 revenue gain to each local taxing jurisdiction reported to the
31 department from persons registering through the central registration
32 system authorized under the agreement.

33 (f) "Working day" has the same meaning as in RCW 82.45.180.

34 **Sec. 937.** RCW 83.100.230 and 2008 c 329 s 924 are each amended to
35 read as follows:

36 The education legacy trust account is created in the state
37 treasury. Money in the account may be spent only after appropriation.

1 Expenditures from the account may be used only for deposit into the
2 student achievement fund and for expanding access to higher education
3 through funding for new enrollments and financial aid, and other
4 educational improvement efforts. During the ((2007-2009)) 2009-2011
5 fiscal biennium, moneys in the account may also be transferred into the
6 state general fund.

7 NEW SECTION. **Sec. 938.** The joint legislative select committee on
8 health reform implementation is established. The joint legislative
9 select committee on health reform implementation shall be co-chaired by
10 the chairs of the health committees of the senate and the house of
11 representatives, and leadership of the two largest caucuses in the
12 senate and the house of representatives shall each appoint two
13 additional legislators to serve on the committee. The co-chairs may
14 direct the formation of advisory committees, if desired, to focus on
15 specific topic areas, such as insurance regulation, access and
16 expansion of public and private programs, and workforce issues, and may
17 invite interested stakeholders and additional experts to advise the
18 committee. All participation in the joint select committee and any
19 advisory committees is without compensation.

20 This section expires June 30, 2011.

21 NEW SECTION. **Sec. 939.** A new section is added to 2009 c 564
22 (uncodified) to read as follows:

23 **FOR THE AGENCY REALLOCATION AND REALIGNMENT COMMISSION**

24 General Fund--State Appropriation (FY 2011) \$250,000

25 The appropriations in this section are subject to the following
26 conditions and limitations:

27 (1) The agency reallocation and realignment of Washington (ARROW)
28 commission on restructuring state government is established, with
29 members as provided in this section.

30 (a) The governor, the president of the senate, and the speaker of
31 the house of representatives shall each appoint two members to the
32 commission, each of whom shall have broad statewide policy and fiscal
33 experience. Each appointing authority shall appoint a member to
34 replace any member who resigns.

35 (b) The commission shall choose its chair from among its membership
36 or may select a representative of the administering higher education

1 institution as chair. The president of the senate and the speaker of
2 the house, or their mutually selected designee, shall convene the
3 initial meeting of the commission and shall preside until a chair is
4 chosen.

5 (2) The commission shall:

6 (a) Review budget, revenue, and caseload forecasts and estimates
7 over the ensuing six-year period;

8 (b) Examine current operations and organization of state government
9 assuming no expansion of current funding sources;

10 (c) Evaluate operational and organizational restructuring
11 possibilities to find cost savings and efficiencies in order to
12 maintain or enhance governmental functions with fewer resources.

13 (3) The commission may make proposals to:

14 (a) Adopt methods and procedures for reducing expenditures to the
15 lowest amount consistent with the efficient performance of essential
16 services, activities, and functions;

17 (b) Eliminate duplication and overlapping of services, activities,
18 and functions, and time-consuming or wasteful practices;

19 (c) Consolidate services, activities, and functions of a similar
20 nature;

21 (d) Abolish services, activities, and functions to improve the
22 efficient operation of government;

23 (e) Eliminate state departments and agencies, create new state
24 departments and agencies, reorganize existing state departments and
25 agencies, and transfer functions and responsibilities among state
26 departments and agencies;

27 (f) Define or redefine the duties and responsibilities of state
28 officers; and

29 (g) Revise present provisions for continuing appropriations of
30 state funds of whatever kind for whatever purpose, eliminate any such
31 existing provisions, or adopt new provisions.

32 (4) Staffing and administrative support to the commission shall be
33 provided by a university or college that volunteers to do so.

34 (5) Commissioners are entitled to be reimbursed for travel expenses
35 in accordance with RCW 43.03.050 and 43.03.060 from funds appropriated
36 to the commission.

37 (6) The expenses of the commission shall be paid out of funds

1 appropriated to the commission, funds made available by the university
2 or college administering the commission, and gifts, grants, and
3 donations.

4 (7) The commission shall report its findings and recommendations,
5 including proposed legislation, to the appropriate committees of the
6 legislature. Recommendations may be in bill form as proposed
7 legislation, as appropriations or revenue proposals, revisions to
8 administrative rules, or other appropriate formats.

9 (8) The office of the code reviser shall assist the commission with
10 bill drafting as needed.

11 (9) This section expires June 30, 2011.

12 NEW SECTION. **Sec. 940.** If any provision of this act or its
13 application to any person or circumstance is held invalid, the
14 remainder of the act or the application of the provision to other
15 persons or circumstances is not affected.

16 NEW SECTION. **Sec. 941.** Section 905 of this act expires June 30,
17 2011.

18 NEW SECTION. **Sec. 942.** This act is necessary for the immediate
19 preservation of the public peace, health, or safety, or support of the
20 state government and its existing public institutions, and takes effect
21 immediately.

(End of part)

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