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ENGROSSED SUBSTITUTE HOUSE BILL 1087

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State of Washington

62nd Legislature

2011 Regular Session

By House Ways & Means (originally sponsored by Representatives Hunter, Alexander, and Darneille; by request of Governor Gregoire)

READ FIRST TIME 04/07/11.

1 AN ACT Relating to fiscal matters; amending RCW 43.03.030,  
2 41.60.150, 41.06.560, 41.50.110, 41.80.010, 41.80.020, 43.07.129,  
3 43.08.190, 43.09.412, 43.09.475, 43.19.501, 43.79.201, 43.79.465,  
4 43.135.045, 43.185C.060, 66.08.170, 66.08.190, 66.08.235, 67.70.260,  
5 70.48.440, 70.93.180, 70.105D.070, 74.13.621, 79.64.040, 79.105.150,  
6 80.36.430, 82.08.160, 82.14.310, 82.14.320, 82.14.330, 82.14.390,  
7 82.14.500, 82.45.060, 86.26.007, 48.02.190, 79.17.210, and 79.64.020;  
8 reenacting and amending RCW 41.06.070, 41.06.133, 41.06.500, 43.03.040,  
9 43.155.050, and 43.330.250; amending 2011 c 5 ss 106, 107, 108, 113,  
10 114, 115, 117, 118, 119, 120, 121, 122, 125, 126, 127, 128, 201, 202,  
11 203, 204, 205, 206, 207, 208, 209, 210, 211, 212, 213, 214, 215, 216,  
12 217, 218, 219, 220, 221, 222, 223, 301, 302, 303, 304, 305, 306, 307,  
13 401, 402, 501, 502, 503, 504, 505, 507, 508, 601, 602, 603, 604, 605,  
14 606, 607, 608, 609, 610, 612, 613, 614, 615, 616, 617, 703, and 801  
15 (uncodified); amending 2010 2nd sp.s. c 1 ss 101, 102, 106, 107, 108,  
16 116, 305, and 306 (uncodified); amending 2010 1st sp.s. c 37 ss 201,  
17 504, 509, 510, 514, 515, 516, 517, 701, 702, 703, 709, 710, 801, and  
18 802 (uncodified); amending 2009 c 564 ss 719, 802, and 803  
19 (uncodified); adding a new section to chapter 41.06 RCW; adding a new  
20 section to chapter 43.03 RCW; adding a new section to 2009 c 564  
21 (uncodified); creating a new section; repealing 2010 1st sp.s. c 37 s

1 802 (uncodified); making appropriations; providing an effective date;  
2 and declaring an emergency.

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

4 NEW SECTION. **Sec. 1.** (1) A budget is hereby adopted and, subject  
5 to the provisions set forth in the following sections, the several  
6 amounts specified in parts I through IX of this act, or so much thereof  
7 as shall be sufficient to accomplish the purposes designated, are  
8 hereby appropriated and authorized to be incurred for salaries, wages,  
9 and other expenses of the agencies and offices of the state and for  
10 other specified purposes for the fiscal biennium beginning July 1,  
11 2011, and ending June 30, 2013, except as otherwise provided, out of  
12 the several funds of the state hereinafter named.

13 (2) Unless the context clearly requires otherwise, the definitions  
14 in this section apply throughout this act.

15 (a) "Fiscal year 2012" or "FY 2012" means the fiscal year ending  
16 June 30, 2012.

17 (b) "Fiscal year 2013" or "FY 2013" means the fiscal year ending  
18 June 30, 2013.

19 (c) "FTE" means full time equivalent.

20 (d) "Lapse" or "revert" means the amount shall return to an  
21 unappropriated status.

22 (e) "Provided solely" means the specified amount may be spent only  
23 for the specified purpose. Unless otherwise specifically authorized in  
24 this act, any portion of an amount provided solely for a specified  
25 purpose which is not expended subject to the specified conditions and  
26 limitations to fulfill the specified purpose shall lapse.

27 **PART I**

28 **GENERAL GOVERNMENT**

29 NEW SECTION. **Sec. 101. FOR THE HOUSE OF REPRESENTATIVES**

30	General Fund--State Appropriation (FY 2012) . . . . .	\$31,528,000
31	General Fund--State Appropriation (FY 2013) . . . . .	\$32,155,000
32	TOTAL APPROPRIATION . . . . .	\$63,683,000



1 the state lottery commission operates, and comparison to best practices  
2 for outcome-based performance payments.

3 NEW SECTION. **Sec. 104. FOR THE LEGISLATIVE EVALUATION AND**  
4 **ACCOUNTABILITY PROGRAM COMMITTEE**

5	General Fund--State Appropriation (FY 2012)	\$2,065,000
6	General Fund--State Appropriation (FY 2013)	\$2,236,000
7	TOTAL APPROPRIATION	\$4,301,000

8 NEW SECTION. **Sec. 105. FOR THE OFFICE OF THE STATE ACTUARY**

9	General Fund--State Appropriation (FY 2012)	\$24,000
10	General Fund--State Appropriation (FY 2013)	\$24,000
11	Department of Retirement Systems Expense	
12	Account--State Appropriation	\$3,487,000
13	TOTAL APPROPRIATION	\$3,535,000

14 NEW SECTION. **Sec. 106. FOR THE JOINT LEGISLATIVE SYSTEMS**  
15 **COMMITTEE**

16	General Fund--State Appropriation (FY 2012)	\$8,181,000
17	General Fund--State Appropriation (FY 2013)	\$8,096,000
18	TOTAL APPROPRIATION	\$16,277,000

19 NEW SECTION. **Sec. 107. FOR THE STATUTE LAW COMMITTEE**

20	General Fund--State Appropriation (FY 2012)	\$4,363,000
21	General Fund--State Appropriation (FY 2013)	\$4,824,000
22	TOTAL APPROPRIATION	\$9,187,000

23 NEW SECTION. **Sec. 108. FOR THE REDISTRICTING COMMISSION**

24	General Fund--State Appropriation (FY 2012)	\$1,627,000
25	General Fund--State Appropriation (FY 2013)	\$154,000
26	TOTAL APPROPRIATION	\$1,781,000

27 The appropriations in this section are subject to the following  
28 conditions and limitations: \$443,000 of the general fund--state  
29 appropriation for fiscal year 2012 is provided solely for the support  
30 of legislative redistricting efforts. The commission shall enter into  
31 an interagency agreement with the house of representatives and the  
32 senate for the expenditure of these funds.



1 (2) \$265,000 of the general fund--state appropriation for fiscal  
2 year 2012 is provided solely for the office of public guardianship to  
3 provide guardianship services for low-income incapacitated persons.

4 (3) Until funding is specifically appropriated for the superior  
5 court case management system, amounts appropriated in this section may  
6 not be expended for the creation, development, or implementation of a  
7 superior court case management system.

8 **NEW SECTION. Sec. 114. FOR THE OFFICE OF PUBLIC DEFENSE**

9	General Fund--State Appropriation (FY 2012) . . . . .	\$24,934,000
10	General Fund--State Appropriation (FY 2013) . . . . .	\$24,887,000
11	Judicial Stabilization Trust Account--State	
12	Appropriation . . . . .	\$3,344,000
13	TOTAL APPROPRIATION . . . . .	\$53,165,000

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

16 (1) The amounts provided include funding for expert and  
17 investigative services in death penalty personal restraint petitions.

18 (2) \$375,000 of the general fund--state appropriation for fiscal  
19 year 2012 and \$375,000 of the general fund--state appropriation for  
20 fiscal year 2013 are provided solely for panel attorneys providing  
21 parents representation in dependency and termination cases in King  
22 County.

23 **NEW SECTION. Sec. 115. FOR THE OFFICE OF CIVIL LEGAL AID**

24	General Fund--State Appropriation (FY 2012) . . . . .	\$10,778,000
25	General Fund--State Appropriation (FY 2013) . . . . .	\$10,791,000
26	Judicial Stabilization Trust Account--State	
27	Appropriation . . . . .	\$1,474,000
28	TOTAL APPROPRIATION . . . . .	\$23,043,000

29 The appropriations in this section are subject to the following  
30 conditions and limitations: An amount not to exceed \$40,000 of the  
31 general fund--state appropriation for fiscal year 2012 and an amount  
32 not to exceed \$40,000 of the general fund--state appropriation for  
33 fiscal year 2013 may be used to provide telephonic legal advice and  
34 assistance to otherwise eligible persons who are sixty years of age or  
35 older on matters authorized by RCW 2.53.030(2) (a) through (k)  
36 regardless of household income or asset level.



1	Appropriation . . . . .	\$781,000
2	Local Government Archives Account--State	
3	Appropriation . . . . .	\$10,728,000
4	Election Account--Federal Appropriation . . . . .	\$17,338,000
5	TOTAL APPROPRIATION . . . . .	\$75,619,000

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

8 (1) \$4,101,000 of the general fund--state appropriation for fiscal  
9 year 2012 is provided solely to reimburse counties for the state's  
10 share of primary and general election costs and the costs of conducting  
11 mandatory recounts on state measures. Counties shall be reimbursed  
12 only for those odd-year election costs that the secretary of state  
13 validates as eligible for reimbursement.

14 (2)(a) \$1,897,000 of the general fund--state appropriation for  
15 fiscal year 2012 and \$2,076,000 of the general fund--state  
16 appropriation for fiscal year 2013 are provided solely for contracting  
17 with a nonprofit organization to produce gavel-to-gavel television  
18 coverage of state government deliberations and other events of  
19 statewide significance during the 2011-2013 biennium. The funding  
20 level for each year of the contract shall be based on the amount  
21 provided in this subsection. The nonprofit organization shall be  
22 required to raise contributions or commitments to make contributions,  
23 in cash or in kind, in an amount equal to forty percent of the state  
24 contribution. The office of the secretary of state may make full or  
25 partial payment once all criteria in this subsection have been  
26 satisfactorily documented.

27 (b) The legislature finds that the commitment of on-going funding  
28 is necessary to ensure continuous, autonomous, and independent coverage  
29 of public affairs. For that purpose, the secretary of state shall  
30 enter into a contract with the nonprofit organization to provide public  
31 affairs coverage.

32 (c) The nonprofit organization shall prepare an annual independent  
33 audit, an annual financial statement, and an annual report, including  
34 benchmarks that measure the success of the nonprofit organization in  
35 meeting the intent of the program.

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



1 (i) Attempting to influence the passage or defeat of any  
2 legislation by the legislature of the state of Washington, by any  
3 county, city, town, or other political subdivision of the state of  
4 Washington, or by the congress, or the adoption or rejection of any  
5 rule, standard, rate, or other legislative enactment of any state  
6 agency;

7 (ii) Making contributions reportable under chapter 42.17 RCW; or  
8 (iii) Providing any: (A) Gift; (B) honoraria; or (C) travel,  
9 lodging, meals, or entertainment to a public officer or employee.

10 (3) Any reductions to funding for the Washington talking book and  
11 Braille library may not exceed in proportion any reductions taken to  
12 the funding for the library as a whole.

13 NEW SECTION. **Sec. 120. FOR THE GOVERNOR'S OFFICE OF INDIAN**  
14 **AFFAIRS**

15	General Fund--State Appropriation (FY 2012) . . . . .	\$244,000
16	General Fund--State Appropriation (FY 2013) . . . . .	\$253,000
17	TOTAL APPROPRIATION . . . . .	\$497,000

18 The appropriations in this section are subject to the following  
19 conditions and limitations: The office shall assist the department of  
20 enterprise services on providing the government-to-government training  
21 sessions for federal, state, local, and tribal government employees.  
22 The training sessions shall cover tribal historical perspectives, legal  
23 issues, tribal sovereignty, and tribal governments. Costs of the  
24 training sessions shall be recouped through a fee charged to the  
25 participants of each session. The department of enterprise services  
26 shall be responsible for all of the administrative aspects of the  
27 training, including the billing and collection of the fees for the  
28 training.

29 NEW SECTION. **Sec. 121. FOR THE COMMISSION ON ASIAN PACIFIC**  
30 **AMERICAN AFFAIRS**

31	General Fund--State Appropriation (FY 2012) . . . . .	\$218,000
32	General Fund--State Appropriation (FY 2013) . . . . .	\$207,000
33	TOTAL APPROPRIATION . . . . .	\$425,000

34 NEW SECTION. **Sec. 122. FOR THE STATE TREASURER**

35 State Treasurer's Service Account--State

1 Appropriation . . . . . \$15,187,000

2 NEW SECTION. **Sec. 123. FOR THE STATE AUDITOR**

3 General Fund--State Appropriation (FY 2012) . . . . . \$728,000

4 General Fund--State Appropriation (FY 2013) . . . . . \$733,000

5 State Auditing Services Revolving

6 Account--State Appropriation . . . . . \$179,000

7 Performance Audit of Government Account--State

8 Appropriation . . . . . \$28,338,000

9 TOTAL APPROPRIATION . . . . . \$29,978,000

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

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

17 (2) \$728,000 of the general fund--state appropriation for fiscal  
18 year 2012 and \$733,000 of the general fund--state appropriation for  
19 fiscal year 2013 are provided solely for staff and related costs to  
20 verify the accuracy of reported school district data submitted for  
21 state funding purposes; conduct school district program audits of state  
22 funded public school programs; establish the specific amount of state  
23 funding adjustments whenever audit exceptions occur and the amount is  
24 not firmly established in the course of regular public school audits;  
25 and to assist the state special education safety net committee when  
26 requested.

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

35 NEW SECTION. **Sec. 124. FOR THE CITIZENS' COMMISSION ON SALARIES**

1 **FOR ELECTED OFFICIALS**

2	General Fund--State Appropriation (FY 2012) . . . . .	\$156,000
3	General Fund--State Appropriation (FY 2013) . . . . .	\$195,000
4	TOTAL APPROPRIATION . . . . .	\$351,000

5 NEW SECTION. **Sec. 125. FOR THE ATTORNEY GENERAL**

6	General Fund--State Appropriation (FY 2012) . . . . .	\$5,070,000
7	General Fund--State Appropriation (FY 2013) . . . . .	\$5,070,000
8	General Fund--Federal Appropriation . . . . .	\$4,722,000
9	New Motor Vehicle Arbitration Account--State	
10	Appropriation . . . . .	\$1,000,000
11	Legal Services Revolving Account--State	
12	Appropriation . . . . .	\$202,738,000
13	Tobacco Prevention and Control Account--State	
14	Appropriation . . . . .	\$270,000
15	TOTAL APPROPRIATION . . . . .	\$218,870,000

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

18 (1) The attorney general shall report each fiscal year on actual  
19 legal services expenditures and actual attorney staffing levels for  
20 each agency receiving legal services. The report shall be submitted to  
21 the office of financial management and the fiscal committees of the  
22 senate and house of representatives no later than ninety days after the  
23 end of each fiscal year. As part of its by agency report to the  
24 legislative fiscal committees and the office of financial management,  
25 the office of the attorney general shall include information detailing  
26 the agency's expenditures for its agency-wide overhead and a breakdown  
27 by division of division administration expenses.

28 (2) Prior to entering into any negotiated settlement of a claim  
29 against the state that exceeds five million dollars, the attorney  
30 general shall notify the director of financial management and the  
31 chairs of the senate committee on ways and means and the house of  
32 representatives committee on ways and means.

33 (3) The attorney general shall annually report to the fiscal  
34 committees of the legislature all new cy pres awards and settlements  
35 and all new accounts, disclosing their intended uses, balances, the  
36 nature of the claim or account, proposals, and intended timeframes for

1 the expenditure of each amount. The report shall be distributed  
2 electronically and posted on the attorney general's web site. The  
3 report shall not be printed on paper or distributed physically.

4 (4) \$70,000 of the general fund--state appropriation for fiscal  
5 year 2012 and \$70,000 of the general fund--state appropriation for  
6 fiscal year 2013 are provided solely for implementation of Substitute  
7 House Bill No. 1793 (access to juvenile records). If this bill is not  
8 enacted by June 30, 2011, the amounts provided in this subsection shall  
9 lapse.

10 (5) The attorney general shall enter into an interagency agreement  
11 with the health care authority and the mental health division of the  
12 department of social and health services for expenditure of \$1,570,000  
13 of the state's proceeds from the *cy pres* settlement in *State of*  
14 *Washington v. AstraZeneca (Seroquel)* for the purposes set forth in  
15 sections 213 (25) and (26) and 204(3)(b) of this act.

16 (6) \$62,000 of the legal services revolving fund--state  
17 appropriation is provided solely to implement House Bill No. 1770  
18 (state purchasing). If the bill is not enacted by June 30, 2011, the  
19 amount provided in this subsection shall lapse.

20 (7) \$124,000 of the legal services revolving fund--state  
21 appropriation is provided solely to implement House Bill No. 2002  
22 (industrial insurance). If the bill is not enacted by June 30, 2011,  
23 the amount provided in this subsection shall lapse.

24 (8) \$550,000 of the legal services revolving fund--state  
25 appropriation is provided solely to implement House Bill No. 2008  
26 (natural resources programs). If the bill is not enacted by June 30,  
27 2011, the amount provided in this subsection shall lapse.

28 (9) The office of the attorney general is authorized to expend  
29 \$2,100,000 from the *Zyprexa* and other *cy pres* awards towards consumer  
30 protection costs in accordance with uses authorized in the court  
31 orders.

32 (10) The executive ethics board shall: (a) Develop a statewide  
33 plan, with performance measures, to provide overall direction and  
34 accountability in all executive branch agencies and statewide elected  
35 offices; (b) coordinate and work with the commission on judicial  
36 conduct and the legislative ethics board; (c) assess and evaluate each  
37 agency's ethical culture through employee and stakeholder surveys,  
38 review Washington state quality award feedback reports, and publish an

1 annual report on the results to the public; and (d) solicit outside  
2 evaluations, studies, and recommendations for improvements from  
3 academics, nonprofit organizations, the public disclosure commission,  
4 or other entities with expertise in ethics, integrity, and the public  
5 sector.

6 NEW SECTION. **Sec. 126. FOR THE CASELOAD FORECAST COUNCIL**

7	General Fund--State Appropriation (FY 2012) . . . . .	\$709,000
8	General Fund--State Appropriation (FY 2013) . . . . .	\$710,000
9	TOTAL APPROPRIATION . . . . .	\$1,419,000

10 NEW SECTION. **Sec. 127. FOR THE DEPARTMENT OF COMMERCE**

11	General Fund--State Appropriation (FY 2012) . . . . .	\$63,397,000
12	General Fund--State Appropriation (FY 2013) . . . . .	\$78,963,000
13	General Fund--Federal Appropriation . . . . .	\$282,675,000
14	General Fund--Private/Local Appropriation . . . . .	\$4,982,000
15	Public Works Assistance Account--State	
16	Appropriation . . . . .	\$3,059,000
17	Drinking Water Assistance Administrative	
18	Account--State Appropriation . . . . .	\$443,000
19	Lead Paint Account--State Appropriation . . . . .	\$65,000
20	Building Code Council Account--State Appropriation . . . . .	\$13,000
21	Home Security Fund Account--State Appropriation . . . . .	\$16,454,000
22	Affordable Housing for All Account--State	
23	Appropriation . . . . .	\$12,909,000
24	County Research Services Account--State Appropriation . . . . .	\$1,052,000
25	Financial Fraud and Identity Theft Crimes Investigation	
26	and Prosecution Account--State Appropriation . . . . .	\$1,166,000
27	Low-Income Weatherization Assistance Account--State	
28	Appropriation . . . . .	\$5,795,000
29	City and Town Research Services Account--State	
30	Appropriation . . . . .	\$5,026,000
31	Manufacturing Innovation and Modernization	
32	Account--State Appropriation . . . . .	\$61,000
33	Community and Economic Development Fee Account--State	
34	Appropriation . . . . .	\$6,517,000
35	Washington Housing Trust Account--State	
36	Appropriation . . . . .	\$17,607,000

1	Prostitution Prevention and Intervention Account--	
2	State Appropriation . . . . .	\$94,000
3	Public Facility Construction Loan Revolving	
4	Account--State Appropriation . . . . .	\$764,000
5	Washington Community Technology Opportunity Account--	
6	State Appropriation . . . . .	\$713,000
7	TOTAL APPROPRIATION . . . . .	\$501,755,000

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

10       (1) Repayments of outstanding mortgage and rental assistance  
11 program loans administered by the department under RCW 43.63A.640 shall  
12 be remitted to the department, including any current revolving account  
13 balances. The department shall collect payments on outstanding loans,  
14 and deposit them into the state general fund. Repayments of funds owed  
15 under the program shall be remitted to the department according to the  
16 terms included in the original loan agreements.

17       (2) \$500,000 of the general fund--state appropriation for fiscal  
18 year 2012 and \$500,000 of the general fund--state appropriation for  
19 fiscal year 2013 are provided solely for a grant to resolution  
20 Washington to building statewide capacity for alternative dispute  
21 resolution centers and dispute resolution programs that guarantee that  
22 citizens have access to low-cost resolution as an alternative to  
23 litigation.

24       (3) \$277,000 of the general fund--state appropriation for fiscal  
25 year 2012 and \$277,000 of the general fund--state appropriation for  
26 fiscal year 2013 are provided solely for a grant to the retired senior  
27 volunteer program.

28       (4) The department shall administer its growth management act  
29 technical assistance so that smaller cities receive proportionately  
30 more assistance than larger cities or counties.

31       (5) Up to \$700,000 of the general fund--private/local appropriation  
32 is provided for pass-through grants to cities in the central Puget  
33 Sound to plan for transfer of development rights receiving areas under  
34 the central Puget Sound regional transfer of development rights  
35 program.

36       (6) \$1,800,000 of the home security fund--state appropriation is  
37 provided for transitional housing assistance or partial payments for  
38 rental assistance under the independent youth housing program.

1 (7) \$5,000,000 of the home security fund--state appropriation is  
2 for the operation, repair, and staffing of shelters in the homeless  
3 family shelter program.

4 (8) \$160,000 of the general fund--state appropriation for fiscal  
5 year 2012 and \$160,000 of the general fund--state appropriation for  
6 fiscal year 2013 are provided solely for the Washington new Americans  
7 program.

8 (9) \$260,000 of the general fund--state appropriation for fiscal  
9 year 2012 and \$259,000 of the general fund--state appropriation for  
10 fiscal year 2013 are provided solely for the Washington asset building  
11 coalitions.

12 (10) \$2,909,000 of the general fund--state appropriation for fiscal  
13 year 2012 and \$2,908,000 of the general fund--state appropriation for  
14 fiscal year 2013 are provided solely for associate development  
15 organizations.

16 (11) \$2,000,000 of the community and economic development fee  
17 account appropriation is provided solely for the department of commerce  
18 for services to homeless families through the Washington families fund.

19 (12) \$127,000 of the general fund--federal appropriation is  
20 provided solely for implementation of Substitute House Bill No. 1886  
21 (Ruckelshaus center process). If the bill is not enacted by June 30,  
22 2011, the amount provided in this subsection shall lapse.

23 (13) Up to \$200,000 of the general fund--private/local  
24 appropriation is for a grant to the Washington tourism alliance for the  
25 maintenance of the Washington state tourism web site  
26 [www.experiencewa.com](http://www.experiencewa.com) and its related sub-sites. The department may  
27 transfer ownership of the web site and other tourism promotion assets  
28 and assign obligations to the Washington tourism alliance for purposes  
29 of tourism promotion throughout the state. The alliance may use the  
30 assets only in a manner consistent with the purposes for which they  
31 were created. Any revenue generated from these assets must be used by  
32 the alliance for the sole purposes of statewide Washington tourism  
33 promotion. The legislature finds that the Washington tourism alliance,  
34 a not-for-profit, 501.c.6 organization established, funded, and  
35 governed by Washington tourism industry stakeholders to sustain  
36 destination tourism marketing across Washington, is an appropriate body  
37 to receive funding and assets from and assume obligations of the  
38 department for the purposes described in this section.

1 (14) \$34,207,000 of the general fund--state appropriation for  
2 fiscal year 2012 and \$49,028,000 of the general fund--state  
3 appropriation for fiscal year 2013 are provided solely for housing  
4 assistance and basic essential needs assistance for disability  
5 lifeline-unemployable clients. The department of commerce shall  
6 contract for these services with counties or community-based  
7 organizations involved in providing housing supports to low-income  
8 persons. The department shall distribute funding through a formula  
9 based on the average number of eligible disability  
10 lifeline-unemployable clients residing in the county in the three  
11 preceding fiscal years and shall update this formula annually. The  
12 department, counties, and community providers shall strive to minimize  
13 administrative costs associated with this funding.

14 (a) The counties or community-based organizations shall use a  
15 minimum of ten percent, but no more than fifteen percent, of the funds  
16 appropriated in this subsection to provide products, such as basic  
17 personal hygiene and cleaning products, that will help to meet basic  
18 essential needs of disability lifeline-unemployable clients. The  
19 counties or community-based organizations may distribute basic  
20 essential needs that are gender specific to disability  
21 lifeline-unemployable clients. Counties and community-based  
22 organizations shall distribute basic essential products in a manner  
23 that prevents abuse. To the greatest extent possible, the counties or  
24 community-based organizations shall leverage local or private funds,  
25 and volunteer support to acquire and distribute the basic essential  
26 products. Basic essential needs assistance shall not be provided in  
27 the form of cash assistance to disability lifeline-unemployable  
28 clients.

29 (b) The counties or community-based organizations have flexibility  
30 as funding allows in using the remaining funds appropriated in this  
31 subsection to provide housing assistance to the maximum number of  
32 housing-vulnerable disability lifeline-unemployable clients who have  
33 incapacities likely to last for more than six months. The counties or  
34 community-based organizations shall report to the department the  
35 housing status of disability lifeline-unemployable clients who seek  
36 housing assistance and who seek assistance with essential needs.

37 (c) The department and the department of social and health services  
38 shall submit a joint report to the relevant fiscal and policy



1 committees of the legislature by December 31, 2011, and annually  
2 thereafter. The initial report must describe the actions it has taken  
3 to achieve the objectives of this subsection and the amount of funds  
4 that are being used to administer the program. Subsequent reports must  
5 also include data on the number of disability lifeline-unemployable  
6 clients who have received housing assistance in the prior year and the  
7 housing outcomes of all disability lifeline-unemployable clients.

8 (15) \$833,000 of the general fund--state appropriation for fiscal  
9 year 2012 and \$832,000 of the general fund--state appropriation for  
10 fiscal year 2013 are provided solely for a contract with the Washington  
11 technology center for work essential to the mission of the Washington  
12 technology center and conducted in partnership with universities.

13 (16) \$100,000 of the affordable housing for all account--state  
14 appropriation is provided solely for implementation of Substitute House  
15 Bill No. 1997 (providing economic development by funding tourism  
16 promotion, workforce housing, art and heritage programs, and community  
17 development). If the bill is not enacted by June 30, 2011, the amount  
18 provided in this subsection shall lapse.

19 (17) \$16,000 of the general fund--state appropriation for fiscal  
20 year 2012 is provided solely to implement section 503 of Substitute  
21 House Bill No. 1277 (licensed settings for vulnerable adults). The  
22 long-term care ombudsman shall convene an adult family home quality  
23 assurance panel to review problems concerning the quality of care for  
24 residents in adult family homes. If Substitute House Bill No. 1277  
25 (licensed settings for vulnerable adults) is not enacted by June 30,  
26 2011, the amounts provided in this subsection shall lapse.

27 NEW SECTION. **Sec. 128. FOR THE ECONOMIC AND REVENUE FORECAST**  
28 **COUNCIL**

29	General Fund--State Appropriation (FY 2012) . . . . .	\$691,000
30	General Fund--State Appropriation (FY 2013) . . . . .	\$749,000
31	Lottery Administrative Account--State Appropriation . . . . .	\$50,000
32	TOTAL APPROPRIATION . . . . .	\$1,490,000

33 NEW SECTION. **Sec. 129. FOR THE OFFICE OF FINANCIAL MANAGEMENT**

34	General Fund--State Appropriation (FY 2012) . . . . .	\$18,905,000
35	General Fund--State Appropriation (FY 2013) . . . . .	\$19,101,000
36	General Fund--Federal Appropriation . . . . .	\$31,581,000

1	General Fund--Private/Local Appropriation . . . . .	\$1,270,000
2	Performance Audit of Government Account--	
3	State Appropriation . . . . .	.\$25,000
4	Economic Development Strategic Reserve Account--	
5	State Appropriation . . . . .	\$289,000
6	Department of Personnel Services--State Appropriation . . .	\$9,069,000
7	Data Processing Revolving Account--State	
8	Appropriation . . . . .	\$5,208,000
9	Higher Education Personnel Services Account--State	
10	Appropriation . . . . .	\$1,533,000
11	TOTAL APPROPRIATION . . . . .	.\$86,981,000

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

14       (1) \$12,000 of the general fund--state appropriation for fiscal  
15 year 2012 and \$12,000 of the general fund--state appropriation for  
16 fiscal year 2013 are provided solely for implementation of Substitute  
17 House Bill No. 1666 (higher education task force). If the bill is not  
18 enacted by June 30, 2011, the amount provided in this subsection shall  
19 lapse.

20       (2) \$1,210,000 of the general fund--state appropriation for fiscal  
21 year 2012 and \$1,210,000 of the general fund--state appropriation for  
22 fiscal year 2013 are provided solely for implementation of House Bill  
23 No. 1178 (regulatory assistance office). If the bill is not enacted by  
24 June 30, 2011, the amounts provided in this subsection shall lapse.

25       (3) Funding provided in this section is sufficient for the office  
26 of financial management to conduct an impact and feasibility study to  
27 review possible implications of a direct deposit mandate for state  
28 employees. This mandate would require that state employees receive  
29 their paychecks through direct deposit. The impact and feasibility  
30 study will consider the potential impact on employees and potential  
31 liabilities for employers and include a recommendation as to whether  
32 the state should implement a direct deposit mandate. The study shall  
33 be due to the fiscal committees of the legislature by December 1, 2011.

34       (4) Funding provided in this section is sufficient for the office  
35 of financial management to conduct a feasibility study on the potential  
36 impacts of a system that would allow digital signatures to serve as  
37 valid employee signatures for the purpose of employment activities. In  
38 conducting this study, the office of financial management should assume

1 that this system would be available to all state employees. The study  
2 must consider cost and other impacts to the state, including potential  
3 liabilities. The study shall be due to the fiscal committees of the  
4 legislature by December 1, 2011.

5 (5) The office of financial management shall annually estimate the  
6 percentage of Washington households with incomes in the middle-income  
7 bracket or higher, and report the findings to the governor and the  
8 appropriate committees of the legislature by December 1st. For  
9 purposes of this report, "middle-income bracket" means household  
10 incomes between two hundred and five hundred percent of the 2010  
11 federal poverty level, as determined by the United States department of  
12 health and human services for a family of four, adjusted annually for  
13 inflation.

14 (6) \$50,000 of the general fund--state appropriation for fiscal  
15 year 2012 and \$50,000 of the general fund--state appropriation for  
16 fiscal year 2013 are provided solely for the office of financial  
17 management to contract with the Washington state quality award for  
18 training, outreach, and assessments for public agencies and public  
19 agency vendors.

20 (7) The government management and accountability performance  
21 program will develop by October 1, 2011, in coordination with the  
22 Washington state quality award, a plan for all agencies to complete a  
23 Washington state quality award or baldrige full assessment by June 30,  
24 2013. The plan must also include a schedule for agencies to complete  
25 an assessment at least every three years, and for agencies to attain a  
26 score of 60 percent by 2020.

27 (8) The priorities of government program must include in their  
28 report the Washington state quality award assessment score for  
29 agencies, as defined in chapter 384, Laws of 2005 (HB 1970), in its  
30 performance measures for implementing the quality management,  
31 accountability and performance system.

32 **NEW SECTION. Sec. 130. FOR THE OFFICE OF ADMINISTRATIVE HEARINGS**

33 Administrative Hearings Revolving Account--State  
34 Appropriation . . . . . \$34,810,000

35 The appropriation in this section is subject to the following  
36 conditions and limitations: \$580,000 of the administrative hearings  
37 revolving account--state appropriation is provided solely to implement

1 Substitute House Bill No. 1741 (temp assist/needy families). If the  
2 bill is not enacted by June 30, 2011, the amount provided in this  
3 subsection shall lapse.

4 NEW SECTION. **Sec. 131. FOR THE WASHINGTON STATE LOTTERY**

5 Lottery Administrative Account--State  
6 Appropriation . . . . . \$27,075,000

7 NEW SECTION. **Sec. 132. FOR THE COMMISSION ON HISPANIC AFFAIRS**

8 General Fund--State Appropriation (FY 2012) . . . . . \$233,000  
9 General Fund--State Appropriation (FY 2013) . . . . . \$239,000  
10 TOTAL APPROPRIATION . . . . . \$472,000

11 NEW SECTION. **Sec. 133. FOR THE COMMISSION ON AFRICAN-AMERICAN**  
12 **AFFAIRS**

13 General Fund--State Appropriation (FY 2012) . . . . . \$224,000  
14 General Fund--State Appropriation (FY 2013) . . . . . \$225,000  
15 TOTAL APPROPRIATION . . . . . \$449,000

16 NEW SECTION. **Sec. 134. FOR THE DEPARTMENT OF RETIREMENT**  
17 **SYSTEMS--OPERATIONS**

18 Department of Retirement Systems Expense  
19 Account--State Appropriation . . . . . \$47,587,000

20 The appropriation in this section is subject to the following  
21 conditions and limitations:

22 (1) \$45,000 of the department of retirement systems--state  
23 appropriation is provided solely for the administrative costs  
24 associated with implementation of House Bill No. 1742 (alternate early  
25 retirement). If the bill is not enacted by June 30, 2011, the amount  
26 provided in this subsection shall lapse.

27 (2) \$65,000 of the department of retirement systems--state  
28 appropriation is provided solely for the administrative costs  
29 associated with implementation of House Bill No. 1625 (plan 3 default  
30 investment option). If the bill is not enacted by June 30, 2011, the  
31 amount provided in this subsection shall lapse.

32 (3) \$67,000 of the department of retirement systems--state  
33 appropriation is provided solely for the administrative costs  
34 associated with implementation of House Bill No. 1981 (higher education

1 retirement plan and postretirement employment). If the bill is not  
2 enacted by June 30, 2011, the amount provided in this subsection shall  
3 lapse.

4 (4) \$15,000 of the department of retirement systems--state  
5 appropriation is provided solely for the administrative costs  
6 associated with implementation of House Bill No. 2021 (limiting annual  
7 increase amounts). If the bill is not enacted by June 30, 2011, the  
8 amount provided in this subsection shall lapse.

9 NEW SECTION. **Sec. 135. FOR THE DEPARTMENT OF REVENUE**

10	General Fund--State Appropriation (FY 2012) . . . . .	\$108,813,000
11	General Fund--State Appropriation (FY 2013) . . . . .	\$109,088,000
12	Timber Tax Distribution Account--State Appropriation . . . . .	\$6,090,000
13	Waste Reduction/Recycling/Litter Control--State	
14	Appropriation . . . . .	\$135,000
15	Waste Tire Removal Account--State Appropriation . . . . .	\$2,000
16	State Toxics Control Account--State Appropriation . . . . .	\$91,000
17	Oil Spill Prevention Account--State Appropriation . . . . .	\$19,000
18	Master License Fund--State Appropriation . . . . .	\$16,239,000
19	Vehicle License Fraud Account--State Appropriation . . . . .	\$5,000
20	TOTAL APPROPRIATION . . . . .	\$240,482,000

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

23 (1) \$16,192,000 of the master license account appropriation is  
24 provided solely to implement House Bill No. 2017 (master license  
25 service program). If the bill is not enacted by June 30, 2011, the  
26 amount provided in this subsection shall lapse.

27 (2) \$47,000 of the master license account appropriation is provided  
28 solely to implement Engrossed Substitute House Bill No. 1367 (for hire  
29 vehicles and operators). If the bill is not enacted by June 30, 2011,  
30 the amount provided in this subsection shall lapse.

31 (3) \$88,000 of the general fund--state appropriation for fiscal  
32 year 2012 and \$17,000 of the general fund--state appropriation for  
33 fiscal year 2013 are provided solely to implement Substitute House Bill  
34 No. 1666 (higher education funding task force). If the bill is not  
35 enacted by June 30, 2011, the amounts provided in this subsection shall  
36 lapse.

1        NEW SECTION.    **Sec. 136.    FOR THE STATE INVESTMENT BOARD**

2    State Investment Board Expense Account--State

3        Appropriation . . . . . \$29,858,000

4        The appropriation in this section is subject to the following  
5    conditions and limitations: The complete biennial salary survey  
6    required under RCW 43.33A.100 shall be provided to the office of  
7    financial management and to the fiscal committees of the legislature as  
8    part of the state investment board's biennial budget submittal, and  
9    shall include the total amount of compensation increases proposed, as  
10   well as recommended salary ranges.

11       NEW SECTION.    **Sec. 137.    FOR THE BOARD OF TAX APPEALS**

12    General Fund--State Appropriation (FY 2012) . . . . . \$1,275,000

13    General Fund--State Appropriation (FY 2013) . . . . . \$1,258,000

14        TOTAL APPROPRIATION . . . . . \$2,533,000

15       NEW SECTION.    **Sec. 138.    FOR THE OFFICE OF MINORITY AND WOMEN'S**  
16    **BUSINESS ENTERPRISES**

17    OMWBE Enterprises Account--State Appropriation . . . . . \$3,368,000

18       NEW SECTION.    **Sec. 139.    FOR THE CONSOLIDATED TECHNOLOGY SERVICES**  
19    **AGENCY**

20    General Fund--State Appropriation (FY 2012) . . . . . \$3,000

21    General Fund--State Appropriation (FY 2013) . . . . . \$4,000

22    General Fund--Private/Local Appropriation . . . . . \$356,000

23    Data Processing Revolving Account--State

24        Appropriation . . . . . \$53,000

25        TOTAL APPROPRIATION . . . . . \$416,000

26        The expenditures of the consolidated technology services agency are  
27    subject to the following conditions and limitations:

28        (1) \$26,794,000 from the data processing revolving account  
29    appropriation may be expended to design and install the network and  
30    other necessary equipment to operate a consolidated state data center.  
31    Before expending any funds from this account for equipping and  
32    operating the data center, the following conditions must be met:

33        (a) The office of the chief information officer shall be  
34    established and a chief information officer appointed as directed under  
35    Substitute House Bill No. 1841 (information technology management);

1 (b) Technical standards for agencies to adopt shared services  
2 consistent with the consolidated data center have been developed and  
3 approved by the chief information officer;

4 (c) Labor provisions and contracting and purchasing authority have  
5 been implemented consistent with Substitute House Bill No. 1841  
6 (information technology management); and

7 (d) The consolidated technology services agency has developed a  
8 rate model that provides competitive rates for agencies that use the  
9 state data center. If necessary, the consolidated technology services  
10 agency shall identify options with input from various stakeholders to  
11 offset the fixed costs of operating the data center to allow for  
12 competitive rates to be charged to agencies, including, but not limited  
13 to, considering the agency competitively selecting a vendor to design,  
14 install, and operate the consolidated data center. The contracting out  
15 of any services to design, install, and operate the consolidated data  
16 center shall be subject to state collective bargaining law on  
17 contracting out.

18 (2) Once the conditions in subsection (1) of this section have been  
19 met and approved by the office of financial management and the chief  
20 information officer, the chief information officer and the consolidated  
21 technology services agency shall submit to the appropriate committees  
22 of the legislature a detailed technical, financial, and logistical  
23 implementation plan for operation of the consolidated data center.

24 **NEW SECTION. Sec. 140. FOR THE INSURANCE COMMISSIONER**

25 General Fund--Federal Appropriation . . . . . \$4,474,000  
26 Insurance Commissioners Regulatory Account--State  
27 Appropriation . . . . . \$48,501,000  
28 TOTAL APPROPRIATION . . . . . \$52,975,000

29 The appropriations in this section are subject to the following  
30 conditions and limitations: \$42,000 of the insurance commissioner's  
31 regulatory account--state appropriation is provided solely to implement  
32 House Bill No. 1343 (insurance statutes). If the bill is not enacted  
33 by June 30, 2011, the amount provided in this subsection shall lapse.

34 **NEW SECTION. Sec. 141. FOR THE BOARD OF ACCOUNTANCY**

35 Certified Public Accountants' Account--State  
36 Appropriation . . . . . \$2,814,000

1        NEW SECTION.    **Sec. 142. FOR THE FORENSIC INVESTIGATION COUNCIL**

2    Death Investigations Account--State Appropriation . . . . . \$280,000

3        The appropriation in this section is subject to the following  
4    conditions and limitations: \$250,000 of the death investigations  
5    account appropriation is provided solely for providing financial  
6    assistance to local jurisdictions in multiple death investigations.  
7    The forensic investigation council shall develop criteria for awarding  
8    these funds for multiple death investigations involving an  
9    unanticipated, extraordinary, and catastrophic event or those involving  
10   multiple jurisdictions.

11       NEW SECTION.    **Sec. 143. FOR THE HORSE RACING COMMISSION**

12   Horse Racing Commission Operating Account--State  
13   Appropriation . . . . . \$4,029,000

14       NEW SECTION.    **Sec. 144. FOR THE LIQUOR CONTROL BOARD**

15   Liquor Control Board Construction and Maintenance  
16   Account--State Appropriation . . . . . \$3,817,000  
17   Liquor Revolving Account--State Appropriation . . . . . \$175,444,000  
18   General Fund--Federal Appropriation . . . . . \$120,000  
19   TOTAL APPROPRIATION . . . . . \$179,381,000

20       NEW SECTION.    **Sec. 145. FOR THE UTILITIES AND TRANSPORTATION**  
21   **COMMISSION**

22   General Fund--Federal Appropriation . . . . . \$502,000  
23   General Fund--Private/Local Appropriation . . . . . \$11,216,000  
24   Public Service Revolving Account--State  
25   Appropriation . . . . . \$31,114,000  
26   Pipeline Safety Account--State Appropriation . . . . . \$3,228,000  
27   Pipeline Safety Account--Federal Appropriation . . . . . \$2,887,000  
28   TOTAL APPROPRIATION . . . . . \$48,947,000

29        The appropriations in this section are subject to the following  
30    conditions and limitations: In accordance with RCW 80.36.610(1), the  
31    utilities and transportation commission is authorized to establish  
32    federal telecommunications act services fees in fiscal year 2012 as  
33    necessary to meet the actual costs of conducting business and the  
34    appropriation levels in this section.



1 NEW SECTION. **Sec. 146. FOR THE MILITARY DEPARTMENT**

2	General Fund--State Appropriation (FY 2012) . . . . .	\$8,179,000
3	General Fund--State Appropriation (FY 2013) . . . . .	\$8,213,000
4	General Fund--Federal Appropriation . . . . .	\$160,163,000
5	Enhanced 911 Account--State Appropriation . . . . .	\$46,619,000
6	Disaster Response Account--State Appropriation . . . . .	\$18,018,000
7	Disaster Response Account--Federal Appropriation . . . . .	\$66,266,000
8	Military Department Rent and Lease Account--State	
9	Appropriation . . . . .	\$615,000
10	Worker and Community Right-to-Know Account--State	
11	Appropriation . . . . .	\$2,178,000
12	TOTAL APPROPRIATION . . . . .	\$310,251,000

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

15 (1) \$18,018,000 of the disaster response account--state  
16 appropriation and \$66,266,000 of the disaster response account--federal  
17 appropriation may be spent only on disasters declared by the governor  
18 and with the approval of the office of financial management. The  
19 military department shall submit a report to the office of financial  
20 management and the legislative fiscal committees on October 1st and  
21 February 1st of each year detailing information on the disaster  
22 response account, including: (a) The amount and type of deposits into  
23 the account; (b) the current available fund balance as of the reporting  
24 date; and (c) the projected fund balance at the end of the 2011-2013  
25 biennium based on current revenue and expenditure patterns.

26 (2) \$75,000,000 of the general fund--federal appropriation is  
27 provided solely for homeland security, subject to the following  
28 conditions:

29 (a) Any communications equipment purchased by local jurisdictions  
30 or state agencies shall be consistent with standards set by the  
31 Washington state interoperability executive committee; and

32 (b) The department shall submit an annual report to the office of  
33 financial management and the legislative fiscal committees detailing  
34 the governor's domestic security advisory group recommendations;  
35 homeland security revenues and expenditures, including estimates of  
36 total federal funding for the state; and incremental changes from the  
37 previous estimate.

1        NEW SECTION.    **Sec. 147. FOR THE BOARD FOR VOLUNTEER FIREFIGHTERS**

2    Volunteer Firefighters' and Reserve Officers'

3        Administrative Account--State Appropriation . . . . . \$1,069,000

4        NEW SECTION.    **Sec. 148. FOR THE PUBLIC EMPLOYMENT RELATIONS**

5    **COMMISSION**

6    General Fund--State Appropriation (FY 2012) . . . . . \$2,410,000

7    General Fund--State Appropriation (FY 2013) . . . . . \$2,476,000

8    Higher Education Personnel Services Account--State

9        Appropriation . . . . . \$257,000

10   Department of Personnel Service Account--State

11        Appropriation . . . . . \$3,392,000

12            TOTAL APPROPRIATION . . . . . \$8,535,000

13        NEW SECTION.    **Sec. 149. FOR THE DEPARTMENT OF HERITAGE, ARTS, AND**

14    **CULTURE**

15    General Fund--State Appropriation (FY 2012) . . . . . \$1,841,000

16    General Fund--State Appropriation (FY 2013) . . . . . \$1,961,000

17    General Fund--Federal Appropriation . . . . . \$3,907,000

18    General Fund--Private/Local Appropriation . . . . . \$1,074,000

19            TOTAL APPROPRIATION . . . . . \$8,783,000

20        NEW SECTION.    **Sec. 150. FOR THE DEPARTMENT OF ENTERPRISE**

21    **SERVICES**

22    General Fund--State Appropriation (FY 2012) . . . . . \$4,067,000

23    General Fund--State Appropriation (FY 2013) . . . . . \$4,065,000

24    General Fund--Federal Appropriation . . . . . \$184,000

25    General Fund--Private/Local Appropriation . . . . . \$368,000

26    Building Code Council Account . . . . . \$1,183,000

27    Department of Personnel Service Account . . . . . \$10,029,000

28    General Administration Service Account . . . . . \$27,228,000

29            TOTAL APPROPRIATION . . . . . \$47,124,000

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

32        (1) \$3,090,000 of the general fund--state appropriation for fiscal  
33    year 2012 and \$3,090,000 of the general fund--state appropriation for  
34    fiscal year 2013 are provided solely for the payment of facilities and  
35    services charges, utilities and contracts charges, public and historic

1 facilities charges, and capital projects surcharges allocable to the  
2 senate, house of representatives, statute law committee, and joint  
3 legislative systems committee. The department shall allocate charges  
4 attributable to these agencies among the affected revolving funds. The  
5 department shall maintain an interagency agreement with these agencies  
6 to establish performance standards, prioritization of preservation and  
7 capital improvement projects, and quality assurance provisions for the  
8 delivery of services under this subsection. The legislative agencies  
9 named in this subsection shall continue to enjoy all of the same rights  
10 of occupancy and space use on the capitol campus as historically  
11 established.

12 (2) In accordance with RCW 46.08.172 and 43.135.055, the department  
13 is authorized to increase parking fees in fiscal years 2012 and 2013 as  
14 necessary to meet the actual costs of conducting business.

(End of part)



1 may be necessary to finance a unified health care plan for the WMIP  
2 program enrollment. The amount of funding assigned from each program  
3 may not exceed the average per capita cost assumed in this act for  
4 individuals covered by that program, actuarially adjusted for the  
5 health condition of persons enrolled, times the number of clients  
6 enrolled. In implementing the WMIP, the health care authority and the  
7 department may: (a) Withhold from calculations of "available  
8 resources" as set forth in RCW 71.24.025 a sum equal to the capitated  
9 rate for enrolled individuals; and (b) employ capitation financing and  
10 risk-sharing arrangements in collaboration with health care service  
11 contractors licensed by the office of the insurance commissioner and  
12 qualified to participate in both the medicaid and medicare programs.  
13 The health care authority and the department shall conduct an  
14 evaluation of the WMIP, measuring changes in participant health  
15 outcomes, changes in patterns of service utilization, participant  
16 satisfaction, participant access to services, and the state fiscal  
17 impact.

18 (4) The legislature finds that medicaid payment rates, as  
19 calculated by the department pursuant to the appropriations in this  
20 act, bear a reasonable relationship to the costs incurred by  
21 efficiently and economically operated facilities for providing quality  
22 services and will be sufficient to enlist enough providers so that care  
23 and services are available to the extent that such care and services  
24 are available to the general population in the geographic area. The  
25 legislature finds that cost reports, payment data from the federal  
26 government, historical utilization, economic data, and clinical input  
27 constitute reliable data upon which to determine the payment rates.

28 (5) By October 1, 2011, the department shall compile and submit to  
29 the department of health data regarding food procurement costs for  
30 fiscal year 2011 regarding meals and other food for both residential  
31 and nonresidential clients, including the percentage of food purchased  
32 from Washington sources. The data shall be reported by setting and  
33 population, including costs per client, and be accompanied by the  
34 department's current food purchasing policies and standards.

35 NEW SECTION. **Sec. 202. FOR THE DEPARTMENT OF SOCIAL AND HEALTH**  
36 **SERVICES--CHILDREN AND FAMILY SERVICES PROGRAM**

37 General Fund--State Appropriation (FY 2012) . . . . . \$302,013,000

1	General Fund--State Appropriation (FY 2013) . . . . .	\$304,003,000
2	General Fund--Federal Appropriation . . . . .	\$473,006,000
3	General Fund--Private/Local Appropriation . . . . .	\$1,389,000
4	Home Security Fund Appropriation . . . . .	\$8,967,000
5	Domestic Violence Prevention Account--State	
6	Appropriation . . . . .	\$1,154,000
7	Education Legacy Trust Account--State Appropriation . . . . .	\$725,000
8	TOTAL APPROPRIATION . . . . .	\$1,091,257,000

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

11       (1) Within amounts provided for the foster care and adoption  
12 support programs, the department shall control reimbursement decisions  
13 for foster care and adoption support cases such that the aggregate  
14 average cost per case for foster care and for adoption support does not  
15 exceed the amounts assumed in the projected caseload expenditures.

16       (2) \$668,000 of the general fund--state appropriation for fiscal  
17 year 2012 and \$668,000 of the general fund--state appropriation for  
18 fiscal year 2013 are provided solely to contract for the operation of  
19 one pediatric interim care center. The center shall provide  
20 residential care for up to thirteen children through two years of age.  
21 Seventy-five percent of the children served by the center must be in  
22 need of special care as a result of substance abuse by their mothers.  
23 The center shall also provide on-site training to biological, adoptive,  
24 or foster parents. The center shall provide at least three months of  
25 consultation and support to the parents accepting placement of children  
26 from the center. The center may recruit new and current foster and  
27 adoptive parents for infants served by the center. The department  
28 shall not require case management as a condition of the contract. The  
29 department shall collaborate with the pediatric interim care center to  
30 determine if and how the center could be appropriately incorporated  
31 into the performance-based lead agency model and report its findings to  
32 the legislature by December 1, 2012.

33       (3) \$79,941,000 of the general fund--state appropriation for fiscal  
34 year 2012, \$80,236,000 of the general fund--state appropriation for  
35 fiscal year 2013, and \$74,555,000 of the general fund--federal  
36 appropriation are provided solely for the department to utilize  
37 performance-based contracts as required under RCW 74.13.360(1) to  
38 obtain services for children and families.

1 (a) The department shall contract with lead agencies to, within the  
2 scope of their allowable activities under the contract, provide  
3 services to safely reduce the number of children in out-of-home care,  
4 safely reduce the time spent in out-of-home care prior to achieving  
5 permanency, and safely reduce the number of children returning to  
6 out-of-home care following permanency. The services provided through  
7 the lead agencies must include, but are not limited to, pediatric  
8 interim care community-based services, behavioral rehabilitative  
9 services, crisis intervention services, family preservation services,  
10 intensive family preservation services, assessment services,  
11 evidence-based programs, and constellation hub models for foster care  
12 support.

13 (b) The department shall collect and monitor outcome and  
14 performance data associated with child and family safety and  
15 well-being. The department shall report outcome and performance data  
16 annually to the legislature. The first report shall be submitted to  
17 the relevant policy and fiscal committees of the legislature on  
18 December 1, 2011. The report shall include, but is not limited to,  
19 data on the following outcomes:

20 (i) Percent of children that remain safely in their homes without  
21 a substantiated maltreatment report while their case is open for  
22 services;

23 (ii) Percent of children that do not have a substantiated  
24 maltreatment report within six months of case closures;

25 (iii) Percent of children in out-of-home care with two or fewer  
26 placements in the first year;

27 (iv) Percent of children placed in out-of-home care with no  
28 placement disruptions in the last 12 months, 24 months, and 36 months;

29 (v) Reduction in the total number of care days for all children  
30 placed in out-of-home care;

31 (vi) Reduction in the median length of stay for children intensive  
32 treatment settings; and

33 (vii) Percent and number of children who reenter out-of-home care  
34 following an exit from care.

35 (c) In addition to outcome data, the report shall include  
36 information related to:

37 (i) The number of children and families served;

- 1 (ii) The type of services provided, including the extent to which
- 2 evidence-based services and promising practices are being used;
- 3 (iii) The duration of the services provided;
- 4 (iv) The cost of services provided during the reporting period;
- 5 (v) Any changes in racial and ethnic disproportionality among the
- 6 children served by the lead agencies; and
- 7 (vi) The results of stakeholder and tribal partners' satisfaction
- 8 surveys.

9 (d) The initial report also shall include lead agency start-up  
10 costs incurred during the first six months of state fiscal year 2012.

11 (4) \$36,000 of the general fund--state appropriation for fiscal  
12 year 2012, \$36,000 of the general fund--state appropriation for fiscal  
13 year 2013, and \$32,000 of the general fund--federal appropriation are  
14 provided solely for the implementation of chapter 465, Laws of 2007  
15 (child welfare).

16 (5) \$176,000 of the general fund--state appropriation for fiscal  
17 year 2012, \$177,000 of the general fund--state appropriation for fiscal  
18 year 2013, \$656,000 of the general fund--private/local appropriation,  
19 \$253,000 of the general fund--federal appropriation, and \$725,000 of  
20 the education legacy trust account--state appropriation are provided  
21 solely for children's administration to contract with an educational  
22 advocacy provider with expertise in foster care educational outreach.  
23 The amounts in this subsection are provided solely for contracted  
24 education coordinators to assist foster children in succeeding in K-12  
25 and higher education systems and to assure a focus on education during  
26 the transition to performance based contracts. Funding shall be  
27 prioritized to regions with high numbers of foster care youth and/or  
28 regions where backlogs of youth that have formerly requested  
29 educational outreach services exist. The department shall utilize  
30 private matching funds to maintain educational advocacy services.

31 (6) \$670,000 of the general fund--state appropriation for fiscal  
32 year 2012 and \$670,000 of the general fund--state appropriation for  
33 fiscal year 2013 are provided solely for services provided through  
34 children's advocacy centers.

35 (7) To ensure expenditures remain within available funds  
36 appropriated in this section as required by RCW 74.13A.005 and  
37 74.13A.020, the secretary shall not set the amount of any adoption  
38 assistance payment or payments, made pursuant to RCW 26.33.320 and



1 74.13A.005 through 74.13A.080, to more than ninety percent of the  
2 foster care maintenance payment for that child had he or she remained  
3 in a foster family home during the same period. This subsection does  
4 not apply to adoption assistance agreements in existence on the  
5 effective date of this section.

6 (8) \$67,000 of the general fund--state appropriation for fiscal  
7 year 2012, \$67,000 of the general fund--state appropriation for fiscal  
8 year 2013, and \$8,967,000 of the home security fund--state  
9 appropriation are provided solely for the department to contract for  
10 services pursuant to RCW 13.32A.030 and 74.15.220. The department  
11 shall contract and collaborate with service providers in a manner that  
12 maintains the availability and geographic representation of secure and  
13 semi-secure crisis residential centers and HOPE centers. To achieve  
14 efficiencies and increase utilization, the department shall allow the  
15 co-location of these centers, except that a youth may not be placed in  
16 a secure facility or the secure portion of a co-located facility except  
17 as specifically authorized by chapter 13.32A RCW.

18 (9) \$47,000 of the general fund--state appropriation for fiscal  
19 year 2012, \$14,000 of the general fund--state appropriation for fiscal  
20 year 2013, and \$40,000 of the general fund--federal appropriation are  
21 provided solely to implement Substitute House Bill No. 1697 (dependency  
22 system). If the bill is not enacted by June 30, 2011, the amounts  
23 provided in this subsection shall lapse.

24 (10) \$564,000 of the general fund--federal appropriation is  
25 provided solely to implement Second Substitute House Bill No. 1128  
26 (extended foster care). If the bill is not enacted by June 30, 2011,  
27 the amount provided in this subsection shall lapse.

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

34 **NEW SECTION. Sec. 203. FOR THE DEPARTMENT OF SOCIAL AND HEALTH**  
35 **SERVICES--JUVENILE REHABILITATION PROGRAM**

36	General Fund--State Appropriation (FY 2012)	. . . . .	\$88,859,000
37	General Fund--State Appropriation (FY 2013)	. . . . .	\$88,902,000

1 General Fund--Federal Appropriation . . . . . \$702,000  
 2 General Fund--Private/Local Appropriation . . . . . \$1,912,000  
 3 Washington Auto Theft Prevention Authority Account--  
 4 State Appropriation . . . . . \$196,000  
 5 Juvenile Accountability Incentive Account--Federal  
 6 Appropriation . . . . . \$2,805,000  
 7 TOTAL APPROPRIATION . . . . . \$183,376,000

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

10 (1) \$331,000 of the general fund--state appropriation for fiscal  
 11 year 2012 and \$331,000 of the general fund--state appropriation for  
 12 fiscal year 2013 are provided solely for deposit in the county criminal  
 13 justice assistance account for costs to the criminal justice system  
 14 associated with the implementation of chapter 338, Laws of 1997  
 15 (juvenile code revisions). The amounts provided in this subsection are  
 16 intended to provide funding for county adult court costs associated  
 17 with the implementation of chapter 338, Laws of 1997 and shall be  
 18 distributed in accordance with RCW 82.14.310.

19 (2) \$2,716,000 of the general fund--state appropriation for fiscal  
 20 year 2012 and \$2,716,000 of the general fund--state appropriation for  
 21 fiscal year 2013 are provided solely for the implementation of chapter  
 22 338, Laws of 1997 (juvenile code revisions). The amounts provided in  
 23 this subsection are intended to provide funding for county impacts  
 24 associated with the implementation of chapter 338, Laws of 1997 and  
 25 shall be distributed to counties as prescribed in the current  
 26 consolidated juvenile services (CJS) formula.

27 (3) \$3,482,000 of the general fund--state appropriation for fiscal  
 28 year 2012 and \$3,482,000 of the general fund--state appropriation for  
 29 fiscal year 2013 are provided solely to implement community juvenile  
 30 accountability grants pursuant to chapter 338, Laws of 1997 (juvenile  
 31 code revisions). Funds provided in this subsection may be used solely  
 32 for community juvenile accountability grants, administration of the  
 33 grants, and evaluations of programs funded by the grants.

34 (4) \$1,130,000 of the general fund--state appropriation for fiscal  
 35 year 2012 and \$1,130,000 of the general fund--state appropriation for  
 36 fiscal year 2013 are provided solely to implement alcohol and substance  
 37 abuse treatment programs for locally committed offenders. The juvenile  
 38 rehabilitation administration shall award these moneys on a competitive

1 basis to counties that submitted a plan for the provision of services  
2 approved by the division of alcohol and substance abuse. The juvenile  
3 rehabilitation administration shall develop criteria for evaluation of  
4 plans submitted and a timeline for awarding funding and shall assist  
5 counties in creating and submitting plans for evaluation.

6 (5) \$2,873,000 of the general fund--state appropriation for fiscal  
7 year 2012 and \$2,873,000 of the general fund--state appropriation for  
8 fiscal year 2013 are provided solely for grants to county juvenile  
9 courts for the following programs identified by the Washington state  
10 institute for public policy (institute) in its October 2006 report:  
11 "Evidence-Based Public Policy Options to Reduce Future Prison  
12 Construction, Criminal Justice Costs and Crime Rates": Functional  
13 family therapy, multi-systemic therapy, aggression replacement training  
14 and interagency coordination programs, or other programs with a  
15 positive benefit-cost finding in the institute's report. County  
16 juvenile courts shall apply to the juvenile rehabilitation  
17 administration for funding for program-specific participation and the  
18 administration shall provide grants to the courts consistent with the  
19 per-participant treatment costs identified by the institute.

20 (6) \$1,287,000 of the general fund--state appropriation for fiscal  
21 year 2012 and \$1,287,000 of the general fund--state appropriation for  
22 fiscal year 2013 are provided solely for expansion of the following  
23 treatments and therapies in juvenile rehabilitation administration  
24 programs identified by the Washington state institute for public policy  
25 in its October 2006 report: "Evidence-Based Public Policy Options to  
26 Reduce Future Prison Construction, Criminal Justice Costs and Crime  
27 Rates": Multidimensional treatment foster care, family integrated  
28 transitions, and aggression replacement training. The administration  
29 may concentrate delivery of these treatments and therapies at a limited  
30 number of programs to deliver the treatments in a cost-effective  
31 manner.

32 (7)(a) The juvenile rehabilitation administration shall administer  
33 a block grant, rather than categorical funding, of consolidated  
34 juvenile service funds, community juvenile accountability act grants,  
35 the chemical dependency disposition alternative funds, the mental  
36 health disposition alternative, and the sentencing disposition  
37 alternative for the purpose of serving youth adjudicated in the  
38 juvenile justice system. In making the block grant, the juvenile

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

21 (b) The juvenile rehabilitation administration shall phase the  
22 implementation of the formula provided in subsection (1) of this  
23 section by including a stop-loss formula of five percent in fiscal year  
24 2012 and five percent in fiscal year 2013.

25 (c) The juvenile rehabilitation administration and the juvenile  
26 courts shall establish a block grant funding formula oversight  
27 committee with equal representation from the juvenile rehabilitation  
28 administration and the juvenile courts. The purpose of this committee  
29 is to assess the ongoing implementation of the block grant funding  
30 formula, utilizing data-driven decision making and the most current  
31 available information. The committee will be cochaired by the juvenile  
32 rehabilitation administration and the juvenile courts, who will also  
33 have the ability to change members of the committee as needed to  
34 achieve its purpose. Initial members will include one juvenile court  
35 representative from the finance committee, the community juvenile  
36 accountability act committee, the risk assessment quality assurance  
37 committee, the executive board of the Washington association of  
38 juvenile court administrators, the Washington state center for court

1 research, and a representative of the superior court judges  
2 association; two representatives from the juvenile rehabilitation  
3 administration headquarters program oversight staff, two  
4 representatives of the juvenile rehabilitation administration regional  
5 office staff, one representative of the juvenile rehabilitation  
6 administration fiscal staff and a juvenile rehabilitation  
7 administration division director. The committee may make changes to  
8 the formula categories other than the evidence-based program and  
9 disposition alternative categories if it is determined the changes will  
10 increase statewide service delivery or effectiveness of evidence-based  
11 program or disposition alternative resulting in increased cost benefit  
12 savings to the state. Long-term cost benefit must be considered.  
13 Percentage changes may occur in the evidence-based program or  
14 disposition alternative categories of the formula should it be  
15 determined the changes will increase evidence-based program or  
16 disposition alternative delivery and increase the cost benefit to the  
17 state. These outcomes will also be considered in determining when  
18 evidence-based expansion or special sex offender disposition  
19 alternative funds should be included in the block grant or left  
20 separate.

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

30 (8) The legislature finds that regular review of comparative  
31 juvenile court data is important to juvenile courts' quality assurance  
32 and program improvement efforts. By December 1, 2011, the joint  
33 legislative audit and review committee shall recommend to the fiscal  
34 committees of the legislature a format of data sharing between the  
35 juvenile rehabilitation administration and the juvenile courts,  
36 including reporting periods and content, in order to optimize quality  
37 assurance and program outcomes.

1        NEW SECTION.    **Sec. 204.    FOR THE DEPARTMENT OF SOCIAL AND HEALTH**  
2 **SERVICES--MENTAL HEALTH PROGRAM**

3        (1) COMMUNITY SERVICES/REGIONAL SUPPORT NETWORKS

4	General Fund--State Appropriation (FY 2012) . . . . .	\$321,863,000
5	General Fund--State Appropriation (FY 2013) . . . . .	\$326,960,000
6	General Fund--Federal Appropriation . . . . .	\$456,465,000
7	General Fund--Private/Local Appropriation . . . . .	.\$17,604,000
8	Hospital Safety Net Assessment Fund--State	
9	Appropriation . . . . .	\$6,802,000
10	TOTAL APPROPRIATION . . . . .	\$1,129,694,000

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

13        (a) \$109,342,000 of the general fund--state appropriation for  
14 fiscal year 2012 and \$109,341,000 of the general fund--state  
15 appropriation for fiscal year 2013 are provided solely for persons and  
16 services not covered by the medicaid program. This is a reduction of  
17 \$4,348,000 each fiscal year from the nonmedicaid funding that was  
18 allocated for expenditure by regional support networks during fiscal  
19 year 2011 prior to supplemental budget reductions. This \$4,348,000  
20 reduction shall be distributed among regional support networks  
21 proportional to each network's share of the total state population. To  
22 the extent possible, levels of regional support network spending shall  
23 be maintained in the following priority order: (i) Crisis and  
24 commitment services; (ii) community inpatient services; and (iii)  
25 residential care services, including personal care and emergency  
26 housing assistance.

27        (b) \$6,590,000 of the general fund--state appropriation for fiscal  
28 year 2012, \$6,590,000 of the general fund--state appropriation for  
29 fiscal year 2013, and \$7,620,000 of the general fund--federal  
30 appropriation are provided solely for the department and regional  
31 support networks to continue to contract for implementation of high-  
32 intensity programs for assertive community treatment (PACT) teams. In  
33 determining the proportion of medicaid and nonmedicaid funding provided  
34 to regional support networks with PACT teams, the department shall  
35 consider the differences between regional support networks in the  
36 percentages of services and other costs associated with the teams that  
37 are not reimbursable under medicaid. The department may allow regional  
38 support networks which have nonmedicaid reimbursable costs that are

1 higher than the nonmedicaid allocation they receive under this section  
2 to supplement these funds with local dollars or funds received under  
3 section 204(1)(a) of this act. The department and regional support  
4 networks shall maintain consistency with all essential elements of the  
5 PACT evidence-based practice model in programs funded under this  
6 section.

7 (c) \$5,850,000 of the general fund--state appropriation for fiscal  
8 year 2012, \$5,850,000 of the general fund--state appropriation for  
9 fiscal year 2013, and \$1,300,000 of the general fund--federal  
10 appropriation are provided solely for the western Washington regional  
11 support networks to provide either community- or hospital campus-based  
12 services for persons who require the level of care previously provided  
13 by the program for adaptive living skills (PALS) at western state  
14 hospital.

15 (d) The number of nonforensic beds allocated for use by regional  
16 support networks at eastern state hospital shall be 192 per day. The  
17 number of nonforensic beds allocated for use by regional support  
18 networks at western state hospital shall be 557 per day.

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

25 (f) \$4,582,000 of the general fund--state appropriation for fiscal  
26 year 2012 and \$4,582,000 of the general fund--state appropriation for  
27 fiscal year 2013 are provided solely for mental health services for  
28 mentally ill offenders while confined in a county or city jail and for  
29 facilitating access to programs that offer mental health services upon  
30 release from confinement.

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

34 (h) \$750,000 of the general fund--state appropriation for fiscal  
35 year 2012 and \$750,000 of the general fund--state appropriation for  
36 fiscal year 2013 are provided solely to continue performance-based  
37 incentive contracts to provide appropriate community support services  
38 for individuals with severe mental illness who were discharged from the

1 state hospitals as part of the expanding community services initiative.  
2 These funds will be used to enhance community residential and support  
3 services provided by regional support networks through other state and  
4 federal funding.

5 (i) \$1,125,000 of the general fund--state appropriation for fiscal  
6 year 2012 and \$1,125,000 of the general fund--state appropriation for  
7 fiscal year 2013 are provided solely for the Spokane regional support  
8 network to implement services to reduce utilization and the census at  
9 eastern state hospital. Such services shall include:

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

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

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

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

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

24 (j) \$1,529,000 of the general fund--state appropriation for fiscal  
25 year 2012 and \$1,529,000 of the general fund--state appropriation for  
26 fiscal year 2013 are provided solely to reimburse Pierce and Spokane  
27 counties for the cost of conducting 180-day commitment hearings at the  
28 state psychiatric hospitals.

29 (k) Regional support networks may use local funds to earn  
30 additional federal medicaid match, provided the locally matched rate  
31 does not exceed the upper-bound of their federally allowable rate  
32 range, and provided that the enhanced funding is used only to provide  
33 medicaid state plan or waiver services to medicaid clients.  
34 Additionally, regional support networks may use a portion of the state  
35 funds allocated in accordance with (a) of this subsection to earn  
36 additional medicaid match, but only to the extent that the application  
37 of such funds to medicaid services does not diminish the level of



1 crisis and commitment, community inpatient, residential care, and  
2 outpatient services presently available to persons not eligible for  
3 medicaid.

4 (2) INSTITUTIONAL SERVICES

5	General Fund--State Appropriation (FY 2012) . . . . .	\$121,371,000
6	General Fund--State Appropriation (FY 2013) . . . . .	\$121,215,000
7	General Fund--Federal Appropriation . . . . .	\$152,593,000
8	General Fund--Private/Local Appropriation . . . . .	.\$65,834,000
9	TOTAL APPROPRIATION . . . . .	\$461,013,000

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

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

15 (b) \$231,000 of the general fund--state appropriation for fiscal  
16 year 2012 and \$231,000 of the general fund--state appropriation for  
17 fiscal year 2013 are provided solely for a community partnership  
18 between western state hospital and the city of Lakewood to support  
19 community policing efforts in the Lakewood community surrounding  
20 western state hospital. The amounts provided in this subsection (2)(b)  
21 are for the salaries, benefits, supplies, and equipment for one full-  
22 time investigator, one full-time police officer, and one full-time  
23 community service officer at the city of Lakewood.

24 (c) \$45,000 of the general fund--state appropriation for fiscal  
25 year 2012 and \$45,000 of the general fund--state appropriation for  
26 fiscal year 2013 are provided solely for payment to the city of  
27 Lakewood for police services provided by the city at western state  
28 hospital and adjacent areas.

29 (3) SPECIAL PROJECTS

30	General Fund--State Appropriation (FY 2012) . . . . .	\$1,459,000
31	General Fund--State Appropriation (FY 2013) . . . . .	\$1,464,000
32	General Fund--Federal Appropriation . . . . .	\$2,682,000
33	General Fund--Private/Local Appropriation . . . . .	\$700,000
34	TOTAL APPROPRIATION . . . . .	\$6,305,000

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

1 (a) \$1,161,000 of the general fund--state appropriation for fiscal  
2 year 2012 and \$1,161,000 of the general fund--state appropriation for  
3 fiscal year 2013 are provided solely for children's evidence based  
4 mental health services. Funding is sufficient to continue serving  
5 children at the same levels as fiscal year 2009.

6 (b) \$700,000 of the general fund--private/local appropriation is  
7 provided solely for the University of Washington's evidence based  
8 practice institute which supports the identification, evaluation, and  
9 implementation of evidence-based or promising practices for serving  
10 children and youth with mental health disorders. The department shall  
11 enter into an interagency agreement with the office of the attorney  
12 general for expenditure of \$700,000 of the state's proceeds of the cy  
13 *pres* settlement in *State of Washington v. AstraZeneca (Seroquel)* for  
14 this purpose.

15 (4) PROGRAM SUPPORT

16	General Fund--State Appropriation (FY 2012) . . . . .	\$4,193,000
17	General Fund--State Appropriation (FY 2013) . . . . .	\$4,034,000
18	General Fund--Federal Appropriation . . . . .	\$7,125,000
19	General Fund--Private/Local Appropriation . . . . .	\$981,000
20	TOTAL APPROPRIATION . . . . .	\$16,333,000

21 (a) In accordance with RCW 43.20B.110, 43.135.055, and 71.24.035,  
22 the department is authorized to increase license and certification fees  
23 in fiscal years 2012 and 2013 as necessary to support the costs of the  
24 regulatory program. The department's fee schedule shall have  
25 differential rates for providers with proof of accreditation from  
26 organizations that the department has determined to have substantially  
27 equivalent standards to those of the department, including but not  
28 limited to the joint commission on accreditation of health care  
29 organizations, the commission on accreditation of rehabilitation  
30 facilities, and the council on accreditation. To reflect the reduced  
31 costs associated with regulation of accredited programs, the  
32 department's fees for organizations with such proof of accreditation  
33 must reflect the lower costs of licensing for these programs than for  
34 other organizations which are not accredited.

35 (b) \$53,000 of the general fund--private/local appropriation is  
36 provided solely for implementation of Substitute House Bill No. 1170  
37 (triage facilities). If the bill is not enacted by June 30, 2011, the  
38 amounts provided in this subsection shall lapse.



1 74.39A.270, the state shall contribute to the multiemployer health  
2 benefits trust fund \$1.96 per paid hour worked by individual providers.

3 (e) \$1,509,000 of the general fund--state appropriation for fiscal  
4 year 2012, \$1,609,000 of the general fund--state appropriation for  
5 fiscal year 2013, and \$3,116,000 of the general fund--federal  
6 appropriation are provided solely for home care agencies to purchase  
7 health coverage for home care providers. In order to negotiate the  
8 most comprehensive health benefits package for its employees, each  
9 agency may determine benefit levels according to the hours an employee  
10 works to provide state-funded personal care. At a minimum, employees  
11 who work 35 hours a week or greater must receive a comprehensive  
12 medical benefit. The department shall not pay an agency for benefits  
13 provided to an employee who otherwise receives health care coverage  
14 through other family members, other employment-based coverage, or  
15 military or veteran's coverage. The department shall require annually,  
16 each home care agency to review each of its employee's available health  
17 coverage and to provide a written declaration to the department  
18 verifying that health benefits purchased with public funds are solely  
19 for employees that do not have other available coverage. Home care  
20 agencies may determine a reasonable employee copremium not to exceed 20  
21 percent of the total benefit cost.

22 (f) \$1,127,000 of the general fund--state appropriation for fiscal  
23 year 2012, \$1,199,000 of the general fund--state appropriation for  
24 fiscal year 2013, and \$2,322,000 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, for instructional  
27 costs associated with the training of individual providers. House Bill  
28 No. 1548 and Senate Bill No. 5473 (long-term care worker requirements)  
29 make statutory changes to the increased training requirements and  
30 therefore the state shall contribute to the partnership \$0.17 per paid  
31 hour worked by all home care workers. This amount is pursuant to the  
32 collective bargaining agreement negotiated with the exclusive  
33 bargaining representative of individual providers established under RCW  
34 74.39A.270. Expenditures for the purposes specified in this subsection  
35 shall not exceed the amounts provided in this subsection.

36 (g) \$475,000 of the general fund--state appropriation for fiscal  
37 year 2012, \$490,000 of the general fund--state appropriation for fiscal  
38 year 2013, and \$967,000 of the general fund--federal appropriation are

1 provided solely to compensate individual providers who are not related  
2 to their clients and agency providers for time required to participate  
3 in enhanced mandatory basic training.

4 (h)(i) \$29,840,000 of the general fund--state appropriation for  
5 fiscal year 2012, \$31,078,000 of the general fund--state appropriation  
6 for fiscal year 2013, and \$64,588,000 of the general fund--federal are  
7 provided solely for employment and day services. The department shall  
8 revise the current working age adult policy to be a voluntary program  
9 that provides greater choice for clients between employment and  
10 appropriate day services. The department shall equally inform clients  
11 and their legal representatives of all available options for employment  
12 and day services. Information provided to the client and the client's  
13 legal representative shall include the types of activities each service  
14 option provides and the amounts, scope, and duration of service for  
15 which the client would be eligible under each service option. An  
16 individual client may be authorized for only one of these service  
17 options: Employment services, community access services, or day  
18 services. Clients may not participate in more than one of these  
19 services at any given time.

20 (ii) The department shall work with the center for medicare and  
21 medicaid services to incorporate a day services option into the home  
22 and community-based medicaid waivers. The day services option shall:

23 (A) Be designed to promote positive growth,

24 (B) Provide activities that foster learning opportunities, self  
25 determination, and independent skills and abilities, and

26 (C) Facilitate opportunities for socialization and leisure such as  
27 music therapy, working with computers, social activities, and  
28 interaction with therapy animals.

29 (iii) The department shall lower the expenditure limits for  
30 employment services in the basic plus, CORE, and community protection  
31 waivers. In administering these expenditure limitations, the  
32 department shall negotiate with counties to limit direct client  
33 impacts.

34 (iv) The department shall provide quarterly reports to the  
35 legislature on the number of clients in employment, day, and community  
36 access services. The reports shall include the number of clients who  
37 have opted to move from one service option into a different service  
38 option.

1 (v) The appropriation in this subsection includes funding to  
2 provide employment, community access, or a day services option to 168  
3 young adults with developmental disabilities living with their family  
4 who need employment opportunities and assistance after high school  
5 graduation.

6 (i) \$1,098,000 of the general fund--state appropriation for fiscal  
7 year 2012, \$1,097,000 of the general fund--state appropriation for  
8 fiscal year 2013, and \$2,195,000 of the general fund--federal  
9 appropriation are provided solely to provide dental coverage through  
10 the aging and disability services administration's home and community-  
11 based waiver programs. Services shall include preventive, routine, and  
12 emergent dental care for eligible long-term care clients and clients  
13 with developmental disabilities.

14 (j) \$75,000 of the general fund--state appropriation for fiscal  
15 year 2012 and \$75,000 of the general fund--state appropriation for  
16 fiscal year 2013 are provided solely for the restoration of direct  
17 support to local organizations that utilize parent-to-parent networks  
18 and communication to promote access and quality of care for individuals  
19 with developmental disabilities and their families.

20 (k) In accordance with Substitute House Bill No. 1277 (licensed  
21 settings for vulnerable adults) the department is authorized to  
22 increase adult family home fees in fiscal year 2012 as necessary to  
23 meet the actual costs of conducting licensure, inspection, and  
24 regulatory programs.

25 (i) The current annual renewal license fee for adult family homes  
26 shall be increased to \$386 per bed beginning in fiscal year 2012 and  
27 assumes \$565,000 of the general fund--private/local appropriation.

28 (ii) Adult family homes shall receive a corresponding vendor rate  
29 increase of \$1.02 per medicaid patient day to cover the license fee  
30 increase for publicly funded beds.

31 (2) INSTITUTIONAL SERVICES

32 General Fund--State Appropriation (FY 2012) . . . . .	\$84,488,000
33 General Fund--State Appropriation (FY 2013) . . . . .	\$80,686,000
34 General Fund--Federal Appropriation . . . . .	\$148,654,000
35 General Fund--Private/Local Appropriation . . . . .	\$21,607,000
36 TOTAL APPROPRIATION . . . . .	\$335,435,000

37 The appropriations in this subsection are subject to the following  
38 conditions and limitations:

1 (a) Individuals receiving services as supplemental security income  
2 (SSI) state supplemental payments shall not become eligible for medical  
3 assistance under RCW 74.09.510 due solely to the receipt of SSI state  
4 supplemental payments.

5 (b) \$721,000 of the general fund--state appropriation for fiscal  
6 year 2012 and \$721,000 of the general fund--state appropriation for  
7 fiscal year 2013 are for the department to fulfill its contracts with  
8 the school districts under chapter 28A.190 RCW to provide  
9 transportation, building space, and other support services as are  
10 reasonably necessary to support the educational programs of students  
11 living in residential habilitation centers.

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

18 (d) The state is consolidating the number of institutions it  
19 operates to care for clients with developmental disabilities. The  
20 department shall cease new placements at Francis Haddon Morgan Center  
21 and Yakima Valley School and relocate current clients to alternative  
22 placements. In doing so, the department shall conduct individual  
23 assessments, and work closely with the clients and the clients' legal  
24 representatives to develop individual transition and support plans to  
25 help ensure the clients' physical and mental health, welfare, and  
26 safety through this process.

27 The department shall keep Francis Haddon Morgan Center and Yakima  
28 Valley School open until there are sufficient community options and  
29 services available to serve the clients who currently reside in these  
30 residential habilitation centers.

31 (3) PROGRAM SUPPORT

32	General Fund--State Appropriation (FY 2012) . . . . .	\$1,537,000
33	General Fund--State Appropriation (FY 2013) . . . . .	\$1,530,000
34	General Fund--Federal Appropriation . . . . .	\$1,562,000
35	TOTAL APPROPRIATION . . . . .	\$4,629,000

36 NEW SECTION. **Sec. 206. FOR THE DEPARTMENT OF SOCIAL AND HEALTH**

1 **SERVICES--AGING AND ADULTSERVICES PROGRAM**

2	General Fund--State Appropriation (FY 2012) . . . . .	\$780,295,000
3	General Fund--State Appropriation (FY 2013) . . . . .	\$805,624,000
4	General Fund--Federal Appropriation . . . . .	\$1,682,387,000
5	General Fund--Private/Local Appropriation . . . . .	.\$34,247,000
6	Traumatic Brain Injury Account--State Appropriation . . . . .	\$3,394,000
7	Nursing Facility Quality Assurance Account--State	
8	Appropriation . . . . .	\$88,000,000
9	TOTAL APPROPRIATION . . . . .	\$3,393,947,000

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

12       (1) For purposes of implementing chapter 74.46 RCW, the weighted  
13 average nursing facility payment rate shall not exceed \$170.37 for  
14 fiscal year 2012 and shall not exceed \$171.43 for fiscal year 2013,  
15 including the rate add-ons described in (a) and (b) of this subsection.  
16 However, if the waiver requested from the federal centers for medicare  
17 and medicaid services in relation to the safety net assessment created  
18 by House Bill No. 1722 or Senate Bill No. 5581 (nursing home safety net  
19 assessment) is for any reason not approved and implemented, the  
20 weighted average nursing facility payment rate shall not exceed \$159.87  
21 for fiscal year 2012 and shall not exceed \$160.93 for fiscal year 2013.  
22 There will be no adjustments for economic trends and conditions in  
23 fiscal years 2012 and 2013. The economic trends and conditions factor  
24 or factors defined in the biennial appropriations act shall not be  
25 compounded with the economic trends and conditions factor or factors  
26 defined in any other biennial appropriations acts before applying it to  
27 the component rate allocations established in accordance with chapter  
28 74.46 RCW. When no economic trends and conditions factor for either  
29 fiscal year is defined in a biennial appropriations act, no economic  
30 trends and conditions factor or factors defined in any earlier biennial  
31 appropriations act shall be applied solely or compounded to the  
32 component rate allocations established in accordance with chapter 74.46  
33 RCW.

34       (a) Within the funds provided, the department shall continue to  
35 provide an add-on per medicaid resident day per facility not to exceed  
36 \$1.57. The add-on shall be used to increase wages, benefits, and/or  
37 staffing levels for certified nurse aides; or to increase wages and/or  
38 benefits for dietary aides, housekeepers, laundry aides, or any other



1 category of worker whose statewide average dollars-per-hour wage was  
2 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.

8 (b) The department shall do a comparative analysis of the facility  
9 based payment rates calculated on July 1, 2011, using the payment  
10 methodology defined in Substitute House Bill No. 1249 (nursing home  
11 payment methodology), to the facility-based payment rates calculated to  
12 produce the fiscal year 2010 weighted average nursing facility payment  
13 rate published in chapter 37, Laws of 2010. If the former is smaller  
14 than the latter, the difference shall be provided to the individual  
15 nursing facilities as an add-on payment per medicaid resident day.

16 (c) The department shall provide a medicaid rate add-on to  
17 reimburse the medicaid share of the skilled nursing facility safety net  
18 assessment as a medicaid allowable cost. The nursing facility safety  
19 net rate add-on may not be included in the calculation of the annual  
20 statewide weighted average nursing facility payment rate.

21 (d) If the waiver requested from the federal centers for medicare  
22 and medicaid services in relation to the safety net assessment created  
23 by House Bill No. 1722 or Senate Bill No. 5581 (nursing home safety net  
24 assessment) is for any reason not approved and implemented, subsections  
25 (b) and (c) of this subsection do not apply.

26 (2) After examining actual nursing facility cost information, the  
27 legislature finds that the medicaid nursing facility rates calculated  
28 pursuant to Substitute House Bill No. 1249 (nursing facility medicaid  
29 payments) provides sufficient reimbursement to efficient and  
30 economically operating nursing facilities and bears a reasonable  
31 relationship to costs.

32 (3) In accordance with chapter 74.46 RCW, the department shall  
33 issue no additional certificates of capital authorization for fiscal  
34 year 2012 and no new certificates of capital authorization for fiscal  
35 year 2013 and shall grant no rate add-ons to payment rates for capital  
36 improvements not requiring a certificate of need and a certificate of  
37 capital authorization for fiscal years 2012 and 2013.

1 (4) The long-term care program may develop and pay enhanced rates  
2 for exceptional care to nursing homes for persons with traumatic brain  
3 injuries who are transitioning from hospital care. The cost per  
4 patient day for caring for these clients in a nursing home setting may  
5 be equal to or less than the cost of caring for these clients in a  
6 hospital setting.

7 (5) Amounts appropriated in this section reflect a reduction to  
8 funds appropriated for in-home care. The department shall reduce the  
9 number of in-home hours authorized. The reduction shall be scaled  
10 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.

13 (6) \$2,090,000 of the general fund--state appropriation for fiscal  
14 year 2012, \$2,163,000 of the general fund--state appropriation for  
15 fiscal year 2013, and \$4,183,000 of the general fund--federal  
16 appropriation are provided solely for state contributions for  
17 individual provider health care benefits. Pursuant to the collective  
18 bargaining agreement negotiated with the exclusive bargaining  
19 representative of individual providers established under RCW  
20 74.39A.270, the state shall contribute to the multiemployer health  
21 benefits trust fund \$1.96 per paid hour worked by individual providers.

22 (7) \$13,576,000 of the general fund--state appropriation for fiscal  
23 year 2012, \$14,477,000 of the general fund--state appropriation for  
24 fiscal year 2013, and \$28,053,000 of the general fund--federal  
25 appropriation are provided solely for home care agencies to purchase  
26 health coverage for home care providers. In order to negotiate the  
27 most comprehensive health benefits package for its employees, each  
28 agency may determine benefit levels according to the hours an employee  
29 works to provide state-funded personal care. At a minimum, employees  
30 who work 35 hours a week or greater must receive a comprehensive  
31 medical benefit. The department shall not pay an agency for benefits  
32 provided to an employee who otherwise receives health care coverage  
33 through other family members, other employment-based coverage, or  
34 military or veteran's coverage. The department shall require annually,  
35 each home care agency to review each of its employee's available health  
36 coverage and to provide a written declaration to the department  
37 verifying that health benefits purchased with public funds are solely

1 for employees that do not have other available coverage. Home care  
2 agencies may determine a reasonable employee copremium not to exceed 20  
3 percent of the total benefit cost.

4 (8) \$2,063,000 of the general fund--state appropriation for fiscal  
5 year 2012, \$2,195,000 of the general fund--state appropriation for  
6 fiscal year 2013, and \$4,260,000 of the general fund--federal  
7 appropriation are provided solely for the state's contribution to the  
8 training partnership, as provided in RCW 74.39A.360, for instructional  
9 costs associated with the training of individual providers. House Bill  
10 No. 1548 and Senate Bill No. 5473 (long-term care worker requirements)  
11 make statutory changes to the increased training requirements and  
12 therefore the state shall contribute to the partnership \$0.17 per paid  
13 hour worked by all home care workers. This amount is pursuant to the  
14 collective bargaining agreement negotiated with the exclusive  
15 bargaining representative of individual providers established under RCW  
16 74.39A.270. Expenditures for the purposes specified in this subsection  
17 shall not exceed the amounts provided in this subsection.

18 (9) \$1,775,000 of the general fund--state appropriation for fiscal  
19 year 2012, \$1,866,000 of the general fund--state appropriation for  
20 fiscal year 2013, and \$3,642,000 of the general fund--federal  
21 appropriation are provided solely to compensate individual providers  
22 who are not related to their clients and agency providers for time  
23 required to participate in enhanced mandatory basic training.

24 (10) Individuals receiving services as supplemental security income  
25 (SSI) state supplemental payments shall not become eligible for medical  
26 assistance under RCW 74.09.510 due solely to the receipt of SSI state  
27 supplemental payments.

28 (11) \$3,210,000 of the general fund--state appropriation for fiscal  
29 year 2012, \$3,396,000 of the general fund--state appropriation for  
30 fiscal year 2013, and \$6,606,000 of the general fund--federal  
31 appropriation are provided solely to provide dental coverage through  
32 the aging and disability services administration's home and community-  
33 based waiver programs. Services shall include preventive, routine, and  
34 emergent dental care for eligible long-term care clients and clients  
35 with developmental disabilities.

36 (12) The department shall eliminate the adult day health program  
37 under the state plan 1915(i) option and shall reestablish it under the

1 long-term care home and community-based waiver. The department shall  
2 also establish a day services option under the developmental  
3 disabilities home and community-based service waivers.

4 (13) \$4,588,000 of the general fund--state appropriation for fiscal  
5 year 2012, \$4,559,000 of the general fund--state appropriation for  
6 fiscal year 2013, and \$9,237,000 of the general fund--federal  
7 appropriation are provided solely for the continued operation of  
8 community residential and support services for persons who are older  
9 adults or who have co-occurring medical and behavioral disorders and  
10 who have been discharged or diverted from a state psychiatric hospital.  
11 These funds shall be used to serve individuals whose treatment needs  
12 constitute substantial barriers to community placement, who no longer  
13 require active psychiatric treatment at an inpatient hospital level of  
14 care, and who no longer meet the criteria for inpatient involuntary  
15 commitment.

16 (14) \$1,840,000 of the general fund--state appropriation for fiscal  
17 year 2012 and \$1,877,000 of the general fund--state appropriation for  
18 fiscal year 2013 are provided solely for operation of the volunteer  
19 services program. Funding shall be prioritized towards serving  
20 populations traditionally served by long-term care services to include  
21 senior citizens and persons with disabilities.

22 (15) In accordance with Substitute House Bill No. 1277 (licensed  
23 settings for vulnerable adults) nursing facility and adult family home  
24 fees are increased in fiscal year 2012 as necessary to meet the actual  
25 costs of conducting licensure, inspection, and regulatory programs.

26 (a) The current annual renewal license fee for nursing facilities  
27 shall be increased to \$359 per bed beginning in fiscal year 2012 and  
28 assumes \$517,000 of the general fund--private/local appropriation.  
29 Nursing facilities shall receive a vendor rate increase of \$0.08 per  
30 medicaid patient day to cover the license fee increase for publicly  
31 funded beds.

32 (b) The current annual renewal license fee for adult family homes  
33 shall be increased to \$386 per bed beginning in fiscal year 2012 and  
34 assumes \$11,426,000 of the general fund--private/local appropriation.  
35 Adult family homes shall receive a corresponding vendor rate increase  
36 of \$1.02 per medicaid patient day to cover the license fee increase for  
37 publicly funded beds.

1 (c) \$72,000 of the general fund--state appropriation for fiscal  
2 year 2012, \$847,000 of the general fund--private/local appropriation,  
3 and \$937,000 of the general fund--federal appropriation are provided  
4 solely to implement sections 501 through 503 of Substitute House Bill  
5 No. 1277 (licensed settings for vulnerable adults). The department  
6 shall use additional investigative resources to address complaints  
7 about provider practices as well as alleged abuse, neglect,  
8 abandonment, and exploitation of residents in adult family homes. The  
9 department shall develop a statewide internal quality review and  
10 accountability program to improve the accountability of staff and the  
11 consistent application of investigative activities, and shall provide  
12 information and support to the long-term care ombudsman's adult family  
13 home quality assurance panel. If Substitute House Bill No. 1277  
14 (licensed settings for vulnerable adults) is not enacted by June 30,  
15 2011, the amounts provided in this subsection shall lapse.

16 (16) \$3,316,000 of the traumatic brain injury account--state  
17 appropriation is provided solely to continue services for persons with  
18 traumatic brain injury (TBI) as defined in Substitute House Bill No.  
19 1614 (traumatic brain injury strategic partnership).

20 (17) The department is authorized to place long-term care clients  
21 residing in nursing homes and paid for with state only funds into less  
22 restrictive community care settings while continuing to meet the  
23 client's care needs.

24 (18) \$30,000 of the general fund--state appropriation for fiscal  
25 year 2012 and \$30,000 of the general fund--federal appropriation are  
26 provided solely to implement Engrossed Second Substitute House Bill No.  
27 1901 (reshaping the delivery of long-term care services). If the bill  
28 is not enacted by June 30, 2011, the amounts provided in this  
29 subsection shall lapse.

30 **NEW SECTION. Sec. 207. FOR THE DEPARTMENT OF SOCIAL AND HEALTH**  
31 **SERVICES--ECONOMIC SERVICES PROGRAM**

32	General Fund--State Appropriation (FY 2012) . . . . .	\$507,478,000
33	General Fund--State Appropriation (FY 2013) . . . . .	\$505,091,000
34	General Fund--Federal Appropriation . . . . .	\$1,119,538,000
35	General Fund--Private/Local Appropriation . . . . .	.\$30,592,000
36	TOTAL APPROPRIATION . . . . .	\$2,162,699,000

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

3 (1) \$297,623,000 of the general fund--state appropriation for  
4 fiscal year 2012, \$297,623,000 of the general fund--state appropriation  
5 for fiscal year 2013, net of child support pass-through recoveries, and  
6 \$675,154,000 of the general fund--federal appropriation are provided  
7 solely for all components of the WorkFirst program. Within the amounts  
8 provided for the WorkFirst program, the department may provide  
9 assistance using state-only funds for families eligible for temporary  
10 assistance for needy families.

11 (a) Within the amounts provided for WorkFirst in this subsection,  
12 the department shall continue to implement WorkFirst program  
13 improvements that are designed to achieve progress against outcome  
14 measures specified in RCW 74.08A.410.

15 (b) The department shall report quarterly to the legislative fiscal  
16 committees:

17 (i) The outcome data regarding job retention and wage progression  
18 to appropriate fiscal and policy committees of the legislature  
19 regarding families who leave assistance, measured after 12 months, 24  
20 months, and 36 months and the percentage of families who have returned  
21 to temporary assistance for needy families after 12 months, 24 months,  
22 and 36 months;

23 (ii) The spending plan for the WorkFirst programs. The plan shall  
24 identify how spending levels in the 2011-2013 biennium will be adjusted  
25 to stay within available federal grant levels and the appropriated  
26 state-fund levels;

27 (iii) Information regarding the amount expended from general  
28 fund--state and general fund--federal by activity, maintenance of  
29 effort allotments, expenditure amounts, and caseloads for the WorkFirst  
30 program to the legislative fiscal committees.

31 (c) The department may establish a career services work transition  
32 program.

33 (2) \$28,272,000 of the general fund--state appropriation for fiscal  
34 year 2012 and \$21,494,000 of the general fund--state appropriation for  
35 fiscal year 2013, in addition to supplemental security income (SSI)  
36 recoveries, are provided solely for cash assistance and other services  
37 to recipients in the disability lifeline program. Of the amounts in

1 this subsection, \$10,901,000 of the general fund--state appropriation  
2 for fiscal year 2012 is provided solely for providing cash assistance  
3 to disability lifeline-unemployable clients through September 30, 2011.

4 (a) The department shall determine eligibility for disability  
5 lifeline applicants.

6 (b) When determining financial eligibility for the disability  
7 lifeline program, the department shall use the disability lifeline  
8 payment standard in effect on December 31, 2010.

9 (c) For persons who meet the disability lifeline incapacity and  
10 financial eligibility requirements and are not likely to be eligible  
11 for federal supplemental security income benefits, the department shall  
12 determine whether the person's incapacity is likely to last for more  
13 than six months and whether the individual is homeless or at risk of  
14 homelessness.

15 (i) The department shall refer all disability lifeline clients who  
16 are not likely to be eligible for federal supplemental security income  
17 benefits for basic essential needs assistance, which includes essential  
18 household and personal care products not available through food  
19 assistance programs or food banks.

20 (ii) The department shall refer all disability lifeline clients who  
21 are not likely to be eligible for federal supplemental security income  
22 benefits and who have an incapacity that is likely to last longer than  
23 six months and are homeless or at risk for homelessness for housing  
24 assistance.

25 (d) The department shall aggressively pursue opportunities to  
26 transfer disability lifeline clients to disability lifeline expedited  
27 coverage and to facilitate client applications for federal supplemental  
28 security income when the client's incapacities indicate that he or she  
29 would be likely to meet the federal disability criteria for  
30 supplemental security income. The department shall initiate and file  
31 the federal supplemental security income interim agreement as quickly  
32 as possible in order to maximize the recovery of federal funds.

33 (e) The department shall review the disability lifeline caseload to  
34 identify recipients that would benefit from assistance in becoming  
35 naturalized citizens, and thus be eligible to receive federal  
36 supplemental security income benefits. Those cases shall be given high  
37 priority for naturalization funding through the department.

1 (f) The department shall actively coordinate with local workforce  
2 development councils to expedite access to worker retraining programs  
3 for clients in those regions of the state with the greatest number of  
4 such clients.

5 (g) The department shall continue the interagency agreement with  
6 the department of veterans' affairs to establish a process for referral  
7 of veterans who may be eligible for veteran's services. This agreement  
8 must include out-stationing department of veterans' affairs staff in  
9 selected community service office locations in King and Pierce counties  
10 to facilitate applications for veterans' services.

11 (3) \$1,000,000 of the general fund--state appropriation for fiscal  
12 year 2012 and \$1,000,000 of the general fund--state appropriation for  
13 fiscal year 2013 are provided solely for naturalization services.

14 (4)(a) \$2,366,000 of the general fund--state appropriation for  
15 fiscal year 2012 is provided solely for refugee employment services, of  
16 which \$1,774,000 is provided solely for the department to pass through  
17 to statewide refugee assistance organizations for limited English  
18 proficiency pathway services; and \$2,366,000 of the general fund--state  
19 appropriation for fiscal year 2013 is provided solely for refugee  
20 employment services, of which \$1,774,000 is provided solely for the  
21 department to pass through to statewide refugee assistance  
22 organizations for limited English proficiency pathway services.

23 (b) On December 1, 2011, and annually thereafter, the department  
24 must report to the legislature on all sources of funding available for  
25 refugee and immigrant services during the current fiscal year and the  
26 amounts expended to date by service type and funding source. The  
27 report must also include the number of clients served and outcome data  
28 for the clients.

29 (5) To ensure expenditures remain within available funds  
30 appropriated in this section, the legislature establishes the benefit  
31 under the state food assistance program, pursuant to RCW 74.08A.120, to  
32 be fifty percent of the federal supplemental nutrition assistance  
33 program benefit amount.

34 (6) The appropriations in this section reflect reductions in the  
35 appropriations for the economic services administration's  
36 administrative expenses. It is the intent of the legislature that  
37 these reductions shall be achieved, to the greatest extent possible, by



1 reducing those administrative costs that do not affect direct client  
2 services or direct service delivery or program.

3 NEW SECTION. **Sec. 208. FOR THE DEPARTMENT OF SOCIAL AND HEALTH**  
4 **SERVICES--ALCOHOL AND SUBSTANCE ABUSE PROGRAM**

5	General Fund--State Appropriation (FY 2012) . . . . .	\$76,022,000
6	General Fund--State Appropriation (FY 2013) . . . . .	\$76,186,000
7	General Fund--Federal Appropriation . . . . .	\$141,591,000
8	General Fund--Private/Local Appropriation . . . . .	\$2,086,000
9	Criminal Justice Treatment Account--State	
10	Appropriation . . . . .	\$17,760,000
11	Problem Gambling Account--State Appropriation . . . . .	\$1,455,000
12	TOTAL APPROPRIATION . . . . .	\$315,100,000

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

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

20 (2) Within the amounts appropriated in this section, the department  
21 shall continue to provide for chemical dependency treatment services  
22 for adult medicaid eligible, pregnant and parenting women, disability  
23 lifeline, and alcoholism and drug addiction treatment and support act  
24 patients.

25 (3) In accordance with RCW 70.96A.090 and 43.135.055, the  
26 department is authorized to increase fees for the review and approval  
27 of treatment programs in fiscal years 2012 and 2013 as necessary to  
28 support the costs of the regulatory program. The department's fee  
29 schedule shall have differential rates for providers with proof of  
30 accreditation from organizations that the department has determined to  
31 have substantially equivalent standards to those of the department,  
32 including but not limited to the joint commission on accreditation of  
33 health care organizations, the commission on accreditation of  
34 rehabilitation facilities, and the council on accreditation. To  
35 reflect the reduced costs associated with regulation of accredited  
36 programs, the department's fees for organizations with such proof of

1 accreditation must reflect the lower cost of licensing for these  
2 programs than for other organizations which are not accredited.

3 (4) \$3,500,000 of the general fund--federal appropriation (from the  
4 substance abuse prevention and treatment federal block grant) is  
5 provided solely for the continued funding of existing county drug and  
6 alcohol use prevention programs.

7 **NEW SECTION. Sec. 209. FOR THE DEPARTMENT OF SOCIAL AND HEALTH**  
8 **SERVICES--VOCATIONAL REHABILITATION PROGRAM**

9	General Fund--State Appropriation (FY 2012) . . . . .	\$11,672,000
10	General Fund--State Appropriation (FY 2013) . . . . .	\$11,778,000
11	General Fund--Federal Appropriation . . . . .	\$102,622,000
12	Telecommunications Devices for the Hearing and	
13	Speech Impaired--State Appropriation . . . . .	\$2,775,000
14	TOTAL APPROPRIATION . . . . .	\$128,847,000

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

17 (1) The vocational rehabilitation program shall coordinate closely  
18 with the economic services program to serve lifeline clients under  
19 chapter 8, Laws of 2010 1st sp. sess. who are referred for eligibility  
20 determination and vocational rehabilitation services, and shall make  
21 every effort, within the requirements of the federal rehabilitation act  
22 of 1973, to serve these clients.

23 (2) \$480,000 of the telecommunications devices for the hearing and  
24 speech impaired account--state appropriation is provided solely for the  
25 office of deaf and hard of hearing to enter into an interagency  
26 agreement with the department of services for the blind to support  
27 contracts for services that provide employment support and help with  
28 life activities for deaf-blind individuals in King county.

29 **NEW SECTION. Sec. 210. FOR THE DEPARTMENT OF SOCIAL AND HEALTH**  
30 **SERVICES--SPECIAL COMMITMENT PROGRAM**

31	General Fund--State Appropriation (FY 2012) . . . . .	\$57,846,000
32	General Fund--State Appropriation (FY 2013) . . . . .	\$57,798,000
33	TOTAL APPROPRIATION . . . . .	\$115,644,000

34 The appropriations in this section are subject to the following  
35 conditions and limitations: \$8,978,000 of the general fund--state  
36 appropriation for fiscal year 2012 and \$8,978,000 of the general fund--

1 state appropriation for fiscal year 2013 are provided solely for  
2 increased legal expenses resulting from the state supreme court's  
3 ruling in *In re McCuiston*.

4 NEW SECTION. **Sec. 211. FOR THE DEPARTMENT OF SOCIAL AND HEALTH**  
5 **SERVICES--ADMINISTRATION AND SUPPORTING SERVICES PROGRAM**

6	General Fund--State Appropriation (FY 2012) . . . . .	\$28,445,000
7	General Fund--State Appropriation (FY 2013) . . . . .	\$28,152,000
8	General Fund--Federal Appropriation . . . . .	\$40,048,000
9	General Fund--Private/Local Appropriation . . . . .	\$716,000
10	TOTAL APPROPRIATION . . . . .	\$97,361,000

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

13 (1) \$300,000 of the general fund--state appropriation for fiscal  
14 year 2012 and \$300,000 of the general fund--state appropriation for  
15 fiscal year 2013 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  
18 at-risk youth.

19 (2) \$445,000 of the general fund--state appropriation for fiscal  
20 year 2012 and \$445,000 of the general fund--state appropriation for  
21 fiscal year 2013 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 2012 and \$178,000 of the general fund--state appropriation for  
25 fiscal year 2013 are provided solely for the juvenile detention  
26 alternatives initiative.

27 NEW SECTION. **Sec. 212. FOR THE DEPARTMENT OF SOCIAL AND HEALTH**  
28 **SERVICES--PAYMENTS TO OTHER AGENCIES PROGRAM**

29	General Fund--State Appropriation (FY 2012) . . . . .	\$66,921,000
30	General Fund--State Appropriation (FY 2013) . . . . .	\$64,011,000
31	General Fund--Federal Appropriation . . . . .	\$59,701,000
32	TOTAL APPROPRIATION . . . . .	\$190,633,000

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

35 (1) \$2,272,000 of the general fund--state appropriation for fiscal

1 year 2012 and \$2,272,000 of the general fund--state appropriation for  
2 fiscal year 2013 are provided solely for increased legal expenses  
3 resulting from the state supreme court's ruling in *In re McCuistion*.

4 (2) \$580,000 of the general fund--state appropriation for fiscal  
5 year 2012 is provided solely for implementation of Second Substitute  
6 House Bill No. 1741 (temporary assistance/needier families). If the bill  
7 is not enacted by June 30, 2011, the amount provided in this subsection  
8 shall lapse.

9 NEW SECTION. **Sec. 213. FOR THE STATE HEALTH CARE AUTHORITY**

10	General Fund--State Appropriation (FY 2012) . . . . .	\$2,209,850,000
11	General Fund--State Appropriation (FY 2013) . . . . .	\$2,330,841,000
12	General Fund--Federal Appropriation . . . . .	\$5,693,232,000
13	General Fund--Private/Local Appropriation . . . . .	\$68,186,000
14	Emergency Medical Services and Trauma Care Systems	
15	Trust Account--State Appropriation . . . . .	\$15,081,000
16	Hospital Safety Net Assessment Fund--State	
17	Appropriation . . . . .	\$392,441,000
18	State Health Care Authority Administration Account--	
19	State Appropriation . . . . .	\$34,975,000
20	Medical Aid Account--State Appropriation . . . . .	\$535,000
21	TOTAL APPROPRIATION . . . . .	\$10,745,141,000

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

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

34 (2) The health care authority shall require organizations and  
35 individuals that are paid to deliver basic health plan services and  
36 that choose to sponsor enrollment in the subsidized basic health plan

1 to pay 133 percent of the premium amount which would otherwise be due  
2 from the sponsored enrollees.

3 (3) The administrator shall take at least the following actions to  
4 assure that persons participating in the basic health plan are eligible  
5 for the level of assistance they receive: (a) Require submission of  
6 (i) income tax returns, and recent pay history, from all applicants, or  
7 (ii) other verifiable evidence of earned and unearned income from those  
8 persons not required to file income tax returns; (b) check employment  
9 security payroll records at least once every twelve months on all  
10 enrollees; (c) require enrollees whose income as indicated by payroll  
11 records exceeds that upon which their subsidy is based to document  
12 their current income as a condition of continued eligibility; (d)  
13 require enrollees for whom employment security payroll records cannot  
14 be obtained to document their current income at least once every six  
15 months; (e) not reduce gross family income for self-employed persons by  
16 noncash-flow expenses such as, but not limited to, depreciation,  
17 amortization, and home office deductions, as defined by the United  
18 States internal revenue service; and (f) pursue repayment and civil  
19 penalties from persons who have received excessive subsidies, as  
20 provided in RCW 70.47.060(9).

21 (4) In order to maximize the funding appropriated for the basic  
22 health plan, the health care authority is directed to make  
23 modifications that will maintain the total number of subsidized  
24 enrollees at the number of enrollees as of June 30, 2011. In addition  
25 to the reduced enrollment, other modifications may include changes in  
26 enrollee premium obligations, changes in benefits, enrollee cost-  
27 sharing, and termination of the enrollment of individuals concurrently  
28 enrolled in a medical assistance program.

29 (5) Enrollment in the subsidized basic health plan shall be limited  
30 to only include persons who qualify as subsidized enrollees as defined  
31 in RCW 70.47.020 and who (a) qualify for services under 1115 medicaid  
32 demonstration project number 11-W-00254/10; or (b) are foster parents  
33 licensed under chapter 74.15 RCW.

34 (6) \$3,034,000 of the general fund--state appropriation for fiscal  
35 year 2012, \$2,060,000 of the general fund--state appropriation for  
36 fiscal year 2013, and \$22,336,000 of the general fund--federal  
37 appropriation are provided solely for the second phase of development  
38 and implementation of the system that is replacing the existing

1    medicaid management information system, which will expand the system to  
2    include long-term care reimbursements. The amounts provided in this  
3    subsection are conditioned on the health care authority satisfying the  
4    requirements of section 902 of this act.

5       (7) \$87,000,000 of the general fund--federal appropriation is  
6    provided solely for planning and implementation of a health benefit  
7    exchange under the federal patient protection and affordable care act.  
8    Within the amounts provided in this subsection, funds used by the  
9    authority for information technology projects are conditioned on the  
10   authority satisfying the requirements of section 902 of this act.

11       (8)(a) \$250,000 of the general fund--state appropriation for fiscal  
12   year 2012 is provided solely for the health care authority, in  
13   consultation with labor organizations representing school district  
14   employees, to develop several options to reform the provision of health  
15   benefits for K-12 employees in a way that provides comparable benefits  
16   while reducing the costs to employees, employing districts, and the  
17   state. The options should also reduce administrative burdens on school  
18   districts, the inefficiencies in the current system of pooling risk,  
19   and the inequities in coverage. In developing the options, the  
20   authority shall evaluate and may incorporate the savings strategies  
21   identified by the state auditor in the January 31, 2011, K-12 health  
22   benefits study. Each option must be developed with the objective of  
23   implementing the reforms during the 2013-2015 fiscal biennium.

24       (b) By December 15, 2011, the health care authority shall report  
25   the options developed to the governor and the fiscal committees of the  
26   legislature.

27       (c) By January 1, 2012, the health care authority shall submit to  
28   the governor and the fiscal committees of the legislature proposed  
29   legislation to implement the option identified by the administrator of  
30   the health care authority as most effectively furthering the goals  
31   identified in this subsection.

32       (9) Based on quarterly expenditure reports and caseload forecasts,  
33   if the health care authority estimates that expenditures for the  
34   medical assistance program will exceed the appropriations, the health  
35   care authority shall take steps including but not limited to reduction  
36   of rates or elimination of optional services to reduce expenditures so  
37   that total program costs do not exceed the annual appropriation  
38   authority.

1 (10) In determining financial eligibility for medicaid-funded  
2 services, the health care authority is authorized to disregard  
3 recoveries by Holocaust survivors of insurance proceeds or other  
4 assets, as defined in RCW 48.104.030.

5 (11) The legislature affirms that it is in the state's interest for  
6 Harborview medical center to remain an economically viable component of  
7 the state's health care system.

8 (12) When a person is ineligible for medicaid solely by reason of  
9 residence in an institution for mental diseases, the health care  
10 authority shall provide the person with the same benefits as he or she  
11 would receive if eligible for medicaid, using state-only funds to the  
12 extent necessary.

13 (13) \$7,102,000 of the general fund--state appropriation for fiscal  
14 year 2012, \$7,102,000 of the general fund--state appropriation for  
15 fiscal year 2013, and \$14,204,000 of the general fund--federal  
16 appropriation are provided solely for low-income care disproportionate  
17 share hospital payments under RCW 74.09.730(1)(a).

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

1 health care authority shall apply federal rules for identifying the  
2 eligible incurred medicaid costs and the medicare upper payment limit.

3 (15) The health care authority shall continue the inpatient  
4 hospital certified public expenditures program for the 2011-2013 fiscal  
5 biennium. The program shall apply to all public hospitals, including  
6 those owned or operated by the state, except those classified as  
7 critical access hospitals or state psychiatric institutions. The  
8 health care authority shall submit reports to the governor and  
9 legislature by November 1, 2011, and by November 1, 2012, that evaluate  
10 whether savings continue to exceed costs for this program. If the  
11 certified public expenditures (CPE) program in its current form is no  
12 longer cost-effective to maintain, the health care authority shall  
13 submit a report to the governor and legislature detailing  
14 cost-effective alternative uses of local, state, and federal resources  
15 as a replacement for this program. During fiscal year 2012 and fiscal  
16 year 2013, hospitals in the program shall be paid and shall retain one  
17 hundred percent of the federal portion of the allowable hospital cost  
18 for each medicaid inpatient fee-for-service claim payable by medical  
19 assistance and one hundred percent of the federal portion of the  
20 maximum disproportionate share hospital payment allowable under federal  
21 regulations. Inpatient medicaid payments shall be established using an  
22 allowable methodology that approximates the cost of claims submitted by  
23 the hospitals. Payments made to each hospital in the program in each  
24 fiscal year of the biennium shall be compared to a baseline amount.  
25 The baseline amount will be determined by the total of (a) the  
26 inpatient claim payment amounts that would have been paid during the  
27 fiscal year had the hospital not been in the CPE program based on the  
28 reimbursement rates developed, implemented, and consistent with  
29 policies approved in the 2011-13 biennial operating appropriations act  
30 and in effect on July 1, 2011, (b) one half of the indigent assistance  
31 disproportionate share hospital payment amounts paid to and retained by  
32 each hospital during fiscal year 2005, and (c) all of the other  
33 disproportionate share hospital payment amounts paid to and retained by  
34 each hospital during fiscal year 2005 to the extent the same  
35 disproportionate share hospital programs exist in the 2011-13 biennium.  
36 If payments during the fiscal year exceed the hospital's baseline  
37 amount, no additional payments will be made to the hospital except the  
38 federal portion of allowable disproportionate share hospital payments



1 for which the hospital can certify allowable match. If payments during  
2 the fiscal year are less than the baseline amount, the hospital will be  
3 paid a state grant equal to the difference between payments during the  
4 fiscal year and the applicable baseline amount. Payment of the state  
5 grant shall be made in the applicable fiscal year and distributed in  
6 monthly payments. The grants will be recalculated and redistributed as  
7 the baseline is updated during the fiscal year. The grant payments are  
8 subject to an interim settlement within eleven months after the end of  
9 the fiscal year. A final settlement shall be performed. To the extent  
10 that either settlement determines that a hospital has received funds in  
11 excess of what it would have received as described in this subsection,  
12 the hospital must repay the excess amounts to the state when requested.  
13 \$32,673,000 of the general fund--state appropriation for fiscal year  
14 2012, of which \$6,570,000 is appropriated in section 204(1) of this  
15 act, and \$29,693,000 of the general fund--state appropriation for  
16 fiscal year 2013, of which \$6,570,000 is appropriated in section 204(1)  
17 of this act, are provided solely for state grants for the participating  
18 hospitals. CPE hospitals will receive the inpatient and outpatient  
19 reimbursement rate restorations in RCW 74.60.080 and rate increases in  
20 RCW 74.60.090 funded through the hospital safety net assessment fund  
21 rather than through the baseline mechanism specified in this  
22 subsection.

23 (16) The contract with the managed care plan to provide services  
24 for disability lifeline clients shall be designed to incentivize care  
25 in the most appropriate setting, including maximizing primary care-  
26 based services and optimizing appropriate hospital utilization and  
27 savings. The health care authority may include shared savings or other  
28 risk sharing arrangements in the contract with the managed care plan in  
29 order to incentivize aggressive management of hospital services,  
30 including prior authorization, concurrent review, and discharge  
31 planning. In determining the allocation of shared savings, the health  
32 care authority shall consider the appropriate balance between  
33 incentivizing aggressive management of hospital services by the managed  
34 care plan and realizing budgetary savings from the state's investment  
35 in the inclusion of care management and mental health services in the  
36 managed care contract.

37 (17) The health care authority shall evaluate the impact of the use  
38 of a managed care delivery and financing system on state costs and

1 outcomes for lifeline medical clients. Outcomes measured shall include  
2 state costs, utilization, changes in mental health status and symptoms,  
3 and involvement in the criminal justice system.

4 (18) The health care authority shall seek public-private  
5 partnerships and federal funds that are or may become available to  
6 provide on-going support for outreach and education efforts under the  
7 federal children's health insurance program reauthorization act of  
8 2009.

9 (19) The health care authority shall target funding for maternity  
10 support services towards pregnant women with factors that lead to  
11 higher rates of poor birth outcomes, including hypertension, a preterm  
12 or low birth weight birth in the most recent previous birth, a  
13 cognitive deficit or developmental disability, substance abuse, severe  
14 mental illness, unhealthy weight or failure to gain weight, tobacco  
15 use, or African American or Native American race. The health care  
16 authority shall prioritize evidence-based practices for delivery of  
17 maternity support services. To the extent practicable, the health care  
18 authority shall develop a mechanism to increase federal funding for  
19 maternity support services by leveraging local public funding for those  
20 services.

21 (20) \$175,000 of the general fund--state appropriation for fiscal  
22 year 2012, \$263,000 of the general fund--state appropriation for fiscal  
23 year 2013, and \$2,485,000 of the general fund--federal appropriation  
24 are provided solely to expand eligibility for the take charge family  
25 planning program to cover individuals with family incomes below 250  
26 percent of the federal poverty level. The health care authority shall  
27 collect data on enrollment and utilization, and the health care  
28 authority shall study whether this expansion reduces medical assistance  
29 expenditures by reducing covered pregnancies. The health care  
30 authority shall report its findings to the legislature by December 1,  
31 2012.

32 (21) For children with family incomes above 200 percent of the  
33 federal poverty level in the state-funded children's health program for  
34 children who are not eligible for coverage under the federally funded  
35 children's health insurance program, premiums shall be set every two  
36 years in an amount equal to the average state-only share of the per  
37 capita cost of coverage in the state-funded children's health program

1 for children in families with incomes at or less than two hundred  
2 percent of the federal poverty level.

3 (22) \$704,000 of the general fund--state appropriation for fiscal  
4 year 2012, \$726,000 of the general fund--state appropriation for fiscal  
5 year 2013, and \$1,431,000 of the general fund--federal appropriation  
6 are provided solely for disproportionate share hospital payments to  
7 hospitals that provide services to children in the children's health  
8 program who are not eligible for services under Title XIX or XXI of the  
9 federal social security act due to their citizenship status.

10 (23) \$998,000 of the general fund--state appropriation for fiscal  
11 year 2012, \$979,000 of the general fund--state appropriation for fiscal  
12 year 2013, and \$1,980,000 of the general fund--federal appropriation  
13 are provided solely to increase prior authorization activities for  
14 advanced imaging procedures.

15 (24) \$249,000 of the general fund--state appropriation for fiscal  
16 year 2012, \$246,000 of the general fund--state appropriation for fiscal  
17 year 2013, and \$495,000 of the general fund--federal appropriation are  
18 provided solely to increase prior authorization activities for surgical  
19 procedures, which may include orthopedic procedures, spinal procedures  
20 and interventions, and nerve procedures.

21 (25) \$300,000 of the general fund--private/local appropriation and  
22 \$300,000 of the general fund--federal appropriation are provided solely  
23 for a prescriptive practices improvement collaborative focusing upon  
24 atypical antipsychotics and other medications commonly used in the  
25 treatment of severe and persistent mental illnesses among adults. The  
26 project shall promote collaboration among community mental health  
27 centers, other major prescribers of atypical antipsychotic medications  
28 to adults enrolled in state medical assistance programs, and  
29 psychiatrists, pharmacists, and other specialists at the University of  
30 Washington department of psychiatry and/or other research universities.  
31 The collaboration shall include patient-specific prescriber  
32 consultations by psychiatrists and pharmacists specializing in  
33 treatment of severe and persistent mental illnesses among adults;  
34 production of profiles to assist prescribers and clinics in tracking  
35 their prescriptive practices and their patients' medication use and  
36 adherence relative to evidence-based practices guidelines, other  
37 prescribers, and patients at other clinics; and in-service seminars at  
38 which participants can share and increase their knowledge of evidence-

1 based and other effective prescriptive practices. The health care  
2 authority shall enter into an interagency agreement with the office of  
3 the attorney general for expenditure of \$300,000 of the state's  
4 proceeds of the *cy pres* settlement in *State of Washington v.*  
5 *AstraZeneca* (Seroquel) for this purpose.

6 (26) \$570,000 of the general fund--private/local appropriation is  
7 provided solely for continued operation of the partnership access line  
8 for child mental health consultations. The health care authority shall  
9 enter into an interagency agreement with the office of the attorney  
10 general for expenditure of \$570,000 of the state's proceeds of the *cy*  
11 *pres* settlement in *State of Washington v. AstraZeneca* (Seroquel) for  
12 this purpose.

13 (27) \$80,000 of the general fund--state appropriation for fiscal  
14 year 2012, \$80,000 of the general fund--state appropriation for fiscal  
15 year 2013, and \$160,000 of the general fund--federal appropriation are  
16 provided solely to fund the Tacoma-Pierce county health department for  
17 access and outreach activities to reduce infant mortality.

18 (28) \$75,000 of the general fund--state appropriation for fiscal  
19 year 2012, \$75,000 of the general fund--state appropriation for fiscal  
20 year 2013, and \$150,000 of the general fund--federal appropriation are  
21 provided solely to assist with development and implementation of  
22 evidence-based strategies regarding the appropriate, safe, and  
23 effective role of C-section surgeries and early induced labor in births  
24 and neonatal care. The strategies shall be identified and implemented  
25 in consultation with clinical research specialists, physicians,  
26 hospitals, advanced registered nurse practitioners, and organizations  
27 concerned with maternal and child health.

28 (29) \$1,657,000 of the general fund--state appropriation for fiscal  
29 year 2012, \$1,705,000 of the general fund--state appropriation for  
30 fiscal year 2013, \$145,000 of the hospital safety net assessment fund--  
31 state appropriation, and \$2,754,000 of the general fund--federal  
32 appropriation are provided solely to provide health coverage for  
33 children transitioned from the basic health plan as a result of  
34 implementation of the federal waiver for the basic health plan.

35 (30) \$258,000 of the general fund--state appropriation for fiscal  
36 year 2012, \$258,000 of the general fund--state appropriation for fiscal  
37 year 2013, \$19,691,000 of the general fund--local appropriation, and

1 \$516,000 of the general fund--federal appropriation are provided solely  
2 to implement an intergovernmental transfer program to use local funds  
3 to match federal funds for school-based medical services.

4 (31) \$5,295,000 of the general fund--state appropriation for fiscal  
5 year 2012, \$5,596,000 of the general fund--state appropriation for  
6 fiscal year 2013, and \$11,558,000 of the general fund--federal  
7 appropriation are provided solely for payments to federally qualified  
8 health clinics and rural health centers under an alternative payment  
9 methodology that reimburses the clinics and centers at rates that are  
10 five percent higher than the rates that would be provided under the  
11 federal prospective payment system.

12 (32) \$1,555,000 of the general fund--state appropriation for fiscal  
13 year 2012, \$1,580,000 of the general fund--state appropriation for  
14 fiscal year 2013, and \$2,171,000 of the general fund--federal  
15 appropriation are provided solely to continue to provide dental  
16 services to pregnant women. Services shall include preventive,  
17 routine, and emergent dental care.

18 (33) \$395,000 of the general fund--state appropriation for fiscal  
19 year 2012, \$395,000 of the general fund--state appropriation for fiscal  
20 year 2013, and \$790,000 of the general fund--federal appropriation are  
21 provided solely for continued operation of the dental education in care  
22 of persons with disabilities (DECOD) program at the University of  
23 Washington.

24 (34) \$112,000 of the general fund--state appropriation for fiscal  
25 year 2012, \$112,000 of the general fund--state appropriation for fiscal  
26 year 2013, and \$1,928,000 of the general fund--federal appropriation  
27 are provided solely for the provider incentive program and other  
28 initiatives related to the health information technology Medicaid plan.

29 (35) \$1,439,000 of the general fund--state appropriation for fiscal  
30 year 2012, \$1,228,000 of the general fund--state appropriation for  
31 fiscal year 2013, and \$2,890,000 of the general fund--federal  
32 appropriation are provided solely for efforts to reduce Medicaid fraud  
33 and abuse and to seek coverage or recovery from other medical payers.

34 (36) \$2,926,000 of the general fund--local appropriation and  
35 \$2,928,000 of the general fund--federal appropriation are provided  
36 solely to support medical airlift services.

1            NEW SECTION.    **214. FOR THE HUMAN RIGHTS COMMISSION**

2	General Fund--State Appropriation (FY 2012) . . . . .	\$2,258,000
3	General Fund--State Appropriation (FY 2013) . . . . .	\$2,270,000
4	General Fund--Federal Appropriation . . . . .	\$1,994,000
5	TOTAL APPROPRIATION . . . . .	\$6,522,000

6            NEW SECTION.    **Sec. 215. FOR THE BOARD OF INDUSTRIAL INSURANCE**

7 **APPEALS**

8	Worker and Community Right-to-Know Account--State	
9	Appropriation . . . . .	\$10,000
10	Accident Account--State Appropriation . . . . .	\$18,145,000
11	Medical Aid Account--State Appropriation . . . . .	\$18,145,000
12	TOTAL APPROPRIATION . . . . .	\$36,300,000

13           NEW SECTION.    **Sec. 216. FOR THE CRIMINAL JUSTICE TRAINING**

14 **COMMISSION**

15	General Fund--State Appropriation (FY 2012) . . . . .	\$14,506,000
16	General Fund--State Appropriation (FY 2013) . . . . .	\$14,500,000
17	General Fund--Federal Appropriation . . . . .	\$456,000
18	General Fund--Private/Local Appropriation . . . . .	\$3,121,000
19	Death Investigations Account--State Appropriation . . . . .	\$148,000
20	Municipal Criminal Justice Assistance Account--	
21	State Appropriation . . . . .	\$460,000
22	Washington Auto Theft Prevention Authority Account--	
23	State Appropriation . . . . .	\$6,768,000
24	TOTAL APPROPRIATION . . . . .	\$39,959,000

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

27            (1) \$5,000,000 of the general fund--state appropriation for fiscal  
28 year 2012 and \$5,000,000 of the general fund--state appropriation for  
29 fiscal year 2013, are provided to the Washington association of  
30 sheriffs and police chiefs solely to verify the address and residency  
31 of registered sex offenders and kidnapping offenders under RCW  
32 9A.44.130.

33            (2) \$321,000 of the general fund--local appropriation is provided  
34 solely to purchase ammunition for the basic law enforcement academy.  
35 Jurisdictions shall reimburse to the criminal justice training

1 commission the costs of ammunition, based on the average cost of  
2 ammunition per cadet, for cadets that they enroll in the basic law  
3 enforcement academy.

4 (3) The criminal justice training commission may not run a basic  
5 law enforcement academy class of fewer than 30 students.

6 NEW SECTION. **Sec. 217. FOR THE DEPARTMENT OF LABOR AND**  
7 **INDUSTRIES**

8	General Fund--State Appropriation (FY 2012) . . . . .	\$18,302,000
9	General Fund--State Appropriation (FY 2013) . . . . .	\$19,253,000
10	General Fund--Federal Appropriation . . . . .	\$12,655,000
11	Asbestos Account--State Appropriation . . . . .	\$426,000
12	Electrical License Account--State Appropriation . . . . .	\$37,984,000
13	Farm Labor Revolving Account--Private/Local Appropriation . . .	\$28,000
14	Worker and Community Right-to-Know Account--	
15	State Appropriation . . . . .	\$1,000,000
16	Public Works Administration Account--State	
17	Appropriation . . . . .	\$6,466,000
18	Manufactured Home Installation Training Account--	
19	State Appropriation . . . . .	\$527,000
20	Accident Account--State Appropriation . . . . .	\$251,693,000
21	Accident Account--Federal Appropriation . . . . .	\$13,622,000
22	Medical Aid Account--State Appropriation . . . . .	\$258,574,000
23	Medical Aid Account--Federal Appropriation . . . . .	\$3,186,000
24	Plumbing Certificate Account--State Appropriation . . . . .	\$1,736,000
25	Pressure Systems Safety Account--State Appropriation . . . . .	\$4,179,000
26	TOTAL APPROPRIATION . . . . .	\$629,631,000

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

29 (1) Pursuant to RCW 43.135.055, the department is authorized to  
30 increase fees related to factory assembled structures, contractor  
31 registration, electricians, plumbers, asbestos removal, boilers,  
32 elevators, and manufactured home installers. These increases are  
33 necessary to support expenditures authorized in this section,  
34 consistent with chapters 43.22, 18.27, 19.28, and 18.106 RCW, RCW  
35 49.26.130, and chapters 70.79, 70.87, and 43.22A RCW.

36 (2) \$50,000 of the general fund--state appropriation for fiscal  
37 year 2012 and \$50,000 of the general fund--state appropriation for

1 fiscal year 2013 are provided solely for the crime victims compensation  
2 program to pay claims for mental health services for crime victim  
3 compensation program clients who have an established relationship with  
4 a mental health provider and subsequently obtain coverage under the  
5 medicaid program or the medical care services program under chapter  
6 74.09 RCW. Prior to making such payment, the program must have  
7 determined that payment for the specific treatment or provider is not  
8 available under the medicaid or medical care services program. In  
9 addition, the program shall make efforts to contact any healthy options  
10 or medical care services health plan in which the client may be  
11 enrolled to help the client obtain authorization to pay the claim on an  
12 out-of-network basis.

13 (3) \$34,000 of the general fund--state appropriation for fiscal  
14 year 2012 is provided solely for implementation of Engrossed Second  
15 Substitute House Bill No. 1701 (contractor misclassification). If the  
16 bill is not enacted by June 30, 2011, the amount provided in this  
17 subsection shall lapse.

18 (4) \$1,942,000 of the accident account--state appropriation and  
19 \$6,704,000 of the medical aid account--state appropriation are provided  
20 solely for implementation of Engrossed Substitute House Bill No. 2002  
21 (industrial insurance). If the bill is not enacted by June 30, 2011,  
22 the amount provided in this subsection shall lapse.

23 (5) \$1,096,000 of the accident account--state appropriation and  
24 \$1,096,000 of the medical aid account--state appropriation are provided  
25 solely for implementation of Engrossed Substitute House Bill No. 1725  
26 (workers' compensation). If the bill is not enacted by June 30, 2011,  
27 the amounts provided in this subsection shall lapse.

28 (6) \$51,000 of the accident account--state appropriation and  
29 \$51,000 of the medical aid account--state appropriation are provided  
30 solely for implementation of Engrossed Substitute House Bill No. 1367  
31 (for hire vehicles, operators). If the bill is not enacted by June 30,  
32 2011, the amounts provided in this subsection shall lapse.

33 (7) \$9,433,000 of the accident medical aid account--state  
34 appropriation is provided solely for implementation of Engrossed  
35 Substitute House Bill No. 1869 (occupational health best practices).  
36 If the bill is not enacted by June 30, 2011, the amount provided in  
37 this subsection shall lapse.



1 (8) \$1,817,000 of the accident account--state appropriation and  
2 \$1,812,000 of the medical aid account--state appropriation are provided  
3 solely for implementation of Engrossed Substitute House Bill No. 1487  
4 (retrospective rating plan claims). If the bill is not enacted by June  
5 30, 2011, the amounts provided in this subsection shall lapse.

6 (9) \$369,000 of the manufactured home installation training  
7 account--state appropriation is provided solely for implementation of  
8 Substitute House Bill No. 1502 (manufactured/mobile home program). If  
9 the bill is not enacted by June 30, 2011, the amount provided in this  
10 subsection shall lapse.

11 (10) \$800,000 of the public works administration account--state  
12 appropriation is provided solely for the purposes of investigation and  
13 enforcement of underground economy activity.

14 NEW SECTION. **Sec. 218. FOR THE DEPARTMENT OF VETERANS AFFAIRS**

15 (1) HEADQUARTERS

16	General Fund--State Appropriation (FY 2012) . . . . .	\$1,897,000
17	General Fund--State Appropriation (FY 2013) . . . . .	\$1,899,000
18	Charitable, Educational, Penal, and Reformatory	
19	Institutions Account--State Appropriation . . . . .	\$10,000
20	TOTAL APPROPRIATION . . . . .	\$3,806,000

21 (2) FIELD SERVICES

22	General Fund--State Appropriation (FY 2012) . . . . .	\$4,810,000
23	General Fund--State Appropriation (FY 2013) . . . . .	\$4,812,000
24	General Fund--Federal Appropriation . . . . .	\$2,759,000
25	General Fund--Private/Local Appropriation . . . . .	\$4,223,000
26	Veterans Innovations Program Account--State	
27	Appropriation . . . . .	\$161,000
28	Veteran Estate Management Account--Private/Local	
29	Appropriation . . . . .	\$1,109,000
30	TOTAL APPROPRIATION . . . . .	\$17,874,000

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

33 (a) The department shall collaborate with the department of social  
34 and health services to identify and assist eligible general assistance  
35 unemployable clients to access the federal department of veterans  
36 affairs benefits.

1 (b) \$161,000 of the veterans innovations program account--state  
 2 appropriation is provided solely for the department to continue support  
 3 for returning combat veterans through the veterans innovation program,  
 4 including emergency financial assistance through the defenders' fund  
 5 and long-term financial assistance through the competitive grant  
 6 program.

7 (c) The post traumatic stress disorder program has provided state  
 8 funded services to soldiers who may qualify for federal outpatient  
 9 mental health treatment but have not yet been adjudicated for federal  
 10 benefits. The department shall prioritize state funding towards  
 11 assisting and facilitating with the adjudication of soldiers who may  
 12 qualify for federal veterans benefits. The state shall be the payer of  
 13 last resort. State funded treatment shall be prioritized to rural  
 14 areas that are not near a federally funded veterans medical center, a  
 15 federally funded readjustment counseling services center, or a  
 16 federally funded veterans community-based clinic.

17 (3) INSTITUTIONAL SERVICES

18	General Fund--State Appropriation (FY 2012) . . . . .	\$1,741,000
19	General Fund--State Appropriation (FY 2013) . . . . .	\$963,000
20	General Fund--Federal Appropriation . . . . .	\$57,521,000
21	General Fund--Private/Local Appropriation . . . . .	\$34,530,000
22	TOTAL APPROPRIATION . . . . .	\$94,755,000

23 **NEW SECTION. Sec. 219. FOR THE DEPARTMENT OF HEALTH**

24	General Fund--State Appropriation (FY 2012) . . . . .	\$84,882,000
25	General Fund--State Appropriation (FY 2013) . . . . .	\$84,572,000
26	General Fund--Federal Appropriation . . . . .	\$536,389,000
27	General Fund--Private/Local Appropriation . . . . .	\$149,767,000
28	Hospital Data Collection Account--State Appropriation . . . . .	\$220,000
29	Health Professions Account--State Appropriation . . . . .	\$95,669,000
30	Aquatic Lands Enhancement Account--State Appropriation . . . . .	\$610,000
31	Emergency Medical Services and Trauma Care Systems	
32	Trust Account--State Appropriation . . . . .	\$12,327,000
33	Safe Drinking Water Account--State Appropriation . . . . .	\$4,545,000
34	Drinking Water Assistance Account--Federal	
35	Appropriation . . . . .	\$23,251,000
36	Waterworks Operator Certification--State	
37	Appropriation . . . . .	\$1,560,000

1	Drinking Water Assistance Administrative Account--	
2	State Appropriation . . . . .	\$326,000
3	Biotoxin Account--State Appropriation . . . . .	\$1,167,000
4	State Toxics Control Account--State Appropriation . . . . .	\$3,771,000
5	Medical Test Site Licensure Account--State	
6	Appropriation . . . . .	\$2,366,000
7	Youth Tobacco Prevention Account--State Appropriation . . . . .	\$1,512,000
8	Community and Economic Development Fee Account--State	
9	Appropriation . . . . .	\$596,000
10	Public Health Supplemental Account--Private/Local	
11	Appropriation . . . . .	\$3,602,000
12	Accident Account--State Appropriation . . . . .	\$316,000
13	Medical Aid Account--State Appropriation . . . . .	\$57,000
14	Tobacco Prevention and Control Account--State	
15	Appropriation . . . . .	\$37,000
16	TOTAL APPROPRIATION . . . . .	\$1,007,542,000

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

19       (1) The department of health shall not initiate any services that  
20 will require expenditure of state general fund moneys unless expressly  
21 authorized in this act or other law. The department of health and the  
22 state board of health shall not implement any new or amended rules  
23 pertaining to primary and secondary school facilities until the rules  
24 and a final cost estimate have been presented to the legislature, and  
25 the legislature has formally funded implementation of the rules through  
26 the omnibus appropriations act or by statute. The department may seek,  
27 receive, and spend, under RCW 43.79.260 through 43.79.282, federal  
28 moneys not anticipated in this act as long as the federal funding does  
29 not require expenditure of state moneys for the program in excess of  
30 amounts anticipated in this act. If the department receives  
31 unanticipated unrestricted federal moneys, those moneys shall be spent  
32 for services authorized in this act or in any other legislation that  
33 provides appropriation authority, and an equal amount of appropriated  
34 state moneys shall lapse. Upon the lapsing of any moneys under this  
35 subsection, the office of financial management shall notify the  
36 legislative fiscal committees. As used in this subsection,  
37 "unrestricted federal moneys" includes block grants and other funds

1 that federal law does not require to be spent on specifically defined  
2 projects or matched on a formula basis by state funds.

3 (2) In accordance with RCW 43.70.250 and 43.135.055, the department  
4 is authorized to establish and raise fees in fiscal year 2012 as  
5 necessary to meet the actual costs of conducting business and the  
6 appropriation levels in this section. This authorization applies to  
7 fees required for: The review of health care facility construction;  
8 review of health facility requests for certificate of need; the  
9 regulation and inspection of farm worker housing, hospital licensing,  
10 in-home health service agencies, and producers of radioactive waste;  
11 the regulation and inspection of shellfish sanitary control, and; fees  
12 associated with the following professions: Dietitians and  
13 nutritionists, occupational therapists, pharmacy, veterinarian,  
14 orthotics and prosthetics, surgical technicians, nursing home  
15 administrators, health care assistants, hearing and speech, psychology,  
16 hypnotherapy, chiropractic.

17 (3) It is the intent of the legislature that the reductions in  
18 appropriations to the AIDS/HIV programs shall be achieved, to the  
19 greatest extent possible, by reducing those state government  
20 administrative costs that do not affect direct client services or  
21 direct service delivery or programs. If reductions made to  
22 administrative costs are insufficient to align program costs with  
23 appropriations for AIDS/HIV programs, the agency shall reduce  
24 prevention services as necessary. The agency shall not change client  
25 eligibility standards or benefit levels during the 2011-2013 fiscal  
26 biennium.

27 (4) \$125,000 of the general fund--state appropriation for fiscal  
28 year 2012 and \$125,000 of the general fund--state appropriation for  
29 fiscal year 2013 are provided solely for tobacco cessation programs for  
30 communities of color.

31 (5) \$137,000 of the health professions account--state appropriation  
32 is provided solely for implementation of Substitute House Bill No. 1133  
33 (massage practitioner license). If the bill is not enacted by June 30,  
34 2011, the amount provided in this subsection shall lapse.

35 (6) \$1,670,000 of the safe drinking water account--state  
36 appropriation is provided solely for implementation of Substitute House  
37 Bill No. 1468 (public water system permits). If the bill is not

1 enacted by June 30, 2011, the amount provided in this subsection shall  
2 lapse.

3 (7) \$85,000 of the general fund--state appropriation for fiscal  
4 year 2012 and \$85,000 of the general fund--state appropriation for  
5 fiscal year 2013 are provided solely for the developmental disabilities  
6 council to contract for a family-to-family mentor program to provide  
7 information and support to families and guardians of persons who are  
8 transitioning out of residential habilitation centers. To the maximum  
9 extent allowable under federal law, these funds shall be matched under  
10 medicaid through the department of social and health services and  
11 federal funds shall be transferred to the department for the purposes  
12 stated in this subsection.

13 (8) The department shall coordinate the collection of data among  
14 identified state agencies and, by November 15, 2011, provide a report  
15 to the legislature regarding food procurement costs to inform state  
16 food purchasing decisions. The data shall include food procurement  
17 costs for fiscal year 2011: For the department of health on behalf of  
18 its employees and stakeholders; for the department of corrections and  
19 the department of social and health services regarding meals and other  
20 food served to both residential and nonresidential clients; and for the  
21 department of services for the blind for vending machine services and  
22 on-site food and beverage vending services.

23 NEW SECTION. **Sec. 220. FOR THE DEPARTMENT OF CORRECTIONS**

24 (1) ADMINISTRATION AND SUPPORT SERVICES

25	General Fund--State Appropriation (FY 2012) . . . . .	\$57,065,000
26	General Fund--State Appropriation (FY 2013) . . . . .	\$56,437,000
27	TOTAL APPROPRIATION . . . . .	\$113,502,000

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

30 (a) \$35,000 of the general fund--state appropriation for fiscal  
31 year 2012 and \$35,000 of the general fund--state appropriation for  
32 fiscal year 2013 are provided solely for the support of a statewide  
33 council on mentally ill offenders that includes as its members  
34 representatives of community-based mental health treatment programs,  
35 current or former judicial officers, and directors and commanders of  
36 city and county jails and state prison facilities. The council will  
37 investigate and promote cost-effective approaches to meeting the

1 long-term needs of adults and juveniles with mental disorders who have  
2 a history of offending or who are at-risk of offending, including their  
3 mental health, physiological, housing, employment, and job training  
4 needs.

5 (b) \$25,000 of the general fund--state appropriation for fiscal  
6 year 2012 is provided solely for the sentencing guidelines commission,  
7 in partnership with the Washington state institute of public policy, to  
8 develop a plan to adjust the sentencing guidelines or otherwise reduce  
9 sentences in a manner supported by the latest research, to save at  
10 least \$10,000,000 by fiscal year 2013 that would be partially  
11 reinvested in evidence-based programs for juveniles and adults proven  
12 to reduce recidivism. The sentencing guidelines commission shall  
13 report its recommendations to the governor and the legislature by  
14 December 1, 2011.

15 (c) By October 1, 2011, the department shall compile and submit to  
16 the department of health data regarding food procurement costs for  
17 fiscal year 2011 regarding meals and other food for both residential  
18 and nonresidential clients, including the percentage of food purchased  
19 from Washington sources. The data shall be reported by setting and  
20 population, including costs per client, and be accompanied by the  
21 department's current food purchasing policies and standards.

22 (2) CORRECTIONAL OPERATIONS

23	General Fund--State Appropriation (FY 2012) . . . . .	\$618,802,000
24	General Fund--State Appropriation (FY 2013) . . . . .	\$581,118,000
25	General Fund--Federal Appropriation . . . . .	\$3,300,000
26	General Fund--Private/Local Appropriation . . . . .	\$2,336,000
27	Washington Auto Theft Prevention Authority Account--	
28	State Appropriation . . . . .	\$15,351,000
29	TOTAL APPROPRIATION . . . . .	\$1,220,907,000

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

32 (a) 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 (b) During the 2011-13 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 (c) The Harborview medical center and the University of Washington  
10 medical center shall provide inpatient and outpatient hospital services  
11 to offenders confined in department of corrections facilities at a rate  
12 no greater than the average rate that the department has negotiated  
13 with other community hospitals in Washington state.

14 (d) \$4,014,000 of the general fund--state appropriation for fiscal  
15 year 2012 and \$4,014,000 of the general fund--state appropriation for  
16 fiscal year 2013 are provided solely for in-prison evidence-based  
17 programs and for the reception diagnostic center program as part of the  
18 offender re-entry initiative.

19 (e) \$102,000 of the general fund--state appropriation for fiscal  
20 year 2012 and \$102,000 of the general fund--state appropriation for  
21 fiscal year 2013 are provided solely to implement House Bill No. 1290  
22 (health care employee overtime). If the bill is not enacted by June  
23 30, 2011, the amounts provided in this subsection shall lapse.

24 (f) \$32,000 of the general fund--state appropriation for fiscal  
25 year 2012 and \$33,000 of the general fund--state appropriation for  
26 fiscal year 2013 are provided solely to implement Substitute House Bill  
27 No. 1718 (offenders with developmental disabilities). If the bill is  
28 not enacted by June 30, 2011, the amounts provided in this subsection  
29 shall lapse.

30 (3) COMMUNITY SUPERVISION

31	General Fund--State Appropriation (FY 2012) . . . . .	\$135,350,000
32	General Fund--State Appropriation (FY 2013) . . . . .	\$132,828,000
33	Washington Auto Theft Prevention Authority Account--	
34	State Appropriation . . . . .	\$495,000
35	TOTAL APPROPRIATION . . . . .	\$268,673,000

36 The appropriations in this subsection are subject to the following  
37 conditions and limitations:

1 (a) The department shall accomplish personnel reductions with the  
2 least possible impact on correctional custody staff, community custody  
3 staff, and correctional industries. For the purposes of this  
4 subsection, correctional custody staff means employees responsible for  
5 the direct supervision of offenders.

6 (b) \$1,585,000 of the general fund--state appropriation for fiscal  
7 year 2012 and \$1,585,000 of the general fund--state appropriation for  
8 fiscal year 2013 are provided solely for evidence-based community  
9 programs and for community justice centers as part of the offender  
10 re-entry initiative.

11 (c) \$875,000 of the general fund--state appropriation for fiscal  
12 year 2012 is provided solely to implement Substitute House Bill No.  
13 1632 (cost of supervision). If the bill is not enacted by June 30,  
14 2011, the amount provided in this subsection shall lapse.

15 (4) CORRECTIONAL INDUSTRIES

16	General Fund--State Appropriation (FY 2012) . . . . .	\$3,623,000
17	General Fund--State Appropriation (FY 2013) . . . . .	\$3,617,000
18	TOTAL APPROPRIATION . . . . .	\$7,240,000

19 The appropriations in this subsection are subject to the following  
20 conditions and limitations: \$132,000 of the general fund--state  
21 appropriation for fiscal year 2012 and \$132,000 of the general  
22 fund--state appropriation for fiscal year 2013 are provided solely for  
23 transfer to the jail industries board. The board shall use the amounts  
24 provided only for administrative expenses, equipment purchases, and  
25 technical assistance associated with advising cities and counties in  
26 developing, promoting, and implementing consistent, safe, and efficient  
27 offender work programs.

28 (5) INTERAGENCY PAYMENTS

29	General Fund--State Appropriation (FY 2012) . . . . .	\$39,190,000
30	General Fund--State Appropriation (FY 2013) . . . . .	\$36,555,000
31	TOTAL APPROPRIATION . . . . .	\$75,745,000

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

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



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

5 NEW SECTION. **Sec. 221. FOR THE DEPARTMENT OF SERVICES FOR THE**  
6 **BLIND**

7	General Fund--State Appropriation (FY 2012) . . . . .	\$2,304,000
8	General Fund--State Appropriation (FY 2013) . . . . .	\$2,299,000
9	General Fund--Federal Appropriation . . . . .	\$19,419,000
10	General Fund--Private/Local Appropriation . . . . .	\$30,000
11	TOTAL APPROPRIATION . . . . .	\$24,052,000

12 The appropriations in this subsection are subject to the following  
13 conditions and limitations: By October 1, 2011, the department shall  
14 compile and submit to the department of health data regarding food  
15 procurement costs for fiscal year 2011 regarding vending machine  
16 services and on-site food and beverage vending services. The data  
17 shall be reported by location and type and be accompanied by the  
18 department's food purchasing policies and standards.

19 NEW SECTION. **Sec. 222. FOR THE EMPLOYMENT SECURITY DEPARTMENT**

20	General Fund--Federal Appropriation . . . . .	\$269,150,000
21	General Fund--Private/Local Appropriation . . . . .	\$34,481,000
22	Unemployment Compensation Administration Account--	
23	Federal Appropriation . . . . .	\$368,389,000
24	Administrative Contingency Account--State Appropriation . .	\$20,394,000
25	Employment Service Administrative Account--State	
26	Appropriation . . . . .	\$34,479,000
27	TOTAL APPROPRIATION . . . . .	\$726,893,000

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

30 (1) \$39,666,000 of the unemployment compensation administration  
31 account--federal appropriation is from amounts made available to the  
32 state by section 903 (d), (f), and (g) of the social security act (Reed  
33 act). This amount is provided solely for continuing current  
34 unemployment insurance functions and department services to employers  
35 and job seekers.

1           (2) \$35,584,000 of the unemployment compensation administration  
2 account--federal appropriation is from amounts made available to the  
3 state by section 903 (d), (f), and (g) of the social security act (Reed  
4 act). This amount is provided solely for the replacement of the  
5 unemployment insurance tax information system for the employment  
6 security department. The employment security department shall support  
7 the department of revenue and department of labor and industries to  
8 develop a common vision to ensure technological compatibility between  
9 the three agencies to facilitate a coordinated business tax system for  
10 the future that improves services to business customers. The amounts  
11 provided in this subsection are conditioned on the department  
12 satisfying the requirements of section 902 of this act.

13           (3) \$25,000 of the unemployment compensation administration  
14 account--federal appropriation is from amounts made available to the  
15 state by section 903 (d), (f), and (g) of the social security act (Reed  
16 act). This amount is provided solely for implementation of system  
17 changes to the unemployment insurance tax information system required  
18 under chapter 4, Laws of 2011 (unemployment insurance program).

19           (4) \$1,459,000 of the unemployment compensation administration  
20 account--federal appropriation is from amounts available to the state  
21 by section 903 (d), (f), and (g) of the social security act (Reed act).  
22 This amount is provided solely for implementation of chapter 4, Laws of  
23 2011 (unemployment insurance program).

24           (5) \$60,000 of the unemployment compensation administration  
25 account--federal appropriation is provided solely for costs associated  
26 with the initial review and evaluation of the training benefits program  
27 as directed in section 15(2), chapter 4, Laws of 2011 (unemployment  
28 insurance program). The initial review shall be developed by the joint  
29 legislative audit and review committee. This appropriation is provided  
30 from funds made available to the state by section 903 (d), (f), and (g)  
31 of the social security act (Reed act).

(End of part)

PART III  
NATURAL RESOURCES

NEW SECTION.   **Sec. 301. FOR THE COLUMBIA RIVER GORGE COMMISSION**

General Fund--State Appropriation (FY 2012)	\$410,000
General Fund--State Appropriation (FY 2013)	\$419,000
General Fund--Federal Appropriation	\$32,000
General Fund--Private/Local Appropriation	\$799,000
TOTAL APPROPRIATION	\$1,660,000

NEW SECTION.   **Sec. 302. FOR THE DEPARTMENT OF ECOLOGY**

General Fund--State Appropriation (FY 2012)	\$51,060,000
General Fund--State Appropriation (FY 2013)	\$48,171,000
General Fund--Federal Appropriation	\$79,024,000
General Fund--Private/Local Appropriation	\$16,804,000
Special Grass Seed Burning Research Account--State Appropriation	\$3,000
Reclamation Revolving Account--State Appropriation	\$3,722,000
Flood Control Assistance Account--State Appropriation	\$1,987,000
State Emergency Water Projects Revolving Account--State Appropriation	\$270,000
Waste Reduction/Recycling/Litter Control--State Appropriation	\$11,679,000
State Drought Preparedness Account--State Appropriation	\$118,000
State and Local Improvements Revolving Account (Water Supply Facilities)--State Appropriation	\$435,000
Freshwater Aquatic Algae Control Account--State Appropriation	\$512,000
Water Rights Tracking System Account--State Appropriation	\$46,000
Site Closure Account--State Appropriation	\$728,000
Wood Stove Education and Enforcement Account--State Appropriation	\$616,000
Worker and Community Right-to-Know Account--State Appropriation	\$1,721,000
Water Rights Processing Account--State Appropriation	\$2,286,000
State Toxics Control Account--State Appropriation	\$114,882,000
State Toxics Control Account--Private/Local	

1	Appropriation . . . . .	\$983,000
2	Local Toxics Control Account--State Appropriation . . . . .	\$27,581,000
3	Water Quality Permit Account--State Appropriation . . . . .	\$38,605,000
4	Underground Storage Tank Account--State Appropriation . . . . .	\$3,348,000
5	Biosolids Permit Account--State Appropriation . . . . .	\$1,858,000
6	Hazardous Waste Assistance Account--State Appropriation . . . . .	\$6,011,000
7	Air Pollution Control Account--State Appropriation . . . . .	\$2,502,000
8	Oil Spill Prevention Account--State Appropriation . . . . .	\$5,829,000
9	Air Operating Permit Account--State Appropriation . . . . .	\$2,816,000
10	Freshwater Aquatic Weeds Account--State Appropriation . . . . .	\$1,710,000
11	Oil Spill Response Account--State Appropriation . . . . .	\$7,076,000
12	Metals Mining Account--State Appropriation . . . . .	\$14,000
13	Water Pollution Control Revolving Account--State	
14	Appropriation . . . . .	\$630,000
15	Water Pollution Control Revolving Account--Federal	
16	Appropriation . . . . .	\$2,583,000
17	TOTAL APPROPRIATION . . . . .	\$435,610,000

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

20 (1) \$170,000 of the oil spill prevention account--state  
21 appropriation is provided solely for a contract with the University of  
22 Washington's sea grant program to continue an educational program  
23 targeted to small spills from commercial fishing vessels, ferries,  
24 cruise ships, ports, and marinas.

25 (2) Pursuant to RCW 43.135.055, the department is authorized to  
26 increase the following fees as necessary to meet the actual costs of  
27 conducting business and the appropriation levels in this section:  
28 Wastewater discharge permit, not more than 4.34 percent in fiscal year  
29 2012 and 4.62 percent in fiscal year 2013; biosolids permit fee, not  
30 more than 10 percent during the biennium; and air contaminate source  
31 registration fee, not more than 36 percent during the biennium.

32 (3) If Substitute House Bill No. 1294 (Puget Sound corps) is not  
33 enacted by June 30, 2011, \$322,000 of the general fund--state  
34 appropriation for fiscal year 2012 and \$322,000 of the general fund--  
35 state appropriation for fiscal year 2013 shall be transferred to the  
36 department of natural resources.

37 (4) \$463,000 of the state toxics control account--state  
38 appropriation is provided solely for implementation of Engrossed Second

1 Substitute House Bill No. 1186 (state's oil spill program). If the  
2 bill is not enacted by June 30, 2011, the amount provided in this  
3 subsection shall lapse.

4 (5) \$45,000 of the general fund--state appropriation for fiscal  
5 year 2012 is provided solely for implementation of Engrossed Second  
6 Substitute House Bill No. 1952 (SEPA process). If the bill is not  
7 enacted by June 30, 2011, the amount provided in this subsection shall  
8 lapse.

9 (6) The department may not spend waste reduction, recycling, and  
10 litter control account funds to support the following activities: The  
11 beyond waste plan, work on national solid waste recycling issues, work  
12 on construction and demolition recycling and green building  
13 alternatives, education programs including the green schools  
14 initiative, and management of the 1-800-recycle hotline and database on  
15 school awards. Waste reduction, recycling, and litter account control  
16 funds must be prioritized to support litter pickup using correctional  
17 crews, regulatory programs, and technical assistance to local  
18 governments.

19 NEW SECTION. **Sec. 303. FOR THE STATE PARKS AND RECREATION**  
20 **COMMISSION**

21	General Fund--State Appropriation (FY 2012) . . . . .	\$10,512,000
22	General Fund--State Appropriation (FY 2013) . . . . .	\$10,650,000
23	General Fund--Federal Appropriation . . . . .	\$5,981,000
24	Winter Recreation Program Account--State Appropriation . . .	\$1,770,000
25	ORV and Nonhighway Vehicle Account--State Appropriation . . .	\$233,000
26	Snowmobile Account--State Appropriation . . . . .	\$4,867,000
27	Aquatic Lands Enhancement Account--State Appropriation . . . .	\$363,000
28	Parks Renewal and Stewardship Account--State	
29	Appropriation . . . . .	\$125,470,000
30	Parks Renewal and Stewardship Account--Private/Local	
31	Appropriation . . . . .	\$300,000
32	TOTAL APPROPRIATION . . . . .	\$160,146,000

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

35 (1) \$9,921,000 of the general fund--state appropriation for fiscal  
36 year 2012 and \$9,921,000 of the general fund--state appropriation for  
37 fiscal year 2013 are provided solely to assist state parks in its

1 implementation of a new fee structure. The goal of this structure is  
2 to make the parks system self-supporting. By August 1, 2012, state  
3 parks must submit a report to the office of financial management  
4 detailing its progress toward this goal and outlining any additional  
5 statutory changes needed for successful implementation.

6 (2) \$79,000 of the general fund--state appropriation for fiscal  
7 year 2012 and \$79,000 of the general fund--state appropriation for  
8 fiscal year 2013 are provided solely for a grant for the operation of  
9 the Northwest avalanche center.

10 (3) \$53,550,000 of the parks renewal and stewardship account--state  
11 appropriation is provided solely for implementation of House Bill No.  
12 1796 (Washington's heritage). If the bill is not enacted by June 30,  
13 2011, the amount provided in this subsection shall lapse.

14 NEW SECTION. **Sec. 304. FOR THE RECREATION AND CONSERVATION**  
15 **FUNDING BOARD**

16	General Fund--State Appropriation (FY 2012) . . . . .	\$962,000
17	General Fund--State Appropriation (FY 2013) . . . . .	\$988,000
18	General Fund--Federal Appropriation . . . . .	\$3,346,000
19	General Fund--Private/Local Appropriation . . . . .	\$274,000
20	Aquatic Lands Enhancement Account--State Appropriation . . . . .	\$278,000
21	Vessel Response Account--State Appropriation . . . . .	\$100,000
22	Firearms Range Account--State Appropriation . . . . .	\$37,000
23	Recreation Resources Account--State Appropriation . . . . .	\$3,043,000
24	NOVA Program Account--State Appropriation . . . . .	\$900,000
25	TOTAL APPROPRIATION . . . . .	\$9,928,000

26 The appropriations in this section are subject to the following  
27 conditions and limitations: \$40,000 of the general fund--federal  
28 appropriation, \$24,000 of the general fund--private/local  
29 appropriation, \$100,000 of the vessel response account--state  
30 appropriation, and \$12,000 of the recreation resources account--state  
31 appropriation are provided solely for House Bill No. 1413 (invasive  
32 species council). If the bill is not enacted by June 30, 2011, the  
33 amounts provided in this subsection shall lapse.

34 NEW SECTION. **Sec. 305. FOR THE ENVIRONMENTAL AND LAND USE**  
35 **HEARINGS OFFICE**

36	General Fund--State Appropriation (FY 2012) . . . . .	\$2,478,000
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1 General Fund--State Appropriation (FY 2013) . . . . . \$2,490,000  
 2 TOTAL APPROPRIATION . . . . . \$4,968,000

3 NEW SECTION. **Sec. 306. FOR THE CONSERVATION COMMISSION**

4 General Fund--State Appropriation (FY 2012) . . . . . \$6,137,000  
 5 General Fund--State Appropriation (FY 2013) . . . . . \$6,156,000  
 6 General Fund--Federal Appropriation . . . . . \$1,301,000  
 7 TOTAL APPROPRIATION . . . . . \$13,594,000

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

10 (1) The conservation commission, in cooperation with all  
 11 conservation districts, will seek to minimize conservation district  
 12 overhead costs. These efforts may include merging conservation  
 13 districts along county lines.

14 (2) \$122,000 of the general fund--federal appropriation is provided  
 15 solely for Engrossed Substitute House Bill No. 1886 (Ruckelshaus center  
 16 process). If the bill is not enacted by June 30, 2011, the amount  
 17 provided in this subsection shall lapse.

18 NEW SECTION. **Sec. 307. FOR THE DEPARTMENT OF FISH AND WILDLIFE**

19 General Fund--State Appropriation (FY 2012) . . . . . \$36,199,000  
 20 General Fund--State Appropriation (FY 2013) . . . . . \$34,773,000  
 21 General Fund--Federal Appropriation . . . . . \$107,370,000  
 22 General Fund--Private/Local Appropriation . . . . . \$51,566,000  
 23 ORV and Nonhighway Vehicle Account--State Appropriation . . . \$393,000  
 24 Aquatic Lands Enhancement Account--State Appropriation . . . \$6,992,000  
 25 Recreational Fisheries Enhancement--State Appropriation . . \$3,601,000  
 26 Warm Water Game Fish Account--State Appropriation . . . . . \$3,125,000  
 27 Eastern Washington Pheasant Enhancement Account--State  
 28 Appropriation . . . . . \$849,000  
 29 Aquatic Invasive Species Enforcement Account--State  
 30 Appropriation . . . . . \$210,000  
 31 Aquatic Invasive Species Prevention Account--State  
 32 Appropriation . . . . . \$741,000  
 33 State Wildlife Account--State Appropriation . . . . . \$108,781,000  
 34 Special Wildlife Account--State Appropriation . . . . . \$2,399,000  
 35 Special Wildlife Account--Federal Appropriation . . . . . \$3,431,000  
 36 Special Wildlife Account--Private/Local Appropriation . . . . \$487,000

1	Wildlife Rehabilitation Account--State Appropriation . . . . .	\$260,000
2	Regional Fisheries Enhancement Salmonid Recovery	
3	Account--Federal Appropriation . . . . .	\$5,001,000
4	Oil Spill Prevention Account--State Appropriation . . . . .	\$919,000
5	Oyster Reserve Land Account--State Appropriation . . . . .	\$927,000
6	Hydraulic Project Approval Account--State	
7	Appropriation . . . . .	\$2,000,000
8	TOTAL APPROPRIATION . . . . .	\$370,024,000

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

11       (1) \$294,000 of the aquatic lands enhancement account--state  
12 appropriation is provided solely for the implementation of hatchery  
13 reform recommendations defined by the hatchery scientific review group.

14       (2) \$355,000 of the general fund--state appropriation for fiscal  
15 year 2012 and \$355,000 of the general fund--state appropriation for  
16 fiscal year 2013 are provided solely for the department to continue a  
17 pilot project with the Confederated Tribes of the Colville Reservation  
18 to develop expanded recreational fishing opportunities on Lake Rufus  
19 Woods and its northern shoreline and to conduct joint enforcement of  
20 lake fisheries on Lake Rufus Woods and adjoining waters, pursuant to  
21 state and tribal intergovernmental agreements developed under the  
22 Columbia River water supply program. For the purposes of the pilot  
23 project:

24       (a) A fishing permit issued to a nontribal member by the Colville  
25 Tribes shall satisfy the license requirement of RCW 77.32.010 on the  
26 waters of Lake Rufus Woods and on the north shore of Lake Rufus Woods;

27       (b) The Colville Tribes have agreed to provide to holders of its  
28 nontribal member fishing permits a means to demonstrate that fish in  
29 their possession were lawfully taken in Lake Rufus Woods;

30       (c) A Colville tribal member identification card shall satisfy the  
31 license requirement of RCW 77.32.010 on all waters of Lake Rufus Woods;

32       (d) The department and the Colville Tribes shall jointly designate  
33 fishing areas on the north shore of Lake Rufus Woods for the purposes  
34 of enhancing access to the recreational fisheries on the lake; and

35       (e) The Colville Tribes have agreed to recognize a fishing license  
36 issued under RCW 77.32.470 or RCW 77.32.490 as satisfying the nontribal  
37 member fishing permit requirements of Colville tribal law on the



1 reservation portion of the waters of Lake Rufus Woods and at designated  
2 fishing areas on the north shore of Lake Rufus Woods;

3 (3) Prior to submitting its 2013-2015 biennial operating and  
4 capital budget request related to state fish hatcheries to the office  
5 of financial management, the department shall contract with the  
6 hatchery scientific review group (HSRG) to review this request. This  
7 review shall: (a) Determine if the proposed requests are consistent  
8 with HSRG recommendations; (b) prioritize the components of the  
9 requests based on their contributions to protecting wild salmonid  
10 stocks and meeting the recommendations of the HSRG; and (c) evaluate  
11 whether the proposed requests are being made in the most cost effective  
12 manner. The department shall provide a copy of the HSRG review to the  
13 office of financial management with their agency budget proposal.

14 (4) \$400,000 of the general fund--state appropriation for fiscal  
15 year 2012 is provided solely for a state match to support the Puget  
16 Sound nearshore partnership between the department and the U.S. army  
17 corps of engineers.

18 (5) \$50,000 of the general fund--state appropriation for fiscal  
19 year 2012 and \$50,000 of the general fund--state appropriation for  
20 fiscal year 2013 are provided solely for removal of derelict gear in  
21 Washington waters.

22 (6) \$100,000 of the eastern Washington pheasant enhancement  
23 account--state appropriation is provided solely for the department to  
24 support efforts to enhance permanent and temporary pheasant habitat on  
25 public and private lands in Grant, Franklin, and Adams counties. The  
26 department may support efforts by entities including conservation  
27 districts, nonprofit organizations, and landowners, and must require  
28 such entities to provide significant nonstate matching resources, which  
29 may be in the form of funds, material, or labor.

30 (7) Within the amounts appropriated in this section, the department  
31 shall identify additional opportunities for partnerships in order to  
32 keep fish hatcheries operational. Such partnerships shall aim to  
33 maintain fish production and salmon recovery with less reliance on  
34 state operating funds.

35 (8) By September 1, 2011, the department shall update its  
36 interagency agreement dated September 30, 2010, with the department of  
37 natural resources concerning land management services on the department

1 of fish and wildlife's wildlife conservation and recreation lands. The  
2 update shall include rates and terms for services.

3 (9) Prior to opening game management unit 490 to public hunting,  
4 the department shall complete an environmental impact statement that  
5 includes an assessment of how public hunting activities will impact the  
6 ongoing protection of the public water supply.

7 (10) \$17,535,000 of the state wildlife account--state appropriation  
8 is provided solely for the implementation of Substitute House Bill No.  
9 1387 (state wildlife account). If the bill is not enacted by June 30,  
10 2011, the amount provided in this subsection shall lapse.

11 (11) \$7,114,000 of the state wildlife account--state appropriation  
12 is provided solely for the implementation of House Bill No. 1796  
13 (Washington's heritage). If the bill is not enacted by June 30, 2011,  
14 the amount provided in this subsection shall lapse.

15 (12) \$2,000,000 of the hydraulic project approval account--state  
16 appropriation is provided solely for the implementation of House Bill  
17 No. 2008 (natural resources programs). If the bill is not enacted by  
18 June 30, 2011, the amount provided in this subsection shall lapse.

19 NEW SECTION. **Sec. 308. FOR THE DEPARTMENT OF NATURAL RESOURCES**

20	General Fund--State Appropriation (FY 2012) . . . . .	\$34,674,000
21	General Fund--State Appropriation (FY 2013) . . . . .	\$34,398,000
22	General Fund--Federal Appropriation . . . . .	\$28,145,000
23	General Fund--Private/Local Appropriation . . . . .	\$2,381,000
24	Forest Development Account--State Appropriation . . . . .	\$42,772,000
25	ORV and Nonhighway Vehicle Account--State Appropriation . .	\$4,508,000
26	Surveys and Maps Account--State Appropriation . . . . .	\$2,399,000
27	Aquatic Lands Enhancement Account--State	
28	Appropriation . . . . .	\$7,389,000
29	Resources Management Cost Account--State	
30	Appropriation . . . . .	\$83,835,000
31	Surface Mining Reclamation Account--State	
32	Appropriation . . . . .	\$3,540,000
33	Disaster Response Account--State Appropriation . . . . .	\$5,000,000
34	Forest and Fish Support Account--State Appropriation . . . .	\$7,939,000
35	Aquatic Land Dredged Material Disposal Site	
36	Account--State Appropriation . . . . .	\$844,000
37	Natural Resources Conservation Areas Stewardship	

1	Account--State Appropriation . . . . .	\$34,000
2	State Toxics Control Account--State Appropriation . . . . .	\$80,000
3	Air Pollution Control Account--State Appropriation . . . . .	\$1,319,000
4	NOVA Program Account--State Appropriation . . . . .	\$669,000
5	Derelict Vessel Removal Account--State Appropriation . . . . .	\$1,765,000
6	Agricultural College Trust Management Account--State	
7	Appropriation . . . . .	\$1,916,000
8	Forest Practices Application Account--State	
9	Appropriation . . . . .	\$2,000,000
10	TOTAL APPROPRIATION . . . . .	\$265,607,000

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

13 (1) \$977,000 of the general fund--state appropriation for fiscal  
14 year 2012 and \$915,000 of the general fund--state appropriation for  
15 fiscal year 2013 are provided solely for deposit into the agricultural  
16 college trust management account and are provided solely to manage  
17 approximately 70,700 acres of Washington State University's  
18 agricultural college trust lands.

19 (2) \$10,037,000 of the general fund--state appropriation for fiscal  
20 year 2012, \$10,037,000 of the general fund--state appropriation for  
21 fiscal year 2013, and \$5,000,000 of the disaster response account--  
22 state appropriation are provided solely for emergency fire suppression.  
23 None of the general fund and disaster response account amounts provided  
24 in this subsection may be used to fund agency indirect and  
25 administrative expenses. Agency indirect and administrative costs  
26 shall be allocated among the agency's remaining accounts and  
27 appropriations. The department of natural resources shall submit a  
28 quarterly report to the office of financial management and the  
29 legislative fiscal committees detailing information on current and  
30 planned expenditures from the disaster response account. This work  
31 shall be done in coordination with the military department.

32 (3) \$4,000,000 of the forest and fish support account--state  
33 appropriation is provided solely for adaptive management, monitoring,  
34 and participation grants to tribes. If federal funding for this  
35 purpose is reinstated, the amount provided in this subsection shall  
36 lapse.

37 (4) \$333,000 of the forest and fish support account--state

1 appropriation is provided solely for adaptive management, monitoring,  
2 and participation grants to nongovernmental organizations.

3 (5) \$487,000 of the general fund--state appropriation is provided  
4 solely to fund interagency agreements with the department of ecology  
5 and the department of fish and wildlife as part of the adaptive  
6 management process.

7 (6) \$1,000,000 of the general fund--federal appropriation and  
8 \$1,000,000 of the forest and fish support account--state appropriation  
9 are provided solely for continuing scientific studies already underway  
10 as part of the adaptive management process. Funds may not be used to  
11 initiate new studies unless the department secures new federal funding  
12 for the adaptive management process.

13 (7) The department is authorized to increase the silviculture  
14 burning permit fee in the 2011-2013 biennium as necessary to meet the  
15 actual costs of conducting business.

16 (8) \$440,000 of the state general fund--state appropriation for  
17 fiscal year 2012 and \$440,000 of the state general fund--state  
18 appropriation for fiscal year 2013 are provided solely for forest work  
19 crews that support correctional camps and are contingent upon  
20 continuing operations of Naselle youth camp.

21 (9) By September 1, 2011, the department shall update its  
22 interagency agreement dated September 30, 2010, with the department of  
23 fish and wildlife concerning land management services on the department  
24 of fish and wildlife's wildlife conservation and recreation lands. The  
25 update shall include rates and terms for services.

26 (10) \$2,000,000 of the forest practices application account--state  
27 appropriation, \$62,000 of the resources management cost account--state  
28 appropriation, and \$62,000 of the forest development account--state  
29 appropriation are provided solely for the implementation of House Bill  
30 No. 2008 (natural resources programs). If the bill is not enacted by  
31 June 30, 2011, the amounts provided in this subsection shall lapse.

32 (11)(a) The department shall convene the marine rents review  
33 committee so that the committee can recommend to the legislature  
34 alternative methods of calculating rents for marinas occupying  
35 state-owned aquatic lands. The committee must explore ways to refine  
36 and improve the averaging method for calculating rents for marinas as  
37 generally described in Senate Bill No. 5550 (marina annual rent rates);  
38 examine current methodologies; address significant fluctuations in

1 assessed value among similarly sized and situated properties; and  
 2 explore how marina rents in similar regional marina markets can affect  
 3 market conditions for marinas. The department shall also consider  
 4 expanding representation and stakeholder outreach on the committee,  
 5 based on recommendations of existing committee members. The department  
 6 is authorized to use independent facilitators and outside parties to  
 7 partner in the committee's efforts. Recommendations provided by the  
 8 committee must meet these minimum requirements:

9 (i) Provide more equitable treatment of marina lessees through  
 10 similar lease rates for similar uses in similar markets or geographic  
 11 locations;

12 (ii) Minimize administrative burdens to the department;

13 (iii) Be designed with strategies to be revenue neutral or positive  
 14 to the state over a time frame agreeable to the department.

15 (b) The committee shall strive for unanimous agreement in its  
 16 recommendations. In the absence of a unanimous agreement, a vote may  
 17 be taken to assess preferences and majority and minority views, and  
 18 recommendations must be reported to the legislature by December 1,  
 19 2011, consistent with RCW 43.01.036.

20 (12) Within the funds provided in this section, the department of  
 21 natural resources must prepare recommendations, delivered to the  
 22 legislature by October 31, 2011, consistent with RCW 43.01.036, for  
 23 increases in fees under chapter 76.09 RCW with the goal of making the  
 24 department's forest practices division completely fee supported. In  
 25 developing the recommendations, the department must involve the  
 26 participation of a broad range of affected stakeholders and interested  
 27 parties.

28 **NEW SECTION. Sec. 309. FOR THE DEPARTMENT OF AGRICULTURE**

29	General Fund--State Appropriation (FY 2012) . . . . .	\$13,635,000
30	General Fund--State Appropriation (FY 2013) . . . . .	\$13,431,000
31	General Fund--Federal Appropriation . . . . .	\$23,217,000
32	General Fund--Private/Local Appropriation . . . . .	\$190,000
33	Aquatic Lands Enhancement Account--State	
34	Appropriation . . . . .	\$2,101,000
35	State Toxics Control Account--State Appropriation . . . . .	\$5,191,000
36	Water Quality Permit Account--State Appropriation . . . . .	\$62,000
37	TOTAL APPROPRIATION . . . . .	\$57,827,000

1 The appropriations in this section are subject to the following  
2 conditions and limitations: \$5,308,445 of the general fund--state  
3 appropriation for fiscal year 2012 and \$5,302,905 of the general fund--  
4 state appropriation for fiscal year 2013 are provided solely for  
5 implementing the food assistance program as defined in RCW 43.23.290.

6 NEW SECTION. **Sec. 310. FOR THE WASHINGTON POLLUTION LIABILITY**  
7 **INSURANCE PROGRAM**

8 Pollution Liability Insurance Program Trust  
9 Account--State Appropriation . . . . . \$681,000

10 NEW SECTION. **Sec. 311. FOR THE PUGET SOUND PARTNERSHIP**

11 General Fund--State Appropriation (FY 2012) . . . . . \$2,797,000  
12 General Fund--State Appropriation (FY 2013) . . . . . \$2,785,000  
13 General Fund--Federal Appropriation . . . . . \$9,620,000  
14 General Fund--Private/Local Appropriation . . . . . \$25,000  
15 Aquatic Lands Enhancement Account--State Appropriation . . . . \$499,000  
16 State Toxics Control Account--State Appropriation . . . . . \$735,000  
17 TOTAL APPROPRIATION . . . . . \$16,461,000

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

20 (1) \$706,000 of the state toxics control account--state  
21 appropriation is provided solely for activities that contribute to  
22 Puget Sound protection and recovery, including provision of independent  
23 advice and assessment of the state's oil spill prevention,  
24 preparedness, and response programs, including review of existing  
25 activities and recommendations for any necessary improvements. The  
26 partnership may carry out this function through an existing committee,  
27 such as the ecosystem coordination board or the leadership council, or  
28 may appoint a special advisory council. Because this is a unique  
29 statewide program, the partnership may invite participation from  
30 outside the Puget Sound region.

31 (2) Within the amounts appropriated in this section, the Puget  
32 Sound partnership shall facilitate an ongoing monitoring consortium to  
33 integrate monitoring efforts for storm water, water quality, watershed

1 health, and other indicators to enhance monitoring efforts in Puget  
2 Sound.

(End of part)

PART IV  
TRANSPORTATION

NEW SECTION.    **Sec. 401. FOR THE DEPARTMENT OF LICENSING**

4	General Fund--State Appropriation (FY 2012) . . . . .	\$1,148,000
5	General Fund--State Appropriation (FY 2013) . . . . .	\$1,402,000
6	Architects' License Account--State Appropriation . . . . .	\$1,086,000
7	Professional Engineers' Account--State	
8	Appropriation . . . . .	\$3,644,000
9	Real Estate Commission Account--State Appropriation . . . . .	\$10,043,000
10	Uniform Commercial Code Account--State Appropriation . . . . .	\$3,183,000
11	Real Estate Education Account--State Appropriation . . . . .	\$276,000
12	Real Estate Appraiser Commission Account--State	
13	Appropriation . . . . .	\$1,724,000
14	Business and Professions Account--State Appropriation . . . . .	\$15,996,000
15	Real Estate Research Account--State Appropriation . . . . .	\$622,000
16	Geologists' Account--State Appropriation . . . . .	\$49,000
17	Derelict Vessel Removal Account--State Appropriation . . . . .	\$31,000
18	TOTAL APPROPRIATION . . . . .	\$39,204,000

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

21       (1) Pursuant to RCW 43.135.055, the department is authorized to  
22 increase fees for collection agencies, cosmetologists, funeral  
23 directors, cemeteries, court reporters and appraisers. These increases  
24 are necessary to support the expenditures authorized in this section,  
25 consistent with RCW 43.24.086.

26       (2) \$8,000 of the business and professions account--state  
27 appropriation is provided solely to implement House Bill No. 1745  
28 (collection agencies). If the bill is not enacted by June 30, 2011,  
29 the amount provided in this subsection shall lapse.

30       (3) \$54,000 of the business and professions account--state  
31 appropriation is provided solely to implement Substitute House Bill No.  
32 1205 (court reporter licensing). If the bill is not enacted by June  
33 30, 2011, the amount provided in this subsection shall lapse.

34       (4) \$71,000 of the professional engineers' account--state  
35 appropriation is provided solely to implement House Bill No. 1900



1 (continuing ed for engineers). If the bill is not enacted by June 30,  
2 2011, the amount provided in this subsection shall lapse.

3 NEW SECTION. **Sec. 402. FOR THE STATE PATROL**

4	General Fund--State Appropriation (FY 2012) . . . . .	\$40,624,000
5	General Fund--State Appropriation (FY 2013) . . . . .	\$38,151,000
6	General Fund--Federal Appropriation . . . . .	\$16,081,000
7	General Fund--Private/Local Appropriation . . . . .	\$3,021,000
8	Death Investigations Account--State Appropriation . . . . .	\$5,735,000
9	County Criminal Justice Assistance Account--State	
10	Appropriation . . . . .	\$3,302,000
11	Municipal Criminal Justice Assistance Account--State	
12	Appropriation . . . . .	\$1,332,000
13	Fire Service Trust Account--State Appropriation . . . . .	\$131,000
14	Disaster Response Account--State Appropriation . . . . .	\$8,002,000
15	Fire Service Training Account--State Appropriation . . . . .	\$9,087,000
16	Aquatic Invasive Species Enforcement Account--State	
17	Appropriation . . . . .	\$54,000
18	State Toxics Control Account--State Appropriation . . . . .	\$508,000
19	Fingerprint Identification Account--State	
20	Appropriation . . . . .	\$8,970,000
21	Vehicle License Fraud Account--State Appropriation . . . . .	\$221,000
22	TOTAL APPROPRIATION . . . . .	\$135,219,000

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

25 (1) \$200,000 of the fire service training account--state  
26 appropriation is provided solely for two FTEs in the office of the  
27 state director of fire protection to exclusively review K-12  
28 construction documents for fire and life safety in accordance with the  
29 state building code. It is the intent of this appropriation to provide  
30 these services only to those districts that are located in counties  
31 without qualified review capabilities.

32 (2) \$8,000,000 of the disaster response account--state  
33 appropriation is provided solely for Washington state fire service  
34 resource mobilization costs incurred in response to an emergency or  
35 disaster authorized under RCW 43.43.960 and 43.43.964. The state  
36 patrol shall submit a report quarterly to the office of financial

1 management and the legislative fiscal committees detailing information  
2 on current and planned expenditures from this account. This work shall  
3 be done in coordination with the military department.

4 (3) \$400,000 of the fire service training account--state  
5 appropriation is provided solely for the firefighter apprenticeship  
6 training program.

7 (4) In accordance with RCW 43.43.742 the state patrol is authorized  
8 to increase the following fees in fiscal year 2012 as necessary to meet  
9 the actual costs of conducting business and the appropriation levels in  
10 this section: Notary service fee.

11 (5) \$59,000 of the fingerprint identification account--state  
12 appropriation is provided solely for implementation of Engrossed Second  
13 Substitute House Bill No. 1776 (child care center licensing). If the  
14 bill is not enacted by June 30, 2011, the amount provided in this  
15 subsection shall lapse.

16 (6) \$6,000 of the fingerprint identification account--state  
17 appropriation is provided solely for implementation of Engrossed  
18 Substitute House Bill No. 1494 (vulnerable adult referrals). If the  
19 bill is not enacted by June 30, 2011, the amount provided in this  
20 subsection shall lapse.

(End of part)

PART V  
EDUCATION

NEW SECTION.    **Sec. 501. FOR THE SUPERINTENDENT OF PUBLIC INSTRUCTION**

General Fund--State Appropriation (FY 2012) . . . . .	\$27,774,000
General Fund--State Appropriation (FY 2013) . . . . .	\$24,058,000
General Fund--Federal Appropriation . . . . .	\$87,577,000
TOTAL APPROPRIATION . . . . .	\$139,409,000

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

(1) A maximum of \$18,545,000 of the general fund--state appropriation for fiscal year 2012 and \$14,917,000 of the general fund--state appropriation for fiscal year 2013 is for state agency operations.

(a) \$12,211,000 of the general fund--state appropriation for fiscal year 2012 and \$9,861,000 of the general fund--state appropriation for fiscal year 2013 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 (1)(a), 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) By January 1, 2012, the office of the superintendent of public instruction shall issue a report to the legislature with a timeline and an estimate of costs for implementation of the common core standards. The report must incorporate feedback from an open public forum for recommendations to enhance the standards, particularly in math.

(iii) Within the amounts provided, and in consultation with the public school employees of Washington and the Washington school counselors' association, the office of the superintendent of public instruction shall develop a model policy that further defines the recommended roles and responsibilities of graduation coaches and identifies best practices for how graduation coaches work in coordination with school counselors and in the context of a comprehensive school guidance and counseling program.

1 (iv) Within the amounts provided, \$1,600,000 in fiscal year 2012 is  
2 for development of a new electronic certification system for educators,  
3 pursuant to Substitute House Bill No. 1449 (educator certificate fee).  
4 Beginning in fiscal year 2013, if system development is complete, the  
5 e-certification system will be supported by proceeds from the educator  
6 certification processing account.

7 (b) \$1,384,000 of the general fund--state appropriation for fiscal  
8 year 2012 and \$636,000 of the general fund--state appropriation for  
9 fiscal year 2013 are provided solely for activities associated with the  
10 implementation of new school finance systems required by chapter 236,  
11 Laws of 2010 (K-12 education funding) and chapter 548, Laws of 2009  
12 (state's education system), including technical staff, systems  
13 reprogramming, and workgroup deliberations, including the quality  
14 education council.

15 (c) \$851,000 of the general fund--state appropriation for fiscal  
16 year 2012 and \$851,000 of the general fund--state appropriation for  
17 fiscal year 2013 are provided solely for the operation and expenses of  
18 the state board of education, including basic education assistance  
19 activities.

20 (d) \$1,711,000 of the general fund--state appropriation for fiscal  
21 year 2012 and \$1,328,000 of the general fund--state appropriation for  
22 fiscal year 2013 are provided solely to the professional educator  
23 standards board for the following:

24 (i) \$909,000 in fiscal year 2012 and \$909,000 in fiscal year 2013  
25 are for the operation and expenses of the Washington professional  
26 educator standards board; and

27 (ii) \$752,000 of the general fund--state appropriation for fiscal  
28 year 2012 and \$380,000 of the general fund--state appropriation for  
29 fiscal year 2013 are for conditional scholarship loans and mentor  
30 stipends provided through the alternative routes to certification  
31 program administered by the professional educator standards board,  
32 including the pipeline for paraeducators program and the retooling to  
33 teach conditional loan programs. Funding within this subsection  
34 (1)(d)(ii) is also provided for the recruiting Washington teachers  
35 program. Funding reductions in this subsection (1)(d)(ii) in the 2011-  
36 2013 fiscal biennium are intended to be one-time.

37 (iii) \$40,000 of the general fund--state appropriation for fiscal  
38 year 2012 and \$39,000 of the general fund--state appropriation for

1 fiscal year 2013 are provided solely for the implementation of  
2 Engrossed Second Substitute House Bill No. 1593 (principal  
3 certification), including the development of a residency provisional  
4 principal certification for candidates with demonstrated professional  
5 and managerial leadership experiences. If the bill is not enacted by  
6 June 30, 2011, the amounts provided in this subsection shall lapse.

7 (e) \$133,000 of the general fund--state appropriation for fiscal  
8 year 2012 and \$133,000 of the general fund--state appropriation for  
9 fiscal year 2013 are provided solely for the implementation of chapter  
10 240, Laws of 2010, including staffing the office of equity and civil  
11 rights.

12 (f) \$100,000 of the general fund--state appropriation for fiscal  
13 year 2012 and \$100,000 of the general fund--state appropriation for  
14 fiscal year 2013 are provided solely for the ongoing work of the  
15 achievement gap oversight and accountability committee.

16 (g) \$45,000 of the general fund--state appropriation for fiscal  
17 year 2012 and \$45,000 of the general fund--state appropriation for  
18 fiscal year 2013 are provided solely for the implementation of chapter  
19 380, Laws of 2009 (enacting the interstate compact on educational  
20 opportunity for military children).

21 (h) \$60,000 of the general fund--state appropriation for fiscal  
22 year 2012 and \$15,000 of the general fund--state appropriation for  
23 fiscal year 2013 are provided solely for the implementation of Second  
24 Substitute House Bill No. 1163 (bullying prevention), which requires  
25 the office of the superintendent of public instruction to convene an  
26 ongoing workgroup on school bullying and harassment prevention. If the  
27 bill is not enacted by June 30, 2011, the amounts provided in this  
28 subsection shall lapse.

29 (i) \$100,000 of the general fund--state appropriation for fiscal  
30 year 2012 and \$100,000 of the general fund--state appropriation for  
31 fiscal year 2013 are provided solely for the implementation of  
32 Engrossed Second Substitute House Bill No. 1546 (innovation schools and  
33 zones). The funding supports a school innovation program which grants  
34 waivers of state statutes or administrative rules to encourage  
35 innovation in educational practice. If the bill is not enacted by June  
36 30, 2011, the amounts provided in this subsection shall lapse.

37 (j) \$182,000 of the general fund--state appropriation for fiscal  
38 year 2012 and \$59,000 of the general fund--state appropriation for

1 fiscal year 2013 are provided solely for the implementation of  
2 Engrossed Second Substitute House Bill No. 1443 (education reforms).  
3 If the bill is not enacted by June 30, 2011, the amounts provided in  
4 this subsection shall lapse.

5 (k) \$209,000 of the general fund--state appropriation for fiscal  
6 year 2012 and \$230,000 of the general fund--state appropriation for  
7 fiscal year 2013 are provided solely for the implementation of  
8 Engrossed Substitute House Bill No. 1849 (state education council),  
9 including the establishment of a state education council to consider  
10 proposals for education governance in Washington. If the bill is not  
11 enacted by June 30, 2011, the amounts provided in this subsection shall  
12 lapse.

13 (l) \$1,534,000 of the general fund--state appropriation for fiscal  
14 year 2012 and \$1,534,000 of the general fund--state appropriation for  
15 fiscal year 2013 are provided solely for implementing a comprehensive  
16 data system to include financial, student, and educator data, including  
17 development and maintenance of the comprehensive education data and  
18 research system (CEDARS). The office of the superintendent of public  
19 instruction will convene a data governance group to define operating  
20 rules and a governance structure for K-12 data collections, and  
21 collaborate with the education research and data center to facilitate  
22 analysis of data across education sectors.

23 (m) \$25,000 of the general fund--state appropriation for fiscal  
24 year 2012 and \$25,000 of the general fund--state appropriation for  
25 fiscal year 2013 are provided solely for project citizen, a program  
26 sponsored by the national conference of state legislatures and the  
27 center for civic education to promote participation in government by  
28 middle school students.

29 (2) \$9,245,000 of the general fund--state appropriation for fiscal  
30 year 2012, \$9,145,000 of the general fund--state appropriation for  
31 fiscal year 2013, and \$55,890,000 of the general fund--federal  
32 appropriation are for statewide programs.

33 (a) HEALTH AND SAFETY

34 (i) \$2,541,000 of the general fund--state appropriation for fiscal  
35 year 2012 and \$2,541,000 of the general fund--state appropriation for  
36 fiscal year 2013 are provided solely for a corps of nurses located at  
37 educational service districts, as determined by the superintendent of

1 public instruction, to be dispatched to the most needy schools to  
2 provide direct care to students, health education, and training for  
3 school staff.

4 (ii) \$96,000 of the general fund--state appropriation for fiscal  
5 year 2012 and \$96,000 of the general fund--state appropriation for  
6 fiscal year 2013 are provided solely for a school safety training  
7 program provided by the criminal justice training commission. The  
8 commission, in collaboration with the school safety center advisory  
9 committee, shall provide the school safety training for all school  
10 administrators and school safety personnel.

11 (iii) \$100,000 of the general fund--state appropriation for fiscal  
12 year 2012 and \$100,000 of the general fund--state appropriation for  
13 fiscal year 2013 are provided solely for the school safety center in  
14 the office of the superintendent of public instruction subject to the  
15 following conditions and limitations:

16 (A) The safety center shall: Disseminate successful models of  
17 school safety plans and cooperative efforts; provide assistance to  
18 schools to establish a comprehensive safe school plan; select models of  
19 cooperative efforts that have been proven successful; act as an  
20 information dissemination and resource center when an incident occurs  
21 in a school district either in Washington or in another state;  
22 coordinate activities relating to school safety; review and approve  
23 manuals and curricula used for school safety models and training; and  
24 develop and maintain a school safety information web site.

25 (B) The school safety center advisory committee shall develop a  
26 training program, using the best practices in school safety, for all  
27 school safety personnel.

28 (iv) \$50,000 of the general fund--state appropriation for fiscal  
29 year 2012 and \$50,000 of the general fund--state appropriation for  
30 fiscal year 2013 are provided solely for a nonviolence and leadership  
31 training program provided by the institute for community leadership.

32 (b) TECHNOLOGY

33 \$872,000 of the general fund--state appropriation for fiscal year  
34 2012 and \$872,000 of the general fund--state appropriation for fiscal  
35 year 2013 are provided solely for K-20 telecommunications network  
36 technical support in the K-12 sector to prevent system failures and  
37 avoid interruptions in school utilization of the data processing and

1 video-conferencing capabilities of the network. These funds may be  
2 used to purchase engineering and advanced technical support for the  
3 network.

4 (c) GRANTS AND ALLOCATIONS

5 (i) \$675,000 of the general fund--state appropriation for fiscal  
6 year 2012 and \$675,000 of the general fund--state appropriation for  
7 fiscal year 2013 are provided solely for the Washington state achievers  
8 scholarship program. The funds shall be used to support community  
9 involvement officers that recruit, train, and match community volunteer  
10 mentors with students selected as achievers scholars.

11 (ii) \$1,000,000 of the general fund--state appropriation for fiscal  
12 year 2012 and \$1,000,000 of the general fund--state appropriation for  
13 fiscal year 2013 are provided solely for contracting with a college  
14 scholarship organization with expertise in conducting outreach to  
15 students concerning eligibility for the Washington college bound  
16 scholarship consistent with chapter 405, Laws of 2007.

17 (iii) \$2,924,000 of the general fund--state appropriation for  
18 fiscal year 2012 and \$2,924,000 of the general fund--state  
19 appropriation for fiscal year 2013 are provided solely for the  
20 dissemination of the navigation 101 curriculum to all districts. The  
21 funding shall support electronic student planning tools and software  
22 for analyzing the impact of navigation 101 on student performance, as  
23 well as grants to a maximum of one hundred school districts each year,  
24 based on progress and need for the implementation of the navigation 101  
25 program. The implementation grants shall be awarded to a cross-section  
26 of school districts reflecting a balance of geographic and demographic  
27 characteristics. Within the amounts provided, the office of the  
28 superintendent of public instruction will create a navigation 101  
29 accountability model to analyze the impact of the program.

30 (iv) \$337,000 of the general fund--state appropriation for fiscal  
31 year 2012 and \$337,000 of the general fund--state appropriation for  
32 fiscal year 2013 are provided solely for implementation of the building  
33 bridges statewide program for comprehensive dropout prevention,  
34 intervention, and reengagement strategies.

35 (v) \$150,000 of the general fund--state appropriation for fiscal  
36 year 2012 and \$150,000 of the general fund--state appropriation for  
37 fiscal year 2013 are provided solely for dropout prevention programs at



1 the office of the superintendent of public instruction, including the  
2 jobs for America's graduates (JAG) program.

3 (vi) \$500,000 of the general fund--state appropriation for fiscal  
4 year 2012 and \$400,000 of the general fund--state appropriation for  
5 fiscal year 2013 are provided solely for the implementation of  
6 Substitute House Bill No. 1510 (state-funded kindergarten), including  
7 the development and implementation of the Washington kindergarten  
8 inventory of developing skills (WaKIDS). If the bill is not enacted by  
9 June 30, 2011, the amounts provided in this subsection shall lapse.

10 NEW SECTION. **Sec. 502. FOR THE SUPERINTENDENT OF PUBLIC**  
11 **INSTRUCTION--FOR GENERAL APPORTIONMENT**

12	General Fund--State Appropriation (FY 2012) . . . . .	\$5,506,815,000
13	General Fund--State Appropriation (FY 2013) . . . . .	\$5,392,527,000
14	TOTAL APPROPRIATION . . . . .	\$10,899,342,000

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

17 (1)(a) Each general fund fiscal year appropriation includes such  
18 funds as are necessary to complete the school year ending in the fiscal  
19 year and for prior fiscal year adjustments.

20 (b) For the 2011-12 and 2012-13 school years, the superintendent  
21 shall allocate general apportionment funding to school districts as  
22 provided in the funding formulas and salary schedules in sections 502  
23 and 503 of this act, excluding (c) of this subsection.

24 (c) From July 1, 2011 to August 31, 2011, the superintendent shall  
25 allocate general apportionment funding to school districts programs as  
26 provided in sections 502 and 504, chapter 564, Laws of 2009, as amended  
27 through sections 1402 and 1403 of this act.

28 (2) CERTIFICATED INSTRUCTIONAL STAFF ALLOCATIONS

29 Allocations for certificated instructional staff salaries for the  
30 2011-12 and 2012-13 school years are determined using formula-generated  
31 staff units calculated pursuant to this subsection.

32 (a) Certificated instructional staff units, as defined in RCW  
33 28A.150.410, shall be allocated to reflect the minimum class size  
34 allocations, requirements, and school prototypes assumptions as  
35 provided in RCW 28A.150.260. The superintendent shall adjust  
36 allocations to school districts based on the district's annual average  
37 full-time equivalent student enrollment in each grade.

1 (b) Additional certificated instructional staff units provided in  
2 this subsection (2) that exceed the minimum requirements in RCW  
3 28A.150.260 are enhancements outside the program of basic education,  
4 except as otherwise provided in this section.

5 (c)(i) The superintendent shall base allocations for each level of  
6 prototypical school on the following regular education average class  
7 size of full-time equivalent students per teacher, except as provided  
8 in (c)(ii) of this subsection:

9 General education class size:

10 Grade	RCW 28A.150.260
11 Grades K-3 .....	25.23
12 Grade 4 .....	27.00
13 Grades 5-6 .....	27.00
14 Grades 7-8 .....	28.53
15 Grades 9-12 .....	28.74

16 The superintendent shall base allocations for career and technical  
17 education (CTE) and skill center programs average class size as  
18 provided in RCW 28A.150.260.

19 (ii) For each level of prototypical school at which more than fifty  
20 percent of the students were eligible for free and reduced-price meals  
21 as determined by a rolling average of enrollment from the three most  
22 recently completed school years, the superintendent shall allocate  
23 funding based on the following average class size of full-time  
24 equivalent students per teacher:

25 General education class size in high poverty  
26 school:

27 Grades K-3 .....	24.23
28 Grade 4 .....	27.00
29 Grades 5-6 .....	27.00
30 Grades 7-8 .....	28.53
31 Grades 9-12 .....	28.74

1 (iii) Pursuant to RCW 28A.150.200 to implement RCW  
2 28A.150.260(4)(b), class size reductions in grades K-3 that exceed the  
3 requirements of RCW 28A.150.260(4)(a) are within the program of basic  
4 education.

5 (iv) Pursuant to RCW 28A.150.260(4)(a), the assumed teacher  
6 planning period, expressed as a percentage of a teacher work day, is  
7 13.42 percent in grades K-6, and 16.67 percent in grades 7-12; and

8 (v) Laboratory science, advanced placement, and international  
9 baccalaureate courses are funded at the same class size assumptions as  
10 general education schools in the same grade; and

11 (d)(i) Funding for teacher librarians, school nurses, social  
12 workers, school psychologists, and guidance counselors is allocated  
13 based on the school prototypes as provided in RCW 28A.150.260 and is  
14 considered certificated instructional staff, except as provided in  
15 (d)(ii) of this subsection.

16 (ii) Students in approved career and technical education and skill  
17 center programs generate certificated instructional staff units to  
18 provide for the services of teacher librarians, school nurses, social  
19 workers, school psychologists, and guidance counselors at the following  
20 combined rate per 1000 students:

21	Career and Technical Education	
22	students . . . . .	2.02 per 1000 student FTE's
23	Skill Center students . . . . .	2.36 per 1000 student FTE's

24 (3) ADMINISTRATIVE STAFF ALLOCATIONS

25 (a) Allocations for school building-level certificated  
26 administrative staff salaries for the 2011-12 and 2012-13 school years  
27 for general education students are determined using the formula-  
28 generated staff units provided in RCW 28A.150.260, and adjusted based  
29 on a district's annual average full-time equivalent student enrollment  
30 in each grade.

31 (b) Students in approved career and technical education and skill  
32 center programs generate certificated school building-level  
33 administrator staff units at per student rates that exceed the general  
34 education rate in (a) of this subsection by the following percentages:

35	Career and Technical Education students . . . . .	2.5 percent
36	Skill Center students . . . . .	19.75 percent

37 (4) CLASSIFIED STAFF ALLOCATIONS

1 Allocations for classified staff units providing school building-  
2 level and district-wide support services for the 2011-12 and 2012-13  
3 school years are determined using the formula-generated staff units  
4 provided in RCW 28A.150.260, and adjusted based on each district's  
5 annual average full-time equivalent student enrollment in each grade.

6 (5) CENTRAL OFFICE ALLOCATIONS

7 In addition to classified and administrative staff units allocated  
8 in subsections (3) and (4) of this section, classified and  
9 administrative staff units are provided for the 2011-12 and 2012-13  
10 school year for the central office administrative costs of operating a  
11 school district, at the following rates:

12 (a) The total central office staff units provided in this  
13 subsection (5) are calculated by first multiplying the total number of  
14 eligible certificated instructional, certificated administrative, and  
15 classified staff units providing school-based or district-wide support  
16 services, as identified in RCW 28A.150.260(6)(b), by 5.3 percent.

17 (b) Of the central office staff units calculated in (a) of this  
18 subsection, 74.53 percent are allocated as classified staff units, as  
19 generated in subsection (4) of this section, and 25.47 percent shall be  
20 allocated as administrative staff units, as generated in subsection (3)  
21 of this section.

22 (c) Staff units generated as enhancements outside the program of  
23 basic education to the minimum requirements of RCW 28A.150.260, and  
24 staff units generated by skill center and career-technical students,  
25 are excluded from the total central office staff units calculation in  
26 (a) of this subsection.

27 (d) For students in approved career-technical and skill center  
28 programs, central office classified units are allocated at the same  
29 staff unit per student rate as those generated for general education  
30 students of the same grade in this subsection (5), and central office  
31 administrative staff units are allocated at staff unit per student  
32 rates that exceed the general education rate established for students  
33 in the same grade in this subsection (5) by 3.69 percent for career and  
34 technical education students, and 21.92 percent for skill center  
35 students.

36 (6) FRINGE BENEFIT ALLOCATIONS

37 Fringe benefit allocations shall be calculated at a rate of 16.30  
38 percent in the 2011-12 school year and 16.30 percent in the 2012-13

1 school year for certificated salary allocations provided under  
 2 subsections (2), (3), and (5) of this section, and a rate of 18.68  
 3 percent in the 2011-12 school year and 18.68 percent in the 2012-13  
 4 school year for classified salary allocations provided under  
 5 subsections (4) and (5) of this section.

6 (7) INSURANCE BENEFIT ALLOCATIONS

7 Insurance benefit allocations shall be calculated at the  
 8 maintenance rate specified in section 504 of this act, based on the  
 9 number of benefit units determined as follows:

10 (a) The number of certificated staff units determined in  
 11 subsections (2), (3), and (5) of this section; and

12 (b) The number of classified staff units determined in subsections  
 13 (4) and (5) of this section multiplied by 1.152. This factor is  
 14 intended to adjust allocations so that, for the purposes of  
 15 distributing insurance benefits, full-time equivalent classified  
 16 employees may be calculated on the basis of 1440 hours of work per  
 17 year, with no individual employee counted as more than one full-time  
 18 equivalent.

19 (8) MATERIALS, SUPPLIES, AND OPERATING COSTS (MSOC) ALLOCATIONS

20 Funding is allocated per annual average full-time equivalent  
 21 student for the materials, supplies, and operating costs (MSOC)  
 22 incurred by school districts, consistent with the requirements of RCW  
 23 28A.150.260.

24 (a) MSOC funding for general education students are allocated at  
 25 the following per student rates:

26 MSOC RATES/STUDENT FTE

27	28 MSOC Component	29 2011-12 SCHOOL YEAR	30 2012-13 SCHOOL YEAR
31	Technology	\$57.02	\$57.99
32	Utilities and Insurance	\$154.93	\$157.56
33	Curriculum and Textbooks	\$61.22	\$62.26
34	Other Supplies and Library Materials	\$129.97	\$132.18

1	Instructional Professional Development for Certificated and Classified Staff	\$9.47	\$9.63
2	Facilities Maintenance	\$76.75	\$78.06
3	Security and Central Office	\$53.17	\$54.08
4	TOTAL BASIC EDUCATION MSOC/STUDENT FTE	\$542.53	\$551.76

5 (b) Students in approved skill center programs generate per student  
6 FTE MSOC allocations which equal the rate for general education  
7 students calculated in (a) of this subsection, multiplied by a factor  
8 of 2.187.

9 (c) Students in approved exploratory and preparatory career and  
10 technical education programs generate a per student MSOC allocation  
11 that is equal to the rate for general education students calculated in  
12 (a) of this subsection, multiplied by a factor of 2.459.

13 (d) Students in laboratory science courses generate per student FTE  
14 MSOC allocations which equal the per student FTE rate for general  
15 education students established in (a) of this subsection.

16 (9) SUBSTITUTE TEACHER ALLOCATIONS

17 For the 2011-12 and 2012-13 school years, funding for substitute  
18 costs for classroom teachers is based on four (4) funded substitute  
19 days per classroom teacher unit generated under subsection (2) of this  
20 section, at a daily substitute rate of \$151.86.

21 (10) ALTERNATIVE LEARNING EXPERIENCE PROGRAM FUNDING

22 (i) Beginning in the 2011-12 school year, general apportionment  
23 allocations resulting from this section and compensation factors in  
24 sections 503 and 504 of this act shall be multiplied by a factor of  
25 .801 for students participating in alternative learning experience  
26 (ALE) programs defined in WAC 392-121-182.

27 (ii) School districts providing ALE programs as defined in WAC  
28 392-121-182 may not provide any compensation, reimbursement, gift,  
29 reward, or gratuity to any parents, guardians, or students for  
30 participation in ALE programs. This prohibition includes, but is not  
31 limited to, providing funds to parents, guardians, or students for the  
32 purchase of educational materials, supplies, experiences, services, or  
33 technological equipment. A district may purchase educational  
34 materials, equipment, or other nonconsumable supplies for students' use  
35 in ALE programs if the purchase is consistent with laws and rules and  
36 made in the same manner as such purchases are made for students in the

1 district's non-ALE program. Items so purchased remain the property of  
2 the school district upon ALE program completion. These requirements in  
3 this subsection extend to private and multidistrict cooperative ALE  
4 providers, and each district shall be responsible for monitoring the  
5 compliance of its ALE providers with this subsection.

6 (iii) The superintendent of public instruction shall require all  
7 districts receiving general apportionment funding for alternative  
8 learning experience (ALE) programs as defined in WAC 392-121-182 to  
9 provide separate financial accounting of expenditures for the ALE  
10 programs offered in district or with a provider, including but not  
11 limited to private companies and multidistrict cooperatives, as well as  
12 accurate, monthly headcount and FTE enrollment claimed for basic  
13 education, including separate counts of resident and nonresident  
14 students.

15 (iv) Beginning in the 2011-12 school year, school districts are  
16 exempt from the requirements of RCW 28A.150.100(2) for that portion of  
17 their annual average full-time equivalent enrollment in ALE programs as  
18 defined in WAC 392-121-182.

19 (11) VOLUNTARY FULL DAY KINDERGARTEN PROGRAMS

20 Funding in this section is sufficient to fund voluntary full day  
21 kindergarten programs in qualifying high poverty schools, pursuant to  
22 RCW 28A.150.220 and 28A.150.315. Each kindergarten student who enrolls  
23 for the voluntary full-day program in a qualifying school shall count  
24 as one-half of one full-time equivalent student for purpose of making  
25 allocations under this section. Funding in this section provides full-  
26 day kindergarten programs for 21 percent of kindergarten enrollment in  
27 the 2011-12 school year, and 22 percent in the 2012-13 school year.  
28 Funding priority shall be given to schools with the highest poverty  
29 levels, as measured by a three-year rolling average of free and reduced  
30 price lunch eligibility rates in each school, based on data from the  
31 three most recently completed school years. Funding in this section is  
32 sufficient to fund voluntary full day kindergarten programs for July  
33 and August of the 2010-11 school year. Pursuant to RCW 28A.150.200 and  
34 to implement the phase-in schedule of RCW 28A.150.315, all increases in  
35 the percentage of students served in the voluntary full day  
36 kindergarten program are within the program of basic education.

37 (12) ADDITIONAL FUNDING FOR SMALL SCHOOL DISTRICTS AND REMOTE AND  
38 NECESSARY PLANTS

1 For small school districts and remote and necessary school plants  
2 within any district which have been judged to be remote and necessary  
3 by the state board of education, additional staff units are provided to  
4 ensure a minimum level of staffing support. Additional administrative  
5 and certificated instructional staff units provided to districts in  
6 this subsection shall be reduced by the staff units otherwise provided  
7 in subsections (2) through (5) of this section on a per district basis.

8 (a) For districts enrolling not more than twenty-five average  
9 annual full-time equivalent students in grades K-8, and for small  
10 school plants within any school district which have been judged to be  
11 remote and necessary by the state board of education and enroll not  
12 more than twenty-five average annual full-time equivalent students in  
13 grades K-8:

14 (i) For those enrolling no students in grades 7 and 8, 1.76  
15 certificated instructional staff units and 0.24 certificated  
16 administrative staff units for enrollment of not more than five  
17 students, plus one-twentieth of a certificated instructional staff unit  
18 for each additional student enrolled; and

19 (ii) For those enrolling students in grades 7 or 8, 1.68  
20 certificated instructional staff units and 0.32 certificated  
21 administrative staff units for enrollment of not more than five  
22 students, plus one-tenth of a certificated instructional staff unit for  
23 each additional student enrolled;

24 (b) For specified enrollments in districts enrolling more than  
25 twenty-five but not more than one hundred average annual full-time  
26 equivalent students in grades K-8, and for small school plants within  
27 any school district which enroll more than twenty-five average annual  
28 full-time equivalent students in grades K-8 and have been judged to be  
29 remote and necessary by the state board of education:

30 (i) For enrollment of up to sixty annual average full-time  
31 equivalent students in grades K-6, 2.76 certificated instructional  
32 staff units and 0.24 certificated administrative staff units; and

33 (ii) For enrollment of up to twenty annual average full-time  
34 equivalent students in grades 7 and 8, 0.92 certificated instructional  
35 staff units and 0.08 certificated administrative staff units;

36 (c) For districts operating no more than two high schools with  
37 enrollments of less than three hundred average annual full-time



1 equivalent students, for enrollment in grades 9-12 in each such school,  
2 other than alternative schools:

3 (i) For remote and necessary schools enrolling students in any  
4 grades 9-12 but no more than twenty-five average annual full-time  
5 equivalent students in grades K-12, four and one-half certificated  
6 instructional staff units and one-quarter of a certificated  
7 administrative staff unit;

8 (ii) For all other small high schools under this subsection, nine  
9 certificated instructional staff units and one-half of a certificated  
10 administrative staff unit for the first sixty average annual full-time  
11 equivalent students, and additional staff units based on a ratio of  
12 0.8732 certificated instructional staff units and 0.1268 certificated  
13 administrative staff units per each additional forty-three and one-half  
14 average annual full-time equivalent students;

15 (d) For each nonhigh school district having an enrollment of more  
16 than seventy annual average full-time equivalent students and less than  
17 one hundred eighty students, operating a grades K-8 program or a grades  
18 1-8 program, an additional one-half of a certificated instructional  
19 staff unit;

20 (e) For each nonhigh school district having an enrollment of more  
21 than fifty annual average full-time equivalent students and less than  
22 one hundred eighty students, operating a grades K-6 program or a grades  
23 1-6 program, an additional one-half of a certificated instructional  
24 staff unit;

25 (f)(i) For enrollments generating certificated staff unit  
26 allocations under this subsection, one classified staff unit for each  
27 2.94 certificated staff units allocated under such subsections;

28 (ii) For each nonhigh school district with an enrollment of more  
29 than fifty annual average full-time equivalent students and less than  
30 one hundred eighty students, an additional one-half of a classified  
31 staff unit; and

32 (g) School districts receiving additional staff units to support  
33 small student enrollments and remote and necessary plants under  
34 subsection (12) of this section shall generate additional MSOC  
35 allocations consistent with the nonemployee related costs (NERC)  
36 allocation formula in place for the 2010-11 school year as provided  
37 section 502, chapter 37, Laws of 2010 1st sp. sess. (2010 supplemental  
38 budget), adjusted for annually for inflation.

1 (13) Any school district board of directors may petition the  
2 superintendent of public instruction by submission of a resolution  
3 adopted in a public meeting to reduce or delay any portion of its basic  
4 education allocation for any school year. The superintendent of public  
5 instruction shall approve such reduction or delay if it does not impair  
6 the district's financial condition. Any delay shall not be for more  
7 than two school years. Any reduction or delay shall have no impact on  
8 levy authority pursuant to RCW 84.52.0531 and local effort assistance  
9 pursuant to chapter 28A.500 RCW.

10 (14) The superintendent may distribute a maximum of \$2,479,000  
11 outside the basic education formula during fiscal years 2012 and 2013  
12 as follows:

13 (a) \$589,000 of the general fund--state appropriation for fiscal  
14 year 2012 and \$599,000 of the general fund--state appropriation for  
15 fiscal year 2013 are provided solely for fire protection for school  
16 districts located in a fire protection district as now or hereafter  
17 established pursuant to chapter 52.04 RCW.

18 (b) \$436,000 of the general fund--state appropriation for fiscal  
19 year 2012 and \$436,000 of the general fund--state appropriation for  
20 fiscal year 2013 are provided solely for programs providing skills  
21 training for secondary students who are enrolled in extended day  
22 school-to-work programs, as approved by the superintendent of public  
23 instruction. The funds shall be allocated at a rate not to exceed \$500  
24 per full-time equivalent student enrolled in those programs.

25 (c) Funding in this section is sufficient to fund adjustments to  
26 school districts' allocations resulting from the implementation of the  
27 prototypical school funding formula, pursuant to chapter 236, Laws of  
28 2010 (K-12 education funding). The funding in this section is intended  
29 to hold school districts harmless in total for funding changes  
30 resulting from conversion to the prototypical school formula in the  
31 general apportionment program, the learning assistance program, the  
32 transitional bilingual program, and the highly capable program, after  
33 adjustment for changes in enrollment and other caseload adjustments.

34 (15) \$208,000 of the general fund--state appropriation for fiscal  
35 year 2012 and \$211,000 of the general fund--state appropriation for  
36 fiscal year 2013 are provided solely for school district emergencies as  
37 certified by the superintendent of public instruction. At the close of  
38 the fiscal year the superintendent of public instruction shall report

1 to the office of financial management and the appropriate fiscal  
2 committees of the legislature on the allocations provided to districts  
3 and the nature of the emergency.

4 (16) Amounts in this section include adjustments made by the  
5 superintendent of public instruction for the repayment of financial  
6 contingency funds allocated in fiscal year 2011, as specified in  
7 section 501 of the 2011 supplemental budget (chapter 5, Laws of 2011).  
8 For any amount allocated to a district in state fiscal year 2011, the  
9 superintendent of public instruction shall deduct in state fiscal year  
10 2012 from the district's general apportionment the amount of the  
11 emergency contingency allocation and any earnings by the school  
12 district on the investment of a temporary cash surplus due to the  
13 emergency contingency allocation. Repayments or advances will be  
14 accomplished by a reduction in the school district's apportionment  
15 payments on or before June 30th of the school year following the  
16 distribution of the emergency contingency allocation. All  
17 disbursements, repayments, and outstanding allocations to be repaid of  
18 the emergency contingency pool shall be reported to the office of  
19 financial management and the appropriate fiscal committees of the  
20 legislature on July 1st and January 1st of each year.

21 (17) Funding in this section is sufficient to fund a maximum of 1.6  
22 FTE enrollment for skills center students pursuant to chapter 463, Laws  
23 of 2007.

24 (18) Beginning in the 2011-12 school year, students participating  
25 in running start programs may be funded up to a combined maximum  
26 enrollment of 1.2 FTE including school district and institution of  
27 higher education enrollment. Additionally, the office of the  
28 superintendent of public instruction, in consultation with the state  
29 board for community and technical colleges, the higher education  
30 coordinating board, and the education data center, shall annually track  
31 and report to the fiscal committees of the legislature on the combined  
32 FTE experience of students participating in the running start program,  
33 including course load analyses at both the high school and community  
34 and technical college system.

35 (19) If two or more school districts consolidate and each district  
36 was receiving additional basic education formula staff units pursuant  
37 to subsection (12) of this section, the following apply:

1 (a) For three school years following consolidation, the number of  
2 basic education formula staff units shall not be less than the number  
3 of basic education formula staff units received by the districts in the  
4 school year prior to the consolidation; and

5 (b) For the fourth through eighth school years following  
6 consolidation, the difference between the basic education formula staff  
7 units received by the districts for the school year prior to  
8 consolidation and the basic education formula staff units after  
9 consolidation pursuant to subsection (12) of this section shall be  
10 reduced in increments of twenty percent per year.

11 (20)(a) Indirect cost charges by a school district to approved  
12 career and technical education middle and secondary programs shall not  
13 exceed 15 percent of the combined basic education and career and  
14 technical education program enhancement allocations of state funds.  
15 Middle and secondary career and technical education programs are  
16 considered separate programs for funding and financial reporting  
17 purposes under this section.

18 (b) Career and technical education program full-time equivalent  
19 enrollment shall be reported on the same monthly basis as the  
20 enrollment for students eligible for basic support, and payments shall  
21 be adjusted for reported career and technical education program  
22 enrollments on the same monthly basis as those adjustments for  
23 enrollment for students eligible for basic support.

24 NEW SECTION. **Sec. 503. FOR THE SUPERINTENDENT OF PUBLIC**  
25 **INSTRUCTION--BASIC EDUCATION EMPLOYEE COMPENSATION**

26 (1) The following calculations determine the salaries used in the  
27 state allocations for certificated instructional, certificated  
28 administrative, and classified staff units as provided in RCW  
29 28A.150.280 and under section 503 of this act:

30 (a) Salary allocations for certificated instructional staff units  
31 are determined for each district by multiplying the district's  
32 certificated instructional total base salary shown on LEAP Document 2  
33 by the district's average staff mix factor for certificated  
34 instructional staff in that school year, computed using LEAP document  
35 1; and

36 (b) Salary allocations for certificated administrative staff units

1 and classified staff units for each district are determined based on  
 2 the district's certificated administrative and classified salary  
 3 allocation amounts shown on LEAP Document 2.

4 (2) For the purposes of this section:

5 (a) "LEAP Document 1" means the staff mix factors for certificated  
 6 instructional staff according to education and years of experience, as  
 7 developed by the legislative evaluation and accountability program  
 8 committee on April 1, 2011, at 6:00 hours; and

9 (b) "LEAP Document 2" means the school year salary allocations for  
 10 certificated administrative staff and classified staff and derived and  
 11 total base salaries for certificated instructional staff as developed  
 12 by the legislative evaluation and accountability program committee on  
 13 April 1, 2011, at 6:00 hours.

14 (3) Incremental fringe benefit factors are applied to salary  
 15 adjustments at a rate of 15.66 percent for school year 2011-12 and  
 16 15.66 percent for school year 2012-13 for certificated instructional  
 17 and certificated administrative staff and 15.18 percent for school year  
 18 2011-12 and 15.18 percent for the 2012-13 school year for classified  
 19 staff.

20 (4)(a) Pursuant to RCW 28A.150.410, the following state-wide salary  
 21 allocation schedules for certificated instructional staff are  
 22 established for basic education salary allocations:

23 Table Of Total Base Salaries For Certificated Instructional Staff  
 24 For School Year 2011-12  
 25 \*\*\* Education Experience \*\*\*

26	Years										MA+90
27	of										OR
28	Service	BA	BA+15	BA+30	BA+45	BA+90	BA+135	MA	MA+45	Ph.D.	
29	0	34,048	34,968	35,920	36,875	39,939	41,913	40,820	43,885	45,860	
30	1	34,506	35,439	36,403	37,400	40,496	42,459	41,274	44,370	46,332	
31	2	34,943	35,884	36,859	37,933	41,020	43,004	41,731	44,818	46,802	
32	3	35,393	36,343	37,329	38,437	41,518	43,549	42,164	45,243	47,276	
33	4	35,834	36,826	37,818	38,964	42,064	44,110	42,618	45,718	47,765	
34	5	36,290	37,287	38,288	39,498	42,586	44,673	43,080	46,169	48,256	
35	6	36,759	37,734	38,769	40,039	43,113	45,211	43,552	46,626	48,723	
36	7	37,582	38,572	39,621	40,960	44,079	46,235	44,438	47,556	49,713	

1	8	38,787	39,831	40,905	42,355	45,516	47,751	45,832	48,994	51,228
2	9		41,135	42,262	43,765	46,999	49,310	47,241	50,477	52,788
3	10			43,635	45,247	48,524	50,913	48,724	52,003	54,390
4	11				46,772	50,121	52,557	50,249	53,599	56,034
5	12				48,249	51,761	54,269	51,835	55,238	57,748
6	13					53,440	56,024	53,476	56,918	59,501
7	14					55,128	57,844	55,165	58,716	61,322
8	15					56,563	59,349	56,599	60,242	62,917
9	16 or					57,693	60,535	57,731	61,447	64,174
10	more									

Table Of Total Base Salaries For Certificated Instructional Staff

For School Year 2012-13

\*\*\* Education Experience \*\*\*

14	Years									MA+90
15	of									OR
16	Service	BA	BA+15	BA+30	BA+45	BA+90	BA+135	MA	MA+45	Ph.D.
17	0	34,048	34,968	35,920	36,875	39,939	41,913	40,820	43,885	45,860
18	1	34,506	35,439	36,403	37,400	40,496	42,459	41,274	44,370	46,332
19	2	34,943	35,884	36,859	37,933	41,020	43,004	41,731	44,818	46,802
20	3	35,393	36,343	37,329	38,437	41,518	43,549	42,164	45,243	47,276
21	4	35,834	36,826	37,818	38,964	42,064	44,110	42,618	45,718	47,765
22	5	36,290	37,287	38,288	39,498	42,586	44,673	43,080	46,169	48,256
23	6	36,759	37,734	38,769	40,039	43,113	45,211	43,552	46,626	48,723
24	7	37,582	38,572	39,621	40,960	44,079	46,235	44,438	47,556	49,713
25	8	38,787	39,831	40,905	42,355	45,516	47,751	45,832	48,994	51,228
26	9		41,135	42,262	43,765	46,999	49,310	47,241	50,477	52,788
27	10			43,635	45,247	48,524	50,913	48,724	52,003	54,390
28	11				46,772	50,121	52,557	50,249	53,599	56,034
29	12				48,249	51,761	54,269	51,835	55,238	57,748
30	13					53,440	56,024	53,476	56,918	59,501
31	14					55,128	57,844	55,165	58,716	61,322
32	15					56,563	59,349	56,599	60,242	62,917
33	16 or					57,693	60,535	57,731	61,447	64,174
34	more									

1 (b) During the 2011-12 and 2012-13 school years, the salary  
2 allocations for certificated instructional staff shall exclude the  
3 following:

4 (i) Any years of service earned after August 31, 2010;

5 (ii) Any educational credits earned after October 1, 2010,  
6 excluding certificated instructional staff meeting the criteria in  
7 (iii) of this subsection;

8 (iii) For certificated instructional staff with zero years of  
9 experience, districts shall recognize credits earned as of October 1,  
10 2010;

11 (iv) For certificated instructional staff receiving initial  
12 certification after October 1, 2010, districts shall recognize credits  
13 earned as of the date of approval of their Washington state  
14 instructional certificate.

15 (c) As used in this subsection, the column headings "BA+(N)" refer  
16 to the number of credits earned since receiving the baccalaureate  
17 degree.

18 (d) For credits earned after the baccalaureate degree but before  
19 the masters degree, any credits in excess of forty-five credits may be  
20 counted after the masters degree. Thus, as used in this subsection,  
21 the column headings "MA+(N)" refer to the total of:

22 (i) Credits earned since receiving the masters degree; and

23 (ii) Any credits in excess of forty-five credits that were earned  
24 after the baccalaureate degree but before the masters degree.

25 (5) For the purposes of this section:

26 (a) "BA" means a baccalaureate degree.

27 (b) "MA" means a masters degree.

28 (c) "PHD" means a doctorate degree.

29 (d) "Years of service" shall be calculated under the same rules  
30 adopted by the superintendent of public instruction.

31 (e) "Credits" means college quarter hour credits and equivalent  
32 in-service credits computed in accordance with RCW 28A.415.020 and  
33 28A.415.023.

34 (6) No more than ninety college quarter-hour credits received by  
35 any employee after the baccalaureate degree may be used to determine  
36 compensation allocations under the state salary allocation schedule and  
37 LEAP documents referenced in this part V, or any replacement schedules  
38 and documents, unless:

1 (a) The employee has a masters degree; or  
2 (b) The credits were used in generating state salary allocations  
3 before January 1, 1992.

4 (7) The salary allocation schedules established in this section are  
5 for allocation purposes only except as provided in RCW 28A.400.200(2).

6 NEW SECTION. **Sec. 504. FOR THE SUPERINTENDENT OF PUBLIC**  
7 **INSTRUCTION--FOR SCHOOL EMPLOYEE COMPENSATION ADJUSTMENTS**

8 (1)(a) Additional salary adjustments as necessary to fund the base  
9 salaries for certificated instructional staff as listed for each  
10 district in LEAP Document 2, defined in section 504(2)(b) of this act.  
11 Allocations for these salary adjustments shall be provided to all  
12 districts that are not grandfathered to receive salary allocations  
13 above the statewide salary allocation schedule, and to certain  
14 grandfathered districts to the extent necessary to ensure that salary  
15 allocations for districts that are currently grandfathered do not fall  
16 below the statewide salary allocation schedule.

17 (b) Additional salary adjustments to certain districts as necessary  
18 to fund the per full-time-equivalent salary allocations for  
19 certificated administrative staff as listed for each district in LEAP  
20 Document 2, defined in section 504(2)(b) of this act.

21 (c) Additional salary adjustments to certain districts as necessary  
22 to fund the per full-time-equivalent salary allocations for classified  
23 staff as listed for each district in LEAP Document 2, defined in  
24 section 504(2)(b) of this act.

25 (d) The appropriations in this subsection (1) include associated  
26 incremental fringe benefit allocations at 15.66 percent for the 2011-12  
27 school year and 15.66 percent for the 2012-13 school year for  
28 certificated instructional and certificated administrative staff and  
29 15.18 percent for the 2011-12 school year and 15.18 percent for the  
30 2012-13 school year for classified staff.

31 (e) The appropriations in this section include the increased or  
32 decreased portion of salaries and incremental fringe benefits for all  
33 relevant state-funded school programs in part V of this act. Changes  
34 for general apportionment (basic education) are based on the salary  
35 allocation schedules and methodology in sections 503 and 504 of this  
36 act. Changes for special education result from changes in each  
37 district's basic education allocation per student. Changes for



1 educational service districts and institutional education programs are  
2 determined by the superintendent of public instruction using the  
3 methodology for general apportionment salaries and benefits in sections  
4 503 and 504 of this act.

5 (f) The appropriations in this section include no salary  
6 adjustments for substitute teachers.

7 (2) The maintenance rate for insurance benefit allocations is  
8 \$768.00 per month for the 2011-12 and 2012-13 school years. The  
9 appropriations in this section reflect the incremental change in cost  
10 of allocating rates of \$768.00 per month for the 2011-12 school year  
11 and \$768.00 per month for the 2012-13 school year.

12 (3) The rates specified in this section are subject to revision  
13 each year by the legislature.

14 **NEW SECTION. Sec. 505. FOR THE SUPERINTENDENT OF PUBLIC**  
15 **INSTRUCTION--FOR PUPIL TRANSPORTATION**

16	General Fund--State Appropriation (FY 2012) . . . . .	\$325,183,000
17	General Fund--State Appropriation (FY 2013) . . . . .	\$328,336,000
18	TOTAL APPROPRIATION . . . . .	\$653,519,000

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

21 (1) Each general fund fiscal year appropriation includes such funds  
22 as are necessary to complete the school year ending in the fiscal year  
23 and for prior fiscal year adjustments.

24 (2)(a) For the 2011-12 and 2012-13 school years, the superintendent  
25 shall allocate funding to school district programs for the  
26 transportation of students as provided in RCW 28A.160.192.

27 (b) From July 1, 2011 to August 31, 2011, the superintendent shall  
28 allocate funding to school districts programs for the transportation of  
29 students as provided in section 505, chapter 564, Laws of 2009, as  
30 amended through section 1404 of this act.

31 (3) Any amounts appropriated for maintenance level funding for  
32 pupil transportation that exceed actual maintenance level expenditures  
33 as calculated under the funding formula that takes effect September 1,  
34 2011, shall be distributed to districts according to RCW  
35 28A.160.192(2)(b).

36 (4) A maximum of \$878,000 of this fiscal year 2012 appropriation  
37 and a maximum of \$892,000 of the fiscal year 2013 appropriation may be

1 expended for regional transportation coordinators and related  
2 activities. The transportation coordinators shall ensure that data  
3 submitted by school districts for state transportation funding shall,  
4 to the greatest extent practical, reflect the actual transportation  
5 activity of each district.

6 (5) The office of the superintendent of public instruction shall  
7 provide reimbursement funding to a school district for school bus  
8 purchases only after the superintendent of public instruction  
9 determines that the school bus was purchased from the list established  
10 pursuant to RCW 28A.160.195(2) or a comparable competitive bid process  
11 based on the lowest price quote based on similar bus categories to  
12 those used to establish the list pursuant to RCW 28A.160.195.

13 (6) The superintendent of public instruction shall base  
14 depreciation payments for school district buses on the pre-sales tax  
15 five-year average of lowest bids in the appropriate category of bus.  
16 In the final year on the depreciation schedule, the depreciation  
17 payment shall be based on the lowest bid in the appropriate bus  
18 category for that school year.

19 (7) Funding levels in this section reflect waivers granted by the  
20 state board of education for four-day school weeks as allowed under RCW  
21 28A.305.141.

22 **NEW SECTION. Sec. 506. FOR THE SUPERINTENDENT OF PUBLIC**  
23 **INSTRUCTION--FOR SCHOOL FOOD SERVICE PROGRAMS**

24	General Fund--State Appropriation (FY 2012) . . . . .	\$7,111,000
25	General Fund--State Appropriation (FY 2013) . . . . .	\$7,111,000
26	General Fund--Federal Appropriation . . . . .	\$391,988,000
27	TOTAL APPROPRIATION . . . . .	\$406,210,000

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

30 (1) \$7,111,000 of the general fund--state appropriation for fiscal  
31 year 2012 and \$7,111,000 of the general fund--state appropriation for  
32 fiscal year 2013 are provided solely for state matching money for  
33 federal child nutrition programs, and may support the meals for kids  
34 program through the following allowable uses:

35 (a) Elimination of breakfast copays for income-eligible children  
36 and lunch copays for students in grades kindergarten through third  
37 grade who are eligible for reduced price lunch;

1 (b) Assistance to school districts and authorized nonprofit  
2 entities for supporting summer food service programs, and initiating  
3 new summer food service programs in low-income areas;

4 (c) Reimbursements to school districts for school breakfasts served  
5 to students eligible for free and reduced price lunch, pursuant to  
6 chapter 287, Laws of 2005; and

7 (d) Assistance to school districts in initiating and expanding  
8 school breakfast programs.

9 The office of the superintendent of public instruction shall report  
10 annually to the fiscal committees of the legislature on annual  
11 expenditures in (a), (b), and (c) of this subsection.

12 **NEW SECTION. Sec. 507. FOR THE SUPERINTENDENT OF PUBLIC**  
13 **INSTRUCTION--FOR SPECIAL EDUCATION PROGRAMS**

14	General Fund--State Appropriation (FY 2012) . . . . .	\$676,516,000
15	General Fund--State Appropriation (FY 2013) . . . . .	\$710,700,000
16	General Fund--Federal Appropriation . . . . .	\$664,564,000
17	Education Legacy Trust Account--State Appropriation . . . . .	\$756,000
18	TOTAL APPROPRIATION . . . . .	\$2,052,536,000

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

21 (1) Funding for special education programs is provided on an excess  
22 cost basis, pursuant to RCW 28A.150.390. School districts shall ensure  
23 that special education students as a class receive their full share of  
24 the general apportionment allocation accruing through sections 502 and  
25 504 of this act. To the extent a school district cannot provide an  
26 appropriate education for special education students under chapter  
27 28A.155 RCW through the general apportionment allocation, it shall  
28 provide services through the special education excess cost allocation  
29 funded in this section.

- 30 (2)(a) The superintendent of public instruction shall ensure that:
- 31 (i) Special education students are basic education students first;
  - 32 (ii) As a class, special education students are entitled to the  
33 full basic education allocation; and
  - 34 (iii) Special education students are basic education students for  
35 the entire school day.

36 (b) The superintendent of public instruction shall continue to

1 implement the full cost method of excess cost accounting, as designed  
2 by the committee and recommended by the superintendent, pursuant to  
3 section 501(1)(k), chapter 372, Laws of 2006.

4 (c) Beginning with the 2010-11 school year award cycle, the office  
5 of the superintendent of public instruction shall make award  
6 determinations for state safety net funding in August of each school  
7 year. Determinations on school district eligibility for state safety  
8 net awards shall be based on analysis of actual expenditure data from  
9 the current school year.

10 (3) Each fiscal year appropriation includes such funds as are  
11 necessary to complete the school year ending in the fiscal year and for  
12 prior fiscal year adjustments.

13 (4)(a) For the 2011-12 and 2012-13 school years, the superintendent  
14 shall allocate funding to school district programs for special  
15 education students as provided in RCW 28A.150.390.

16 (b) From July 1, 2011 to August 31, 2011, the superintendent shall  
17 allocate funding to school district programs for special education  
18 students as provided in section 507, chapter 564, Laws of 2009, as  
19 amended through section 1406 of this act.

20 (5) The following applies throughout this section: The definitions  
21 for enrollment and enrollment percent are as specified in RCW  
22 28A.150.390(3). Each district's general fund--state funded special  
23 education enrollment shall be the lesser of the district's actual  
24 enrollment percent or 12.7 percent.

25 (6) At the request of any interdistrict cooperative of at least 15  
26 districts in which all excess cost services for special education  
27 students of the districts are provided by the cooperative, the maximum  
28 enrollment percent shall be calculated in accordance with RCW  
29 28A.150.390(3) (c) and (d), and shall be calculated in the aggregate  
30 rather than individual district units. For purposes of this  
31 subsection, the average basic education allocation per full-time  
32 equivalent student shall be calculated in the aggregate rather than  
33 individual district units.

34 (7) \$16,403,927 of the general fund--state appropriation for fiscal  
35 year 2012, \$31,355,344 of the general fund--state appropriation for  
36 fiscal year 2013, and \$29,574,000 of the general fund--federal  
37 appropriation are provided solely for safety net awards for districts  
38 with demonstrated needs for special education funding beyond the

1 amounts provided in subsection (4) of this section. If the federal  
2 safety net awards based on the federal eligibility threshold exceed the  
3 federal appropriation in this subsection (7) in any fiscal year, the  
4 superintendent shall expend all available federal discretionary funds  
5 necessary to meet this need. At the conclusion of each school year,  
6 the superintendent shall recover safety net funds that were distributed  
7 prospectively but for which districts were not subsequently eligible.

8 (a) For the 2011-12 and 2012-13 school years, safety net funds  
9 shall be awarded by the state safety net oversight committee as  
10 provided in section 109(1) chapter 548, Laws of 2009 (ESHB 2261).

11 (b) From July 1, 2011 to August 31, 2011, the superintendent shall  
12 operate the safety net oversight committee and shall award safety net  
13 funds as provided in section 507, chapter 564, Laws of 2009, as amended  
14 through section 1406 of this act.

15 (8) A maximum of \$678,000 may be expended from the general fund--  
16 state appropriations to fund 5.43 full-time equivalent teachers and 2.1  
17 full-time equivalent aides at children's orthopedic hospital and  
18 medical center. This amount is in lieu of money provided through the  
19 home and hospital allocation and the special education program.

20 (9) The superintendent shall maintain the percentage of federal  
21 flow-through to school districts at 85 percent. In addition to other  
22 purposes, school districts may use increased federal funds for high-  
23 cost students, for purchasing regional special education services from  
24 educational service districts, and for staff development activities  
25 particularly relating to inclusion issues.

26 (10) A school district may carry over from one year to the next  
27 year up to 10 percent of the general fund--state funds allocated under  
28 this program; however, carryover funds shall be expended in the special  
29 education program.

30 (11) \$251,000 of the general fund--state appropriation for fiscal  
31 year 2012 and \$251,000 of the general fund--state appropriation for  
32 fiscal year 2013 are provided solely for two additional full-time  
33 equivalent staff to support the work of the safety net committee and to  
34 provide training and support to districts applying for safety net  
35 awards.

36 (12) \$50,000 of the general fund--state appropriation for fiscal  
37 year 2012, \$50,000 of the general fund--state appropriation for fiscal

1 year 2013, and \$100,000 of the general fund--federal appropriation  
2 shall be expended to support a special education ombudsman program  
3 within the office of superintendent of public instruction.

4 NEW SECTION. **Sec. 508. FOR THE SUPERINTENDENT OF PUBLIC**  
5 **INSTRUCTION--FOR EDUCATIONAL SERVICE DISTRICTS**

6	General Fund--State Appropriation (FY 2012) . . . . .	\$9,063,000
7	General Fund--State Appropriation (FY 2013) . . . . .	\$8,922,000
8	TOTAL APPROPRIATION . . . . .	.\$17,985,000

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

11 (1) The educational service districts shall continue to furnish  
12 financial services required by the superintendent of public instruction  
13 and RCW 28A.310.190 (3) and (4).

14 (2) \$4,219,000 of the general fund--state appropriation for fiscal  
15 year 2012 and \$4,219,000 of the general fund--state appropriation for  
16 fiscal year 2013 are provided solely for regional professional  
17 development related to mathematics and science curriculum and  
18 instructional strategies. Funding shall be distributed among the  
19 educational service districts in the same proportion as distributions  
20 in the 2007-2009 biennium. Each educational service district shall use  
21 this funding solely for salary and benefits for a certificated  
22 instructional staff with expertise in the appropriate subject matter  
23 and in professional development delivery, and for travel, materials,  
24 and other expenditures related to providing regional professional  
25 development support.

26 (3) The educational service districts, at the request of the state  
27 board of education pursuant to RCW 28A.310.010 and 28A.310.340, may  
28 receive and screen applications for school accreditation, conduct  
29 school accreditation site visits pursuant to state board of education  
30 rules, and submit to the state board of education post-site visit  
31 recommendations for school accreditation. The educational service  
32 districts may assess a cooperative service fee to recover actual plus  
33 reasonable indirect costs for the purposes of this subsection.

34 (4) \$166,000 of the general fund--state appropriation for fiscal  
35 year 2012 is provided solely for the implementation of Substitute House  
36 Bill No. 1431 (school district insolvency). Funding is provided to

1 develop a clear legal framework and process for dissolution of a school  
2 district. If the bill is not enacted by June 30, 2011, the amount  
3 provided in this subsection shall lapse.

4 NEW SECTION. **Sec. 509. FOR THE SUPERINTENDENT OF PUBLIC**  
5 **INSTRUCTION--FOR LOCAL EFFORT ASSISTANCE**

6	General Fund--State Appropriation (FY 2012) . . . . .	\$303,337,000
7	General Fund--State Appropriation (FY 2013) . . . . .	\$308,445,000
8	TOTAL APPROPRIATION . . . . .	\$611,782,000

9 The appropriations in this section are subject to the following  
10 conditions and limitations: For purposes of RCW 84.52.0531, the  
11 increase per full-time equivalent student is 3 percent from the 2010-11  
12 school year to the 2011-12 school year and 5 percent from the 2011-12  
13 school year to the 2012-13 school year.

14 NEW SECTION. **Sec. 510. FOR THE SUPERINTENDENT OF PUBLIC**  
15 **INSTRUCTION--FOR INSTITUTIONAL EDUCATION PROGRAMS**

16	General Fund--State Appropriation (FY 2012) . . . . .	\$16,650,000
17	General Fund--State Appropriation (FY 2013) . . . . .	\$16,297,000
18	TOTAL APPROPRIATION . . . . .	\$32,947,000

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

21 (1) Each general fund--state fiscal year appropriation includes  
22 such funds as are necessary to complete the school year ending in the  
23 fiscal year and for prior fiscal year adjustments.

24 (2) State funding provided under this section is based on salaries  
25 and other expenditures for a 220-day school year. The superintendent  
26 of public instruction shall monitor school district expenditure plans  
27 for institutional education programs to ensure that districts plan for  
28 a full-time summer program. During the 2011-12 and 2012-13 school  
29 years, the salary allocations and subsequent compensation allocations  
30 for certificated instructional staff shall exclude the following:

31 (a) Any years of service earned after August 31, 2010;

32 (b) Any educational credits earned after October 1, 2010, excluding  
33 certificated instructional staff meeting the criteria in (c) of this  
34 subsection;

35 (c) For certificated instructional staff with zero years of

1 experience, districts shall recognize credits earned as of October 1,  
2 2010; and

3 (d) For certificated instructional staff receiving initial  
4 certification after October 1, 2010, districts shall recognize credits  
5 earned as of the date of approval of their Washington state  
6 instructional certificate.

7 (3) State funding for each institutional education program shall be  
8 based on the institution's annual average full-time equivalent student  
9 enrollment. Staffing ratios for each category of institution shall  
10 remain the same as those funded in the 1995-97 biennium.

11 (4) The funded staffing ratios for education programs for juveniles  
12 age 18 or less in department of corrections facilities shall be the  
13 same as those provided in the 1997-99 biennium.

14 (5) \$509,000 of the general fund--state appropriation for fiscal  
15 year 2012 and \$509,000 of the general fund--state appropriation for  
16 fiscal year 2013 are provided solely to maintain at least one  
17 certificated instructional staff and related support services at an  
18 institution whenever the K-12 enrollment is not sufficient to support  
19 one full-time equivalent certificated instructional staff to furnish  
20 the educational program. The following types of institutions are  
21 included: Residential programs under the department of social and  
22 health services for developmentally disabled juveniles, programs for  
23 juveniles under the department of corrections, programs for juveniles  
24 under the juvenile rehabilitation administration, and programs for  
25 juveniles operated by city and county jails.

26 (6) Ten percent of the funds allocated for each institution may be  
27 carried over from one year to the next.

28 **NEW SECTION. Sec. 511. FOR PROGRAMS FOR HIGHLY CAPABLE STUDENTS**

29	General Fund--State Appropriation (FY 2012) . . . . .	\$8,965,000
30	General Fund--State Appropriation (FY 2013) . . . . .	\$9,081,000
31	TOTAL APPROPRIATION . . . . .	\$18,046,000

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

34 (1) Each general fund fiscal year appropriation includes such funds  
35 as are necessary to complete the school year ending in the fiscal year  
36 and for prior fiscal year adjustments.



1 (2)(a) For the 2011-12 and 2012-13 school years, the superintendent  
2 shall allocate funding to school district programs for highly capable  
3 students as provided in RCW 28A.150.260(10)(c). In calculating the  
4 allocations, the superintendent shall assume the following: (i)  
5 Additional instruction of 2.1590 hours per week per funded highly  
6 capable program student; (ii) fifteen highly capable program students  
7 per teacher; (iii) 36 instructional weeks per year; (iv) 900  
8 instructional hours per teacher; and (v) the district's average staff  
9 mix and compensation rates as provided in sections 503 and 504 of this  
10 act.

11 (b) From July 1, 2011, to August 31, 2011, the superintendent shall  
12 allocate funding to school districts programs for highly capable  
13 students as provided in section 511, chapter 564, Laws of 2009, as  
14 amended through section 1409 of this act.

15 **NEW SECTION. Sec. 512. FOR THE SUPERINTENDENT OF PUBLIC**  
16 **INSTRUCTION--FOR MISCELLANEOUS--NO CHILD LEFT BEHIND ACT**

17 General Fund--Federal Appropriation . . . . . \$7,352,000

18 **NEW SECTION. Sec. 513. FOR THE SUPERINTENDENT OF PUBLIC**  
19 **INSTRUCTION--EDUCATION REFORM PROGRAMS**

20 General Fund--State Appropriation (FY 2012) . . . . . \$61,715,000  
21 General Fund--State Appropriation (FY 2013) . . . . . \$101,217,000  
22 General Fund--Federal Appropriation . . . . . \$152,655,000  
23 Education Legacy Trust Account--State Appropriation . . . . \$1,633,000  
24 TOTAL APPROPRIATION . . . . . \$317,220,000

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

27 (1) \$41,315,000 of the general fund--state appropriation for fiscal  
28 year 2012, \$43,232,000 of the general fund--state appropriation for  
29 fiscal year 2013, \$1,350,000 of the education legacy trust  
30 account--state appropriation, and \$15,868,000 of the general fund--  
31 federal appropriation are provided solely for development and  
32 implementation of the Washington state assessment system, including:  
33 (a) Development and implementation of retake assessments for high  
34 school students who are not successful in one or more content areas and  
35 (b) development and implementation of alternative assessments or  
36 appeals procedures to implement the certificate of academic

1 achievement. The superintendent of public instruction shall report  
2 quarterly on the progress on development and implementation of  
3 alternative assessments or appeals procedures. Within these amounts,  
4 the superintendent of public instruction shall contract for the early  
5 return of 10th grade student assessment results, on or around June 10th  
6 of each year.

7 (2) \$395,000 of the general fund--state appropriation for fiscal  
8 year 2012 and \$395,000 of the general fund--state appropriation for  
9 fiscal year 2013 are provided solely for the Washington state  
10 leadership and assistance for science education reform (LASER) regional  
11 partnership activities coordinated at the Pacific science center,  
12 including instructional material purchases, teacher and principal  
13 professional development, and school and community engagement events.

14 (3) \$105,754,000 of the general fund--federal appropriation is for  
15 preparing, training, and recruiting high quality teachers and  
16 principals under Title II of the no child left behind act.

17 (4) \$980,000 of the general fund--state appropriation for fiscal  
18 year 2012 and \$980,000 of the general fund--state appropriation for  
19 fiscal year 2013 are provided solely for improving technology  
20 infrastructure, monitoring and reporting on school district technology  
21 development, promoting standards for school district technology,  
22 promoting statewide coordination and planning for technology  
23 development, and providing regional educational technology support  
24 centers, including state support activities, under chapter 28A.650 RCW.

25 (5) \$3,852,000 of the general fund--state appropriation for fiscal  
26 year 2012 and \$2,624,000 of the general fund--state appropriation for  
27 fiscal year 2013 are provided solely for continued implementation of  
28 chapter 235, Laws of 2010 (education reform) including development of  
29 new performance-based evaluation systems for certificated educators.

30 (6)(a) \$40,792,000 of the general fund--state appropriation for  
31 fiscal year 2013 is provided solely for the following bonuses for  
32 teachers who hold valid, unexpired certification from the national  
33 board for professional teaching standards and who are teaching in a  
34 Washington public school, subject to the following conditions and  
35 limitations:

36 (i) For national board certified teachers, a bonus of \$5,090 per  
37 teacher in the 2011-12 and 2012-13 school years, adjusted for inflation

1 in each school year in which Initiative 732 cost of living adjustments  
2 are provided;

3 (ii) An additional \$5,000 annual bonus shall be paid to national  
4 board certified teachers who teach in either: (A) High schools where  
5 at least 50 percent of student headcount enrollment is eligible for  
6 federal free or reduced price lunch, (B) middle schools where at least  
7 60 percent of student headcount enrollment is eligible for federal free  
8 or reduced price lunch, or (C) elementary schools where at least 70  
9 percent of student headcount enrollment is eligible for federal free or  
10 reduced price lunch;

11 (iii) The superintendent of public instruction shall adopt rules to  
12 ensure that national board certified teachers meet the qualifications  
13 for bonuses under (a)(ii) of this subsection for less than one full  
14 school year receive bonuses in a pro-rated manner. Beginning in the  
15 2011-12 school year, all bonuses in (a)(i) and (ii) of this subsection  
16 will be paid in July of each school year. Bonuses in (a)(i) and (ii)  
17 of this subsection shall be reduced by a factor of 40 percent for first  
18 year NBPTS certified teachers, to reflect the portion of the  
19 instructional school year they are certified; and

20 (iv) During the 2011-12 and 2012-13 school years, and within  
21 available funds, certificated instructional staff who have met the  
22 eligibility requirements and have applied for certification from the  
23 national board for professional teaching standards may receive a  
24 conditional loan of two thousand dollars or the amount set by the  
25 office of the superintendent of public instruction to contribute toward  
26 the current assessment fee, not including the initial up-front  
27 candidacy payment. The fee shall be an advance on the first annual  
28 bonus under RCW 28A.405.415. The conditional loan is provided in  
29 addition to compensation received under a district's salary schedule  
30 and shall not be included in calculations of a district's average  
31 salary and associated salary limitation under RCW 28A.400.200.  
32 Recipients who fail to receive certification after three years are  
33 required to repay the conditional loan, not including the initial up-  
34 front candidacy payment, as set by the national board for professional  
35 teaching standards and administered by the office of the superintendent  
36 of public instruction. The office of the superintendent of public  
37 instruction shall adopt rules to define the terms for initial grant of  
38 the assessment fee and repayment, including applicable fees.

1 (7)(a) \$2,500,000 of the general fund--state appropriation for  
2 fiscal year 2012 and \$2,500,000 of the general fund--state  
3 appropriation for fiscal year 2013 are provided solely for phase I  
4 development grants and phase II implementation grants for school  
5 districts to adopt revised evaluation systems for teachers and  
6 principals that use the criteria and four-level rating systems  
7 specified under RCW 28A.405.100 and are based on the models developed  
8 by the pilot school districts under RCW 28A.405.100(7).

9 (b) In phase I, a school district is eligible to receive a  
10 development grant if the district submits to the office of the  
11 superintendent of public instruction by December 1, 2011, a resolution  
12 adopted by the school district board of directors and a memorandum of  
13 understanding signed by the local associations representing teachers  
14 and principals that the district will adopt revised evaluation systems  
15 by the end of the 2011-12 school year, in consultation and negotiation  
16 with the teachers and principals of the district.

17 (c) In phase II, a school district is eligible to receive an  
18 implementation grant if the district has executed agreements with the  
19 local associations representing teachers and principals to implement  
20 revised evaluation systems no later than the beginning of the 2012-13  
21 school year. A school district may qualify for a grant under this  
22 subsection (11)(c) if the revised evaluation systems are implemented  
23 for some but not all staff, but implementation must be district-wide  
24 and not occur only in certain schools.

25 (d) School districts that adopted or implemented revised evaluation  
26 systems before the dates specified under this subsection are eligible  
27 to receive grants.

28 (e) The office of the superintendent of public instruction shall  
29 allocate development and implementation grants to school districts not  
30 to exceed the amounts provided under this subsection, with allocation  
31 to eligible districts on a first-come, first-served basis. Grant  
32 amounts shall be based on \$10 per full-time equivalent student, except  
33 that no district shall receive less than \$10,000 per grant or more than  
34 \$150,000 per grant.

35 (8) \$530,000 of the general fund--state appropriation for fiscal  
36 year 2012 and \$530,000 of the general fund--state appropriation for  
37 fiscal year 2013 are provided solely for the leadership internship  
38 program for superintendents, principals, and program administrators.

1 (9) \$1,056,000 of the general fund--state appropriation for fiscal  
2 year 2012 and \$1,056,000 of the general fund--state appropriation for  
3 fiscal year 2013 are provided solely for the Washington reading corps.  
4 The superintendent shall allocate reading corps members to low-  
5 performing schools and school districts that are implementing  
6 comprehensive, proven, research-based reading programs. Two or more  
7 schools may combine their Washington reading corps programs. Grants  
8 provided under this section may be used by school districts for  
9 expenditures from September 2011 through August 31, 2013.

10 (10) \$900,000 of the general fund--state appropriation for fiscal  
11 year 2012 and \$900,000 of the general fund--state appropriation for  
12 fiscal year 2013 are provided solely for the development of a  
13 leadership academy for school principals and administrators. The  
14 superintendent of public instruction shall contract with an independent  
15 organization to design, field test, and implement a state-of-the-art  
16 education leadership academy that will be accessible throughout the  
17 state. Initial development of the content of the academy activities  
18 shall be supported by private funds. Semiannually the independent  
19 organization shall report on amounts committed by foundations and  
20 others to support the development and implementation of this program.  
21 Leadership academy partners shall include the state level organizations  
22 for school administrators and principals, the superintendent of public  
23 instruction, the professional educator standards board, and others as  
24 the independent organization shall identify.

25 (11) \$3,594,000 of the general fund--state appropriation for fiscal  
26 year 2012 and \$3,594,000 of the general fund--state appropriation for  
27 fiscal year 2013 are provided solely for grants to school districts to  
28 provide a continuum of care for children and families to help children  
29 become ready to learn. Grant proposals from school districts shall  
30 contain local plans designed collaboratively with community service  
31 providers. If a continuum of care program exists in the area in which  
32 the school district is located, the local plan shall provide for  
33 coordination with existing programs to the greatest extent possible.  
34 Grant funds shall be allocated pursuant to RCW 70.190.040.

35 (12) \$3,283,000 of the general fund--state appropriation for fiscal  
36 year 2012 and \$3,283,000 of the general fund--state appropriation for  
37 fiscal year 2013 are provided solely for the implementation of  
38 Engrossed Second Substitute House Bill No. 1599 (actual student success

1 program), including allocations to the opportunity internship program,  
2 the jobs for America's graduates program, the building bridges program,  
3 services provided by a college scholarship organization, and awards for  
4 schools and school districts that demonstrate improvement in dropout  
5 prevention. If the bill is not enacted by June 30, 2011, the amounts  
6 provided in this subsection shall lapse.

7 (13) \$150,000 of the general fund--state appropriation for fiscal  
8 year 2012 and \$150,000 of the general fund--state appropriation for  
9 fiscal year 2013 are provided solely for support of FIRST Robotics  
10 programs, if equally matched by private donations.

11 (14) \$1,092,000 of the general fund--state appropriation for fiscal  
12 year 2012, \$1,118,000 of the general fund--state appropriation for  
13 fiscal year 2013, and \$283,000 of the education legacy trust  
14 account--state appropriation are for administrative support of  
15 education reform programs.

16 (15) \$2,000,000 of the general fund--state appropriation for fiscal  
17 year 2012 is provided solely for a statewide information technology  
18 (IT) academy program. This public-private partnership will provide  
19 educational software, as well as IT certification and software training  
20 opportunities for students and staff in public schools.

21 (16) \$50,000 of the fiscal year 2012 appropriation and \$50,000 of  
22 the fiscal year 2013 appropriation are provided for the centrum program  
23 at Fort Worden state park.

24 **NEW SECTION. Sec. 514. FOR THE SUPERINTENDENT OF PUBLIC**  
25 **INSTRUCTION--FOR TRANSITIONAL BILINGUAL PROGRAMS**

26	General Fund--State Appropriation (FY 2012) . . . . .	\$86,852,000
27	General Fund--State Appropriation (FY 2013) . . . . .	\$92,444,000
28	General Fund--Federal Appropriation . . . . .	\$65,263,000
29	TOTAL APPROPRIATION . . . . .	\$244,559,000

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

32 (1) Each general fund fiscal year appropriation includes such funds  
33 as are necessary to complete the school year ending in the fiscal year  
34 and for prior fiscal year adjustments.

35 (2)(a) For the 2011-12 and 2012-13 school years, the superintendent  
36 shall allocate funding to school districts for transitional bilingual  
37 programs as provided in RCW 28A.150.260(10)(b). In calculating the

1 allocations, the superintendent shall assume the following averages:  
2 (i) Additional instruction of 4.7780 hours per week per transitional  
3 bilingual program student; (ii) fifteen transitional bilingual program  
4 students per teacher; (iii) 36 instructional weeks per year; (iv) 900  
5 instructional hours per teacher; and (v) the district's average staff  
6 mix and compensation rates as provided in sections 503 and 504 of this  
7 act.

8 (b) From July 1, 2011, to August 31, 2011, the superintendent shall  
9 allocate funding to school districts for transitional bilingual  
10 instruction programs as provided in section 514, chapter 564, Laws of  
11 2009, as amended through section 1411 of this act.

12 (c) The allocations in this section reflect the implementation of  
13 a new funding formula for the transitional bilingual instructional  
14 program, effective September 1, 2011, as specified in RCW  
15 28A.150.260(10)(b).

16 (3) The superintendent may withhold up to 1.5 percent of the school  
17 year allocations to school districts in subsection (2) of this section  
18 solely for the central provision of assessments as provided in RCW  
19 28A.180.090 (1) and (2).

20 (4) \$35,000 of the amounts appropriated in this section are  
21 provided solely to track current and former transitional bilingual  
22 program students. Beginning in the 2012-13 school year, student  
23 tracking shall be integrated into the CEDARS data system.

24 (5) The general fund--federal appropriation in this section is for  
25 migrant education under Title I Part C and English language  
26 acquisition, and language enhancement grants under Title III of the  
27 elementary and secondary education act.

28 **NEW SECTION. Sec. 515. FOR THE SUPERINTENDENT OF PUBLIC**  
29 **INSTRUCTION--FOR THE LEARNING ASSISTANCE PROGRAM**

30	General Fund--State Appropriation (FY 2012) . . . . .	\$106,295,000
31	General Fund--State Appropriation (FY 2013) . . . . .	\$107,254,000
32	General Fund--Federal Appropriation . . . . .	\$553,925,000
33	Education Legacy Trust Account--State Appropriation . . . . .	\$47,980,000
34	TOTAL APPROPRIATION . . . . .	\$815,454,000

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

1 (1) The general fund--state appropriations in this section are  
2 subject to the following conditions and limitations:

3 (a) The appropriations include such funds as are necessary to  
4 complete the school year ending in the fiscal year and for prior fiscal  
5 year adjustments.

6 (b)(i) For the 2011-12 and 2012-13 school years, the superintendent  
7 shall allocate funding to school districts for learning assistance  
8 programs as provided in RCW 28A.150.260(10)(a). In calculating the  
9 allocations, the superintendent shall assume the following averages:

10 (A) Additional instruction of 1.51560 hours per week per funded  
11 learning assistance program student; (B) fifteen learning assistance  
12 program students per teacher; (C) 36 instructional weeks per year; (D)  
13 900 instructional hours per teacher; and (E) the district's average  
14 staff mix and compensation rates as provided in sections 503 and 504 of  
15 this act.

16 (ii) From July 1, 2011, to August 31, 2011, the superintendent  
17 shall allocate funding to school districts for learning assistance  
18 programs as provided in section 515, chapter 564, Laws of 2009, as  
19 amended through section 1412 of this act.

20 (c) A school district's funded students for the learning assistance  
21 program shall be the sum of the district's full-time equivalent  
22 enrollment in grades K-12 for the prior school year multiplied by the  
23 district's percentage of October headcount enrollment in grades K-12  
24 eligible for free or reduced price lunch in the prior school year.

25 (2) Allocations made pursuant to subsection (1) of this section  
26 shall be adjusted to reflect ineligible applications identified through  
27 the annual income verification process required by the national school  
28 lunch program, as recommended in the report of the state auditor on the  
29 learning assistance program dated February, 2010.

30 (3) The general fund--federal appropriation in this section is  
31 provided for Title I Part A allocations of the no child left behind act  
32 of 2001.

33 (4) A school district may carry over from one year to the next up  
34 to 10 percent of the general fund-state or education legacy trust funds  
35 allocated under this program; however, carryover funds shall be  
36 expended for the learning assistance program.

37 (5) The office of the superintendent of public instruction shall  
38 research and recommend options for an adjustment factor for middle



1 school and high school free and reduced price lunch eligibility  
2 reporting rates pursuant to RCW 28A.150.260(12)(a), and submit a report  
3 to the fiscal committees of the legislature by June 1, 2012. For the  
4 2011-12 and 2012-13 school years, the adjustment factor is 1.0.

5 NEW SECTION. **Sec. 516. FOR THE SUPERINTENDENT OF PUBLIC**  
6 **INSTRUCTION**

7 (1) Amounts distributed to districts by the superintendent through  
8 part V of this act are for allocations purposes only and do not entitle  
9 a particular district, district employee, or student to a specific  
10 service, beyond what has been expressly provided in statute. Part V of  
11 this act restates the requirements of various sections of Title 28A  
12 RCW. If any conflict exists, the provisions of Title 28A RCW control  
13 unless this act explicitly states that it is providing an enhancement.  
14 Any amounts provided in part V of this act in excess of the amounts  
15 required by Title 28A RCW provided in statute, are not within the  
16 program of basic education.

17 (2) To the maximum extent practicable, when adopting new or revised  
18 rules or policies relating to the administration of allocations in part  
19 V of this act that result in fiscal impact, the office of the  
20 superintendent of public instruction shall attempt to seek legislative  
21 approval through the budget request process.

22 (3) Appropriations made in this act to the office of the  
23 superintendent of public instruction shall initially be allotted as  
24 required by this act. Subsequent allotment modifications shall not  
25 include transfers of moneys between sections of this act.

(End of part)

PART VI  
HIGHER EDUCATION

NEW SECTION. **Sec. 601.** The appropriations in sections 605 through 611 of this act are subject to the following conditions and limitations:

(1) "Institutions" means the institutions of higher education receiving appropriations under sections 605 through 611 of this act.

(2) In addition to waivers granted under the authority of RCW 28B.15.910, the governing boards and the state board may waive all or a portion of operating fees for any student. State general fund appropriations shall not be provided to replace tuition and fee revenue foregone as a result of waivers granted under this subsection.

(3) The institutions of higher education receiving state and federal appropriations under sections 605 through 611 of this act shall allot anticipated state, federal, and tuition expenditures by budget program and fiscal year. The office of financial management shall notify the legislative ways and means committees of the proposed allotments at least ten days prior to their approval.

(4) To the extent permitted by the applicable personnel system rules, and to the extent collectively bargained with represented employees, institutions of higher education are encouraged to achieve the reductions in full-time-equivalent employment and payroll levels necessary to operate within this budget through strategies that will minimize impacts on employees, their families, their communities, and short- and longer-term accomplishment of institutional mission. Institutions are encouraged to utilize strategies such as reduced work-hours per day or week, voluntary leave without pay, and temporary furloughs that enable employees to maintain permanent employment status. Institutions are further encouraged to implement such strategies in ways that will enable employees to maintain full insurance benefits, full retirement service credit, and a living wage.

(5)(a) For institutions receiving appropriations in section 605 of this act the only allowable salary increases provided are those with normally occurring promotions and increases related to faculty and staff retention, to the extent permitted by sections 927 through 934 of this act. In fiscal year 2012 and fiscal year 2013, the state board

1 for community and technical colleges may use salary and benefit savings  
2 from faculty turnover to provide salary increments and associated  
3 benefits for faculty who qualify through professional development and  
4 training.

5 (b) For employees under the jurisdiction of chapter 41.56 RCW,  
6 salary increases will be in accordance with the applicable collective  
7 bargaining agreement. However, an increase shall not be provided to  
8 any classified employee whose salary is above the approved salary range  
9 maximum for the class to which the employee's position is allocated.

10 (c) For each institution of higher education receiving  
11 appropriations under sections 605 through 611 of this act:

12 (i) The only allowable salary increases are those associated with  
13 normally occurring promotions and increases related to faculty and  
14 staff retention, to the extent permitted by sections 925 through 935 of  
15 this act; and

16 (ii) Institutions may provide salary increases from other sources  
17 to academic employees of the community and technical colleges,  
18 instructional and research faculty at the universities and The  
19 Evergreen State College, exempt professional staff, teaching and  
20 research assistants, as classified by the office of financial  
21 management, and all other nonclassified staff, but not including  
22 employees under RCW 28B.16.015, to the extent permitted by sections 925  
23 through 935 of this act. Any salary increase granted under the  
24 authority of this subsection (6)(c)(ii) shall not be included in an  
25 institution's salary base for future state funding. It is the intent  
26 of the legislature that state general fund support for an institution  
27 shall not increase during the current or any future biennium as a  
28 result of any salary increases authorized under this subsection  
29 (6)(c)(ii).

30 **NEW SECTION. Sec. 602. PUBLIC BACCALAUREATE INSTITUTIONS**

31 In order to operate within the state funds appropriated in this  
32 act, the governing boards of the state research universities, the state  
33 regional universities, and The Evergreen State College are authorized  
34 to adopt and adjust tuition and fees for the 2011-12 and 2012-13  
35 academic years as provided in this section:

36 (1) The governing boards of the University of Washington,  
37 Washington State University, and Western Washington University may

1 increase the tuition fees, as defined in RCW 28B.15.020, charged to  
2 resident undergraduate students by no more than thirteen percent over  
3 the amounts charged to resident undergraduate students for the prior  
4 academic year.

5 (2) The governing boards of Central Washington University, Eastern  
6 Washington University, and The Evergreen State College may increase the  
7 tuition fees, as defined in RCW 28B.15.020, charged to resident  
8 undergraduate students by no more than 11.5 percent over the amounts  
9 charged to resident undergraduate students for the prior academic year.

10 (3) Each governing board is authorized to increase tuition charges  
11 to graduate and professional students, and to nonresident undergraduate  
12 students, by amounts judged reasonable and necessary by the governing  
13 board.

14 (4) Each governing board is authorized to increase summer quarter  
15 or semester tuition fees for resident and nonresident undergraduate,  
16 graduate, and professional students pursuant to RCW 28B.15.067.

17 (5) Each governing board is authorized to adopt or increase charges  
18 for fee-based, self-sustaining degree programs, credit courses,  
19 noncredit workshops and courses, and special contract courses by  
20 amounts judged reasonable and necessary by the governing board.

21 (6) Each governing board is authorized to adopt or increase  
22 services and activities fees for all categories of students as provided  
23 in RCW 28B.15.069.

24 (7) Each governing board is authorized to adopt or increase  
25 technology fees as provided in RCW 28B.15.069.

26 (8) Each governing board is authorized to adopt or increase special  
27 course and lab fees, and health and counseling fees, to the extent  
28 necessary to cover the reasonable and necessary exceptional cost of the  
29 course or service.

30 (9) Each governing board is authorized to adopt or increase  
31 administrative fees such as, but not limited to, those charged for  
32 application, matriculation, special testing, and transcripts by amounts  
33 judged reasonable and necessary by the governing board.

34 NEW SECTION. **Sec. 603.** (1) Within the funds appropriated in this  
35 act, each baccalaureate institution is expected to produce at least the  
36 following numbers of bachelors degrees per academic year:

	2010-11	2012-13
	Annual	Annual
	Average	Average
University of Washington	8,657	8,657
Washington State University	4,687	4,687
Central Washington University	2,324	2,324
Eastern Washington University	1,881	1,881
The Evergreen State College	1,157	1,157
Western Washington University	3,068	3,068

(2) Within the funds appropriated in section 605 of this act, the community and technical colleges are expected to enroll and educate at least the following numbers of full-time equivalent state-supported students per academic year:

	2010-11	2012-13
	Annual	Annual
	Average	average
State Board for Community and Technical Colleges		
Adult Students	139,262	139,262
Running Start Students	11,558	11,558

(3) In achieving or exceeding these enrollment targets, each institution shall seek to:

(a) Maintain and to the extent possible increase enrollment opportunities at branch campuses;

(b) Maintain and to the extent possible increase enrollment opportunities at university centers and other partnership programs that enable students to earn baccalaureate degrees on community college campuses; and

(c) Eliminate and consolidate programs of study for which there is

1 limited student or employer demand, or that are not areas of core  
2 academic strength for the institution, particularly when such programs  
3 duplicate offerings by other in-state institutions.

4 (4) For purposes of monitoring and reporting statewide enrollment,  
5 the University of Washington and Washington State University shall  
6 notify the office of financial management of the number of full-time  
7 student equivalent enrollments budgeted for each of their campuses.

8 NEW SECTION. **Sec. 604. STATE BOARD FOR COMMUNITY AND TECHNICAL**  
9 **COLLEGES**

10 In order to operate within the state funds appropriated in this  
11 act, the state board for community and technical colleges and the  
12 trustees of the state's community and technical colleges are authorized  
13 to adopt and adjust tuition and fees for the 2011-12 and 2012-13  
14 academic years as provided in this section:

15 (1) The state board may increase the tuition fees charged to  
16 resident undergraduate students by no more than eleven percent over the  
17 amounts charged to resident undergraduates during the prior academic  
18 year. The board may increase tuition fees under this subsection  
19 differentially based on student credit hour load, provided that the  
20 overall increase in average tuition revenue per student does not exceed  
21 eleven percent each year.

22 (2) The state board may increase the tuition fees charged to  
23 resident undergraduates enrolled in upper division applied  
24 baccalaureate programs by no more than eleven percent over the amounts  
25 charged during the prior academic year.

26 (3) The state board may increase the tuition fees charged to  
27 nonresident students by amounts judged reasonable and necessary by the  
28 board.

29 (4) The trustees of the technical colleges are authorized to either  
30 (a) increase operating fees by no more than the percentage increases  
31 authorized for community colleges by the state board; or (b) fully  
32 adopt the tuition fee charge schedule adopted by the state board for  
33 community colleges.

34 (5) For academic years 2011-2012 and 2012-2013, the trustees of the  
35 technical colleges are authorized to increase building fees by an  
36 amount judged reasonable in order to progress toward parity with the  
37 building fees charged students attending the community colleges.

1 (6) The state board is authorized to increase the maximum allowable  
2 services and activities fee as provided in RCW 28B.15.069. The  
3 trustees of the community and technical colleges are authorized to  
4 increase services and activities fees up to the maximum level  
5 authorized by the state board.

6 (7) The trustees of the community and technical colleges are  
7 authorized to adopt or increase charges for fee-based, self-sustaining  
8 programs such as summer session, international student contracts, and  
9 special contract courses by amounts judged reasonable and necessary by  
10 the trustees.

11 (8) The trustees of the community and technical colleges are  
12 authorized to adopt or increase special course and lab fees to the  
13 extent necessary to cover the reasonable and necessary exceptional cost  
14 of the course or service.

15 (9) The trustees of the community and technical colleges are  
16 authorized to adopt or increase administrative fees such as but not  
17 limited to those charged for application, matriculation, special  
18 testing, and transcripts by amounts judged reasonable and necessary by  
19 the trustees.

20 NEW SECTION. **Sec. 605. FOR THE STATE BOARD FOR COMMUNITY AND**  
21 **TECHNICAL COLLEGES**

22	General Fund--State Appropriation (FY 2012) . . . . .	\$570,739,000
23	General Fund--State Appropriation (FY 2013) . . . . .	\$537,508,000
24	Community and Technical College Capital Project	
25	Account--State Appropriation . . . . .	\$8,037,000
26	Education Legacy Trust Account--State Appropriation . . . . .	\$95,285,000
27	TOTAL APPROPRIATION . . . . .	\$1,211,569,000

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

30 (1) \$2,725,000 of the general fund--state appropriation for fiscal  
31 year 2012 and \$2,725,000 of the general fund--state appropriation for  
32 fiscal year 2013 are provided solely for administration and customized  
33 training contracts through the job skills program. The state board  
34 shall make an annual report by January 1st of each year to the governor  
35 and to the appropriate policy and fiscal committees of the legislature  
36 regarding implementation of this section, listing the scope of grant

1 awards, the distribution of funds by educational sector and region of  
2 the state, and the results of the partnerships supported by these  
3 funds.

4 (2) Of the amounts appropriated in this section, \$10,000,000 is  
5 provided solely for the student achievement initiative.

6 (3) When implementing the appropriations in this section, the state  
7 board and the trustees of the individual community and technical  
8 colleges shall minimize impact on academic programs, maximize  
9 reductions in administration, and shall at least maintain, and endeavor  
10 to increase, enrollment opportunities and degree and certificate  
11 production in high employer-demand fields of study at their academic  
12 year 2008-09 levels.

13 (4) \$2,250,000 of the general fund--state appropriation for fiscal  
14 year 2012 and \$2,250,000 of the general fund--state appropriation for  
15 fiscal year 2013 are provided solely for the hospital employee  
16 education and training program under which labor, management, and  
17 college partnerships develop or expand and evaluate training programs  
18 for incumbent hospital workers that lead to careers in nursing and  
19 other high-demand health care occupations. The board shall report  
20 student progress, outcomes, and costs to the relevant fiscal and policy  
21 committees of the legislature by November 2012 and November 2013.

22 (5) Community and technical colleges are not required to send mass  
23 mailings of course catalogs to residents of their districts. Community  
24 and technical colleges shall consider lower cost alternatives, such as  
25 mailing postcards or brochures that direct individuals to online  
26 information and other ways of acquiring print catalogs.

27 (6) \$1,112,000 of the general fund--state appropriation for fiscal  
28 year 2010 and \$1,113,000 of the general fund--state appropriation for  
29 fiscal year 2011 are provided solely for the state board to enhance  
30 online distance learning and open courseware technology. Funds shall  
31 be used to support open courseware, open textbooks, open licenses to  
32 increase access, affordability and quality of courses in higher  
33 education. The state board for community and technical colleges shall  
34 select the most appropriate courses to support open courseware based  
35 solely upon criteria of maximizing the value of instruction and  
36 reducing costs of textbooks and other instructional materials for the  
37 greatest number of students in higher education, regardless of the type  
38 of institution those students attend.



1 (7) \$1,750,000 of the general fund--state appropriation for fiscal  
2 year 2012 and \$1,750,000 of the general fund--state appropriation for  
3 fiscal year 2013 are provided solely for the state board for community  
4 and technical colleges to contract with the aerospace training and  
5 research center on Paine field in Everett, Washington to support  
6 industry-identified training in the aerospace sector.

7 (8) Bellevue college is authorized to offer bachelor degrees in  
8 information technology, health care services and management,  
9 biotechnology, and preprofessional preparation for medical fields.  
10 These degrees shall be directed at high school graduates and transfer-  
11 oriented degree and professional and technical degree holders. In  
12 fiscal year 2012, Bellevue college will develop a two-year plan for  
13 offering these new degrees. The plan will assume funding for these new  
14 degrees shall come through redistribution of its current per full-time  
15 enrollment funding. The plan shall be delivered to the legislature by  
16 June 30, 2012.

17 (9) Within existing funds, the state board shall, by December 15,  
18 2011, submit a comprehensive plan to the relevant committees of the  
19 legislature to reform the delivery of remedial education in order to  
20 increase student retention and completion rates, and increase transfer  
21 rates to college-level programs. To the maximum extent possible, the  
22 information shall distinguish varied student populations, including but  
23 not limited to, working adults accessing education and training  
24 services and recent high school graduates. The comprehensive plan  
25 shall include:

26 (a) The total number and percentage of students over the past five  
27 academic years that tested below college level, both system-wide and by  
28 institution;

29 (b) The total number and percentage of students enrolled in  
30 remedial courses over the past five academic years, both system-wide  
31 and by institution;

32 (c) The total number and percentage of students during the  
33 2005-2007 academic years who completed their required remedial  
34 coursework within a three-year period, both system-wide and by  
35 institution;

36 (d) The total number and percentage of the students during the  
37 2005-07 academic years who obtained a certificate or degree within a  
38 three-year period, both system-wide and by institution;

1 (e) A review of national and local best practices and methods and  
2 opportunities to better leverage partnerships with nonprofit and  
3 community-based organizations; and

4 (f) Information on barriers to student persistence and completion,  
5 including but not limited to student financial aid and transfer and  
6 articulation policies.

7 (10) \$28,761,000 of the general fund--state appropriation for  
8 fiscal year 2012 and \$28,761,000 of the general fund--state  
9 appropriation for fiscal year 2013 are provided solely for training and  
10 related support services, including financial aid, as specified in RCW  
11 28C.04.390. Funding is provided to support at least 6,200 full-time  
12 equivalent students in fiscal year 2012 and at least 6,200 full-time  
13 equivalent students in fiscal year 2013.

14 NEW SECTION. **Sec. 606. FOR THE UNIVERSITY OF WASHINGTON**

15	General Fund--State Appropriation (FY 2012) . . . . .	\$239,935,000
16	General Fund--State Appropriation (FY 2013) . . . . .	\$195,543,000
17	University of Washington Building Account--State	
18	Appropriation . . . . .	\$239,000
19	Education Legacy Trust Account--State Appropriation . . . . .	\$19,079,000
20	Accident Account--State Appropriation . . . . .	\$6,735,000
21	Medical Aid Account--State Appropriation . . . . .	\$6,521,000
22	Biotoxin Account--State Appropriation . . . . .	\$450,000
23	TOTAL APPROPRIATION . . . . .	\$468,502,000

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

26 (1) In implementing the appropriations in this section, the  
27 president and regents shall seek to minimize impacts on student  
28 services and instructional programs by maximizing reductions in  
29 administration and other non-instructional activities.

30 (2) \$54,000 of the general fund--state appropriation for fiscal  
31 year 2012 and \$54,000 of the general fund--state appropriation for  
32 fiscal year 2013 are provided solely for the University of Washington  
33 geriatric education center to provide a voluntary adult family home  
34 certification program. In addition to the minimum qualifications  
35 required under RCW 70.128.120, individuals participating in the  
36 voluntary adult family home certification program shall complete fifty-  
37 two hours of class requirements as established by the University of

1 Washington geriatric education center. Individuals completing the  
2 requirements of RCW 70.128.120 and the voluntary adult family home  
3 certification program shall be issued a certified adult family home  
4 license by the department of social and health services. The  
5 department of social and health services shall adopt rules implementing  
6 the provisions of this subsection.

7 (3) \$50,000 of the general fund--state appropriation for fiscal  
8 year 2012 and \$52,000 of the general fund--state appropriation for  
9 fiscal year 2013 are provided solely for the center for international  
10 trade in forest products in the college of forest resources.

11 (4) \$3,178,000 of the general fund--state appropriation for fiscal  
12 year 2012 shall be placed in reserve status. The office of financial  
13 management may release these amounts from reserve status and authorize  
14 the amounts to be expended only after the University of Washington has  
15 demonstrated improvement in metrics which measure academic progress and  
16 completion rates, as determined by the governor. In making this  
17 determination, the governor shall choose one or more metrics from among  
18 the compete to complete common college completion metrics as published  
19 by the national governor's association in June of 2010. The governor  
20 shall, in making the determination as to whether improvement has been  
21 demonstrated, make all best efforts to recognize the unique role,  
22 missions, types of communities and student populations of each  
23 institution of higher education. If by June 30, 2012, the governor  
24 determines that the university has made improvement in the chosen  
25 metrics, the governor shall authorize the office of financial  
26 management to release all or a part of these amounts from reserve  
27 status. If the governor has determined that the university has not  
28 demonstrated improvement in the chosen metrics in fiscal year 2012, any  
29 portion of the amount remaining in reserve status shall be transferred  
30 to the financial aid account for the state need grant.

31 (5) \$87,000 of the general fund--state appropriation for fiscal  
32 year 2012 and \$217,000 of the general fund--state appropriation for  
33 fiscal year 2013 are provided solely for increased enrollments in  
34 science, technology, engineering, and math (STEM). These funds may not  
35 be used in the college of arts and sciences except to the extent  
36 students utilizing the STEM enrollments have required courses in  
37 college of arts and sciences program. The university will report to

1 the legislature at the end of each academic year how these funds have  
2 affected STEM graduation rates.

3 NEW SECTION. **Sec. 607. FOR WASHINGTON STATE UNIVERSITY**

4	General Fund--State Appropriation (FY 2012) . . . . .	\$154,064,000
5	General Fund--State Appropriation (FY 2013) . . . . .	\$129,400,000
6	Washington State University Building Account--	
7	State Appropriation . . . . .	\$5,364,000
8	Education Legacy Trust Account--State Appropriation . . . . .	\$33,563,000
9	TOTAL APPROPRIATION . . . . .	\$322,391,000

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

12 (1) In implementing the appropriations in this section, the  
13 president and regents shall seek to minimize impacts on student  
14 services and instructional programs by maximizing reductions in  
15 administration and other non-instructional activities.

16 (2) \$4,063,000 of the general fund--state appropriation for fiscal  
17 year 2012 shall be placed in reserve status. The office of financial  
18 management may release these amounts from reserve status and authorize  
19 the amounts to be expended only after the Washington State University  
20 has demonstrated improvement in metrics which measure academic progress  
21 and completion rates, as determined by the governor. In making this  
22 determination, the governor shall choose one or more metrics from among  
23 the compete to complete common college completion metrics as published  
24 by the national governor's association in June of 2010. The governor  
25 shall, in making the determination as to whether improvement has been  
26 demonstrated, make all best efforts to recognize the unique role,  
27 missions, types of communities and student populations of each  
28 institution of higher education. If by June 30, 2012, the governor  
29 determines that the university has made improvement in the chosen  
30 metrics, the governor shall authorize the office of financial  
31 management to release all or a part of these amounts from reserve  
32 status. If the governor has determined that the university has not  
33 demonstrated improvement in the chosen metrics in fiscal year 2012, any  
34 portion of the amount remaining in reserve status shall be transferred  
35 to the financial aid account for the state need grant.

36 (3) \$78,000 of the general fund--state appropriation for fiscal

1 year 2012 and \$226,000 of the general fund--state appropriation for  
2 fiscal year 2013 are provided solely for increased enrollments in  
3 science, technology, engineering, and math (STEM).

4 (4) As described in Engrossed Second Substitute House Bill No. 1792  
5 (university center of north Puget Sound), \$109,000 of the general  
6 fund--state appropriation for fiscal year 2013 is provided solely for  
7 full-time enrollments in engineering at the university center of north  
8 Puget Sound.

9 NEW SECTION. **Sec. 608. FOR EASTERN WASHINGTON UNIVERSITY**

10	General Fund--State Appropriation (FY 2012) . . . . .	\$30,623,000
11	General Fund--State Appropriation (FY 2013) . . . . .	\$24,580,000
12	Education Legacy Trust Account--State Appropriation . . . . .	\$16,087,000
13	TOTAL APPROPRIATION . . . . .	\$71,290,000

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

16 (1) In implementing the appropriations in this section, the  
17 president and governing board shall seek to minimize impacts on student  
18 services and instructional programs by maximizing reductions in  
19 administration and other non-instructional activities.

20 (2) At least \$200,000 of the general fund--state appropriation for  
21 fiscal year 2012 and at least \$200,000 of the general fund--state  
22 appropriation for fiscal year 2013 shall be expended on the northwest  
23 autism center.

24 (3) \$53,000 of the general fund--state appropriation for fiscal  
25 year 2012 and \$129,000 of the general fund--state appropriation for  
26 fiscal year 2013 is provided solely for increased enrollments in  
27 science, technology, engineering, and math (STEM). The university will  
28 report to the legislature at the end of each academic year how these  
29 funds have affected STEM graduation rates.

30 (4) \$1,880,000 of the general fund--state appropriation for fiscal  
31 year 2012 shall be placed in reserve status. The office of financial  
32 management may release these amounts from reserve status and authorize  
33 the amounts to be expended only after Eastern Washington University has  
34 demonstrated improvement in metrics which measure academic progress and  
35 completion rates, as determined by the governor. In making this  
36 determination, the governor shall choose one or more metrics from among  
37 the compete to complete common college completion metrics as published

1 by the national governor's association in June of 2010. The governor  
2 shall, in making the determination as to whether improvement has been  
3 demonstrated, make all best efforts to recognize the unique role,  
4 missions, types of communities and student populations of each  
5 institution of higher education. If by June 30, 2012, the governor  
6 determines that the university has made improvement in the chosen  
7 metrics, the governor shall authorize the office of financial  
8 management to release all or a part of these amounts from reserve  
9 status. If the governor has determined that the university has not  
10 demonstrated improvement in the chosen metrics in fiscal year 2012, any  
11 portion of the amount remaining in reserve status shall be transferred  
12 to the financial aid account for the state need grant.

13 NEW SECTION. **Sec. 609. FOR CENTRAL WASHINGTON UNIVERSITY**

14	General Fund--State Appropriation (FY 2012) . . . . .	\$28,773,000
15	General Fund--State Appropriation (FY 2013) . . . . .	\$22,314,000
16	Education Legacy Trust Account--State Appropriation . . . . .	\$19,076,000
17	TOTAL APPROPRIATION . . . . .	\$70,163,000

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

20 (1) In implementing the appropriations in this section, the  
21 president and governing board shall seek to minimize impacts on student  
22 services and instructional programs by maximizing reductions in  
23 administration and other non-instructional activities.

24 (2) \$1,821,000 of the general fund--state appropriation for fiscal  
25 year 2012 shall be placed in reserve status. The office of financial  
26 management may release these amounts from reserve status and authorize  
27 the amounts to be expended only after Central Washington University has  
28 demonstrated improvement in metrics which measure academic progress and  
29 completion rates, as determined by the governor. In making this  
30 determination, the governor shall choose one or more metrics from among  
31 the compete to complete common college completion metrics as published  
32 by the national governor's association in June of 2010. The governor  
33 shall, in making the determination as to whether improvement has been  
34 demonstrated, make all best efforts to recognize the unique role,  
35 missions, types of communities and student populations of each  
36 institution of higher education. If by June 30, 2012, the governor  
37 determines that the university has made improvement in the chosen

1 metrics, the governor shall authorize the office of financial  
2 management to release all or a part of these amounts from reserve  
3 status. If the governor has determined that the university has not  
4 demonstrated improvement in the chosen metrics in fiscal year 2012, any  
5 portion of the amount remaining in reserve status shall be transferred  
6 to the financial aid account for the state need grant.

7 (3) \$49,000 of the general fund--state appropriation for fiscal  
8 year 2012 and \$130,000 of the general fund--state appropriation for  
9 fiscal year 2013 are provided solely for increased enrollments in  
10 science, technology, engineering, and math (STEM). The university will  
11 report to the legislature at the end of each academic year how these  
12 funds have affected STEM graduation rates.

13 NEW SECTION. **Sec. 610. FOR THE EVERGREEN STATE COLLEGE**

14	General Fund--State Appropriation (FY 2012) . . . . .	\$18,196,000
15	General Fund--State Appropriation (FY 2013) . . . . .	\$14,073,000
16	Education Legacy Trust Account--State Appropriation . . . . .	\$5,450,000
17	TOTAL APPROPRIATION . . . . .	\$37,719,000

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

20 (1) In implementing the appropriations in this section, the  
21 president and governing board shall seek to minimize impacts on student  
22 services and instructional programs by maximizing reductions in  
23 administration and other non-instructional activities.

24 (2) To the extent federal or private funding is available for this  
25 purpose, the Washington state institute for public policy and the  
26 center for reinventing public education at the University of Washington  
27 shall examine the relationship between participation in pension systems  
28 and teacher quality and mobility patterns in the state. The department  
29 of retirement systems shall facilitate researchers' access to necessary  
30 individual-level data necessary to effectively conduct the study. The  
31 researchers shall ensure that no individually identifiable information  
32 will be disclosed at any time. An interim report on project findings  
33 shall be completed by November 15, 2010, and a final report shall be  
34 submitted to the governor and to the relevant committees of the  
35 legislature by October 15, 2011.

36 (3) To the extent funds are available, the Washington state  
37 institute for public policy is encouraged to continue the longitudinal

1 analysis of long-term mental health outcomes directed in chapter 334,  
2 Laws of 2001 (mental health performance audit), to build upon the  
3 evaluation of the impacts of chapter 214, Laws of 1999 (mentally ill  
4 offenders); and to assess program outcomes and cost effectiveness of  
5 the children's mental health pilot projects as required by chapter 372,  
6 Laws of 2006.

7 (4) \$50,000 of the general fund--state appropriation for fiscal  
8 year 2011 is provided solely for the institute for public policy to  
9 provide research support to the council on quality education.

10 (5) Funding provided in this section is sufficient for The  
11 Evergreen State College to continue operations of the Longhouse Center  
12 and the Northwest Indian applied research institute.

13 (6)(a) \$50,000 of the general fund--state appropriation for fiscal  
14 year 2012 is provided solely for the Washington state institute for  
15 public policy (WSIPP) to convene a legislative workgroup that will  
16 review the increasing demand for long-term care services. The  
17 institute shall assist the legislative workgroup in developing a  
18 financial model and long-term financing options to address the state's  
19 projected growth in demand for publicly funded long-term care services.  
20 The workgroup shall be composed of the following members:

21 (i) The speaker of the house of representatives shall appoint two  
22 members from each of the two largest caucuses of the house of  
23 representatives.

24 (ii) The president of the senate shall appoint two members from  
25 each of the two largest caucuses of the senate.

26 (iii) The governor shall appoint one representative from the office  
27 of financial management and one representative from the governor's  
28 policy office.

29 (iv) The office of the insurance commissioner shall appoint one  
30 representative from its office.

31 (v) The director of the Washington caseload forecast council shall  
32 appoint one representative from its office.

33 (b) Additional staff support for the workgroup must be provided by  
34 the senate committee services and the house of representatives office  
35 of program research.

36 (c) Legislative members of the workgroup are entitled to be  
37 reimbursed for travel expenses in accordance with RCW 44.04.120.



1 Nonlegislative members, except those representing an employer or  
2 organization, are entitled to be reimbursed for travel expenses in  
3 accordance with RCW 43.03.050 and 43.03.060.

4 The workgroup shall develop recommendations for sustainable long-term  
5 care financing options and provide its recommendations to the  
6 appropriate legislative committees by December 1, 2011.

7 (7) If, and to the extent that private funding is available for  
8 this purpose, the Washington state institute for public policy shall  
9 study and report on the child welfare and educational characteristics  
10 and outcomes for foster youth who are served by educational advocates.  
11 The department of social and health services and the office of the  
12 superintendent of public instruction shall facilitate researchers'  
13 access to data necessary to effectively complete the study. The  
14 institute shall submit an interim report with baseline characteristics  
15 of youth served by educational advocates by December 2011 and a final  
16 report by October 31, 2012, to the governor and to the appropriate  
17 committees of the legislature.

18 (8) \$75,000 of the general fund--state appropriation for fiscal  
19 year 2012 and \$75,000 of the general fund--state appropriation for  
20 fiscal year 2013 are provided to the Washington state institute for  
21 public policy (WSIPP) to conduct a review of state investments in the  
22 family caregiver and support program. Funding for this program is  
23 provided by assumed savings from diverting seniors from entering into  
24 long-term care medicaid placements by supporting informal caregivers.  
25 WSIPP shall work with the department of social and health services to  
26 establish and review outcome data for this investment. A preliminary  
27 report on the outcomes of the investment into this program is due to  
28 the appropriate legislative committees by December 15, 2011, and a  
29 final report is due to the appropriate legislative committees by August  
30 30, 2012.

31 (9) \$25,000 of the general fund--state appropriation is provided  
32 solely for the Washington state institute for public policy to  
33 investigate the fiscal and other costs and benefits to state and local  
34 governments, and to the people of Washington, arising from the  
35 implementation of current state controlled substance policies in  
36 Washington, excluding alcohol, tobacco, and pharmaceuticals. A report  
37 is due to the legislature by December 1, 2012. The institute may

1 receive funds from outside sources for the purpose of conducting this  
2 study. If these funds are not obtained, then the study shall not be  
3 undertaken.

4 (10) \$748,000 of the general fund--state appropriation for fiscal  
5 year 2012 shall be placed in reserve status. The office of financial  
6 management may release these amounts from reserve status and authorize  
7 the amounts to be expended only after The Evergreen State College has  
8 demonstrated improvement in metrics which measure academic progress and  
9 completion rates, as determined by the governor. In making this  
10 determination, the governor shall choose one or more metrics from among  
11 the compete to complete common college completion metrics as published  
12 by the national governor's association in June of 2010. The governor  
13 shall, in making the determination as to whether improvement has been  
14 demonstrated, make all best efforts to recognize the unique role,  
15 missions, types of communities and student populations of each  
16 institution of higher education. If by June 30, 2012, the governor  
17 determines that the university has made improvement in the chosen  
18 metrics, the governor shall authorize the office of financial  
19 management to release all or a part of these amounts from reserve  
20 status. If the governor has determined that the university has not  
21 demonstrated improvement in the chosen metrics in fiscal year 2012, any  
22 portion of the amount remaining in reserve status shall be transferred  
23 to the financial aid account for the state need grant.

24 (11) \$73,000 of the general fund--state appropriation for fiscal  
25 year 2012 and \$177,000 of the general fund--state appropriation for  
26 fiscal year 2013 are provided solely for increased enrollments in  
27 science, technology, engineering, and math (STEM). The university will  
28 report to the legislature at the end of each academic year how these  
29 funds have affected STEM graduation rates.

30 NEW SECTION. **Sec. 611. FOR WESTERN WASHINGTON UNIVERSITY**

31	General Fund--State Appropriation (FY 2012) . . . . .	\$41,312,000
32	General Fund--State Appropriation (FY 2013) . . . . .	\$31,357,000
33	Education Legacy Trust Account--State Appropriation . . . . .	\$13,266,000
34	TOTAL APPROPRIATION . . . . .	\$85,935,000

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

1 (1) In implementing the appropriations in this section, the  
2 president and governing board shall seek to minimize impacts on student  
3 services and instructional programs by maximizing reductions in  
4 administration and other non-instructional activities.

5 (2) \$579,000 of the general fund--state appropriation for fiscal  
6 year 2012 shall be placed in reserve status. The office of financial  
7 management may release these amounts from reserve status and authorize  
8 the amounts to be expended only after the Western Washington University  
9 has demonstrated improvement in metrics which measure academic progress  
10 and completion rates, as determined by the governor. In making this  
11 determination, the governor shall choose one or more metrics from among  
12 the compete to complete common college completion metrics as published  
13 by the national governor's association in June of 2010. The governor  
14 shall, in making the determination as to whether improvement has been  
15 demonstrated, make all best efforts to recognize the unique role,  
16 missions, types of communities and student populations of each  
17 institution of higher education. If by June 30, 2012, the governor  
18 determines that the university has made improvement in the chosen  
19 metrics, the governor shall authorize the office of financial  
20 management to release all or a part of these amounts from reserve  
21 status. If the governor has determined that the university has not  
22 demonstrated improvement in the chosen metrics in fiscal year 2012, any  
23 portion of the amount remaining in reserve status shall be transferred  
24 to the financial aid account for the state need grant.

25 (3) \$57,000 of the general fund--state appropriation for fiscal  
26 year 2012 and \$138,000 of the general fund--state appropriation for  
27 fiscal year 2013 are provided solely for increased enrollments in  
28 science, technology, engineering, and math (STEM). The university will  
29 report to the legislature at the end of each academic year how these  
30 funds have affected STEM graduation rates.

31 **NEW SECTION. Sec. 612. FOR THE HIGHER EDUCATION COORDINATING**  
32 **BOARD--POLICY COORDINATION AND ADMINISTRATION**

33	General Fund--State Appropriation (FY 2012) . . . . .	\$4,838,000
34	General Fund--State Appropriation (FY 2013) . . . . .	\$4,735,000
35	General Fund--Federal Appropriation . . . . .	\$4,373,000
36	TOTAL APPROPRIATION . . . . .	.\$13,946,000

1            NEW SECTION.    **Sec. 613. FOR THE HIGHER EDUCATION COORDINATING**  
2 **BOARD--FINANCIAL AID AND GRANT PROGRAMS**

3	General Fund--State Appropriation (FY 2012) . . . . .	\$190,875,000
4	General Fund--State Appropriation (FY 2013) . . . . .	\$225,008,000
5	General Fund--Federal Appropriation . . . . .	.\$13,165,000
6	Opportunity Pathways Account--State Appropriation . . . . .	\$147,000,000
7	TOTAL APPROPRIATION . . . . .	\$576,048,000

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

10           (1) \$42,346,000 of the general fund--state appropriation for fiscal  
11 year 2012, \$91,631,000 of the general fund--state appropriation for  
12 fiscal year 2013, and \$73,500,000 of the opportunity pathways  
13 appropriation are provided solely for student financial aid payments  
14 under the state need grant. The state need grant shall be adjusted to  
15 offset the cost of the resident undergraduate tuition increases,  
16 limited to those tuition increases authorized under this act.

17           (2)(a) Within the funds appropriated in this section, eligibility  
18 for the state need grant shall include students with family incomes at  
19 or below 70 percent of the state median family income (MFI), adjusted  
20 for family size. Awards for all students shall be adjusted by the  
21 estimated amount by which Pell grant increases exceed projected  
22 increases in the noninstructional costs of attendance. Awards for  
23 students with incomes between 51 and 70 percent of the state median  
24 shall be prorated at the following percentages of the award amount  
25 granted to those with incomes below 51 percent of the MFI: 70 percent  
26 for students with family incomes between 51 and 55 percent MFI; 65  
27 percent for students with family incomes between 56 and 60 percent MFI;  
28 60 percent for students with family incomes between 61 and 65 percent  
29 MFI; and 50 percent for students with family incomes between 66 and 70  
30 percent MFI.

31           (b) Grant awards for students at private four-year colleges shall  
32 be set at the same level as the student would receive if attending one  
33 of the public regional universities.

34           (3) For fiscal year 2010 and fiscal year 2011, the board shall  
35 defer loan or conditional scholarship repayments to the future teachers  
36 conditional scholarship and loan repayment program for up to one year  
37 for each participant if the participant has shown evidence of efforts

1 to find a teaching job but has been unable to secure a teaching job per  
2 the requirements of the program.

3 (4) \$2,500,000 of the education legacy trust account--state  
4 appropriation is provided solely for the gaining early awareness and  
5 readiness for undergraduate programs project.

6 (5) \$500,000 of the general fund--state appropriation for fiscal  
7 year 2012 and \$500,000 of the general fund--state appropriation for  
8 fiscal year 2013 are provided solely for the leadership 1000 program.

9 (6) \$2,236,000 of the general fund--state appropriation for fiscal  
10 year 2012 and \$2,236,000 of the general fund--state appropriation for  
11 fiscal year 2013 are provided solely for the passport to college  
12 program. The maximum scholarship award shall be \$5,000. The board  
13 shall contract with a nonprofit organization to provide support  
14 services to increase student completion in their postsecondary program  
15 and provide a minimum of \$500,000 in fiscal year 2012 and \$500,000 in  
16 fiscal year 2013 for this purpose.

17 NEW SECTION. **Sec. 614. FOR THE WORK FORCE TRAINING AND EDUCATION**  
18 **COORDINATING BOARD**

19	General Fund--State Appropriation (FY 2012) . . . . .	\$1,416,000
20	General Fund--State Appropriation (FY 2013) . . . . .	\$1,428,000
21	General Fund--Federal Appropriation . . . . .	\$62,794,000
22	TOTAL APPROPRIATION . . . . .	\$65,638,000

23 The appropriations in this section are subject to the following  
24 conditions and limitations: The board shall include in its  
25 comprehensive plan specific strategies to reach the goal of increasing  
26 the percentage of Washington households living in the middle-income  
27 bracket or higher, as calculated by the office of financial management,  
28 and developed by the agency or educational institution that will lead  
29 each strategy.

30 NEW SECTION. **Sec. 615. FOR THE SPOKANE INTERCOLLEGIATE RESEARCH**  
31 **AND TECHNOLOGY INSTITUTE**

32	General Fund--State Appropriation (FY 2012) . . . . .	\$500,000
33	General Fund--State Appropriation (FY 2013) . . . . .	\$500,000
34	TOTAL APPROPRIATION . . . . .	\$1,000,000

1            NEW SECTION.    **Sec. 616.    FOR THE DEPARTMENT OF EARLY LEARNING**

2	General Fund--State Appropriation (FY 2012) . . . . .	\$25,595,000
3	General Fund--State Appropriation (FY 2013) . . . . .	\$25,646,000
4	General Fund--Federal Appropriation . . . . .	\$249,247,000
5	Home Visiting Services--State Appropriation . . . . .	\$1,868,000
6	Opportunity Pathways Account--State Appropriation . . . . .	\$80,000,000
7	TOTAL APPROPRIATION . . . . .	\$382,356,000

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

10           (1) \$14,887,000 of the general fund--state appropriation for fiscal  
11 year 2012, \$14,685,000 of the general fund--state appropriation for  
12 fiscal year 2013, and \$80,000,000 of the opportunity pathways account  
13 appropriation are provided solely for early childhood education and  
14 assistance program services. Of these amounts, \$10,284,000 is a  
15 portion of the biennial amount of state matching dollars required to  
16 receive federal child care and development fund grant dollars.

17           (2) \$638,000 of the general fund--state appropriation for fiscal  
18 year 2012 and \$638,000 of the general fund--state appropriation for  
19 fiscal year 2013 are provided solely for child care resource and  
20 referral network services.

21           (3) \$200,000 of the general fund--state appropriation for fiscal  
22 year 2012 and \$200,000 of the general fund--state appropriation for  
23 fiscal year 2013 are provided solely to develop and provide culturally  
24 relevant supports for parents, family, and other caregivers.

25           (4) The department is the lead agency for and recipient of the  
26 federal child care and development fund grant. Amounts within this  
27 grant shall be used to fund child care licensing, quality initiatives,  
28 agency administration, and other costs associated with child care  
29 subsidies. The department shall transfer a portion of this grant to  
30 the department of social and health services to partially fund the  
31 child care subsidies paid by the department of social and health  
32 services on behalf of the department of early learning.

33           (5) The department shall use child care development fund money to  
34 satisfy the federal audit requirement of the improper payments act  
35 (IPIA) of 2002. In accordance with the IPIA's rules, the money spent  
36 on the audits will not count against the five percent state limit on  
37 administrative expenditures.

1 (6) Within available amounts, the department in consultation with  
2 the office of financial management and the department of social and  
3 health services shall report quarterly enrollments and active caseload  
4 for the working connections child care program to the legislative  
5 fiscal committees. The report shall also identify the number of cases  
6 participating in both temporary assistance for needy families and  
7 working connections child care.

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

14 (8) In addition to groups that were given prioritized access to the  
15 working connections child care program effective March 1, 2011, the  
16 department shall also give prioritized access into the program to  
17 families in which a parent of a child in care is a minor and full-time  
18 student in a high school that has a school-sponsored on-site child care  
19 center.

20 (9) The department may not adopt, enforce, or implement any rules  
21 or policies restricting the eligibility of consumers for the child care  
22 subsidy benefits to a countable income below one hundred seventy-five  
23 percent of the federal poverty guidelines.

24 (10) \$45,000 of the general fund--state appropriation for fiscal  
25 year 2012 and \$76,000 of the general fund--state appropriation for  
26 fiscal year 2013 are provided solely for implementation of Engrossed  
27 Second Substitute House Bill No. 1776 (child care center licensing).  
28 If this bill is not enacted by June 30, 2011, the amount provided in  
29 this subsection shall lapse.

30 (11) \$2,522,000 of the general fund--state appropriation for fiscal  
31 year 2012, \$2,522,000 of the general fund--state appropriation for  
32 fiscal year 2013, and \$4,304,000 of the general fund--federal  
33 appropriation are provided solely for the medicaid treatment child care  
34 (MTCC) program. The department shall contract for MTCC services to  
35 provide therapeutic child care and other specialized treatment services  
36 to abused, neglected, at-risk, and/or drug-affected children. Priority  
37 for services shall be given to children referred from the department of  
38 social and health services children's administration. In addition to

1 referrals made by children's administration, the department shall  
2 authorize services for children referred to the MTCC program, as long  
3 as the children meet the eligibility requirements as outlined in the  
4 Washington state plan for the MTCC program. Of the amounts  
5 appropriated in this subsection, \$60,000 per fiscal year may be used by  
6 the department for administering the MTCC program, if needed.

7 (12) Amounts appropriated in section 722 of this act for the home  
8 visiting services account are provided solely for contracts for home  
9 visiting with the private-public partnership in accordance with  
10 requirements of the federal maternal, infant, and early childhood home  
11 visiting grant program. This funding is intended to meet federal  
12 maintenance of effort requirements for this program.

13 NEW SECTION. **Sec. 617. FOR THE STATE SCHOOL FOR THE BLIND**

14	General Fund--State Appropriation (FY 2012) . . . . .	\$5,751,000
15	General Fund--State Appropriation (FY 2013) . . . . .	\$5,754,000
16	General Fund--Private/Local Appropriation . . . . .	\$2,012,000
17	TOTAL APPROPRIATION . . . . .	.\$13,517,000

18 The appropriations in this section are subject to the following  
19 conditions and limitations: \$271,000 of the general fund--  
20 private/local appropriation is provided solely for the school for the  
21 blind to offer short course programs, allowing students the opportunity  
22 to leave their home schools for short periods and receive intensive  
23 training. The school for the blind shall provide this service to the  
24 extent that it is funded by contracts with school districts and  
25 educational services districts.

26 NEW SECTION. **Sec. 618. FOR THE WASHINGTON STATE CENTER FOR**  
27 **CHILDHOOD DEAFNESS AND HEARING LOSS**

28	General Fund--State Appropriation (FY 2012) . . . . .	\$8,384,000
29	General Fund--State Appropriation (FY 2013) . . . . .	\$8,425,000
30	General Fund--Private/Local Appropriation . . . . .	\$526,000
31	TOTAL APPROPRIATION . . . . .	.\$17,335,000

(End of part)



PART VII  
SPECIAL APPROPRIATIONS

NEW SECTION.   **Sec. 701.   FOR THE STATE TREASURER--BOND RETIREMENT  
AND INTEREST, AND ONGOING BOND REGISTRATION AND TRANSFER CHARGES:   FOR  
DEBT SUBJECT TO THE DEBT LIMIT**

General Fund--State Appropriation (FY 2012)	\$924,047,000
General Fund--State Appropriation (FY 2013)	\$981,486,000
State Building Construction Account--State Appropriation	\$1,589,000
Columbia River Basin Water Supply Development Account--State Appropriation	\$73,000
Hood Canal Aquatic Rehabilitation Bond Account--State Appropriation	\$6,000
State Taxable Building Construction Account--State Appropriation	\$345,000
Gardner-Evans Higher Education Construction Account--State Appropriation	\$1,000
Debt-Limit Reimbursable Bond Retire Account--State Appropriation	\$2,300,000
TOTAL APPROPRIATION	\$1,909,847,000

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 2012 shall be expended into the debt-limit general fund bond retirement account by June 30, 2012.

NEW SECTION.   **Sec. 702.   FOR THE STATE TREASURER--BOND RETIREMENT  
AND INTEREST, AND ONGOING BOND REGISTRATION AND TRANSFER CHARGES:   FOR  
GENERAL OBLIGATION DEBT TO BE REIMBURSED BY ENTERPRISE ACTIVITIES**

Accident Account--State Appropriation	\$4,110,000
Medical Aid Account--State Appropriation	\$4,110,000
TOTAL APPROPRIATION	\$8,220,000

NEW SECTION.   **Sec. 703.   FOR THE STATE TREASURER--BOND RETIREMENT**

1 **AND INTEREST, AND ONGOING BOND REGISTRATION AND TRANSFER CHARGES: FOR**  
2 **GENERAL OBLIGATION DEBT TO BE REIMBURSED AS PRESCRIBED BY STATUTE**

3	General Fund--State Appropriation (FY 2012) . . . . .	\$27,516,000
4	General Fund--State Appropriation (FY 2013) . . . . .	\$30,758,000
5	Nondebt-Limit Reimbursable Bond Retirement	
6	Account--State Appropriation . . . . .	\$140,417,000
7	TOTAL APPROPRIATION . . . . .	\$198,691,000

8       The appropriations in this section are subject to the following  
9 conditions and limitations: The general fund appropriation is for  
10 expenditure into the nondebt-limit general fund bond retirement  
11 account. The entire general fund--state appropriation for fiscal year  
12 2012 shall be expended into the nondebt-limit general fund bond  
13 retirement account by June 30, 2012.

14 NEW SECTION. **Sec. 704. FOR THE STATE TREASURER--BOND RETIREMENT**  
15 **AND INTEREST, AND ONGOING BOND REGISTRATION AND TRANSFER CHARGES: FOR**  
16 **BOND SALE EXPENSES**

17	General Fund--State Appropriation (FY 2012) . . . . .	\$1,357,000
18	General Fund--State Appropriation (FY 2013) . . . . .	\$1,357,000
19	State Building Construction Account--State	
20	Appropriation . . . . .	\$1,273,000
21	Columbia River Basin Water Supply Development	
22	Account--State Appropriation . . . . .	\$12,000
23	Hood Canal Aquatic Rehabilitation Bond Account--State	
24	Appropriation . . . . .	\$1,000
25	State Taxable Building Construction Account--State	
26	Appropriation . . . . .	\$55,000
27	Gardner-Evans Higher Education Construction	
28	Account--State Appropriation . . . . .	\$1,000
29	TOTAL APPROPRIATION . . . . .	\$4,056,000

30 NEW SECTION. **Sec. 705. FOR THE OFFICE OF FINANCIAL MANAGEMENT--**  
31 **FIRE CONTINGENCY**

32	General Fund--State Appropriation (FY 2012) . . . . .	\$4,000,000
33	General Fund--State Appropriation (FY 2013) . . . . .	\$4,000,000
34	TOTAL APPROPRIATION . . . . .	\$8,000,000

35       The appropriations in this section are subject to the following  
36 conditions and limitations: The appropriations are provided solely for

1 expenditure into the disaster response account to be used for any  
2 Washington state fire service resource mobilization costs incurred by  
3 the Washington state patrol in response to an emergency or disaster  
4 authorized under RCW 43.43.960 and 43.43.964.

5 NEW SECTION. **Sec. 706. FOR THE OFFICE OF FINANCIAL MANAGEMENT--**  
6 **DISASTER RESPONSE ACCOUNT**

7	General Fund--State Appropriation (FY 2012) . . . . .	\$14,575,000
8	General Fund--State Appropriation (FY 2013) . . . . .	\$75,000
9	TOTAL APPROPRIATION . . . . .	\$14,650,000

10 The appropriations in this section are subject to the following  
11 conditions and limitations: The appropriations are provided solely for  
12 expenditure into the disaster response account. \$5,000,000 of the  
13 appropriation is provided for emergency fire suppression by the  
14 department of natural resources.

15 NEW SECTION. **Sec. 707. FOR THE OFFICE OF FINANCIAL MANAGEMENT--**  
16 **EMERGENCY FUND**

17	General Fund--State Appropriation (FY 2012) . . . . .	\$850,000
18	General Fund--State Appropriation (FY 2013) . . . . .	\$850,000
19	TOTAL APPROPRIATION . . . . .	\$1,700,000

20 The appropriations in this section are subject to the following  
21 conditions and limitations: The appropriations in this section are for  
22 the governor's emergency fund for the critically necessary work of any  
23 agency.

24 NEW SECTION. **Sec. 708. FOR THE OFFICE OF FINANCIAL MANAGEMENT--**  
25 **EDUCATION TECHNOLOGY REVOLVING ACCOUNT**

26	General Fund--State Appropriation (FY 2012) . . . . .	\$8,000,000
27	General Fund--State Appropriation (FY 2013) . . . . .	\$8,000,000
28	TOTAL APPROPRIATION . . . . .	\$16,000,000

29 The appropriations in this section are subject to the following  
30 conditions and limitations: The appropriations in this section are  
31 provided solely for expenditure into the education technology revolving  
32 account for the purpose of covering ongoing operational and equipment  
33 replacement costs incurred by the K-20 educational network program in  
34 providing telecommunication services to network participants.

1            NEW SECTION.    **Sec. 709.    SALARY ADJUSTMENT**

2	General Fund--State Appropriation (FY 2012) . . . . .	(\$87,774,000)
3	General Fund--State Appropriation (FY 2013) . . . . .	(\$88,071,000)
4	General Fund--Federal Appropriation . . . . .	(\$27,464,000)
5	General Fund--Private/Local Appropriation . . . . .	(\$2,658,000)
6	Various Other Accounts Appropriation . . . . .	(\$47,421,000)
7	TOTAL APPROPRIATION . . . . .	(\$253,388,000)

8            The appropriations in this section shall be expended solely for the  
9 purposes designated in this section and are subject to the following  
10 conditions and limitations:

11            (1) Appropriations in this section are provided solely for a 3.0  
12 percent salary reduction effective July 1, 2011, through June 30, 2013,  
13 for all employees of the executive, legislative, and judicial branches,  
14 including those employees in the Washington management service, and  
15 including employees exempt from merit system rules, except for:

16            (a) Elected officials whose salaries are set by the commission on  
17 salaries for elected officials;

18            (b) Student employees at state institutions of higher education;

19            (c) Employees at state institutions of higher education, provided,  
20 however, that appropriations to higher education institutions are  
21 reduced in an amount reflecting a 3.0 percent reduction in salary  
22 expenditures; however, no reduction is made for salary expenditures  
23 presumed to be paid from higher education nonappropriated funds;

24            (d) Certificated employees of the state school for the blind and  
25 the center for childhood deafness and hearing loss;

26            (e) Commissioned officers of the Washington state patrol  
27 represented by the state patrol troopers' association and the  
28 Washington state patrol lieutenants' association;

29            (f) Represented ferry workers of the Washington state department of  
30 transportation, provided, however, that other reductions are included  
31 in section 504 of the 2011-2013 transportation appropriations act;

32            (g) Employees whose salary is less than \$2,500 per month; and

33            (h) Employees as specified in subsection (2) of this section.

34            (2) For employees subject to the 3.0 percent reduction in salary  
35 under subsection (1) of this section employees will receive temporary  
36 salary reduction leave of up to 5.2 hours per month. The director of  
37 personnel shall adopt rules governing the accrual and use of temporary  
38 salary reduction leave.

1 (3) Appropriations also reflect a 3.0 percent cost saving in  
2 expenditures as specified in section 925 of this act.

3 (4) The department of retirement systems shall include any forgone  
4 salary under subsections (1) and (3) of this section in the final  
5 average compensation of employees affected for purposes of calculating  
6 retirement benefits, as specified in House Bill No. . . . .

7 (5) The appropriation from dedicated funds and accounts shall be  
8 made in the amounts specified and from the dedicated funds and accounts  
9 specified in LEAP Omnibus Document H-Sal 01 dated April 6, 2011, which  
10 is hereby incorporated by reference. The office of financial  
11 management shall allocate the moneys appropriated in this section in  
12 the amounts specified and to the state agencies specified in OFM  
13 document 2011-01 and adjust appropriation schedules accordingly. The  
14 office of financial management shall make any further allotment  
15 adjustments necessary to reflect agency mergers or consolidations  
16 assumed in this act.

17 **NEW SECTION. Sec. 710. INCENTIVE SAVINGS--FY 2012**

18 The sum of one hundred twenty-five million dollars or so much  
19 thereof as may be available on June 30, 2012, from the total amount of  
20 unspent fiscal year 2012 state general fund appropriations, exclusive  
21 of amounts expressly placed into unallotted status by this act, is  
22 appropriated for the purposes of RCW 43.79.460 in the manner provided  
23 in this section.

24 (1) Of the total appropriated amount, one-half of that portion that  
25 is attributable to incentive savings, not to exceed twenty-five million  
26 dollars, is appropriated to the savings incentive account for the  
27 purpose of improving the quality, efficiency, and effectiveness of  
28 agency services, and credited to the agency that generated the savings.

29 (2) The remainder of the total amount, not to exceed one hundred  
30 million dollars, is appropriated to the education savings account.

31 **NEW SECTION. Sec. 711. INCENTIVE SAVINGS--FY 2013**

32 The sum of one hundred twenty-five million dollars or so much  
33 thereof as may be available on June 30, 2013, from the total amount of  
34 unspent fiscal year 2013 state general fund appropriations, exclusive  
35 of amounts expressly placed into unallotted status by this act, is

1 appropriated for the purposes of RCW 43.79.460 in the manner provided  
2 in this section.

3 (1) Of the total appropriated amount, one-half of that portion that  
4 is attributable to incentive savings, not to exceed twenty-five million  
5 dollars, is appropriated to the savings incentive account for the  
6 purpose of improving the quality, efficiency, and effectiveness of  
7 agency services, and credited to the agency that generated the savings.

8 (2) The remainder of the total amount, not to exceed one hundred  
9 million dollars, is appropriated to the education savings account.

10 NEW SECTION. **Sec. 712. FOR THE OFFICE OF FINANCIAL MANAGEMENT--**  
11 **O'BRIEN BUILDING IMPROVEMENT**

12	General Fund--State Appropriation (FY 2012) . . . . .	\$2,846,000
13	General Fund--State Appropriation (FY 2013) . . . . .	\$2,950,000
14	TOTAL APPROPRIATION . . . . .	\$5,796,000

15 The appropriations in this section are subject to the following  
16 conditions and limitations: The appropriations are provided solely for  
17 expenditure into the general administration services account for  
18 payment of principal, interest, and financing expenses associated with  
19 the certificate of participation for the O'Brien building improvement,  
20 project number 20081007.

21 NEW SECTION. **Sec. 713. FOR THE DEPARTMENT OF HEALTH--COUNTY**  
22 **PUBLIC HEALTH ASSISTANCE**

23 The appropriations in this section are subject to the following  
24 conditions and limitations: The director of the department of health  
25 shall distribute the appropriations to the following counties and  
26 health districts in the amounts designated to support public health  
27 services, including public health nursing:

29	Health District	FY 2012	FY 2013	FY 2011-13
30				Biennium
31	Adams County Health District	\$30,951	\$30,951	\$61,902
32	Asotin County Health District	\$67,714	\$67,714	\$135,428
33	Benton-Franklin Health District	\$1,165,612	\$1,165,612	\$2,331,224
34	Chelan-Douglas Health District	\$184,761	\$184,761	\$369,522

1	Clallam County Health and Human Services	\$141,752	\$141,752	\$283,504
2	Department			
3	Clark County Health District	\$1,057,792	\$1,057,792	\$2,115,594
4	Skamania County Health Department	\$26,681	\$26,681	\$53,362
5	Columbia County Health District	\$40,529	\$40,529	\$81,058
6	Cowlitz County Health Department	\$278,560	\$278,560	\$557,120
7	Garfield County Health District	\$15,028	\$15,028	\$30,056
8	Grant County Health District	\$118,595	\$118,596	\$237,191
9	Grays Harbor Health Department	\$183,870	\$183,870	\$367,740
10	Island County Health Department	\$91,892	\$91,892	\$183,784
11	Jefferson County Health and Human Services	\$85,782	\$85,782	\$171,564
12	Seattle-King County Department of Public Health	\$9,531,747	\$9,531,747	\$19,063,494
13	Bremerton-Kitsap County Health District	\$554,669	\$554,669	\$1,109,338
14	Kittitas County Health Department	\$92,499	\$92,499	\$184,998
15	Klickitat County Health Department	\$62,402	\$62,402	\$124,804
16	Lewis County Health Department	\$105,801	\$105,801	\$211,602
17	Lincoln County Health Department	\$29,705	\$29,705	\$59,410
18	Mason County Department of Health Services	\$95,988	\$95,988	\$191,976
19	Okanogan County Health District	\$63,458	\$63,458	\$126,916
20	Pacific County Health Department	\$77,427	\$77,427	\$154,854
21	Tacoma-Pierce County Health Department	\$2,820,590	\$2,820,590	\$5,641,180
22	San Juan County Health and Community Services	\$37,531	\$37,531	\$75,062
23	Skagit County Health Department	\$223,927	\$223,927	\$447,854
24	Snohomish Health District	\$2,258,207	\$2,258,207	\$4,516,414
25	Spokane County Health District	\$2,101,429	\$2,101,429	\$4,202,858
26	Northeast Tri-County Health District	\$110,454	\$110,454	\$220,908
27	Thurston County Health Department	\$600,419	\$600,419	\$1,200,838
28	Wahkiakum County Health Department	\$13,773	\$13,772	\$27,545
29	Walla Walla County-City Health Department	\$172,062	\$172,062	\$344,124
30	Whatcom County Health Department	\$855,863	\$855,863	\$1,711,726
31	Whitman County Health Department	\$78,733	\$78,733	\$157,466
32	Yakima Health District	\$623,797	\$623,797	\$1,247,594
33	TOTAL APPROPRIATIONS	\$24,000,000	\$24,000,000	\$48,000,000

34 NEW SECTION. **Sec. 714. FOR THE DEPARTMENT OF RETIREMENT**  
35 **SYSTEMS--CONTRIBUTIONS TO RETIREMENT SYSTEMS**

36 The appropriations in this section are subject to the following  
37 conditions and limitations: The appropriations for the law enforcement

1 officers' and firefighters' retirement system shall be made on a  
2 monthly basis beginning July 1, 2011, consistent with chapter 41.45  
3 RCW, and the appropriations for the judges and judicial retirement  
4 systems shall be made on a quarterly basis consistent with chapters  
5 2.10 and 2.12 RCW.

6 (1) There is appropriated for state contributions to the law  
7 enforcement officers' and firefighters' retirement system:

8	General Fund--State Appropriation (FY 2012) . . . . .	\$51,200,000
9	General Fund--State Appropriation (FY 2013) . . . . .	\$54,700,000
10	TOTAL APPROPRIATION . . . . .	\$105,900,000

11 (2) There is appropriated for contributions to the judicial  
12 retirement system:

13	General Fund--State Appropriation (FY 2012) . . . . .	\$11,600,000
14	General Fund--State Appropriation (FY 2013) . . . . .	\$13,100,000
15	TOTAL APPROPRIATION . . . . .	\$24,700,000

16 NEW SECTION. **Sec. 715. BELATED CLAIMS**

17 The agencies and institutions of the state may expend moneys  
18 appropriated in this act, upon approval of the office of financial  
19 management, for the payment of supplies and services furnished to the  
20 agency or institution in prior fiscal biennia.

21 NEW SECTION. **Sec. 716. FOR THE OFFICE OF FINANCIAL MANAGEMENT--**  
22 **CONTRIBUTIONS TO RETIREMENT SYSTEMS**

23	General Fund--State Appropriation (FY 2012) . . . . .	(\$900,000)
24	General Fund--State Appropriation (FY 2013) . . . . .	(\$1,000,000)
25	Special Account Retirement System Contribution	
26	Increase Revolving Account Appropriation . . . . .	(\$500,000)
27	TOTAL APPROPRIATION . . . . .	(\$2,400,000)

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

30 (1) The appropriations in this section are provided solely to  
31 adjust agency and institution appropriations and public school funding  
32 allocations to reflect reduced employer contribution rates in the  
33 public employees' retirement system and the school employees'  
34 retirement system as a result of the provisions of House Bill No. 1981  
35 (higher education retirement plan and postretirement employment). If



1 the bill is not enacted by June 30, 2011, the amounts provided in this  
2 section shall lapse.

3 (2) To facilitate the transfer of moneys to dedicated funds and  
4 accounts, the state treasurer shall transfer sufficient moneys to each  
5 dedicated fund or account from the special account retirement system  
6 contribution increase revolving account in accordance with schedules  
7 provided by the office of financial management.

8 NEW SECTION. **Sec. 717. FOR THE OFFICE OF FINANCIAL MANAGEMENT--**  
9 **CONTRIBUTIONS TO RETIREMENT SYSTEMS**

10	General Fund--State Appropriation (FY 2012) . . . . .	(\$148,832,000)
11	General Fund--State Appropriation (FY 2013) . . . . .	(\$212,838,000)
12	Special Account Retirement System Contribution	
13	Increase Revolving Account Appropriation . . . . .	(\$43,932,000)
14	TOTAL APPROPRIATION . . . . .	(\$405,602,000)

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

17 (1) The appropriations in this section are provided solely to  
18 adjust agency and institution appropriations and public school funding  
19 allocations to reflect reduced employer contribution rates in the  
20 public employees' retirement system, teachers' retirement system,  
21 public safety employees' retirement system, and the school employees'  
22 retirement system as a result of the provisions of House Bill No. 2021  
23 (limiting annual increase amounts) and increase the alternative minimum  
24 benefit to \$1,500 per month. If the bill is not enacted by June 30,  
25 2011, the amounts provided in this section shall lapse.

26 (2) To facilitate the transfer of moneys to dedicated funds and  
27 accounts, the state treasurer shall transfer sufficient moneys to each  
28 dedicated fund or account from the special account retirement  
29 contribution increase revolving account in accordance with schedules  
30 provided by the office of financial management.

31 NEW SECTION. **Sec. 718. FOR THE OFFICE OF FINANCIAL MANAGEMENT--**  
32 **STATE DATA CENTER RATE INCREASES**

33	General Fund--State Appropriation (FY 2012) . . . . .	\$3,411,000
34	General Fund--State Appropriation (FY 2013) . . . . .	\$2,036,000
35	General Fund--Federal Appropriation . . . . .	\$3,000
36	General Fund--Private/Local Appropriation . . . . .	\$103,000

1 Special Account Revolving Appropriation . . . . . \$4,263,000  
2 TOTAL APPROPRIATION . . . . . \$9,816,000

3 The appropriations in this section are subject to the following  
4 conditions and limitations: The appropriations in this section reflect  
5 increases in agency appropriations related to the state data center.  
6 The office of financial management shall increase allotments in the  
7 amounts specified, and to the state agencies specified in LEAP omnibus  
8 document GLX-2011, dated March 25, 2011, and adjust appropriation  
9 schedules accordingly. The office of financial management shall make  
10 any further allotment adjustments necessary to reflect agency mergers  
11 or consolidations assumed in this act.

12 NEW SECTION. **Sec. 719. FOR THE OFFICE OF FINANCIAL MANAGEMENT--**  
13 **EXTRAORDINARY CRIMINAL JUSTICE COSTS**

14 General Fund--State Appropriation (FY 2012) . . . . . \$591,000

15 The appropriation in this section is subject to the following  
16 conditions and limitations: The director of financial management shall  
17 distribute \$338,000 to Franklin county, \$128,000 to Jefferson county,  
18 and \$125,000 to Okanogan county for extraordinary criminal justice  
19 costs.

20 NEW SECTION. **Sec. 720. FOR THE OFFICE OF FINANCIAL MANAGEMENT--**  
21 **STATE EFFICIENCY AND RESTRUCTURING REPAYMENT**

22 General Fund--State Appropriation (FY 2012) . . . . . \$5,487,000  
23 General Fund--State Appropriation (FY 2013) . . . . . \$5,487,000  
24 TOTAL APPROPRIATION . . . . . \$10,974,000

25 The appropriations in this section are subject to the following  
26 conditions and limitations: The appropriations in this section are  
27 provided solely for expenditure into the cleanup settlement account on  
28 July 1, 2011, and July 1, 2012, as repayment of moneys that were  
29 transferred to the state efficiency and restructuring account.

30 NEW SECTION. **Sec. 721. FOR THE OFFICE OF FINANCIAL MANAGEMENT--**  
31 **VEHICLE LICENSE FRAUD ACCOUNT**

32 General Fund--State Appropriation (FY 2012) . . . . . \$100,000  
33 General Fund--State Appropriation (FY 2013) . . . . . \$100,000  
34 TOTAL APPROPRIATION . . . . . \$200,000

1       The appropriations in this section are subject to the following  
2 conditions and limitations: The appropriations in this section are  
3 provided solely for expenditure into the vehicle license fraud account.

4       NEW SECTION.   **Sec. 722. FOR THE OFFICE OF FINANCIAL MANAGEMENT--**  
5 **HOME VISITING SERVICES ACCOUNT**

6	General Fund--State Appropriation (FY 2012) . . . . .	\$934,000
7	General Fund--State Appropriation (FY 2013) . . . . .	\$934,000
8	TOTAL APPROPRIATION . . . . .	\$1,868,000

9       The appropriation in this section is subject to the following  
10 conditions and limitations: The appropriations in this section are  
11 provided solely for expenditure into home visiting services account.

(End of part)

PART VIII

OTHER TRANSFERS AND APPROPRIATIONS

NEW SECTION. Sec. 801. FOR THE STATE TREASURER--STATE REVENUES FOR DISTRIBUTION

Table with 2 columns: Description and Amount. Rows include General Fund Appropriation for fire insurance (\$8,368,000), public utility district excise tax distributions (\$49,418,000), prosecuting attorney distributions (\$6,281,000), boating safety and education distributions (\$4,000,000), other tax distributions (\$58,000), habitat conservation program distributions (\$3,000,000), Death Investigations Account (\$2,960,000), Aquatic Lands Enhancement Account (\$160,000), Timber Tax Distribution Account (\$40,421,000), County Criminal Justice Assistance (\$69,801,000), Municipal Criminal Justice Assistance (\$26,950,000), City-County Assistance Account (\$16,589,000), Liquor Excise Tax Account (\$52,152,000), Streamlined Sales and Use Tax Mitigation Account (\$49,635,000), Columbia River Water Delivery Account for Confederated Tribes (\$7,441,000), and Columbia River Water Delivery Account for Spokane Tribe (\$4,748,000).

1 Liquor Revolving Account Appropriation for liquor  
2 profits distribution . . . . . \$69,318,000  
3 TOTAL APPROPRIATION . . . . . \$411,301,000

4 The total expenditures from the state treasury under the  
5 appropriations in this section shall not exceed the funds available  
6 under statutory distributions for the stated purposes.

7 NEW SECTION. **Sec. 802. FOR THE STATE TREASURER--FOR THE COUNTY**  
8 **CRIMINAL JUSTICE ASSISTANT ACCOUNT**

9 Impaired Driver Safety Account Appropriation . . . . . \$2,501,000

10 The appropriation in this section is subject to the following  
11 conditions and limitations: The amount appropriated in this section  
12 shall be distributed quarterly during the 2011-13 biennium in  
13 accordance with RCW 82.14.310. This funding is provided to counties  
14 for the costs of implementing criminal justice legislation including,  
15 but not limited to: Chapter 206, Laws of 1998 (drunk driving  
16 penalties); chapter 207, Laws of 1998 (DUI penalties); chapter 208,  
17 Laws of 1998 (deferred prosecution); chapter 209, Laws of 1998  
18 (DUI/license suspension); chapter 210, Laws of 1998 (ignition interlock  
19 violations); chapter 211, Laws of 1998 (DUI penalties); chapter 212,  
20 Laws of 1998 (DUI penalties); chapter 213, Laws of 1998 (intoxication  
21 levels lowered); chapter 214, Laws of 1998 (DUI penalties); and chapter  
22 215, Laws of 1998 (DUI provisions).

23 NEW SECTION. **Sec. 803. FOR THE STATE TREASURER--MUNICIPAL**  
24 **CRIMINAL JUSTICE ASSISTANT ACCOUNT**

25 Impaired Driver Safety Account Appropriation . . . . . \$1,666,000

26 The appropriation in this section is subject to the following  
27 conditions and limitations: The amount appropriated in this section  
28 shall be distributed quarterly during the 2011-2013 biennium to all  
29 cities ratably based on population as last determined by the office of  
30 financial management. The distributions to any city that substantially  
31 decriminalizes or repeals its criminal code after July 1, 1990, and  
32 that does not reimburse the county for costs associated with criminal  
33 cases under RCW 3.50.800 or 3.50.805(2), shall be made to the county in  
34 which the city is located. This funding is provided to cities for the  
35 costs of implementing criminal justice legislation including, but not

1 limited to: Chapter 206, Laws of 1998 (drunk driving penalties);  
2 chapter 207, Laws of 1998 (DUI penalties); chapter 208, Laws of 1998  
3 (deferred prosecution); chapter 209, Laws of 1998 (DUI/license  
4 suspension); chapter 210, Laws of 1998 (ignition interlock violations);  
5 chapter 211, Laws of 1998 (DUI penalties); chapter 212, Laws of 1998  
6 (DUI penalties); chapter 213, Laws of 1998 (intoxication levels  
7 lowered); chapter 214, Laws of 1998 (DUI penalties); and chapter 215,  
8 Laws of 1998 (DUI provisions).

9 NEW SECTION. **Sec. 804. FOR THE STATE TREASURER--FEDERAL REVENUES**  
10 **FOR DISTRIBUTION**

11 General Fund Appropriation for federal flood control  
12 funds distribution . . . . . \$74,000  
13 General Fund Appropriation for federal grazing fees  
14 distribution . . . . . \$2,430,000  
15 Forest Reserve Fund Appropriation for federal forest  
16 reserve fund distribution . . . . . \$29,175,000  
17 TOTAL APPROPRIATION . . . . . \$31,679,000

18 The total expenditures from the state treasury under the  
19 appropriations in this section shall not exceed the funds available  
20 under statutory distributions for the stated purposes.

21 NEW SECTION. **Sec. 805. FOR THE STATE TREASURER--TRANSFERS**

22 State Treasurer's Service Account: For transfer to  
23 the state general fund, \$10,000,000 for fiscal  
24 year 2012 and \$15,000,000 for fiscal year 2013 . . . . \$25,000,000  
25 Waste Reduction, Recycling, and Litter Control  
26 Account: For transfer to the state general  
27 fund, \$3,500,000 for fiscal year 2012 and  
28 \$3,500,000 for fiscal year 2013 . . . . . \$7,000,000  
29 Aquatics Lands Enhancement Account: For transfer to  
30 the state general fund, \$3,500,000 for fiscal  
31 year 2012 and \$3,500,000 for fiscal year 2013 . . . . \$7,000,000  
32 Drinking Water Assistance Account: For transfer to  
33 the drinking water assistance repayment account . . . . \$38,000,000  
34 Economic Development Strategic Reserve Account: For  
35 transfer to the state general fund, \$2,100,000  
36 for fiscal year 2012 and \$2,100,000 for fiscal

1        year 2013 . . . . . \$4,200,000  
2    General Fund: For transfer to the streamlined sales  
3        and use tax account, \$24,846,000 for fiscal year  
4        2012 and \$24,789,000 for fiscal year 2013 . . . . . \$49,635,000  
5    Public Works Assistance Account: For transfer to the  
6        water pollution control revolving account,  
7        \$7,750,000 for fiscal year 2012 and \$7,750,000 for  
8        fiscal year 2013 . . . . . \$15,500,000  
9    The Charitable, Educational, Penal, and Reformatory  
10       Institutions Account: For transfer to the state  
11       general fund, \$4,500,000 for fiscal year 2012 and  
12       \$4,500,000 for fiscal year 2013 . . . . . \$9,000,000  
13    Thurston County Capital Facilities Account: For  
14       transfer to the state general fund, \$4,000,000  
15       for fiscal year 2012 and \$4,000,000 for fiscal  
16       year 2013 . . . . . \$8,000,000  
17    Liquor Revolving Account: For transfer to the state  
18       general fund, \$42,500,000 for fiscal year 2012 and  
19       \$42,500,000 for fiscal year 2013 . . . . . \$85,000,000  
20    Public Works Assistance Account: For transfer to the  
21       drinking water assistance account, \$8,000,000 for  
22       fiscal year 2012 and \$8,000,000 for fiscal year  
23       2013 . . . . . \$16,000,000  
24    Liquor Control Board Construction and Maintenance  
25       Account: For transfer to the state general fund,  
26       \$500,000 for fiscal year 2012 and \$500,000 for  
27       fiscal year 2013 . . . . . \$1,000,000  
28    Education Savings Account: For transfer to the state  
29       general fund, \$22,500,000 for fiscal year 2012  
30       and \$22,500,000 for fiscal year 2013 . . . . . \$45,000,000  
31    Department of Retirement Systems Expense Account:  
32       For transfer to the state general fund, \$250,000  
33       for fiscal year 2012 and \$250,000 for fiscal year  
34       2013 . . . . . \$500,000  
35    Home Security Fund Account: For transfer to the  
36       transitional housing operating and rent account,  
37       \$3,750,000 for fiscal year 2012 and \$3,750,000 for  
38       fiscal year 2013 . . . . . \$7,500,000

1 Washington State Heritage Center Account (Heritage,  
2 Arts, and Culture Account, RCW 43.07.129): For transfer to  
3 the state general fund, \$6,500,000 for fiscal  
4 2012 and \$6,500,000 for fiscal year 2013 . . . . . \$13,000,000  
5 Education Construction Account: For transfer to the  
6 state general fund, \$102,000,000 for fiscal year  
7 2012 and \$102,000,000 for fiscal year 2013 . . . . . \$204,000,000

(End of part)





1 (e) Progress toward enabling electronic access to public  
2 information.

3 (3) Each project will be planned and designed to take optimal  
4 advantage of internet technologies and protocols. Agencies shall  
5 ensure that the project is in compliance with the architecture,  
6 infrastructure, principles, policies, and standards of digital  
7 government as maintained by the office of the chief information  
8 officer.

9 (4) The agency shall produce a feasibility study for information  
10 technology projects at the direction of the office of the chief  
11 information officer and in accordance with published office of the  
12 chief information officer policies and guidelines. At a minimum, such  
13 studies shall include a statement of: (a) The purpose or impetus for  
14 change; (b) the business value to the agency, including an examination  
15 and evaluation of benefits, advantages, and cost; (c) a comprehensive  
16 risk assessment based on the proposed project's impact on both citizens  
17 and state operations, its visibility, and the consequences of doing  
18 nothing; (d) the impact on agency and statewide information  
19 infrastructure; and (e) the impact of the proposed enhancements to an  
20 agency's information technology capabilities on meeting service  
21 delivery demands.

22 (5) The agency shall produce a comprehensive management plan for  
23 each project. The plan or plans shall address all factors critical to  
24 successful completion of each project. The plan(s) shall include, but  
25 is not limited to, the following elements: A description of the  
26 problem or opportunity that the information technology project is  
27 intended to address; a statement of project objectives and assumptions;  
28 a definition and schedule of phases, tasks, and activities to be  
29 accomplished; and the estimated cost of each phase. The planning for  
30 the phased approach shall be such that the business case justification  
31 for a project needs to demonstrate how the project recovers cost or  
32 adds measurable value or positive cost benefit to the agency's business  
33 functions within each development cycle.

34 (6) The agency shall produce quality assurance plans for  
35 information technology projects. Consistent with the direction of the  
36 office of the chief information officer and the published policies and  
37 guidelines of the office of the chief information officer, the quality  
38 assurance plan shall address all factors critical to successful

1 completion of the project and successful integration with the agency  
2 and state information technology infrastructure. At a minimum, quality  
3 assurance plans shall provide time and budget benchmarks against which  
4 project progress can be measured, a specification of quality assurance  
5 responsibilities, and a statement of reporting requirements. The  
6 quality assurance plans shall set out the functionality requirements  
7 for each phase of a project.

8 (7) A copy of each feasibility study, project management plan, and  
9 quality assurance plan shall be provided to the office of the chief  
10 information officer, the office of financial management, and  
11 legislative fiscal committees. The plans and studies shall demonstrate  
12 a sound business case that justifies the investment of taxpayer funds  
13 on any new project, an assessment of the impact of the proposed system  
14 on the existing information technology infrastructure, the disciplined  
15 use of preventative measures to mitigate risk, and the leveraging of  
16 private-sector expertise as needed. Authority to expend any funds for  
17 individual information systems projects is conditioned on the approval  
18 of the relevant feasibility study, project management plan, and quality  
19 assurance plan by the office of the chief information officer and the  
20 office of financial management.

21 (8) Quality assurance status reports shall be submitted to the  
22 office of the chief information officer, the office of financial  
23 management, and legislative fiscal committees at intervals specified in  
24 the project's quality assurance plan.

25 NEW SECTION. **Sec. 903. INFORMATION TECHNOLOGY ENTERPRISE**  
26 **SERVICES**

27 Agencies may make use of the consolidated technology services  
28 agency when acquiring information technology services, products, and  
29 assets.

30 "Information technology services" means the acquisition,  
31 provisioning, or approval of hardware, software, and purchased or  
32 personal services provided by the consolidated technology services  
33 agency.

34 If an information technology enterprise service is provided by the  
35 consolidated technology services agency, or an agency has a specific  
36 requirement to acquire hardware, software, or purchased or personal

1 services directly, the agency shall consult with the consolidated  
2 technology services agency.

3 NEW SECTION. **Sec. 904. VIDEO TELECOMMUNICATIONS**

4 The consolidated technology services agency shall act as lead  
5 agency in coordinating video telecommunications services for state  
6 agencies. As lead agency, the consolidated technology services agency  
7 shall develop standards and common specifications for leased and  
8 purchased telecommunications equipment and assist state agencies in  
9 developing a video telecommunications expenditure plan. No agency may  
10 spend any portion of any appropriation in this act for new video  
11 telecommunication equipment, new video telecommunication transmission,  
12 or new video telecommunication programming, or for expanding current  
13 video telecommunication systems without first complying with chapter  
14 43.105 RCW, including but not limited to, RCW 43.105.041(2), and  
15 without first submitting a video telecommunications expenditure plan,  
16 in accordance with the policies of the consolidated technology services  
17 agency, for review and assessment by the consolidated technology  
18 services agency under RCW 43.105.052. Prior to any such expenditure by  
19 a public school, a video telecommunications expenditure plan shall be  
20 approved by the superintendent of public instruction. The office of  
21 the superintendent of public instruction shall submit the plans to the  
22 consolidated technology services agency in a form prescribed by the  
23 consolidated technology services agency. The office of the  
24 superintendent of public instruction shall coordinate the use of video  
25 telecommunications in public schools by providing educational  
26 information to local school districts and shall assist local school  
27 districts and educational service districts in telecommunications  
28 planning and curriculum development. Prior to any such expenditure by  
29 a public institution of postsecondary education, a telecommunications  
30 expenditure plan shall be approved by the higher education coordinating  
31 board. The higher education coordinating board shall coordinate the  
32 use of video telecommunications for instruction and instructional  
33 support in postsecondary education, including the review and approval  
34 of instructional telecommunications course offerings.

35 NEW SECTION. **Sec. 905. EMERGENCY FUND ALLOCATIONS**

36 Whenever allocations are made from the governor's emergency fund

1 appropriation to an agency that is financed in whole or in part by  
2 other than general fund moneys, the director of financial management  
3 may direct the repayment of such allocated amount to the general fund  
4 from any balance in the fund or funds which finance the agency. An  
5 appropriation is not necessary to effect such repayment.

6 NEW SECTION. **Sec. 906. STATUTORY APPROPRIATIONS**

7 In addition to the amounts appropriated in this act for revenues  
8 for distribution, state contributions to the law enforcement officers'  
9 and fire fighters' retirement system plan 2, and bond retirement and  
10 interest including ongoing bond registration and transfer charges,  
11 transfers, interest on registered warrants, and certificates of  
12 indebtedness, there is also appropriated such further amounts as may be  
13 required or available for these purposes under any statutory formula or  
14 under chapters 39.94 and 39.96 RCW or any proper bond covenant made  
15 under law.

16 NEW SECTION. **Sec. 907. BOND EXPENSES**

17 In addition to such other appropriations as are made by this act,  
18 there is hereby appropriated to the state finance committee from  
19 legally available bond proceeds in the applicable construction or  
20 building funds and accounts such amounts as are necessary to pay the  
21 expenses incurred in the issuance and sale of the subject bonds.

22 NEW SECTION. **Sec. 908. VOLUNTARY RETIREMENT, SEPARATION, AND**  
23 **DOWNSHIFTING INCENTIVES**

24 As a management tool to reduce costs and make more effective use of  
25 resources, while improving employee productivity and morale, agencies  
26 may implement a voluntary retirement, separation, and/or downshifting  
27 incentive program that is cost neutral or results in cost savings over  
28 a two-year period following the commencement of the program, provided  
29 that such a program is approved by the director of financial  
30 management. Agencies participating in this authorization may offer  
31 voluntary retirement, separation, and/or downshifting incentives and  
32 options according to procedures and guidelines established by the  
33 office of financial management, in consultation with the department of  
34 personnel and the department of retirement systems. The options may  
35 include, but are not limited to, financial incentives for: Voluntary

1 separation or retirement, voluntary leave without pay, voluntary work  
2 week or work hour reduction, voluntary downward movement, or temporary  
3 separation for development purposes. An employee does not have a  
4 contractual right to a financial incentive offered pursuant to this  
5 section. Offers shall be reviewed and monitored jointly by the  
6 department of personnel and the department of retirement systems.  
7 Agencies are required to submit a report by June 30, 2013, to the  
8 legislature and the office of financial management on the outcome of  
9 their approved incentive program. The report should include  
10 information on the details of the program including the cost of the  
11 incentive per participant, the total cost to the state, and the  
12 projected or actual net dollar savings over the 2011-2013 biennium.

13 NEW SECTION. **Sec. 909. COLLECTIVE BARGAINING AGREEMENTS NOT**  
14 **IMPAIRED**

15 Nothing in this act prohibits the expenditure of any funds by an  
16 agency or institution of the state for benefits guaranteed by any  
17 collective bargaining agreement in effect on the effective date of this  
18 section.

19 NEW SECTION. **Sec. 910. COLLECTIVE BARGAINING AGREEMENTS**

20 The following sections represent the results of the 2011-2013  
21 collective bargaining process required under the provisions of chapters  
22 41.80 and 41.56 RCW. Provisions of the collective bargaining  
23 agreements contained in this act are described in general terms. Only  
24 major economic terms are included in the descriptions. These  
25 descriptions do not contain the complete contents of the agreements.  
26 The collective bargaining agreements or the continuation of terms and  
27 conditions of the 2009-2011 agreements contained in Part IX of this act  
28 may also be funded by expenditures from nonappropriated accounts. If  
29 positions are funded with lidded grants or dedicated fund sources with  
30 insufficient revenue, additional funding from other sources is not  
31 provided.

32 NEW SECTION. **Sec. 911. COLLECTIVE BARGAINING AGREEMENTS--WFSE,**  
33 **TEAMSTERS, UFCW, WAFWP, IFPTE 17, COALITION OF UNIONS**

34 Agreements have been reached between the governor and the following  
35 unions: Washington federation of state employees, teamsters local

1 union 117, united food and commercial workers, Washington association  
2 of fish and wildlife professionals, international federation of  
3 professional and technical engineers local 17, and the coalition of  
4 unions, under the provisions of chapter 41.80 RCW for the 2011-2013  
5 biennium subject to union internal processes/procedures. Funding is  
6 reduced to reflect a 3.0 percent temporary salary reduction for all  
7 employees making \$2,500 or more per month covered under the agreements  
8 for fiscal years 2012 and 2013 through June 29, 2013. Effective June  
9 30, 2013, the salary schedules effective July 1, 2009, through June 30,  
10 2011 will be reinstated. Temporary salary reduction leave is granted  
11 for the term of the 2011-2013 agreement.

12 NEW SECTION. **Sec. 912. COLLECTIVE BARGAINING AGREEMENT--SEIU**  
13 **HEALTHCARE 1199NW**

14 An agreement has been reached between the governor and the service  
15 employees international union healthcare 1199nw under the provisions of  
16 chapter 41.80 RCW for the 2011-2013 biennium subject to union internal  
17 processes/procedures. Funding is reduced to reflect 8 days of leave  
18 without pay per year for fiscal years 2012 and 2013.

19 NEW SECTION. **Sec. 913. COLLECTIVE BARGAINING AGREEMENT--TERMS**  
20 **AND CONDITIONS**

21 No agreements have been reached between the governor and the  
22 following unions: Washington public employees association, Washington  
23 public employees association higher education community college  
24 coalition, Washington federation of state employees higher education  
25 community college coalition, Washington federation of state employees  
26 Central Washington University, Washington federation of state employees  
27 Western Washington University, Washington federation of state employees  
28 The Evergreen State College, and public school employees Western  
29 Washington University, under the provisions of chapter 41.80 RCW for  
30 the 2011-2013 biennium. Appropriations in this act provide funding to  
31 continue the terms and conditions of the 2009-2011 general government  
32 and higher education agreements negotiated by the office of financial  
33 management's labor relations office under the provisions of chapter  
34 41.80 RCW. For fiscal year 2012, appropriations have been reduced in  
35 an amount equal to a 3 percent salary reduction for all represented  
36 employees making \$2,500 or more per month. This reduction will be

1 implemented according to the terms and conditions of the 2009-2011  
2 agreements. For fiscal year 2013, funding is reduced to reflect a 3.0  
3 percent temporary salary reduction for all employees making \$2,500 or  
4 more per month through June 29, 2013. Effective June 30, 2013, the  
5 salary schedules effective July 1, 2009, through June 30, 2011, will be  
6 reinstated. Temporary salary reduction leave is granted for fiscal  
7 year 2013. These changes will be implemented according to law.

8 NEW SECTION. **Sec. 914. COLLECTIVE BARGAINING AGREEMENT--WSP**  
9 **TROOPERS ASSOCIATION**

10 No agreement has been reached between the governor and the  
11 Washington state patrol trooper's association under the provisions of  
12 chapter 41.56 RCW for the 2011-2013 biennium. Appropriations in this  
13 act for the Washington state patrol provide funding to continue the  
14 provisions of the 2009-2011 agreement.

15 NEW SECTION. **Sec. 915. COLLECTIVE BARGAINING AGREEMENT--WSP**  
16 **LIEUTENANTS ASSOCIATION**

17 No agreement has been reached between the governor and the  
18 Washington state patrol lieutenant's association under the provisions  
19 of chapter 41.56 RCW for the 2011-2013 biennium. Appropriations in  
20 this act for the Washington state patrol provide funding to continue  
21 the provisions of the 2009-2011 agreement.

22 NEW SECTION. **Sec. 916. COLLECTIVE BARGAINING AGREEMENT FOR**  
23 **NONSTATE EMPLOYEES--SEIU LOCAL 925 CHILDCARE WORKERS**

24 An agreement has been reached between the governor and the service  
25 employees international union local 925 under the provisions of chapter  
26 41.56 RCW for the 2011-2013 biennium, subject to union internal  
27 processes/procedures. Funding for an increase in the state's health  
28 care contribution for childcare workers is included in the budget.

29 NEW SECTION. **Sec. 917. COLLECTIVE BARGAINING AGREEMENT FOR**  
30 **NONSTATE EMPLOYEES--WSRCC ADULT FAMILY HOMES**

31 Appropriations in this act reflect the collective bargaining  
32 agreement reached between the governor and the Washington state  
33 residential care council under the provisions of chapter 41.56 RCW for



1 the 2011-2013 biennium. For those covered under this agreement,  
2 economic provisions are the same as the terms and conditions in the  
3 2009-2011 agreement.

4 NEW SECTION. **Sec. 918. AGREEMENTS AND TERMS AND CONDITIONS NOT**  
5 **NEGOTIATED BY THE OFFICE OF FINANCIAL MANAGEMENT'S LABOR RELATIONS**  
6 **OFFICE**

7 No agreements under chapter 41.80 RCW have been reached between the  
8 University of Washington, Washington State University, except as  
9 specifically set forth in this act, Eastern Washington University, and  
10 the Yakima Valley community college with their respective exclusive  
11 bargaining representatives under the provisions of chapter 41.80 RCW  
12 for the 2011-2013 biennium. Appropriations in this act provide funding  
13 to continue the terms and conditions of the 2009-2011 agreements. For  
14 fiscal years 2012, appropriations have been reduced in an amount equal  
15 to a 3 percent salary reduction for all represented employees making  
16 \$2,500 or more per month. This reduction will be implemented according  
17 to the terms and conditions of the 2009-2011 agreements. For fiscal  
18 year 2013, funding is reduced in an amount equal to a 3 percent salary  
19 reduction for all represented employees making \$2,500 or more per  
20 month. This reduction will be implemented according to law.

21 NEW SECTION. **Sec. 919. COLLECTIVE BARGAINING AGREEMENT--CENTRAL**  
22 **WASHINGTON UNIVERSITY PUBLIC SCHOOL EMPLOYEES OF WASHINGTON**

23 An agreement has been reached between Central Washington University  
24 and the public school employees of Washington under the provisions of  
25 chapter 41.80 RCW for the 2011-2013 biennium subject to union internal  
26 processes/procedures. Funding is reduced to reflect a 3.0 percent  
27 temporary salary reduction for all employees making \$2,500 or more per  
28 month for fiscal years 2012 and 2013 through June 29, 2013. Effective  
29 June 30, 2013, the salary schedules effective July 1, 2009 through June  
30 30, 2011 will be reinstated. Temporary salary reduction leave is  
31 granted for the term of the 2011-2013 agreement.

32 NEW SECTION. **Sec. 920. COLLECTIVE BARGAINING AGREEMENT--**  
33 **WASHINGTON STATE UNIVERSITY POLICE GUILD**

34 An agreement has been reached between Washington State University

1 and the Washington State University police guild. The financial  
2 provisions of the 2009-2011 remain in place for the 2011-2013 biennium.

3 NEW SECTION. **Sec. 921. COMPENSATION--NONREPRESENTED EMPLOYEES--**  
4 **INSURANCE BENEFITS**

5 Appropriations for state agencies in this act are sufficient for  
6 nonrepresented state employee health benefits for state agencies,  
7 including institutions of higher education, and are subject to the  
8 following conditions and limitations:

9 (1)(a) The monthly employer funding rate for insurance benefit  
10 premiums, public employees' benefits board administration, and the  
11 uniform medical plan, shall not exceed \$850 per eligible employee for  
12 fiscal year 2012. For fiscal year 2013 the monthly employer funding  
13 rate shall not exceed \$850 per eligible employee.

14 (b) In order to achieve the level of funding provided for health  
15 benefits, the public employees' benefits board shall require any or all  
16 of the following: Employee premium copayments, increases in point-of-  
17 service cost sharing, the implementation of managed competition, or  
18 make other changes to benefits consistent with RCW 41.05.065.

19 (c) The health care authority shall deposit any moneys received on  
20 behalf of the uniform medical plan as a result of rebates on  
21 prescription drugs, audits of hospitals, subrogation payments, or any  
22 other moneys recovered as a result of prior uniform medical plan claims  
23 payments, into the public employees' and retirees' insurance account to  
24 be used for insurance benefits. Such receipts shall not be used for  
25 administrative expenditures.

26 (2) The health care authority, subject to the approval of the  
27 public employees' benefits board, shall provide subsidies for health  
28 benefit premiums to eligible retired or disabled public employees and  
29 school district employees who are eligible for medicare, pursuant to  
30 RCW 41.05.085. For calendar years 2012 and 2013, the subsidy shall be  
31 \$150.00 per month.

32 (3) Technical colleges, school districts, and educational service  
33 districts shall remit to the health care authority for deposit into the  
34 public employees' and retirees' insurance account established in RCW  
35 41.05.120 the following amounts:

36 (a) For each full-time employee, \$67.42 per month beginning  
37 September 1, 2011, and \$68.94 beginning September 1, 2012;

1 (b) For each part-time employee, who at the time of the remittance  
2 is employed in an eligible position as defined in RCW 41.32.010 or  
3 41.40.010 and is eligible for employer fringe benefit contributions for  
4 basic benefits, \$67.42 each month beginning September 1, 2011, and  
5 \$68.94 beginning September 1, 2012, prorated by the proportion of  
6 employer fringe benefit contributions for a full-time employee that the  
7 part-time employee receives. The remittance requirements specified in  
8 this subsection shall not apply to employees of a technical college,  
9 school district, or educational service district who purchase insurance  
10 benefits through contracts with the health care authority.

11 NEW SECTION. **Sec. 922. COMPENSATION--REPRESENTED EMPLOYEES**  
12 **OUTSIDE SUPER COALITION--INSURANCE BENEFITS**

13 Appropriations for state agencies in this act are sufficient for  
14 represented employees outside the super coalition for health benefits,  
15 and are subject to the following conditions and limitations:

16 (1)(a) The monthly employer funding rate for insurance benefit  
17 premiums, public employees' benefits board administration, and the  
18 uniform medical plan, shall not exceed \$850 per eligible employee for  
19 fiscal year 2012. For fiscal year 2013 the monthly employer funding  
20 rate shall not exceed \$850 per eligible employee.

21 (b) In order to achieve the level of funding provided for health  
22 benefits, the public employees' benefits board shall require any or all  
23 of the following: Employee premium copayments, increases in point-of-  
24 service cost sharing, the implementation of managed competition, or  
25 make other changes to benefits consistent with RCW 41.05.065.

26 (c) The health care authority shall deposit any moneys received on  
27 behalf of the uniform medical plan as a result of rebates on  
28 prescription drugs, audits of hospitals, subrogation payments, or any  
29 other moneys recovered as a result of prior uniform medical plan claims  
30 payments, into the public employees' and retirees' insurance account to  
31 be used for insurance benefits. Such receipts shall not be used for  
32 administrative expenditures.

33 (2) The health care authority, subject to the approval of the  
34 public employees' benefits board, shall provide subsidies for health  
35 benefit premiums to eligible retired or disabled public employees and  
36 school district employees who are eligible for medicare, pursuant to

1 RCW 41.05.085. For calendar years 2012 and 2013, the subsidy shall be  
2 \$150.00 per month.

3 (3) Technical colleges, school districts, and educational service  
4 districts shall remit to the health care authority for deposit into the  
5 public employees' and retirees' insurance account established in RCW  
6 41.05.120 the following amounts:

7 (a) For each full-time employee, \$67.42 per month beginning  
8 September 1, 2011, and \$68.94 beginning September 1, 2012;

9 (b) For each part-time employee, who at the time of the remittance  
10 is employed in an eligible position as defined in RCW 41.32.010 or  
11 41.40.010 and is eligible for employer fringe benefit contributions for  
12 basic benefits, \$67.42 each month beginning September 1, 2011, and  
13 \$68.94 beginning September 1, 2012, prorated by the proportion of  
14 employer fringe benefit contributions for a full-time employee that the  
15 part-time employee receives. The remittance requirements specified in  
16 this subsection shall not apply to employees of a technical college,  
17 school district, or educational service district who purchase insurance  
18 benefits through contracts with the health care authority.

19 NEW SECTION. **Sec. 923. COMPENSATION--REPRESENTED EMPLOYEES--**  
20 **SUPER COALITION--INSURANCE BENEFITS**

21 The collective bargaining agreement negotiated with the super  
22 coalition under chapter 41.80 RCW includes employer premiums at 85  
23 percent of the total weighted average of the projected health care  
24 premiums across all plans and tiers. Appropriations in this act for  
25 state agencies, including institutions of higher education are  
26 sufficient to fund state employees health benefits for employees  
27 represented by the super coalition on health benefits, and are subject  
28 to the following conditions and limitations:

29 (1)(a) The monthly employer funding rate for insurance benefit  
30 premiums, public employees' benefits board administration, and the  
31 uniform medical plan, shall not exceed \$850 per eligible employee for  
32 fiscal year 2012. For fiscal year 2013 the monthly employer funding  
33 rate shall not exceed \$850 per eligible employee.

34 (b) In order to achieve the level of funding provided for health  
35 benefits, the public employees' benefits board shall require any or all  
36 of the following: Employee premium copayments, increases in point-of-

1 service cost sharing, the implementation of managed competition, or  
2 make other changes to benefits consistent with RCW 41.05.065.

3 (c) The health care authority shall deposit any moneys received on  
4 behalf of the uniform medical plan as a result of rebates on  
5 prescription drugs, audits of hospitals, subrogation payments, or any  
6 other moneys recovered as a result of prior uniform medical plan claims  
7 payments, into the public employees' and retirees' insurance account to  
8 be used for insurance benefits. Such receipts shall not be used for  
9 administrative expenditures.

10 (2) The health care authority, subject to the approval of the  
11 public employees' benefits board, shall provide subsidies for health  
12 benefit premiums to eligible retired or disabled public employees and  
13 school district employees who are eligible for medicare, pursuant to  
14 RCW 41.05.085. For calendar years 2012 and 2013, the subsidy shall be  
15 \$150.00 per month.

16 NEW SECTION. **Sec. 924. COLLECTIVE BARGAINING AGREEMENTS**

17 For the collective bargaining agreements negotiated with the state  
18 for the 2011-2013 fiscal biennium under chapters 41.56, 41.80, or  
19 74.39A RCW, the governor may request funds necessary to implement the  
20 terms and conditions of an agreement submitted to the office of  
21 financial management after October 1st if that agreement is determined  
22 to be feasible financially to the state by the director of financial  
23 management.

24 NEW SECTION. **Sec. 925.** A new section is added to chapter 41.06  
25 RCW to read as follows:

26 (1) Except as provided in this section, from July 1, 2011, through  
27 June 29, 2013, base salaries are reduced three percent for all state  
28 employees of the executive, legislative, and judicial branches,  
29 including those employees in the Washington management service, and  
30 including exempt employees under this chapter.

31 (2) The following employees of the executive, legislative, and  
32 judicial branches are not subject to subsection (1) of this section:

33 (a) Elected officials whose salaries are set by the commission on  
34 salaries for elected officials;

35 (b) Employees at state institutions of higher education;

1 (c) Certificated employees of the state school for the blind and  
2 the center for childhood deafness and hearing loss;

3 (d) Commissioned officers of the Washington state patrol  
4 represented by the state patrol troopers association and the Washington  
5 state patrol lieutenants association;

6 (e) Represented ferry workers of the Washington state department of  
7 transportation; and

8 (f) Employees whose monthly full-time equivalent salary is less  
9 than two thousand five hundred dollars per month.

10 (3) Except as provided in subsection (4) of this section, if an  
11 employee subject to the three percent salary reduction under subsection  
12 (1) of this section is entitled to leave, the employee will receive  
13 temporary salary reduction leave of up to five and two-tenths hours per  
14 month. The director of the department of personnel shall adopt rules  
15 governing the accrual and use of temporary salary reduction leave for  
16 nonrepresented employees. For represented employees, the accrual and  
17 use of temporary salary reduction leave shall be in accordance with the  
18 provisions of the collective bargaining agreements.

19 (4) If provisions of collective bargaining agreements prevent the  
20 implementation of subsection (1) of this section, agencies of the  
21 executive, legislative, and judicial branches shall achieve a three  
22 percent salary reduction for each employee through employee leave  
23 without pay, mandatory and voluntary temporary layoffs, reduced work  
24 hours, or other actions consistent with collective bargaining  
25 agreements. This subsection does not prohibit an agency from granting  
26 temporary salary reduction leave for employees entitled to leave in  
27 accordance with subsection (3) of this section.

28 (5) Subsection (2) of this section does not prohibit employers of  
29 the executive, legislative, and judicial branches from implementing a  
30 salary reduction for employees exempted under subsection (2) of this  
31 section. Employers of the executive, legislative, and judicial  
32 branches are encouraged to implement a salary reduction for employees  
33 exempted under subsection (2) of this section, except for those  
34 employees whose monthly full-time equivalent salary is less than two  
35 thousand five hundred dollars per month.

36 (6) Subsection (2) of this section does not prohibit elected  
37 officials whose salaries are set by the commission on salaries for

1 elected officials to voluntarily agree to a reduction in salary and  
2 elected officials are encouraged to take such action.

3 (7) This section does not prohibit a state agency or institution  
4 during the 2011-2013 fiscal biennium from instituting reduced work  
5 hours, mandatory or voluntary leave without pay, reductions in  
6 salaries, or temporary layoffs as an integral part of the employer's  
7 expenditure reduction efforts, as certified by the employer. This  
8 subsection must be implemented consistent with collective bargaining  
9 agreements.

10 NEW SECTION. Sec. 926. A new section is added to chapter 43.03  
11 RCW to read as follows:

12 (1) From July 1, 2011, through June 29, 2013, any state elected  
13 official of the executive branch may voluntarily reduce his or her  
14 salary from that established pursuant to Article XXVIII, section 1 of  
15 the state Constitution by three percent.

16 (2) The department of personnel and office of financial management  
17 shall develop a form to be used by any state elected official of the  
18 executive branch to execute the salary reduction under subsection (1)  
19 of this section through the state's central personnel payroll system.

20 (3) A voluntary reduction in salary shall be effective and continue  
21 through June 29, 2013, unless the state elected official of the  
22 executive branch directs in writing that the department of personnel  
23 discontinue the reduction.

24 NEW SECTION. Sec. 927. (1) Except as provided in this section,  
25 institutions of higher education are to achieve compensation reductions  
26 as specifically set forth in the 2011-2013 fiscal biennium omnibus  
27 appropriations act. For classified employees, the three percent salary  
28 reduction shall be implemented through a temporary salary reduction,  
29 voluntary or mandatory leave without pay, temporary layoffs or  
30 reduction in work hours, or a reduction in the percentage of an  
31 employee's position.

32 (2) Student employees and employees whose monthly full-time  
33 equivalent salary is less than two thousand five hundred dollars per  
34 month are not subject to subsection (1) of this section.

35 (3) This section does not prohibit institutions of higher education

1 from implementing temporary salary reduction leave for employees who  
2 are entitled to leave.

3 NEW SECTION. **Sec. 928.** (1) All state agencies must track  
4 employees trained in performance management, including, but not limited  
5 to lean, lean-six-sigma, and the baldrige system. The agencies shall  
6 report the number of employees trained in each performance management  
7 technique to the government management and accountability performance  
8 (GMAP) program.

9 (2) All state agencies shall provide electronic copies of their  
10 Washington state quality award or baldrige assessments, feedback  
11 reports, and corrective action plans to the government management and  
12 accountability performance (GMAP) program, the office of the state  
13 auditor, and the joint legislative audit and review committee. These  
14 results must be posted on the GMAP web site for use in developing best  
15 practices.

16 (3) All state agencies must integrate performance management  
17 assessments, including the Washington state quality award assessment  
18 into their agency's strategic plan.

19 **Sec. 929.** RCW 41.06.070 and 2010 c 271 s 801, 2010 c 2 s 2, and  
20 2010 c 1 s 1 are each reenacted and amended to read as follows:

21 (1) The provisions of this chapter do not apply to:

22 (a) The members of the legislature or to any employee of, or  
23 position in, the legislative branch of the state government including  
24 members, officers, and employees of the legislative council, joint  
25 legislative audit and review committee, statute law committee, and any  
26 interim committee of the legislature;

27 (b) The justices of the supreme court, judges of the court of  
28 appeals, judges of the superior courts or of the inferior courts, or to  
29 any employee of, or position in the judicial branch of state  
30 government;

31 (c) Officers, academic personnel, and employees of technical  
32 colleges;

33 (d) The officers of the Washington state patrol;

34 (e) Elective officers of the state;

35 (f) The chief executive officer of each agency;



1 (g) In the departments of employment security and social and health  
2 services, the director and the director's confidential secretary; in  
3 all other departments, the executive head of which is an individual  
4 appointed by the governor, the director, his or her confidential  
5 secretary, and his or her statutory assistant directors;

6 (h) In the case of a multimember board, commission, or committee,  
7 whether the members thereof are elected, appointed by the governor or  
8 other authority, serve ex officio, or are otherwise chosen:

9 (i) All members of such boards, commissions, or committees;

10 (ii) If the members of the board, commission, or committee serve on  
11 a part-time basis and there is a statutory executive officer: The  
12 secretary of the board, commission, or committee; the chief executive  
13 officer of the board, commission, or committee; and the confidential  
14 secretary of the chief executive officer of the board, commission, or  
15 committee;

16 (iii) If the members of the board, commission, or committee serve  
17 on a full-time basis: The chief executive officer or administrative  
18 officer as designated by the board, commission, or committee; and a  
19 confidential secretary to the chair of the board, commission, or  
20 committee;

21 (iv) If all members of the board, commission, or committee serve ex  
22 officio: The chief executive officer; and the confidential secretary  
23 of such chief executive officer;

24 (i) The confidential secretaries and administrative assistants in  
25 the immediate offices of the elective officers of the state;

26 (j) Assistant attorneys general;

27 (k) Commissioned and enlisted personnel in the military service of  
28 the state;

29 (l) Inmate, student, part-time, or temporary employees, and part-  
30 time professional consultants, as defined by the Washington personnel  
31 resources board;

32 (m) The public printer or to any employees of or positions in the  
33 state printing plant;

34 (n) Officers and employees of the Washington state fruit  
35 commission;

36 (o) Officers and employees of the Washington apple commission;

37 (p) Officers and employees of the Washington state dairy products  
38 commission;

1 (q) Officers and employees of the Washington tree fruit research  
2 commission;

3 (r) Officers and employees of the Washington state beef commission;

4 (s) Officers and employees of the Washington grain commission;

5 (t) Officers and employees of any commission formed under chapter  
6 15.66 RCW;

7 (u) Officers and employees of agricultural commissions formed under  
8 chapter 15.65 RCW;

9 ~~((v)) ~~Officers and employees of the nonprofit corporation formed~~  
10 ~~under chapter 67.40 RCW;~~~~

11 ~~(w))~~ Executive assistants for personnel administration and labor  
12 relations in all state agencies employing such executive assistants  
13 including but not limited to all departments, offices, commissions,  
14 committees, boards, or other bodies subject to the provisions of this  
15 chapter and this subsection shall prevail over any provision of law  
16 inconsistent herewith unless specific exception is made in such law;

17 ~~((x))~~ (w) In each agency with fifty or more employees: Deputy  
18 agency heads, assistant directors or division directors, and not more  
19 than three principal policy assistants who report directly to the  
20 agency head or deputy agency heads;

21 ~~((y))~~ (x) All employees of the marine employees' commission;

22 ~~((z))~~ (y) Staff employed by the department of commerce to  
23 administer energy policy functions;

24 ~~((aa))~~ (z) The manager of the energy facility site evaluation  
25 council;

26 ~~((bb))~~ (aa) A maximum of ten staff employed by the department of  
27 commerce to administer innovation and policy functions, including the  
28 three principal policy assistants exempted under ~~((x))~~ (w) of this  
29 subsection;

30 ~~((cc))~~ (bb) Staff employed by Washington State University to  
31 administer energy education, applied research, and technology transfer  
32 programs under RCW 43.21F.045 as provided in RCW 28B.30.900(5).

33 (2) The following classifications, positions, and employees of  
34 institutions of higher education and related boards are hereby exempted  
35 from coverage of this chapter:

36 (a) Members of the governing board of each institution of higher  
37 education and related boards, all presidents, vice presidents, and  
38 their confidential secretaries, administrative, and personal

1 assistants; deans, directors, and chairs; academic personnel; and  
2 executive heads of major administrative or academic divisions employed  
3 by institutions of higher education; principal assistants to executive  
4 heads of major administrative or academic divisions; other managerial  
5 or professional employees in an institution or related board having  
6 substantial responsibility for directing or controlling program  
7 operations and accountable for allocation of resources and program  
8 results, or for the formulation of institutional policy, or for  
9 carrying out personnel administration or labor relations functions,  
10 legislative relations, public information, development, senior computer  
11 systems and network programming, or internal audits and investigations;  
12 and any employee of a community college district whose place of work is  
13 one which is physically located outside the state of Washington and who  
14 is employed pursuant to RCW 28B.50.092 and assigned to an educational  
15 program operating outside of the state of Washington;

16 (b) The governing board of each institution, and related boards,  
17 may also exempt from this chapter classifications involving research  
18 activities, counseling of students, extension or continuing education  
19 activities, graphic arts or publications activities requiring  
20 prescribed academic preparation or special training as determined by  
21 the board: PROVIDED, That no nonacademic employee engaged in office,  
22 clerical, maintenance, or food and trade services may be exempted by  
23 the board under this provision;

24 (c) Printing craft employees in the department of printing at the  
25 University of Washington.

26 (3) In addition to the exemptions specifically provided by this  
27 chapter, the director of personnel may provide for further exemptions  
28 pursuant to the following procedures. The governor or other  
29 appropriate elected official may submit requests for exemption to the  
30 director of personnel stating the reasons for requesting such  
31 exemptions. The director of personnel shall hold a public hearing,  
32 after proper notice, on requests submitted pursuant to this subsection.  
33 If the director determines that the position for which exemption is  
34 requested is one involving substantial responsibility for the  
35 formulation of basic agency or executive policy or one involving  
36 directing and controlling program operations of an agency or a major  
37 administrative division thereof, the director of personnel shall grant  
38 the request and such determination shall be final as to any decision

1 made before July 1, 1993. The total number of additional exemptions  
2 permitted under this subsection shall not exceed one percent of the  
3 number of employees in the classified service not including employees  
4 of institutions of higher education and related boards for those  
5 agencies not directly under the authority of any elected public  
6 official other than the governor, and shall not exceed a total of  
7 twenty-five for all agencies under the authority of elected public  
8 officials other than the governor.

9 The salary and fringe benefits of all positions presently or  
10 hereafter exempted except for the chief executive officer of each  
11 agency, full-time members of boards and commissions, administrative  
12 assistants and confidential secretaries in the immediate office of an  
13 elected state official, and the personnel listed in subsections (1)(j)  
14 through ~~((+v))~~ (u) and ~~((+y))~~ (x) and (2) of this section, shall be  
15 determined by the director of personnel. Changes to the classification  
16 plan affecting exempt salaries must meet the same provisions for  
17 classified salary increases resulting from adjustments to the  
18 classification plan as outlined in RCW 41.06.152.

19 From February 18, 2009, through June 30, ~~((2011))~~ 2013, a salary or  
20 wage increase shall not be granted to any position exempt from  
21 classification under this chapter, except that a salary or wage  
22 increase may be granted to employees pursuant to collective bargaining  
23 agreements negotiated under chapter 28B.52, 41.56, 47.64, or 41.76 RCW,  
24 ~~((or negotiated by the nonprofit corporation formed under chapter 67.40~~  
25 ~~RCW,))~~ and except that increases may be granted for positions for which  
26 the employer has demonstrated difficulty retaining qualified employees  
27 if the following conditions are met:

- 28 (a) The salary increase can be paid within existing resources; and
- 29 (b) The salary increase will not adversely impact the provision of  
30 client services.

31 Any agency granting a salary increase from February 15, 2010,  
32 through June 30, 2011, to a position exempt from classification under  
33 this chapter shall submit a report to the fiscal committees of the  
34 legislature no later than July 31, 2011, detailing the positions for  
35 which salary increases were granted, the size of the increases, and the  
36 reasons for giving the increases.

37 Any agency granting a salary increase from July 1, 2011, through  
38 June 30, 2013, to a position exempt from classification under this

1 chapter shall submit a report to the fiscal committees of the  
2 legislature by July 31, 2012, and July 31, 2013, detailing the  
3 positions for which salary increases were granted during the preceding  
4 fiscal year, the size of the increases, and the reasons for giving the  
5 increases.

6 Any person holding a classified position subject to the provisions  
7 of this chapter shall, when and if such position is subsequently  
8 exempted from the application of this chapter, be afforded the  
9 following rights: If such person previously held permanent status in  
10 another classified position, such person shall have a right of  
11 reversion to the highest class of position previously held, or to a  
12 position of similar nature and salary.

13 Any classified employee having civil service status in a classified  
14 position who accepts an appointment in an exempt position shall have  
15 the right of reversion to the highest class of position previously  
16 held, or to a position of similar nature and salary.

17 A person occupying an exempt position who is terminated from the  
18 position for gross misconduct or malfeasance does not have the right of  
19 reversion to a classified position as provided for in this section.

20 From February 15, 2010, until June 30, (~~2011~~) 2013, no monetary  
21 performance-based awards or incentives may be granted by the director  
22 or employers to employees covered by rules adopted under this section.  
23 This subsection does not prohibit the payment of awards provided for in  
24 chapter 41.60 RCW.

25 From July 1, 2011, until June 30, 2013, no performance-based awards  
26 or incentives may be granted by the director or employers to employees  
27 pursuant to a performance management confirmation granted by the  
28 department of personnel under WAC 357-37-055.

29 **Sec. 930.** RCW 41.06.133 and 2010 c 2 s 3 and 2010 c 1 s 2 are each  
30 reenacted and amended to read as follows:

31 (1) The director shall adopt rules, consistent with the purposes  
32 and provisions of this chapter and with the best standards of personnel  
33 administration, regarding the basis and procedures to be followed for:

34 (a) The reduction, dismissal, suspension, or demotion of an  
35 employee;

36 (b) Training and career development;

1 (c) Probationary periods of six to twelve months and rejections of  
2 probationary employees, depending on the job requirements of the class,  
3 except that entry level state park rangers shall serve a probationary  
4 period of twelve months;

5 (d) Transfers;

6 (e) Promotional preferences;

7 (f) Sick leaves and vacations;

8 (g) Hours of work;

9 (h) Layoffs when necessary and subsequent reemployment, except for  
10 the financial basis for layoffs;

11 (i) The number of names to be certified for vacancies;

12 (j) Adoption and revision of a state salary schedule to reflect the  
13 prevailing rates in Washington state private industries and other  
14 governmental units. The rates in the salary schedules or plans shall  
15 be increased if necessary to attain comparable worth under an  
16 implementation plan under RCW 41.06.155 and, for institutions of higher  
17 education and related boards, shall be competitive for positions of a  
18 similar nature in the state or the locality in which an institution of  
19 higher education or related board is located. Such adoption and  
20 revision is subject to approval by the director of financial management  
21 in accordance with chapter 43.88 RCW;

22 (k) Increment increases within the series of steps for each pay  
23 grade based on length of service for all employees whose standards of  
24 performance are such as to permit them to retain job status in the  
25 classified service. From February 18, 2009, through June 30, ((2011))  
26 2013, a salary or wage increase shall not be granted to any exempt  
27 position under this chapter, except that a salary or wage increase may  
28 be granted to employees pursuant to collective bargaining agreements  
29 negotiated under chapter 28B.52, 41.56, 47.64, or 41.76 RCW, ((~~or~~  
30 ~~negotiated by the nonprofit corporation formed under chapter 67.40~~  
31 ~~RCW~~)) and except that increases may be granted for positions for which  
32 the employer has demonstrated difficulty retaining qualified employees  
33 if the following conditions are met:

34 (i) The salary increase can be paid within existing resources; and

35 (ii) The salary increase will not adversely impact the provision of  
36 client services;

37 Any agency granting a salary increase from February 15, 2010,  
38 through June 30, 2011, to a position exempt under this chapter shall

1 submit a report to the fiscal committees of the legislature no later  
2 than July 31, 2011, detailing the positions for which salary increases  
3 were granted, the size of the increases, and the reasons for giving the  
4 increases;

5 Any agency granting a salary increase from July 1, 2011, through  
6 June 30, 2013, to a position exempt under this chapter shall submit a  
7 report to the fiscal committees of the legislature by July 31, 2012,  
8 and July 31, 2013, detailing the positions for which salary increases  
9 were granted during the preceding fiscal year, the size of the  
10 increases, and the reasons for giving the increases;

11 (l) Optional lump sum relocation compensation approved by the  
12 agency director, whenever it is reasonably necessary that a person make  
13 a domiciliary move in accepting a transfer or other employment with the  
14 state. An agency must provide lump sum compensation within existing  
15 resources. If the person receiving the relocation payment terminates  
16 or causes termination with the state, for reasons other than layoff,  
17 disability separation, or other good cause as determined by an agency  
18 director, within one year of the date of the employment, the state is  
19 entitled to reimbursement of the lump sum compensation from the person;

20 (m) Providing for veteran's preference as required by existing  
21 statutes, with recognition of preference in regard to layoffs and  
22 subsequent reemployment for veterans and their surviving spouses by  
23 giving such eligible veterans and their surviving spouses additional  
24 credit in computing their seniority by adding to their unbroken state  
25 service, as defined by the director, the veteran's service in the  
26 military not to exceed five years. For the purposes of this section,  
27 "veteran" means any person who has one or more years of active military  
28 service in any branch of the armed forces of the United States or who  
29 has less than one year's service and is discharged with a disability  
30 incurred in the line of duty or is discharged at the convenience of the  
31 government and who, upon termination of such service, has received an  
32 honorable discharge, a discharge for physical reasons with an honorable  
33 record, or a release from active military service with evidence of  
34 service other than that for which an undesirable, bad conduct, or  
35 dishonorable discharge shall be given. However, the surviving spouse  
36 of a veteran is entitled to the benefits of this section regardless of  
37 the veteran's length of active military service. For the purposes of

1 this section, "veteran" does not include any person who has voluntarily  
2 retired with twenty or more years of active military service and whose  
3 military retirement pay is in excess of five hundred dollars per month.

4 (2) Rules adopted under this section by the director shall provide  
5 for local administration and management by the institutions of higher  
6 education and related boards, subject to periodic audit and review by  
7 the director.

8 (3) Rules adopted by the director under this section may be  
9 superseded by the provisions of a collective bargaining agreement  
10 negotiated under RCW 41.80.001 and 41.80.010 through 41.80.130. The  
11 supersession of such rules shall only affect employees in the  
12 respective collective bargaining units.

13 (4)(a) The director shall require that each state agency report  
14 annually the following data:

15 (i) The number of classified, Washington management service, and  
16 exempt employees in the agency and the change compared to the previous  
17 report;

18 (ii) The number of bonuses and performance-based incentives awarded  
19 to agency staff and the base wages of such employees; and

20 (iii) The cost of each bonus or incentive awarded.

21 (b) A report that compiles the data in (a) of this subsection for  
22 all agencies will be provided annually to the governor and the  
23 appropriate committees of the legislature and must be posted for the  
24 public on the department of personnel's agency web site.

25 (5) From February 15, 2010, until June 30, (~~2011~~) 2013, no  
26 monetary performance-based awards or incentives may be granted by the  
27 director or employers to employees covered by rules adopted under this  
28 section. This subsection does not prohibit the payment of awards  
29 provided for in chapter 41.60 RCW.

30 From July 1, 2011, until June 30, 2013, no performance-based awards  
31 or incentives may be granted by the director or employers to employees  
32 pursuant to a performance management confirmation granted by the  
33 department of personnel under WAC 357-37-055.

34 **Sec. 931.** RCW 41.06.500 and 2010 c 2 s 4 and 2010 c 1 s 3 are each  
35 reenacted and amended to read as follows:

36 (1) Except as provided in RCW 41.06.070, notwithstanding any other  
37 provisions of this chapter, the director is authorized to adopt, after



1 consultation with state agencies and employee organizations, rules for  
2 managers as defined in RCW 41.06.022. These rules shall not apply to  
3 managers employed by institutions of higher education or related boards  
4 or whose positions are exempt. The rules shall govern recruitment,  
5 appointment, classification and allocation of positions, examination,  
6 training and career development, hours of work, probation,  
7 certification, compensation, transfer, affirmative action, promotion,  
8 layoff, reemployment, performance appraisals, discipline, and any and  
9 all other personnel practices for managers. These rules shall be  
10 separate from rules adopted for other employees, and to the extent that  
11 the rules adopted under this section apply only to managers shall take  
12 precedence over rules adopted for other employees, and are not subject  
13 to review by the board.

14 (2) In establishing rules for managers, the director shall adhere  
15 to the following goals:

16 (a) Development of a simplified classification system that  
17 facilitates movement of managers between agencies and promotes upward  
18 mobility;

19 (b) Creation of a compensation system that provides flexibility in  
20 setting and changing salaries, and shall require review and approval by  
21 the director in the case of any salary changes greater than five  
22 percent proposed for any group of employees;

23 (c) Establishment of a performance appraisal system that emphasizes  
24 individual accountability for program results and efficient management  
25 of resources; effective planning, organization, and communication  
26 skills; valuing and managing workplace diversity; development of  
27 leadership and interpersonal abilities; and employee development;

28 (d) Strengthening management training and career development  
29 programs that build critical management knowledge, skills, and  
30 abilities; focusing on managing and valuing workplace diversity;  
31 empowering employees by enabling them to share in workplace decision  
32 making and to be innovative, willing to take risks, and able to accept  
33 and deal with change; promoting a workplace where the overall focus is  
34 on the recipient of the government services and how these services can  
35 be improved; and enhancing mobility and career advancement  
36 opportunities;

37 (e) Permitting flexible recruitment and hiring procedures that  
38 enable agencies to compete effectively with other employers, both

1 public and private, for managers with appropriate skills and training;  
2 allowing consideration of all qualified candidates for positions as  
3 managers; and achieving affirmative action goals and diversity in the  
4 workplace;

5 (f) Providing that managers may only be reduced, dismissed,  
6 suspended, or demoted for cause; and

7 (g) Facilitating decentralized and regional administration.

8 (3) From February 18, 2009, through June 30, (~~2011~~) 2013, a  
9 salary or wage increase shall not be granted to any position under this  
10 section, except that increases may be granted for positions for which  
11 the employer has demonstrated difficulty retaining qualified employees  
12 if the following conditions are met:

13 (a) The salary increase can be paid within existing resources; and

14 (b) The salary increase will not adversely impact the provision of  
15 client services.

16 Any agency granting a salary increase from February 15, 2010,  
17 through June 30, 2011, to a position under this section shall submit a  
18 report to the fiscal committees of the legislature no later than July  
19 31, 2011, detailing the positions for which salary increases were  
20 granted, the size of the increases, and the reasons for giving the  
21 increases.

22 Any agency granting a salary increase from July 1, 2011, through  
23 June 30, 2013, to a position under this section shall submit a report  
24 to the fiscal committees of the legislature by July 31, 2012, and July  
25 31, 2013, detailing the positions for which salary increases were  
26 granted during the preceding fiscal year, the size of the increases,  
27 and the reasons for giving the increases.

28 (4) From February 15, 2010, until June 30, (~~2011~~) 2013, no  
29 monetary performance-based awards or growth and development progression  
30 adjustments may be granted by the director or employers to the  
31 Washington management service employees covered by the rules adopted  
32 under this section. This subsection does not prohibit the payment of  
33 awards provided for in chapter 41.60 RCW.

34 From July 1, 2011, until June 30, 2013, no performance-based awards  
35 or incentives may be granted by the director or employers to employees  
36 pursuant to a performance management confirmation granted by the  
37 department of personnel under WAC 357-37-055.

1       **Sec. 932.** RCW 43.03.030 and 2010 c 1 s 4 are each amended to read  
2 as follows:

3       (1) Wherever the compensation of any appointive state officer or  
4 employee is fixed by statute, it may be hereafter increased or  
5 decreased in the manner provided by law for the fixing of compensation  
6 of other appointive state officers or employees; but this subsection  
7 shall not apply to the heads of state departments.

8       (2) Wherever the compensation of any state officer appointed by the  
9 governor, or of any employee in any office or department under the  
10 control of any such officer, is fixed by statute, such compensation may  
11 hereafter, from time to time, be changed by the governor, and he or she  
12 shall have power to fix such compensation at any amount not to exceed  
13 the amount fixed by statute.

14       (3) From February 18, 2009, through June 30, (~~(2011)~~) 2013, a  
15 salary or wage increase shall not be granted to any position under this  
16 section, except that increases may be granted for positions for which  
17 the employer has demonstrated difficulty retaining qualified employees  
18 if the following conditions are met:

19       (a) The salary increase can be paid within existing resources; and

20       (b) The salary increase will not adversely impact the provision of  
21 client services.

22       Any agency granting a salary increase from February 15, 2010,  
23 through June 30, 2011, to a position exempt under this section shall  
24 submit a report to the fiscal committees of the legislature no later  
25 than July 31, 2011, detailing the positions for which salary increases  
26 were granted, the size of the increases, and the reasons for giving the  
27 increases.

28       Any agency granting a salary increase from July 1, 2011, through  
29 June 30, 2013, to a position exempt under this section shall submit a  
30 report to the fiscal committees of the legislature by July 31, 2012,  
31 and July 31, 2013, detailing the positions for which salary increases  
32 were granted during the preceding fiscal year, the size of the  
33 increases, and the reasons for giving the increases.

34       **Sec. 933.** RCW 43.03.040 and 2010 1st sp.s. c 7 s 5 and 2010 c 1 s  
35 5 are each reenacted and amended to read as follows:

36       The directors of the several departments and members of the several  
37 boards and commissions, whose salaries are fixed by the governor and

1 the chief executive officers of the agencies named in RCW 43.03.028(1)  
2 as now or hereafter amended shall each severally receive such salaries,  
3 payable in monthly installments, as shall be fixed by the governor or  
4 the appropriate salary fixing authority, in an amount not to exceed the  
5 recommendations of the department of personnel. From February 18,  
6 2009, through June 30, (~~(2011)~~) 2013, a salary or wage increase shall  
7 not be granted to any position under this section, except that  
8 increases may be granted for positions for which the employer has  
9 demonstrated difficulty retaining qualified employees if the following  
10 conditions are met:

- 11 (1) The salary increase can be paid within existing resources; and  
12 (2) The salary increase will not adversely impact the provision  
13 (~~(to be)~~) of client services.

14 Any agency granting a salary increase from February 15, 2010,  
15 through June 30, 2011, to a position under this section shall submit a  
16 report to the fiscal committees of the legislature no later than July  
17 31, 2011, detailing the positions for which salary increases were  
18 granted, the size of the increases, and the reasons for giving the  
19 increases.

20 Any agency granting a salary increase from July 1, 2011, through  
21 June 30, 2013, to a position under this section shall submit a report  
22 to the fiscal committees of the legislature by July 31, 2012, and July  
23 31, 2013, detailing the positions for which salary increases were  
24 granted during the preceding fiscal year, the size of the increases,  
25 and the reasons for giving the increases.

26 **Sec. 934.** RCW 41.60.150 and 2010 c 1 s 6 are each amended to read  
27 as follows:

28 Other than suggestion awards and incentive pay unit awards,  
29 agencies shall have the authority to recognize employees, either  
30 individually or as a class, for accomplishments including outstanding  
31 achievements, safety performance, longevity, outstanding public  
32 service, or service as employee suggestion evaluators and implementors.  
33 Recognition awards may not exceed two hundred dollars in value per  
34 award. Such awards may include, but not be limited to, cash or such  
35 items as pen and desk sets, plaques, pins, framed certificates, clocks,  
36 and calculators. Award costs shall be paid by the agency giving the

1 award. From February 15, 2010, through June 30, ((2011)) 2013,  
2 recognition awards may not be given in the form of cash or cash  
3 equivalents such as gift certificates or gift cards.

4 NEW SECTION. Sec. 935. (1) Notwithstanding sections 928 through  
5 932 of this act, during the 2011-2013 fiscal biennium institutions of  
6 higher education may grant a wage or salary increase for additional  
7 academic responsibilities during the summer quarter if the following  
8 conditions are met:

- 9 (a) The salary increase can be paid within existing resources; and
- 10 (b) The salary increase will not adversely impact the provision of  
11 client services.

12 (2) Any institution granting a wage or salary increase under this  
13 section from July 1, 2011, through June 30, 2013, shall submit a report  
14 to the fiscal committees of the legislature by July 31, 2012, and July  
15 31, 2013, detailing the positions for which salary increases were  
16 granted, the size of the increases, and the reasons for giving the  
17 increases.

18 **Sec. 936.** RCW 41.06.560 and 2010 c 2 s 6 are each amended to read  
19 as follows:

20 From February 15, 2010, until June 30, ((2011)) 2013, no monetary  
21 performance-based awards or incentives may be granted by the director  
22 or employers to employees covered by rules adopted under this section.  
23 This section does not prohibit the payment of awards provided for in  
24 chapter 41.60 RCW.

25 From July 1, 2011, until June 30, 2013, no performance-based awards  
26 or incentives may be granted by the director or employers to employees  
27 pursuant to a performance management confirmation granted by the  
28 department of personnel under WAC 357-37-055.

29 **Sec. 937.** RCW 41.50.110 and 2009 c 564 s 924 are each amended to  
30 read as follows:

31 (1) Except as provided by RCW 41.50.255 and subsection (6) of this  
32 section, all expenses of the administration of the department, the  
33 expenses of administration of the retirement systems, and the expenses  
34 of the administration of the office of the state actuary created in

1 chapters 2.10, 2.12, 41.26, 41.32, 41.40, 41.34, 41.35, 41.37, 43.43,  
2 and 44.44 RCW shall be paid from the department of retirement systems  
3 expense fund.

4 (2) In order to reimburse the department of retirement systems  
5 expense fund on an equitable basis the department shall ascertain and  
6 report to each employer, as defined in RCW 41.26.030, 41.32.010,  
7 41.35.010, 41.37.010, or 41.40.010, the sum necessary to defray its  
8 proportional share of the entire expense of the administration of the  
9 retirement system that the employer participates in during the ensuing  
10 biennium or fiscal year whichever may be required. Such sum is to be  
11 computed in an amount directly proportional to the estimated entire  
12 expense of the administration as the ratio of monthly salaries of the  
13 employer's members bears to the total salaries of all members in the  
14 entire system. It shall then be the duty of all such employers to  
15 include in their budgets or otherwise provide the amounts so required.

16 (3) The department shall compute and bill each employer, as defined  
17 in RCW 41.26.030, 41.32.010, 41.35.010, 41.37.010, or 41.40.010, at the  
18 end of each month for the amount due for that month to the department  
19 of retirement systems expense fund and the same shall be paid as are  
20 its other obligations. Such computation as to each employer shall be  
21 made on a percentage rate of salary established by the department.  
22 However, the department may at its discretion establish a system of  
23 billing based upon calendar year quarters in which event the said  
24 billing shall be at the end of each such quarter.

25 (4) The director may adjust the expense fund contribution rate for  
26 each system at any time when necessary to reflect unanticipated costs  
27 or savings in administering the department.

28 (5) An employer who fails to submit timely and accurate reports to  
29 the department may be assessed an additional fee related to the  
30 increased costs incurred by the department in processing the deficient  
31 reports. Fees paid under this subsection shall be deposited in the  
32 retirement system expense fund.

33 (a) Every six months the department shall determine the amount of  
34 an employer's fee by reviewing the timeliness and accuracy of the  
35 reports submitted by the employer in the preceding six months. If  
36 those reports were not both timely and accurate the department may  
37 prospectively assess an additional fee under this subsection.

1 (b) An additional fee assessed by the department under this  
2 subsection shall not exceed fifty percent of the standard fee.

3 (c) The department shall adopt rules implementing this section.

4 (6) Expenses other than those under RCW 41.34.060(3) shall be paid  
5 pursuant to subsection (1) of this section.

6 (7) During the (~~2007-2009~~ and) 2009-2011 and 2011-2013 fiscal  
7 biennia, the legislature may transfer from the department of retirement  
8 systems' expense fund to the state general fund such amounts as reflect  
9 the excess fund balance of the fund.

10 **Sec. 938.** RCW 41.80.010 and 2010 c 104 s 1 are each amended to  
11 read as follows:

12 (1) For the purpose of negotiating collective bargaining agreements  
13 under this chapter, the employer shall be represented by the governor  
14 or governor's designee, except as provided for institutions of higher  
15 education in subsection (4) of this section.

16 (2)(a) If an exclusive bargaining representative represents more  
17 than one bargaining unit, the exclusive bargaining representative shall  
18 negotiate with each employer representative as designated in subsection  
19 (1) of this section one master collective bargaining agreement on  
20 behalf of all the employees in bargaining units that the exclusive  
21 bargaining representative represents. For those exclusive bargaining  
22 representatives who represent fewer than a total of five hundred  
23 employees each, negotiation shall be by a coalition of all those  
24 exclusive bargaining representatives. The coalition shall bargain for  
25 a master collective bargaining agreement covering all of the employees  
26 represented by the coalition. The governor's designee and the  
27 exclusive bargaining representative or representatives are authorized  
28 to enter into supplemental bargaining of agency-specific issues for  
29 inclusion in or as an addendum to the master collective bargaining  
30 agreement, subject to the parties' agreement regarding the issues and  
31 procedures for supplemental bargaining. This section does not prohibit  
32 cooperation and coordination of bargaining between two or more  
33 exclusive bargaining representatives.

34 (b) This subsection (2) does not apply to exclusive bargaining  
35 representatives who represent employees of institutions of higher  
36 education, except when the institution of higher education has elected  
37 to exercise its option under subsection (4) of this section to have its

1 negotiations conducted by the governor or governor's designee under the  
2 procedures provided for general government agencies in subsections (1)  
3 through (3) of this section.

4 (c) If five hundred or more employees of an independent state  
5 elected official listed in RCW 43.01.010 are organized in a bargaining  
6 unit or bargaining units under RCW 41.80.070, the official shall be  
7 consulted by the governor or the governor's designee before any  
8 agreement is reached under (a) of this subsection concerning  
9 supplemental bargaining of agency specific issues affecting the  
10 employees in such bargaining unit.

11 (3) The governor shall submit a request for funds necessary to  
12 implement the compensation and fringe benefit provisions in the master  
13 collective bargaining agreement or for legislation necessary to  
14 implement the agreement. Requests for funds necessary to implement the  
15 provisions of bargaining agreements shall not be submitted to the  
16 legislature by the governor unless such requests:

17 (a) Have been submitted to the director of the office of financial  
18 management by October 1 prior to the legislative session at which the  
19 requests are to be considered; and

20 (b) Have been certified by the director of the office of financial  
21 management as being feasible financially for the state.

22 The legislature shall approve or reject the submission of the  
23 request for funds as a whole. The legislature shall not consider a  
24 request for funds to implement a collective bargaining agreement unless  
25 the request is transmitted to the legislature as part of the governor's  
26 budget document submitted under RCW 43.88.030 and 43.88.060. If the  
27 legislature rejects or fails to act on the submission, either party may  
28 reopen all or part of the agreement or the exclusive bargaining  
29 representative may seek to implement the procedures provided for in RCW  
30 41.80.090.

31 (4)(a)(i) For the purpose of negotiating agreements for  
32 institutions of higher education, the employer shall be the respective  
33 governing board of each of the universities, colleges, or community  
34 colleges or a designee chosen by the board to negotiate on its behalf.

35 (ii) A governing board of a university or college may elect to have  
36 its negotiations conducted by the governor or governor's designee under  
37 the procedures provided for general government agencies in subsections  
38 (1) through (3) of this section, except that:



1 (A) The governor or the governor's designee and an exclusive  
2 bargaining representative shall negotiate one master collective  
3 bargaining agreement for all of the bargaining units of employees of a  
4 university or college that the representative represents; or

5 (B) If the parties mutually agree, the governor or the governor's  
6 designee and an exclusive bargaining representative shall negotiate one  
7 master collective bargaining agreement for all of the bargaining units  
8 of employees of more than one university or college that the  
9 representative represents.

10 (iii) A governing board of a community college may elect to have  
11 its negotiations conducted by the governor or governor's designee under  
12 the procedures provided for general government agencies in subsections  
13 (1) through (3) of this section.

14 (b) Prior to entering into negotiations under this chapter, the  
15 institutions of higher education or their designees shall consult with  
16 the director of the office of financial management regarding financial  
17 and budgetary issues that are likely to arise in the impending  
18 negotiations.

19 (c)(i) If appropriations are necessary to implement the  
20 compensation and fringe benefit provisions of the bargaining agreements  
21 reached between institutions of higher education and exclusive  
22 bargaining representatives agreed to under the provisions of this  
23 chapter, the governor shall submit a request for such funds to the  
24 legislature according to the provisions of subsection (3) of this  
25 section, except as provided in (c)(ii) of this subsection.

26 (ii) In the case of a bargaining unit of employees of institutions  
27 of higher education in which the exclusive bargaining representative is  
28 certified during or after the conclusion of a legislative session, the  
29 legislature may act upon the compensation and fringe benefit provisions  
30 of the unit's initial collective bargaining agreement if those  
31 provisions are agreed upon and submitted to the office of financial  
32 management and legislative budget committees before final legislative  
33 action on the biennial or supplemental operating budget by the sitting  
34 legislature.

35 (5) There is hereby created a joint committee on employment  
36 relations, which consists of two members with leadership positions in  
37 the house of representatives, representing each of the two largest  
38 caucuses; the chair and ranking minority member of the house

1 appropriations committee, or its successor, representing each of the  
2 two largest caucuses; two members with leadership positions in the  
3 senate, representing each of the two largest caucuses; and the chair  
4 and ranking minority member of the senate ways and means committee, or  
5 its successor, representing each of the two largest caucuses. The  
6 governor shall periodically consult with the committee regarding  
7 appropriations necessary to implement the compensation and fringe  
8 benefit provisions in the master collective bargaining agreements, and  
9 upon completion of negotiations, advise the committee on the elements  
10 of the agreements and on any legislation necessary to implement the  
11 agreements.

12 (6) If, after the compensation and fringe benefit provisions of an  
13 agreement are approved by the legislature, a significant revenue  
14 shortfall occurs resulting in reduced appropriations, as declared by  
15 proclamation of the governor or by resolution of the legislature, both  
16 parties shall immediately enter into collective bargaining for a  
17 mutually agreed upon modification of the agreement.

18 (7) After the expiration date of a collective bargaining agreement  
19 negotiated under this chapter, all of the terms and conditions  
20 specified in the collective bargaining agreement remain in effect until  
21 the effective date of a subsequently negotiated agreement, not to  
22 exceed one year from the expiration date stated in the agreement.  
23 Thereafter, the employer may unilaterally implement according to law.

24 (8) For the 2011-2013 fiscal biennium, a collective bargaining  
25 agreement related to employee health care benefits negotiated between  
26 the employer and coalition pursuant to RCW 41.80.020(3) regarding the  
27 dollar amount expended on behalf of each employee shall be a separate  
28 agreement for which the governor may request funds necessary to  
29 implement the agreement. If such an agreement is negotiated and funded  
30 by the legislature, this agreement will supersede any terms and  
31 conditions of an expired 2009-2011 biennial master collective  
32 bargaining agreement under this chapter regarding health care benefits.

33 **Sec. 939.** RCW 41.80.020 and 2010 c 283 s 16 are each amended to  
34 read as follows:

35 (1) Except as otherwise provided in this chapter, the matters  
36 subject to bargaining include wages, hours, and other terms and

1 conditions of employment, and the negotiation of any question arising  
2 under a collective bargaining agreement.

3 (2) The employer is not required to bargain over matters pertaining  
4 to:

5 (a) Health care benefits or other employee insurance benefits,  
6 except as required in subsection (3) of this section;

7 (b) Any retirement system or retirement benefit; or

8 (c) Rules of the director of personnel or the Washington personnel  
9 resources board adopted under section 203, chapter 354, Laws of 2002.

10 (3) Matters subject to bargaining include the number of names to be  
11 certified for vacancies, promotional preferences, and the dollar amount  
12 expended on behalf of each employee for health care benefits. However,  
13 except as provided otherwise in this subsection for institutions of  
14 higher education, negotiations regarding the number of names to be  
15 certified for vacancies, promotional preferences, and the dollar amount  
16 expended on behalf of each employee for health care benefits shall be  
17 conducted between the employer and one coalition of all the exclusive  
18 bargaining representatives subject to this chapter. The exclusive  
19 bargaining representatives for employees that are subject to chapter  
20 47.64 RCW shall bargain the dollar amount expended on behalf of each  
21 employee for health care benefits with the employer as part of the  
22 coalition under this subsection. Any such provision agreed to by the  
23 employer and the coalition shall be included in all master collective  
24 bargaining agreements negotiated by the parties. For institutions of  
25 higher education, promotional preferences and the number of names to be  
26 certified for vacancies shall be bargained under the provisions of RCW  
27 41.80.010(4). For agreements covering the 2011-2013 fiscal biennium,  
28 any agreement between the employer and the coalition regarding the  
29 dollar amount expended on behalf of each employee for health care  
30 benefits is a separate agreement and shall not be included in the  
31 master collective bargaining agreements negotiated by the parties.

32 (4) The employer and the exclusive bargaining representative shall  
33 not agree to any proposal that would prevent the implementation of  
34 approved affirmative action plans or that would be inconsistent with  
35 the comparable worth agreement that provided the basis for the salary  
36 changes implemented beginning with the 1983-1985 biennium to achieve  
37 comparable worth.

1 (5) The employer and the exclusive bargaining representative shall  
2 not bargain over matters pertaining to management rights established in  
3 RCW 41.80.040.

4 (6) Except as otherwise provided in this chapter, if a conflict  
5 exists between an executive order, administrative rule, or agency  
6 policy relating to wages, hours, and terms and conditions of employment  
7 and a collective bargaining agreement negotiated under this chapter,  
8 the collective bargaining agreement shall prevail. A provision of a  
9 collective bargaining agreement that conflicts with the terms of a  
10 statute is invalid and unenforceable.

11 (7) This section does not prohibit bargaining that affects  
12 contracts authorized by RCW 41.06.142.

13 **Sec. 940.** RCW 43.07.129 and 2007 c 523 s 4 are each amended to  
14 read as follows:

15 The Washington state heritage center account is created in the  
16 custody of the state treasurer. All moneys received under RCW  
17 36.18.010(11) and 43.07.128 must be deposited in the account.  
18 Expenditures from the account may be made only for the following  
19 purposes:

20 (1) Payment of the certificate of participation issued for the  
21 Washington state heritage center;

22 (2) Capital maintenance of the Washington state heritage center;  
23 and

24 (3) Program operations that serve the public, relate to the  
25 collections and exhibits housed in the Washington state heritage  
26 center, or fulfill the missions of the state archives, state library,  
27 and capital museum.

28 Only the secretary of state or the secretary of state's designee  
29 may authorize expenditures from the account. An appropriation is not  
30 required for expenditures, but the account is subject to allotment  
31 procedures under chapter 43.88 RCW. During the 2011-2013 fiscal  
32 biennium, the legislature may transfer from the Washington state  
33 heritage center account to the state general fund such amounts as  
34 reflect the excess fund balance of the account.

35 **Sec. 941.** RCW 43.08.190 and 2010 c 222 s 3 are each amended to  
36 read as follows:

1        There is hereby created a fund within the state treasury to be  
2 known as the "state treasurer's service fund." Such fund shall be used  
3 solely for the payment of costs and expenses incurred in the operation  
4 and administration of the state treasurer's office.

5        Moneys shall be allocated monthly and placed in the state  
6 treasurer's service fund equivalent to a maximum of one percent of the  
7 trust and treasury average daily cash balances from the earnings  
8 generated under the authority of RCW 43.79A.040 and 43.84.080 other  
9 than earnings generated from investment of balances in funds and  
10 accounts specified in RCW 43.79A.040(4)(c). The allocation shall  
11 precede the distribution of the remaining earnings as prescribed under  
12 RCW 43.79A.040 and 43.84.092. The state treasurer shall establish a  
13 uniform allocation rate for all funds and accounts; except that the  
14 state treasurer may negotiate a different allocation rate with any  
15 state agency that has independent authority over funds not statutorily  
16 required to be held in the state treasury or in the custody of the  
17 state treasurer. In no event shall the rate be less than the actual  
18 costs incurred by the state treasurer's office. If no rate is  
19 separately negotiated, the default rate for any funds held shall be the  
20 rate set for funds held pursuant to statute.

21        During the 2009-2011 fiscal biennium and the 2011-2013 fiscal  
22 biennium, the legislature may transfer from the state treasurer's  
23 service fund to the state general fund such amounts as reflect the  
24 excess fund balance of the fund.

25        **Sec. 942.** RCW 43.09.412 and 1995 c 301 s 26 are each amended to  
26 read as follows:

27        The amounts to be disbursed from the auditing services revolving  
28 account shall be paid from funds appropriated to any and all state  
29 agencies for auditing services or administrative expenses. State  
30 agencies operating in whole or in part from nonappropriated funds shall  
31 pay into the auditing services revolving account such funds as will  
32 fully reimburse funds appropriated to the state auditor for auditing  
33 services provided. During the 2011-2013 fiscal biennium, funds shall  
34 not be appropriated into the auditing services revolving account and  
35 state agencies operating in whole or in part from nonappropriated funds  
36 shall not pay into the auditing services revolving account. During the

1 2011-2013 fiscal biennium, the performance audit of state government  
2 account is the sole source of funding for auditing services provided to  
3 state agencies by the state auditor.

4 The director of financial management shall allot all such funds to  
5 the state auditor for the operation of his or her office, pursuant to  
6 appropriation, in the same manner as appropriated funds are allocated  
7 to other state agencies headed by elected officers under chapter 43.88  
8 RCW.

9 **Sec. 943.** RCW 43.09.475 and 2009 c 564 s 929 are each amended to  
10 read as follows:

11 The performance audits of government account is hereby created in  
12 the custody of the state treasurer. Revenue identified in RCW  
13 82.08.020(5) and 82.12.0201 shall be deposited in the account. Money  
14 in the account shall be used to fund the performance audits and follow-  
15 up performance audits under RCW 43.09.470 and shall be expended by the  
16 state auditor in accordance with chapter 1, Laws of 2006. Only the  
17 state auditor or the state auditor's designee may authorize  
18 expenditures from the account. The account is subject to allotment  
19 procedures under chapter 43.88 RCW, but an appropriation is not  
20 required for expenditures. During the 2009-2011 fiscal biennium, the  
21 legislature may transfer from the performance audits of government  
22 account to the state general fund such amounts as deemed to be  
23 appropriate or necessary. During 2011-2013 fiscal biennium, the  
24 performance audit of state government account shall be the sole source  
25 of funding for auditing services provided to state agencies by the  
26 state auditor. Required auditing services for state agencies to be  
27 performed in the 2011-2013 fiscal biennium includes work to complete  
28 the annual audit of the state's comprehensive annual financial report  
29 and the annual federal single audit consistent with the auditing  
30 standards generally accepted in the United States and the standards  
31 applicable to financial audits contained in government auditing  
32 standards, issued by the comptroller general of the United States, and  
33 audits of state agencies, audits of nonprofit organizations that  
34 receive funds or contract with state agencies in accordance with OMB  
35 circular A-133, audits of school programs, and audits under the  
36 whistleblower act, chapter 42.40 RCW, for state agencies. In addition,

1 during the 2011-2013 fiscal biennium the account may be used to fund  
2 the office of financial management's contract for the compliance audit  
3 of the state auditor.

4 **Sec. 944.** RCW 43.19.501 and 2009 c 564 s 932 are each amended to  
5 read as follows:

6 The Thurston county capital facilities account is created in the  
7 state treasury. The account is subject to the appropriation and  
8 allotment procedures under chapter 43.88 RCW. Moneys in the account  
9 may be expended for capital projects in facilities owned and managed by  
10 the department of general administration in Thurston county. For the  
11 2007-2009 biennium, moneys in the account may be used for predesign  
12 identified in section 1037, chapter 328, Laws of 2008.

13 During the 2009-2011 and 2011-2013 fiscal (~~(biennium)~~) biennia, the  
14 legislature may transfer from the Thurston county capital facilities  
15 account to the state general fund such amounts as reflect the excess  
16 fund balance of the account.

17 **Sec. 945.** RCW 43.79.201 and 2009 c 564 s 935 are each amended to  
18 read as follows:

19 (1) The charitable, educational, penal and reformatory institutions  
20 account is hereby created, in the state treasury, into which account  
21 there shall be deposited all moneys arising from the sale, lease or  
22 transfer of the land granted by the United States government to the  
23 state for charitable, educational, penal and reformatory institutions  
24 by section 17 of the enabling act, or otherwise set apart for such  
25 institutions, except all moneys arising from the sale, lease, or  
26 transfer of that certain one hundred thousand acres of such land  
27 assigned for the support of the University of Washington by chapter 91,  
28 Laws of 1903 and section 9, chapter 122, Laws of 1893.

29 (2) If feasible, not less than one-half of all income to the  
30 charitable, educational, penal, and reformatory institutions account  
31 shall be appropriated for the purpose of providing housing, including  
32 repair and renovation of state institutions, for persons with mental  
33 illness or developmental disabilities, or youth who are blind, deaf, or  
34 otherwise disabled. If moneys are appropriated for community-based  
35 housing, the moneys shall be appropriated to the department of  
36 (~~(community, trade, and economic development)~~) commerce for the housing

1 assistance program under chapter 43.185 RCW. During the 2009-2011 and  
2 2011-2013 fiscal (~~(biennium))~~ biennia, the legislature may transfer  
3 from the charitable, educational, penal and reformatory institutions  
4 account to the state general fund such amounts as reflect excess fund  
5 balance of the (~~(fund {account})~~) account.

6 **Sec. 946.** RCW 43.79.465 and 2010 1st sp.s. c 37 s 929 are each  
7 amended to read as follows:

8 The education savings account is created in the state treasury.  
9 The account shall consist of all moneys appropriated to the account by  
10 the legislature.

11 (1) Ten percent of legislative appropriations to the education  
12 savings account shall be distributed as follows: (a) Fifty percent to  
13 the distinguished professorship trust fund under RCW 28B.76.565; (b)  
14 seventeen percent to the graduate fellowship trust fund under RCW  
15 28B.76.610; and (c) thirty-three percent to the college faculty awards  
16 trust fund under RCW 28B.50.837.

17 (2) The remaining moneys in the education savings account may be  
18 appropriated solely for (a) common school construction projects that  
19 are eligible for funding from the common school construction account,  
20 (b) technology improvements in the common schools, (c) during the 2001-  
21 03 fiscal biennium, technology improvements in public higher education  
22 institutions, (d) during the 2007-2009 fiscal biennium, the legislature  
23 may transfer from the education savings account to the state general  
24 fund such amounts as reflect the excess fund balance of the account  
25 attributable to unspent state general fund appropriations for fiscal  
26 year 2008, (~~(and)~~) (e) for fiscal year 2010, the legislature may  
27 transfer from the education savings account to the state general fund  
28 such amounts as reflect the fund balance of the account attributable to  
29 unspent general fund appropriations for fiscal year 2009; and (f) for  
30 fiscal years 2012 and 2013, the legislature may transfer from the  
31 education savings account to the state general fund such amounts as  
32 reflect the fund balance of the account attributable to unspent general  
33 fund appropriations for fiscal years 2011 and 2012.

34 **Sec. 947.** RCW 43.135.045 and 2010 1st sp.s. c 27 s 5 are each  
35 amended to read as follows:



1 The education construction fund is hereby created in the state  
2 treasury.

3 (1) Funds may be appropriated from the education construction fund  
4 exclusively for common school construction or higher education  
5 construction. During the 2007-2009 fiscal biennium, funds may also be  
6 used for higher education facilities preservation and maintenance.  
7 During the 2009-2011 (~~fiscal biennium~~) and 2011-2013 fiscal biennia,  
8 the legislature may transfer from the education construction fund to  
9 the state general fund such amounts as reflect the excess fund balance  
10 of the fund.

11 (2) Funds may be appropriated for any other purpose only if  
12 approved by a two-thirds vote of each house of the legislature and if  
13 approved by a vote of the people at the next general election. An  
14 appropriation approved by the people under this subsection shall result  
15 in an adjustment to the state expenditure limit only for the fiscal  
16 period for which the appropriation is made and shall not affect any  
17 subsequent fiscal period.

18 (3) Funds for the student achievement program in RCW 28A.505.210  
19 and 28A.505.220 shall be appropriated to the superintendent of public  
20 instruction strictly for distribution to school districts to meet the  
21 provisions set out in the student achievement act. Allocations shall  
22 be made on an equal per full-time equivalent student basis to each  
23 school district.

24 (4) After July 1, 2010, the state treasurer shall transfer one  
25 hundred two million dollars from the general fund to the education  
26 construction fund by June 30th of each year.

27 **Sec. 948.** RCW 43.155.050 and 2010 1st sp.s. c 37 s 932 and 2010  
28 1st sp.s. c 36 s 6007 are each reenacted and amended to read as  
29 follows:

30 The public works assistance account is hereby established in the  
31 state treasury. Money may be placed in the public works assistance  
32 account from the proceeds of bonds when authorized by the legislature  
33 or from any other lawful source. Money in the public works assistance  
34 account shall be used to make loans and to give financial guarantees to  
35 local governments for public works projects. Moneys in the account may  
36 also be appropriated to provide for state match requirements under  
37 federal law for projects and activities conducted and financed by the

1 board under the drinking water assistance account. Not more than  
2 fifteen percent of the biennial capital budget appropriation to the  
3 public works board from this account may be expended or obligated for  
4 preconstruction loans, emergency loans, or loans for capital facility  
5 planning under this chapter; of this amount, not more than ten percent  
6 of the biennial capital budget appropriation may be expended for  
7 emergency loans and not more than one percent of the biennial capital  
8 budget appropriation may be expended for capital facility planning  
9 loans. For the 2007-2009 biennium, moneys in the account may be used  
10 for grants for projects identified in section 138, chapter 488, Laws of  
11 2005 and section 1033, chapter 520, Laws of 2007. During the 2009-2011  
12 fiscal biennium, sums in the public works assistance account may be  
13 used for the water pollution control revolving fund program match in  
14 section 3013, chapter 36, Laws of 2010 1st sp. sess. During the 2009-  
15 2011 fiscal biennium, the legislature may transfer from the job  
16 development fund to the general fund such amounts as reflect the excess  
17 fund balance of the fund. During the 2011-2013 fiscal biennium, the  
18 legislature may transfer from the public works assistance account to  
19 the water pollution control revolving account and the drinking water  
20 assistance account such amounts as reflect the excess fund balance of  
21 the account.

22 NEW SECTION. Sec. 949. Section 948 (RCW 43.155.050) of this act  
23 takes effect June 30, 2011.

24 **Sec. 950.** RCW 43.185C.060 and 2007 c 427 s 6 are each amended to  
25 read as follows:

26 The home security fund account is created in the state treasury,  
27 subject to appropriation. The state's portion of the surcharge  
28 established in RCW 36.22.179 and 36.22.1791 must be deposited in the  
29 account. Expenditures from the account may be used only for homeless  
30 housing programs as described in this chapter. During the 2011-2013  
31 fiscal biennium, the legislature may transfer from the home security  
32 fund account to the transitional housing operating and rent account  
33 such amounts as reflect the excess fund balance of the account.

34 **Sec. 951.** RCW 43.330.250 and 2009 c 565 s 13 and 2009 c 564 s 943  
35 are each reenacted and amended to read as follows:

1 (1) The economic development strategic reserve account is created  
2 in the state treasury to be used only for the purposes of this section.

3 (2) Only the governor, with the recommendation of the director of  
4 the department of commerce and the economic development commission, may  
5 authorize expenditures from the account.

6 (3) Expenditures from the account shall be made in an amount  
7 sufficient to fund a minimum of one staff position for the economic  
8 development commission and to cover any other operational costs of the  
9 commission.

10 (4) During the 2009-2011 (~~(fiscal biennium)~~) and 2011-2013 fiscal  
11 biennia, moneys in the account may also be transferred into the state  
12 general fund.

13 (5) Expenditures from the account may be made to prevent closure of  
14 a business or facility, to prevent relocation of a business or facility  
15 in the state to a location outside the state, or to recruit a business  
16 or facility to the state. Expenditures may be authorized for:

17 (a) Workforce development;

18 (b) Public infrastructure needed to support or sustain the  
19 operations of the business or facility; and

20 (c) Other lawfully provided assistance, including, but not limited  
21 to, technical assistance, environmental analysis, relocation  
22 assistance, and planning assistance. Funding may be provided for such  
23 assistance only when it is in the public interest and may only be  
24 provided under a contractual arrangement ensuring that the state will  
25 receive appropriate consideration, such as an assurance of job creation  
26 or retention.

27 (6) The funds shall not be expended from the account unless:

28 (a) The circumstances are such that time does not permit the  
29 director of the department of commerce or the business or facility to  
30 secure funding from other state sources;

31 (b) The business or facility produces or will produce significant  
32 long-term economic benefits to the state, a region of the state, or a  
33 particular community in the state;

34 (c) The business or facility does not require continuing state  
35 support;

36 (d) The expenditure will result in new jobs, job retention, or  
37 higher incomes for citizens of the state;

38 (e) The expenditure will not supplant private investment; and

1 (f) The expenditure is accompanied by private investment.

2 (7) No more than three million dollars per year may be expended  
3 from the account for the purpose of assisting an individual business or  
4 facility pursuant to the authority specified in this section.

5 (8) If the account balance in the strategic reserve account exceeds  
6 fifteen million dollars at any time, the amount in excess of fifteen  
7 million dollars shall be transferred to the education construction  
8 account.

9 **Sec. 952.** RCW 66.08.170 and 2009 c 564 s 947 are each amended to  
10 read as follows:

11 There shall be a fund, known as the "liquor revolving fund", which  
12 shall consist of all license fees, permit fees, penalties, forfeitures,  
13 and all other moneys, income, or revenue received by the board. The  
14 state treasurer shall be custodian of the fund. All moneys received by  
15 the board or any employee thereof, except for change funds and an  
16 amount of petty cash as fixed by the board within the authority of law  
17 shall be deposited each day in a depository approved by the state  
18 treasurer and transferred to the state treasurer to be credited to the  
19 liquor revolving fund. During the 2009-2011 fiscal biennium, the  
20 legislature may transfer funds from the liquor revolving account [fund]  
21 to the state general fund and may direct an additional amount of liquor  
22 profits to be distributed to local governments. Neither the transfer  
23 of funds nor the additional distribution of liquor profits to local  
24 governments during the 2009-2011 fiscal biennium may reduce the excess  
25 fund distributions that otherwise would occur under RCW 66.08.190.  
26 During the 2011-2013 fiscal biennium, the legislature may transfer  
27 funds from the liquor revolving fund to the state general fund. The  
28 transfer during the 2011-2013 fiscal biennium may not reduce the excess  
29 fund distributions that otherwise would occur under RCW 66.08.190.  
30 Disbursements from the revolving fund shall be on authorization of the  
31 board or a duly authorized representative thereof. In order to  
32 maintain an effective expenditure and revenue control the liquor  
33 revolving fund shall be subject in all respects to chapter 43.88 RCW  
34 but no appropriation shall be required to permit expenditures and  
35 payment of obligations from such fund.

1           **Sec. 953.** RCW 66.08.190 and 2003 1st sp.s. c 25 s 927 are each  
2 amended to read as follows:

3           (1) Except for revenues generated by the 2003 surcharge of  
4 \$0.42/liter on retail sales of spirits that (~~shall~~) must be  
5 distributed to the state general fund during the 2003-2005 biennium,  
6 when excess funds are distributed, all moneys subject to distribution  
7 (~~shall~~) must be disbursed as follows:

8           (a) Three-tenths of one percent to border areas under RCW  
9 66.08.195; and

10           (b) Except as provided in subsection (4) of this section, from the  
11 amount remaining after distribution under (a) of this subsection, (i)  
12 fifty percent to the general fund of the state, (ii) ten percent to the  
13 counties of the state, and (iii) forty percent to the incorporated  
14 cities and towns of the state.

15           (2) During the months of June, September, December, and March of  
16 each year, prior to disbursing the distribution to incorporated cities  
17 and towns under subsection (1)(b) of this section, the treasurer  
18 (~~shall~~) must deduct from that distribution an amount that will fund  
19 that quarter's allotments under RCW 43.88.110 from any legislative  
20 appropriation from the city and town research services account. The  
21 treasurer (~~shall~~) must deposit the amount deducted into the city and  
22 town research services account.

23           (3) The governor may notify and direct the state treasurer to  
24 withhold the revenues to which the counties and cities are entitled  
25 under this section if the counties or cities are found to be in  
26 noncompliance pursuant to RCW 36.70A.340.

27           (4) During the 2011-2013 fiscal biennium, from the amount remaining  
28 after distribution under subsection (1)(a) of this section, (a) 51.7  
29 percent to the general fund of the state, (b) 9.7 percent to the  
30 counties of the state, and (c) 38.6 percent to the incorporated cities  
31 and towns of the state.

32           **Sec. 954.** RCW 66.08.235 and 2005 c 151 s 4 are each amended to  
33 read as follows:

34           The liquor control board construction and maintenance account is  
35 created within the state treasury. The liquor control board shall  
36 deposit into this account a portion of the board's markup, as  
37 authorized by chapter 66.16 RCW, placed upon liquor as determined by

1 the board. Moneys in the account may be spent only after  
2 appropriation. The liquor control board shall use deposits to this  
3 account to fund construction and maintenance of a centralized  
4 distribution center for liquor products intended for sale through the  
5 board's liquor store and contract liquor store system. During the  
6 ~~((2001-2003))~~ 2011-2013 fiscal biennium, the legislature may transfer  
7 from the liquor control board construction and maintenance account to  
8 the state general fund such amounts as reflect the ~~((appropriations~~  
9 ~~reductions—made—by—the—2002—supplemental—appropriations—act—for~~  
10 ~~administrative efficiencies and savings))~~ excess fund balance of the  
11 account.

12 **Sec. 955.** RCW 67.70.260 and 2002 c 371 s 919 are each amended to  
13 read as follows:

14 There is hereby created the lottery administrative account in the  
15 state treasury. The account shall be managed, controlled, and  
16 maintained by the director. The legislature may appropriate from the  
17 account for the payment of costs incurred in the operation and  
18 administration of the lottery. During the 2001-2003 fiscal biennium,  
19 the legislature may transfer from the lottery administrative account to  
20 the state general fund such amounts as reflect the appropriations  
21 reductions made by the 2002 supplemental appropriations act for  
22 administrative efficiencies and savings. During the 2011-2013 fiscal  
23 biennium, the lottery administrative account may also be used to fund  
24 an independent forecast of the lottery revenues conducted by the  
25 economic and revenue forecast council.

26 **Sec. 956.** RCW 70.48.440 and 1984 c 235 s 5 are each amended to  
27 read as follows:

28 The office of financial management shall establish a uniform  
29 equitable rate for reimbursing cities and counties for the care of  
30 sentenced felons who are the financial responsibility of the department  
31 of corrections and are detained or incarcerated in a city or county  
32 jail. During the 2011-2013 fiscal biennium, this rate may not exceed  
33 eighty dollars per day.

34 Until June 30, 1985, the rate for the care of sentenced felons who  
35 are the financial responsibility of the department of corrections shall  
36 be ten dollars per day. Cost of extraordinary emergency medical care

1 incurred by prisoners who are the financial responsibility of the  
2 department of corrections under this chapter shall be reimbursed. The  
3 department of corrections shall be advised as far in advance as  
4 practicable by competent medical authority of the nature and course of  
5 treatment required to ensure the most efficient use of state resources  
6 to address the medical needs of the offender. In the event emergency  
7 medical care is needed, the department of corrections shall be advised  
8 as soon as practicable after the offender is treated.

9 Prior to June 30, 1985, the office of financial management shall  
10 meet with the corrections standards board to establish criteria to  
11 determine equitable rates regarding variable costs for sentenced felons  
12 who are the financial responsibility of the department of corrections  
13 after June 30, 1985. The office of financial management shall re-  
14 establish these rates each even-numbered year beginning in 1986.

15 **Sec. 957.** RCW 70.93.180 and 2010 1st sp.s. c 37 s 945 are each  
16 amended to read as follows:

17 (1) There is hereby created an account within the state treasury to  
18 be known as the "waste reduction, recycling, and litter control  
19 account". Moneys in the account may be spent only after appropriation.  
20 Expenditures from the waste reduction, recycling, and litter control  
21 account shall be used as follows:

22 (a) Fifty percent to the department of ecology, for use by the  
23 departments of ecology, natural resources, revenue, transportation, and  
24 corrections, and the parks and recreation commission, for use in litter  
25 collection programs, to be distributed under RCW 70.93.220. The amount  
26 to the department of ecology shall also be used for a central  
27 coordination function for litter control efforts statewide, for the  
28 biennial litter survey under RCW 70.93.200(8), and for statewide public  
29 awareness programs under RCW 70.93.200(7). The amount to the  
30 department shall also be used to defray the costs of administering the  
31 funding, coordination, and oversight of local government programs for  
32 waste reduction, litter control, and recycling, so that local  
33 governments can apply one hundred percent of their funding to achieving  
34 program goals. The amount to the department of revenue shall be used  
35 to enforce compliance with the litter tax imposed in chapter 82.19 RCW;

36 (b) Twenty percent to the department for local government funding

1 programs for waste reduction, litter control, and recycling activities  
2 by cities and counties under RCW 70.93.250, to be administered by the  
3 department of ecology; and

4 (c) Thirty percent to the department of ecology for waste reduction  
5 and recycling efforts.

6 (2) All taxes imposed in RCW 82.19.010 and fines and bail  
7 forfeitures collected or received pursuant to this chapter shall be  
8 deposited in the waste reduction, recycling, and litter control account  
9 and used for the programs under subsection (1) of this section.

10 (3) Not less than five percent and no more than ten percent of the  
11 amount appropriated into the waste reduction, recycling, and litter  
12 control account every biennium shall be reserved for capital needs,  
13 including the purchase of vehicles for transporting crews and for  
14 collecting litter and solid waste. Capital funds shall be distributed  
15 among state agencies and local governments according to the same  
16 criteria provided in RCW 70.93.220 for the remainder of the funds, so  
17 that the most effective waste reduction, litter control, and recycling  
18 programs receive the most funding. The intent of this subsection is to  
19 provide funds for the purchase of equipment that will enable the  
20 department to account for the greatest return on investment in terms of  
21 reaching a zero litter goal.

22 (4) During the 2009-2011 fiscal biennium, the legislature may  
23 transfer from the waste reduction, recycling, and litter control  
24 account to the state general fund such amounts as reflect the excess  
25 fund balance of the account. Additionally, during the 2009-2011 fiscal  
26 biennium, subsection (1)(a), (b), and (c) of this section is suspended.

27 (5) During the 2011-2013 fiscal biennium, the legislature may  
28 transfer from the waste reduction, recycling, and litter control  
29 account to the state general fund such amounts as reflect the excess  
30 fund balance of the account. Additionally, during the 2011-2013 fiscal  
31 biennium, subsection (1)(a), (b), and (c) of this section is suspended.

32 **Sec. 958.** RCW 70.105D.070 and 2010 1st sp.s. c 37 s 942 are each  
33 amended to read as follows:

34 (1) The state toxics control account and the local toxics control  
35 account are hereby created in the state treasury.

36 (2) The following moneys shall be deposited into the state toxics  
37 control account: (a) Those revenues which are raised by the tax



1 imposed under RCW 82.21.030 and which are attributable to that portion  
2 of the rate equal to thirty-three one-hundredths of one percent; (b)  
3 the costs of remedial actions recovered under this chapter or chapter  
4 70.105A RCW; (c) penalties collected or recovered under this chapter;  
5 and (d) any other money appropriated or transferred to the account by  
6 the legislature. Moneys in the account may be used only to carry out  
7 the purposes of this chapter, including but not limited to the  
8 following activities:

9 (i) The state's responsibility for hazardous waste planning,  
10 management, regulation, enforcement, technical assistance, and public  
11 education required under chapter 70.105 RCW;

12 (ii) The state's responsibility for solid waste planning,  
13 management, regulation, enforcement, technical assistance, and public  
14 education required under chapter 70.95 RCW;

15 (iii) The hazardous waste cleanup program required under this  
16 chapter;

17 (iv) State matching funds required under the federal cleanup law;

18 (v) Financial assistance for local programs in accordance with  
19 chapters 70.95, 70.95C, 70.95I, and 70.105 RCW;

20 (vi) State government programs for the safe reduction, recycling,  
21 or disposal of hazardous wastes from households, small businesses, and  
22 agriculture;

23 (vii) Hazardous materials emergency response training;

24 (viii) Water and environmental health protection and monitoring  
25 programs;

26 (ix) Programs authorized under chapter 70.146 RCW;

27 (x) A public participation program, including regional citizen  
28 advisory committees;

29 (xi) Public funding to assist potentially liable persons to pay for  
30 the costs of remedial action in compliance with cleanup standards under  
31 RCW 70.105D.030(2)(e) but only when the amount and terms of such  
32 funding are established under a settlement agreement under RCW  
33 70.105D.040(4) and when the director has found that the funding will  
34 achieve both (A) a substantially more expeditious or enhanced cleanup  
35 than would otherwise occur, and (B) the prevention or mitigation of  
36 unfair economic hardship;

37 (xii) Development and demonstration of alternative management

1 technologies designed to carry out the hazardous waste management  
2 priorities of RCW 70.105.150;

3 (xiii) During the 2009-2011 and 2011-2013 fiscal ~~((biennium))~~  
4 biennia, shoreline update technical assistance; ~~((and))~~

5 (xiv) During the 2009-2011 fiscal biennium, multijurisdictional  
6 permitting teams; and

7 (xv) During the 2011-2013 fiscal biennium, actions for reducing  
8 public exposure to toxic air pollution.

9 (3) The following moneys shall be deposited into the local toxics  
10 control account: Those revenues which are raised by the tax imposed  
11 under RCW 82.21.030 and which are attributable to that portion of the  
12 rate equal to thirty-seven one-hundredths of one percent.

13 (a) Moneys deposited in the local toxics control account shall be  
14 used by the department for grants or loans to local governments for the  
15 following purposes in descending order of priority:

16 (i) Remedial actions;

17 (ii) Hazardous waste plans and programs under chapter 70.105 RCW;

18 (iii) Solid waste plans and programs under chapters 70.95, 70.95C,  
19 70.95I, and 70.105 RCW;

20 (iv) Funds for a program to assist in the assessment and cleanup of  
21 sites of methamphetamine production, but not to be used for the initial  
22 containment of such sites, consistent with the responsibilities and  
23 intent of RCW 69.50.511; and

24 (v) Cleanup and disposal of hazardous substances from abandoned or  
25 derelict vessels, defined for the purposes of this section as vessels  
26 that have little or no value and either have no identified owner or  
27 have an identified owner lacking financial resources to clean up and  
28 dispose of the vessel, that pose a threat to human health or the  
29 environment.

30 (b) Funds for plans and programs shall be allocated consistent with  
31 the priorities and matching requirements established in chapters  
32 70.105, 70.95C, 70.95I, and 70.95 RCW, except that any applicant that  
33 is a Puget Sound partner, as defined in RCW 90.71.010, along with any  
34 project that is referenced in the action agenda developed by the Puget  
35 Sound partnership under RCW 90.71.310, shall, except as conditioned by  
36 RCW 70.105D.120, receive priority for any available funding for any  
37 grant or funding programs or sources that use a competitive bidding  
38 process. During the 2007-2009 fiscal biennium, moneys in the account

1 may also be used for grants to local governments to retrofit public  
2 sector diesel equipment and for storm water planning and implementation  
3 activities.

4 (c) To expedite cleanups throughout the state, the department shall  
5 partner with local communities and liable parties for cleanups. The  
6 department is authorized to use the following additional strategies in  
7 order to ensure a healthful environment for future generations:

8 (i) The director may alter grant-matching requirements to create  
9 incentives for local governments to expedite cleanups when one of the  
10 following conditions exists:

11 (A) Funding would prevent or mitigate unfair economic hardship  
12 imposed by the clean-up liability;

13 (B) Funding would create new substantial economic development,  
14 public recreational, or habitat restoration opportunities that would  
15 not otherwise occur; or

16 (C) Funding would create an opportunity for acquisition and  
17 redevelopment of vacant, orphaned, or abandoned property under RCW  
18 70.105D.040(5) that would not otherwise occur;

19 (ii) The use of outside contracts to conduct necessary studies;

20 (iii) The purchase of remedial action cost-cap insurance, when  
21 necessary to expedite multiparty clean-up efforts.

22 (d) To facilitate and expedite cleanups using funds from the local  
23 toxics control account, during the 2009-2011 fiscal biennium the  
24 director may establish grant-funded accounts to hold and disperse local  
25 toxics control account funds and funds from local governments to be  
26 used for remedial actions.

27 (4) Except for unanticipated receipts under RCW 43.79.260 through  
28 43.79.282, moneys in the state and local toxics control accounts may be  
29 spent only after appropriation by statute.

30 (5) Except during the 2009-2011 fiscal biennium, one percent of the  
31 moneys deposited into the state and local toxics control accounts shall  
32 be allocated only for public participation grants to persons who may be  
33 adversely affected by a release or threatened release of a hazardous  
34 substance and to not-for-profit public interest organizations. The  
35 primary purpose of these grants is to facilitate the participation by  
36 persons and organizations in the investigation and remedying of  
37 releases or threatened releases of hazardous substances and to  
38 implement the state's solid and hazardous waste management priorities.

1 No grant may exceed sixty thousand dollars. Grants may be renewed  
2 annually. Moneys appropriated for public participation from either  
3 account which are not expended at the close of any biennium shall  
4 revert to the state toxics control account.

5 (6) No moneys deposited into either the state or local toxics  
6 control account may be used for solid waste incinerator feasibility  
7 studies, construction, maintenance, or operation, or, after January 1,  
8 2010, for projects designed to address the restoration of Puget Sound,  
9 funded in a competitive grant process, that are in conflict with the  
10 action agenda developed by the Puget Sound partnership under RCW  
11 90.71.310.

12 (7) The department shall adopt rules for grant or loan issuance and  
13 performance.

14 (8) During the 2007-2009 and 2009-2011 fiscal biennia, the  
15 legislature may transfer from the local toxics control account to  
16 either the state general fund or the oil spill prevention account, or  
17 both such amounts as reflect excess fund balance in the account.

18 (9) During the 2009-2011 fiscal biennium, the local toxics control  
19 account may also be used for a standby rescue tug at Neah Bay, local  
20 government shoreline update grants, private and public sector diesel  
21 equipment retrofit, and oil spill prevention, preparedness, and  
22 response activities.

23 (10) During the 2009-2011 fiscal biennium, the legislature may  
24 transfer from the state toxics control account to the state general  
25 fund such amounts as reflect the excess fund balance in the account.

26 (11) During the 2011-2013 fiscal biennium, the local toxics control  
27 account may also be used for local government shoreline update grants  
28 and actions for reducing public exposure to toxic air pollution.

29 **Sec. 959.** RCW 74.13.621 and 2009 c 564 s 954 are each amended to  
30 read as follows:

31 (1) Within existing resources, the department shall establish an  
32 oversight committee to monitor, guide, and report on kinship care  
33 recommendations and implementation activities. The committee shall:

34 (a) Draft a kinship care definition that is restricted to persons  
35 related by blood, marriage, or adoption, including marriages that have  
36 been dissolved, or for a minor defined as an "Indian child" under the  
37 federal Indian child welfare act (25 U.S.C. Sec. 1901 et seq.), the

1 definition of "extended family member" under the federal Indian child  
2 welfare act, and a set of principles. If the committee concludes that  
3 one or more programs or services would be more efficiently and  
4 effectively delivered under a different definition of kin, it shall  
5 state what definition is needed, and identify the program or service in  
6 the report. It shall also provide evidence of how the program or  
7 service will be more efficiently and effectively delivered under the  
8 different definition. The department shall not adopt rules or policies  
9 changing the definition of kin without authorizing legislation;

10 (b) Monitor and provide consultation on the implementation of  
11 recommendations contained in the 2002 kinship care report, including  
12 but not limited to the recommendations relating to legal and respite  
13 care services and resources;

14 (c) Partner with nonprofit organizations and private sector  
15 businesses to guide a public education awareness campaign; and

16 (d) Assist with developing future recommendations on kinship care  
17 issues.

18 (2) The department shall consult with the oversight committee on  
19 its efforts to better collaborate and coordinate services to benefit  
20 kinship care families.

21 (3) The oversight committee must consist of a minimum of thirty  
22 percent kinship caregivers, who shall represent a diversity of kinship  
23 families. Statewide representation with geographic, ethnic, and gender  
24 diversity is required. Other members shall include representatives of  
25 the department, representatives of relevant state agencies,  
26 representatives of the private nonprofit and business sectors, child  
27 advocates, representatives of Washington state Indian tribes as defined  
28 under the federal Indian welfare act (25 U.S.C. Sec. 1901 et seq.), and  
29 representatives of the legal or judicial field. Birth parents, foster  
30 parents, and others who have an interest in these issues may also be  
31 included.

32 (4) To the extent funding is available, the department may  
33 reimburse nondepartmental members of the oversight committee for costs  
34 incurred in participating in the meetings of the oversight committee.

35 (5) The kinship care oversight committee shall update the  
36 legislature and governor annually on committee activities, with the  
37 first update due by January 1, 2006.

38 (6) This section expires June 30, (~~2011~~) 2013.

1           **Sec. 960.** RCW 79.64.040 and 2009 c 564 s 957 are each amended to  
2 read as follows:

3           (1) The board shall determine the amount deemed necessary in order  
4 to achieve the purposes of this chapter and shall provide by rule for  
5 the deduction of this amount from the moneys received from all leases,  
6 sales, contracts, licenses, permits, easements, and rights-of-way  
7 issued by the department and affecting state lands and aquatic lands,  
8 provided that no deduction shall be made from the proceeds from  
9 agricultural college lands.

10           (2) Moneys received as deposits from successful bidders, advance  
11 payments, and security under RCW 79.15.100, 79.15.080, and 79.11.150  
12 prior to December 1, 1981, which have not been subjected to deduction  
13 under this section are not subject to deduction under this section.

14           (3) Except as otherwise provided in subsection (5) of this section,  
15 the deductions authorized under this section shall not exceed twenty-  
16 five percent of the moneys received by the department in connection  
17 with any one transaction pertaining to state lands and aquatic lands  
18 other than second-class tide and shore lands and the beds of navigable  
19 waters, and fifty percent of the moneys received by the department  
20 pertaining to second-class tide and shore lands and the beds of  
21 navigable waters.

22           (4) In the event that the department sells logs using the contract  
23 harvesting process described in RCW 79.15.500 through 79.15.530, the  
24 moneys received subject to this section are the net proceeds from the  
25 contract harvesting sale.

26           (5) During the 2009-2011 fiscal biennium and fiscal year 2012, the  
27 twenty-five percent limitation on deductions set in subsection (3) of  
28 this section may be increased up to thirty percent by the board.

29           **Sec. 961.** RCW 79.105.150 and 2010 1st sp.s. c 37 s 949 are each  
30 amended to read as follows:

31           (1) After deduction for management costs as provided in RCW  
32 79.64.040 and payments to towns under RCW 79.115.150(2), all moneys  
33 received by the state from the sale or lease of state-owned aquatic  
34 lands and from the sale of valuable material from state-owned aquatic  
35 lands shall be deposited in the aquatic lands enhancement account which  
36 is hereby created in the state treasury. After appropriation, these  
37 funds shall be used solely for aquatic lands enhancement projects; for

1 the purchase, improvement, or protection of aquatic lands for public  
2 purposes; for providing and improving access to the lands; and for  
3 volunteer cooperative fish and game projects. During the 2009-2011  
4 fiscal biennium, the aquatic lands enhancement account may also be used  
5 for scientific research as part of the adaptive management process.  
6 During the 2009-2011 (~~(fiscal biennium)~~) and 2011-2013 fiscal biennia,  
7 the legislature may transfer from the aquatic lands enhancement account  
8 to the state general fund such amounts as reflect excess fund balance  
9 of the account.

10 (2) In providing grants for aquatic lands enhancement projects, the  
11 recreation and conservation funding board shall:

12 (a) Require grant recipients to incorporate the environmental  
13 benefits of the project into their grant applications;

14 (b) Utilize the statement of environmental benefits, consideration,  
15 except as provided in RCW 79.105.610, of whether the applicant is a  
16 Puget Sound partner, as defined in RCW 90.71.010, whether a project is  
17 referenced in the action agenda developed by the Puget Sound  
18 partnership under RCW 90.71.310, and except as otherwise provided in  
19 RCW 79.105.630, and effective one calendar year following the  
20 development and statewide availability of model evergreen community  
21 management plans and ordinances under RCW 35.105.050, whether the  
22 applicant is an entity that has been recognized, and what gradation of  
23 recognition was received, in the evergreen community recognition  
24 program created in RCW 35.105.030 in its prioritization and selection  
25 process; and

26 (c) Develop appropriate outcome-focused performance measures to be  
27 used both for management and performance assessment of the grants.

28 (3) To the extent possible, the department should coordinate its  
29 performance measure system with other natural resource-related agencies  
30 as defined in RCW 43.41.270.

31 (4) The department shall consult with affected interest groups in  
32 implementing this section.

33 (5) After January 1, 2010, any project designed to address the  
34 restoration of Puget Sound may be funded under this chapter only if the  
35 project is not in conflict with the action agenda developed by the  
36 Puget Sound partnership under RCW 90.71.310.

1       **Sec. 962.** RCW 80.36.430 and 2011 c 5 s 919 are each amended to  
2 read as follows:

3       (1) The Washington telephone assistance program shall be funded by  
4 a telephone assistance excise tax on all switched access lines and by  
5 funds from any federal government or other programs for this purpose.  
6 Switched access lines are defined in RCW 82.14B.020. The telephone  
7 assistance excise tax shall be applied equally to all residential and  
8 business access lines not to exceed fourteen cents per month. The  
9 department shall submit an approved annual budget for the Washington  
10 telephone assistance program to the department of revenue no later than  
11 March 1st prior to the beginning of each fiscal year. The department  
12 of revenue shall then determine the amount of telephone assistance  
13 excise tax to be placed on each switched access line and shall inform  
14 local exchange companies and the utilities and transportation  
15 commission of this amount no later than May 1st. The department of  
16 revenue shall determine the amount of telephone assistance excise tax  
17 by dividing the total of the program budget funded by the telephone  
18 assistance excise tax, as submitted by the department, by the total  
19 number of switched access lines in the prior calendar year. The  
20 telephone assistance excise tax shall be separately identified on each  
21 ratepayer's bill as the "Washington telephone assistance program." All  
22 money collected from the telephone assistance excise tax shall be  
23 transferred to a telephone assistance fund administered by the  
24 department.

25       (2) Local exchange companies shall bill the fund for their expenses  
26 incurred in offering the telephone assistance program, including  
27 administrative and program expenses. The department shall disburse the  
28 money to the local exchange companies. The department is exempted from  
29 having to conclude a contract with local exchange companies in order to  
30 effect this reimbursement. The department shall recover its  
31 administrative costs from the fund. The department may specify by rule  
32 the range and extent of administrative and program expenses that will  
33 be reimbursed to local exchange companies.

34       (3) The department shall enter into an agreement with the  
35 department of commerce for an amount not to exceed eight percent of the  
36 prior fiscal year's total revenue for the administrative and program  
37 expenses of providing community service voice mail services. The



1 community service voice mail service may include toll-free lines in  
2 community action agencies through which recipients can access their  
3 community service voice mailboxes at no charge.

4 (4) During the 2009-2011 (~~biennium~~) and 2011-2013 biennia, the  
5 department shall enter into an agreement with the WIN 211 organization  
6 for operational support. During the 2011-2013 biennium, the department  
7 shall provide five hundred thousand dollars per fiscal year for this  
8 purpose.

9 (5) During the 2009-2011 biennium, the telephone assistance fund  
10 shall also be used in support of the economic services administration  
11 call centers and related operations.

12 **Sec. 963.** RCW 82.08.160 and 1982 1st ex.s. c 35 s 4 are each  
13 amended to read as follows:

14 (1) On or before the twenty-fifth day of each month, all taxes  
15 collected under RCW 82.08.150 during the preceding month (~~shall~~) must  
16 be remitted to the state department of revenue, to be deposited with  
17 the state treasurer. Except as provided in subsection (2) of this  
18 section, upon receipt of such moneys the state treasurer (~~shall~~) must  
19 credit sixty-five percent of the sums collected and remitted under RCW  
20 82.08.150 (1) and (2) and one hundred percent of the sums collected and  
21 remitted under RCW 82.08.150 (3) and (4) to the state general fund and  
22 thirty-five percent of the sums collected and remitted under RCW  
23 82.08.150 (1) and (2) to a fund which is hereby created to be known as  
24 the "liquor excise tax fund."

25 (2) During the 2011-2013 fiscal biennium, 66.19 percent of the sums  
26 collected and remitted under RCW 82.08.150 (1) and (2) must be  
27 deposited in the state general fund and the remainder collected and  
28 remitted under RCW 82.08.150 (1) and (2) must be deposited in the  
29 liquor excise tax fund.

30 **Sec. 964.** RCW 82.14.310 and 2005 c 282 s 49 are each amended to  
31 read as follows:

32 (1) The county criminal justice assistance account is created in  
33 the state treasury. Beginning in fiscal year 2000, the state treasurer  
34 (~~shall~~) must transfer into the county criminal justice assistance  
35 account from the general fund the sum of twenty-three million two  
36 hundred thousand dollars divided into four equal deposits occurring on

1 July 1, October 1, January 1, and April 1. For each fiscal year  
2 thereafter, the state treasurer (~~((shall))~~) must increase the total  
3 transfer by the fiscal growth factor, as defined in RCW 43.135.025,  
4 forecast for that fiscal year by the office of financial management in  
5 November of the preceding year.

6 (2) The moneys deposited in the county criminal justice assistance  
7 account for distribution under this section, less any moneys  
8 appropriated for purposes under subsection (4) of this section,  
9 (~~((shall))~~) must be distributed at such times as distributions are made  
10 under RCW 82.44.150 and on the relative basis of each county's funding  
11 factor as determined under this subsection.

12 (a) A county's funding factor is the sum of:

13 (i) The population of the county, divided by one thousand, and  
14 multiplied by two-tenths;

15 (ii) The crime rate of the county, multiplied by three-tenths; and

16 (iii) The annual number of criminal cases filed in the county  
17 superior court, for each one thousand in population, multiplied by  
18 five-tenths.

19 (b) Under this section and RCW 82.14.320 and 82.14.330:

20 (i) The population of the county or city (~~((shall be))~~) is as last  
21 determined by the office of financial management;

22 (ii) The crime rate of the county or city is the annual occurrence  
23 of specified criminal offenses, as calculated in the most recent annual  
24 report on crime in Washington state as published by the Washington  
25 association of sheriffs and police chiefs, for each one thousand in  
26 population;

27 (iii) The annual number of criminal cases filed in the county  
28 superior court (~~((shall))~~) must be determined by the most recent annual  
29 report of the courts of Washington, as published by the administrative  
30 office of the courts;

31 (iv) Distributions and eligibility for distributions in the (~~((1989-~~  
32 ~~91))~~) 1989-1991 biennium (~~((shall))~~) must be based on 1988 figures for  
33 both the crime rate as described under (ii) of this subsection and the  
34 annual number of criminal cases that are filed as described under (iii)  
35 of this subsection. Future distributions (~~((shall))~~) must be based on  
36 the most recent figures for both the crime rate as described under (ii)  
37 of this subsection and the annual number of criminal cases that are  
38 filed as described under (iii) of this subsection.

1 (3) Moneys distributed under this section (~~shall~~) must be  
2 expended exclusively for criminal justice purposes and (~~shall~~) may  
3 not be used to replace or supplant existing funding. Criminal justice  
4 purposes are defined as activities that substantially assist the  
5 criminal justice system, which may include circumstances where  
6 ancillary benefit to the civil or juvenile justice system occurs, and  
7 which includes (a) domestic violence services such as those provided by  
8 domestic violence programs, community advocates, and legal advocates,  
9 as defined in RCW 70.123.020, and (b) during the 2001-2003 fiscal  
10 biennium, juvenile dispositional hearings relating to petitions for at-  
11 risk youth, truancy, and children in need of services. Existing  
12 funding for purposes of this subsection is defined as calendar year  
13 1989 actual operating expenditures for criminal justice purposes.  
14 Calendar year 1989 actual operating expenditures for criminal justice  
15 purposes exclude the following: Expenditures for extraordinary events  
16 not likely to reoccur, changes in contract provisions for criminal  
17 justice services, beyond the control of the local jurisdiction  
18 receiving the services, and major nonrecurring capital expenditures.

19 (4) Not more than five percent of the funds deposited to the county  
20 criminal justice assistance account (~~shall~~) may be available for  
21 appropriations for enhancements to the state patrol crime laboratory  
22 system and the continuing costs related to these enhancements. Funds  
23 appropriated from this account for such enhancements (~~shall~~) may not  
24 supplant existing funds from the state general fund.

25 (5) During the 2011-2013 fiscal biennium, the amount that would  
26 otherwise be transferred into the county criminal justice assistance  
27 account from the general fund under subsection (1) of this section must  
28 be reduced by 3.4 percent.

29 **Sec. 965.** RCW 82.14.320 and 1998 c 321 s 12 are each amended to  
30 read as follows:

31 (1) The municipal criminal justice assistance account is created in  
32 the state treasury. Beginning in fiscal year 2000, the state treasurer  
33 (~~shall~~) must transfer into the municipal criminal justice assistance  
34 account for distribution under this section from the general fund the  
35 sum of four million six hundred thousand dollars divided into four  
36 equal deposits occurring on July 1, October 1, January 1, and April 1.  
37 For each fiscal year thereafter, the state treasurer (~~shall~~) must

1 increase the total transfer by the fiscal growth factor, as defined in  
2 RCW 43.135.025, forecast for that fiscal year by the office of  
3 financial management in November of the preceding year.

4 (2) No city may receive a distribution under this section from the  
5 municipal criminal justice assistance account unless:

6 (a) The city has a crime rate in excess of one hundred twenty-five  
7 percent of the statewide average as calculated in the most recent  
8 annual report on crime in Washington state as published by the  
9 Washington association of sheriffs and police chiefs;

10 (b) The city has levied the tax authorized in RCW 82.14.030(2) at  
11 the maximum rate or the tax authorized in RCW 82.46.010(3) at the  
12 maximum rate; and

13 (c) The city has a per capita yield from the tax imposed under RCW  
14 82.14.030(1) at the maximum rate of less than one hundred fifty percent  
15 of the statewide average per capita yield for all cities from such  
16 local sales and use tax.

17 (3) The moneys deposited in the municipal criminal justice  
18 assistance account for distribution under this section, less any moneys  
19 appropriated for purposes under subsection (7) of this section,  
20 (~~shall~~) must be distributed at such times as distributions are made  
21 under RCW 82.44.150. The distributions (~~shall~~) must be made as  
22 follows:

23 (a) Unless reduced by this subsection, thirty percent of the moneys  
24 (~~shall~~) must be distributed ratably based on population as last  
25 determined by the office of financial management to those cities  
26 eligible under subsection (2) of this section that have a crime rate  
27 determined under subsection (2)(a) of this section which is greater  
28 than one hundred seventy-five percent of the statewide average crime  
29 rate. No city may receive more than fifty percent of any moneys  
30 distributed under this subsection (a) but, if a city distribution is  
31 reduced as a result of exceeding the fifty percent limitation, the  
32 amount not distributed (~~shall~~) must be distributed under (b) of this  
33 subsection.

34 (b) The remainder of the moneys, including any moneys not  
35 distributed in subsection (2)(a) of this section, (~~shall~~) must be  
36 distributed to all cities eligible under subsection (2) of this section  
37 ratably based on population as last determined by the office of  
38 financial management.

1 (4) No city may receive more than thirty percent of all moneys  
2 distributed under subsection (3) of this section.

3 (5) Notwithstanding other provisions of this section, the  
4 distributions to any city that substantially decriminalizes or repeals  
5 its criminal code after July 1, 1990, and that does not reimburse the  
6 county for costs associated with criminal cases under RCW 3.50.800 or  
7 3.50.805(2), (~~shall~~) must be made to the county in which the city is  
8 located.

9 (6) Moneys distributed under this section (~~shall~~) must be  
10 expended exclusively for criminal justice purposes and (~~shall~~) may  
11 not be used to replace or supplant existing funding. Criminal justice  
12 purposes are defined as activities that substantially assist the  
13 criminal justice system, which may include circumstances where  
14 ancillary benefit to the civil justice system occurs, and which  
15 includes domestic violence services such as those provided by domestic  
16 violence programs, community advocates, and legal advocates, as defined  
17 in RCW 70.123.020, and publications and public educational efforts  
18 designed to provide information and assistance to parents in dealing  
19 with runaway or at-risk youth. Existing funding for purposes of this  
20 subsection is defined as calendar year 1989 actual operating  
21 expenditures for criminal justice purposes. Calendar year 1989 actual  
22 operating expenditures for criminal justice purposes exclude the  
23 following: Expenditures for extraordinary events not likely to  
24 reoccur, changes in contract provisions for criminal justice services,  
25 beyond the control of the local jurisdiction receiving the services,  
26 and major nonrecurring capital expenditures.

27 (7) Not more than five percent of the funds deposited to the  
28 municipal criminal justice assistance account (~~shall~~) may be  
29 available for appropriations for enhancements to the state patrol crime  
30 laboratory system and the continuing costs related to these  
31 enhancements. Funds appropriated from this account for such  
32 enhancements (~~shall~~) may not supplant existing funds from the state  
33 general fund.

34 (8) During the 2011-2013 fiscal biennium, the amount that would  
35 otherwise be transferred into the municipal criminal justice assistance  
36 account from the general fund under subsection (1) of this section must  
37 be reduced by 3.4 percent.

1       **Sec. 966.** RCW 82.14.330 and 2003 c 90 s 1 are each amended to read  
2 as follows:

3       (1)(a) Beginning in fiscal year 2000, the state treasurer (~~shall~~)  
4 must transfer into the municipal criminal justice assistance account  
5 for distribution under this section from the general fund the sum of  
6 four million six hundred thousand dollars divided into four equal  
7 deposits occurring on July 1, October 1, January 1, and April 1. For  
8 each fiscal year thereafter, the state treasurer (~~shall~~) must  
9 increase the total transfer by the fiscal growth factor, as defined in  
10 RCW 43.135.025, forecast for that fiscal year by the office of  
11 financial management in November of the preceding year. The moneys  
12 deposited in the municipal criminal justice assistance account for  
13 distribution under this section, less any moneys appropriated for  
14 purposes under subsection (4) of this section, (~~shall~~) must be  
15 distributed to the cities of the state as follows:

16       (~~(a)~~) (i) Twenty percent appropriated for distribution (~~shall~~)  
17 must be distributed to cities with a three-year average violent crime  
18 rate for each one thousand in population in excess of one hundred fifty  
19 percent of the statewide three-year average violent crime rate for each  
20 one thousand in population. The three-year average violent crime rate  
21 (~~shall~~) must be calculated using the violent crime rates for each of  
22 the preceding three years from the annual reports on crime in  
23 Washington state as published by the Washington association of sheriffs  
24 and police chiefs. Moneys (~~shall~~) must be distributed under this  
25 subsection (1)(a) ratably based on population as last determined by the  
26 office of financial management, but no city may receive more than one  
27 dollar per capita. Moneys remaining undistributed under this  
28 subsection at the end of each calendar year (~~shall~~) must be  
29 distributed to the criminal justice training commission to reimburse  
30 participating city law enforcement agencies with ten or fewer full-time  
31 commissioned patrol officers the cost of temporary replacement of each  
32 officer who is enrolled in basic law enforcement training, as provided  
33 in RCW 43.101.200.

34       (~~(b)~~) (ii) Sixteen percent (~~shall~~) must be distributed to  
35 cities ratably based on population as last determined by the office of  
36 financial management, but no city may receive less than one thousand  
37 dollars.

1       **(b)** The moneys deposited in the municipal criminal justice  
2 assistance account for distribution under this subsection (~~((shall))~~) (1)  
3 must be distributed at such times as distributions are made under RCW  
4 82.44.150.

5       **(c)** Moneys distributed under this subsection (~~((shall))~~) (1) must be  
6 expended exclusively for criminal justice purposes and (~~((shall))~~) may  
7 not be used to replace or supplant existing funding. Criminal justice  
8 purposes are defined as activities that substantially assist the  
9 criminal justice system, which may include circumstances where  
10 ancillary benefit to the civil justice system occurs, and which  
11 includes domestic violence services such as those provided by domestic  
12 violence programs, community advocates, and legal advocates, as defined  
13 in RCW 70.123.020. Existing funding for purposes of this subsection is  
14 defined as calendar year 1989 actual operating expenditures for  
15 criminal justice purposes. Calendar year 1989 actual operating  
16 expenditures for criminal justice purposes exclude the following:  
17 Expenditures for extraordinary events not likely to reoccur, changes in  
18 contract provisions for criminal justice services, beyond the control  
19 of the local jurisdiction receiving the services, and major  
20 nonrecurring capital expenditures.

21       **(2)(a)** In addition to the distributions under subsection (1) of  
22 this section:

23       (~~((a))~~) **(i)** Ten percent (~~((shall))~~) must be distributed on a per  
24 capita basis to cities that contract with another governmental agency  
25 for the majority of the city's law enforcement services. Cities that  
26 subsequently qualify for this distribution (~~((shall))~~) must notify the  
27 department of (~~((community, trade, and economic development))~~) commerce  
28 by November 30th for the upcoming calendar year. The department of  
29 (~~((community, trade, and economic development shall))~~) commerce must  
30 provide a list of eligible cities to the state treasurer by December  
31 31st. The state treasurer (~~((shall))~~) must modify the distribution of  
32 these funds in the following year. Cities have the responsibility to  
33 notify the department of (~~((community, trade, and economic development))~~)  
34 commerce of any changes regarding these contractual relationships.  
35 Adjustments in the distribution formula to add or delete cities may be  
36 made only for the upcoming calendar year; no adjustments may be made  
37 retroactively.

1       (~~(b)~~) (ii) The remaining fifty-four percent (~~(shall)~~) must be  
2 distributed to cities and towns by the state treasurer on a per capita  
3 basis. These funds (~~(shall)~~) must be used for: (~~(i)~~) (A) Innovative  
4 law enforcement strategies; (~~(ii)~~) (B) programs to help at-risk  
5 children or child abuse victim response programs; and (~~(iii)~~) (C)  
6 programs designed to reduce the level of domestic violence or to  
7 provide counseling for domestic violence victims.

8       (b) The moneys deposited in the municipal criminal justice  
9 assistance account for distribution under this subsection (2), less any  
10 moneys appropriated for purposes under subsection (4) of this section,  
11 (~~(shall)~~) must be distributed at the times as distributions are made  
12 under RCW 82.44.150. Moneys remaining undistributed under this  
13 subsection at the end of each calendar year (~~(shall)~~) must be  
14 distributed to the criminal justice training commission to reimburse  
15 participating city law enforcement agencies with ten or fewer full-time  
16 commissioned patrol officers the cost of temporary replacement of each  
17 officer who is enrolled in basic law enforcement training, as provided  
18 in RCW 43.101.200.

19       (c) If a city is found by the state auditor to have expended funds  
20 received under this subsection (2) in a manner that does not comply  
21 with the criteria under which the moneys were received, the city  
22 (~~(shall be)~~) is ineligible to receive future distributions under this  
23 subsection (2) until the use of the moneys are justified to the  
24 satisfaction of the director or are repaid to the state general fund.

25       (3) Notwithstanding other provisions of this section, the  
26 distributions to any city that substantially decriminalizes or repeals  
27 its criminal code after July 1, 1990, and that does not reimburse the  
28 county for costs associated with criminal cases under RCW 3.50.800 or  
29 3.50.805(2), (~~(shall)~~) must be made to the county in which the city is  
30 located.

31       (4) Not more than five percent of the funds deposited to the  
32 municipal criminal justice assistance account (~~(shall)~~) may be  
33 available for appropriations for enhancements to the state patrol crime  
34 laboratory system and the continuing costs related to these  
35 enhancements. Funds appropriated from this account for such  
36 enhancements (~~(shall)~~) may not supplant existing funds from the state  
37 general fund.



1       (5) During the 2011-2013 fiscal biennium, the amount that would  
2 otherwise be transferred into the municipal criminal justice assistance  
3 account from the general fund under subsection (1) of this section must  
4 be reduced by 3.4 percent.

5       **Sec. 967.** RCW 82.14.390 and 2008 c 48 s 1 are each amended to read  
6 as follows:

7       (1) Except as provided in subsection (7) of this section, the  
8 governing body of a public facilities district (a) created before July  
9 31, 2002, under chapter 35.57 or 36.100 RCW that commences construction  
10 of a new regional center, or improvement or rehabilitation of an  
11 existing new regional center, before January 1, 2004; (b) created  
12 before July 1, 2006, under chapter 35.57 RCW in a county or counties in  
13 which there are no other public facilities districts on June 7, 2006,  
14 and in which the total population in the public facilities district is  
15 greater than ninety thousand that commences construction of a new  
16 regional center before February 1, 2007; (c) created under the  
17 authority of RCW 35.57.010(1)(d); or (d) created before September 1,  
18 2007, under chapter 35.57 or 36.100 RCW, in a county or counties in  
19 which there are no other public facilities districts on July 22, 2007,  
20 and in which the total population in the public facilities district is  
21 greater than seventy thousand, that commences construction of a new  
22 regional center before January 1, 2009, or before January 1, 2011, in  
23 the case of a new regional center in a county designated by the  
24 president as a disaster area in December 2007, may impose a sales and  
25 use tax in accordance with the terms of this chapter. The tax is in  
26 addition to other taxes authorized by law and (~~shall~~) must be  
27 collected from those persons who are taxable by the state under  
28 chapters 82.08 and 82.12 RCW upon the occurrence of any taxable event  
29 within the public facilities district. The rate of tax (~~shall~~) may  
30 not exceed 0.033 percent of the selling price in the case of a sales  
31 tax or value of the article used in the case of a use tax.

32       (2)(a) The governing body of a public facilities district imposing  
33 a sales and use tax under the authority of this section may increase  
34 the rate of tax up to 0.037 percent if, within three fiscal years of  
35 July 1, 2008, the department determines that, as a result of RCW  
36 82.14.490 and the chapter 6, Laws of 2007 amendments to RCW 82.14.020,  
37 a public facilities district's sales and use tax collections for fiscal

1 years after July 1, 2008, have been reduced by a net loss of at least  
2 0.50 percent from the fiscal year before July 1, 2008. The fiscal year  
3 in which this section becomes effective is the first fiscal year after  
4 July 1, 2008.

5 (b) The department (~~shall~~) must determine sales and use tax  
6 collection net losses under this section as provided in RCW 82.14.500  
7 (2) and (3). The department (~~shall~~) must provide written notice of  
8 its determinations to public facilities districts. Determinations by  
9 the department of a public facilities district's sales and use tax  
10 collection net losses as a result of RCW 82.14.490 and the chapter 6,  
11 Laws of 2007 amendments to RCW 82.14.020 are final and not appealable.

12 (c) A public facilities district may increase its rate of tax after  
13 it has received written notice from the department as provided in (b)  
14 of this subsection. The increase in the rate of tax must be made in  
15 0.001 percent increments and must be the least amount necessary to  
16 mitigate the net loss in sales and use tax collections as a result of  
17 RCW 82.14.490 and the chapter 6, Laws of 2007 amendments to RCW  
18 82.14.020. The increase in the rate of tax is subject to RCW  
19 82.14.055.

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

29 (4) No tax may be collected under this section before August 1,  
30 2000. The tax imposed in this section (~~shall~~) expires when the bonds  
31 issued for the construction of the regional center and related parking  
32 facilities are retired, but not more than twenty-five years after the  
33 tax is first collected.

34 (5) Moneys collected under this section (~~shall~~) may only be used  
35 for the purposes set forth in RCW 35.57.020 and must be matched with an  
36 amount from other public or private sources equal to thirty-three  
37 percent of the amount collected under this section(~~, provided that~~);  
38 however, amounts generated from nonvoter approved taxes authorized

1 under chapter 35.57 RCW or nonvoter approved taxes authorized under  
2 chapter 36.100 RCW (~~shall~~) do not constitute a public or private  
3 source. For the purpose of this section, public or private sources  
4 includes, but is not limited to cash or in-kind contributions used in  
5 all phases of the development or improvement of the regional center,  
6 land that is donated and used for the siting of the regional center,  
7 cash or in-kind contributions from public or private foundations, or  
8 amounts attributed to private sector partners as part of a public and  
9 private partnership agreement negotiated by the public facilities  
10 district.

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

18 (7) A public facilities district created under chapter 36.100 RCW  
19 is not eligible to impose the tax under this section if the legislative  
20 authority of the county where the public facilities district is located  
21 has imposed a sales and use tax under RCW 82.14.0485 or 82.14.0494.

22 **Sec. 968.** RCW 82.14.500 and 2007 c 6 s 903 are each amended to  
23 read as follows:

24 (1)(a) In order to mitigate local sales tax revenue net losses as  
25 a result of the sourcing provisions of the streamlined sales and use  
26 tax agreement under this title, the state treasurer (~~shall~~), on July  
27 1, 2011, and each July 1st thereafter, must transfer into the  
28 streamlined sales and use tax mitigation account from the general fund  
29 (~~the sum of thirty one million six hundred thousand dollars on July 1,~~  
30 ~~2008. On July 1, 2009, and each July 1st thereafter, the state~~  
31 ~~treasurer shall transfer into the streamlined sales and use tax~~  
32 ~~mitigation account from the general fund~~) the sum required to mitigate  
33 actual net losses as determined under this section.

34 (b) During the 2011-2013 fiscal biennium, the amount that would  
35 otherwise be transferred under (a) of this subsection must be reduced  
36 by 3.4 percent.

1           (2) Beginning July 1, 2008, and continuing until the department  
2 determines annual losses under subsection (3) of this section, the  
3 department (~~shall~~) must determine the amount of local sales tax net  
4 loss each local taxing jurisdiction experiences as a result of the  
5 sourcing provisions of the streamlined sales and use tax agreement  
6 under this title each calendar quarter. The department (~~shall~~) must  
7 determine losses by analyzing and comparing data from tax return  
8 information and tax collections for each local taxing jurisdiction  
9 before and after July 1, 2008, on a calendar quarter basis. The  
10 department's analysis may be revised and supplemented in consultation  
11 with the oversight committee as provided in subsection (4) of this  
12 section. To determine net losses, the department (~~shall~~) must reduce  
13 losses by the amount of voluntary compliance revenue for the calendar  
14 quarter analyzed. Beginning December 31, 2008, distributions (~~shall~~)  
15 must be made quarterly from the streamlined sales and use tax  
16 mitigation account by the state treasurer, as directed by the  
17 department, to each local taxing jurisdiction, other than public  
18 facilities districts for losses in respect to taxes imposed under the  
19 authority of RCW 82.14.390, in an amount representing its net losses  
20 for the previous calendar quarter. Distributions (~~shall~~) must be  
21 made on the last working day of each calendar quarter and (~~shall~~)  
22 must cease when distributions under subsection (3) of this section  
23 begin.

24           (3)(a) By December 31, 2009, or such later date the department in  
25 consultation with the oversight committee determines that sufficient  
26 data is available, the department (~~shall~~) must determine each local  
27 taxing jurisdiction's annual loss. The department (~~shall~~) must  
28 determine annual losses by comparing at least twelve months of data  
29 from tax return information and tax collections for each local taxing  
30 jurisdiction before and after July 1, 2008. The department (~~shall~~)  
31 is not (~~be~~) required to determine annual losses on a recurring basis,  
32 but may make any adjustments to annual losses as it deems proper as a  
33 result of the annual reviews provided in (b) of this subsection.  
34 Beginning the calendar quarter in which the department determines  
35 annual losses, and each calendar quarter thereafter, distributions  
36 (~~shall~~) must be made from the streamlined sales and use tax  
37 mitigation account by the state treasurer on the last working day of  
38 the calendar quarter, as directed by the department, to each local

1 taxing jurisdiction, other than public facilities districts for losses  
2 in respect to taxes imposed under the authority of RCW 82.14.390, in an  
3 amount representing one-fourth of the jurisdiction's annual loss  
4 reduced by voluntary compliance revenue reported during the previous  
5 calendar quarter.

6 (b) The department's analysis of annual losses (~~shall~~) must be  
7 reviewed by December 1st of each year and may be revised and  
8 supplemented in consultation with the oversight committee as provided  
9 in subsection (4) of this section.

10 (4) The department (~~shall~~) must convene an oversight committee to  
11 assist in the determination of losses. The committee (~~shall~~)  
12 includes one representative of one city whose revenues are increased,  
13 one representative of one city whose revenues are reduced, one  
14 representative of one county whose revenues are increased, one  
15 representative of one county whose revenues are decreased, one  
16 representative of one transportation authority under RCW 82.14.045  
17 whose revenues are increased, and one representative of one  
18 transportation authority under RCW 82.14.045 whose revenues are  
19 reduced, as a result of RCW 82.14.490 and the chapter 6, Laws of 2007  
20 amendments to RCW 82.14.020. Beginning July 1, 2008, the oversight  
21 committee (~~shall~~) must meet quarterly with the department to review  
22 and provide additional input and direction on the department's analyses  
23 of losses. Local taxing jurisdictions may also present to the  
24 oversight committee additional information to improve the department's  
25 analyses of the jurisdiction's loss. Beginning January 1, 2010, the  
26 oversight committee (~~shall~~) must meet at least annually with the  
27 department by December 1st.

28 (5) The rule-making provisions of chapter 34.05 RCW do not apply to  
29 this section.

30 **Sec. 969.** RCW 82.45.060 and 2005 c 450 s 1 are each amended to  
31 read as follows:

32 There is imposed an excise tax upon each sale of real property at  
33 the rate of one and twenty-eight one-hundredths percent of the selling  
34 price. An amount equal to six and one-tenth percent of the proceeds of  
35 this tax to the state treasurer (~~shall~~) must be deposited in the  
36 public works assistance account created in RCW 43.155.050. Except as  
37 otherwise provided in this section, an amount equal to one and six-

1 tenths percent of the proceeds of this tax to the state treasurer  
2 (~~shall~~) must be deposited in the city-county assistance account  
3 created in RCW 43.08.290. During the 2011-2013 fiscal biennium, 1.546  
4 percent of the proceeds of this tax to the state treasurer must be  
5 deposited in the city-county assistance account.

6 **Sec. 970.** RCW 86.26.007 and 2009 c 564 s 961 are each amended to  
7 read as follows:

8 The flood control assistance account is hereby established in the  
9 state treasury. At the beginning of the 2005-2007 fiscal biennium, the  
10 state treasurer shall transfer three million dollars from the general  
11 fund to the flood control assistance account. Each biennium thereafter  
12 the state treasurer shall transfer four million dollars from the  
13 general fund to the flood control assistance account, except that  
14 during the 2009-2011 and 2011-2013 fiscal (~~biennium~~) biennia, the  
15 state treasurer shall transfer two million dollars from the general  
16 fund to the flood control assistance account. Moneys in the flood  
17 control assistance account may be spent only after appropriation for  
18 purposes specified under this chapter.

(End of part)

PART X

GENERAL GOVERNMENT

Sec. 1001. 2010 2nd sp.s. c 1 s 101 (uncodified) is amended to read as follows:

FOR THE HOUSE OF REPRESENTATIVES

General Fund--State Appropriation (FY 2010)	. . . . .	\$33,505,000
General Fund--State Appropriation (FY 2011)	. . . . .	<del>(\$30,934,000)</del>
		<u>\$30,918,000</u>
TOTAL APPROPRIATION	. . . . .	<del>(\$64,439,000)</del>
		<u>\$64,423,000</u>

Sec. 1002. 2010 2nd sp.s. c 1 s 102 (uncodified) is amended to read as follows:

FOR THE SENATE

General Fund--State Appropriation (FY 2010)	. . . . .	\$24,960,000
General Fund--State Appropriation (FY 2011)	. . . . .	<del>(\$24,020,000)</del>
		<u>\$24,008,000</u>
TOTAL APPROPRIATION	. . . . .	<del>(\$48,980,000)</del>
		<u>\$48,968,000</u>

Sec. 1003. 2010 2nd sp.s. c 1 s 106 (uncodified) is amended to read as follows:

FOR THE SUPREME COURT

General Fund--State Appropriation (FY 2010)	. . . . .	\$6,912,000
General Fund--State Appropriation (FY 2011)	. . . . .	<del>(\$6,844,000)</del>
		<u>\$6,924,000</u>
TOTAL APPROPRIATION	. . . . .	<del>(\$13,756,000)</del>
		<u>\$13,836,000</u>

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

1       **Sec. 1004.** 2010 2nd sp.s. c 1 s 107 (uncodified) is amended to  
2 read as follows:

3       **FOR THE LAW LIBRARY**

4	General Fund--State Appropriation (FY 2010) . . . . .	\$1,925,000
5	General Fund--State Appropriation (FY 2011) . . . . .	<del>(( \$1,592,000 ))</del>
6		<u>\$1,596,000</u>
7	TOTAL APPROPRIATION . . . . .	<del>(( \$3,517,000 ))</del>
8		<u>\$3,521,000</u>

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

17       **Sec. 1005.** 2010 2nd sp.s. c 1 s 108 (uncodified) is amended to  
18 read as follows:

19       **FOR THE COURT OF APPEALS**

20	General Fund--State Appropriation (FY 2010) . . . . .	\$15,632,000
21	General Fund--State Appropriation (FY 2011) . . . . .	<del>(( \$15,517,000 ))</del>
22		<u>\$15,593,000</u>
23	TOTAL APPROPRIATION . . . . .	<del>(( \$31,149,000 ))</del>
24		<u>\$31,225,000</u>

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

33       **Sec. 1006.** 2011 c 5 s 106 (uncodified) is amended to read as  
34 follows:

35       **FOR THE ADMINISTRATOR FOR THE COURTS**

36	General Fund--State Appropriation (FY 2010) . . . . .	\$52,644,000
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1	General Fund--State Appropriation (FY 2011) . . . . .	(( <del>\$49,260,000</del> ))
2		<u>\$49,196,000</u>
3	General Fund--Federal Appropriation . . . . .	\$979,000
4	Judicial Information Systems Account--State	
5	Appropriation . . . . .	(( <del>\$33,406,000</del> ))
6		<u>\$31,407,000</u>
7	Judicial Stabilization Trust Account--State	
8	Appropriation . . . . .	\$6,598,000
9	TOTAL APPROPRIATION . . . . .	(( <del>\$142,887,000</del> ))
10		<u>\$140,824,000</u>

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

13       (1) \$1,800,000 of the general fund--state appropriation for fiscal  
14 year 2010 and \$1,387,000 of the general fund--state appropriation for  
15 fiscal year 2011 are provided solely for school districts for petitions  
16 to juvenile court for truant students as provided in RCW 28A.225.030  
17 and 28A.225.035. The office of the administrator for the courts shall  
18 develop an interagency agreement with the superintendent of public  
19 instruction to allocate the funding provided in this subsection.  
20 Allocation of this money to school districts shall be based on the  
21 number of petitions filed. This funding includes amounts school  
22 districts may expend on the cost of serving petitions filed under RCW  
23 28A.225.030 by certified mail or by personal service or for the  
24 performance of service of process for any hearing associated with RCW  
25 28A.225.030. Absences from school occurring in the months of May and  
26 June 2011 do not count towards the number of absences allowed under RCW  
27 28A.225.030. Reductions in appropriations in this section reflect  
28 reduced workload associated with filing petitions generated through  
29 absences occurring in May and June.

30       (2)(a) \$8,252,000 of the general fund--state appropriation for  
31 fiscal year 2010 and \$7,534,000 of the general fund--state  
32 appropriation for fiscal year 2011 are provided solely for distribution  
33 to county juvenile court administrators to fund the costs of processing  
34 truancy, children in need of services, and at-risk youth petitions.  
35 The administrator for the courts, in conjunction with the juvenile  
36 court administrators, shall develop an equitable funding distribution  
37 formula. The formula shall neither reward counties with higher than

1 average per-petition processing costs nor shall it penalize counties  
2 with lower than average per-petition processing costs.

3 (b) Each fiscal year during the 2009-11 fiscal biennium, each  
4 county shall report the number of petitions processed and the total  
5 actual costs of processing truancy, children in need of services, and  
6 at-risk youth petitions. Counties shall submit the reports to the  
7 administrator for the courts no later than 45 days after the end of the  
8 fiscal year. The administrator for the courts shall electronically  
9 transmit this information to the chairs and ranking minority members of  
10 the house of representatives appropriations committee and the senate  
11 ways and means committee no later than 60 days after a fiscal year  
12 ends. These reports are deemed informational in nature and are not for  
13 the purpose of distributing funds.

14 (3) The distributions made under this subsection and distributions  
15 from the county criminal justice assistance account made pursuant to  
16 section 801 of this act constitute appropriate reimbursement for costs  
17 for any new programs or increased level of service for purposes of RCW  
18 43.135.060.

19 (4) (~~(\$5,700,000)~~) \$3,701,000 of the judicial information systems  
20 account--state appropriation is provided solely for modernization and  
21 integration of the judicial information system.

22 (a) Of this amount, \$1,700,000 is for the development of a  
23 comprehensive enterprise-level information technology strategy and  
24 detailed business and operational plans in support of that strategy,  
25 and (~~(\$4,000,000)~~) \$2,001,000 is to continue to modernize and integrate  
26 current systems and enhance case management functionality on an  
27 incremental basis.

28 (b) The amount provided in this subsection may not be expended  
29 without prior approval by the judicial information system committee.  
30 The administrator shall regularly submit project plan updates for  
31 approval to the judicial information system committee.

32 (c) The judicial information system committee shall review project  
33 progress on a regular basis and may require quality assurance plans.  
34 The judicial information systems committee shall provide a report to  
35 the appropriate committees of the legislature no later than November 1,  
36 2011, on the status of the judicial information system modernization  
37 and integration, and the consistency of the project with the state's

1 architecture, infrastructure and statewide enterprise view of service  
2 delivery.

3 (d) \$100,000 of the judicial information systems account--state  
4 appropriation is provided solely for the administrative office of the  
5 courts, in coordination with the judicial information system committee,  
6 to conduct an independent third-party executive-level review of the  
7 judicial information system. This review shall examine, at a minimum,  
8 the scope of the current project plan, governance structure, and  
9 organizational change management procedures. The review will also  
10 benchmark the system plans against similarly sized projects in other  
11 states or localities, review the large scale program risks, and  
12 estimate life cycle costs, including capital and on-going operational  
13 expenditures.

14 (5) \$3,000,000 of the judicial information systems account--state  
15 appropriation is provided solely for replacing computer equipment at  
16 state courts, and at state judicial agencies. The administrator for  
17 the courts shall prioritize equipment replacement purchasing and shall  
18 fund those items that are most essential or critical. By October 1,  
19 2010, the administrative office of the courts shall report to the  
20 appropriate legislative fiscal committees on expenditures for equipment  
21 under this subsection.

22 (6) \$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) ((\$106,000 of the general fund state appropriation for fiscal~~  
28 ~~year 2010 and \$106,000 of the general fund state appropriation for~~  
29 ~~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)) It is the intent of the legislature that the reductions in  
34 appropriations in this section shall be achieved, to the greatest  
35 extent possible, by reducing those state government administrative  
36 costs that do not affect direct client services or direct service  
37 delivery or programs. The agency shall, to the greatest extent

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

3 ((+9)) (8) \$44,000 of the judicial information systems account--  
4 state appropriation is provided solely to implement chapter 272, Laws  
5 of 2010 (SHB 2680; guardianship).

6 ((+10)) (9) \$274,000 of the general fund--state appropriation for  
7 fiscal year 2011 is provided solely for the office of public  
8 guardianship to provide guardianship services for low-income  
9 incapacitated persons.

10 ((+11)) (10) \$3,797,000 of the judicial information systems  
11 account--state appropriation is provided solely for continued planning  
12 and implementation of improvements to the court case management system.

13 ((+12)) (11) In accordance with RCW 43.135.055, the administrative  
14 office of the courts is authorized to adopt and increase the fees set  
15 forth in and previously authorized in section 6, chapter 491, Laws of  
16 2009.

17 **Sec. 1007.** 2011 c 5 s 107 (uncodified) is amended to read as  
18 follows:

19 **FOR THE SECRETARY OF STATE**

20	General Fund--State Appropriation (FY 2010) . . . . .	\$21,105,000
21	General Fund--State Appropriation (FY 2011) . . . . .	<del>(\$13,612,000)</del>
22		<u>\$14,727,000</u>
23	General Fund--Federal Appropriation . . . . .	\$8,082,000
24	Archives and Records Management Account--State	
25	Appropriation . . . . .	\$8,990,000
26	Charitable Organization Education Account--State	
27	Appropriation . . . . .	\$76,000
28	Department of Personnel Service Account--State	
29	Appropriation . . . . .	\$757,000
30	Election Account--State Appropriation . . . . .	\$77,000
31	Local Government Archives Account--State	
32	Appropriation . . . . .	\$11,515,000
33	Election Account--Federal Appropriation . . . . .	\$31,163,000
34	TOTAL APPROPRIATION . . . . .	<del>(\$95,377,000)</del>
35		<u>\$96,492,000</u>

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

1 (1) \$4,101,000 of the general fund--state appropriation for fiscal  
2 year 2010 is provided solely to reimburse counties for the state's  
3 share of primary and general election costs and the costs of conducting  
4 mandatory recounts on state measures. Counties shall be reimbursed  
5 only for those odd-year election costs that the secretary of state  
6 validates as eligible for reimbursement.

7 (2)(a) \$1,897,000 of the general fund--state appropriation for  
8 fiscal year 2010 and \$1,845,000 of the general fund--state  
9 appropriation for fiscal year 2011 are provided solely for contracting  
10 with a nonprofit organization to produce gavel-to-gavel television  
11 coverage of state government deliberations and other events of  
12 statewide significance during the 2009-2011 biennium. The funding  
13 level for each year of the contract shall be based on the amount  
14 provided in this subsection. The nonprofit organization shall be  
15 required to raise contributions or commitments to make contributions,  
16 in cash or in kind, in an amount equal to forty percent of the state  
17 contribution. The office of the secretary of state may make full or  
18 partial payment once all criteria in this subsection have been  
19 satisfactorily documented.

20 (b) The legislature finds that the commitment of on-going funding  
21 is necessary to ensure continuous, autonomous, and independent coverage  
22 of public affairs. For that purpose, the secretary of state shall  
23 enter into a contract with the nonprofit organization to provide public  
24 affairs coverage.

25 (c) The nonprofit organization shall prepare an annual independent  
26 audit, an annual financial statement, and an annual report, including  
27 benchmarks that measure the success of the nonprofit organization in  
28 meeting the intent of the program.

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

31 (i) Attempting to influence the passage or defeat of any  
32 legislation by the legislature of the state of Washington, by any  
33 county, city, town, or other political subdivision of the state of  
34 Washington, or by the congress, or the adoption or rejection of any  
35 rule, standard, rate, or other legislative enactment of any state  
36 agency;

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

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

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

6 (4) In implementing budget reductions, the office of the secretary  
7 of state must make its first priority to maintain funding for the  
8 elections division.

9 (5) \$76,000 of the charitable organization education account--state  
10 appropriation for fiscal year 2011 is provided solely to implement  
11 Second Substitute House Bill No. 2576 (corporation and charity fees).  
12 If the bill is not enacted by June 30, 2010, the amount provided in  
13 this subsection shall lapse.

14 (6) \$77,000 of the general fund--state appropriation for fiscal  
15 year 2011 is provided solely for deposit to the election account.

16 **Sec. 1008.** 2011 c 5 s 108 (uncodified) is amended to read as  
17 follows:

18 **FOR THE PUBLIC DISCLOSURE COMMISSION**

19	General Fund--State Appropriation (FY 2010) . . . . .	\$2,249,000
20	General Fund--State Appropriation (FY 2011) . . . . .	<del>(\$1,969,000)</del>
21		<u>\$1,967,000</u>
22	TOTAL APPROPRIATION . . . . .	<del>(\$4,218,000)</del>
23		<u>\$4,216,000</u>

24 **Sec. 1009.** 2011 c 5 s 113 (uncodified) is amended to read as  
25 follows:

26 **FOR THE ATTORNEY GENERAL**

27	General Fund--State Appropriation (FY 2010) . . . . .	\$5,732,000
28	General Fund--State Appropriation (FY 2011) . . . . .	<del>(\$5,272,000)</del>
29		<u>\$5,268,000</u>
30	General Fund--Federal Appropriation . . . . .	\$4,026,000
31	New Motor Vehicle Arbitration Account--State	
32	Appropriation . . . . .	\$1,350,000
33	Legal Services Revolving Account--State	
34	Appropriation . . . . .	<del>(\$224,523,000)</del>
35		<u>\$225,760,000</u>
36	Tobacco Prevention and Control Account--State	

1	Appropriation . . . . .	\$270,000
2	TOTAL APPROPRIATION . . . . .	(( <del>\$241,173,000</del> ))
3		<u>\$242,406,000</u>

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

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

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

21 (3) The office of the attorney general is authorized to expend  
22 \$2,100,000 from the Zyprexa and other cy pres awards towards consumer  
23 protection costs in accordance with uses authorized in the court  
24 orders.

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

32 (5) The executive ethics board must produce a report by the end of  
33 the calendar year for the legislature regarding performance measures on  
34 the efficiency and effectiveness of the board, as well as on  
35 performance measures to measure and monitor the ethics and integrity of  
36 all state agencies.

37 (6) \$53,000 of the legal services revolving account--state

1 appropriation is provided solely to implement Engrossed Second  
2 Substitute House Bill No. 3026 (school district compliance with state  
3 and federal civil rights laws).

4 **Sec. 1010.** 2011 c 5 s 114 (uncodified) is amended to read as  
5 follows:

6 **FOR THE CASELOAD FORECAST COUNCIL**

7	General Fund--State Appropriation (FY 2010) . . . . .	\$766,000
8	General Fund--State Appropriation (FY 2011) . . . . .	<del>(\$660,000)</del>
9		<u>\$658,000</u>
10	TOTAL APPROPRIATION . . . . .	<del>(\$1,426,000)</del>
11		<u>\$1,424,000</u>

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

20 **Sec. 1011.** 2011 c 5 s 115 (uncodified) is amended to read as  
21 follows:

22 **FOR THE DEPARTMENT OF COMMERCE**

23	General Fund--State Appropriation (FY 2010) . . . . .	\$49,670,000
24	General Fund--State Appropriation (FY 2011) . . . . .	<del>(\$36,739,000)</del>
25		<u>\$36,710,000</u>
26	General Fund--Federal Appropriation . . . . .	\$385,601,000
27	General Fund--Private/Local Appropriation . . . . .	\$10,972,000
28	Public Works Assistance Account--State	
29	Appropriation . . . . .	\$2,974,000
30	Tourism Development and Promotion Account--State	
31	Appropriation . . . . .	\$798,000
32	Drinking Water Assistance Administrative	
33	Account--State Appropriation . . . . .	\$433,000
34	Lead Paint Account--State Appropriation . . . . .	\$35,000
35	Building Code Council Account--State Appropriation . . . . .	\$688,000
36	Home Security Fund Account--State Appropriation . . . . .	\$24,486,000



1	Affordable Housing for All Account--State	
2	Appropriation . . . . .	\$11,896,000
3	Washington Auto Theft Prevention Authority	
4	Account--State Appropriation . . . . .	.\$300,000
5	Independent Youth Housing Account--State Appropriation . . . . .	.\$220,000
6	County Research Services Account--State Appropriation . . . . .	.\$469,000
7	Community Preservation and Development Authority	
8	Account--State Appropriation . . . . .	.\$350,000
9	Financial Fraud and Identity Theft Crimes Investigation	
10	and Prosecution Account--State Appropriation . . . . .	.\$1,166,000
11	Low-Income Weatherization Assistance Account--State	
12	Appropriation . . . . .	.\$6,882,000
13	City and Town Research Services Account--State	
14	Appropriation . . . . .	.\$2,246,000
15	Manufacturing Innovation and Modernization	
16	Account--State Appropriation . . . . .	.\$230,000
17	Community and Economic Development Fee Account--State	
18	Appropriation . . . . .	.\$6,922,000
19	Washington Housing Trust Account--State	
20	Appropriation . . . . .	.\$15,348,000
21	Prostitution Prevention and Intervention Account--	
22	State Appropriation . . . . .	.\$125,000
23	Public Facility Construction Loan Revolving	
24	Account--State Appropriation . . . . .	.\$754,000
25	TOTAL APPROPRIATION . . . . .	(( <del>\$559,304,000</del> ))
26		<u>\$559,275,000</u>

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

29       (1) \$2,378,000 of the general fund--state appropriation for fiscal  
30 year 2010 and \$2,117,000 of the general fund--state appropriation for  
31 fiscal year 2011 are provided solely for a contract with the Washington  
32 technology center for work essential to the mission of the Washington  
33 technology center and conducted in partnership with universities.

34       (2) Repayments of outstanding loans granted under RCW 43.63A.600,  
35 the mortgage and rental assistance program, shall be remitted to the  
36 department, including any current revolving account balances. The  
37 department shall collect payments on outstanding loans, and deposit

1 them into the state general fund. Repayments of funds owed under the  
2 program shall be remitted to the department according to the terms  
3 included in the original loan agreements.

4 (3) \$100,000 of the general fund--state appropriation for fiscal  
5 year 2010 and \$89,000 of the general fund--state appropriation for  
6 fiscal year 2011 are provided solely to implement section 2(7) of  
7 Engrossed Substitute House Bill No. 1959 (land use and transportation  
8 planning for marine container ports).

9 (4) \$102,000 of the building code council account--state  
10 appropriation is provided solely for the implementation of sections 3  
11 and 7 of Engrossed Second Substitute Senate Bill No. 5854 (built  
12 environment pollution). If sections 3 and 7 of the bill are not  
13 enacted by June 30, 2009, the amounts provided in this subsection shall  
14 lapse.

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

28 (b) \$6,787,000 of the general fund--federal appropriation is  
29 provided solely for the state energy program, including not less than  
30 \$5,000,000 to provide credit enhancements consistent with the  
31 provisions of Engrossed Second Substitute Senate Bill No. 5649 (energy  
32 efficiency in buildings).

33 (c) Of the general fund--federal appropriation the department shall  
34 provide: \$14,500,000 to the Washington State University for the  
35 purpose of making grants for pilot projects providing community-wide  
36 urban, residential, and commercial energy efficiency upgrades  
37 consistent with the provisions of Engrossed Second Substitute Senate  
38 Bill No. 5649 (energy efficiency in buildings); \$500,000 to Washington

1 State University to conduct farm energy assessments. In contracting  
2 with the Washington State University for the provision of these  
3 services, the total administration of Washington State University and  
4 the department shall not exceed 3 percent of the amounts provided.

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

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

15 (6) \$14,000 of the general fund--state appropriation for fiscal  
16 year 2010 is provided solely for the implementation of Engrossed Second  
17 Substitute Senate Bill No. 5560 (state agency climate leadership). If  
18 the bill is not enacted by June 30, 2009, the amount provided in this  
19 subsection shall lapse.

20 (7) \$22,400,000 of the general fund--federal appropriation is  
21 provided solely for the justice assistance grant program and is  
22 contingent upon the department transferring: \$1,200,000 to the  
23 department of corrections for security threat mitigation, \$2,336,000 to  
24 the department of corrections for offender reentry, \$1,960,000 to the  
25 Washington state patrol for law enforcement activities, \$2,087,000 to  
26 the department of social and health services, division of alcohol and  
27 substance abuse for drug courts, and \$428,000 to the department of  
28 social and health services for sex abuse recognition training. The  
29 remaining funds shall be distributed by the department to local  
30 jurisdictions.

31 (8) \$20,000 of the general fund--state appropriation for fiscal  
32 year 2010 and \$18,000 of the general fund--state appropriation for  
33 fiscal year 2011 are provided solely for a grant to KCTS public  
34 television to support Spanish language programming and the V-me Spanish  
35 language channel.

36 (9) \$500,000 of the general fund--state appropriation for fiscal  
37 year 2010 and \$447,000 of the general fund--state appropriation for  
38 fiscal year 2011 are provided solely for a grant to resolution

1 Washington to building statewide capacity for alternative dispute  
2 resolution centers and dispute resolution programs that guarantee that  
3 citizens have access to low-cost resolution as an alternative to  
4 litigation.

5 (10) \$30,000 of the general fund--state appropriation for fiscal  
6 year 2010 is provided solely for implementation of Engrossed Second  
7 Substitute Senate Bill No. 6015 (commercialization of technology). If  
8 the bill is not enacted by June 30, 2009, the amount provided in this  
9 subsection shall lapse.

10 (11) By June 30, 2011, the department shall request information  
11 that describes what jurisdictions have adopted, or are in the process  
12 of adopting, plans that address RCW 36.70A.020 and helps achieve the  
13 greenhouse gas emission reductions established in RCW 70.235.020. This  
14 information request in this subsection applies to jurisdictions that  
15 are required to review and if necessary revise their comprehensive  
16 plans in accordance with RCW 36.70A.130.

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

23 (13) \$50,000 of the general fund--state appropriation for fiscal  
24 year 2010 and \$35,000 of the general fund--state appropriation for  
25 fiscal year 2011 are provided solely for a grant for the state's  
26 participation in the Pacific Northwest economic region.

27 (14) \$712,000 of the general fund--state appropriation for fiscal  
28 year 2010 and \$559,000 of the general fund--state appropriation for  
29 fiscal year 2011 are provided solely to the office of crime victims  
30 advocacy. These funds shall be contracted with the 39 county  
31 prosecuting attorneys' offices to support victim-witness services. The  
32 funds must be prioritized to ensure a full-time victim-witness  
33 coordinator in each county. The office may retain only the amount  
34 currently allocated for this activity for administrative costs.

35 (15) \$306,000 of the general fund--state appropriation for fiscal  
36 year 2010 and \$274,000 of the general fund--state appropriation for  
37 fiscal year 2011 are provided solely for a grant to the retired senior  
38 volunteer program.

1 (16) \$65,000 of the general fund--state appropriation for fiscal  
2 year 2010 is provided solely for a contract with a food distribution  
3 program for communities in the southwestern portion of the state and  
4 for workers impacted by timber and salmon fishing closures and  
5 reductions. The department may not charge administrative overhead or  
6 expenses to the funds provided in this subsection.

7 (17) \$371,000 of the general fund--state appropriation for fiscal  
8 year 2010 and \$290,000 of the general fund--state appropriation for  
9 fiscal year 2011 are provided solely to the northwest agriculture  
10 business center.

11 (18) The department shall administer its growth management act  
12 technical assistance so that smaller cities receive proportionately  
13 more assistance than larger cities or counties.

14 (19) \$212,000 of the general fund--federal appropriation is  
15 provided solely for implementation of Second Substitute House Bill No.  
16 1172 (development rights transfer). If the bill is not enacted by June  
17 30, 2009, the amount provided in this subsection shall lapse.

18 (20) \$69,000 of the general fund--state appropriation for fiscal  
19 year 2010 and \$60,000 of the general fund--state appropriation for  
20 fiscal year 2011 are provided solely for implementation of Engrossed  
21 Second Substitute House Bill No. 2227 (evergreen jobs act). If the  
22 bill is not enacted by June 30, 2009, the amounts provided in this  
23 subsection shall lapse.

24 (21) \$350,000 of the community development and preservation  
25 authority account--state appropriation is provided solely for a grant  
26 to a community development authority established under chapter 43.167  
27 RCW. The community preservation and development's board of directors  
28 may contract with nonprofit community organizations to aid in  
29 mitigating the effects of increased public impact on urban  
30 neighborhoods due to events in stadia that have a capacity of over  
31 50,000 spectators.

32 (22) \$300,000 of the Washington auto theft prevention authority  
33 account--state appropriation is provided solely for a contract with a  
34 community group to build local community capacity and economic  
35 development within the state by strengthening political relationships  
36 between economically distressed communities and governmental  
37 institutions. The community group shall identify opportunities for  
38 collaboration and initiate activities and events that bring community

1 organizations, local governments, and state agencies together to  
2 address the impacts of poverty, political disenfranchisement, and  
3 economic inequality on communities of color. These funds must be  
4 matched by other nonstate sources on an equal basis.

5 (23) \$1,800,000 of the home security fund--state appropriation is  
6 provided for transitional housing assistance or partial payments for  
7 rental assistance under the independent youth housing program.

8 (24) \$5,000,000 of the home security fund--state appropriation is  
9 provided solely for the operation, repair, and staffing of shelters in  
10 the homeless family shelter program.

11 (25) \$253,000 of the general fund--state appropriation for fiscal  
12 year 2010 and \$253,000 of the general fund--state appropriation for  
13 fiscal year 2011 are provided solely for the Washington new Americans  
14 program.

15 (26) \$438,000 of the general fund--state appropriation for fiscal  
16 year 2010 and \$394,000 of the general fund--state appropriation for  
17 fiscal year 2011 are provided solely for the Washington asset building  
18 coalitions.

19 (27) \$3,231,000 of the general fund--state appropriation for fiscal  
20 year 2010 and \$2,953,000 of the general fund--state appropriation for  
21 fiscal year 2011 are provided solely for associate development  
22 organizations.

23 (28) \$5,400,000 of the community and economic development fee  
24 account is provided as follows: \$1,000,000 is provided solely for the  
25 department of commerce for services for homeless families through the  
26 Washington families fund; \$2,600,000 is provided solely for housing  
27 trust fund operations and maintenance; \$800,000 is provided solely for  
28 housing trust fund portfolio management; \$500,000 is provided solely  
29 for foreclosure counseling and support; and \$500,000 is provided solely  
30 for use as a reserve in the account.

31 (29) \$237,000 of the general fund--state appropriation for fiscal  
32 year 2011 is provided solely for the department to administer a  
33 competitive grant program to fund economic development activities  
34 designed to further regional cluster growth and to integrate its  
35 sector-based and cluster-based strategies with its support for the  
36 development of innovation partnership zones. Grant recipients must  
37 provide matching funds equal to the size of the grant. Grants may be  
38 awarded to support the formation of sector associations or cluster

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

12 (30) \$62,000 of the general fund--state appropriation for fiscal  
13 year 2011 is provided solely to:

14 (a) Develop a rural manufacturer export outreach program in  
15 conjunction with impact Washington. The program must provide outreach  
16 services to rural manufacturers in Washington to inform them of the  
17 importance of and opportunities in international trade, and to inform  
18 them of the export assistance programs available to assist these  
19 businesses to become exporters; and

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

23 (31) \$750,000 of the general fund--state appropriation for fiscal  
24 year 2011 is provided solely to implement the provisions of chapter 13,  
25 Laws of 2010 (global health program).

26 (32) \$50,000 of the general fund--state appropriation for fiscal  
27 year 2011 is provided solely for the creation of the Washington  
28 entrepreneurial development and small business reference service in the  
29 department of commerce.

30 (a) The department must:

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

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

37 (B) Disseminate information about available entrepreneurial  
38 development and small business assistance services, programs, and

1 resources via in-person presentations and electronic and printed  
2 materials and undertake other activities to raise awareness of  
3 entrepreneurial training and small business assistance offerings; and

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

8 (ii) Assist providers of entrepreneurial development and small  
9 business assistance services in applying for federal and private  
10 funding to support the entrepreneurial development and small business  
11 assistance activities in the state;

12 (iii) Distribute awards for excellence in entrepreneurial training  
13 and small business assistance; and

14 (iv) Report to the governor, the economic development commission,  
15 the work force training and education coordinating board, and the  
16 appropriate legislative committees its recommendations for statutory  
17 changes necessary to enhance operational efficiencies or enhance  
18 coordination related to entrepreneurial development and small business  
19 assistance.

20 (b) In carrying out the duties under this section, the department  
21 must seek the advice of small business owners and advocates, the  
22 Washington economic development commission, the work force training and  
23 education coordinating board, the state board for community and  
24 technical colleges, the employment security department, the Washington  
25 state microenterprise association, associate development organizations,  
26 impact Washington, the Washington quality award council, the Washington  
27 technology center, the small business export finance assistance center,  
28 the Spokane intercollegiate research and technology institute,  
29 representatives of the University of Washington business school and the  
30 Washington State University college of business and economics, the  
31 office of minority and women's business enterprises, the Washington  
32 economic development finance authority, and staff from small business  
33 development centers.

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

37 (33) \$45,000 of the general fund--state appropriation for fiscal  
38 year 2011 is provided solely for a grant to HistoryLink.





1 (4) The office of financial management shall, with the assistance  
2 of the natural resources cabinet as created in executive order 09-07,  
3 reduce the number of facilities being leased by the state by  
4 consolidating, wherever possible, regional offices and storage  
5 facilities of the natural resource agencies. The office of financial  
6 management and the natural resources cabinet shall submit a report on  
7 the progress of this effort and the associated savings to the  
8 appropriate fiscal committees of the legislature no later than December  
9 1, 2010.

10 (5)(a) \$50,000 of the general fund--state appropriation for fiscal  
11 year 2010 and \$150,000 of the general fund--state appropriation for  
12 fiscal year 2011 are provided solely for the purposes of the office of  
13 financial management:

14 (i) Conducting a technical and financial analysis of the state's  
15 plan for the consolidated state data center and office building; and

16 (ii) Developing a strategic business plan outlining the various  
17 options for use of the site that maximize taxpayer value consistent  
18 with the terms of the finance lease and related agreements.

19 (b) The analysis required in (a)(i) of this subsection must consist  
20 of, at a minimum, an assessment of the following issues:

21 (i) The total capital and operational costs for the proposed data  
22 center and office building;

23 (ii) The occupancy rate for the consolidated state data center, as  
24 compared to total capacity, that will result in revenue exceeding total  
25 capital and operating expenses;

26 (iii) The potential reallocation of resources that could result  
27 from the consolidation of state data centers and office space; and

28 (iv) The potential return on investment for the consolidated state  
29 data center and office building that may be realized without impairing  
30 any existing contractual rights under the terms of the financing lease  
31 and related agreements.

32 (c) This review must build upon the analysis and migration strategy  
33 for the consolidated state data center being prepared for the  
34 department of information services.

35 (d) The strategic plan must be submitted to the governor and the  
36 legislature by December 1, 2010.

37 (6) Appropriations in this section include amounts sufficient to

1 implement Engrossed Substitute House Bill No. 3178 (technology  
2 efficiencies).

3 **Sec. 1013.** 2011 c 5 s 117 (uncodified) is amended to read as  
4 follows:

5 **FOR THE OFFICE OF ADMINISTRATIVE HEARINGS**

6 Administrative Hearings Revolving Account--State  
7 Appropriation . . . . . ((~~\$34,468,000~~))  
8 \$34,805,000

9 The appropriation in this section is subject to the following  
10 conditions and limitations: \$725,000 of the administrative hearings  
11 revolving account--state appropriation is provided solely to implement  
12 Engrossed Second Substitute House Bill No. 2782 (security lifeline  
13 act). If the bill is not enacted by June 30, 2010, the amount provided  
14 in this subsection shall lapse.

15 **Sec. 1014.** 2011 c 5 s 118 (uncodified) is amended to read as  
16 follows:

17 **FOR THE COMMISSION ON HISPANIC AFFAIRS**

18 General Fund--State Appropriation (FY 2010) . . . . . \$250,000  
19 General Fund--State Appropriation (FY 2011) . . . . . ((~~\$227,000~~))  
20 \$226,000  
21 TOTAL APPROPRIATION . . . . . ((~~\$477,000~~))  
22 \$476,000

23 **Sec. 1015.** 2011 c 5 s 119 (uncodified) is amended to read as  
24 follows:

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

26 General Fund--State Appropriation (FY 2010) . . . . . \$243,000  
27 General Fund--State Appropriation (FY 2011) . . . . . ((~~\$210,000~~))  
28 \$221,000  
29 TOTAL APPROPRIATION . . . . . ((~~\$453,000~~))  
30 \$464,000

31 **Sec. 1016.** 2011 c 5 s 120 (uncodified) is amended to read as  
32 follows:

33 **FOR THE DEPARTMENT OF REVENUE**

34 General Fund--State Appropriation (FY 2010) . . . . . \$109,472,000

1	General Fund--State Appropriation (FY 2011) . . . . .	(( <del>\$107,662,000</del> ))
2		<u>\$107,169,000</u>
3	Timber Tax Distribution Account--State Appropriation . . . . .	\$5,933,000
4	Waste Reduction/Recycling/Litter Control--State	
5	Appropriation . . . . .	\$130,000
6	Waste Tire Removal Account--State Appropriation . . . . .	\$2,000
7	Real Estate Excise Tax Grant Account--State	
8	Appropriation . . . . .	\$3,429,000
9	State Toxics Control Account--State Appropriation . . . . .	\$87,000
10	Oil Spill Prevention Account--State Appropriation . . . . .	\$19,000
11	TOTAL APPROPRIATION . . . . .	(( <del>\$226,734,000</del> ))
12		<u>\$226,241,000</u>

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

15       (1) \$469,000 of the general fund--state appropriation for fiscal  
16 year 2010 and \$374,000 of the general fund--state appropriation for  
17 fiscal year 2011 are for the implementation of Substitute Senate Bill  
18 No. 5368 (annual property revaluation). If the bill is not enacted by  
19 June 30, 2009, the amounts in this subsection shall lapse.

20       (2) \$4,653,000 of the general fund--state appropriation for fiscal  
21 year 2010 and \$4,242,000 of the general fund--state appropriation for  
22 fiscal year 2011 are for the implementation of revenue enhancement  
23 strategies. The strategies must include increased out-of-state  
24 auditing and compliance, the purchase of third party data sources for  
25 enhanced audit selection, and increased traditional auditing and  
26 compliance efforts.

27       (3) \$3,127,000 of the general fund--state appropriation for fiscal  
28 year 2010 and \$1,737,000 of the general fund--state appropriation for  
29 fiscal year 2011 are for the implementation of Senate Bill No. 6173  
30 (sales tax compliance). If the bill is not enacted by June 30, 2009,  
31 the amounts provided in this subsection shall lapse.

32       (4) \$1,294,000 of the general fund--state appropriation for fiscal  
33 year 2010 and \$3,085,000 of the general fund--state appropriation for  
34 fiscal year 2011 are for the implementation of Second Engrossed  
35 Substitute Senate Bill No. 6143 (excise tax law modifications). If the  
36 bill is not enacted by June 30, 2010, the amounts provided in this  
37 subsection shall lapse.

1 (5) \$163,000 of the general fund--state appropriation for fiscal  
2 year 2011 is provided solely to implement Substitute Senate Bill No.  
3 6846 (enhanced 911 services). If the bill is not enacted by June 30,  
4 2010, the amount provided in this subsection shall lapse.

5 (6) \$304,000 of the general fund--state appropriation for fiscal  
6 year 2011 is provided solely for making the necessary preparations for  
7 implementation of the working families tax exemption pursuant to RCW  
8 82.08.0206 in 2012.

9 **Sec. 1017.** 2011 c 5 s 121 (uncodified) is amended to read as  
10 follows:

11 **FOR THE BOARD OF TAX APPEALS**

12	General Fund--State Appropriation (FY 2010) . . . . .	\$1,346,000
13	General Fund--State Appropriation (FY 2011) . . . . .	<del>(( \$1,195,000 ))</del>
14		<u>\$1,194,000</u>
15	TOTAL APPROPRIATION . . . . .	<del>(( \$2,541,000 ))</del>
16		<u>\$2,540,000</u>

17 **Sec. 1018.** 2011 c 5 s 122 (uncodified) is amended to read as  
18 follows:

19 **FOR THE DEPARTMENT OF GENERAL ADMINISTRATION**

20	General Fund--State Appropriation (FY 2010) . . . . .	\$815,000
21	General Fund--State Appropriation (FY 2011) . . . . .	<del>(( \$3,527,000 ))</del>
22		<u>\$3,524,000</u>
23	General Fund--Federal Appropriation . . . . .	\$2,956,000
24	Building Code Council Account--State Appropriation . . . . .	\$875,000
25	General Fund--Private/Local Appropriation . . . . .	\$84,000
26	General Administration Service Account--State	
27	Appropriation . . . . .	\$31,397,000
28	TOTAL APPROPRIATION . . . . .	<del>(( \$39,654,000 ))</del>
29		<u>\$39,651,000</u>

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

32 (1) \$28,000 of the general fund--state appropriation for fiscal  
33 year 2010 and \$14,000 of the general fund--state appropriation for  
34 fiscal year 2011 are provided solely for the purposes of section 8 of  
35 Engrossed Second Substitute Senate Bill No. 5854 (built environment

1 pollution). If section 8 of the bill is not enacted by June 30, 2009,  
2 the amounts provided in this subsection shall lapse.

3 (2) \$3,197,000 of the general fund--state appropriation for fiscal  
4 year 2011 is provided solely for the payment of facilities and services  
5 charges, utilities and contracts charges, public and historic  
6 facilities charges, and capital projects surcharges allocable to the  
7 senate, house of representatives, statute law committee, and joint  
8 legislative systems committee. The department shall allocate charges  
9 attributable to these agencies among the affected revolving funds. The  
10 department shall enter into an interagency agreement with these  
11 agencies by July 1, 2010, to establish performance standards,  
12 prioritization of preservation and capital improvement projects, and  
13 quality assurance provisions for the delivery of services under this  
14 subsection. The agencies named in this subsection shall continue to  
15 enjoy all of the same rights of occupancy, support, and space use on  
16 the capitol campus as historically established.

17 (3) \$84,000 of the general fund--private/local appropriation and  
18 \$593,000 of the building code council account--state appropriation are  
19 provided solely to implement Engrossed Second Substitute House Bill No.  
20 2658 (refocusing the department of commerce, including transferring  
21 programs). If the bill is not enacted by June 30, 2010, the amounts  
22 provided in this subsection shall lapse.

23 (4) In accordance with RCW 46.08.172 and 43.135.055, the department  
24 is authorized to increase parking fees in fiscal year 2011 as necessary  
25 to meet the actual costs of conducting business.

26 **Sec. 1019.** 2011 c 5 s 125 (uncodified) is amended to read as  
27 follows:

28 **FOR THE MILITARY DEPARTMENT**

29	General Fund--State Appropriation (FY 2010) . . . . .	\$9,350,000
30	General Fund--State Appropriation (FY 2011) . . . . .	<del>(\$7,898,000)</del>
31		<u>\$7,890,000</u>
32	General Fund--Federal Appropriation . . . . .	\$168,599,000
33	Enhanced 911 Account--State Appropriation . . . . .	\$44,508,000
34	Disaster Response Account--State Appropriation . . . . .	\$28,350,000
35	Disaster Response Account--Federal Appropriation . . . . .	\$114,496,000
36	Military Department Rent and Lease Account--State	
37	Appropriation . . . . .	\$612,000

1	Military Department Active State Service Account--Federal	
2	Appropriation . . . . .	\$592,000
3	Worker and Community Right-to-Know Account--State	
4	Appropriation . . . . .	\$341,000
5	Nisqually Earthquake Account--State Appropriation . . . . .	\$307,000
6	Nisqually Earthquake Account--Federal Appropriation . . . . .	\$1,067,000
7	TOTAL APPROPRIATION . . . . .	<del>(\$376,120,000)</del>
8		<u>\$376,112,000</u>

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

11       (1) \$28,326,000 of the disaster response account--state  
12 appropriation and \$114,496,000 of the disaster response  
13 account--federal appropriation may be spent only on disasters declared  
14 by the governor and with the approval of the office of financial  
15 management. The military department shall submit a report to the  
16 office of financial management and the legislative fiscal committees on  
17 October 1st and February 1st of each year detailing information on the  
18 disaster response account, including: (a) The amount and type of  
19 deposits into the account; (b) the current available fund balance as of  
20 the reporting date; and (c) the projected fund balance at the end of  
21 the 2009-2011 biennium based on current revenue and expenditure  
22 patterns.

23       (2) \$307,000 of the Nisqually earthquake account--state  
24 appropriation and \$1,067,000 of the Nisqually earthquake  
25 account--federal appropriation are provided solely for response and  
26 recovery costs associated with the February 28, 2001, earthquake. The  
27 military department shall submit a report to the office of financial  
28 management and the legislative fiscal committees on October 1st and  
29 February 1st of each year detailing earthquake recovery costs,  
30 including: (a) Estimates of total costs; (b) incremental changes from  
31 the previous estimate; (c) actual expenditures; (d) estimates of total  
32 remaining costs to be paid; and (e) estimates of future payments by  
33 biennium. This information shall be displayed by fund, by type of  
34 assistance, and by amount paid on behalf of state agencies or local  
35 organizations. The military department shall also submit a report  
36 quarterly to the office of financial management and the legislative  
37 fiscal committees detailing information on the Nisqually earthquake  
38 account, including: (a) The amount and type of deposits into the

1 account; (b) the current available fund balance as of the reporting  
2 date; and (c) the projected fund balance at the end of the 2009-2011  
3 biennium based on current revenue and expenditure patterns.

4 (3) \$85,000,000 of the general fund--federal appropriation is  
5 provided solely for homeland security, subject to the following  
6 conditions:

7 (a) Any communications equipment purchased by local jurisdictions  
8 or state agencies shall be consistent with standards set by the  
9 Washington state interoperability executive committee; and

10 (b) The department shall submit an annual report to the office of  
11 financial management and the legislative fiscal committees detailing  
12 the governor's domestic security advisory group recommendations;  
13 homeland security revenues and expenditures, including estimates of  
14 total federal funding for the state; and incremental changes from the  
15 previous estimate.

16 (4) \$500,000 of the general fund--state appropriation for fiscal  
17 year 2010 is provided solely for the military department to contract  
18 with the Washington information network 2-1-1 to operate a statewide 2-  
19 1-1 system. The department shall provide the entire amount for 2-1-1  
20 and may not use any of the funds for administrative purposes.

21 **Sec. 1020.** 2011 c 5 s 126 (uncodified) is amended to read as  
22 follows:

23 **FOR THE PUBLIC EMPLOYMENT RELATIONS COMMISSION**

24	General Fund--State Appropriation (FY 2010) . . . . .	\$2,667,000
25	General Fund--State Appropriation (FY 2011) . . . . .	<del>(\$2,345,000)</del>
26		<u>\$2,344,000</u>
27	Higher Education Personnel Services Account--State	
28	Appropriation . . . . .	\$250,000
29	Department of Personnel Service Account--State	
30	Appropriation . . . . .	\$3,263,000
31	TOTAL APPROPRIATION . . . . .	<del>(\$8,525,000)</del>
32		<u>\$8,524,000</u>

33 The appropriations in this section are subject to the following  
34 conditions and limitations: \$50,000 of the general fund--state  
35 appropriation for fiscal year 2011 is provided solely for  
36 implementation of Engrossed Substitute Senate Bill No. 6726 (language  
37 access provider bargaining).







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~~) 2011,  
24 unless specifically prohibited by this act, the department may transfer  
25 general fund--state appropriations for fiscal year (~~2010~~) 2011 among  
26 programs after approval by the director of financial management.  
27 However, the department shall not transfer state moneys that are  
28 provided solely for a specified purpose except as expressly provided in  
29 (b) of this 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  
32 (~~2010~~) 2011 caseload forecasts and utilization assumptions in the  
33 medical assistance, long-term care, foster care, adoptions support, and  
34 child support programs, the department may transfer state moneys that  
35 are 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. 1102.** 2011 c 5 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) . . . . .	\$315,002,000
24	General Fund--State Appropriation (FY 2011) . . . . .	<del>(\$287,643,000)</del>
25		<u>\$285,342,000</u>
26	General Fund--Federal Appropriation . . . . .	<del>(\$494,136,000)</del>
27		<u>\$494,749,000</u>
28	General Fund--Private/Local Appropriation . . . . .	\$3,320,000
29	Home Security Fund Appropriation . . . . .	\$8,406,000
30	Domestic Violence Prevention Account--State	
31	Appropriation . . . . .	\$1,154,000
32	Education Legacy Trust Account--State Appropriation . . . . .	\$725,000
33	TOTAL APPROPRIATION . . . . .	<del>(\$1,110,386,000)</del>
34		<u>\$1,108,698,000</u>

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

1 (1) \$937,000 of the general fund--state appropriation for fiscal  
2 year 2010 and \$696,000 of the general fund--state appropriation for  
3 fiscal year 2011 are provided solely to contract for the operation of  
4 one pediatric interim care facility. The facility shall provide  
5 residential care for up to thirteen children through two years of age.  
6 Seventy-five percent of the children served by the facility must be in  
7 need of special care as a result of substance abuse by their mothers.  
8 The facility shall also provide on-site training to biological,  
9 adoptive, or foster parents. The facility shall provide at least three  
10 months of consultation and support to parents accepting placement of  
11 children from the facility. The facility may recruit new and current  
12 foster and adoptive parents for infants served by the facility. The  
13 department shall not require case management as a condition of the  
14 contract.

15 (2) \$369,000 of the general fund--state appropriation for fiscal  
16 year 2010, \$343,000 of the general fund--state appropriation for fiscal  
17 year 2011, and \$306,000 of the general fund--federal appropriation are  
18 provided solely for up to three nonfacility-based programs for the  
19 training, consultation, support, and recruitment of biological, foster,  
20 and adoptive parents of children through age three in need of special  
21 care as a result of substance abuse by their mothers, except that each  
22 program may serve up to three medically fragile nonsubstance-abuse-  
23 affected children. In selecting nonfacility-based programs, preference  
24 shall be given to programs whose federal or private funding sources  
25 have expired or that have successfully performed under the existing  
26 pediatric interim care program.

27 (3) \$2,500,000 of the general fund--state appropriation for fiscal  
28 year 2010 and \$46,000 of the general fund--state appropriation for  
29 fiscal year 2011, and \$2,098,000 of the home security fund--state  
30 appropriation are provided solely for secure crisis residential  
31 centers. Within appropriated amounts, the department shall collaborate  
32 with providers to maintain no less than forty-five beds that are  
33 geographically representative of the state. The department shall  
34 examine current secure crisis residential staffing requirements,  
35 flexible payment options, center specific waivers, and other  
36 appropriate methods to accomplish this outcome.

37 (4) A maximum of \$69,190,000 of the general fund--state  
38 appropriations and \$54,443,000 of the general fund--federal

1 appropriations for the 2009-11 biennium shall be expended for  
2 behavioral rehabilitative services and these amounts are provided  
3 solely for this purpose. The department shall work with behavioral  
4 rehabilitative service providers to safely keep youth with emotional,  
5 behavioral, or medical needs at home, with relatives, or with other  
6 permanent placement resources and decrease the length of service  
7 through improved emotional, behavioral, or medical outcomes for  
8 children in behavioral rehabilitative services in order to achieve the  
9 appropriated levels.

10 (a) Contracted providers shall act in good faith and accept the  
11 hardest to serve children, to the greatest extent possible, in order to  
12 improve their emotional, behavioral, or medical conditions.

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

25 (c) The department is encouraged to use performance-based contracts  
26 with incentives directly tied to outcomes described in this section.  
27 The contracts should incentivize contracted providers to accept the  
28 hardest to serve children and incentivize improvement in children's  
29 emotional, mental, and medical well-being within the established exit  
30 date. The department is further encouraged to increase the use of  
31 behavioral rehabilitative service group homes, wrap around services to  
32 facilitate and support placement of youth at home with relatives, or  
33 other permanent resources, and other means to control expenditures.

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

37 (5) Within amounts provided for the foster care and adoption  
38 support programs, the department shall control reimbursement decisions

1 for foster care and adoption support cases such that the aggregate  
2 average cost per case for foster care and for adoption support does not  
3 exceed the amounts assumed in the projected caseload expenditures.

4 (6) \$13,387,000 of the general fund--state appropriation for fiscal  
5 year 2011 and \$6,231,000 of the general fund--federal appropriation are  
6 provided solely for the department to provide contracted prevention and  
7 early intervention services. The legislature recognizes the need for  
8 flexibility as the department transitions to performance-based  
9 contracts. The following services are included in the prevention and  
10 early intervention block grant: Crisis family intervention services,  
11 family preservation services, intensive family preservation services,  
12 evidence-based programs, public health nurses, and early family support  
13 services. The legislature intends for the department to maintain and  
14 build on existing evidence-based and research-based programs with the  
15 goal of utilizing contracted prevention and intervention services to  
16 keep children safe at home and to safely reunify families. Priority  
17 shall be given to proven intervention models, including evidence-based  
18 prevention and early intervention programs identified by the Washington  
19 state institute for public policy and the department. The department  
20 shall include information on the number, type, and outcomes of the  
21 evidence-based programs being implemented in its reports on child  
22 welfare reform efforts and shall provide the legislature and governor  
23 a report regarding the allocation of resources in this subsection by  
24 September 30, 2010. The department shall expend federal funds under  
25 this subsection in compliance with federal regulations.

26 (7) \$36,000 of the general fund--state appropriation for fiscal  
27 year 2010, \$34,000 of the general fund--state appropriation for fiscal  
28 year 2011, and \$29,000 of the general fund--federal appropriation are  
29 provided solely for the implementation of chapter 465, Laws of 2007  
30 (child welfare).

31 (8) \$125,000 of the general fund--state appropriation for fiscal  
32 year 2010 and \$118,000 of the general fund--state appropriation for  
33 fiscal year 2011 are provided solely for continuum of care services.  
34 \$100,000 of this amount is for Casey family partners and \$25,000 of  
35 this amount is for volunteers of America crosswalk in fiscal year 2010.  
36 \$95,000 of this amount is for Casey family partners and \$23,000 of this  
37 amount is for volunteers of America crosswalk in fiscal year 2011.

1 (9) \$1,904,000 of the general fund--state appropriation for fiscal  
2 year 2010, \$1,441,000 of the general fund--state appropriation for  
3 fiscal year 2011, and \$335,000 of the general fund--federal  
4 appropriation are provided solely to contract with medical  
5 professionals for comprehensive safety assessments of high-risk  
6 families and for foster care assessments. The safety assessments will  
7 use validated assessment tools to guide intervention decisions through  
8 the identification of additional safety and risk factors. The  
9 department will maintain the availability of comprehensive foster care  
10 assessments and follow up services for children in out-of-home care who  
11 do not have permanent plans, comprehensive safety assessments for  
12 families receiving in-home child protective services or family  
13 voluntary services, and comprehensive safety assessments for families  
14 with an infant age birth to fifteen days where the infant was, at  
15 birth, diagnosed as substance exposed and the department received an  
16 intake referral related to the infant due to the substance exposure.  
17 The department must consolidate contracts, streamline administration,  
18 and explore efficiencies to achieve savings.

19 (10) \$7,679,000 of the general fund--state appropriation for fiscal  
20 year 2010, \$6,226,000 of the general fund--state appropriation for  
21 fiscal year 2011, and \$4,658,000 of the general fund--federal  
22 appropriation are provided solely for court-ordered supervised visits  
23 between parents and dependent children and for sibling visits. The  
24 department shall work collaboratively with the juvenile dependency  
25 courts and revise the supervised visit reimbursement procedures to stay  
26 within appropriations without impeding reunification outcomes between  
27 parents and dependent children. The department shall report to the  
28 legislative fiscal committees on September 30, 2010, and December 30,  
29 2010, the number of children in foster care who receive supervised  
30 visits, their frequency, length of time of each visit, and whether  
31 reunification is attained.

32 (11) \$145,000 of the general fund--state appropriation for fiscal  
33 year 2010, \$817,000 of the general fund--state appropriation for fiscal  
34 year 2011, and \$668,000 of the home security fund--state appropriation  
35 is provided solely for street youth program services.

36 (12) \$1,522,000 of the general fund--state appropriation for fiscal  
37 year 2010, \$1,256,000 of the general fund--state appropriation for  
38 fiscal year 2011, and \$1,372,000 of the general fund--federal



1 appropriation are provided solely for the department to recruit foster  
2 parents. The recruitment efforts shall include collaborating with  
3 community-based organizations and current or former foster parents to  
4 recruit foster parents.

5 (13) \$493,000 of the general fund--state appropriation for fiscal  
6 year 2010, \$102,000 of the general fund--state appropriation for fiscal  
7 year 2011, \$466,000 of the general fund--private/local appropriation,  
8 \$182,000 of the general fund--federal appropriation, and \$725,000 of  
9 the education legacy trust account--state appropriation are provided  
10 solely for children's administration to contract with an educational  
11 advocacy provider with expertise in foster care educational outreach.  
12 Funding is provided solely for contracted education coordinators to  
13 assist foster children in succeeding in K-12 and higher education  
14 systems. Funding shall be prioritized to regions with high numbers of  
15 foster care youth and/or regions where backlogs of youth that have  
16 formerly requested educational outreach services exist. The department  
17 shall utilize private matching funds to maintain educational advocacy  
18 services.

19 (14) \$1,273,000 of the home security fund account--state  
20 appropriation is provided solely for HOPE beds.

21 (15) \$4,234,000 of the home security fund account--state  
22 appropriation is provided solely for the crisis residential centers.

23 (16) The appropriations in this section reflect reductions in the  
24 appropriations for the children's administration administrative  
25 expenses. It is the intent of the legislature that these reductions  
26 shall 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 (17) Within the amounts appropriated in this section, the  
30 department shall contract for a pilot project with family and community  
31 networks in Whatcom county and up to four additional counties to  
32 provide services. The pilot project shall be designed to provide a  
33 continuum of services that reduce out-of-home placements and the  
34 lengths of stay for children in out-of-home placement. The department  
35 and the community networks shall collaboratively select the additional  
36 counties for the pilot project and shall collaboratively design the  
37 contract. Within the framework of the pilot project, the contract  
38 shall seek to maximize federal funds. The pilot project in each county

1 shall include the creation of advisory and management teams which  
2 include members from neighborhood-based family advisory committees,  
3 residents, parents, youth, providers, and local and regional department  
4 staff. The Whatcom county team shall facilitate the development of  
5 outcome-based protocols and policies for the pilot project and develop  
6 a structure to oversee, monitor, and evaluate the results of the pilot  
7 projects. The department shall report the costs and savings of the  
8 pilot project to the appropriate committees of the legislature by  
9 November 1 of each year.

10 (18) \$157,000 of the general fund--state appropriation for fiscal  
11 year 2010 and \$78,000 of the general fund--state appropriation for  
12 fiscal year 2011 are provided solely for the department to contract  
13 with a nonprofit entity for a reunification pilot project in Whatcom  
14 and Skagit counties. The contract for the reunification pilot project  
15 shall include a rate of \$46.16 per hour for evidence-based  
16 interventions, in combination with supervised visits, to provide 3,564  
17 hours of services to reduce the length of stay for children in the  
18 child welfare system. The contract shall also include evidence-based  
19 intensive parenting skills building services and family support case  
20 management services for 38 families participating in the reunification  
21 pilot project. The contract shall include the flexibility for the  
22 nonprofit entity to subcontract with trained providers.

23 (19) \$303,000 of the general fund--state appropriation for fiscal  
24 year 2010, \$392,000 of the general fund--state appropriation for fiscal  
25 year 2011, and \$241,000 of the general fund--federal appropriation are  
26 provided solely to implement Engrossed Substitute House Bill No. 1961  
27 (increasing adoptions act). If the bill is not enacted by June 30,  
28 2009, the amounts provided in this subsection shall lapse.

29 (20) \$98,000 of the general fund--state appropriation for fiscal  
30 year 2010 and \$49,000 of the general fund--state appropriation for  
31 fiscal year 2011 are provided solely for the department to contract  
32 with an agency that is working in partnership with, and has been  
33 evaluated by, the University of Washington school of social work to  
34 implement promising practice constellation hub models of foster care  
35 support.

36 (21) The legislature intends for the department to reduce the time  
37 a child remains in the child welfare system. The department shall  
38 establish a measurable goal and report progress toward meeting that

1 goal to the legislature by January 15 of each fiscal year of the  
2 2009-11 fiscal biennium. To the extent that actual caseloads exceed  
3 those assumed in this section, it is the intent of the legislature to  
4 address those issues in a manner similar to all other caseload  
5 programs.

6 (22) \$715,000 of the general fund--state appropriation for fiscal  
7 year 2010 and \$671,000 of the general fund--state appropriation for  
8 fiscal year 2011 are provided solely for services provided through  
9 children's advocacy centers.

10 (23) \$10,000 of the general fund--state appropriation for fiscal  
11 year 2011 and \$3,000 of the general fund--federal appropriation are  
12 provided solely for implementation of chapter 224, Laws of 2010  
13 (confinement alternatives). If the bill is not enacted by June 30,  
14 2010, the amounts provided in this subsection shall lapse.

15 (24) \$1,867,000 of the general fund--state appropriation for fiscal  
16 year 2010, \$1,677,000 of the general fund--state appropriation for  
17 fiscal year 2011, and \$4,379,000 of the general fund--federal  
18 appropriation are provided solely for the department to contract for  
19 medicaid treatment child care (MTCC) services. Children's  
20 administration case workers, local public health nurses and case  
21 workers from the temporary assistance for needy families program shall  
22 refer children to MTCC services, as long as the children meet the  
23 eligibility requirements as outlined in the Washington state plan for  
24 the MTCC services.

25 (25) The department shall contract for at least one pilot project  
26 with adolescent services providers to deliver a continuum of short-term  
27 crisis stabilization services. The pilot project shall include  
28 adolescent services provided through secure crisis residential centers,  
29 crisis residential centers, and hope beds. The department shall work  
30 with adolescent service providers to maintain availability of  
31 adolescent services and maintain the delivery of services in a  
32 geographically representative manner. The department shall examine  
33 current staffing requirements, flexible payment options, center-  
34 specific licensing waivers, and other appropriate methods to achieve  
35 savings and streamline the delivery of services. The legislature  
36 intends for the pilot project to provide flexibility to the department  
37 to improve outcomes and to achieve more efficient utilization of  
38 existing resources, while meeting the statutory goals of the adolescent

1 services programs. The department shall provide an update to the  
2 appropriate legislative committees and governor on the status of the  
3 pilot project implementation by December 1, 2010.

4 (26) To ensure expenditures remain within available funds  
5 appropriated in this section as required by RCW 74.13A.005 and  
6 74.13A.020, the secretary shall not set the amount of any adoption  
7 assistance payment or payments, made pursuant to RCW 26.33.320 and  
8 74.13A.005 through 74.13A.080, to more than ninety percent of the  
9 foster care maintenance payment for that child had he or she remained  
10 in a foster family home during the same period. This subsection does  
11 not apply to adoption assistance agreements in existence on the  
12 effective date of this section.

13 (27) Receipts from fees per chapter 289, Laws of 2010, as deposited  
14 into the prostitution prevention and intervention account for services  
15 provided to sexually exploited children as defined in RCW 13.32A.030 in  
16 secure and semi-secure crisis residential centers with access to staff  
17 trained to meet their specific needs shall be used to expand capacity  
18 for secure crisis residential centers and not supplant existing  
19 funding.

20 ~~((28) The appropriations in this section reflect reductions to the  
21 foster care maintenance payment rates during fiscal year 2011.))~~

22 **Sec. 1103.** 2011 c 5 s 202 (uncodified) is amended to read as  
23 follows:

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

26	General Fund--State Appropriation (FY 2010) . . . . .	\$103,437,000
27	General Fund--State Appropriation (FY 2011) . . . . .	<del>(( \$90,240,000 ))</del>
28		<u>\$88,586,000</u>
29	General Fund--Federal Appropriation . . . . .	<del>(( \$1,715,000 ))</del>
30		<u>\$1,734,000</u>
31	General Fund--Private/Local Appropriation . . . . .	<del>(( \$1,899,000 ))</del>
32		<u>\$1,931,000</u>
33	Washington Auto Theft Prevention Authority Account--	
34	State Appropriation . . . . .	\$3,896,000
35	Juvenile Accountability Incentive Account--Federal	
36	Appropriation . . . . .	\$2,805,000
37	State Efficiency and Restructuring Account--State	

1	Appropriation . . . . .	\$4,958,000
2	TOTAL APPROPRIATION . . . . .	<del>(\$208,950,000)</del>
3		<u>\$207,347,000</u>

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

6 (1) \$353,000 of the general fund--state appropriation for fiscal  
7 year 2010 and \$331,000 of the general fund--state appropriation for  
8 fiscal year 2011 are provided solely for deposit in the county criminal  
9 justice assistance account for costs to the criminal justice system  
10 associated with the implementation of chapter 338, Laws of 1997  
11 (juvenile code revisions). The amounts provided in this subsection are  
12 intended to provide funding for county adult court costs associated  
13 with the implementation of chapter 338, Laws of 1997 and shall be  
14 distributed in accordance with RCW 82.14.310.

15 (2) \$3,408,000 of the general fund--state appropriation for fiscal  
16 year 2010 and \$2,716,000 of the general fund--state appropriation for  
17 fiscal year 2011 are provided solely for the implementation of chapter  
18 338, Laws of 1997 (juvenile code revisions). The amounts provided in  
19 this subsection are intended to provide funding for county impacts  
20 associated with the implementation of chapter 338, Laws of 1997 and  
21 shall be distributed to counties as prescribed in the current  
22 consolidated juvenile services (CJS) formula.

23 (3) \$3,716,000 of the general fund--state appropriation for fiscal  
24 year 2010 and \$3,482,000 of the general fund--state appropriation for  
25 fiscal year 2011 are provided solely to implement community juvenile  
26 accountability grants pursuant to chapter 338, Laws of 1997 (juvenile  
27 code revisions). Funds provided in this subsection may be used solely  
28 for community juvenile accountability grants, administration of the  
29 grants, and evaluations of programs funded by the grants.

30 (4) \$1,427,000 of the general fund--state appropriation for fiscal  
31 year 2010 and \$1,130,000 of the general fund--state appropriation for  
32 fiscal year 2011 are provided solely to implement alcohol and substance  
33 abuse treatment programs for locally committed offenders. The juvenile  
34 rehabilitation administration shall award these moneys on a competitive  
35 basis to counties that submitted a plan for the provision of services  
36 approved by the division of alcohol and substance abuse. The juvenile  
37 rehabilitation administration shall develop criteria for evaluation of

1 plans submitted and a timeline for awarding funding and shall assist  
2 counties in creating and submitting plans for evaluation.

3 (5) \$3,066,000 of the general fund--state appropriation for fiscal  
4 year 2010 and \$2,873,000 of the general fund--state appropriation for  
5 fiscal year 2011 are provided solely for grants to county juvenile  
6 courts for the following programs identified by the Washington state  
7 institute for public policy (institute) in its October 2006 report:  
8 "Evidence-Based Public Policy Options to Reduce Future Prison  
9 Construction, Criminal Justice Costs and Crime Rates": Functional  
10 family therapy, multi-systemic therapy, aggression replacement training  
11 and interagency coordination programs, or other programs with a  
12 positive benefit-cost finding in the institute's report. County  
13 juvenile courts shall apply to the juvenile rehabilitation  
14 administration for funding for program-specific participation and the  
15 administration shall provide grants to the courts consistent with the  
16 per-participant treatment costs identified by the institute.

17 (6) \$1,287,000 of the general fund--state appropriation for fiscal  
18 year 2010 and \$1,287,000 of the general fund--state appropriation for  
19 fiscal year 2011 are provided solely for expansion of the following  
20 treatments and therapies in juvenile rehabilitation administration  
21 programs identified by the Washington state institute for public policy  
22 in its October 2006 report: "Evidence-Based Public Policy Options to  
23 Reduce Future Prison Construction, Criminal Justice Costs and Crime  
24 Rates": Multidimensional treatment foster care, family integrated  
25 transitions, and aggression replacement training. The administration  
26 may concentrate delivery of these treatments and therapies at a limited  
27 number of programs to deliver the treatments in a cost-effective  
28 manner.

29 (7)(a) For the fiscal year ending June 30, 2011, the juvenile  
30 rehabilitation administration shall administer a block grant, rather  
31 than categorical funding, of consolidated juvenile service funds,  
32 community juvenile accountability act grants, the chemical dependency  
33 disposition alternative funds, the mental health disposition  
34 alternative, and the sentencing disposition alternative for the purpose  
35 of serving youth adjudicated in the juvenile justice system. In making  
36 the block grant, the juvenile rehabilitation administration shall  
37 follow the following formula and will prioritize evidence-based  
38 programs and disposition alternatives and take into account juvenile

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

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

28 (c) The juvenile rehabilitation administration and the juvenile  
29 courts shall establish a block grant funding formula oversight  
30 committee with equal representation from the juvenile rehabilitation  
31 administration and the juvenile courts. The purpose of this committee  
32 is to assess the ongoing implementation of the block grant funding  
33 formula, utilizing data-driven decision making and the most current  
34 available information. The committee will be cochaired by the juvenile  
35 rehabilitation administration and the juvenile courts, who will also  
36 have the ability to change members of the committee as needed to  
37 achieve its purpose. Initial members will include one juvenile court  
38 representative from the finance committee, the community juvenile

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

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

33 (e) By December 1, 2010, the Washington state institute for public  
34 policy shall report to the office of financial management and  
35 appropriate committees of the legislature on the administration of the  
36 block grant authorized in this subsection. The report shall include  
37 the criteria used for allocating the funding as a block grant and the



1 participation targets and actual participation in the programs subject  
2 to the block grant.

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

17 (9) The appropriations in this section assume savings associated  
18 with the transfer of youthful offenders age eighteen or older whose  
19 sentences extend beyond age twenty-one to the department of corrections  
20 to complete their sentences. Prior to transferring an offender to the  
21 department of corrections, the juvenile rehabilitation administration  
22 shall evaluate the offender to determine the offender's physical and  
23 emotional suitability for transfer.

24 **Sec. 1104.** 2011 c 5 s 203 (uncodified) is amended to read as  
25 follows:

26 **FOR THE DEPARTMENT OF SOCIAL AND HEALTH SERVICES--MENTAL HEALTH**  
27 **PROGRAM**

28 (1) COMMUNITY SERVICES/REGIONAL SUPPORT NETWORKS

29	General Fund--State Appropriation (FY 2010) . . . . .	\$273,648,000
30	General Fund--State Appropriation (FY 2011) . . . . .	(( <del>\$263,993,000</del> ))
31		<u>\$271,260,000</u>
32	General Fund--Federal Appropriation . . . . .	(( <del>\$520,024,000</del> ))
33		<u>\$513,373,000</u>
34	General Fund--Private/Local Appropriation . . . . .	\$16,951,000
35	Hospital Safety Net Assessment Fund--State	
36	Appropriation . . . . .	\$3,476,000
37	TOTAL APPROPRIATION . . . . .	(( <del>\$1,078,092,000</del> ))

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

(a) \$113,689,000 of the general fund--state appropriation for fiscal year 2010 and \$101,089,000 of the general fund--state appropriation for fiscal year 2011 are provided solely for persons and services not covered by the medicaid program. This is a reduction of \$11,606,000 each fiscal year from the nonmedicaid funding that was allocated for expenditure by regional support networks during fiscal year 2009 prior to supplemental budget reductions. This \$11,606,000 reduction shall be distributed among regional support networks proportional to each network's share of the total state population. To the extent possible, levels of regional support network spending shall be maintained in the following priority order: (i) Crisis and commitment services; (ii) community inpatient services; and (iii) residential care services, including personal care and emergency housing assistance.

(b) \$10,400,000 of the general fund--state appropriation for fiscal year 2010, \$8,814,000 of the general fund--state appropriation for fiscal year 2011, and \$1,300,000 of the general fund--federal appropriation are provided solely for the department and regional support networks to contract for implementation of high-intensity program for active community treatment (PACT) teams. The department shall work with regional support networks and the center for medicare and medicaid services to integrate eligible components of the PACT service delivery model into medicaid capitation rates no later than January 2011, while maintaining consistency with all essential elements of the PACT evidence-based practice model.

(c) \$6,500,000 of the general fund--state appropriation for fiscal year 2010 and \$6,091,000 of the general fund--state appropriation for fiscal year 2011 are provided solely for the western Washington regional support networks to provide either community- or hospital campus-based services for persons who require the level of care provided by the program for adaptive living skills (PALS) at western state hospital.

(d) The number of nonforensic beds allocated for use by regional support networks at eastern state hospital shall be 192 per day. The number of nonforensic beds allocated for use by regional support

1 networks at western state hospital shall be 617 per day during the  
2 first quarter of fiscal year 2010, 587 per day through the second  
3 quarter of fiscal year 2011, and 557 per day thereafter. Beds in the  
4 program for adaptive living skills (PALS) are not included in the  
5 preceding bed allocations. The department shall separately charge  
6 regional support networks for persons served in the PALS program.

7 (e) From the general fund--state appropriations in this subsection,  
8 the secretary of social and health services shall assure that regional  
9 support networks reimburse the aging and disability services  
10 administration for the general fund--state cost of medicaid personal  
11 care services that enrolled regional support network consumers use  
12 because of their psychiatric disability.

13 (f) \$4,582,000 of the general fund--state appropriation for fiscal  
14 year 2010 and \$4,582,000 of the general fund--state appropriation for  
15 fiscal year 2011 are provided solely for mental health services for  
16 mentally ill offenders while confined in a county or city jail and for  
17 facilitating access to programs that offer mental health services upon  
18 release from confinement.

19 (g) The department is authorized to continue to contract directly,  
20 rather than through contracts with regional support networks, for  
21 children's long-term inpatient facility services.

22 (h) \$750,000 of the general fund--state appropriation for fiscal  
23 year 2010 and \$703,000 of the general fund--state appropriation for  
24 fiscal year 2011 are provided solely to continue performance-based  
25 incentive contracts to provide appropriate community support services  
26 for individuals with severe mental illness who were discharged from the  
27 state hospitals as part of the expanding community services initiative.  
28 These funds will be used to enhance community residential and support  
29 services provided by regional support networks through other state and  
30 federal funding.

31 (i) \$1,500,000 of the general fund--state appropriation for fiscal  
32 year 2010 and \$1,500,000 of the general fund--state appropriation for  
33 fiscal year 2011 are provided solely for the Spokane regional support  
34 network to implement services to reduce utilization and the census at  
35 eastern state hospital. Such services shall include:

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

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

4 (iii) Mental health services provided in nursing facilities to  
5 individuals with dementia, and consultation to facility staff treating  
6 those individuals; and

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

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

12 (j) The department shall return to the Spokane regional support  
13 network fifty percent of the amounts assessed against the network  
14 during the last six months of calendar year 2009 for state hospital  
15 utilization in excess of its contractual limit. The regional support  
16 network shall use these funds for operation during its initial months  
17 of a new sixteen-bed evaluation and treatment facility that will enable  
18 the network to reduce its use of the state hospital, and for diversion  
19 and community support services for persons with dementia who would  
20 likely otherwise require care at the state hospital.

21 (k) The department is directed to identify and implement program  
22 efficiencies and benefit changes in its delivery of medicaid managed-  
23 care services that are sufficient to operate within the state and  
24 federal appropriations in this section. Such actions may include but  
25 are not limited to methods such as adjusting the care access standards;  
26 improved utilization management of ongoing, recurring, and high-  
27 intensity services; and increased uniformity in provider payment rates.  
28 The department shall ensure that the capitation rate adjustments  
29 necessary to accomplish these efficiencies and changes are distributed  
30 uniformly and equitably across all regional support networks statewide.  
31 The department is directed to report to the relevant legislative fiscal  
32 and policy committees at least thirty days prior to implementing rate  
33 adjustments reflecting these changes.

34 (l) In developing the new medicaid managed care rates under which  
35 the public mental health managed care system will operate during the  
36 five years beginning in fiscal year 2011, the department should seek to  
37 estimate the reasonable and necessary cost of efficiently and  
38 effectively providing a comparable set of medically necessary mental

1 health benefits to persons of different acuity levels regardless of  
2 where in the state they live. Actual prior period spending in a  
3 regional administrative area shall not be a key determinant of future  
4 payment rates. The department shall report to the office of financial  
5 management and to the relevant fiscal and policy committees of the  
6 legislature on its proposed new waiver and mental health managed care  
7 rate-setting approach by October 1, 2009, and again at least sixty days  
8 prior to implementation of new capitation rates.

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

21 (n) \$1,529,000 of the general fund--state appropriation for fiscal  
22 year 2010 and \$1,529,000 of the general fund--state appropriation for  
23 fiscal year 2011 are provided solely to reimburse Pierce and Spokane  
24 counties for the cost of conducting 180-day commitment hearings at the  
25 state psychiatric hospitals.

26 (o) The legislature intends and expects that regional support  
27 networks and contracted community mental health agencies shall make all  
28 possible efforts to, at a minimum, maintain current compensation levels  
29 of direct care staff. Such efforts shall include, but not be limited  
30 to, identifying local funding that can preserve client services and  
31 staff compensation, achieving administrative reductions at the regional  
32 support network level, and engaging stakeholders on cost-savings ideas  
33 that maintain client services and staff compensation. For purposes of  
34 this section, "direct care staff" means persons employed by community  
35 mental health agencies whose primary responsibility is providing direct  
36 treatment and support to people with mental illness, or whose primary  
37 responsibility is providing direct support to such staff in areas such

1 as client scheduling, client intake, client reception, client records-  
2 keeping, and facilities maintenance.

3 (p) Regional support networks may use local funds to earn  
4 additional federal medicaid match, provided the locally matched rate  
5 does not exceed the upper-bound of their federally allowable rate  
6 range, and provided that the enhanced funding is used only to provide  
7 medicaid state plan or waiver services to medicaid clients.  
8 Additionally, regional support networks may use a portion of the state  
9 funds allocated in accordance with (a) of this subsection to earn  
10 additional medicaid match, but only to the extent that the application  
11 of such funds to medicaid services does not diminish the level of  
12 crisis and commitment, community inpatient, residential care, and  
13 outpatient services presently available to persons not eligible for  
14 medicaid.

15 (2) INSTITUTIONAL SERVICES

16	General Fund--State Appropriation (FY 2010) . . . . .	\$119,423,000
17	General Fund--State Appropriation (FY 2011) . . . . .	<del>(\$112,514,000)</del>
18		<u>\$111,365,000</u>
19	General Fund--Federal Appropriation . . . . .	<del>(\$152,195,000)</del>
20		<u>\$154,399,000</u>
21	General Fund--Private/Local Appropriation . . . . .	<del>(\$63,873,000)</del>
22		<u>\$64,789,000</u>
23	TOTAL APPROPRIATION . . . . .	<del>(\$448,005,000)</del>
24		<u>\$449,976,000</u>

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

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

30 (b) \$231,000 of the general fund--state appropriation for fiscal  
31 year 2008 and \$216,000 of the general fund--state appropriation for  
32 fiscal year 2009 are provided solely for a community partnership  
33 between western state hospital and the city of Lakewood to support  
34 community policing efforts in the Lakewood community surrounding  
35 western state hospital. The amounts provided in this subsection (2)(b)  
36 are for the salaries, benefits, supplies, and equipment for one full-  
37 time investigator, one full-time police officer, and one full-time  
38 community service officer at the city of Lakewood.

1 (c) \$45,000 of the general fund--state appropriation for fiscal  
2 year 2010 and \$42,000 of the general fund--state appropriation for  
3 fiscal year 2011 are provided solely for payment to the city of  
4 Lakewood for police services provided by the city at western state  
5 hospital and adjacent areas.

6 (d) \$187,000 of the general fund--state appropriation for fiscal  
7 year 2011 is provided solely for support of the psychiatric security  
8 review panel established pursuant to Senate Bill No. 6610. If Senate  
9 Bill No. 6610 is not enacted by June 30, 2010, the amount provided in  
10 this subsection shall lapse.

11 (3) SPECIAL PROJECTS

12	General Fund--State Appropriation (FY 2010) . . . . .	\$1,819,000
13	General Fund--State Appropriation (FY 2011) . . . . .	\$1,961,000
14	General Fund--Federal Appropriation . . . . .	<del>(\$2,142,000)</del>
15		<u>\$2,538,000</u>
16	TOTAL APPROPRIATION . . . . .	<del>(\$5,922,000)</del>
17		<u>\$6,318,000</u>

18 The appropriations in this subsection are subject to the following  
19 conditions and limitations:

20 (a) \$1,511,000 of the general fund--state appropriation for fiscal  
21 year 2010 and \$1,416,000 of the general fund--state appropriation for  
22 fiscal year 2011 are provided solely for children's evidence based  
23 mental health services. Funding is sufficient to continue serving  
24 children at the same levels as fiscal year 2009.

25 (b) \$94,000 of the general fund--state appropriation for fiscal  
26 year 2011 is provided solely for consultation, training, and technical  
27 assistance to regional support networks on strategies for effective  
28 service delivery in very sparsely populated counties.

29 (c) \$56,000 of the general fund--state appropriation for fiscal  
30 year 2011 is provided solely for the department to contract with the  
31 Washington state institute for public policy for completion of the  
32 research reviews to be conducted in accordance with chapter 263, Laws  
33 of 2010.

34 (d) \$56,000 of the general fund--state appropriation for fiscal  
35 year 2011 is provided solely for the department to contract with the  
36 Washington state institute for public policy for completion of the  
37 research reviews to be conducted in accordance with section 1, chapter  
38 280, Laws of 2010.

1 (e) \$56,000 of the general fund--state appropriation for fiscal  
 2 year 2011 is provided solely for implementation of sections 2 and 3,  
 3 chapter 280, Laws of 2010. The department shall use these funds to  
 4 contract with the Washington state institute for public policy for  
 5 completion of an assessment of (i) the extent to which the number of  
 6 persons involuntarily committed for 3, 14, and 90 days is likely to  
 7 increase as a result of the revised commitment standards; (ii) the  
 8 availability of community treatment capacity to accommodate that  
 9 increase; (iii) strategies for cost-effectively leveraging state,  
 10 local, and private resources to increase community involuntary  
 11 treatment capacity; and (iv) the extent to which increases in  
 12 involuntary commitments are likely to be offset by reduced utilization  
 13 of correctional facilities, publicly-funded medical care, and state  
 14 psychiatric hospitalizations.

15 (4) PROGRAM SUPPORT

16	General Fund--State Appropriation (FY 2010) . . . . .	\$4,078,000
17	General Fund--State Appropriation (FY 2011) . . . . .	<del>(\$3,722,000)</del>
18		<u>\$4,002,000</u>
19	General Fund--Federal Appropriation . . . . .	<del>(\$7,207,000)</del>
20		<u>\$6,920,000</u>
21	TOTAL APPROPRIATION . . . . .	<del>(\$15,007,000)</del>
22		<u>\$15,000,000</u>

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

31 **Sec. 1105.** 2011 c 5 s 204 (uncodified) is amended to read as  
 32 follows:

33 **FOR THE DEPARTMENT OF SOCIAL AND HEALTH SERVICES--DEVELOPMENTAL**  
 34 **DISABILITIES PROGRAM**

35 (1) COMMUNITY SERVICES

36	General Fund--State Appropriation (FY 2010) . . . . .	\$307,348,000
37	General Fund--State Appropriation (FY 2011) . . . . .	<del>(\$321,752,000)</del>



1		<u>\$329,639,000</u>
2	General Fund--Federal Appropriation . . . . .	(( <del>\$890,274,000</del> ))
3		<u>\$870,232,000</u>
4	TOTAL APPROPRIATION . . . . .	(( <del>\$1,519,374,000</del> ))
5		<u>\$1,507,219,000</u>

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

8 (a) Individuals receiving services as supplemental security income  
9 (SSI) state supplemental payments shall not become eligible for medical  
10 assistance under RCW 74.09.510 due solely to the receipt of SSI state  
11 supplemental payments.

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

20 (ii) \$508,000 of the general fund--state appropriation for fiscal  
21 year 2011 and \$822,000 of the general fund--federal appropriation are  
22 provided solely for the department to partially restore the reductions  
23 to in-home care that are taken in (b)(i) of this subsection. The  
24 department will use the same formula to restore personal care hours  
25 that it used to reduce personal care hours.

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

36 (d) \$302,000 of the general fund--state appropriation for fiscal  
37 year 2010, \$831,000 of the general fund--state appropriation for fiscal  
38 year 2011, and \$1,592,000 of the general fund--federal appropriation

1 are provided solely for health care benefits pursuant to a collective  
2 bargaining agreement negotiated with the exclusive bargaining  
3 representative of individual providers established under RCW  
4 74.39A.270.

5 (e)(i) \$682,000 of the general fund--state appropriation for fiscal  
6 year 2010, \$1,651,000 of the general fund--state appropriation for  
7 fiscal year 2011, and \$1,678,000 of the general fund--federal  
8 appropriation are provided solely for the state's contribution to the  
9 training partnership, as provided in RCW 74.39A.360, pursuant to a  
10 collective bargaining agreement negotiated with the exclusive  
11 bargaining representative of individual providers established under RCW  
12 74.39A.270.

13 (ii) The federal portion of the amounts in this subsection (g) is  
14 contingent upon federal approval of participation in contributions to  
15 the trust and shall remain unallotted and placed in reserve status  
16 until the office of financial management and the department of social  
17 and health services receive federal approval.

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

20 (f) Within the amounts appropriated in this subsection (1), the  
21 department shall implement all necessary rules to facilitate the  
22 transfer to a department home and community-based services (HCBS)  
23 waiver of all eligible individuals who (i) currently receive services  
24 under the existing state-only employment and day program or the  
25 existing state-only residential program, and (ii) otherwise meet the  
26 waiver eligibility requirements. The amounts appropriated are  
27 sufficient to ensure that all individuals currently receiving services  
28 under the state-only employment and day and state-only residential  
29 programs who are not transferred to a department HCBS waiver will  
30 continue to receive services.

31 (g) In addition to other reductions, the appropriations in this  
32 subsection reflect reductions targeted specifically to state government  
33 administrative costs. These administrative reductions shall be  
34 achieved, to the greatest extent possible, by reducing those  
35 administrative costs that do not affect direct client services or  
36 direct service delivery or programs.

37 (h) The department shall not pay a home care agency licensed under

1 chapter 70.127 RCW for personal care services provided by a family  
2 member, pursuant to Substitute House Bill No. 2361 (modifying state  
3 payments for in-home care).

4 (i) Within the appropriations of this section, the department shall  
5 reduce all seventeen payment levels of the seventeen-level payment  
6 system from the fiscal year 2009 levels for boarding homes, boarding  
7 homes contracted as assisted living, and adult family homes. Excluded  
8 from the reductions are exceptional care rate add-ons. The long-term  
9 care program may develop add-ons to pay exceptional care rates to adult  
10 family homes and boarding homes with specialty contracts to provide  
11 support for the following specifically eligible clients:

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

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

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

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

22 (j) The amounts appropriated in this subsection reflect a reduction  
23 in funds available for employment and day services. In administering  
24 this reduction the department shall negotiate with counties and their  
25 vendors so that this reduction, to the greatest extent possible, is  
26 achieved by reducing vendor rates and allowable contract administrative  
27 charges (overhead) and not through reductions to direct client services  
28 or direct service delivery or programs.

29 (k) As part of the needs assessment instrument, the department may  
30 collect data on family income for minor children with developmental  
31 disabilities and all individuals who are receiving state-only funded  
32 services. The department may ensure that this information is collected  
33 as part of the client assessment process.

34 (l) \$116,000 of the general fund--state appropriation for fiscal  
35 year 2010, \$2,133,000 of the general fund--state appropriation for  
36 fiscal year 2011, and \$1,772,000 of the general fund--federal  
37 appropriation are provided solely for employment services and required  
38 waiver services. Priority consideration for this new funding shall be

1 young adults with developmental disabilities living with their family  
2 who need employment opportunities and assistance after high school  
3 graduation. Services shall be provided for both waiver and nonwaiver  
4 clients.

5 (m) \$81,000 of the general fund--state appropriation for fiscal  
6 year 2010, \$599,000 of the general fund--state appropriation for fiscal  
7 year 2011, and \$1,111,000 of the general fund--federal appropriation  
8 are provided solely for the department to provide employment and day  
9 services for eligible students who are currently on a waiver and will  
10 graduate from high school during fiscal years 2010 and 2011.

11 (n) The automatic award of additional hours of personal care for  
12 people with special meal preparation or incontinence needs is  
13 eliminated. Authorization of service hours will be based upon the  
14 individual's assessed needs.

15 (o) \$75,000 of the general fund--state appropriation for fiscal  
16 year 2011 is provided solely for the restoration of direct support to  
17 local organizations that utilize parent-to-parent networks and  
18 communication to promote access and quality of care for individuals  
19 with developmental disabilities and their families.

20 (2) INSTITUTIONAL SERVICES

21	General Fund--State Appropriation (FY 2010) . . . . .	\$61,422,000
22	General Fund--State Appropriation (FY 2011) . . . . .	<del>(\$62,551,000)</del>
23		<u>\$66,554,000</u>
24	General Fund--Federal Appropriation . . . . .	<del>(\$205,440,000)</del>
25		<u>\$200,262,000</u>
26	General Fund--Private/Local Appropriation . . . . .	<del>(\$22,357,000)</del>
27		<u>\$22,657,000</u>
28	TOTAL APPROPRIATION . . . . .	<del>(\$351,770,000)</del>
29		<u>\$350,895,000</u>

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

32 (a) Individuals receiving services as supplemental security income  
33 (SSI) state supplemental payments shall not become eligible for medical  
34 assistance under RCW 74.09.510 due solely to the receipt of SSI state  
35 supplemental payments.

36 (b) The developmental disabilities program is authorized to use  
37 funds appropriated in this subsection to purchase goods and supplies

1 through direct contracting with vendors when the program determines it  
2 is cost-effective to do so.

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

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

16 (3) PROGRAM SUPPORT

17	General Fund--State Appropriation (FY 2010) . . . . .	\$1,407,000
18	General Fund--State Appropriation (FY 2011) . . . . .	\$1,341,000
19	General Fund--Federal Appropriation . . . . .	<del>(\$1,263,000)</del>
20		<u>\$1,277,000</u>
21	TOTAL APPROPRIATION . . . . .	<del>(\$4,011,000)</del>
22		<u>\$4,025,000</u>

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

30 (4) SPECIAL PROJECTS

31	General Fund--Federal Appropriation . . . . .	<del>(\$10,171,000)</del>
32		<u>\$10,157,000</u>

33 The appropriation in this subsection is subject to the following  
34 conditions and limitations: The appropriations in this subsection are  
35 available solely for the infant toddler early intervention program and  
36 the money follows the person program as defined by this federal grant.

1       **Sec. 1106.** 2011 c 5 s 205 (uncodified) is amended to read as  
2 follows:

3 **FOR THE DEPARTMENT OF SOCIAL AND HEALTH SERVICES--AGING AND ADULT**  
4 **SERVICES PROGRAM**

5	General Fund--State Appropriation (FY 2010) . . . . .	\$616,837,000
6	General Fund--State Appropriation (FY 2011) . . . . .	<del>(\$606,962,000)</del>
7		<u>\$647,131,000</u>
8	General Fund--Federal Appropriation . . . . .	<del>(\$1,917,607,000)</del>
9		<u>\$1,905,500,000</u>
10	General Fund--Private/Local Appropriation . . . . .	\$18,013,000
11	Traumatic Brain Injury Account--State Appropriation . . . . .	\$4,136,000
12	TOTAL APPROPRIATION . . . . .	<del>(\$3,163,555,000)</del>
13		<u>\$3,191,617,000</u>

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

16       (1) For purposes of implementing chapter 74.46 RCW, the weighted  
17 average nursing facility payment rate shall not exceed \$169.85 for  
18 fiscal year 2010 and shall not exceed \$161.86 for fiscal year 2011,  
19 including the rate add-on described in subsection (12) of this section.  
20 There will be no adjustments for economic trends and conditions in  
21 fiscal years 2010 and 2011. The economic trends and conditions factor  
22 or factors defined in the biennial appropriations act shall not be  
23 compounded with the economic trends and conditions factor or factors  
24 defined in any other biennial appropriations acts before applying it to  
25 the component rate allocations established in accordance with chapter  
26 74.46 RCW. When no economic trends and conditions factor for either  
27 fiscal year is defined in a biennial appropriations act, no economic  
28 trends and conditions factor or factors defined in any earlier biennial  
29 appropriations act shall be applied solely or compounded to the  
30 component rate allocations established in accordance with chapter 74.46  
31 RCW.

32       (2) After examining actual nursing facility cost information, the  
33 legislature finds that the medicaid nursing facility rates calculated  
34 pursuant to Substitute House Bill No. 3202 or Substitute Senate Bill  
35 No. 6872 (nursing facility medicaid payments) provide sufficient  
36 reimbursement to efficient and economically operating nursing  
37 facilities and bears a reasonable relationship to costs.

1 (3) In accordance with chapter 74.46 RCW, the department shall  
2 issue no additional certificates of capital authorization for fiscal  
3 year 2010 and no new certificates of capital authorization for fiscal  
4 year 2011 and shall grant no rate add-ons to payment rates for capital  
5 improvements not requiring a certificate of need and a certificate of  
6 capital authorization for fiscal year 2011.

7 (4) The long-term care program may develop and pay enhanced rates  
8 for exceptional care to nursing homes for persons with traumatic brain  
9 injuries who are transitioning from hospital care. The cost per  
10 patient day for caring for these clients in a nursing home setting may  
11 be equal to or less than the cost of caring for these clients in a  
12 hospital setting.

13 (5) Within the appropriations of this section, the department shall  
14 reduce all seventeen payment levels of the seventeen-level payment  
15 system from the fiscal year 2009 levels for boarding homes, boarding  
16 homes contracted as assisted living, and adult family homes. Excluded  
17 from the reductions are exceptional care rate add-ons. The long-term  
18 care program may develop add-ons to pay exceptional care rates to adult  
19 family homes and boarding homes with specialty contracts to provide  
20 support for the following specifically eligible clients:

21 (a) Persons with AIDS or HIV-related diseases who might otherwise  
22 require nursing home or hospital care;

23 (b) Persons with Alzheimer's disease and related dementia who might  
24 otherwise require nursing home care; and

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

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

31 (6)(a) Amounts appropriated in this section reflect a reduction to  
32 funds appropriated for in-home care. The department shall reduce the  
33 number of in-home hours authorized. The reduction shall be scaled  
34 based on the acuity level of care recipients. The largest hour  
35 reductions shall be to lower acuity patients and the smallest hour  
36 reductions shall be to higher acuity patients. In doing so, the  
37 department shall comply with all maintenance of effort requirements  
38 contained in the American reinvestment and recovery act.

1 (b) \$3,070,000 of the general fund--state appropriation for fiscal  
2 year 2011 and \$4,980,000 of the general fund--federal appropriation are  
3 provided solely for the department to partially restore the reduction  
4 to in-home care that are taken in (a) of this subsection. The  
5 department will use the same formula to restore personal care hours  
6 that it used to reduce personal care hours.

7 (7) \$536,000 of the general fund--state appropriation for fiscal  
8 year 2010, \$1,477,000 of the general fund--state appropriation for  
9 fiscal year 2011, and \$2,830,000 of the general fund--federal  
10 appropriation are provided solely for health care benefits pursuant to  
11 a collective bargaining agreement negotiated with the exclusive  
12 bargaining representative of individual providers established under RCW  
13 74.39A.270.

14 (8)(a) \$1,212,000 of the general fund--state appropriation for  
15 fiscal year 2010, \$2,934,000 of the general fund--state appropriation  
16 for fiscal year 2011, and \$2,982,000 of the general fund--federal  
17 appropriation are provided solely for the state's contribution to the  
18 training partnership, as provided in RCW 74.39A.360, pursuant to a  
19 collective bargaining agreement negotiated with the exclusive  
20 bargaining representative of individual providers established under RCW  
21 74.39A.270.

22 (b) \$330,000 of the general fund--state appropriation for fiscal  
23 year 2010, \$660,000 of the general fund--state appropriation for fiscal  
24 year 2011, and \$810,000 of the general fund--federal appropriation are  
25 provided solely for transfer from the department to the training  
26 partnership, as provided in RCW 74.39A.360, for infrastructure and  
27 instructional costs associated with training of individual providers,  
28 pursuant to a collective bargaining agreement negotiated with the  
29 exclusive bargaining representative of individual providers established  
30 under RCW 74.39A.270.

31 (c) The federal portion of the amounts in this subsection is  
32 contingent upon federal approval of participation in contributions to  
33 the trust and shall remain unallotted and placed in reserve status  
34 until the office of financial management and the department of social  
35 and health services receive federal approval.

36 (d) Expenditures for the purposes specified in this subsection  
37 shall not exceed the amounts provided in this subsection.



1 (9) Within the amounts appropriated in this section, the department  
2 may expand the new freedom waiver program to accommodate new waiver  
3 recipients throughout the state. As possible, and in compliance with  
4 current state and federal laws, the department shall allow current  
5 waiver recipients to transfer to the new freedom waiver.

6 (10) Individuals receiving services as supplemental security income  
7 (SSI) state supplemental payments shall not become eligible for medical  
8 assistance under RCW 74.09.510 due solely to the receipt of SSI state  
9 supplemental payments.

10 (11) \$3,955,000 of the general fund--state appropriation for fiscal  
11 year 2010, \$3,972,000 of the general fund--state appropriation for  
12 fiscal year 2011, and \$10,190,000 of the general fund--federal  
13 appropriation are provided solely for the continued operation of  
14 community residential and support services for persons who are older  
15 adults or who have co-occurring medical and behavioral disorders and  
16 who have been discharged or diverted from a state psychiatric hospital.  
17 These funds shall be used to serve individuals whose treatment needs  
18 constitute substantial barriers to community placement, who no longer  
19 require active psychiatric treatment at an inpatient hospital level of  
20 care, and who no longer meet the criteria for inpatient involuntary  
21 commitment. Coordination of these services will be done in partnership  
22 between the mental health program and the aging and disability services  
23 administration.

24 (12) Within the funds provided, the department shall continue to  
25 provide an add-on per medicaid resident day per facility not to exceed  
26 \$1.57. The add-on shall be used to increase wages, benefits, and/or  
27 staffing levels for certified nurse aides; or to increase wages and/or  
28 benefits for dietary aides, housekeepers, laundry aides, or any other  
29 category of worker whose statewide average dollars-per-hour wage was  
30 less than \$15 in calendar year 2008, according to cost report data.  
31 The add-on may also be used to address resulting wage compression for  
32 related job classes immediately affected by wage increases to low-wage  
33 workers. The department shall continue reporting requirements and a  
34 settlement process to ensure that the funds are spent according to this  
35 subsection. The department shall adopt rules to implement the terms of  
36 this subsection.

37 (13) \$1,840,000 of the general fund--state appropriation for fiscal  
38 year 2010 and \$1,759,000 of the general fund--state appropriation for

1 fiscal year 2011 are provided solely for operation of the volunteer  
2 services program. Funding shall be prioritized towards serving  
3 populations traditionally served by long-term care services to include  
4 senior citizens and persons with disabilities.

5 (14) In accordance with chapter 74.39 RCW, the department may  
6 implement two medicaid waiver programs for persons who do not qualify  
7 for such services as categorically needy, subject to federal approval  
8 and the following conditions and limitations:

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

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

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

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

22 (15) The department shall establish waiting lists to the extent  
23 necessary to assure that annual expenditures on the community options  
24 program entry systems (COPES) program do not exceed appropriated  
25 levels. In establishing and managing any such waiting list, the  
26 department shall assure priority access to persons with the greatest  
27 unmet needs, as determined by department assessment processes.

28 (16) The department shall contract for housing with service models,  
29 such as cluster care, to create efficiencies in service delivery and  
30 responsiveness to unscheduled personal care needs by clustering hours  
31 for clients that live in close proximity to each other.

32 (17) The department shall not pay a home care agency licensed under  
33 chapter 70.127 RCW for personal care services provided by a family  
34 member, pursuant to Substitute House Bill No. 2361 (modifying state  
35 payments for in-home care).

36 (18) \$209,000 of the general fund--state appropriation for fiscal  
37 year 2010, \$732,000 of the general fund--state appropriation for fiscal  
38 year 2011, and \$1,293,000 of the general fund--federal appropriation

1 are provided solely to implement Engrossed House Bill No. 2194  
2 (extraordinary medical placement for offenders). The department shall  
3 work in partnership with the department of corrections to identify  
4 services and find placements for offenders who are released through the  
5 extraordinary medical placement program. The department shall  
6 collaborate with the department of corrections to identify and track  
7 cost savings to the department of corrections, including medical cost  
8 savings and to identify and track expenditures incurred by the aging  
9 and disability services program for community services and by the  
10 medical assistance program for medical expenses. A joint report  
11 regarding the identified savings and expenditures shall be provided to  
12 the office of financial management and the appropriate fiscal  
13 committees of the legislature by November 30, 2010. If this bill is  
14 not enacted by June 30, 2009, the amounts provided in this subsection  
15 shall lapse.

16 (19) In accordance with RCW 18.51.050, 18.20.050, and 43.135.055,  
17 the department is authorized to increase nursing facility and boarding  
18 home fees in fiscal year 2011 as necessary to meet the actual costs of  
19 conducting the licensure, inspection, and regulatory programs.

20 (a) \$1,035,000 of the general fund--private/local appropriation  
21 assumes that the current annual renewal license fee for nursing  
22 facilities shall be increased to \$327 per bed beginning in fiscal year  
23 2011.

24 (b) \$1,806,000 of the general fund--local appropriation assumes  
25 that the current annual renewal license fee for boarding homes shall be  
26 increased to \$106 per bed beginning in fiscal year 2011.

27 (20) \$2,566,000 of the traumatic brain injury account--state  
28 appropriation is provided solely to continue services for persons with  
29 traumatic brain injury (TBI) as defined in RCW 74.31.020 through  
30 74.31.050. The TBI advisory council shall provide a report to the  
31 legislature by December 1, 2010, on the effectiveness of the functions  
32 overseen by the council and shall provide recommendations on the  
33 development of critical services for individuals with traumatic brain  
34 injury.

35 (21) The automatic award of additional hours of personal care for  
36 people with special meal preparation or incontinence needs is  
37 eliminated. Authorization of service hours will be based upon the  
38 individual's assessed needs.

1 (22) For calendar year 2009, the department shall calculate split  
2 settlements covering two periods January 1, 2009, through June 30,  
3 2009, and July 1, 2009, through December 31, 2009. For the second  
4 period beginning July 1, 2009, the department may partially or totally  
5 waive settlements only in specific cases where a nursing home can  
6 demonstrate significant decreases in costs from the first period.

7 (23) \$72,000 of the traumatic brain injury account appropriation  
8 and \$116,000 of the general fund--federal appropriation are provided  
9 solely for a direct care rate add-on to any nursing facility  
10 specializing in the care of residents with traumatic brain injuries  
11 where more than 50 percent of residents are classified with this  
12 condition based upon the federal minimum data set assessment.

13 (24) \$69,000 of the general fund--state appropriation for fiscal  
14 year 2010, \$1,289,000 of the general fund--state appropriation for  
15 fiscal year 2011, and \$2,050,000 of the general fund--federal  
16 appropriation are provided solely for the department to maintain  
17 enrollment in the adult day health services program. New enrollments  
18 are authorized for up to 1,575 clients or to the extent that  
19 appropriated funds are available to cover additional clients.

20 (25) \$937,000 of the general fund--state appropriation for fiscal  
21 year 2011 is provided solely for the department to contract for the  
22 provision of an individual provider referral registry.

23 (26) \$94,000 of the general fund--state appropriation for fiscal  
24 year 2011 and \$100,000 of the general fund--federal appropriation are  
25 provided solely for the department to contract with a consultant to  
26 evaluate and make recommendations on a pay-for- performance payment  
27 subsidy system. The department shall organize one workgroup meeting  
28 with the consultant where nursing home stakeholders may provide input  
29 on pay-for-performance ideas. The consultant shall review pay-for-  
30 performance strategies used in other states to sustain and enhance  
31 quality-improvement efforts in nursing facilities. The evaluation  
32 shall include a review of the centers for medicare and medicaid  
33 services demonstration project to explore the feasibility of pay-for-  
34 performance systems in medicare certified nursing facilities. The  
35 consultant shall develop a report to include:

36 (a) Best practices used in other states for pay-for-performance  
37 strategies incorporated into medicaid nursing home payment systems;

38 (b) The relevance of existing research to Washington state;

1 (c) A summary and review of suggestions for pay-for-performance  
2 strategies provided by nursing home stakeholders in Washington state;  
3 and

4 (d) An evaluation of the effectiveness of a variety of performance  
5 measures.

6 (27) \$4,100,000 of the general fund--state appropriation for fiscal  
7 year 2010, \$4,174,000 of the general fund--state appropriation for  
8 fiscal year 2011, and \$8,124,000 of the general fund--federal  
9 appropriation are provided for the operation of the management services  
10 division of the aging and disability services administration. This  
11 includes but is not limited to the budget, contracts, accounting,  
12 decision support, information technology, and rate development  
13 activities for programs administered by the aging and disability  
14 services administration. Nothing in this subsection is intended to  
15 exempt the management services division of the aging and disability  
16 services administration from reductions directed by the secretary.  
17 However, funds provided in this subsection shall not be transferred  
18 elsewhere within the department nor used for any other purpose.

19 (28) The department is authorized to place long-term care clients  
20 residing in nursing homes and paid for with state only funds into less  
21 restrictive community care settings while continuing to meet the  
22 client's care needs.

23 (29) In accordance with RCW 43.135.055, the department is  
24 authorized to adopt and increase the fees set forth in and previously  
25 authorized in section 206(19), chapter 37, Laws of 2010 1st sp.s.

26 **Sec. 1107.** 2011 c 5 s 206 (uncodified) is amended to read as  
27 follows:

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

30	General Fund--State Appropriation (FY 2010) . . . . .	\$564,242,000
31	General Fund--State Appropriation (FY 2011) . . . . .	<del>(( \$540,549,000 ))</del>
32		<u>\$576,683,000</u>
33	General Fund--Federal Appropriation . . . . .	<del>(( \$1,219,423,000 ))</del>
34		<u>\$1,253,532,000</u>
35	General Fund--Private/Local Appropriation . . . . .	\$37,816,000
36	Administrative Contingency Account--State	
37	Appropriation . . . . .	\$24,336,000

1 TOTAL APPROPRIATION . . . . . ((~~\$2,386,366,000~~))  
2 \$2,456,609,000

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

5 (1) \$303,393,000 of the general fund--state appropriation for  
6 fiscal year 2010, ((~~\$285,057,000~~)) \$295,699,000 of the general fund--  
7 state appropriation for fiscal year 2011 net of child support pass-  
8 through recoveries, \$24,336,000 of the administrative contingency  
9 account--state appropriation, and ((~~\$778,606,000~~)) \$848,646,000 of the  
10 general fund--federal appropriation are provided solely for all  
11 components of the WorkFirst program. The department shall use moneys  
12 from the administrative contingency account for WorkFirst job placement  
13 services provided by the employment security department. Within the  
14 amounts provided for the WorkFirst program, the department may provide  
15 assistance using state-only funds for families eligible for temporary  
16 assistance for needy families. In addition, within the amounts  
17 provided for WorkFirst the department shall:

18 (a) ((~~Establish a career services work transition program;~~  
19 ~~(b)~~)) Continue to implement WorkFirst program improvements that are  
20 designed to achieve progress against outcome measures specified in RCW  
21 74.08A.410. Outcome data regarding job retention and wage progression  
22 shall be reported quarterly to appropriate fiscal and policy committees  
23 of the legislature for families who leave assistance, measured after 12  
24 months, 24 months, and 36 months. The department shall also report the  
25 percentage of families who have returned to temporary assistance for  
26 needy families after 12 months, 24 months, and 36 months;

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

32 ((~~(d)~~)) (c) Provide quarterly fiscal reports to the office of  
33 financial management and the legislative fiscal committees detailing  
34 information on the amount expended from general fund--state and general  
35 fund--federal by activity.

36 (2) The department may establish a career services work transition  
37 program.

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

5       (~~(3)~~) (4) \$16,783,000 of the general fund--state appropriation  
6 for fiscal year 2011 and (~~(\$62,000,000)~~) \$19,027,000 of the general  
7 fund--federal appropriation are provided solely for all components of  
8 the WorkFirst program in order to maintain services to January 2011.  
9 The legislature intends to work with the governor to design and  
10 implement fiscal and programmatic modifications to provide for the  
11 sustainability of the program. The funding in this subsection assumes  
12 that no other expenditure reductions will be made prior to January 2011  
13 other than those assumed in the appropriation levels in this act.

14       (~~(4)~~) (5) \$94,322,000 of the general fund--state appropriation  
15 for fiscal year 2010 and (~~(\$76,979,000)~~) \$94,104,000 of the general  
16 fund--state appropriation for fiscal year 2011, net of recoveries, are  
17 provided solely for cash assistance and other services to recipients in  
18 the cash program pursuant to chapter 8, Laws of 2010 1st sp. sess.  
19 (security lifeline act), including persons in the unemployable,  
20 expedited, and aged, blind, and disabled components of the program. It  
21 is the intent of the legislature that the lifeline incapacity  
22 determination and progressive evaluation process regulations be  
23 carefully designed to accurately identify those persons who have been  
24 or will be incapacitated for at least ninety days. The incapacity  
25 determination and progressive evaluation process regulations in effect  
26 on January 1, 2010, cannot be amended until at least September 30,  
27 2010; except that provisions related to the use of administrative  
28 review teams may be amended, and obsolete terminology and functional  
29 assessment language may be updated on or after July 1, 2010, in a  
30 manner that only minimally impacts the outcome of incapacity  
31 evaluations. After September 30, 2010, the incapacity determination  
32 and progressive evaluation process regulations may be amended only if  
33 the reports under (a) and (b) of this subsection have been submitted,  
34 and find that expenditures will exceed the appropriated level by three  
35 percent or more.

36       (a) The department and the caseload forecast council shall, by  
37 September 21, 2010, submit a report to the legislature based upon the  
38 most recent caseload forecast and actual expenditure data available, as

1 to whether expenditures for the lifeline-unemployable grants in fiscal  
2 year 2011 will exceed \$69,648,000 for fiscal year 2011 in the 2010  
3 supplemental operating budget by three percent or more. If  
4 expenditures will exceed the appropriated amount for  
5 lifeline-unemployable grants by three percent or more, the department  
6 may adopt regulations modifying incapacity determination and  
7 progressive evaluation process regulations after September 30, 2010.

8 (b) On or before September 21, 2010, the department shall submit a  
9 report to the relevant policy and fiscal committees of the legislature  
10 that includes the following information regarding any regulations  
11 proposed for adoption that would modify the lifeline incapacity  
12 determination and progressive evaluation process:

13 (i) A copy of the proposed changes and a concise description of the  
14 changes;

15 (ii) A description of the persons who would likely be affected by  
16 adoption of the regulations, including their impairments, age,  
17 education, and work history;

18 (iii) An estimate of the number of persons who, on a monthly basis  
19 through June 2013, would be denied lifeline benefits if the regulations  
20 were adopted, expressed as a number, as a percentage of total  
21 applicants, and as a percentage of the number of persons granted  
22 lifeline benefits in each month;

23 (iv) An estimate of the number of persons who, on a monthly basis  
24 through June 2013, would have their lifeline benefits terminated  
25 following an eligibility review if the regulations were adopted,  
26 expressed as a number, as a percentage of the number of persons who  
27 have had an eligibility review in each month, and as a percentage of  
28 the total number of persons currently receiving lifeline-unemployable  
29 benefits in each month; and

30 (v) Intended improvements in employment or treatment outcomes among  
31 persons receiving lifeline benefits that could be attributable to the  
32 changes in the regulations.

33 (c) Within these amounts:

34 (i) The department shall aggressively pursue opportunities to  
35 transfer lifeline clients to general assistance expedited coverage and  
36 to facilitate client applications for federal supplemental security  
37 income when the client's incapacities indicate that he or she would be  
38 likely to meet the federal disability criteria for supplemental



1 security income. The department shall initiate and file the federal  
2 supplemental security income interim agreement as quickly as possible  
3 in order to maximize the recovery of federal funds;

4 (ii) The department shall review the lifeline caseload to identify  
5 recipients that would benefit from assistance in becoming naturalized  
6 citizens, and thus be eligible to receive federal supplemental security  
7 income benefits. Those cases shall be given high priority for  
8 naturalization funding through the department;

9 (iii) The department shall actively coordinate with local workforce  
10 development councils to expedite access to worker retraining programs  
11 for lifeline clients in those regions of the state with the greatest  
12 number of such clients;

13 (iv) By July 1, 2009, the department shall enter into an  
14 interagency agreement with the department of veterans' affairs to  
15 establish a process for referral of veterans who may be eligible for  
16 veteran's services. This agreement must include outstationing  
17 department of veterans' affairs staff in selected community service  
18 office locations in King and Pierce counties to facilitate applications  
19 for veterans' services; and

20 (v) In addition to any earlier evaluation that may have been  
21 conducted, the department shall intensively evaluate those clients who  
22 have been receiving lifeline benefits for twelve months or more as of  
23 July 1, 2009, or thereafter, if the available medical and incapacity  
24 related evidence indicates that the client is unlikely to meet the  
25 disability standard for federal supplemental security income benefits.  
26 The evaluation shall identify services necessary to eliminate or  
27 minimize barriers to employment, including mental health treatment,  
28 substance abuse treatment and vocational rehabilitation services. The  
29 department shall expedite referrals to chemical dependency treatment,  
30 mental health and vocational rehabilitation services for these clients.

31 (vi) The appropriations in this subsection reflect a change in the  
32 earned income disregard policy for lifeline clients. It is the intent  
33 of the legislature that the department shall adopt the temporary  
34 assistance for needy families earned income policy for the lifeline  
35 program.

36 ~~((+5))~~ (6) \$750,000 of the general fund--state appropriation for  
37 fiscal year 2010 and \$500,000 of the general fund--state appropriation  
38 for fiscal year 2011 are provided solely for naturalization services.

1        ~~((6))~~ (7) \$3,550,000 of the general fund--state appropriation for  
2 fiscal year 2010 is provided solely for refugee employment services, of  
3 which \$2,650,000 is provided solely for the department to pass through  
4 to statewide refugee assistance organizations for limited English  
5 proficiency pathway services; and \$2,050,000 of the general fund--state  
6 appropriation for fiscal year 2011 is provided solely for refugee  
7 employment services, of which \$1,540,000 is provided solely for the  
8 department to pass through to statewide refugee assistance  
9 organizations for limited English proficiency pathway services.

10        ~~((7))~~ (8) The appropriations in this section reflect reductions  
11 in the appropriations for the economic services administration's  
12 administrative expenses. It is the intent of the legislature that  
13 these reductions shall be achieved, to the greatest extent possible, by  
14 reducing those administrative costs that do not affect direct client  
15 services or direct service delivery or program.

16        ~~((8))~~ (9) \$855,000 of the general fund--state appropriation for  
17 fiscal year 2011, \$719,000 of the general fund--federal appropriation,  
18 and \$2,907,000 of the general fund--private/local appropriation are  
19 provided solely for the implementation of the opportunity portal, the  
20 food stamp employment and training program, and the disability lifeline  
21 program under Second Substitute House Bill No. 2782 (security lifeline  
22 act). If the bill is not enacted by June 30, 2010, the amounts  
23 provided in this subsection shall lapse.

24        ~~((9))~~ (10) \$100,000 of the general fund--state appropriation for  
25 fiscal year 2011 is provided solely for the department to award grants  
26 to small mutual assistance or small community-based organizations that  
27 contract with the department for immigrant and refugee assistance  
28 services. The funds shall be awarded to provide funding for community  
29 groups to provide transitional assistance, language skills, and other  
30 resources to improve refugees' economic self-sufficiency through the  
31 effective use of social services, financial services, and medical  
32 assistance.

33        ~~((10))~~ (11) To ensure expenditures remain within available funds  
34 appropriated in this section, the legislature establishes the benefit  
35 under the state food assistance program, made pursuant to RCW  
36 74.08A.120, to be fifty percent of the federal supplemental nutrition  
37 assistance program benefit amount.



1 substance abuse prevention and treatment federal block grant) is  
2 provided solely for the continued funding of existing county drug and  
3 alcohol use prevention programs.

4 **Sec. 1109.** 2011 c 5 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) . . . . .	\$1,697,203,000
9	General Fund--State Appropriation (FY 2011) . . . . .	(( <del>\$1,737,303,000</del> ))
10		<u>\$1,815,466,000</u>
11	General Fund--Federal Appropriation . . . . .	(( <del>\$6,047,405,000</del> ))
12		<u>\$5,901,250,000</u>
13	General Fund--Private/Local Appropriation . . . . .	(( <del>\$38,509,000</del> ))
14		<u>\$37,247,000</u>
15	Emergency Medical Services and Trauma Care Systems	
16	Trust Account--State Appropriation . . . . .	\$15,075,000
17	Tobacco Prevention and Control Account--	
18	State Appropriation . . . . .	(( <del>\$4,464,000</del> ))
19		<u>\$3,798,000</u>
20	Hospital Safety Net Assessment Fund--State	
21	Appropriation . . . . .	(( <del>\$260,057,000</del> ))
22		<u>\$254,974,000</u>
23	TOTAL APPROPRIATION . . . . .	(( <del>\$9,800,016,000</del> ))
24		<u>\$9,725,013,000</u>

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

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

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

1 (3) The legislature affirms that it is in the state's interest for  
2 Harborview medical center to remain an economically viable component of  
3 the state's health care system.

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

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

31 (6) \$649,000 of the general fund--federal appropriation and  
32 \$644,000 of the general fund--state appropriation for fiscal year 2011  
33 are provided solely for grants to rural hospitals. The department  
34 shall distribute the funds under a formula that provides a relatively  
35 larger share of the available funding to hospitals that (a) serve a  
36 disproportionate share of low-income and medically indigent patients,  
37 and (b) have relatively smaller net financial margins, to the extent  
38 allowed by the federal medicaid program.

1 (7) \$5,729,000 of the general fund--state appropriation for fiscal  
2 year 2011, and \$5,776,000 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 certified  
10 public expenditures program for the 2009-11 biennium. The program  
11 shall apply to all public hospitals, including those owned or operated  
12 by the state, except those classified as critical access hospitals or  
13 state psychiatric institutions. The department shall submit reports to  
14 the governor and legislature by November 1, 2009, and by November 1,  
15 2010, that evaluate whether savings continue to exceed costs for this  
16 program. If the certified public expenditures (CPE) program in its  
17 current form is no longer cost-effective to maintain, the department  
18 shall submit a report to the governor and legislature detailing  
19 cost-effective alternative uses of local, state, and federal resources  
20 as a replacement for this program. During fiscal year 2010 and fiscal  
21 year 2011, hospitals in the program shall be paid and shall retain one  
22 hundred percent of the federal portion of the allowable hospital cost  
23 for each medicaid inpatient fee-for-service claim payable by medical  
24 assistance and one hundred percent of the federal portion of the  
25 maximum disproportionate share hospital payment allowable under federal  
26 regulations. Inpatient medicaid payments shall be established using an  
27 allowable methodology that approximates the cost of claims submitted by  
28 the hospitals. Payments made to each hospital in the program in each  
29 fiscal year of the biennium shall be compared to a baseline amount.  
30 The baseline amount will be determined by the total of (a) the  
31 inpatient claim payment amounts that would have been paid during the  
32 fiscal year had the hospital not been in the CPE program based on the  
33 reimbursement rates developed, implemented, and consistent with  
34 policies approved in the 2009-11 biennial operating appropriations act  
35 (chapter 564, Laws of 2009) and in effect on July 1, 2009, (b) one half  
36 of the indigent assistance disproportionate share hospital payment  
37 amounts paid to and retained by each hospital during fiscal year 2005,  
38 and (c) all of the other disproportionate share hospital payment

1 amounts paid to and retained by each hospital during fiscal year 2005  
2 to the extent the same disproportionate share hospital programs exist  
3 in the 2009-11 biennium. If payments during the fiscal year exceed the  
4 hospital's baseline amount, no additional payments will be made to the  
5 hospital except the federal portion of allowable disproportionate share  
6 hospital payments for which the hospital can certify allowable match.  
7 If payments during the fiscal year are less than the baseline amount,  
8 the hospital will be paid a state grant equal to the difference between  
9 payments during the fiscal year and the applicable baseline amount.  
10 Payment of the state grant shall be made in the applicable fiscal year  
11 and distributed in monthly payments. The grants will be recalculated  
12 and redistributed as the baseline is updated during the fiscal year.  
13 The grant payments are subject to an interim settlement within eleven  
14 months after the end of the fiscal year. A final settlement shall be  
15 performed. To the extent that either settlement determines that a  
16 hospital has received funds in excess of what it would have received as  
17 described in this subsection, the hospital must repay the excess  
18 amounts to the state when requested. \$20,403,000 of the general  
19 fund--state appropriation for fiscal year 2010, of which \$6,570,000 is  
20 appropriated in section ~~((204(1)))~~ 1104(1) of this act, and  
21 ~~(((\$29,480,000))~~ \$15,113,000 of the general fund--state appropriation  
22 for fiscal year 2011, of which \$6,570,000 is appropriated in section  
23 ~~((204(1)))~~ 1104(1) of this act, are provided solely for state grants  
24 for the participating hospitals. CPE hospitals will receive the  
25 inpatient and outpatient reimbursement rate restorations in section 9  
26 and rate increases in section 10(1)(b) of Engrossed Second Substitute  
27 House Bill No. 2956 (hospital safety net assessment) funded through the  
28 hospital safety net assessment fund rather than through the baseline  
29 mechanism specified in this subsection.

30 (9) The department is authorized to use funds appropriated in this  
31 section to purchase goods and supplies through direct contracting with  
32 vendors when the department determines it is cost-effective to do so.

33 (10) \$93,000 of the general fund--state appropriation for fiscal  
34 year 2010 and \$93,000 of the general fund--federal appropriation are  
35 provided solely for the department to pursue a federal Medicaid waiver  
36 pursuant to Second Substitute Senate Bill No. 5945 (Washington health  
37 partnership plan). If the bill is not enacted by June 30, 2009, the  
38 amounts provided in this subsection shall lapse.

1 (11) The department shall require managed health care systems that  
2 have contracts with the department to serve medical assistance clients  
3 to limit any reimbursements or payments the systems make to providers  
4 not employed by or under contract with the systems to no more than the  
5 medical assistance rates paid by the department to providers for  
6 comparable services rendered to clients in the fee-for-service delivery  
7 system.

8 (12) A maximum of (~~(\$241,141,000)~~) \$247,809,000 in total funds from  
9 the general fund--state, general fund--federal, and tobacco and  
10 prevention control account--state appropriations may be expended in the  
11 fiscal biennium for the medical program pursuant to chapter 8, Laws of  
12 2010 1st sp. sess. (security lifeline act), and these amounts are  
13 provided solely for this program. Of these amounts, \$10,749,000 of the  
14 general fund--state appropriation for fiscal year 2010 and \$10,892,000  
15 of the general fund--federal appropriation are provided solely for  
16 payments to hospitals for providing outpatient services to low income  
17 patients who are recipients of lifeline benefits. Pursuant to RCW  
18 74.09.035, the department shall not expend for the lifeline medical  
19 care services program any amounts in excess of the amounts provided in  
20 this subsection.

21 (13) Mental health services shall be included in the services  
22 provided through the managed care system for lifeline clients under  
23 chapter 8, Laws of 2010 1st sp. sess. In transitioning lifeline  
24 clients to managed care, the department shall attempt to deliver care  
25 to lifeline clients through medical homes in community and migrant  
26 health centers. The department, in collaboration with the carrier,  
27 shall seek to improve the transition rate of lifeline clients to the  
28 federal supplemental security income program. The department shall  
29 renegotiate the contract with the managed care plan that provides  
30 services for lifeline clients to maximize state retention of future  
31 hospital savings as a result of improved care coordination. The  
32 department, in collaboration with stakeholders, shall propose a new  
33 name for the lifeline program.

34 (14) The department shall evaluate the impact of the use of a  
35 managed care delivery and financing system on state costs and outcomes  
36 for lifeline medical clients. Outcomes measured shall include state  
37 costs, utilization, changes in mental health status and symptoms, and  
38 involvement in the criminal justice system.



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

5 (16) State funds shall not be used by hospitals for advertising  
6 purposes.

7 (17) \$24,356,000 of the general fund--private/local appropriation  
8 and \$35,707,000 of the general fund--federal appropriation are provided  
9 solely for the implementation of professional services supplemental  
10 payment programs. The department shall seek a medicaid state plan  
11 amendment to create a professional services supplemental payment  
12 program for University of Washington medicine professional providers no  
13 later than July 1, 2009. The department shall apply federal rules for  
14 identifying the shortfall between current fee-for-service medicaid  
15 payments to participating providers and the applicable federal upper  
16 payment limit. Participating providers shall be solely responsible for  
17 providing the local funds required to obtain federal matching funds.  
18 Any incremental costs incurred by the department in the development,  
19 implementation, and maintenance of this program will be the  
20 responsibility of the participating providers. Participating providers  
21 will retain the full amount of supplemental payments provided under  
22 this program, net of any potential costs for any related audits or  
23 litigation brought against the state. The department shall report to  
24 the governor and the legislative fiscal committees on the prospects for  
25 expansion of the program to other qualifying providers as soon as  
26 feasibility is determined but no later than December 31, 2009. The  
27 report will outline estimated impacts on the participating providers,  
28 the procedures necessary to comply with federal guidelines, and the  
29 administrative resource requirements necessary to implement the  
30 program. The department will create a process for expansion of the  
31 program to other qualifying providers as soon as it is determined  
32 feasible by both the department and providers but no later than June  
33 30, 2010.

34 (18) \$9,075,000 of the general fund--state appropriation for fiscal  
35 year 2010, \$8,588,000 of the general fund--state appropriation for  
36 fiscal year 2011, and \$39,747,000 of the general fund--federal  
37 appropriation are provided solely for development and implementation of

1 a replacement system for the existing medicaid management information  
2 system. The amounts provided in this subsection are conditioned on the  
3 department satisfying the requirements of section 902 of this act.

4 (19) \$506,000 of the general fund--state appropriation for fiscal  
5 year 2011 and \$657,000 of the general fund--federal appropriation are  
6 provided solely for the implementation of Second Substitute House Bill  
7 No. 1373 (children's mental health). If the bill is not enacted by  
8 June 30, 2009, the amounts provided in this subsection shall lapse.

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

14 (21) The department may, on a case-by-case basis and in the best  
15 interests of the child, set payment rates for medically intensive home  
16 care services to promote access to home care as an alternative to  
17 hospitalization. Expenditures related to these increased payments  
18 shall not exceed the amount the department would otherwise pay for  
19 hospitalization for the child receiving medically intensive home care  
20 services.

21 (22) \$425,000 of the general fund--state appropriation for fiscal  
22 year 2010 and \$790,000 of the general fund--federal appropriation are  
23 provided solely to continue children's health coverage outreach and  
24 education efforts under RCW 74.09.470. These efforts shall rely on  
25 existing relationships and systems developed with local public health  
26 agencies, health care providers, public schools, the women, infants,  
27 and children program, the early childhood education and assistance  
28 program, child care providers, newborn visiting nurses, and other  
29 community-based organizations. The department shall seek  
30 public-private partnerships and federal funds that are or may become  
31 available to provide on-going support for outreach and education  
32 efforts under the federal children's health insurance program  
33 reauthorization act of 2009.

34 (23) The department, in conjunction with the office of financial  
35 management, shall implement a prorated inpatient payment policy.

36 (24) The department will pursue a competitive procurement process  
37 for antihemophilic products, emphasizing evidence-based medicine and

1 protection of patient access without significant disruption in  
2 treatment.

3 (25) The department will pursue several strategies towards reducing  
4 pharmacy expenditures including but not limited to increasing generic  
5 prescription drug utilization by 20 percentage points and promoting  
6 increased utilization of the existing mail-order pharmacy program.

7 (26) The department shall reduce reimbursement for over-the-counter  
8 medications while maintaining reimbursement for those over-the-counter  
9 medications that can replace more costly prescription medications.

10 (27) The department shall seek public-private partnerships and  
11 federal funds that are or may become available to implement health  
12 information technology projects under the federal American recovery and  
13 reinvestment act of 2009.

14 (28) The department shall target funding for maternity support  
15 services towards pregnant women with factors that lead to higher rates  
16 of poor birth outcomes, including hypertension, a preterm or low birth  
17 weight birth in the most recent previous birth, a cognitive deficit or  
18 developmental disability, substance abuse, severe mental illness,  
19 unhealthy weight or failure to gain weight, tobacco use, or African  
20 American or Native American race. The department shall prioritize  
21 evidence-based practices for delivery of maternity support services.  
22 To the extent practicable, the department shall develop a mechanism to  
23 increase federal funding for maternity support services by leveraging  
24 local public funding for those services.

25 (29) \$260,036,000 of the hospital safety net assessment fund--state  
26 appropriation and \$255,448,000 of the general fund--federal  
27 appropriation are provided solely for the implementation of Engrossed  
28 Second Substitute House Bill No. 2956 (hospital safety net assessment).  
29 If the bill is not enacted by June 30, 2010, the amounts provided in  
30 this subsection shall lapse.

31 (30) \$79,000 of the general fund--state appropriation for fiscal  
32 year 2010 and \$53,000 of the general fund--federal appropriation are  
33 provided solely to implement Substitute House Bill No. 1845 (medical  
34 support obligations).

35 (31) \$63,000 of the general fund--state appropriation for fiscal  
36 year 2010, \$583,000 of the general fund--state appropriation for fiscal  
37 year 2011, and \$864,000 of the general fund--federal appropriation are  
38 provided solely to implement Engrossed House Bill No. 2194

1 (extraordinary medical placement for offenders). The department shall  
2 work in partnership with the department of corrections to identify  
3 services and find placements for offenders who are released through the  
4 extraordinary medical placement program. The department shall  
5 collaborate with the department of corrections to identify and track  
6 cost savings to the department of corrections, including medical cost  
7 savings, and to identify and track expenditures incurred by the aging  
8 and disability services program for community services and by the  
9 medical assistance program for medical expenses. A joint report  
10 regarding the identified savings and expenditures shall be provided to  
11 the office of financial management and the appropriate fiscal  
12 committees of the legislature by November 30, 2010. If this bill is  
13 not enacted by June 30, 2009, the amounts provided in this subsection  
14 shall lapse.

15 (32) \$73,000 of the general fund--state appropriation for fiscal  
16 year 2011 and \$50,000 of the general fund--federal appropriation is  
17 provided solely for supplemental services that will be provided to  
18 offenders in lieu of a prison sentence pursuant to chapter 224, Laws of  
19 2010 (Substitute Senate Bill No. 6639).

20 (33) Sufficient amounts are provided in this section to provide  
21 full benefit dual eligible beneficiaries with medicare part D  
22 prescription drug copayment coverage in accordance with RCW 74.09.520  
23 until December 31, 2010.

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

30 (35) \$331,000 of the general fund--state appropriation for fiscal  
31 year 2010, \$331,000 of the general fund--state appropriation for fiscal  
32 year 2011, and \$1,228,000 of the general fund--federal appropriation  
33 are provided solely for the department to support the activities of the  
34 Washington poison center. The department shall seek federal authority  
35 to receive matching funds from the federal government through the  
36 children's health insurance program.

37 (36) \$528,000 of the general fund--state appropriation and

1 \$2,955,000 of the general fund--federal appropriation are provided  
2 solely for the implementation of the lifeline program under chapter 8,  
3 Laws of 2010 1st sp. sess. (security lifeline act).

4 (37) Reductions in dental services are to be achieved by focusing  
5 on the fastest growing areas of dental care. Reductions in  
6 preventative care, particularly for children, will be avoided to the  
7 extent possible.

8 (38) \$1,307,000 of the general fund--state appropriation for fiscal  
9 year 2011 and \$1,770,000 of the general fund--federal appropriation are  
10 provided solely to continue to provide dental services in calendar year  
11 2011 for qualifying adults with developmental disabilities. Services  
12 shall include preventive, routine, and emergent dental care, and  
13 support for continued operation of the dental education in care of  
14 persons with disabilities (DECOD) program at the University of  
15 Washington.

16 (39) The department shall develop the capability to implement apple  
17 health for kids express lane eligibility enrollments for children  
18 receiving basic food assistance by June 30, 2011.

19 (40)(a) The department, in coordination with the health care  
20 authority, shall actively continue to negotiate a medicaid section 1115  
21 waiver with the federal centers for medicare and medicaid services that  
22 would provide federal matching funds for services provided to persons  
23 enrolled in the basic health plan under chapter 70.47 RCW and the  
24 medical care services program under RCW 74.09.035.

25 (b) If the waiver in (a) of this subsection is granted, the  
26 department and the health care authority may implement the waiver if it  
27 allows the program to remain within appropriated levels, after  
28 providing notice of its terms and conditions to the relevant policy and  
29 fiscal committees of the legislature in writing thirty days prior to  
30 the planned implementation date of the waiver.

31 (41) \$704,000 of the general fund--state appropriation for fiscal  
32 year 2010, \$812,000 of the general fund--state appropriation for fiscal  
33 year 2011, and \$1,516,000 of the general fund--federal appropriation  
34 are provided solely for maintaining employer-sponsored insurance  
35 program staff, coordination of benefits unit staff, the payment  
36 integrity audit team, and family planning nursing.

37 (42) Every effort shall be made to maintain current employment  
38 levels and achieve administrative savings through vacancies and

1 employee attrition. Efficiencies shall be implemented as soon as  
2 possible in order to minimize actual reduction in force. The  
3 department shall implement a management strategy that minimizes  
4 disruption of service and negative impacts on employees.

5 (43) \$1,199,000 of the general fund--private/local appropriation  
6 for fiscal year 2011 and \$1,671,000 of the general fund--federal  
7 appropriation are provided solely to support medical airlift services.

8 (44) \$5,000,000 of the general fund--state appropriation for fiscal  
9 year 2011 and \$7,191,000 of the general fund--federal appropriation are  
10 provided solely for payments to federally qualified health clinics and  
11 rural health centers under a new alternative payment methodology that  
12 ~~((the department shall develop in consultation with the legislature and  
13 the office of financial management))~~ reimburses the clinics and centers  
14 at rates that are five percent higher than the rates that would be  
15 provided under the federal prospective payment system.

16 (45) \$33,000 of the general fund--state appropriation for fiscal  
17 year 2011 and \$61,000 of the general fund--federal appropriation are  
18 provided solely to continue operation by a nonprofit organization of a  
19 toll-free line that assists families to learn about and enroll in apple  
20 health for kids, which provides publicly funded medical and dental care  
21 for families with incomes below 300 percent of the federal poverty  
22 level.

23 (46) \$150,000 of the general fund--state appropriation for fiscal  
24 year 2011 and \$150,000 of the general fund--federal appropriation are  
25 provided solely for initiation of a prescriptive practices improvement  
26 collaborative focusing upon atypical antipsychotics and other  
27 medications commonly used in the treatment of severe and persistent  
28 mental illnesses among adults. The project shall promote collaboration  
29 among community mental health centers, other major prescribers of  
30 atypical antipsychotic medications to adults enrolled in state medical  
31 assistance programs, and psychiatrists, pharmacists, and other  
32 specialists at the University of Washington department of psychiatry  
33 and/or other research universities. The collaboration shall include  
34 patient-specific prescriber consultations by psychiatrists and  
35 pharmacists specializing in treatment of severe and persistent mental  
36 illnesses among adults; production of profiles to assist prescribers  
37 and clinics track their prescriptive practices and their patients'  
38 medication use and adherence relative to evidence-based practice

1 guidelines, other prescribers, and patients at other clinics; and  
2 in-service seminars at which participants can share and increase their  
3 knowledge of evidence-based and other effective prescriptive practices.

4 (47) \$75,000 of the general fund--state appropriation for fiscal  
5 year 2011 and \$75,000 of the general fund--federal appropriation are  
6 provided solely to assist with development and implementation of  
7 evidence-based strategies regarding the appropriate, safe, and  
8 effective role of C-section surgeries and early induced labor in births  
9 and neonatal care. The strategies shall be identified and implemented  
10 in consultation with clinical research specialists, physicians,  
11 hospitals, advanced registered nurse practitioners, and organizations  
12 concerned with maternal and child health.

13 **Sec. 1110.** 2011 c 5 s 209 (uncodified) is amended to read as  
14 follows:

15 **FOR THE DEPARTMENT OF SOCIAL AND HEALTH SERVICES--VOCATIONAL**  
16 **REHABILITATION PROGRAM**

17	General Fund--State Appropriation (FY 2010) . . . . .	\$10,327,000
18	General Fund--State Appropriation (FY 2011) . . . . .	<del>(\$9,443,000)</del>
19		<u>\$9,438,000</u>
20	General Fund--Federal Appropriation . . . . .	\$107,848,000
21	Telecommunications Devices for the Hearing and	
22	Speech Impaired--State Appropriation . . . . .	\$6,056,000
23	TOTAL APPROPRIATION . . . . .	<del>(\$133,674,000)</del>
24		<u>\$133,669,000</u>

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

27 (1) The vocational rehabilitation program shall coordinate closely  
28 with the economic services program to serve lifeline clients under  
29 chapter 8, Laws of 2010 1st sp. sess. who are referred for eligibility  
30 determination and vocational rehabilitation services, and shall make  
31 every effort, within the requirements of the federal rehabilitation act  
32 of 1973, to serve these clients.

33 (2) \$80,000 of the telecommunications devices for the hearing and  
34 speech impaired account--state appropriation is provided solely for the  
35 office of deaf and hard of hearing to enter into an interagency  
36 agreement with the department of services for the blind to support

1 contracts for services that provide employment support and help with  
2 life activities for deaf-blind individuals in King county.

3 **Sec. 1111.** 2011 c 5 s 210 (uncodified) is amended to read as  
4 follows:

5 **FOR THE DEPARTMENT OF SOCIAL AND HEALTH SERVICES--SPECIAL COMMITMENT**  
6 **PROGRAM**

7	General Fund--State Appropriation (FY 2010) . . . . .	\$48,827,000
8	General Fund--State Appropriation (FY 2011) . . . . .	<del>(\$48,536,000)</del>
9		<u>\$49,131,000</u>
10	TOTAL APPROPRIATION . . . . .	<del>(\$97,363,000)</del>
11		<u>\$97,958,000</u>

12 **Sec. 1112.** 2011 c 5 s 211 (uncodified) is amended to read as  
13 follows:

14 **FOR THE DEPARTMENT OF SOCIAL AND HEALTH SERVICES--ADMINISTRATION AND**  
15 **SUPPORTING SERVICES PROGRAM**

16	General Fund--State Appropriation (FY 2010) . . . . .	\$33,579,000
17	General Fund--State Appropriation (FY 2011) . . . . .	<del>(\$27,745,000)</del>
18		<u>\$25,308,000</u>
19	General Fund--Federal Appropriation . . . . .	<del>(\$51,304,000)</del>
20		<u>\$49,594,000</u>
21	General Fund--Private/Local Appropriation . . . . .	\$1,121,000
22	Institutional Impact Account--State Appropriation . . . . .	\$22,000
23	TOTAL APPROPRIATION . . . . .	<del>(\$113,771,000)</del>
24		<u>\$109,624,000</u>

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

32 (1) \$333,000 of the general fund--state appropriation for fiscal  
33 year 2010 and \$300,000 of the general fund--state appropriation for  
34 fiscal year 2011 are provided solely for the Washington state mentors  
35 program to continue its public-private partnerships to provide



1 technical assistance and training to mentoring programs that serve  
2 at-risk youth.

3 (2) \$445,000 of the general fund--state appropriation for fiscal  
4 year 2010 and \$445,000 of the general fund--state appropriation for  
5 fiscal year 2011 are provided solely for funding of the teamchild  
6 project through the governor's juvenile justice advisory committee.

7 (3) \$178,000 of the general fund--state appropriation for fiscal  
8 year 2010 and \$178,000 of the general fund--state appropriation for  
9 fiscal year 2011 are provided solely for the juvenile detention  
10 alternatives initiative.

11 (4) Amounts appropriated in this section reflect a reduction to the  
12 family policy council. The family policy council shall reevaluate  
13 staffing levels and administrative costs to ensure to the extent  
14 possible a maximum ratio of grant moneys provided and administrative  
15 costs.

16 (5) Amounts appropriated in this section reflect a reduction to the  
17 council on children and families. The council on children and families  
18 shall reevaluate staffing levels and administrative costs to ensure to  
19 the extent possible a maximum ratio of grant moneys provided and  
20 administrative costs.

21 **Sec. 1113.** 2011 c 5 s 212 (uncodified) is amended to read as  
22 follows:

23 **FOR THE DEPARTMENT OF SOCIAL AND HEALTH SERVICES--PAYMENTS TO OTHER**  
24 **AGENCIES PROGRAM**

25	General Fund--State Appropriation (FY 2010) . . . . .	\$61,985,000
26	General Fund--State Appropriation (FY 2011) . . . . .	<del>(\$63,793,000)</del>
27		<u>\$65,210,000</u>
28	General Fund--Federal Appropriation . . . . .	<del>(\$56,855,000)</del>
29		<u>\$56,321,000</u>
30	TOTAL APPROPRIATION . . . . .	<del>(\$182,633,000)</del>
31		<u>\$183,516,000</u>

32 **Sec. 1114.** 2011 c 5 s 213 (uncodified) is amended to read as  
33 follows:

34 **FOR THE STATE HEALTH CARE AUTHORITY**

35	General Fund--State Appropriation (FY 2010) . . . . .	\$208,258,000
36	General Fund--State Appropriation (FY 2011) . . . . .	<del>(\$108,749,000)</del>



1 be obtained to document their current income at least once every six  
2 months; (e) not reduce gross family income for self-employed persons by  
3 noncash-flow expenses such as, but not limited to, depreciation,  
4 amortization, and home office deductions, as defined by the United  
5 States internal revenue service; and (f) pursue repayment and civil  
6 penalties from persons who have received excessive subsidies, as  
7 provided in RCW 70.47.060(9).

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

17 (b) The health care authority shall coordinate with the department  
18 of social and health services to negotiate a medicaid section 1115  
19 waiver with the federal centers for medicare and medicaid services that  
20 would provide matching funds for services provided to persons enrolled  
21 in the basic health plan under chapter 70.47 RCW.

22 (c) If the waiver in (b) of this subsection is granted, the health  
23 care authority may implement the waiver if it allows the program to  
24 remain within appropriated levels, after providing notice of its terms  
25 and conditions to the relevant policy and fiscal committees of the  
26 legislature in writing thirty days prior to the planned implementation  
27 date of the waiver.

28 (5) \$250,000 of the general fund--state appropriation for fiscal  
29 year 2010 and \$250,000 of the general fund--state appropriation for  
30 fiscal year 2011 are provided solely for the implementation of  
31 Substitute Senate Bill No. 5360 (community collaboratives). If the  
32 bill is not enacted by June 30, 2009, the amounts provided in this  
33 section shall lapse.

34 (6) The authority shall seek public-private partnerships and  
35 federal funds that are or may become available to implement health  
36 information technology projects under the federal American recovery and  
37 reinvestment act of 2009.

1 (7) \$20,000 of the general fund--state appropriation for fiscal  
2 year 2010 and \$63,000 of the general fund--state appropriation for  
3 fiscal year 2011 are provided solely for the implementation of chapter  
4 220, Laws of 2010 (accountable care organizations).

5 (8) As soon as practicable after February 28, 2011, enrollment in  
6 the subsidized basic health plan shall be limited to only include  
7 persons who qualify as subsidized enrollees as defined in RCW 70.47.020  
8 and who (a) qualify for services under 1115 medicaid demonstration  
9 project number 11-W-00254/10; or (b) are foster parents licensed under  
10 chapter 74.15 RCW.

11 (9) \$1,500,000 of the general fund--federal appropriation is  
12 provided solely for planning and implementation of a health benefit  
13 exchange under the federal patient protection and affordable care act.  
14 Within the amounts provided in this subsection, funds used by the  
15 authority for information technology projects are conditioned on the  
16 authority satisfying the requirements of section 902, chapter 564, Laws  
17 of 2009.

18 **Sec. 1115.** 2011 c 5 s 214 (uncodified) is amended to read as  
19 follows:

20 **FOR THE HUMAN RIGHTS COMMISSION**

21	General Fund--State Appropriation (FY 2010) . . . . .	\$2,638,000
22	General Fund--State Appropriation (FY 2011) . . . . .	<del>(( \$2,353,000 ))</del>
23		<u>\$2,350,000</u>
24	General Fund--Federal Appropriation . . . . .	\$1,584,000
25	TOTAL APPROPRIATION . . . . .	<del>(( \$6,575,000 ))</del>
26		<u>\$6,572,000</u>

27 **Sec. 1116.** 2011 c 5 s 215 (uncodified) is amended to read as  
28 follows:

29 **FOR THE CRIMINAL JUSTICE TRAINING COMMISSION**

30	General Fund--State Appropriation (FY 2010) . . . . .	\$17,273,000
31	General Fund--State Appropriation (FY 2011) . . . . .	<del>(( \$16,721,000 ))</del>
32		<u>\$16,803,000</u>
33	General Fund--Federal Appropriation . . . . .	\$143,000
34	General Fund--Private/Local Appropriation . . . . .	<del>(( \$1,378,000 ))</del>
35		<u>\$1,282,000</u>
36	Death Investigations Account--State Appropriation . . . . .	\$148,000

1	Municipal Criminal Justice Assistance Account--	
2	State Appropriation . . . . .	\$460,000
3	Washington Auto Theft Prevention Authority Account--	
4	State Appropriation . . . . .	\$6,432,000
5	TOTAL APPROPRIATION . . . . .	<del>(\$42,555,000)</del>
6		<u>\$42,541,000</u>

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

9       (1) \$1,191,000 of the general fund--state appropriation for fiscal  
10 year 2010 is provided solely for the Washington association of sheriffs  
11 and police chiefs to continue to develop, maintain, and operate the  
12 jail booking and reporting system (JBRS) and the statewide automated  
13 victim information and notification system (SAVIN).

14       (2) \$5,000,000 of the general fund--state appropriation for fiscal  
15 year 2010 and \$5,000,000 of the general fund--state appropriation for  
16 fiscal year 2011, are provided to the Washington association of  
17 sheriffs and police chiefs solely to verify the address and residency  
18 of registered sex offenders and kidnapping offenders under RCW  
19 9A.44.130. The Washington association of sheriffs and police chiefs  
20 shall:

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

- 24       (i) For level I offenders, every twelve months;
- 25       (ii) For level II offenders, every six months; and
- 26       (iii) For level III offenders, every three months.

27       For the purposes of this subsection, unclassified offenders and  
28 kidnapping offenders shall be considered at risk level I unless in the  
29 opinion of the local jurisdiction a higher classification is in the  
30 interest of public safety.

31       (b) Collect performance data from all participating jurisdictions  
32 sufficient to evaluate the efficiency and effectiveness of the address  
33 and residency verification program; and

34       (c) Submit a report on the effectiveness of the address and  
35 residency verification program to the governor and the appropriate  
36 committees of the house of representatives and senate by December 31,  
37 each year.

38 The Washington association of sheriffs and police chiefs may retain up

1 to three percent of the amount provided in this subsection for the cost  
2 of administration. Any funds not disbursed for address and residency  
3 verification or retained for administration may be allocated to local  
4 prosecutors for the prosecution costs associated with failing-  
5 to-register offenses.

6 (3) \$30,000 of the general fund--state appropriation for fiscal  
7 year 2010 is provided solely for the implementation of Second  
8 Substitute House Bill No. 2078 (persons with developmental disabilities  
9 in correctional facilities or jails). If the bill is not enacted by  
10 June 30, 2009, the amount provided in this subsection shall lapse.

11 (4) (~~(\$171,000)~~) \$75,000 of the general fund--local appropriation  
12 is provided solely to purchase ammunition for the basic law enforcement  
13 academy. Jurisdictions with one hundred or more full-time commissioned  
14 officers shall reimburse to the criminal justice training commission  
15 the costs of ammunition, based on the average cost of ammunition per  
16 cadet, for cadets that they enroll in the basic law enforcement  
17 academy.

18 (5) The criminal justice training commission may not run a basic  
19 law enforcement academy class of fewer than 30 students.

20 **Sec. 1117.** 2011 c 5 s 216 (uncodified) is amended to read as  
21 follows:

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

23	General Fund--State Appropriation (FY 2010) . . . . .	\$24,975,000
24	General Fund--State Appropriation (FY 2011) . . . . .	( <del>(\$18,120,000)</del> )
25		<u>\$17,876,000</u>
26	General Fund--Federal Appropriation . . . . .	\$11,316,000
27	Asbestos Account--State Appropriation . . . . .	\$923,000
28	Electrical License Account--State Appropriation . . . . .	\$36,977,000
29	Farm Labor Revolving Account--Private/Local Appropriation . . .	\$28,000
30	Worker and Community Right-to-Know Account--	
31	State Appropriation . . . . .	\$1,987,000
32	Public Works Administration Account--State	
33	Appropriation . . . . .	\$6,021,000
34	Manufactured Home Installation Training Account--	
35	State Appropriation . . . . .	( <del>(\$143,000)</del> )
36		<u>\$135,000</u>
37	Accident Account--State Appropriation . . . . .	\$250,509,000

1	Accident Account--Federal Appropriation . . . . .	\$13,621,000
2	Medical Aid Account--State Appropriation . . . . .	\$249,232,000
3	Medical Aid Account--Federal Appropriation . . . . .	\$3,186,000
4	Plumbing Certificate Account--State Appropriation . . . . .	\$1,704,000
5	Pressure Systems Safety Account--State Appropriation . . . . .	\$4,144,000
6	TOTAL APPROPRIATION . . . . .	<del>(\$622,886,000)</del>
7		<u>\$622,634,000</u>

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

10 (1) Pursuant to RCW 43.135.055, the department is authorized to  
11 increase fees related to factory assembled structures, contractor  
12 registration, electricians, plumbers, asbestos removal, boilers,  
13 elevators, and manufactured home installers. These increases are  
14 necessary to support expenditures authorized in this section,  
15 consistent with chapters 43.22, 18.27, 19.28, and 18.106 RCW, RCW  
16 49.26.130, and chapters 70.79, 70.87, and 43.22A RCW.

17 (2) \$424,000 of the accident account--state appropriation and  
18 \$76,000 of the medical aid account--state appropriation are provided  
19 solely for implementation of a community agricultural worker safety  
20 grant at the department of agriculture. The department shall enter  
21 into an interagency agreement with the department of agriculture to  
22 implement the grant.

23 (3) \$4,850,000 of the medical aid account--state appropriation is  
24 provided solely to continue the program of safety and health as  
25 authorized by RCW 49.17.210 to be administered under rules adopted  
26 pursuant to chapter 34.05 RCW, provided that projects funded involve  
27 workplaces insured by the medical aid fund, and that priority is given  
28 to projects fostering accident prevention through cooperation between  
29 employers and employees or their representatives.

30 (4) \$150,000 of the medical aid account--state appropriation is  
31 provided solely for the department to contract with one or more  
32 independent experts to evaluate and recommend improvements to the  
33 rating plan under chapter 51.18 RCW, including analyzing how risks are  
34 pooled, the effect of including worker premium contributions in  
35 adjustment calculations, incentives for accident and illness  
36 prevention, return-to-work practices, and other sound risk-management  
37 strategies that are consistent with recognized insurance principles.

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

7 (6) The appropriations in this section reflect reductions in the  
8 appropriations for the department of labor and industries'  
9 administrative expenses. It is the intent of the legislature that  
10 these reductions shall be achieved, to the greatest extent possible, by  
11 reducing administrative costs only.

12 (7) \$500,000 of the accident account--state appropriation is  
13 provided solely for the department to contract with one or more  
14 independent experts to oversee and assist the department's  
15 implementation of improvements to the rating plan under chapter 51.18  
16 RCW, in collaboration with the department and with the department's  
17 work group of retrospective rating and workers' compensation  
18 stakeholders. The independent experts will validate the impact of  
19 recommended changes on retrospective rating participants and  
20 nonparticipants, confirm implementation technology changes, and provide  
21 other implementation assistance as determined by the department.

22 (8) \$194,000 of the accident account--state appropriation and  
23 \$192,000 of the medical aid account--state appropriation are provided  
24 solely for implementation of Senate Bill No. 5346 (health care  
25 administrative procedures).

26 (9) \$131,000 of the accident account--state appropriation and  
27 \$128,000 of the medical aid account--state appropriation are provided  
28 solely for implementation of Senate Bill No. 5613 (stop work orders).

29 (10) \$68,000 of the accident account--state appropriation and  
30 \$68,000 of the medical aid account--state appropriation are provided  
31 solely for implementation of Senate Bill No. 5688 (registered domestic  
32 partners).

33 (11) \$320,000 of the accident account--state appropriation and  
34 \$147,000 of the medical aid account--state appropriation are provided  
35 solely for implementation of Senate Bill No. 5873 (apprenticeship  
36 utilization).

37 (12) \$73,000 of the general fund--state appropriation for fiscal  
38 year 2010, \$66,000 of the general fund--state appropriation for fiscal



1 year 2011, \$606,000 of the accident account--state appropriation, and  
2 \$600,000 of the medical aid account--state appropriation are provided  
3 solely for the implementation of House Bill No. 1555 (underground  
4 economy).

5 (13) \$574,000 of the accident account--state appropriation and  
6 \$579,000 of the medical account--state appropriation are provided  
7 solely for the implementation of House Bill No. 1402 (industrial  
8 insurance appeals).

9 (14) Within statutory guidelines, the boiler program shall explore  
10 opportunities to increase program efficiency. Strategies may include  
11 the consolidation of routine multiple inspections to the same site and  
12 trip planning to ensure the least number of miles traveled.

13 (15) \$16,000 of the general fund--state appropriation for fiscal  
14 year 2010 and \$50,000 of the general fund--state appropriation for  
15 fiscal year 2011 are provided solely for the crime victims compensation  
16 program to pay claims for mental health services for crime victim  
17 compensation program clients who have an established relationship with  
18 a mental health provider and subsequently obtain coverage under the  
19 medicaid program or the medical care services program under chapter  
20 74.09 RCW. Prior to making such payment, the program must have  
21 determined that payment for the specific treatment or provider is not  
22 available under the medicaid or medical care services program. In  
23 addition, the program shall make efforts to contact any healthy options  
24 or medical care services health plan in which the client may be  
25 enrolled to help the client obtain authorization to pay the claim on an  
26 out-of-network basis.

27 (16) \$48,000 of the accident account--state appropriation and  
28 \$48,000 of the medical aid account--state appropriation are provided  
29 solely for the implementation of Substitute House Bill No. 2789  
30 (issuance of subpoenas for purposes of agency investigations of  
31 underground economic activity). If the bill is not enacted by June 30,  
32 2010, the amount provided in this subsection shall lapse.

33 (17) \$71,000 of the general fund--state appropriation for fiscal  
34 year 2011 is provided solely for implementation of Senate Bill No. 6349  
35 (farm internship program). If the bill is not enacted by June 30,  
36 2010, the amount provided in this subsection shall lapse.

37 (18) \$127,000 of the general fund--state appropriation for fiscal  
38 year 2010 and \$133,000 of the general fund--state appropriation for

1 fiscal year 2011 are provided solely for the department to provide  
 2 benefits in excess of the cap established by sections 1 and 2, chapter  
 3 122, Laws of 2010. These benefits shall be paid for claimants who were  
 4 determined eligible for and who were receiving crime victims'  
 5 compensation benefits because they were determined to be permanently  
 6 and totally disabled, as defined by RCW 51.08.160, prior to April 1,  
 7 2010. The director shall establish, by May 1, 2010, a process to aid  
 8 crime victims' compensation recipients in identifying and applying for  
 9 appropriate alternative benefit programs.

10 (19) \$155,000 of the public works administration account--state  
 11 appropriation is provided solely for the implementation of Engrossed  
 12 House Bill No. 2805 (offsite prefabricated items). If the bill is not  
 13 enacted by June 30, 2010, the amount provided in this subsection shall  
 14 lapse.

15 **Sec. 1118.** 2011 c 5 s 217 (uncodified) is amended to read as  
 16 follows:

17 **FOR THE INDETERMINATE SENTENCE REVIEW BOARD**

18	General Fund--State Appropriation (FY 2010) . . . . .	\$1,882,000
19	General Fund--State Appropriation (FY 2011) . . . . .	<del>(\$1,659,000)</del>
20		<u>\$1,657,000</u>
21	TOTAL APPROPRIATION . . . . .	<del>(\$3,541,000)</del>
22		<u>\$3,539,000</u>

23 **Sec. 1119.** 2011 c 5 s 218 (uncodified) is amended to read as  
 24 follows:

25 **FOR THE DEPARTMENT OF VETERANS AFFAIRS**

26 (1) HEADQUARTERS

27	General Fund--State Appropriation (FY 2010) . . . . .	\$1,913,000
28	General Fund--State Appropriation (FY 2011) . . . . .	<del>(\$1,865,000)</del>
29		<u>\$1,755,000</u>
30	Charitable, Educational, Penal, and Reformatory	
31	Institutions Account--State Appropriation . . . . .	\$10,000
32	TOTAL APPROPRIATION . . . . .	<del>(\$3,788,000)</del>
33		<u>\$3,678,000</u>

34 The appropriations in this subsection are subject to the following  
 35 conditions and limitations: In addition to other reductions, the  
 36 appropriations in this section reflect reductions targeted specifically

1 to state government administrative costs. These administrative  
2 reductions shall be achieved, to the greatest extent possible, by  
3 reducing those administrative costs that do not affect direct client  
4 services or direct service delivery or programs.

5 (2) FIELD SERVICES

6	General Fund--State Appropriation (FY 2010)	\$4,885,000
7	General Fund--State Appropriation (FY 2011)	\$4,964,000
8	General Fund--Federal Appropriation	\$2,382,000
9	General Fund--Private/Local Appropriation	\$4,512,000
10	Veterans Innovations Program Account--State	
11	Appropriation	\$897,000
12	Veteran Estate Management Account--Private/Local	
13	Appropriation	\$1,072,000
14	TOTAL APPROPRIATION	\$18,712,000

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

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

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

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

33 (3) INSTITUTIONAL SERVICES

34	General Fund--State Appropriation (FY 2010)	\$3,318,000
35	<del>(General Fund--State Appropriation (FY 2011)</del>	<del>\$1,793,000)</del>
36	General Fund--Federal Appropriation	<del>(\$50,931,000)</del>
37		<u>\$52,965,000</u>

1 General Fund--Private/Local Appropriation . . . . . ((~~\$34,189,000~~))  
2 \$34,791,000  
3 TOTAL APPROPRIATION . . . . . ((~~\$90,231,000~~))  
4 \$91,074,000

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

7 (a) In addition to other reductions, the appropriations in this  
8 section reflect reductions targeted specifically to state government  
9 administrative costs. These administrative reductions shall be  
10 achieved, to the greatest extent possible, by reducing those  
11 administrative costs that do not affect direct client services or  
12 direct service delivery or programs.

13 (b) The reductions in this subsection shall be achieved through  
14 savings from contract revisions and shall not impact the availability  
15 of goods and services for residents of the three state veterans homes.

16 **Sec. 1120.** 2011 c 5 s 219 (uncodified) is amended to read as  
17 follows:

18 **FOR THE DEPARTMENT OF HEALTH**

19 General Fund--State Appropriation (FY 2010) . . . . . \$98,414,000  
20 General Fund--State Appropriation (FY 2011) . . . . . ((~~\$72,427,000~~))  
21 \$72,269,000  
22 General Fund--Federal Appropriation . . . . . ((~~\$564,379,000~~))  
23 \$567,818,000  
24 General Fund--Private/Local Appropriation . . . . . \$162,237,000  
25 Hospital Data Collection Account--State Appropriation . . . . \$218,000  
26 Health Professions Account--State Appropriation . . . . . \$82,850,000  
27 Aquatic Lands Enhancement Account--State Appropriation . . . . \$603,000  
28 Emergency Medical Services and Trauma Care Systems  
29 Trust Account--State Appropriation . . . . . \$13,206,000  
30 Safe Drinking Water Account--State Appropriation . . . . . \$2,731,000  
31 Drinking Water Assistance Account--Federal  
32 Appropriation . . . . . \$22,862,000  
33 Waterworks Operator Certification--State  
34 Appropriation . . . . . \$1,522,000  
35 Drinking Water Assistance Administrative Account--  
36 State Appropriation . . . . . \$326,000  
37 State Toxics Control Account--State Appropriation . . . . . \$4,348,000



1 (2) In accordance with RCW 43.70.250 and 43.135.055, the department  
2 is authorized to establish and raise fees in fiscal year 2011 as  
3 necessary to meet the actual costs of conducting business and the  
4 appropriation levels in this section. This authorization applies to  
5 fees for the review of sewage tank designs, fees related to regulation  
6 and inspection of farmworker housing, and fees associated with the  
7 following professions: Acupuncture, dental, dentist, mental health  
8 counselor, nursing, nursing assistant, optometry, radiologic  
9 technologist, recreational therapy, respiratory therapy, social worker,  
10 cardiovascular invasive specialist, and practitioners authorized under  
11 chapter 18.240 RCW.

12 (3) Pursuant to RCW 43.135.055 and RCW 43.70.250, the department is  
13 authorized to establish fees by the amount necessary to fully support  
14 the cost of activities related to the administration of long-term care  
15 worker certification. The department is further authorized to increase  
16 fees by the amount necessary to implement the regulatory requirements  
17 of the following bills: House Bill No. 1414 (health care assistants),  
18 House Bill No. 1740 (dental residency licenses), and House Bill No.  
19 1899 (retired active physician licenses).

20 (4) \$764,000 of the health professions account--state appropriation  
21 is provided solely for the medical quality assurance commission to  
22 maintain disciplinary staff and associated costs sufficient to reduce  
23 the backlog of disciplinary cases and to continue to manage the  
24 disciplinary caseload of the commission.

25 (5) \$57,000 of the general fund--state appropriation for fiscal  
26 year 2010 and \$54,000 of the general fund--state appropriation for  
27 fiscal year 2011 are provided solely for the midwifery licensure and  
28 regulatory program to offset a reduction in revenue from fees. The  
29 department shall convene the midwifery advisory committee on a  
30 quarterly basis to address issues related to licensed midwifery. The  
31 appropriations in this section assume that the current application and  
32 renewal fee for midwives shall be increased by fifty dollars and all  
33 other fees for midwives be adjusted accordingly.

34 (6) Funding for the human papillomavirus vaccine shall not be  
35 included in the department's universal vaccine purchase program in  
36 fiscal year 2010. Remaining funds for the universal vaccine purchase  
37 program shall be used to continue the purchase of all other vaccines

1 included in the program until May 1, 2010, at which point state funding  
2 for the universal vaccine purchase program shall be discontinued.

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

11 (8) The department shall eliminate outreach activities for the  
12 health care directives registry and use the remaining amounts to  
13 maintain the contract for the registry and minimal staffing necessary  
14 to administer the basic entry functions for the registry.

15 (9) Funding in this section reflects a temporary reduction of  
16 resources for the 2009-11 fiscal biennium for the state board of health  
17 to conduct health impact reviews.

18 (10) Pursuant to RCW 43.135.055 and 43.70.125, the department is  
19 authorized to adopt rules to establish a fee schedule to apply to  
20 applicants for initial certification surveys of health care facilities  
21 for purposes of receiving federal health care program reimbursement.  
22 The fees shall only apply when the department has determined that  
23 federal funding is not sufficient to compensate the department for the  
24 cost of conducting initial certification surveys. The fees for initial  
25 certification surveys may be established as follows: Up to \$1,815 for  
26 ambulatory surgery centers, up to \$2,015 for critical access hospitals,  
27 up to \$980 for end stage renal disease facilities, up to \$2,285 for  
28 home health agencies, up to \$2,285 for hospice agencies, up to \$2,285  
29 for hospitals, up to \$520 for rehabilitation facilities, up to \$690 for  
30 rural health clinics, and up to \$7,000 for transplant hospitals.

31 (11) Funding for family planning grants for fiscal year 2011 is  
32 reduced in the expectation that federal funding shall become available  
33 to expand coverage of services for individuals through programs at the  
34 department of social and health services. In the event that such  
35 funding is not provided, the legislature intends to continue funding  
36 through a supplemental appropriation at fiscal year 2010 levels.  
37 \$4,360,000 of the general fund--state appropriation is provided solely

1 for the department of health-funded family planning clinic grants due  
2 to federal funding not becoming available.

3 (12) \$16,000,000 of the tobacco prevention and control  
4 account--state appropriation is provided solely for local health  
5 jurisdictions to conduct core public health functions as defined in RCW  
6 43.70.514.

7 (13) \$100,000 of the health professions account appropriation is  
8 provided solely for implementation of Substitute House Bill No. 1414  
9 (health care assistants). If the bill is not enacted by June 30, 2009,  
10 the amount provided in this subsection shall lapse.

11 (14) \$42,000 of the health professions account--state appropriation  
12 is provided solely to implement Substitute House Bill No. 1740  
13 (dentistry license issuance). If the bill is not enacted by June 30,  
14 2009, the amount provided in this section shall lapse.

15 (15) \$23,000 of the health professions account--state appropriation  
16 is provided solely to implement Second Substitute House Bill No. 1899  
17 (retired active physician licenses). If the bill is not enacted by  
18 June 30, 2009, the amount provided in this section shall lapse.

19 (16) \$12,000 of the general fund--state appropriation for fiscal  
20 year 2010 and \$67,000 of the general fund--private/local appropriation  
21 are provided solely to implement House Bill No. 1510 (birth  
22 certificates). If the bill is not enacted by June 30, 2009, the amount  
23 provided in this section shall lapse.

24 (17) \$31,000 of the health professions account is provided for the  
25 implementation of Second Substitute Senate Bill No. 5850 (human  
26 trafficking). If the bill is not enacted by June 2009, the amount  
27 provided in this subsection shall lapse.

28 (18) \$282,000 of the health professions account is provided for the  
29 implementation of Substitute Senate Bill No. 5752 (dentists cost  
30 recovery). If the bill is not enacted by June 2009, the amount  
31 provided in this subsection shall lapse.

32 (19) \$106,000 of the health professions account is provided for the  
33 implementation of Substitute Senate Bill No. 5601 (speech language  
34 assistants). If the bill is not enacted by June 2009, the amount  
35 provided in this subsection shall lapse.

36 (20) Subject to existing resources, the department of health is  
37 encouraged to examine, in the ordinary course of business, current and



1 prospective programs, treatments, education, and awareness of  
2 cardiovascular disease that are needed for a thriving and healthy  
3 Washington.

4 (21) \$390,000 of the health professions account--state  
5 appropriation is provided solely to implement chapter 169, Laws of 2010  
6 (nursing assistants). The amount provided in this subsection is from  
7 fee revenue authorized by Engrossed Substitute Senate Bill No. 6582.

8 (22) \$10,000 of the health professions account--state appropriation  
9 for fiscal year 2010 and \$40,000 of the health professions  
10 account--state appropriation for fiscal year 2011 are provided solely  
11 for the department to study cost effective options for collecting  
12 demographic data related to the health care professions workforce to be  
13 submitted to the legislature by December 1, 2010.

14 (23) \$66,000 of the health professions account--state appropriation  
15 is provided solely to implement chapter 209, Laws of 2010 (pain  
16 management).

17 (24) \$10,000 of the health professions account--state appropriation  
18 is provided solely to implement chapter 92, Laws of 2010  
19 (cardiovascular invasive specialists).

20 (25) \$23,000 of the general fund--state appropriation is provided  
21 solely to implement chapter 182, Laws of 2010 (tracking ephedrine,  
22 etc.).

23 (26) The department is authorized to coordinate a tobacco cessation  
24 media campaign using all appropriate media with the purpose of  
25 maximizing the use of quit-line services and youth smoking prevention.

26 (27) It is the intent of the legislature that the reductions in  
27 appropriations to the AIDS/HIV programs shall be achieved, to the  
28 greatest extent possible, by reducing those state government  
29 administrative costs that do not affect direct client services or  
30 direct service delivery or programs. The agency shall, to the greatest  
31 extent possible, reduce spending in those areas that shall have the  
32 least impact on implementing these programs.

33 (28) \$400,000 of the state toxics control account--state  
34 appropriation is provided solely for granting to a willing local public  
35 entity to provide emergency water supplies or water treatment for  
36 households with individuals at high public health risk from nitrate-  
37 contaminated wells in the lower Yakima basin.

1 (29) \$100,000 of the state toxics control account--state  
2 appropriation is provided solely for an interagency contract to the  
3 department of ecology to grant to agencies involved in improving  
4 groundwater quality in the lower Yakima Valley. These agencies will  
5 develop a local plan for improving water quality and reducing nitrate  
6 contamination. The department of ecology will report to the  
7 appropriate committees of the legislature and to the office of  
8 financial management no later than December 1, 2010, summarizing  
9 progress towards developing and implementing this plan.

10 (30) In accordance with RCW 43.135.055, the department is  
11 authorized to adopt and increase all fees set forth in and previously  
12 authorized in section 221(2), chapter 37, Laws of 2010 1st sp.s.

13 NEW SECTION. **Sec. 1121.** A new section is added to 2009 c 564  
14 (uncodified) to read as follows:

15 **FOR THE DEPARTMENT OF CORRECTIONS**

16 The appropriations to the department of corrections in this act  
17 shall be expended for the programs and in the amounts specified herein.  
18 However, after May 1, 2011, after approval by the director of financial  
19 management and unless specifically prohibited by this act, the  
20 department may transfer general fund--state appropriations for fiscal  
21 year 2011 between programs. The department shall not transfer funds,  
22 and the director of financial management shall not approve the  
23 transfer, unless the transfer is consistent with the objective of  
24 conserving, to the maximum extent possible, the expenditure of state  
25 funds and not federal funds. The director of financial management  
26 shall notify the appropriate fiscal committees of the senate and house  
27 of representatives in writing seven days prior to approving any  
28 deviations from appropriation levels. The written notification shall  
29 include a narrative explanation and justification of the changes, along  
30 with expenditures and allotments by budget unit and appropriation, both  
31 before and after any allotment modifications or transfers.

32 **Sec. 1122.** 2011 c 5 s 220 (uncodified) is amended to read as  
33 follows:

34 **FOR THE DEPARTMENT OF CORRECTIONS**

35 (1) ADMINISTRATION AND SUPPORT SERVICES  
36 General Fund--State Appropriation (FY 2010) . . . . . \$55,772,000

1	General Fund--State Appropriation (FY 2011) . . . . .	(( <del>\$51,929,000</del> ))
2		<u>\$48,131,000</u>
3	TOTAL APPROPRIATION . . . . .	(( <del>\$107,701,000</del> ))
4		<u>\$103,903,000</u>

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

7 (a) Within funds appropriated in this section, the department shall  
8 seek contracts for chemical dependency vendors to provide chemical  
9 dependency treatment of offenders in corrections facilities, including  
10 corrections centers and community supervision facilities, which have  
11 demonstrated effectiveness in treatment of offenders and are able to  
12 provide data to show a successful treatment rate.

13 (b) \$35,000 of the general fund--state appropriation for fiscal  
14 year 2010 and \$35,000 of the general fund--state appropriation for  
15 fiscal year 2011 are provided solely for the support of a statewide  
16 council on mentally ill offenders that includes as its members  
17 representatives of community-based mental health treatment programs,  
18 current or former judicial officers, and directors and commanders of  
19 city and county jails and state prison facilities. The council will  
20 investigate and promote cost-effective approaches to meeting the  
21 long-term needs of adults and juveniles with mental disorders who have  
22 a history of offending or who are at-risk of offending, including their  
23 mental health, physiological, housing, employment, and job training  
24 needs.

25 (2) CORRECTIONAL OPERATIONS

26	General Fund--State Appropriation (FY 2010) . . . . .	\$458,503,000
27	General Fund--State Appropriation (FY 2011) . . . . .	(( <del>\$562,084,000</del> ))
28		<u>\$568,568,000</u>
29	General Fund--Federal Appropriation . . . . .	(( <del>\$186,651,000</del> ))
30		<u>\$186,720,000</u>
31	Washington Auto Theft Prevention Authority Account--	
32	State Appropriation . . . . .	\$5,936,000
33	State Efficiency and Restructuring Account--State	
34	Appropriation . . . . .	\$34,522,000
35	TOTAL APPROPRIATION . . . . .	(( <del>\$1,247,696,000</del> ))
36		<u>\$1,254,249,000</u>

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

3 (a) The department may expend funds generated by contractual  
4 agreements entered into for mitigation of severe overcrowding in local  
5 jails. Any funds generated in excess of actual costs shall be  
6 deposited in the state general fund. Expenditures shall not exceed  
7 revenue generated by such agreements and shall be treated as a recovery  
8 of costs.

9 (b) 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 (c) During the 2009-11 biennium, when contracts are established or  
15 renewed for offender pay phone and other telephone services provided to  
16 inmates, the department shall select the contractor or contractors  
17 primarily based on the following factors: (i) The lowest rate charged  
18 to both the inmate and the person paying for the telephone call; and  
19 (ii) the lowest commission rates paid to the department, while  
20 providing reasonable compensation to cover the costs of the department  
21 to provide the telephone services to inmates and provide sufficient  
22 revenues for the activities funded from the institutional welfare  
23 betterment account.

24 (d) The Harborview medical center and the University of Washington  
25 medical center shall provide inpatient and outpatient hospital services  
26 to offenders confined in department of corrections facilities at a rate  
27 no greater than the average rate that the department has negotiated  
28 with other community hospitals in Washington state.

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

34 (f) Within amounts provided in this subsection, the department,  
35 jointly with the department of social and health services, shall  
36 identify the number of offenders released through the extraordinary  
37 medical placement program, the cost savings to the department of  
38 corrections, including estimated medical cost savings, and the costs

1 for medical services in the community incurred by the department of  
2 social and health services. The department and the department of  
3 social and health services shall jointly report to the office of  
4 financial management and the appropriate fiscal committees of the  
5 legislature by November 30, 2010.

6 (g) \$11,863,000 of the general fund--state appropriation for fiscal  
7 year 2010, \$7,953,000 of the general fund--state appropriation for  
8 fiscal year 2011, and \$2,336,000 of the general fund--private/local  
9 appropriation are provided solely for in-prison evidence-based programs  
10 and for the reception diagnostic center program as part of the offender  
11 re-entry initiative.

12 (h) The appropriations in this subsection are based on savings  
13 assumed from the closure of the McNeil Island corrections center, the  
14 Ahtanum View corrections center, and the Pine Lodge corrections center  
15 for women.

16 (3) COMMUNITY SUPERVISION

17	General Fund--State Appropriation (FY 2010) . . . . .	\$150,729,000
18	General Fund--State Appropriation (FY 2011) . . . . .	<del>(\$134,840,000)</del>
19		<u>\$133,549,000</u>
20	TOTAL APPROPRIATION . . . . .	<del>(\$285,569,000)</del>
21		<u>\$284,278,000</u>

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

24 (a) The department shall accomplish personnel reductions with the  
25 least possible impact on correctional custody staff, community custody  
26 staff, and correctional industries. For the purposes of this  
27 subsection, correctional custody staff means employees responsible for  
28 the direct supervision of offenders.

29 (b) \$2,083,000 of the general fund--state appropriation for fiscal  
30 year 2010 and \$2,083,000 of the general fund--state appropriation for  
31 fiscal year 2011 are provided solely to implement Senate Bill No. 5525  
32 (state institutions/release). If the bill is not enacted by June 30,  
33 2009, the amounts provided in this subsection shall lapse.

34 (c) The appropriations in this subsection are based upon savings  
35 assumed from the implementation of Engrossed Substitute Senate Bill No.  
36 5288 (supervision of offenders).

37 (d) \$2,791,000 of the general fund--state appropriation for fiscal  
38 year 2010 and \$2,680,000 of the general fund--state appropriation for

1 fiscal year 2011 are provided solely for evidence-based community  
2 programs and for community justice centers as part of the offender  
3 re-entry initiative.

4 (e) \$418,300 of the general fund--state appropriation for fiscal  
5 year 2010 is provided solely for the purposes of settling all claims in  
6 *Hilda Solis, Secretary of Labor, United States Department of Labor v.*  
7 *State of Washington, Department of Corrections*, United States District  
8 Court, Western District of Washington, Cause No. C08-cv-05362-RJB. The  
9 expenditure of this amount is contingent on the release of all claims  
10 in the case, and total settlement costs shall not exceed the amount  
11 provided in this subsection. If settlement is not fully executed by  
12 June 30, 2010, the amount provided in this subsection shall lapse.

13 (f) \$984,000 of the general fund--state appropriation for fiscal  
14 year 2011 is provided solely for supplemental services that will be  
15 provided to offenders in lieu of a prison sentence, pursuant to chapter  
16 224, Laws of 2010 (confinement alternatives).

17 (4) CORRECTIONAL INDUSTRIES

18	General Fund--State Appropriation (FY 2010) . . . . .	\$2,574,000
19	General Fund--State Appropriation (FY 2011) . . . . .	<del>(( \$2,441,000 ))</del>
20		<u>\$2,642,000</u>
21	TOTAL APPROPRIATION . . . . .	<del>(( \$5,015,000 ))</del>
22		<u>\$5,216,000</u>

23 The appropriations in this subsection are subject to the following  
24 conditions and limitations: \$132,000 of the general fund--state  
25 appropriation for fiscal year 2010 and \$132,000 of the general  
26 fund--state appropriation for fiscal year 2011 are provided solely for  
27 transfer to the jail industries board. The board shall use the amounts  
28 provided only for administrative expenses, equipment purchases, and  
29 technical assistance associated with advising cities and counties in  
30 developing, promoting, and implementing consistent, safe, and efficient  
31 offender work programs.

32 (5) INTERAGENCY PAYMENTS

33	General Fund--State Appropriation (FY 2010) . . . . .	\$40,728,000
34	General Fund--State Appropriation (FY 2011) . . . . .	<del>(( \$38,629,000 ))</del>
35		<u>\$38,995,000</u>
36	TOTAL APPROPRIATION . . . . .	<del>(( \$79,357,000 ))</del>
37		<u>\$79,723,000</u>

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

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

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

10 (6) Funding in this section may not be used to purchase radios or  
11 base station repeaters related to the movement to narrowband  
12 frequencies, or for reprogramming existing narrowband radios.

13 **Sec. 1123.** 2011 c 5 s 221 (uncodified) is amended to read as  
14 follows:

15 **FOR THE DEPARTMENT OF SERVICES FOR THE BLIND**

16	General Fund--State Appropriation (FY 2010) . . . . .	\$2,504,000
17	General Fund--State Appropriation (FY 2011) . . . . .	<del>(\$2,160,000)</del>
18		<u>\$2,158,000</u>
19	General Fund--Federal Appropriation . . . . .	<del>(\$18,116,000)</del>
20		<u>\$18,416,000</u>
21	General Fund--Private/Local Appropriation . . . . .	\$30,000
22	TOTAL APPROPRIATION . . . . .	<del>(\$22,810,000)</del>
23		<u>\$23,108,000</u>

24 **Sec. 1124.** 2011 c 5 s 222 (uncodified) is amended to read as  
25 follows:

26 **FOR THE SENTENCING GUIDELINES COMMISSION**

27	General Fund--State Appropriation (FY 2010) . . . . .	\$962,000
28	General Fund--State Appropriation (FY 2011) . . . . .	<del>(\$844,000)</del>
29		<u>\$843,000</u>
30	TOTAL APPROPRIATION . . . . .	<del>(\$1,806,000)</del>
31		<u>\$1,805,000</u>

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

34 (1) Within the amounts appropriated in this section, the sentencing  
35 guidelines commission, in partnership with the courts, shall develop a  
36 plan to implement an evidence-based system of community custody for

1 adult felons that will include the consistent use of evidence-based  
2 risk and needs assessment tools, programs, supervision modalities, and  
3 monitoring of program integrity. The plan for the evidence-based  
4 system of community custody shall include provisions for identifying  
5 cost-effective rehabilitative programs; identifying offenders for whom  
6 such programs would be cost-effective; monitoring the system for cost-  
7 effectiveness; and reporting annually to the legislature. In  
8 developing the plan, the sentencing guidelines shall consult with: The  
9 Washington state institute for public policy; the legislature; the  
10 department of corrections; local governments; prosecutors; defense  
11 attorneys; victim advocate groups; law enforcement; the Washington  
12 federation of state employees; and other interested entities. The  
13 sentencing guidelines commission shall report its recommendations to  
14 the governor and the legislature by December 1, 2009.

15 (2)(a) Except as provided in subsection (b), during the 2009-11  
16 biennium, the reports required by RCW 9.94A.480(2) and 9.94A.850(2) (d)  
17 and (h) shall be prepared within the available funds and may be delayed  
18 or suspended at the discretion of the commission.

19 (b) The commission shall submit the analysis described in section  
20 15 of Engrossed Substitute Senate Bill No. 5288 no later than December  
21 1, 2011.

22 (3) Within the amounts appropriated in this section, the sentencing  
23 guidelines commission shall survey the practices of other states  
24 relating to offenders who violate any conditions of their community  
25 custody. In conducting the survey, the sentencing guidelines  
26 commission shall perform a review of the research studies to determine  
27 if a mandatory minimum confinement policy is an evidence-based  
28 practice, investigate the implementation of such a policy in other  
29 states, and estimate the fiscal impacts of implementing such a policy  
30 in Washington state. The sentencing guidelines commission shall report  
31 its findings to the governor and the legislature by December 1, 2010.

32 **Sec. 1125.** 2011 c 5 s 223 (uncodified) is amended to read as  
33 follows:

34 **FOR THE EMPLOYMENT SECURITY DEPARTMENT**

35 General Fund--State Appropriation (FY 2010) . . . . .	\$2,054,000
36 General Fund--State Appropriation (FY 2011) . . . . .	(( <del>\$4,735,000</del> ))
37	<u>\$4,719,000</u>





1 appropriation is provided solely for the implementation of House Bill  
2 No. 1555 (underground economy) from funds made available to the state  
3 by section 903(d) of the social security act (Reed act).

4 (6) \$295,000 of the administrative contingency--state appropriation  
5 for fiscal year 2010 is provided solely for the implementation of House  
6 Bill No. 2227 (evergreen jobs act).

7 (7) \$2,000,000 of the general fund--state appropriation for fiscal  
8 year 2010 and \$4,682,000 of the general fund--state appropriation for  
9 fiscal year 2011 are provided solely for the implementation of Senate  
10 Bill No. 5809 (WorkForce employment and training).

11 (8) \$444,000 of the unemployment compensation administration  
12 account--federal appropriation is provided solely for the  
13 implementation of Substitute Senate Bill No. 6524 (unemployment  
14 insurance penalties and contribution rates) from funds made available  
15 to the state by section 903 (d) or (f) of the social security act (Reed  
16 12 act). If the bill is not enacted by June 30, 2010, the amount  
17 provided in this subsection shall lapse.

18 (9) \$232,000 of the unemployment compensation administration  
19 account--federal appropriation from funds made available to the state  
20 by section 903(c) or (f) of the social security act (Reed act) is  
21 provided solely for the implementation of Substitute House Bill No.  
22 2789 (underground economic activity). If the bill is not enacted by  
23 June 30, 2010, the amount provided in this subsection shall lapse.

24 (10) \$577,000 of the unemployment compensation administration  
25 account--federal appropriation is from amounts available to the state  
26 by section 903 (d), (f), and (g) of the Social Security Act (Reed Act).  
27 This amount is provided solely for implementation of chapter 4, Laws of  
28 2011 (unemployment insurance program).

29 (11) \$11,000 of the unemployment compensation administration  
30 account--federal appropriation is from amounts available to the state  
31 by section 903 (d), (f), and (g) of the Social Security Act (Reed Act).  
32 This amount is provided solely for implementation of chapter 4, Laws of  
33 2011 (unemployment insurance program).

(End of part)

PART XII  
NATURAL RESOURCES

Sec. 1201. 2011 c 5 s 301 (uncodified) is amended to read as follows:

**FOR THE DEPARTMENT OF ECOLOGY**

General Fund--State Appropriation (FY 2010)	\$58,552,000
General Fund--State Appropriation (FY 2011)	<del>(\$46,925,000)</del>
	<u>\$46,392,000</u>
General Fund--Federal Appropriation	\$82,079,000
General Fund--Private/Local Appropriation	\$16,688,000
Special Grass Seed Burning Research Account--State Appropriation	\$14,000
Reclamation Account--State Appropriation	<del>(\$3,649,000)</del>
	<u>\$3,640,000</u>
Flood Control Assistance Account--State Appropriation	\$1,943,000
State Emergency Water Projects Revolving Account-- State Appropriation	\$240,000
Waste Reduction/Recycling/Litter Control--State Appropriation	<del>(\$12,467,000)</del>
	<u>\$12,440,000</u>
State Drought Preparedness Account--State Appropriation	\$4,000,000
State and Local Improvements Revolving Account (Water Supply Facilities)--State Appropriation	\$424,000
Freshwater Aquatic Algae Control Account--State Appropriation	\$508,000
Water Rights Tracking System Account--State Appropriation	\$116,000
Site Closure Account--State Appropriation	\$922,000
Wood Stove Education and Enforcement Account--State Appropriation	\$582,000
Worker and Community Right-to-Know Account--State Appropriation	\$1,663,000
State Toxics Control Account--State Appropriation	<del>(\$106,642,000)</del>
	<u>\$106,391,000</u>
State Toxics Control Account--Private/Local	

1	Appropriation . . . . .	\$379,000
2	Local Toxics Control Account--State	
3	Appropriation . . . . .	(( <del>\$24,690,000</del> ))
4		<u>\$24,670,000</u>
5	Water Quality Permit Account--State	
6	Appropriation . . . . .	(( <del>\$37,018,000</del> ))
7		<u>\$36,899,000</u>
8	Underground Storage Tank Account--State	
9	Appropriation . . . . .	(( <del>\$3,270,000</del> ))
10		<u>\$3,259,000</u>
11	Biosolids Permit Account--State Appropriation . . . . .	\$1,866,000
12	Hazardous Waste Assistance Account--State	
13	Appropriation . . . . .	(( <del>\$5,880,000</del> ))
14		<u>\$5,858,000</u>
15	Air Pollution Control Account--State Appropriation . . . . .	\$1,565,000
16	Oil Spill Prevention Account--State	
17	Appropriation . . . . .	(( <del>\$10,599,000</del> ))
18		<u>\$10,568,000</u>
19	Air Operating Permit Account--State	
20	Appropriation . . . . .	(( <del>\$2,758,000</del> ))
21		<u>\$2,748,000</u>
22	Freshwater Aquatic Weeds Account--State Appropriation . . . . .	\$1,693,000
23	Oil Spill Response Account--State Appropriation . . . . .	\$7,077,000
24	Metals Mining Account--State Appropriation . . . . .	\$14,000
25	Water Pollution Control Revolving Account--State	
26	Appropriation . . . . .	\$535,000
27	Water Pollution Control Revolving Account--Federal	
28	Appropriation . . . . .	\$2,210,000
29	Water Rights Processing Account--State Appropriation . . . . .	\$68,000
30	TOTAL APPROPRIATION . . . . .	(( <del>\$437,036,000</del> ))
31		<u>\$436,003,000</u>

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

- 34 (1) \$170,000 of the oil spill prevention account--state  
35 appropriation is provided solely for a contract with the University of  
36 Washington's sea grant program to continue an educational program  
37 targeted to small spills from commercial fishing vessels, ferries,  
38 cruise ships, ports, and marinas.

1 (2) \$240,000 of the woodstove education and enforcement  
2 account--state appropriation is provided solely for citizen outreach  
3 efforts to improve understanding of burn curtailments, the proper use  
4 of wood heating devices, and public awareness of the adverse health  
5 effects of woodsmoke pollution.

6 (3) \$3,000,000 of the general fund--private/local appropriation is  
7 provided solely for contracted toxic-site cleanup actions at sites  
8 where multiple potentially liable parties agree to provide funding.

9 (4) \$3,600,000 of the local toxics account--state appropriation is  
10 provided solely for the standby emergency rescue tug stationed at Neah  
11 Bay.

12 (5) \$811,000 of the state toxics account--state appropriation is  
13 provided solely for oversight of toxic cleanup at facilities that  
14 treat, store, and dispose of hazardous wastes.

15 (6) \$1,456,000 of the state toxics account--state appropriation is  
16 provided solely for toxic cleanup at sites where willing parties  
17 negotiate prepayment agreements with the department and provide  
18 necessary funding.

19 (7) \$558,000 of the state toxics account--state appropriation and  
20 \$3,000,000 of the local toxics account--state appropriation are  
21 provided solely for grants and technical assistance to Puget Sound-area  
22 local governments engaged in updating shoreline master programs.

23 (8) \$950,000 of the state toxics control account--state  
24 appropriation is provided solely for measuring water and habitat  
25 quality to determine watershed health and assist salmon recovery,  
26 beginning in fiscal year 2011.

27 (9) RCW 70.105.280 authorizes the department to assess reasonable  
28 service charges against those facilities that store, treat, incinerate,  
29 or dispose of dangerous or extremely hazardous waste that involves both  
30 a nonradioactive hazardous component and a radioactive component.  
31 Service charges may not exceed the costs to the department in carrying  
32 out the duties in RCW 70.105.280. The current service charges do not  
33 meet the costs of the department to carry out its duties. Pursuant to  
34 RCW 43.135.055 and 70.105.280, the department is authorized to increase  
35 the service charges no greater than 18 percent for fiscal year 2010 and  
36 no greater than 15 percent for fiscal year 2011. Such service charges  
37 shall include all costs of public participation grants awarded to  
38 qualified entities by the department pursuant to RCW 70.105D.070(5) for

1 facilities at which such grants are recognized as a component of a  
2 community relations or public participation plan authorized or required  
3 as an element of a consent order, federal facility agreement or agreed  
4 order entered into or issued by the department pursuant to any federal  
5 or state law governing investigation and remediation of releases of  
6 hazardous substances. Public participation grants funded by such  
7 service charges shall be in addition to, and not in place of, any other  
8 grants made pursuant to RCW 70.105D.070(5). Costs for the public  
9 participation grants shall be billed individually to the mixed waste  
10 facility associated with the grant.

11 (10) The department is authorized to increase the following fees in  
12 the 2009-2011 biennium as necessary to meet the actual costs of  
13 conducting business and the appropriation levels in this section:  
14 Environmental lab accreditation, dam safety and inspection, biosolids  
15 permitting, air emissions new source review, and manufacturer  
16 registration and renewal.

17 (11) \$63,000 of the state toxics control account--state  
18 appropriation is provided solely for implementation of Substitute  
19 Senate Bill No. 5797 (solid waste handling permits). If the bill is  
20 not enacted by June 30, 2009, the amount provided in this subsection  
21 shall lapse.

22 (12) \$225,000 of the general fund--state appropriation for fiscal  
23 year 2010 and \$181,000 of the general fund--state appropriation for  
24 fiscal year 2011 are provided solely for implementation of Engrossed  
25 Second Substitute Bill No. 5560 (agency climate leadership). If the  
26 bill is not enacted by June 30, 2009, the amounts provided in this  
27 subsection shall lapse.

28 (13) \$150,000 of the general fund--state appropriation for fiscal  
29 year 2010 and \$141,000 of the general fund--state appropriation for  
30 fiscal year 2011 are provided solely for watershed planning  
31 implementation grants to continue ongoing efforts to develop and  
32 implement water agreements in the Nooksack Basin and the Bertrand  
33 watershed. These amounts are intended to support project  
34 administration; monitoring; negotiations in the Nooksack watershed  
35 between tribes, the department, and affected water users; continued  
36 implementation of a flow augmentation project; plan implementation in  
37 the Fishtrap watershed; and the development of a water bank.

1 (14) \$215,000 of the general fund--state appropriation for fiscal  
2 year 2010 and \$220,000 of the general fund--state appropriation for  
3 fiscal year 2011 are provided solely to provide watershed planning  
4 implementation grants for WRIA 32 to implement Substitute House Bill  
5 No. 1580 (pilot local water management program). If the bill is not  
6 enacted by June 30, 2009, the amounts provided in this subsection shall  
7 lapse.

8 (15) \$200,000 of the general fund--state appropriation for fiscal  
9 year 2010 and \$187,000 of the general fund--state appropriation for  
10 fiscal year 2011 are provided solely for the purpose of supporting the  
11 trust water rights program and processing trust water right transfer  
12 applications that improve instream flow.

13 (16)(a) The department shall convene a stock water working group  
14 that includes: Legislators, four members representing agricultural  
15 interests, three members representing environmental interests, the  
16 attorney general or designee, the director of the department of ecology  
17 or designee, the director of the department of agriculture or designee,  
18 and affected federally recognized tribes shall be invited to send  
19 participants.

20 (b) The group shall review issues surrounding the use of  
21 permit-exempt wells for stock-watering purposes and may develop  
22 recommendations for legislative action.

23 (c) The working group shall meet periodically and report its  
24 activities and recommendations to the governor and the appropriate  
25 legislative committees by December 1, 2009.

26 (17) \$73,000 of the water quality permit account--state  
27 appropriation is provided solely to implement Substitute House Bill No.  
28 1413 (water discharge fees). If the bill is not enacted by June 30,  
29 2009, the amount provided in this subsection shall lapse.

30 (18) The department shall continue to work with the Columbia Snake  
31 River irrigators' association to determine how seasonal water operation  
32 and maintenance conservation can be utilized. In implementing this  
33 proviso, the department shall also consult with the Columbia River  
34 policy advisory group as appropriate.

35 (19) The department shall track any changes in costs, wages, and  
36 benefits that would have resulted if House Bill No. 1716 (public  
37 contract living wages), as introduced in the 2009 regular session of  
38 the legislature, were enacted and made applicable to contracts and

1 related subcontracts entered into, renewed, or extended during the  
2 2009-11 biennium. The department shall submit a report to the house of  
3 representatives commerce and labor committee and the senate labor,  
4 commerce, and consumer protection committee by December 1, 2011. The  
5 report shall include data on any aggregate changes in wages and  
6 benefits that would have resulted during the 2009-11 biennium.

7 (20) Within amounts appropriated in this section the department  
8 shall develop recommendations by December 1, 2009, for a convenient and  
9 effective mercury-containing light recycling program for residents,  
10 small businesses, and small school districts throughout the state. The  
11 department shall consider options including but not limited to, a  
12 producer-funded program, a recycler-supported or recycle fee program,  
13 a consumer fee at the time of purchase, general fund appropriations, or  
14 a currently existing dedicated account. The department shall involve  
15 and consult with stakeholders including persons who represent  
16 retailers, waste haulers, recyclers, mercury-containing light  
17 manufacturers or wholesalers, cities, counties, environmental  
18 organizations and other interested parties. The department shall  
19 report its findings and recommendations for a recycling program for  
20 mercury-containing lights to the appropriate committees of the  
21 legislature by December 1, 2009.

22 (21) \$140,000 of the freshwater aquatic algae control  
23 account--state appropriation is provided solely for grants to cities,  
24 counties, tribes, special purpose districts, and state agencies for  
25 capital and operational expenses used to manage and study excessive  
26 saltwater algae with an emphasis on the periodic accumulation of sea  
27 lettuce on Puget Sound beaches.

28 (22) By December 1, 2009, the department in consultation with local  
29 governments shall conduct a remedial action grant financing  
30 alternatives report. The report shall address options for financing the  
31 remedial action grants identified in the department's report, entitled  
32 "House Bill 1761, Model Toxics Control Accounts Ten-Year Financing  
33 Plan" and shall include but not be limited to the following: (a)  
34 Capitalizing cleanup costs using debt insurance; (b) capitalizing  
35 cleanup costs using prefunded cost-cap insurance; (c) other contractual  
36 instruments with local governments; and (d) an assessment of overall  
37 economic benefits of the remedial action grants funded using the  
38 instruments identified in this section.



1 (23) \$220,000 of the site closure account--state appropriation is  
2 provided solely for litigation expenses associated with the lawsuit  
3 filed by energy solutions, inc., against the Northwest interstate  
4 compact on low-level radioactive waste management and its executive  
5 director.

6 (24) \$68,000 of the water rights processing account--state  
7 appropriation is provided solely for implementation of Engrossed Second  
8 Substitute Senate Bill No. 6267 (water rights processing). If the bill  
9 is not enacted by June 30, 2010, the amount provided in this subsection  
10 shall lapse.

11 (25) \$10,000 of the state toxics control account--state  
12 appropriation is provided solely for implementation of Engrossed  
13 Substitute Senate Bill No. 5543 (mercury-containing lights). If the  
14 bill is not enacted by June 30, 2010, the amount provided in this  
15 subsection shall lapse.

16 (26) \$300,000 of the state toxics control account--state  
17 appropriation is provided solely for piloting and evaluating two  
18 coordinated, multijurisdictional permitting teams for nontransportation  
19 projects.

20 (27)(a) \$4,000,000 of the state drought preparedness account--state  
21 appropriation is provided solely for response to a drought declaration  
22 pursuant to chapter 43.83B RCW. If such a drought declaration occurs,  
23 the department of ecology may provide funding to public bodies as  
24 defined in RCW 43.83B.050 in connection with projects and measures  
25 designed to alleviate drought conditions that may affect public health  
26 and safety, drinking water supplies, agricultural activities, or fish  
27 and wildlife survival.

28 (b) Projects or measures for which funding will be provided must be  
29 connected with a water system, water source, or water body that is  
30 receiving, or has been projected to receive, less than seventy-five  
31 percent of normal water supply, as the result of natural drought  
32 conditions. This reduction in water supply must be such that it is  
33 causing, or will cause, undue hardship for the entities or fish or  
34 wildlife depending on the water supply. The department shall issue  
35 guidelines outlining grant program and matching fund requirements  
36 within ten days of a drought declaration.

37 (28) In accordance with RCW 43.135.055, the department is

1 authorized to increase the fees set forth in and previously authorized  
2 in section 302(10), chapter 564, Laws of 2009.

3 (29) In accordance with RCW 43.135.055, the department is  
4 authorized to adopt and increase the fees set forth in and previously  
5 authorized in sections 3, 5, 7, and 12, chapter 285, Laws of 2010.

6 **Sec. 1202.** 2011 c 5 s 302 (uncodified) is amended to read as  
7 follows:

8 **FOR THE STATE PARKS AND RECREATION COMMISSION**

9	General Fund--State Appropriation (FY 2010) . . . . .	\$23,176,000
10	General Fund--State Appropriation (FY 2011) . . . . .	<del>(( \$18,309,000 ))</del>
11		<u>\$18,275,000</u>
12	General Fund--Federal Appropriation . . . . .	\$6,892,000
13	General Fund--Private/Local Appropriation . . . . .	\$73,000
14	Winter Recreation Program Account--State Appropriation . . .	\$1,556,000
15	Off Road Vehicle Account--State Appropriation . . . . .	\$239,000
16	Snowmobile Account--State Appropriation . . . . .	\$4,842,000
17	Aquatic Lands Enhancement Account--State Appropriation . . . .	\$368,000
18	Recreation Resources Account--State Appropriation . . . . .	\$9,469,000
19	NOVA Program Account--State Appropriation . . . . .	\$9,164,000
20	Parks Renewal and Stewardship Account--State	
21	Appropriation . . . . .	\$72,975,000
22	Parks Renewal and Stewardship Account--Private/Local	
23	Appropriation . . . . .	\$300,000
24	TOTAL APPROPRIATION . . . . .	<del>(( \$147,363,000 ))</del>
25		<u>\$147,329,000</u>

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

28 (1) \$79,000 of the general fund--state appropriation for fiscal  
29 year 2010 and \$74,000 of the general fund--state appropriation for  
30 fiscal year 2011 are provided solely for a grant for the operation of  
31 the Northwest avalanche center.

32 (2) Proceeds received from voluntary donations given by motor  
33 vehicle registration applicants shall be used solely for the operation  
34 and maintenance of state parks.

35 (3) With the passage of Substitute House Bill No. 2339 (state parks  
36 system donation), the legislature finds that it has provided sufficient  
37 funds to ensure that all state parks remain open during the 2009-11

1 biennium. The commission shall not close state parks unless the bill  
2 is not enacted by June 30, 2009, or revenue collections are  
3 insufficient to fund the ongoing operation of state parks. By January  
4 10, 2010, the commission shall provide a report to the legislature on  
5 their budget and resources related to operating parks for the remainder  
6 of the biennium.

7 (4) The commission shall work with the department of general  
8 administration to evaluate the commission's existing leases with the  
9 intention of increasing net revenue to state parks. The commission  
10 shall provide to the office of financial management and the legislative  
11 fiscal committees no later than September 30, 2009, a list of leases  
12 the commission proposes be managed by the department of general  
13 administration.

14 **Sec. 1203.** 2011 c 5 s 303 (uncodified) is amended to read as  
15 follows:

16 **FOR THE RECREATION AND CONSERVATION FUNDING BOARD**

17	General Fund--State Appropriation (FY 2010) . . . . .	\$1,486,000
18	General Fund--State Appropriation (FY 2011) . . . . .	<del>(\$1,312,000)</del>
19		<u>\$1,311,000</u>
20	General Fund--Federal Appropriation . . . . .	\$10,427,000
21	General Fund--Private/Local Appropriation . . . . .	\$250,000
22	Aquatic Lands Enhancement Account--State Appropriation . . . . .	\$278,000
23	Firearms Range Account--State Appropriation . . . . .	\$39,000
24	Recreation Resources Account--State Appropriation . . . . .	\$2,738,000
25	NOVA Program Account--State Appropriation . . . . .	\$1,059,000
26	TOTAL APPROPRIATION . . . . .	<del>(\$17,589,000)</del>
27		<u>\$17,588,000</u>

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

30 (1) \$204,000 of the general fund--state appropriation for fiscal  
31 year 2010 and \$194,000 of the general fund--state appropriation for  
32 fiscal year 2011 are provided solely for the implementation of  
33 Substitute House Bill No. 2157 (salmon recovery). If the bill is not  
34 enacted by June 30, 2009, the amounts provided in this subsection shall  
35 lapse.

36 (2) The recreation and conservation office, under the direction of  
37 the salmon recovery funding board, shall assess watershed and regional-

1 scale capacity issues relating to the support and implementation of  
2 salmon recovery. The assessment shall examine priority setting and  
3 incentives to further promote coordination to ensure that effective and  
4 efficient mechanisms for delivery of salmon recovery funding board  
5 funds are being utilized. The salmon recovery funding board shall  
6 distribute its operational funding to the appropriate entities based on  
7 this assessment.

8 (3) The recreation and conservation office shall negotiate an  
9 agreement with the Puget Sound partnership to consolidate or share  
10 certain administrative functions currently performed by each agency  
11 independently. The agencies shall proportionately share the costs of  
12 such shared functions. Examples of shared functions may include, but  
13 are not limited to, support for personnel, information technology,  
14 grant and contract management, invasive species work, legislative  
15 coordination, and policy and administrative support of various boards  
16 and councils.

17 **Sec. 1204.** 2010 2nd sp.s. c 1 s 305 (uncodified) is amended to  
18 read as follows:

19 **FOR THE ENVIRONMENTAL HEARINGS OFFICE**

20	General Fund--State Appropriation (FY 2010) . . . . .	\$1,108,000
21	General Fund--State Appropriation (FY 2011) . . . . .	<del>(\$1,035,000)</del>
22		<u>\$1,034,000</u>
23	TOTAL APPROPRIATION . . . . .	<del>(\$2,143,000)</del>
24		<u>\$2,142,000</u>

25 The appropriations in this section are subject to the following  
26 conditions and limitations: \$46,000 of the general fund--state  
27 appropriation for fiscal year 2010 is provided solely for tenant  
28 improvement costs associated with moving the office to a new location.

29 **Sec. 1205.** 2010 2nd sp.s. c 1 s 306 (uncodified) is amended to  
30 read as follows:

31 **FOR THE CONSERVATION COMMISSION**

32	General Fund--State Appropriation (FY 2010) . . . . .	\$7,556,000
33	General Fund--State Appropriation (FY 2011) . . . . .	<del>(\$6,751,000)</del>
34		<u>\$6,750,000</u>
35	General Fund--Federal Appropriation . . . . .	\$1,178,000
36	TOTAL APPROPRIATION . . . . .	<del>(\$15,485,000)</del>

The appropriations in this section are subject to the following conditions and limitations: In order to maintain a high degree of customer service and accountability for conservation districts, \$125,000 is to support the conservation commission's administrative activities related to the processing of conservation district invoices and budgeting.

Sec. 1206. 2011 c 5 s 304 (uncodified) is amended to read as follows:

FOR THE DEPARTMENT OF FISH AND WILDLIFE

Table listing various fund appropriations for the Department of Fish and Wildlife, including General Fund--State, Federal, Private/Local, and specific accounts like Aquatic Lands Enhancement and Wildlife Rehabilitation.

1	Oyster Reserve Land Account--State Appropriation . . . . .	\$916,000
2	TOTAL APPROPRIATION . . . . .	(( <del>\$323,689,000</del> ))
3		<u>\$324,182,000</u>

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

6 (1) \$294,000 of the aquatic lands enhancement account--state  
7 appropriation is provided solely for the implementation of hatchery  
8 reform recommendations defined by the hatchery scientific review group.

9 (2) \$355,000 of the general fund--state appropriation for fiscal  
10 year 2010 and \$422,000 of the general fund--state appropriation for  
11 fiscal year 2011 are provided solely for the department to implement a  
12 pilot project with the Confederated Tribes of the Colville Reservation  
13 to develop expanded recreational fishing opportunities on Lake Rufus  
14 Woods and its northern shoreline and to conduct joint enforcement of  
15 lake fisheries on Lake Rufus Woods and adjoining waters, pursuant to  
16 state and tribal intergovernmental agreements developed under the  
17 Columbia River water supply program. For the purposes of the pilot  
18 project:

19 (a) A fishing permit issued to a nontribal member by the Colville  
20 Tribes shall satisfy the license requirement of RCW 77.32.010 on the  
21 waters of Lake Rufus Woods and on the north shore of Lake Rufus Woods;

22 (b) The Colville Tribes have agreed to provide to holders of its  
23 nontribal member fishing permits a means to demonstrate that fish in  
24 their possession were lawfully taken in Lake Rufus Woods;

25 (c) A Colville tribal member identification card shall satisfy the  
26 license requirement of RCW 77.32.010 on all waters of Lake Rufus Woods;

27 (d) The department and the Colville Tribes shall jointly designate  
28 fishing areas on the north shore of Lake Rufus Woods for the purposes  
29 of enhancing access to the recreational fisheries on the lake; and

30 (e) The Colville Tribes have agreed to recognize a fishing license  
31 issued under RCW 77.32.470 or RCW 77.32.490 as satisfying the nontribal  
32 member fishing permit requirements of Colville tribal law on the  
33 reservation portion of the waters of Lake Rufus Woods and at designated  
34 fishing areas on the north shore of Lake Rufus Woods;

35 (3) Prior to submitting its 2011-2013 biennial operating and  
36 capital budget request related to state fish hatcheries to the office  
37 of financial management, the department shall contract with the  
38 hatchery scientific review group (HSRG) to review this request. This

1 review shall: (a) Determine if the proposed requests are consistent  
2 with HSRG recommendations; (b) prioritize the components of the  
3 requests based on their contributions to protecting wild salmonid  
4 stocks and meeting the recommendations of the HSRG; and (c) evaluate  
5 whether the proposed requests are being made in the most cost effective  
6 manner. The department shall provide a copy of the HSRG review to the  
7 office of financial management with their agency budget proposal.

8 (4) Within existing funds, the department shall continue  
9 implementing its capital program action plan dated September 1, 2007,  
10 including the purchase of the necessary maintenance and support costs  
11 for the capital programs and engineering tools. The department shall  
12 report to the office of financial management and the appropriate  
13 committees of the legislature, its progress in implementing the plan,  
14 including improvements instituted in its capital program, by September  
15 30, 2010.

16 (5) \$1,232,000 of the state wildlife account--state appropriation  
17 is provided solely to implement Substitute House Bill No. 1778 (fish  
18 and wildlife). If the bill is not enacted by June 30, 2009, the amount  
19 provided in this subsection shall lapse.

20 (6) \$400,000 of the general fund--state appropriation for fiscal  
21 year 2010 and \$400,000 of the general fund--state appropriation for  
22 fiscal year 2011 are provided solely for a state match to support the  
23 Puget Sound nearshore partnership between the department and the U.S.  
24 army corps of engineers.

25 (7) \$50,000 of the general fund--state appropriation for fiscal  
26 year 2010 and \$50,000 of the general fund--state appropriation for  
27 fiscal year 2011 are provided solely for removal of derelict gear in  
28 Washington waters.

29 (8) The department of fish and wildlife shall dispose of all Cessna  
30 aircraft it currently owns. The proceeds from the aircraft shall be  
31 deposited into the state wildlife account. Disposal of the aircraft  
32 must occur no later than June 30, 2010. The department shall  
33 coordinate with the department of natural resources on the installation  
34 of fire surveillance equipment into its Partenavia aircraft. The  
35 department shall make its Partenavia aircraft available to the  
36 department of natural resources on a cost-reimbursement basis for its  
37 use in coordinating fire suppression efforts. The two agencies shall

1 develop an interagency agreement that defines how they will share  
2 access to the plane.

3 (9) \$50,000 of the general fund--state appropriation for fiscal  
4 year 2010 is provided solely for an electron project fish passage study  
5 consistent with the recommendations and protocols contained in the 2008  
6 electron project downstream fish passage final report.

7 (10) \$60,000 of the general fund--state appropriation for fiscal  
8 year 2010 and \$60,000 of the general fund--state appropriation for  
9 fiscal year 2011 are provided solely for implementation of Engrossed  
10 Second Substitute Bill No. 5560 (agency climate leadership). If the  
11 bill is not enacted by June 30, 2009, the amounts provided in this  
12 subsection shall lapse.

13 (11) If sufficient new revenues are not identified to continue  
14 hatchery operations, within the constraints of legally binding tribal  
15 agreements, the department shall dispose of, by removal, sale, lease,  
16 reversion, or transfer of ownership, the following hatcheries:  
17 McKernan, Colville, Omak, Bellingham, Arlington, and Mossyrock.  
18 Disposal of the hatcheries must occur by June 30, 2011, and any  
19 proceeds received from disposal shall be deposited in the state  
20 wildlife account. Within available funds, the department shall provide  
21 quarterly reports on the progress of disposal to the office of  
22 financial management and the appropriate fiscal committees of the  
23 legislature. The first report shall be submitted no later than  
24 September 30, 2009.

25 (12) \$100,000 of the eastern Washington pheasant enhancement  
26 account--state appropriation is provided solely for the department to  
27 support efforts to enhance permanent and temporary pheasant habitat on  
28 public and private lands in Grant, Franklin, and Adams counties. The  
29 department may support efforts by entities including conservation  
30 districts, nonprofit organizations, and landowners, and must require  
31 such entities to provide significant nonstate matching resources, which  
32 may be in the form of funds, material, or labor.

33 (13) Within the amounts appropriated in this section, the  
34 department of fish and wildlife shall develop a method for allocating  
35 its administrative and overhead costs proportionate to program fund  
36 use. As part of its 2011-2013 biennial operating budget, the  
37 department shall submit a decision package that rebalances expenditure  
38 authority for all agency funds based upon proportionate contributions.



1 (14) Within the amounts appropriated in this section, the  
2 department shall identify additional opportunities for partnerships in  
3 order to keep fish hatcheries operational. Such partnerships shall aim  
4 to maintain fish production and salmon recovery with less reliance on  
5 state operating funds.

6 (15) Within the amounts appropriated in this section, the  
7 department shall work with stakeholders to develop a long-term funding  
8 model that sustains the department's work of conserving species and  
9 habitat, providing sustainable recreational and commercial  
10 opportunities and using sound business practices. The funding model  
11 analysis shall assess the appropriate uses of each fund source and  
12 whether the department's current and projected revenue levels are  
13 adequate to sustain its current programs. The department shall report  
14 its recommended funding model including supporting analysis and  
15 stakeholder participation summary to the office of financial management  
16 and the appropriate committees of the legislature by October 1, 2010.

17 (16) By October 1, 2010, the department shall enter into an  
18 interagency agreement with the department of natural resources for land  
19 management services for the department's wildlife conservation and  
20 recreation lands. Land management services may include but are not  
21 limited to records management, real estate services such as surveying,  
22 and land acquisition and disposal services. The interagency agreement  
23 shall describe business processes, service delivery expectations, cost,  
24 and timing. In the agreement, the department shall define its roles  
25 and responsibilities. A draft agreement shall be submitted to the  
26 office of financial management and the appropriate fiscal committees of  
27 the legislature by July 1, 2010.

28 (17) Prior to opening game management unit 490 to public hunting,  
29 the department shall complete an environmental impact statement that  
30 includes an assessment of how public hunting activities will impact the  
31 ongoing protection of the public water supply.

32 (18) The department must work with appropriate stakeholders to  
33 facilitate the disposition of salmon to best utilize the resource,  
34 increase revenues to regional fisheries enhancement groups, and enhance  
35 the provision of nutrients to food banks. By November 1, 2010, the  
36 department must provide a report to the appropriate committees of the  
37 legislature summarizing these discussions, outcomes, and  
38 recommendations. After November 1, 2010, the department shall not

1 solicit or award a surplus salmon disposal contract without first  
2 giving due consideration to implementing the recommendations developed  
3 during the stakeholder process.

4 (19) \$50,000 of the general fund--state appropriation for fiscal  
5 year 2011 is provided solely for increased fish production at Voight  
6 Creek hatchery.

7 **Sec. 1207.** 2011 c 5 s 305 (uncodified) is amended to read as  
8 follows:

9 **FOR THE DEPARTMENT OF NATURAL RESOURCES**

10	General Fund--State Appropriation (FY 2010) . . . . .	\$48,822,000
11	General Fund--State Appropriation (FY 2011) . . . . .	<del>(( \$37,321,000 ))</del>
12		<u>\$37,302,000</u>
13	General Fund--Federal Appropriation . . . . .	\$28,784,000
14	General Fund--Private/Local Appropriation . . . . .	\$2,369,000
15	Forest Development Account--State Appropriation . . . . .	\$41,640,000
16	Off Road Vehicle Account--State Appropriation . . . . .	\$4,406,000
17	Surveys and Maps Account--State Appropriation . . . . .	\$2,332,000
18	Aquatic Lands Enhancement Account--State	
19	Appropriation . . . . .	\$8,315,000
20	Resources Management Cost Account--State	
21	Appropriation . . . . .	\$78,704,000
22	Surface Mining Reclamation Account--State	
23	Appropriation . . . . .	\$3,494,000
24	Disaster Response Account--State Appropriation . . . . .	\$5,000,000
25	Forest and Fish Support Account--State Appropriation . . . . .	\$8,000,000
26	Aquatic Land Dredged Material Disposal Site	
27	Account--State Appropriation . . . . .	\$1,333,000
28	Natural Resources Conservation Areas Stewardship	
29	Account--State Appropriation . . . . .	\$184,000
30	State Toxics Control Account--State Appropriation . . . . .	\$720,000
31	Air Pollution Control Account--State Appropriation . . . . .	\$478,000
32	NOVA Program Account--State Appropriation . . . . .	\$974,000
33	Derelict Vessel Removal Account--State Appropriation . . . . .	\$1,749,000
34	Agricultural College Trust Management Account--	
35	State Appropriation . . . . .	\$1,941,000
36	TOTAL APPROPRIATION . . . . .	<del>(( \$276,566,000 ))</del>
37		<u>\$276,547,000</u>

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

3       (1) \$1,355,000 of the general fund--state appropriation for fiscal  
4 year 2010 and \$327,000 of the general fund--state appropriation for  
5 fiscal year 2011 are provided solely for deposit into the agricultural  
6 college trust management account and are provided solely to manage  
7 approximately 70,700 acres of Washington State University's  
8 agricultural college trust lands.

9       (2) \$22,670,000 of the general fund--state appropriation for fiscal  
10 year 2010, \$15,089,000 of the general fund--state appropriation for  
11 fiscal year 2011, and \$5,000,000 of the disaster response account--  
12 state appropriation are provided solely for emergency fire suppression.  
13 None of the general fund and disaster response account amounts provided  
14 in this subsection may be used to fund agency indirect and  
15 administrative expenses. Agency indirect and administrative costs  
16 shall be allocated among the agency's remaining accounts and  
17 appropriations. The department of natural resources shall submit a  
18 quarterly report to the office of financial management and the  
19 legislative fiscal committees detailing information on current and  
20 planned expenditures from the disaster response account. This work  
21 shall be done in coordination with the military department.

22       (3) \$5,000,000 of the forest and fish support account--state  
23 appropriation is provided solely for adaptive management, monitoring,  
24 and participation grants to tribes. If federal funding for this  
25 purpose is reinstated, the amount provided in this subsection shall  
26 lapse.

27       (4) \$600,000 of the derelict vessel removal account--state  
28 appropriation is provided solely for removal of derelict and abandoned  
29 vessels that have the potential to contaminate Puget Sound.

30       (5) \$666,000 of the general fund--federal appropriation is provided  
31 solely to implement House Bill No. 2165 (forest biomass energy  
32 project). If the bill is not enacted by June 30, 2009, the amount  
33 provided in this subsection shall lapse.

34       (6) \$5,000 of the general fund--state appropriation for fiscal year  
35 2010 and \$5,000 of the general fund--state appropriation for fiscal  
36 year 2011 are provided solely to implement Substitute House Bill No.  
37 1038 (specialized forest products). If the bill is not enacted by June  
38 30, 2009, the amounts provided in this subsection shall lapse.

1 (7) \$440,000 of the state general fund--state appropriation for  
2 fiscal year 2010 and \$440,000 of the state general fund--state  
3 appropriation for fiscal year 2011 are provided solely for forest work  
4 crews that support correctional camps and are contingent upon  
5 continuing operations of Naselle youth camp at the level provided in  
6 fiscal year 2008. The department shall consider using up to \$2,000,000  
7 of the general fund--federal appropriation to support and utilize  
8 correctional camp crews to implement natural resource projects approved  
9 by the federal government for federal stimulus funding.

10 (8) The department of natural resources shall dispose of the King  
11 Air aircraft it currently owns. Before disposal and within existing  
12 funds, the department shall transfer specialized equipment for fire  
13 surveillance to the department of fish and wildlife's Partenavia  
14 aircraft. Disposal of the aircraft must occur no later than June 30,  
15 2010, and the proceeds from the sale of the aircraft shall be deposited  
16 into the forest and fish support account.

17 (9) \$30,000 of the general fund--state appropriation for fiscal  
18 year 2010 and \$28,000 of the general fund--state appropriation for  
19 fiscal year 2011 are provided solely for implementation of Engrossed  
20 Second Substitute Bill No. 5560 (agency climate leadership). If the  
21 bill is not enacted by June 30, 2009, the amounts provided in this  
22 subsection shall lapse.

23 (10) \$1,030,000 of the aquatic lands enhancement account--state  
24 appropriation for fiscal year 2011 is provided solely for continuing  
25 scientific studies already underway as part of the adaptive management  
26 process. Funds may not be used to initiate new studies unless the  
27 department secures new federal funding for the adaptive management  
28 process.

29 (11) Within available funds, the department of natural resources  
30 shall review the statutory method for determining aquatic lands lease  
31 rates for private marinas, public marinas not owned and operated by  
32 port districts, yacht clubs, and other entities leasing state land for  
33 boat moorage. The review shall consider alternative methods for  
34 determining rents for these entities for a fair distribution of rent,  
35 consistent with the department management mandates for state aquatic  
36 lands.

37 (12) \$37,000 of the general fund--state appropriation for fiscal  
38 year 2011 and \$100,000 of the aquatic lands enhancement account--state

1 appropriation are provided solely to install up to twenty mooring buoys  
2 in Eagle Harbor and to remove abandoned boats, floats, and other  
3 trespassing structures.

4 (13) By October 1, 2010, the department shall enter into an  
5 interagency agreement with the department of fish and wildlife for  
6 providing land management services on the department of fish and  
7 wildlife's wildlife conservation and recreation lands. Land management  
8 services may include but are not limited to records management, real  
9 estate services such as surveying, and land acquisition and disposal  
10 services. The interagency agreement shall describe business processes,  
11 service delivery expectations, cost, and timing. A draft agreement  
12 shall be submitted to the office of financial management and the  
13 appropriate fiscal committees of the legislature by July 1, 2010.

14 (14) \$41,000 of the forest development account--state  
15 appropriation, \$44,000 of the resources management cost account--state  
16 appropriation, and \$2,000 of the agricultural college trust management  
17 account--state appropriation are provided solely for the implementation  
18 of Second Substitute House Bill No. 2481 (DNR forest biomass  
19 agreements). If the bill is not enacted by June 30, 2010, the amount  
20 provided in this subsection shall lapse.

21 **Sec. 1208.** 2011 c 5 s 306 (uncodified) is amended to read as  
22 follows:

23 **FOR THE DEPARTMENT OF AGRICULTURE**

24	General Fund--State Appropriation (FY 2010) . . . . .	\$12,320,000
25	General Fund--State Appropriation (FY 2011) . . . . .	<del>(\$15,391,000)</del>
26		<u>\$15,366,000</u>
27	General Fund--Federal Appropriation . . . . .	\$21,047,000
28	General Fund--Private/Local Appropriation . . . . .	\$193,000
29	Aquatic Lands Enhancement Account--State Appropriation . . .	\$2,564,000
30	State Toxics Control Account--State Appropriation . . . . .	\$4,724,000
31	Water Quality Permit Account--State Appropriation . . . . .	\$61,000
32	TOTAL APPROPRIATION . . . . .	<del>(\$56,300,000)</del>
33		<u>\$56,275,000</u>

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

36 (1) \$350,000 of the aquatic lands enhancement account appropriation

1 is provided solely for funding to the Pacific county noxious weed  
2 control board to eradicate remaining spartina in Willapa Bay.

3 (2) \$19,000 of the general fund--state appropriation for fiscal  
4 year 2010 and \$6,000 of the general fund--state appropriation for  
5 fiscal year 2011 are provided solely to implement Substitute Senate  
6 Bill No. 5797 (solid waste handling permits). If the bill is not  
7 enacted by June 30, 2009, the amounts provided in this subsection shall  
8 lapse.

9 (3) The department is authorized to establish or increase the  
10 following fees in the 2009-11 biennium as necessary to meet the actual  
11 costs of conducting business: Christmas tree grower licensing, nursery  
12 dealer licensing, plant pest inspection and testing, and commission  
13 merchant licensing.

14 (4) \$5,179,000 of the general fund--state appropriation for fiscal  
15 year 2011 and \$2,782,000 of the general fund--federal appropriation are  
16 provided solely for implementation of Substitute Senate Bill No. 6341  
17 (food assistance/department of agriculture). Within amounts  
18 appropriated in this subsection, \$65,000 of the general fund--state  
19 appropriation for fiscal year 2011 is provided solely for a contract  
20 with a food distribution program for communities in the southwestern  
21 portion of the state and for workers impacted by timber and salmon  
22 fishing closures and reductions. The department may not charge  
23 administrative overhead or expenses to this contract. If the bill is  
24 not enacted by June 30, 2010, the amounts provided in this subsection  
25 shall lapse.

26 (5) The department shall, if public or private funds are available,  
27 partner with eligible public and private entities with experience in  
28 food collection and distribution to review funding sources for eight  
29 full-time volunteers in the AmeriCorps VISTA program to conduct  
30 outreach to local growers, agricultural donors, and community  
31 volunteers. Public and private partners shall also be utilized to  
32 coordinate gleaning unharvested tree fruits and fresh produce for  
33 distribution to individuals throughout Washington state.

34 (6) When reducing laboratory activities and functions, the  
35 department shall not impact any research or analysis pertaining to  
36 bees.



1 volunteer programs. The partnership is directed to distribute the  
2 majority of funding as grants to local organizations, local  
3 governments, and education, communication, and outreach network  
4 partners. The partnership shall track progress for this activity  
5 through the accountability system of the Puget Sound partnership.

6 (6) The Puget Sound partnership shall negotiate an agreement with  
7 the recreation and conservation office to consolidate or share certain  
8 administrative functions currently performed by each agency  
9 independently. The agencies shall proportionately share the costs of  
10 such shared functions. Examples of shared functions may include, but  
11 are not limited to, support for personnel, information technology,  
12 grant and contract management, invasive species work, legislative  
13 coordination, and policy and administrative support of various boards  
14 and councils.

(End of part)



**PART XIII**  
**TRANSPORTATION**

**Sec. 1301.** 2011 c 5 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)	<del>(( \$1,322,000 ))</del>
	<u>\$1,320,000</u>
Architects' License Account--State Appropriation	\$923,000
Professional Engineers' Account--State	
Appropriation	\$3,568,000
Real Estate Commission Account--State Appropriation	\$9,987,000
Master License Account--State Appropriation	\$15,718,000
Uniform Commercial Code Account--State Appropriation	\$3,090,000
Real Estate Education Account--State Appropriation	\$276,000
Real Estate Appraiser Commission Account--State	
Appropriation	\$1,683,000
Business and Professions Account--State Appropriation	\$15,188,000
Real Estate Research Account--State Appropriation	\$471,000
Geologists' Account--State Appropriation	\$53,000
Derelict Vessel Removal Account--State Appropriation	\$31,000
TOTAL APPROPRIATION	<del>(( \$53,746,000 ))</del>
	<u>\$53,744,000</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.

(3) \$358,000 of the business and professions account--state appropriation is provided solely to implement Senate Bill No. 6126

1 (professional athletics). If the bill is not enacted by June 30, 2009,  
2 the amount provided in this subsection shall lapse.

3 (4) \$151,000 of the real estate research account appropriation is  
4 provided solely to implement chapter 156, Laws of 2010 (real estate  
5 broker licensure fees).

6 (5) \$158,000 of the architects' license account--state  
7 appropriation is provided solely to implement chapter 129, Laws of 2010  
8 (architect licensing).

9 (6) \$60,000 of the master license account--state appropriation is  
10 provided solely to implement chapter 174, Laws of 2010 (vaccine  
11 association). The amount provided in this subsection shall be from fee  
12 revenue authorized in chapter 174, Laws of 2010.

13 **Sec. 1302.** 2011 c 5 s 402 (uncodified) is amended to read as  
14 follows:

15 **FOR THE STATE PATROL**

16	General Fund--State Appropriation (FY 2010) . . . . .	\$38,977,000
17	General Fund--State Appropriation (FY 2011) . . . . .	<del>(\$33,292,000)</del>
18		<u>\$32,813,000</u>
19	General Fund--Federal Appropriation . . . . .	\$15,793,000
20	General Fund--Private/Local Appropriation . . . . .	\$4,986,000
21	Death Investigations Account--State Appropriation . . . . .	\$5,580,000
22	Enhanced 911 Account--State Appropriation . . . . .	\$603,000
23	County Criminal Justice Assistance Account--State	
24	Appropriation . . . . .	\$3,146,000
25	Municipal Criminal Justice Assistance Account--State	
26	Appropriation . . . . .	\$1,255,000
27	Fire Service Trust Account--State Appropriation . . . . .	\$131,000
28	Disaster Response Account--State Appropriation . . . . .	\$8,002,000
29	Fire Service Training Account--State Appropriation . . . . .	\$8,821,000
30	Aquatic Invasive Species Enforcement Account--State	
31	Appropriation . . . . .	\$54,000
32	State Toxics Control Account--State Appropriation . . . . .	\$509,000
33	Fingerprint Identification Account--State	
34	Appropriation . . . . .	\$10,454,000
35	TOTAL APPROPRIATION . . . . .	<del>(\$131,603,000)</del>
36		<u>\$131,124,000</u>

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

3       (1) \$200,000 of the fire service training account--state  
4 appropriation is provided solely for two FTEs in the office of the  
5 state director of fire protection to exclusively review K-12  
6 construction documents for fire and life safety in accordance with the  
7 state building code. It is the intent of this appropriation to provide  
8 these services only to those districts that are located in counties  
9 without qualified review capabilities.

10       (2) \$8,000,000 of the disaster response account--state  
11 appropriation is provided solely for Washington state fire service  
12 resource mobilization costs incurred in response to an emergency or  
13 disaster authorized under RCW 43.43.960 and 43.43.964. The state  
14 patrol shall submit a report quarterly to the office of financial  
15 management and the legislative fiscal committees detailing information  
16 on current and planned expenditures from this account. This work shall  
17 be done in coordination with the military department.

18       (3) The 2010 legislature will review the use of king air planes by  
19 the executive branch and the adequacy of funding in this budget  
20 regarding maintaining and operating the planes to successfully  
21 accomplish their mission.

22       (4) The appropriations in this section reflect reductions in the  
23 appropriations for the agency's administrative expenses. It is the  
24 intent of the legislature that these reductions shall be achieved, to  
25 the greatest extent possible, by reducing those administrative costs  
26 that do not affect direct client services or direct service delivery or  
27 programs.

28       (5) \$400,000 of the fire service training account--state  
29 appropriation is provided solely for the firefighter apprenticeship  
30 training program.

31       (6) \$48,000 of the fingerprint identification account--state  
32 appropriation is provided solely to implement Substitute House Bill No.  
33 1621 (consumer loan companies). If the bill is not enacted by June 30,  
34 2009, the amounts provided in this subsection shall lapse.

35       (7) In accordance with RCW 43.43.942, 46.52.085, and 43.135.055,  
36 the state patrol is authorized to increase the following fees in fiscal  
37 year 2011 as necessary to meet the actual costs of conducting business

1 and the appropriation levels in this section: Collision records  
2 requests; fire training academy courses; and fire training academy dorm  
3 accommodations.

4 (8) \$24,000 of the fingerprint identification account--state  
5 appropriation is provided solely for implementation of chapter 47, Laws  
6 of 2010 (criminal background checks).

(End of part)

**PART XIV**  
**EDUCATION**

**Sec. 1401.** 2011 c 5 s 501 (uncodified) is amended to read as follows:

**FOR THE SUPERINTENDENT OF PUBLIC INSTRUCTION**

General Fund--State Appropriation (FY 2010) . . . . .	\$35,415,000
General Fund--State Appropriation (FY 2011) . . . . .	<del>(\$30,196,000)</del>
	<u>\$30,336,000</u>
General Fund--Federal Appropriation . . . . .	\$87,081,000
TOTAL APPROPRIATION . . . . .	<del>(\$152,692,000)</del>
	<u>\$152,832,000</u>

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

(1) A maximum of \$23,096,000 of the general fund--state appropriation for fiscal year 2010 and \$20,070,000 of the general fund--state appropriation for fiscal year 2011 is for state agency operations.

(a) \$11,226,000 of the general fund--state appropriation for fiscal year 2010 and \$9,709,000 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, monthly, accurate monthly headcount and FTE enrollments for students in alternative learning experience (ALE) programs as well as information about resident and serving districts.

1 (iii) Within amounts provided in this subsection (1)(a), the state  
2 superintendent of public instruction shall share best practices with  
3 school districts regarding strategies for increasing efficiencies and  
4 economies of scale in school district noninstructional operations  
5 through shared service arrangements and school district cooperatives,  
6 as well as other practices.

7 (b) \$25,000 of the general fund--state appropriation for fiscal  
8 year 2011 is provided to the office of the superintendent of public  
9 instruction solely to convene a science, technology, engineering, and  
10 mathematics (STEM) working group to develop a comprehensive plan with  
11 a shared vision, goals, and measurable objectives to improve policies  
12 and practices to ensure that a pathway is established for elementary  
13 schools, middle schools, high schools, postsecondary degree programs,  
14 and careers in the areas of STEM, including improving practices for  
15 recruiting, preparing, hiring, retraining, and supporting teachers and  
16 instructors while creating pathways to boost student success, close the  
17 achievement gap, and prepare every student to be college and career  
18 ready. The working group shall be composed of the director of STEM at  
19 the office of the superintendent of public instruction who shall be the  
20 chair of the working group, and at least one representative from the  
21 state board of education, professional educator standards board, state  
22 board of community and technical colleges, higher education  
23 coordinating board, workforce training and education coordinating  
24 board, the achievement gap oversight and accountability committee, and  
25 others with appropriate expertise. The working group shall develop a  
26 comprehensive plan and a report with recommendations, including a  
27 timeline for specific actions to be taken, which is due to the governor  
28 and the appropriate committees of the legislature by December 1, 2010.

29 (c) \$920,000 of the general fund--state appropriation for fiscal  
30 year 2010 and \$491,000 of the general fund--state appropriation for  
31 fiscal year 2011 are provided solely for research and development  
32 activities associated with the development of options for new school  
33 finance systems, including technical staff, reprogramming, and analysis  
34 of alternative student funding formulae. Within this amount is  
35 \$150,000 for the state board of education for further development of  
36 accountability systems, and \$150,000 for the professional educator  
37 standards board for continued development of teacher certification and  
38 evaluation systems.

1 (d) \$965,000 of the general fund--state appropriation for fiscal  
2 year 2010 and \$887,000 of the general fund--state appropriation for  
3 fiscal year 2011 are provided solely for the operation and expenses of  
4 the state board of education, including basic education assistance  
5 activities.

6 (e) \$5,366,000 of the general fund--state appropriation for fiscal  
7 year 2010 and \$3,103,000 of the general fund--state appropriation for  
8 fiscal year 2011 are provided solely to the professional educator  
9 standards board for the following:

10 (i) \$1,070,000 in fiscal year 2010 and \$985,000 in fiscal year 2011  
11 are for the operation and expenses of the Washington professional  
12 educator standards board;

13 (ii) \$4,106,000 of the general fund--state appropriation for fiscal  
14 year 2010 and \$1,936,000 of the general fund--state appropriation for  
15 fiscal year 2011 are for conditional scholarship loans and mentor  
16 stipends provided through the alternative routes to certification  
17 program administered by the professional educator standards board,  
18 including the pipeline for paraeducators program and the retooling to  
19 teach conditional loan programs. Funding within this subsection  
20 (1)(f)(ii) is also provided for the recruiting Washington teachers  
21 program.

22 (iii) \$102,000 of the general fund--state appropriation for fiscal  
23 year 2010 is provided for the implementation of Second Substitute  
24 Senate Bill No. 5973 (student achievement gap). \$94,000 of the general  
25 fund--state appropriation for fiscal year 2011 is provided solely for  
26 the ongoing work of the achievement gap oversight and accountability  
27 committee and implementation of the committee's recommendations.

28 (f) \$1,349,000 of the general fund--state appropriation for fiscal  
29 year 2010 and \$144,000 of the general fund--state appropriation for  
30 fiscal year 2011 are provided solely for replacement of the  
31 apportionment system, which includes the processes that collect school  
32 district budget and expenditure information, staffing characteristics,  
33 and the student enrollments that drive the funding process.

34 (g) \$1,140,000 of the general fund--state appropriation for fiscal  
35 year 2010 and \$1,227,000 of the general fund--state appropriation for  
36 fiscal year 2011 are provided solely for the creation of a statewide  
37 data base of longitudinal student information. This amount is

1 conditioned on the department satisfying the requirements in section  
2 902 of this act.

3 (h) \$75,000 of the general fund--state appropriation for fiscal  
4 year 2010 is provided solely to promote the financial literacy of  
5 students. The effort will be coordinated through the financial  
6 education public-private partnership. It is expected that  
7 nonappropriated funds available to the public-private partnership will  
8 be sufficient to continue financial literacy activities.

9 (i) To the maximum extent possible, in adopting new agency rules or  
10 making any changes to existing rules or policies related to the fiscal  
11 provisions in the administration of part V of this act, the office of  
12 the superintendent of public instruction shall attempt to request  
13 approval through the normal legislative budget process.

14 (j) \$44,000 of the general fund--state appropriation for fiscal  
15 year 2010 and \$45,000 of the general fund--state appropriation for  
16 fiscal year 2011 are provided solely for the implementation of  
17 Substitute Senate Bill No. 5248 (enacting the interstate compact on  
18 educational opportunity for military children).

19 (k) \$700,000 of the general fund--state appropriation for fiscal  
20 year 2010 and \$700,000 of the general fund--state appropriation for  
21 fiscal year 2011 are provided solely for the implementation of  
22 Substitute Senate Bill No. 5410 (online learning).

23 (l) \$25,000 of the general fund--state appropriation for fiscal  
24 year 2010 and \$12,000 of the general fund--state appropriation for  
25 fiscal year 2011 are provided solely for project citizen, a program  
26 sponsored by the national conference of state legislatures and the  
27 center for civic education to promote participation in government by  
28 middle school students.

29 (m) \$2,518,000 of the general fund--state appropriation for fiscal  
30 year 2011 is provided solely for the implementation of Substitute House  
31 Bill No. 2776 (K-12 education funding). If the bill is not enacted by  
32 June 30, 2010, the amount provided in this subsection shall lapse.

33 (n) \$89,000 of the general fund--state appropriation for fiscal  
34 year 2011 is provided solely for the implementation of Engrossed Second  
35 Substitute House Bill No. 3026 (state and federal civil rights laws).  
36 If the bill is not enacted by June 30, 2010, the amount provided in  
37 this subsection shall lapse.



1 (o) Beginning in the 2010-11 school year, the superintendent of  
2 public instruction shall require all districts receiving general  
3 apportionment funding for alternative learning experience (ALE)  
4 programs as defined in WAC 392-121-182 to provide separate financial  
5 accounting of expenditures for the ALE programs offered in district or  
6 with a provider, including but not limited to private companies and  
7 multidistrict cooperatives.

8 (p) \$55,000 of the general fund--state appropriation for fiscal  
9 year 2011 is provided to the office of the superintendent of public  
10 instruction solely to convene a technical working group to establish  
11 standards, guidelines, and definitions for what constitutes a basic  
12 education program for highly capable students and the appropriate  
13 funding structure for such a program, and to submit recommendations to  
14 the legislature for consideration. The working group may convene  
15 advisory subgroups on specific topics as necessary to assure  
16 participation and input from a broad array of diverse stakeholders.  
17 The working group must consult with and seek input from nationally  
18 recognized experts; researchers and academics on the unique  
19 educational, emotional, and social needs of highly capable students and  
20 how to identify such students; representatives of national  
21 organizations and associations for educators of or advocates for highly  
22 capable students; school district representatives who are educators,  
23 counselors, and classified school employees involved with highly  
24 capable programs; parents of students who have been identified as  
25 highly capable; representatives from the federally recognized tribes;  
26 and representatives of cultural, linguistic, and racial minority groups  
27 and the community of persons with disabilities. The working group  
28 shall make recommendations to the quality education council and to  
29 appropriate committees of the legislature by December 1, 2010. The  
30 recommendations shall take into consideration that access to the  
31 program for highly capable students is not an individual entitlement  
32 for any particular student. The recommendations shall seek to minimize  
33 underrepresentation of any particular demographic or socioeconomic  
34 group by better identification, not lower standards or quotas, and  
35 shall include the following:

36 (i) Standardized state-level identification procedures, standards,  
37 criteria, and benchmarks, including a definition or definitions of a

1 highly capable student. Students who are both highly capable and are  
2 students of color, are poor, or have a disability must be addressed;

3 (ii) Appropriate programs and services that have been shown by  
4 research and practice to be effective with highly capable students but  
5 maintain options and flexibility for school districts, where possible;

6 (iii) Program administration, management, and reporting  
7 requirements for school districts;

8 (iv) Appropriate educator qualifications, certification  
9 requirements, and professional development and support for educators  
10 and other staff who are involved in programs for highly capable  
11 students;

12 (v) Self-evaluation models to be used by school districts to  
13 determine the effectiveness of the program and services provided by the  
14 school district for highly capable programs;

15 (vi) An appropriate state-level funding structure; and

16 (vii) Other topics deemed to be relevant by the working group.

17 (q) \$1,000,000 of the general fund--state appropriation for fiscal  
18 year 2011 is provided solely for contracting with a college scholarship  
19 organization with expertise in conducting outreach to students  
20 concerning eligibility for the Washington college bound scholarship  
21 consistent with chapter 405, Laws of 2007.

22 (r) \$24,000 of the general fund--state appropriation for fiscal  
23 year 2010 is provided solely for implementation of Substitute Senate  
24 Bill No. 6759 (requiring a plan for a voluntary program of early  
25 learning as a part of basic education). If the bill is not enacted by  
26 June 30, 2010, the amounts provided in this subsection (1)(r) shall  
27 lapse.

28 (s) \$950,000 of the general fund--state appropriation for fiscal  
29 year 2010 (~~is~~) and \$150,000 of the general fund--state appropriation  
30 for fiscal year 2011 are provided solely for office of the attorney  
31 general costs related to *McCleary v. State of Washington*.

32 (2) \$12,320,000 of the general fund--state appropriation for fiscal  
33 year 2010, \$10,127,000 of the general fund--state appropriation for  
34 fiscal year 2011, and \$55,890,000 of the general fund--federal  
35 appropriation are for statewide programs.

36 (a) HEALTH AND SAFETY

37 (i) \$2,541,000 of the general fund--state appropriation for fiscal  
38 year 2010 and \$2,381,000 of the general fund--state appropriation for

1 fiscal year 2011 are provided solely for a corps of nurses located at  
2 educational service districts, as determined by the superintendent of  
3 public instruction, to be dispatched to the most needy schools to  
4 provide direct care to students, health education, and training for  
5 school staff.

6 (ii) \$100,000 of the general fund--state appropriation for fiscal  
7 year 2010 and \$94,000 of the general fund--state appropriation for  
8 fiscal year 2011 are provided solely for a school safety training  
9 program provided by the criminal justice training commission. The  
10 commission, in collaboration with the school safety center advisory  
11 committee, shall provide the school safety training for all school  
12 administrators and school safety personnel, including school safety  
13 personnel hired after the effective date of this section.

14 (iii) \$9,670,000 of the general fund--federal appropriation is  
15 provided for safe and drug free schools and communities grants for drug  
16 and violence prevention activities and strategies.

17 (iv) \$96,000 of the general fund--state appropriation for fiscal  
18 year 2010 and \$90,000 of the general fund--state appropriation for  
19 fiscal year 2011 are provided solely for the school safety center in  
20 the office of the superintendent of public instruction subject to the  
21 following conditions and limitations:

22 (A) The safety center shall: Disseminate successful models of  
23 school safety plans and cooperative efforts; provide assistance to  
24 schools to establish a comprehensive safe school plan; select models of  
25 cooperative efforts that have been proven successful; act as an  
26 information dissemination and resource center when an incident occurs  
27 in a school district either in Washington or in another state;  
28 coordinate activities relating to school safety; review and approve  
29 manuals and curricula used for school safety models and training; and  
30 develop and maintain a school safety information web site.

31 (B) The school safety center advisory committee shall develop a  
32 training program, using the best practices in school safety, for all  
33 school safety personnel.

34 (v) \$70,000 of the general fund--state appropriation for fiscal  
35 year 2010 is provided solely for the youth suicide prevention program.

36 (vi) \$50,000 of the general fund--state appropriation for fiscal  
37 year 2010 and \$47,000 of the general fund--state appropriation for

1 fiscal year 2011 are provided solely for a nonviolence and leadership  
2 training program provided by the institute for community leadership.

3 (b) TECHNOLOGY

4 (i) \$1,842,000 of the general fund--state appropriation for fiscal  
5 year 2010 and \$1,635,000 of the general fund--state appropriation for  
6 fiscal year 2011 are provided solely for K-20 telecommunications  
7 network technical support in the K-12 sector to prevent system failures  
8 and avoid interruptions in school utilization of the data processing  
9 and video-conferencing capabilities of the network. These funds may be  
10 used to purchase engineering and advanced technical support for the  
11 network.

12 (ii) \$1,475,000 of the general fund--state appropriation for fiscal  
13 year 2010, \$1,045,000 of the general fund--state appropriation for  
14 fiscal year 2011, and \$435,000 of the general fund--federal  
15 appropriation are provided solely for implementing a comprehensive data  
16 system to include financial, student, and educator data. The office of  
17 the superintendent of public instruction will convene a data governance  
18 group to create a comprehensive needs-requirement document, conduct a  
19 gap analysis, and define operating rules and a governance structure for  
20 K-12 data collections.

21 (c) GRANTS AND ALLOCATIONS

22 (i) \$1,329,000 of the general fund--state appropriation for fiscal  
23 year 2010 and \$664,000 of the general fund--state appropriation for  
24 fiscal year 2011 are provided solely for the special services pilot  
25 project to include up to seven participating districts. The office of  
26 the superintendent of public instruction shall allocate these funds to  
27 the district or districts participating in the pilot program according  
28 to the provisions of RCW 28A.630.016.

29 (ii) \$750,000 of the general fund--state appropriation for fiscal  
30 year 2010 and \$750,000 of the general fund--state appropriation for  
31 fiscal year 2011 are provided solely for the Washington state achievers  
32 scholarship program. The funds shall be used to support community  
33 involvement officers that recruit, train, and match community volunteer  
34 mentors with students selected as achievers scholars.

35 (iii) \$25,000 of the general fund--state appropriation for fiscal  
36 year 2010 is provided solely for developing and disseminating  
37 curriculum and other materials documenting women's role in World War  
38 II.

1 (iv) \$175,000 of the general fund--state appropriation for fiscal  
2 year 2010 and \$87,000 of the general fund--state appropriation for  
3 fiscal year 2011 are provided solely for incentive grants for districts  
4 and pilot projects to develop preapprenticeship programs. Incentive  
5 grant awards up to \$10,000 each shall be used to support the program's  
6 design, school/business/labor agreement negotiations, and recruiting  
7 high school students for preapprenticeship programs in the building  
8 trades and crafts.

9 (v) \$2,898,000 of the general fund--state appropriation for fiscal  
10 year 2010 and \$2,924,000 of the general fund--state appropriation for  
11 fiscal year 2011 are provided solely for the dissemination of the  
12 navigation 101 curriculum to all districts. The funding shall support  
13 electronic student planning tools and software for analyzing the impact  
14 of navigation 101 on student performance, as well as grants to a  
15 maximum of one hundred school districts each year, based on progress  
16 and need for the implementation of the navigation 101 program. The  
17 implementation grants shall be awarded to a cross-section of school  
18 districts reflecting a balance of geographic and demographic  
19 characteristics. Within the amounts provided, the office of the  
20 superintendent of public instruction will create a navigation 101  
21 accountability model to analyze the impact of the program.

22 (vi) \$627,000 of the general fund--state appropriation for fiscal  
23 year 2010 and \$225,000 of the general fund--state appropriation for  
24 fiscal year 2011 are provided solely for implementation of a statewide  
25 program for comprehensive dropout prevention, intervention, and  
26 retrieval.

27 (vii) \$40,000 of the general fund--state appropriation for fiscal  
28 year 2010 is provided solely for program initiatives to address the  
29 educational needs of Latino students and families. Using the full  
30 amounts of the appropriations under this subsection (2)(c)(vii), the  
31 office of the superintendent of public instruction shall contract with  
32 the Seattle community coalition of compana quetzal to provide for three  
33 initiatives: (A) Early childhood education; (B) parent leadership  
34 training; and (C) high school success and college preparation programs.

35 (viii) \$60,000 of the general fund--state appropriation for fiscal  
36 year 2010 is provided solely for a pilot project to encourage bilingual  
37 high school students to pursue public school teaching as a profession.  
38 Using the full amounts of the appropriation under this subsection, the

1 office of the superintendent of public instruction shall contract with  
 2 the Latino/a educational achievement project (LEAP) to work with school  
 3 districts to identify and mentor not fewer than fifty bilingual  
 4 students in their junior year of high school, encouraging them to  
 5 become bilingual instructors in schools with high English language  
 6 learner populations. Students shall be mentored by bilingual teachers  
 7 and complete a curriculum developed and approved by the participating  
 8 districts.

9 (ix) \$145,000 of the general fund--state appropriation for fiscal  
 10 year 2010 and \$37,000 of the general fund--state appropriation for  
 11 fiscal year 2011 are provided solely to the office of the  
 12 superintendent of public instruction to enhance the reading skills of  
 13 students with dyslexia by implementing the findings of the dyslexia  
 14 pilot program. Funds shall be used to provide information and training  
 15 to classroom teachers and reading specialists, for development of a  
 16 dyslexia handbook, and to take other statewide actions to improve the  
 17 reading skills of students with dyslexia. The training program shall  
 18 be delivered regionally through the educational service districts.

19 (x) \$97,000 of the general fund--state appropriation for fiscal  
 20 year 2010 and \$48,000 of the general fund--state appropriation for  
 21 fiscal year 2011 are provided solely to support vocational student  
 22 leadership organizations.

23 (xi) \$100,000 of the general fund--state appropriation for fiscal  
 24 year 2011 is provided solely for drop-out prevention programs at the  
 25 office of the superintendent of public instruction including the jobs  
 26 for America's graduates (JAG) program.

27 **Sec. 1402.** 2011 c 5 s 502 (uncodified) is amended to read as  
 28 follows:

<b>FOR THE SUPERINTENDENT OF PUBLIC INSTRUCTION--FOR GENERAL APPORTIONMENT</b>	
General Fund--State Appropriation (FY 2010) . . . . .	\$5,126,153,000
General Fund--State Appropriation (FY 2011) . . . . .	<del>(\$4,887,369,000)</del>
	<u>\$4,623,555,000</u>
General Fund--Federal Appropriation . . . . .	\$208,098,000
TOTAL APPROPRIATION . . . . .	<del>(\$10,221,620,000)</del>
	<u>\$9,957,806,000</u>

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

3 (1)(a) Each general fund fiscal year appropriation includes such  
4 funds as are necessary to complete the school year ending in the fiscal  
5 year and for prior fiscal year adjustments.

6 (b) The appropriations in this section include federal funds  
7 provided through section 101 of Public Law No. 111-226 (education jobs  
8 fund), which shall be used to support general apportionment program  
9 funding. In distributing general apportionment allocations under this  
10 section for the 2010-11 school year, the superintendent shall include  
11 the entire allocation from the federal funds provided through section  
12 101 of Public Law No. 111-226 (education jobs fund) as part of each  
13 district's general apportionment allocation.

14 (2) Allocations for certificated staff salaries for the 2009-10 and  
15 2010-11 school years shall be determined using formula-generated staff  
16 units calculated pursuant to this subsection. Staff allocations for  
17 small school enrollments in (e) through (g) of this subsection shall be  
18 reduced for vocational full-time equivalent enrollments. Staff  
19 allocations for small school enrollments in grades K-6 shall be the  
20 greater of that generated under (a) of this subsection, or under (d)  
21 and (e) of this subsection. Certificated staffing allocations shall be  
22 as follows:

23 (a) On the basis of each 1,000 average annual full-time equivalent  
24 enrollments, excluding full-time equivalent enrollment otherwise  
25 recognized for certificated staff unit allocations under (d) through  
26 (g) of this subsection:

27 (i) Four certificated administrative staff units per thousand  
28 full-time equivalent students in grades K-12;

29 (ii)(A)(I) For districts that enroll fewer than 25 percent of their  
30 total full-time equivalent student enrollment in grades K through three  
31 in digital or online learning programs as defined in WAC 392-121-182,  
32 as in effect on November 1, 2009: For the 2009-10 school year, fifty-  
33 three and two-tenths certificated instructional staff units per  
34 thousand full-time equivalent students in grades K through three and,  
35 for the portion of the 2010-11 school year from September 1, 2010,  
36 through January 31, 2011, fifty and seventy-five one-hundredths  
37 certificated instructional staff units per thousand full-time  
38 equivalent students in grades K through three.

1 (II) For all other districts for the 2009-10 school year, a minimum  
2 of forty-nine certificated instructional staff units per 1,000  
3 full-time equivalent (FTE) students in grades K through three, with  
4 additional certificated instructional staff units to equal the  
5 documented staffing level in grades K through three, up to a maximum of  
6 fifty-three and two-tenths certificated instructional staff units per  
7 1,000 FTE students.

8 For the portion of the 2010 school year from September 1, 2010,  
9 through January 31, 2011, a minimum of forty-nine certificated  
10 instructional staff units per thousand full-time equivalent students in  
11 grades K through three, with additional certificated instructional  
12 staff units to equal the documented staffing level in grades K through  
13 three, up to a maximum of fifty and seventy-five one-hundredths  
14 certificated instructional staff units per thousand full-time  
15 equivalent students in grades K through three.

16 (B)(I) For districts that enroll fewer than 25 percent of their  
17 total full-time equivalent student enrollment in grade four in digital  
18 or online learning programs defined in WAC 392-121-182 as in effect on  
19 November 1, 2009: For the 2009-10 school year, fifty-three and  
20 two-tenths certificated instructional staff units per thousand full-  
21 time equivalent students in grade four, and for the portion of the  
22 2010-11 school year from September 1, 2010, through January 31, 2011,  
23 forty-six and twenty-seven one-hundredths certificated instructional  
24 staff units per thousand full-time equivalent students in grade four.

25 (II) For all other districts:

26 For the 2009-10 school year, a minimum of forty-six certificated  
27 instructional staff units per 1,000 full-time equivalent (FTE) students  
28 in grade four, and additional certificated instructional staff units to  
29 equal the documented staffing level in grade four, up to a maximum of  
30 fifty-three and two-tenths certificated instructional staff units per  
31 1,000 FTE students.

32 For the portion of the 2010-11 school year from September 1, 2010,  
33 through January 31, 2011, a minimum of forty-six certificated  
34 instructional staff units per 1,000 full-time equivalent (FTE) students  
35 in grade four, and additional certificated instructional staff units to  
36 equal the documented staffing level in grade four, up to a maximum of  
37 forty-six and twenty-seven one-hundredths certificated instructional  
38 staff units per 1,000 FTE students;



1 (iii) For the portion of the 2010-11 school year beginning February  
2 1, 2010:

3 (A) Forty-nine certificated instructional staff units per thousand  
4 full-time equivalent students in grades kindergarten through three;

5 (B) Forty-six certificated instructional staff units per thousand  
6 full-time equivalent students in grade 4;

7 (iv) All allocations for instructional staff units per thousand  
8 full-time equivalent students above forty-nine in grades kindergarten  
9 through three and forty-six in grade four shall occur in apportionments  
10 in the monthly periods prior to February 1, 2011;

11 (v) Forty-six certificated instructional staff units per thousand  
12 full-time equivalent students in grades 5-12;

13 (vi) Certificated staff allocations in this subsection (2)(a)  
14 exceeding the statutory minimums established in RCW 28A.150.260 shall  
15 not be considered part of basic education;

16 (b) For school districts with a minimum enrollment of 250 full-time  
17 equivalent students whose full-time equivalent student enrollment count  
18 in a given month exceeds the first of the month full-time equivalent  
19 enrollment count by 5 percent, an additional state allocation of 110  
20 percent of the share that such increased enrollment would have  
21 generated had such additional full-time equivalent students been  
22 included in the normal enrollment count for that particular month;

23 (c)(i) On the basis of full-time equivalent enrollment in:

24 (A) Vocational education programs approved by the superintendent of  
25 public instruction, a maximum of 0.92 certificated instructional staff  
26 units and 0.08 certificated administrative staff units for each 19.5  
27 full-time equivalent vocational students;

28 (B) Middle school vocational STEM programs approved by the  
29 superintendent of public instruction, a maximum of 0.92 certificated  
30 instructional staff units and 0.8 certificated administrative staff  
31 units for each 19.5 full-time equivalent vocational students; and

32 (C) Skills center programs meeting the standards for skills center  
33 funding established in January 1999 by the superintendent of public  
34 instruction with a waiver allowed for skills centers in current  
35 operation that are not meeting this standard until the 2010-11 school  
36 year, 0.92 certificated instructional staff units and 0.08 certificated  
37 administrative units for each 16.67 full-time equivalent vocational  
38 students;

1 (ii) Vocational full-time equivalent enrollment shall be reported  
2 on the same monthly basis as the enrollment for students eligible for  
3 basic support, and payments shall be adjusted for reported vocational  
4 enrollments on the same monthly basis as those adjustments for  
5 enrollment for students eligible for basic support; and

6 (iii) Indirect cost charges by a school district to  
7 vocational-secondary programs and vocational middle-school shall not  
8 exceed 15 percent of the combined basic education and vocational  
9 enhancement allocations of state funds;

10 (d) For districts enrolling not more than twenty-five average  
11 annual full-time equivalent students in grades K-8, and for small  
12 school plants within any school district which have been judged to be  
13 remote and necessary by the state board of education and enroll not  
14 more than twenty-five average annual full-time equivalent students in  
15 grades K-8:

16 (i) For those enrolling no students in grades 7 and 8, 1.76  
17 certificated instructional staff units and 0.24 certificated  
18 administrative staff units for enrollment of not more than five  
19 students, plus one-twentieth of a certificated instructional staff unit  
20 for each additional student enrolled; and

21 (ii) For those enrolling students in grades 7 or 8, 1.68  
22 certificated instructional staff units and 0.32 certificated  
23 administrative staff units for enrollment of not more than five  
24 students, plus one-tenth of a certificated instructional staff unit for  
25 each additional student enrolled;

26 (e) For specified enrollments in districts enrolling more than  
27 twenty-five but not more than one hundred average annual full-time  
28 equivalent students in grades K-8, and for small school plants within  
29 any school district which enroll more than twenty-five average annual  
30 full-time equivalent students in grades K-8 and have been judged to be  
31 remote and necessary by the state board of education:

32 (i) For enrollment of up to sixty annual average full-time  
33 equivalent students in grades K-6, 2.76 certificated instructional  
34 staff units and 0.24 certificated administrative staff units; and

35 (ii) For enrollment of up to twenty annual average full-time  
36 equivalent students in grades 7 and 8, 0.92 certificated instructional  
37 staff units and 0.08 certificated administrative staff units;

1 (f) For districts operating no more than two high schools with  
2 enrollments of less than three hundred average annual full-time  
3 equivalent students, for enrollment in grades 9-12 in each such school,  
4 other than alternative schools:

5 (i) For remote and necessary schools enrolling students in any  
6 grades 9-12 but no more than twenty-five average annual full-time  
7 equivalent students in grades K-12, four and one-half certificated  
8 instructional staff units and one-quarter of a certificated  
9 administrative staff unit;

10 (ii) For all other small high schools under this subsection, nine  
11 certificated instructional staff units and one-half of a certificated  
12 administrative staff unit for the first sixty average annual full time  
13 equivalent students, and additional staff units based on a ratio of  
14 0.8732 certificated instructional staff units and 0.1268 certificated  
15 administrative staff units per each additional forty-three and one-half  
16 average annual full time equivalent students.

17 Units calculated under (f)(ii) of this subsection shall be reduced  
18 by certificated staff units at the rate of forty-six certificated  
19 instructional staff units and four certificated administrative staff  
20 units per thousand vocational full-time equivalent students;

21 (g) For each nonhigh school district having an enrollment of more  
22 than seventy annual average full-time equivalent students and less than  
23 one hundred eighty students, operating a grades K-8 program or a grades  
24 1-8 program, an additional one-half of a certificated instructional  
25 staff unit; and

26 (h) For each nonhigh school district having an enrollment of more  
27 than fifty annual average full-time equivalent students and less than  
28 one hundred eighty students, operating a grades K-6 program or a grades  
29 1-6 program, an additional one-half of a certificated instructional  
30 staff unit.

31 (3) Allocations for classified salaries for the 2009-10 and 2010-11  
32 school years shall be calculated using formula-generated classified  
33 staff units determined as follows:

34 (a) For enrollments generating certificated staff unit allocations  
35 under subsection (2)(e) through (h) of this section, one classified  
36 staff unit for each 2.94 certificated staff units allocated under such  
37 subsections;

1 (b) For all other enrollment in grades K-12, including vocational  
2 full-time equivalent enrollments, one classified staff unit for each  
3 58.75 average annual full-time equivalent students; and

4 (c) For each nonhigh school district with an enrollment of more  
5 than fifty annual average full-time equivalent students and less than  
6 one hundred eighty students, an additional one-half of a classified  
7 staff unit.

8 (4) Fringe benefit allocations shall be calculated at a rate of  
9 14.43 percent in the 2009-10 school year and 14.43 percent in the  
10 2010-11 school year for certificated salary allocations provided under  
11 subsection (2) of this section, and a rate of 16.59 percent in the  
12 2009-10 school year and 16.59 percent in the 2010-11 school year for  
13 classified salary allocations provided under subsection (3) of this  
14 section.

15 (5) Insurance benefit allocations shall be calculated at the  
16 maintenance rate specified in section 504(2) of this act, based on the  
17 number of benefit units determined as follows:

18 (a) The number of certificated staff units determined in subsection  
19 (2) of this section; and

20 (b) The number of classified staff units determined in subsection  
21 (3) of this section multiplied by 1.152. This factor is intended to  
22 adjust allocations so that, for the purposes of distributing insurance  
23 benefits, full-time equivalent classified employees may be calculated  
24 on the basis of 1440 hours of work per year, with no individual  
25 employee counted as more than one full-time equivalent.

26 (6)(a) For nonemployee-related costs associated with each  
27 certificated staff unit allocated under subsection (2)(a), (b), and (d)  
28 through (g) of this section, there shall be provided a maximum of  
29 \$10,179 per certificated staff unit in the 2009-10 school year and a  
30 maximum of \$10,424 per certificated staff unit in the 2010-11 school  
31 year.

32 (b) For nonemployee-related costs associated with each vocational  
33 certificated staff unit allocated under subsection (2)(c)(i)(A) of this  
34 section, there shall be provided a maximum of \$24,999 per certificated  
35 staff unit in the 2009-10 school year and a maximum of \$25,399 per  
36 certificated staff unit in the 2010-11 school year.

37 (c) For nonemployee-related costs associated with each vocational  
38 certificated staff unit allocated under subsection (2)(c)(i)(B) of this

1 section, there shall be provided a maximum of \$19,395 per certificated  
2 staff unit in the 2009-10 school year and a maximum of \$19,705 per  
3 certificated staff unit in the 2010-11 school year.

4 (7) Allocations for substitute costs for classroom teachers shall  
5 be distributed at a maintenance rate of \$607.44 for the 2009-10 and  
6 2010-11 school years per allocated classroom teachers exclusive of  
7 salary increase amounts provided in section 504 of this act. Solely  
8 for the purposes of this subsection, allocated classroom teachers shall  
9 be equal to the number of certificated instructional staff units  
10 allocated under subsection (2) of this section, multiplied by the ratio  
11 between the number of actual basic education certificated teachers and  
12 the number of actual basic education certificated instructional staff  
13 reported statewide for the prior school year.

14 (8) Any school district board of directors may petition the  
15 superintendent of public instruction by submission of a resolution  
16 adopted in a public meeting to reduce or delay any portion of its basic  
17 education allocation for any school year. The superintendent of public  
18 instruction shall approve such reduction or delay if it does not impair  
19 the district's financial condition. Any delay shall not be for more  
20 than two school years. Any reduction or delay shall have no impact on  
21 levy authority pursuant to RCW 84.52.0531 and local effort assistance  
22 pursuant to chapter 28A.500 RCW.

23 (9) Funding in this section is sufficient to provide additional  
24 service year credits to educational staff associates pursuant to  
25 chapter 403, Laws of 2007.

26 (10)(a) The superintendent may distribute a maximum of \$5,452,000  
27 outside the basic education formula during fiscal years 2010 and 2011  
28 as follows:

29 (i) For fire protection for school districts located in a fire  
30 protection district as now or hereafter established pursuant to chapter  
31 52.04 RCW, a maximum of \$567,000 may be expended in fiscal year 2010  
32 and a maximum of \$576,000 may be expended in fiscal year 2011;

33 (ii) For summer vocational programs at skills centers, a maximum of  
34 \$2,385,000 may be expended for the 2010 fiscal year and a maximum of  
35 \$600,000 for the 2011 fiscal year;

36 (iii) A maximum of \$403,000 may be expended for school district  
37 emergencies; and

1 (iv) A maximum of \$485,000 for fiscal year 2010 and \$436,000 for  
2 fiscal year 2011 may be expended for programs providing skills training  
3 for secondary students who are enrolled in extended day school-to-work  
4 programs, as approved by the superintendent of public instruction. The  
5 funds shall be allocated at a rate not to exceed \$500 per full-time  
6 equivalent student enrolled in those programs.

7 (b) Funding in this section is sufficient to fund a maximum of 1.6  
8 FTE enrollment for skills center students pursuant to chapter 463, Laws  
9 of 2007.

10 (11) For purposes of RCW 84.52.0531, the increase per full-time  
11 equivalent student is 4.0 percent from the 2008-09 school year to the  
12 2009-10 school year and 4.0 percent from the 2009-10 school year to the  
13 2010-11 school year.

14 (12) If two or more school districts consolidate and each district  
15 was receiving additional basic education formula staff units pursuant  
16 to subsection (2)(b) through (g) of this section, the following shall  
17 apply:

18 (a) For three school years following consolidation, the number of  
19 basic education formula staff units shall not be less than the number  
20 of basic education formula staff units received by the districts in the  
21 school year prior to the consolidation; and

22 (b) For the fourth through eighth school years following  
23 consolidation, the difference between the basic education formula staff  
24 units received by the districts for the school year prior to  
25 consolidation and the basic education formula staff units after  
26 consolidation pursuant to subsection (2)(a) through (h) of this section  
27 shall be reduced in increments of twenty percent per year.

28 (13) General apportionment payments to the Steilacoom historical  
29 school district shall reflect changes to operation of the Harriet  
30 Taylor elementary school consistent with the timing of reductions in  
31 correctional facility capacity and staffing.

32 (14) (~~(\$2,500,000)~~) \$15,500,000 of the general fund--state  
33 appropriation for fiscal year 2011 is provided solely for the  
34 superintendent for financial contingency funds for eligible school  
35 districts. Of the amount provided in this subsection, \$2,500,000 is  
36 for school districts needing financial assistance as a result of budget  
37 reductions included in this act. Of the amount provided in this  
38 subsection, \$13,000,000 is for school districts needing financial

1 assistance as a result of delaying a portion of the June apportionment  
2 payment. The financial contingency funds shall be allocated to  
3 eligible districts in the form of an advance of their respective  
4 general apportionment allocations.

5 (a) Eligibility:

6 The superintendent shall determine a district's eligibility for  
7 receipt of financial contingency funds, and districts shall be eligible  
8 only if the following conditions are met:

9 (i) A petition is submitted by the school district as provided in  
10 RCW 28A.510.250 and WAC 392-121-436; and

11 (ii) The district's projected general fund balance for the month of  
12 March is less than one-half of one percent of its budgeted general fund  
13 expenditures as submitted to the superintendent for the 2010-11 school  
14 year on the F-196 report.

15 (b) Calculations:

16 The superintendent shall calculate the financial contingency  
17 allocation to each district as the lesser of:

18 (i) The amount set forth in the school district's resolution;

19 (ii) An amount not to exceed 10 percent of the total amount to  
20 become due and apportionable to the district from September 1st through  
21 August 31st of the current school year;

22 (iii) The highest negative monthly cash and investment balance of  
23 the general fund between the date of the resolution and May 31st of the  
24 school year based on projections approved by the county treasurer and  
25 the educational service district.

26 (c) Repayment:

27 For any amount allocated to a district in state fiscal year 2011,  
28 the superintendent shall deduct in state fiscal year 2012 from the  
29 district's general apportionment the amount of the emergency  
30 contingency allocation and any earnings by the school district on the  
31 investment of a temporary cash surplus due to the emergency contingency  
32 allocation. Repayments or advances will be accomplished by a reduction  
33 in the school district's apportionment payments on or before June 30th  
34 of the school year following the distribution of the emergency  
35 contingency allocation. All disbursements, repayments, and outstanding  
36 allocations to be repaid of the emergency contingency pool shall be  
37 reported to the office of financial management and the appropriate

1 fiscal committees of the legislature on July 1st and January 1st of  
2 each year.

3 **Sec. 1403.** 2010 1st sp.s. c 37 s 504 (uncodified) is amended to  
4 read as follows:

5 **FOR THE SUPERINTENDENT OF PUBLIC INSTRUCTION--FOR SCHOOL EMPLOYEE**  
6 **COMPENSATION ADJUSTMENTS**

7	General Fund--State Appropriation (FY 2010) . . . . .	(\$4,414,000)
8	General Fund--State Appropriation (FY 2011) . . . . .	<del>((-\$1,806,000))</del>
9		<u>(\$1,539,000)</u>
10	General Fund--Federal Appropriation . . . . .	(\$1,000)
11	TOTAL APPROPRIATION . . . . .	<del>((-\$6,221,000))</del>
12		<u>(\$5,954,000)</u>

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

15 (1)(a) Additional salary adjustments as necessary to fund the base  
16 salaries for certificated instructional staff as listed for each  
17 district in LEAP Document 2, defined in section 503(2)(b) of this act.  
18 Allocations for these salary adjustments shall be provided to all  
19 districts that are not grandfathered to receive salary allocations  
20 above the statewide salary allocation schedule, and to certain  
21 grandfathered districts to the extent necessary to ensure that salary  
22 allocations for districts that are currently grandfathered do not fall  
23 below the statewide salary allocation schedule.

24 (b) Additional salary adjustments to certain districts as necessary  
25 to fund the per full-time-equivalent salary allocations for  
26 certificated administrative staff as listed for each district in LEAP  
27 Document 2, defined in section 503(2)(b) of this act. These  
28 adjustments shall ensure a minimum salary allocation for certificated  
29 administrative staff of \$57,986 in the 2009-10 school year and \$57,986  
30 in the 2010-11 school year.

31 (c) Additional salary adjustments to certain districts as necessary  
32 to fund the per full-time-equivalent salary allocations for classified  
33 staff as listed for each district in LEAP Document 2, defined in  
34 section 503(2)(b) of this act. These salary adjustments ensure a  
35 minimum salary allocation for classified staff of \$31,865 in the 2009-  
36 10 school year and \$31,865 in the 2010-11 school year.



1 (d) The appropriations in this subsection (1) include associated  
2 incremental fringe benefit allocations at rates 13.79 percent for the  
3 2009-10 school year and 13.79 percent for the 2010-11 school year for  
4 certificated staff and 13.09 percent for the 2009-10 school year and  
5 13.09 percent for the 2010-11 school year for classified staff.

6 (e) The appropriations in this section include the increased or  
7 decreased portion of salaries and incremental fringe benefits for all  
8 relevant state-funded school programs in part V of this act. Changes  
9 for general apportionment (basic education) are based on the salary  
10 allocation schedules and methodology in sections 502 and 503 of this  
11 act. Changes for special education result from changes in each  
12 district's basic education allocation per student. Changes for  
13 educational service districts and institutional education programs are  
14 determined by the superintendent of public instruction using the  
15 methodology for general apportionment salaries and benefits in sections  
16 502 and 503 of this act. The appropriations in this section provide  
17 incremental fringe benefit alterations based on formula adjustments as  
18 follows:

	School Year	
	2009-10	2010-11
19 Pupil Transportation (per weighted pupil mile)	\$0	\$0
20 Highly Capable (per formula student)	(\$1.49)	(\$2.98)
21 Transitional Bilingual Education (per eligible bilingual student)	(\$3.93)	(\$7.86)
22 Learning Assistance (per formula student)	(\$1.18)	(\$2.36)

23 (f) The appropriations in this section include no salary  
24 adjustments for substitute teachers.

25 (2) \$44,213,000 is provided for adjustments to insurance benefit  
26 allocations. The maintenance rate for insurance benefit allocations is  
27 \$732.00 per month for the 2009-10 and 2010-11 school years. The  
28 appropriations in this section provide for a rate increase to \$745.00  
29 per month for the 2009-10 school year and \$768.00 per month for the  
30 2010-11 school year. The adjustments to health insurance benefits are  
31 at the following rates:  
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	School Year	
	2009-10	2010-11
Pupil Transportation (per weighted pupil mile)	\$0.12	\$0.33
Highly Capable (per formula student)	\$0.79	\$2.22
Transitional Bilingual Education (per eligible bilingual student)	\$2.11	\$5.83
Learning Assistance (per formula student)	\$0.54	\$1.49

(3) The rates specified in this section are subject to revision each year by the legislature.

**Sec. 1404.** 2011 c 5 s 503 (uncodified) is amended to read as follows:

**FOR THE SUPERINTENDENT OF PUBLIC INSTRUCTION--FOR PUPIL TRANSPORTATION**

General Fund--State Appropriation (FY 2010) . . . . .	\$317,116,000
General Fund--State Appropriation (FY 2011) . . . . .	<del>(\$296,408,000)</del>
	<u>\$297,393,000</u>
TOTAL APPROPRIATION . . . . .	<del>(\$613,524,000)</del>
	<u>\$614,509,000</u>

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

(1) Each general fund fiscal year appropriation includes such funds as are necessary to complete the school year ending in the fiscal year and for prior fiscal year adjustments.

(2) A maximum of \$878,000 of this fiscal year 2010 appropriation and a maximum of \$803,000 of the fiscal year 2011 appropriation may be expended for regional transportation coordinators and related activities. The transportation coordinators shall ensure that data submitted by school districts for state transportation funding shall, to the greatest extent practical, reflect the actual transportation activity of each district.

(3) Allocations for transportation of students shall be based on reimbursement rates of \$48.15 per weighted mile in the 2009-10 school year and \$48.37 per weighted mile in the 2010-11 school year exclusive of salary and benefit adjustments provided in section 504 of this act. Allocations for transportation of students transported more than one

1 radius mile shall be based on weighted miles as determined by  
2 superintendent of public instruction multiplied by the per mile  
3 reimbursement rates for the school year pursuant to the formulas  
4 adopted by the superintendent of public instruction. Allocations for  
5 transportation of students living within one radius mile shall be based  
6 on the number of enrolled students in grades kindergarten through five  
7 living within one radius mile of their assigned school multiplied by  
8 the per mile reimbursement rate for the school year multiplied by 1.29.

9 (4) The office of the superintendent of public instruction shall  
10 provide reimbursement funding to a school district only after the  
11 superintendent of public instruction determines that the school bus was  
12 purchased from the list established pursuant to RCW 28A.160.195(2) or  
13 a comparable competitive bid process based on the lowest price quote  
14 based on similar bus categories to those used to establish the list  
15 pursuant to RCW 28A.160.195.

16 (5) The superintendent of public instruction shall base  
17 depreciation payments for school district buses on the pre-sales tax  
18 five-year average of lowest bids in the appropriate category of bus.  
19 In the final year on the depreciation schedule, the depreciation  
20 payment shall be based on the lowest bid in the appropriate bus  
21 category for that school year.

22 (6) Funding levels in this section reflect reductions from the  
23 implementation of Substitute House Bill No. 1292 (authorizing waivers  
24 from the one hundred eighty-day school year requirement in order to  
25 allow four-day school weeks).

26 **Sec. 1405.** 2011 c 5 s 504 (uncodified) is amended to read as  
27 follows:

28 **FOR THE SUPERINTENDENT OF PUBLIC INSTRUCTION--FOR SCHOOL FOOD SERVICE**  
29 **PROGRAMS**

30	General Fund--State Appropriation (FY 2010) . . . . .	\$3,159,000
31	General Fund--State Appropriation (FY 2011) . . . . .	\$7,111,000
32	General Fund--Federal Appropriation . . . . .	<del>(\$448,588,000)</del>
33		<u>\$505,188,000</u>
34	TOTAL APPROPRIATION . . . . .	<del>(\$458,858,000)</del>
35		<u>\$515,458,000</u>

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

1 (1) \$3,000,000 of the general fund--state appropriation for fiscal  
2 year 2010 is provided for state matching money for federal child  
3 nutrition programs.

4 (2) \$100,000 of the general fund--state appropriation for fiscal  
5 year 2010 is provided for summer food programs for children in low-  
6 income areas.

7 (3) \$59,000 of the general fund--state appropriation for fiscal  
8 year 2010 is provided solely to reimburse school districts for school  
9 breakfasts served to students enrolled in the free or reduced price  
10 meal program pursuant to chapter 287, Laws of 2005 (requiring school  
11 breakfast programs in certain schools).

12 (4) \$7,111,000 of the general fund--state appropriation for fiscal  
13 year 2011 is provided solely for state matching money for federal child  
14 nutrition programs, and may support the meals for kids program through  
15 the following allowable uses:

16 (a) Elimination of breakfast copays for eligible public school  
17 students and lunch copays for eligible public school students in grades  
18 kindergarten through third grade who are eligible for reduced price  
19 lunch;

20 (b) Assistance to school districts and authorized public and  
21 private nonprofit organizations for supporting summer food service  
22 programs, and initiating new summer food service programs in low-income  
23 areas; and

24 (c) Reimbursements to school districts for school breakfasts served  
25 to students eligible for free and reduced price lunch, pursuant to  
26 chapter 287, Laws of 2005.

27 **Sec. 1406.** 2011 c 5 s 505 (uncodified) is amended to read as  
28 follows:

29 **FOR THE SUPERINTENDENT OF PUBLIC INSTRUCTION--FOR SPECIAL EDUCATION**  
30 **PROGRAMS**

31	General Fund--State Appropriation (FY 2010) . . . . .	\$632,136,000
32	General Fund--State Appropriation (FY 2011) . . . . .	<del>(\$626,099,000)</del>
33		<u>\$627,316,000</u>
34	General Fund--Federal Appropriation . . . . .	<del>(\$664,601,000)</del>
35		<u>\$675,618,000</u>
36	Education Legacy Trust Account--State	
37	Appropriation . . . . .	\$756,000

1 TOTAL APPROPRIATION . . . . . ((~~\$1,923,592,000~~))  
2 \$1,935,826,000

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

5 (1) Funding for special education programs is provided on an excess  
6 cost basis, pursuant to RCW 28A.150.390. School districts shall ensure  
7 that special education students as a class receive their full share of  
8 the general apportionment allocation accruing through sections 502 and  
9 504 of this act. To the extent a school district cannot provide an  
10 appropriate education for special education students under chapter  
11 28A.155 RCW through the general apportionment allocation, it shall  
12 provide services through the special education excess cost allocation  
13 funded in this section.

14 (2)(a) The superintendent of public instruction shall ensure that:

15 (i) Special education students are basic education students first;

16 (ii) As a class, special education students are entitled to the  
17 full basic education allocation; and

18 (iii) Special education students are basic education students for  
19 the entire school day.

20 (b) The superintendent of public instruction shall continue to  
21 implement the full cost method of excess cost accounting, as designed  
22 by the committee and recommended by the superintendent, pursuant to  
23 section 501(1)(k), chapter 372, Laws of 2006.

24 (3) Each fiscal year appropriation includes such funds as are  
25 necessary to complete the school year ending in the fiscal year and for  
26 prior fiscal year adjustments.

27 (4) The superintendent of public instruction shall distribute state  
28 funds to school districts based on two categories: (a) The first  
29 category includes (i) children birth through age two who are eligible  
30 for the optional program for special education eligible developmentally  
31 delayed infants and toddlers, and (ii) students eligible for the  
32 mandatory special education program and who are age three or four, or  
33 five and not yet enrolled in kindergarten; and (b) the second category  
34 includes students who are eligible for the mandatory special education  
35 program and who are age five and enrolled in kindergarten and students  
36 age six through 21.

37 (5)(a) For the 2009-10 and 2010-11 school years, the superintendent  
38 shall make allocations to each district based on the sum of:

1 (i) A district's annual average headcount enrollment of students  
2 ages birth through four and those five year olds not yet enrolled in  
3 kindergarten, as defined in subsection (4) of this section, multiplied  
4 by the district's average basic education allocation per full-time  
5 equivalent student, multiplied by 1.15; and

6 (ii) A district's annual average full-time equivalent basic  
7 education enrollment multiplied by the funded enrollment percent  
8 determined pursuant to subsection (6)(b) of this section, multiplied by  
9 the district's average basic education allocation per full-time  
10 equivalent student multiplied by 0.9309.

11 (b) For purposes of this subsection, "average basic education  
12 allocation per full-time equivalent student" for a district shall be  
13 based on the staffing ratios required by RCW 28A.150.260 and shall not  
14 include enhancements, secondary vocational education, or small schools  
15 in the 2009-10 school year. In the 2010-11 school year, the per  
16 student allocation under this subsection (5)(b) shall include the same  
17 factors as in the 2009-10 school year, but shall also include the  
18 classified staff enhancements included in section 502(3)(b).

19 (6) The definitions in this subsection apply throughout this  
20 section.

21 (a) "Annual average full-time equivalent basic education  
22 enrollment" means the resident enrollment including students enrolled  
23 through choice (RCW 28A.225.225) and students from nonhigh districts  
24 (RCW 28A.225.210) and excluding students residing in another district  
25 enrolled as part of an interdistrict cooperative program (RCW  
26 28A.225.250).

27 (b) "Enrollment percent" means the district's resident special  
28 education annual average enrollment, excluding the birth through age  
29 four enrollment and those five year olds not yet enrolled in  
30 kindergarten, as a percent of the district's annual average full-time  
31 equivalent basic education enrollment.

32 Each district's general fund--state funded special education  
33 enrollment shall be the lesser of the district's actual enrollment  
34 percent or 12.7 percent.

35 (7) At the request of any interdistrict cooperative of at least 15  
36 districts in which all excess cost services for special education  
37 students of the districts are provided by the cooperative, the maximum  
38 enrollment percent shall be calculated in accordance with subsection

1 (6)(b) of this section, and shall be calculated in the aggregate rather  
2 than individual district units. For purposes of this subsection, the  
3 average basic education allocation per full-time equivalent student  
4 shall be calculated in the aggregate rather than individual district  
5 units.

6 (8) To the extent necessary, \$19,512,000 of the general fund--state  
7 appropriation and \$29,574,000 of the general fund--federal  
8 appropriation are provided for safety net awards for districts with  
9 demonstrated needs for special education funding beyond the amounts  
10 provided in subsection (5) of this section. If the federal safety net  
11 awards based on the federal eligibility threshold exceed the federal  
12 appropriation in this subsection (8) in any fiscal year, the  
13 superintendent shall expend all available federal discretionary funds  
14 necessary to meet this need. Safety net funds shall be awarded by the  
15 state safety net oversight committee subject to the following  
16 conditions and limitations:

17 (a) The committee shall consider unmet needs for districts that can  
18 convincingly demonstrate that all legitimate expenditures for special  
19 education exceed all available revenues from state funding formulas.  
20 In the determination of need, the committee shall also consider  
21 additional available revenues from federal sources. Differences in  
22 program costs attributable to district philosophy, service delivery  
23 choice, or accounting practices are not a legitimate basis for safety  
24 net awards. In the determination of need, the committee shall require  
25 that districts demonstrate that they are maximizing their eligibility  
26 for all state and federal revenues related to services for special  
27 education-eligible students. Awards associated with (b) and (c) of  
28 this subsection shall not exceed the total of a district's specific  
29 determination of need.

30 (b) The committee shall then consider the extraordinary high cost  
31 needs of one or more individual special education students.  
32 Differences in costs attributable to district philosophy, service  
33 delivery choice, or accounting practices are not a legitimate basis for  
34 safety net awards.

35 (c) Using criteria developed by the committee, the committee shall  
36 then consider extraordinary costs associated with communities that draw  
37 a larger number of families with children in need of special education

1 services. The safety net awards to school districts shall be adjusted  
2 to reflect amounts awarded under (b) of this subsection.

3 (d) The maximum allowable indirect cost for calculating safety net  
4 eligibility may not exceed the federal restricted indirect cost rate  
5 for the district plus one percent.

6 (e) Safety net awards must be adjusted for any audit findings or  
7 exceptions related to special education funding.

8 (f) Safety net awards shall be adjusted based on the percent of  
9 potential medicaid eligible students billed as calculated by the  
10 superintendent in accordance with chapter 318, Laws of 1999. The state  
11 safety net oversight committee shall ensure that safety net  
12 documentation and awards are based on current medicaid revenue amounts.

13 (g) Beginning with the 2010-11 school year award cycle, the office  
14 of the superintendent of public instruction shall make award  
15 determinations for state safety net funding in August of each school  
16 year. Determinations on school district eligibility for state safety  
17 net awards shall be based on analysis of actual expenditure data from  
18 the current school year.

19 (9) The superintendent of public instruction may adopt such rules  
20 and procedures as are necessary to administer the special education  
21 funding and safety net award process. Prior to revising any standards,  
22 procedures, or rules, the superintendent shall consult with the office  
23 of financial management and the fiscal committees of the legislature.

24 (10) The safety net oversight committee appointed by the  
25 superintendent of public instruction shall consist of:

26 (a) One staff from the office of superintendent of public  
27 instruction;

28 (b) Staff of the office of the state auditor who shall be nonvoting  
29 members of the committee; and

30 (c) One or more representatives from school districts or  
31 educational service districts knowledgeable of special education  
32 programs and funding.

33 (11) The office of the superintendent of public instruction shall  
34 review and streamline the application process to access safety net  
35 funds, provide technical assistance to school districts, and annually  
36 survey school districts regarding improvement to the process.

37 (12) A maximum of \$678,000 may be expended from the general  
38 fund--state appropriations to fund 5.43 full-time equivalent teachers



1 and 2.1 full-time equivalent aides at children's orthopedic hospital  
2 and medical center. This amount is in lieu of money provided through  
3 the home and hospital allocation and the special education program.

4 (13) The superintendent shall maintain the percentage of federal  
5 flow-through to school districts at 85 percent. In addition to other  
6 purposes, school districts may use increased federal funds for  
7 high-cost students, for purchasing regional special education services  
8 from educational service districts, and for staff development  
9 activities particularly relating to inclusion issues.

10 (14) A school district may carry over from one year to the next  
11 year up to 10 percent of the general fund--state funds allocated under  
12 this program; however, carryover funds shall be expended in the special  
13 education program.

14 (15) \$262,000 of the general fund--state appropriation for fiscal  
15 year 2010 and \$251,000 of the general fund--state appropriation for  
16 fiscal year 2011 are provided solely for two additional full-time  
17 equivalent staff to support the work of the safety net committee and to  
18 provide training and support to districts applying for safety net  
19 awards.

20 (16) \$50,000 of the general fund--state appropriation for fiscal  
21 year 2010, \$50,000 of the general fund--state appropriation for fiscal  
22 2011, and \$100,000 of the general fund--federal appropriation shall be  
23 expended to support a special education ombudsman program within the  
24 office of superintendent of public instruction.

25 **Sec. 1407.** 2010 1st sp.s. c 37 s 509 (uncodified) is amended to  
26 read as follows:

27 **FOR THE SUPERINTENDENT OF PUBLIC INSTRUCTION--FOR LOCAL EFFORT**  
28 **ASSISTANCE**

29	General Fund--State Appropriation (FY 2010) . . . . .	\$93,141,000
30	General Fund--State Appropriation (FY 2011) . . . . .	<del>(\$286,911,000)</del>
31		<u>\$285,980,000</u>
32	General Fund--Federal Appropriation . . . . .	\$157,043,000
33	TOTAL APPROPRIATION . . . . .	<del>(\$537,095,000)</del>
34		<u>\$536,164,000</u>

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

1 (1) \$157,043,000 of the general fund--federal appropriation for  
2 fiscal year 2010 is provided solely for American recovery and  
3 reinvestment act of 2009 (ARRA) fiscal stabilization funds to restore  
4 state reductions for local effort assistance payments.

5 (2) \$21,808,000 of the general fund--state appropriation for fiscal  
6 year 2011 is provided solely for implementation of Substitute House  
7 Bill No. 2893 (school levies). If the bill is not enacted by June 30,  
8 2010, the amount provided in this subsection shall lapse.

9 **Sec. 1408.** 2010 1st sp.s. c 37 s 510 (uncodified) is amended to  
10 read as follows:

11 **FOR THE SUPERINTENDENT OF PUBLIC INSTRUCTION--FOR INSTITUTIONAL**  
12 **EDUCATION PROGRAMS**

13	General Fund--State Appropriation (FY 2010) . . . . .	\$18,059,000
14	General Fund--State Appropriation (FY 2011) . . . . .	<del>(\$19,006,000)</del>
15		<u>\$20,063,000</u>
16	TOTAL APPROPRIATION . . . . .	<del>(\$37,065,000)</del>
17		<u>\$38,122,000</u>

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

20 (1) Each general fund--state fiscal year appropriation includes  
21 such funds as are necessary to complete the school year ending in the  
22 fiscal year and for prior fiscal year adjustments.

23 (2) State funding provided under this section is based on salaries  
24 and other expenditures for a 220-day school year. The superintendent  
25 of public instruction shall monitor school district expenditure plans  
26 for institutional education programs to ensure that districts plan for  
27 a full-time summer program.

28 (3) State funding for each institutional education program shall be  
29 based on the institution's annual average full-time equivalent student  
30 enrollment. Staffing ratios for each category of institution shall  
31 remain the same as those funded in the 1995-97 biennium.

32 (4) The funded staffing ratios for education programs for juveniles  
33 age 18 or less in department of corrections facilities shall be the  
34 same as those provided in the 1997-99 biennium.

35 (5) \$228,000 of the general fund--state appropriation for fiscal  
36 year 2010 and ~~(\$228,000)~~ \$509,000 of the general fund--state  
37 appropriation for fiscal year 2011 are provided solely to maintain at

1 least one certificated instructional staff and related support services  
2 at an institution whenever the K-12 enrollment is not sufficient to  
3 support one full-time equivalent certificated instructional staff to  
4 furnish the educational program. The following types of institutions  
5 are included: Residential programs under the department of social and  
6 health services for developmentally disabled juveniles, programs for  
7 juveniles under the department of corrections, and programs for  
8 juveniles under the juvenile rehabilitation administration.

9 (6) Ten percent of the funds allocated for each institution may be  
10 carried over from one year to the next.

11 **Sec. 1409.** 2011 c 5 s 507 (uncodified) is amended to read as  
12 follows:

13 **FOR THE SUPERINTENDENT OF PUBLIC INSTRUCTION--FOR PROGRAMS FOR HIGHLY**  
14 **CAPABLE STUDENTS**

15	General Fund--State Appropriation (FY 2010) . . . . .	\$9,189,000
16	General Fund--State Appropriation (FY 2011) . . . . .	<del>(\$9,162,000)</del>
17		<u>\$9,137,000</u>
18	TOTAL APPROPRIATION . . . . .	<del>(\$18,351,000)</del>
19		<u>\$18,326,000</u>

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

22 (1) Each general fund fiscal year appropriation includes such funds  
23 as are necessary to complete the school year ending in the fiscal year  
24 and for prior fiscal year adjustments.

25 (2) Allocations for school district programs for highly capable  
26 students shall be distributed at a maximum rate of \$401.08 per funded  
27 student for the 2009-10 school year and \$401.08 per funded student for  
28 the 2010-11 school year, exclusive of salary and benefit adjustments  
29 pursuant to section 504 of this act. For the 2009-10 and 2010-11  
30 school years, the number of funded students shall be a maximum of 2.314  
31 percent of each district's full-time equivalent basic education  
32 enrollment.

33 (3) \$90,000 of the fiscal year 2010 appropriation and \$81,000 of  
34 the fiscal year 2011 appropriation are provided for the Washington  
35 destination imagination network and future problem-solving programs.

36 (4) \$170,000 of the fiscal year 2010 appropriation and \$153,000 of

1 the fiscal year 2011 appropriation are provided for the centrum program  
2 at Fort Worden state park.

3 **Sec. 1410.** 2011 c 5 s 508 (uncodified) is amended to read as  
4 follows:

5 **FOR THE SUPERINTENDENT OF PUBLIC INSTRUCTION--EDUCATION REFORM**  
6 **PROGRAMS**

7	General Fund--State Appropriation (FY 2010) . . . . .	\$93,642,000
8	General Fund--State Appropriation (FY 2011) . . . . .	<del>(\$85,691,000)</del>
9		<u>\$83,143,000</u>
10	General Fund--Federal Appropriation . . . . .	<del>(\$154,627,000)</del>
11		<u>\$245,841,000</u>
12	Education Legacy Trust Account--State	
13	Appropriation . . . . .	<del>(\$98,981,000)</del>
14		<u>\$98,610,000</u>
15	TOTAL APPROPRIATION . . . . .	<del>(\$432,941,000)</del>
16		<u>\$521,236,000</u>

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

19 (1) \$35,804,000 of the general fund--state appropriation for fiscal  
20 year 2010, \$31,850,000 of the general fund--state appropriation for  
21 fiscal year 2011, \$1,350,000 of the education legacy trust  
22 account--state appropriation, and \$17,869,000 of the general  
23 fund--federal appropriation are provided solely for development and  
24 implementation of the Washington state assessment system, including:  
25 (i) Development and implementation of retake assessments for high  
26 school students who are not successful in one or more content areas;  
27 and (ii) development and implementation of alternative assessments or  
28 appeals procedures to implement the certificate of academic  
29 achievement. The superintendent of public instruction shall report  
30 quarterly on the progress on development and implementation of  
31 alternative assessments or appeals procedures. Within these amounts,  
32 the superintendent of public instruction shall contract for the early  
33 return of 10th grade student assessment results, on or around June 10th  
34 of each year.

35 (2) \$3,249,000 of the general fund--state appropriation for fiscal  
36 year 2010 and \$3,249,000 of the general fund--state appropriation for

1 fiscal year 2011 are provided solely for the design of the state  
2 assessment system and the implementation of end of course assessments  
3 for high school math.

4 (3) Within amounts provided in subsections (1) and (2) of this  
5 section, the superintendent of public instruction, in consultation with  
6 the state board of education, shall develop a statewide high school  
7 end-of-course assessment measuring student achievement of the state  
8 science standards in biology to be implemented statewide in the 2011-12  
9 school year. By December 1, 2010, the superintendent of public  
10 instruction shall recommend whether additional end-of-course  
11 assessments in science should be developed and in which content areas.  
12 Any recommendation for additional assessments must include an  
13 implementation timeline and the projected cost to develop and  
14 administer the assessments.

15 (4) \$1,014,000 of the education legacy trust account appropriation  
16 is provided solely for allocations to districts for salaries and  
17 benefits for the equivalent of two additional professional development  
18 days for fourth and fifth grade teachers during the 2008-2009 school  
19 year. The allocations shall be made based on the calculations of  
20 certificated instructional staff units for fourth and fifth grade  
21 provided in section 502 of this act and on the calculations of  
22 compensation provided in sections 503 and 504 of this act. Districts  
23 may use the funding to support additional days for professional  
24 development as well as job-embedded forms of professional development.

25 (5) \$3,241,000 of the education legacy trust fund appropriation is  
26 provided solely for allocations to districts for salaries and benefits  
27 for the equivalent of three additional professional development days  
28 for middle and high school math and science teachers during the 2008-  
29 2009 school year, as well as specialized training for one math and  
30 science teacher in each middle school and high school during the 2008-  
31 2009 school year. Districts may use the funding to support additional  
32 days for professional development as well as job-embedded forms of  
33 professional development.

34 (6) \$3,773,000 of the education legacy trust account--state  
35 appropriation is provided solely for a math and science instructional  
36 coaches program pursuant to chapter 396, Laws of 2007. Funding shall  
37 be used to provide grants to schools and districts to provide salaries,  
38 benefits, and professional development activities for up to twenty-five

1 instructional coaches in middle and high school math and twenty-five  
2 instructional coaches in middle and high school science in each year of  
3 the biennium; and up to \$300,000 may be used by the office of the  
4 superintendent of public instruction to administer and coordinate the  
5 program.

6 (7) \$1,740,000 of the general fund--state appropriation for fiscal  
7 year 2010 (~~and \$1,775,000 of the general fund--state appropriation for~~  
8 ~~fiscal year 2011 are~~) is provided solely to allow approved middle and  
9 junior high school career and technical education programs to receive  
10 enhanced vocational funding. The office of the superintendent of  
11 public instruction shall provide allocations to districts for middle  
12 and junior high school students in accordance with the funding formulas  
13 provided in section 502 of this act. If Second Substitute Senate Bill  
14 No. 5676 is enacted the allocations are formula-driven, otherwise the  
15 office of the superintendent shall consider the funding provided in  
16 this subsection as a fixed amount, and shall adjust funding to stay  
17 within the amounts provided in this subsection. Beginning in school  
18 year 2010-11, middle and junior high vocational programs will be funded  
19 out of general apportionment.

20 (8) \$139,000 of the general fund--state appropriation for fiscal  
21 year 2010 and \$93,000 of the general fund--state appropriation for  
22 fiscal year 2011 are provided solely for (a) staff at the office of the  
23 superintendent of public instruction to coordinate and promote efforts  
24 to develop integrated math, science, technology, and engineering  
25 programs in schools and districts across the state; and (b) grants of  
26 \$2,500 to provide twenty middle and high school teachers each year  
27 professional development training for implementing integrated math,  
28 science, technology, and engineering program in their schools.

29 (9) \$1,473,000 of the general fund--state appropriation for fiscal  
30 year 2010 and \$197,000 of the general fund--state appropriation for  
31 fiscal year 2011 are provided solely for the Washington state  
32 leadership and assistance for science education reform (LASER) regional  
33 partnership activities coordinated at the Pacific science center,  
34 including instructional material purchases, teacher and principal  
35 professional development, and school and community engagement events.  
36 Funding shall be distributed to the various LASER activities in a  
37 manner proportional to LASER program spending during the 2007-2009  
38 biennium.

1           (10) (~~(\$88,981,000)~~) \$88,610,000 of the education legacy trust  
2 account--state appropriation is provided solely for grants for  
3 voluntary full-day kindergarten at the highest poverty schools, as  
4 provided in chapter 400, Laws of 2007. The office of the  
5 superintendent of public instruction shall provide allocations to  
6 districts for recipient schools in accordance with the funding formulas  
7 provided in section 502 of this act. Each kindergarten student who  
8 enrolls for the voluntary full-day program in a recipient school shall  
9 count as one-half of one full-time equivalent student for the purpose  
10 of making allocations under this subsection. Although the allocations  
11 are formula-driven, the office of the superintendent shall consider the  
12 funding provided in this subsection as a fixed amount, and shall limit  
13 the number of recipient schools so as to stay within the amounts  
14 appropriated each fiscal year in this subsection. The funding provided  
15 in this subsection is estimated to provide full-day kindergarten  
16 programs for 20 percent of kindergarten enrollment. Funding priority  
17 shall be given to schools with the highest poverty levels, as measured  
18 by prior year free and reduced priced lunch eligibility rates in each  
19 school. Additionally, as a condition of funding, school districts must  
20 agree to provide the full-day program to the children of parents who  
21 request it in each eligible school. For the purposes of calculating a  
22 school district levy base, funding provided in this subsection shall be  
23 considered a state block grant program under RCW 84.52.0531.

24           (a) Of the amounts provided in this subsection, a maximum of  
25 \$272,000 may be used for administrative support of the full-day  
26 kindergarten program within the office of the superintendent of public  
27 instruction.

28           (b) Student enrollment pursuant to this program shall not be  
29 included in the determination of a school district's overall K-12 FTE  
30 for the allocation of student achievement programs and other funding  
31 formulas unless specifically stated.

32           (11) \$700,000 of the general fund--state appropriation for fiscal  
33 year 2010 and \$450,000 of the general fund--state appropriation for  
34 fiscal year 2011 are provided solely for the development of a  
35 leadership academy for school principals and administrators. The  
36 superintendent of public instruction shall contract with an independent  
37 organization to design, field test, and implement a state-of-the-art  
38 education leadership academy that will be accessible throughout the

1 state. Initial development of the content of the academy activities  
2 shall be supported by private funds. Semiannually the independent  
3 organization shall report on amounts committed by foundations and  
4 others to support the development and implementation of this program.  
5 Leadership academy partners, with varying roles, shall include the  
6 state level organizations for school administrators and principals, the  
7 superintendent of public instruction, the professional educator  
8 standards board, and others as the independent organization shall  
9 identify.

10 (12) \$105,754,000 of the general fund--federal appropriation is  
11 provided for preparing, training, and recruiting high quality teachers  
12 and principals under Title II of the no child left behind act.

13 (13) \$1,960,000 of the general fund--state appropriation for fiscal  
14 year 2010 and \$761,000 of the general fund--state appropriation for  
15 fiscal year 2011 are provided solely to the office of the  
16 superintendent of public instruction for focused assistance. The  
17 office of the superintendent of public instruction shall conduct  
18 educational audits of low-performing schools and enter into performance  
19 agreements between school districts and the office to implement the  
20 recommendations of the audit and the community. Funding in this  
21 subsection shall be used for focused assistance programs for individual  
22 schools or school districts. The office of the superintendent of  
23 public instruction shall report to the fiscal committees of the  
24 legislature by September 1, 2011, providing an accounting of the uses  
25 of focused assistance funds during the 2009-11 fiscal biennium,  
26 including a list of schools served and the types of services provided.

27 (14) \$1,667,000 of the general fund--state appropriation for fiscal  
28 year 2010 is provided solely to eliminate the lunch co-pay for students  
29 in grades kindergarten through third grade that are eligible for  
30 reduced price lunch.

31 (15) \$5,285,000 of the general fund--state appropriation for fiscal  
32 year 2010 is provided solely for: (a) The meals for kids program under  
33 RCW 28A.235.145 through 28A.235.155; (b) to eliminate the breakfast co-  
34 pay for students eligible for reduced price lunch; and (c) for  
35 additional assistance for school districts initiating a summer food  
36 service program.

37 (16) \$1,003,000 of the general fund--state appropriation for fiscal  
38 year 2010 and \$528,000 of the general fund--state appropriation for



1 fiscal year 2011 are provided solely for the Washington reading corps.  
2 The superintendent shall allocate reading corps members to low-  
3 performing schools and school districts that are implementing  
4 comprehensive, proven, research-based reading programs. Two or more  
5 schools may combine their Washington reading corps programs. Grants  
6 provided under this section may be used by school districts for  
7 expenditures from September 2009 through August 31, 2011.

8 (17) \$3,269,000 of the general fund--state appropriation for fiscal  
9 year 2010 and \$3,594,000 of the general fund--state appropriation for  
10 fiscal year 2011 are provided solely for grants to school districts to  
11 provide a continuum of care for children and families to help children  
12 become ready to learn. Grant proposals from school districts shall  
13 contain local plans designed collaboratively with community service  
14 providers. If a continuum of care program exists in the area in which  
15 the school district is located, the local plan shall provide for  
16 coordination with existing programs to the greatest extent possible.  
17 Grant funds shall be allocated pursuant to RCW 70.190.040.

18 (18) \$1,861,000 of the general fund--state appropriation for fiscal  
19 year 2010 and \$1,836,000 of the general fund--state appropriation for  
20 fiscal year 2011 are provided solely for improving technology  
21 infrastructure, monitoring and reporting on school district technology  
22 development, promoting standards for school district technology,  
23 promoting statewide coordination and planning for technology  
24 development, and providing regional educational technology support  
25 centers, including state support activities, under chapter 28A.650 RCW.

26 (19) \$225,000 of the general fund--state appropriation for fiscal  
27 year 2010 and \$150,000 of the general fund--state appropriation for  
28 fiscal year 2011 are provided solely for the operation of the center  
29 for the improvement of student learning pursuant to RCW 28A.300.130.

30 (20) \$246,000 of the education legacy trust account--state  
31 appropriation is provided solely for costs associated with the office  
32 of the superintendent of public instruction's statewide director of  
33 technology position.

34 (21)(a) \$28,715,000 of the general fund--state appropriation for  
35 fiscal year 2010 and (~~(\$36,168,000)~~) \$35,395,000 of the general fund--  
36 state appropriation for fiscal year 2011 are provided solely for the  
37 following bonuses for teachers who hold valid, unexpired certification

1 from the national board for professional teaching standards and who are  
2 teaching in a Washington public school, subject to the following  
3 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;

8 (ii) An additional \$5,000 annual bonus shall be paid to national  
9 board certified teachers who teach in either: (A) High schools where  
10 at least 50 percent of student headcount enrollment is eligible for  
11 federal free or reduced price lunch, (B) middle schools where at least  
12 60 percent of student headcount enrollment is eligible for federal free  
13 or reduced price lunch, or (C) elementary schools where at least 70  
14 percent of student headcount enrollment is eligible for federal free or  
15 reduced price lunch;

16 (iii) The superintendent of public instruction shall adopt rules to  
17 ensure that national board certified teachers meet the qualifications  
18 for bonuses under (a)(ii) of this subsection for less than one full  
19 school year receive bonuses in a pro-rated manner; and

20 (iv) During the 2009-10 and 2010-11 school years, and within the  
21 available state and federal appropriations, certificated instructional  
22 staff who have met the eligibility requirements and have applied for  
23 certification from the national board for professional teaching  
24 standards may receive a conditional two thousand dollars or the amount  
25 set by the office of the superintendent of public instruction to  
26 contribute toward the current assessment fee, not including the initial  
27 up-front candidacy payment. The fee shall be an advance on the first  
28 annual bonus under RCW 28A.405.415. The assessment fee for national  
29 certification is provided in addition to compensation received under a  
30 district's salary schedule adopted in accordance with RCW 28A.405.200  
31 and shall not be included in calculations of a district's average  
32 salary and associated salary limitation under RCW 28A.400.200.  
33 Recipients who fail to receive certification after three years are  
34 required to repay the assessment fee, not including the initial up-  
35 front candidacy payment, as set by the national board for professional  
36 teaching standards and administered by the office of the superintendent  
37 of public instruction. The office of the superintendent of public

1 instruction shall adopt rules to define the terms for initial grant of  
2 the assessment fee and repayment, including applicable fees.

3 (b) Included in the amounts provided in this subsection are amounts  
4 for mandatory fringe benefits.

5 (22) \$2,475,000 of the general fund--state appropriation for fiscal  
6 year 2010 and \$456,000 of the general fund--state appropriation for  
7 fiscal year 2011 are provided solely for secondary career and technical  
8 education grants pursuant to chapter 170, Laws of 2008. This funding  
9 may additionally be used to support FIRST Robotics programs. In fiscal  
10 year 2011, if equally matched by private donations, \$300,000 of the  
11 appropriation shall be used to support FIRST Robotics programs,  
12 including FIRST Robotics professional development.

13 (23) \$75,000 of the general fund--state appropriation for fiscal  
14 year 2011 is provided solely for the implementation of House Bill No.  
15 2621 (K-12 school resource programs). If the bill is not enacted by  
16 June 30, 2010, the amount provided in this subsection shall lapse.

17 (24) \$300,000 of the general fund--state appropriation for fiscal  
18 year 2010 is provided solely for the local farms-healthy kids program  
19 as described in chapter 215, Laws of 2008. The program is suspended in  
20 the 2011 fiscal year, and not eliminated.

21 (25) \$2,348,000 of the general fund--state appropriation for fiscal  
22 year 2010 and \$1,000,000 of the general fund--state appropriation for  
23 fiscal year 2011 are provided solely for a beginning educator support  
24 program. School districts and/or regional consortia may apply for  
25 grant funding beginning in the 2009-10 school year. The superintendent  
26 shall implement this program in 5 to 15 school districts and/or  
27 regional consortia. The program provided by a district and/or regional  
28 consortia shall include: A paid orientation; assignment of a qualified  
29 mentor; development of a professional growth plan for each beginning  
30 teacher aligned with professional certification; release time for  
31 mentors and new teachers to work together, and teacher observation time  
32 with accomplished peers. \$250,000 may be used to provide state-wide  
33 professional development opportunities for mentors and beginning  
34 educators. The superintendent of public instruction shall adopt rules  
35 to establish and operate a research-based beginning educator support  
36 program no later than August 31, 2009. OSPI must evaluate the  
37 program's progress and may contract for this work. A report to the

1 legislature about the beginning educator support program is due  
2 November 1, 2010.

3 (26) \$390,000 of the education legacy trust account--state  
4 appropriation is provided solely for the development and implementation  
5 of diagnostic assessments, consistent with the recommendations of the  
6 Washington assessment of student learning work group.

7 (27) Funding within this section is provided for implementation of  
8 Engrossed Substitute Senate Bill No. 5414 (statewide assessments and  
9 curricula).

10 (28) \$530,000 of the general fund--state appropriation for fiscal  
11 year 2010 and \$265,000 of the general fund--state appropriation for  
12 fiscal year 2011 are provided solely for the leadership internship  
13 program for superintendents, principals, and program administrators.

14 (29) Funding for the community learning center program, established  
15 in RCW 28A.215.060, and providing grant funding for the 21st century  
16 after-school program, is suspended and not eliminated.

17 (30) \$2,357,000 of the general fund--state appropriation for fiscal  
18 year 2011 is provided solely for implementation of Engrossed Second  
19 Substitute Senate Bill No. 6696 (education reform). Of the amount  
20 provided, \$142,000 is provided to the professional educators' standards  
21 board and \$120,000 is provided to the system of the educational service  
22 districts, to fulfill their respective duties under the bill.

23 **Sec. 1411.** 2010 1st sp.s. c 37 s 514 (uncodified) is amended to  
24 read as follows:

25 **FOR THE SUPERINTENDENT OF PUBLIC INSTRUCTION--FOR TRANSITIONAL**  
26 **BILINGUAL PROGRAMS**

27	General Fund--State Appropriation (FY 2010) . . . . .	\$76,419,000
28	General Fund--State Appropriation (FY 2011) . . . . .	<del>(\$77,672,000)</del>
29		<u>\$79,912,000</u>
30	General Fund--Federal Appropriation . . . . .	\$65,263,000
31	TOTAL APPROPRIATION . . . . .	<del>(\$219,354,000)</del>
32		<u>\$221,594,000</u>

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

35 (1) Each general fund fiscal year appropriation includes such funds  
36 as are necessary to complete the school year ending in the fiscal year  
37 and for prior fiscal year adjustments.

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. 1412.** 2010 1st sp.s. c 37 s 515 (uncodified) is amended to  
18 read as follows:

19 **FOR THE SUPERINTENDENT OF PUBLIC INSTRUCTION--FOR THE LEARNING**  
20 **ASSISTANCE PROGRAM**

21	General Fund--State Appropriation (FY 2010) . . . . .	\$103,865,000
22	General Fund--State Appropriation (FY 2011) . . . . .	<del>(\$110,312,000)</del>
23		<u>\$114,240,000</u>
24	General Fund--Federal Appropriation . . . . .	<del>(\$553,925,000)</del>
25		<u>\$580,425,000</u>
26	Education Legacy Trust Account--State Appropriation . . . .	\$47,980,000
27	TOTAL APPROPRIATION . . . . .	<del>(\$816,082,000)</del>
28		<u>\$846,510,000</u>

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

31 (1) The general fund--state appropriations in this section are  
32 subject to the following conditions and limitations:

33 (a) The appropriations include such funds as are necessary to  
34 complete the school year ending in the fiscal year and for prior fiscal  
35 year adjustments.

36 (b) Funding for school district learning assistance programs shall  
37 be allocated at maximum rates of \$281.71 per funded student for the

1 2009-10 school year and \$283.00 per funded student for the 2010-11  
2 school year exclusive of salary and benefit adjustments provided under  
3 section 504 of this act.

4 (c) A school district's funded students for the learning assistance  
5 program shall be the sum of the following as appropriate:

6 (i) The district's full-time equivalent enrollment in grades K-12  
7 for the prior school year multiplied by the district's percentage of  
8 October headcount enrollment in grades K-12 eligible for free or  
9 reduced price lunch in the prior school year; and

10 (ii) If, in the prior school year, the district's percentage of  
11 October headcount enrollment in grades K-12 eligible for free or  
12 reduced price lunch exceeded forty percent, subtract forty percent from  
13 the district's percentage and multiply the result by the district's K-  
14 12 annual average full-time equivalent enrollment for the prior school  
15 year.

16 (d) In addition to the amounts allocated in (b) and (c) of this  
17 subsection, an additional amount shall be allocated to school districts  
18 with high concentrations of poverty and English language learner  
19 students, subject to the following rules and conditions:

20 (i) To qualify for additional funding under this subsection, a  
21 district's October headcount enrollment in grades kindergarten through  
22 grade twelve must have at least twenty percent enrolled in the  
23 transitional bilingual instruction program based on an average of the  
24 program headcount taken in October and May of the prior school year;  
25 and must also have at least forty percent eligible for free or reduced  
26 price lunch based on October headcount enrollment in grades  
27 kindergarten through twelve in the prior school year.

28 (ii) Districts meeting the specifications in (d)(i) of this  
29 subsection shall receive additional funded students for the learning  
30 assistance program at the rates specified in subsection (1)(b) of this  
31 section. The number of additional funded student units shall be  
32 calculated by subtracting twenty percent from the district's percent  
33 transitional bilingual instruction program enrollment as defined in  
34 (d)(i) of this subsection, and the resulting percent shall be  
35 multiplied by the district's kindergarten through twelve annual average  
36 full-time equivalent enrollment for the prior school year.

37 (2) Allocations made pursuant to subsection (1) of this section  
38 shall be adjusted to reflect ineligible applications identified through

1 the annual income verification process required by the national school  
2 lunch program, as recommended in the report of the state auditor on the  
3 learning assistance program dated February, 2010.

4 (3) The general fund--federal appropriation in this section is  
5 provided for Title I Part A allocations of the no child left behind act  
6 of 2001.

7 (4) A school district may carry over from one year to the next up  
8 to 10 percent of the general fund--state or education legacy trust  
9 funds allocated under this program; however, carryover funds shall be  
10 expended for the learning assistance program.

11 (5) School districts are encouraged to coordinate the use of these  
12 funds with other federal, state, and local sources to serve students  
13 who are below grade level and to make efficient use of resources in  
14 meeting the needs of students with the greatest academic deficits.

15 (6) Within amounts appropriated in this section, funding is  
16 provided for the implementation of extended learning programs required  
17 in chapter 328, Laws of 2008.

18 **Sec. 1413.** 2010 1st sp.s. c 37 s 516 (uncodified) is amended to  
19 read as follows:

20 **FOR THE SUPERINTENDENT OF PUBLIC INSTRUCTION--FOR STUDENT ACHIEVEMENT**  
21 **PROGRAMS**

22	General Fund--State Appropriation (FY 2010) . . . . .	\$19,000
23	General Fund--State Appropriation (FY 2011) . . . . .	<del>(\$25,730,000)</del>
24		<u>\$25,417,000</u>
25	General Fund--Federal Appropriation . . . . .	\$200,295,000
26	TOTAL APPROPRIATION . . . . .	<del>(\$226,044,000)</del>
27		<u>\$225,731,000</u>

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

30 (1) Funding for school district student achievement programs shall  
31 be allocated at a maximum rate of \$131.16 per FTE student for the 2009-  
32 10 school year and \$0 per FTE student for the 2010-11 school year. For  
33 the purposes of this section, FTE student refers to the annual average  
34 full-time equivalent enrollment of the school district in grades  
35 kindergarten through twelve for the prior school year, as reported to  
36 the office of the superintendent of public instruction by August 31st  
37 of the previous school year.

1 (2) The appropriation is allocated for the following uses as  
2 specified in RCW 28A.505.210:

3 (a) To reduce class size by hiring certificated elementary  
4 classroom teachers in grades K-4 and paying nonemployee-related costs  
5 associated with those new teachers;

6 (b) To make selected reductions in class size in grades 5-12, such  
7 as small high school writing classes;

8 (c) To provide extended learning opportunities to improve student  
9 academic achievement in grades K-12, including, but not limited to,  
10 extended school year, extended school day, before-and-after-school  
11 programs, special tutoring programs, weekend school programs, summer  
12 school, and all-day kindergarten;

13 (d) To provide additional professional development for educators  
14 including additional paid time for curriculum and lesson redesign and  
15 alignment, training to ensure that instruction is aligned with state  
16 standards and student needs, reimbursement for higher education costs  
17 related to enhancing teaching skills and knowledge, and mentoring  
18 programs to match teachers with skilled, master teachers. The funding  
19 shall not be used for salary increases or additional compensation for  
20 existing teaching duties, but may be used for extended year and  
21 extended day teaching contracts;

22 (e) To provide early assistance for children who need  
23 prekindergarten support in order to be successful in school; or

24 (f) To provide improvements or additions to school building  
25 facilities which are directly related to the class size reductions and  
26 extended learning opportunities under (a) through (c) of this  
27 subsection (2).

28 (3) The superintendent of public instruction shall distribute the  
29 school year allocation according to the monthly apportionment schedule  
30 defined in RCW 28A.510.250.

31 (4) \$200,295,000 of the general fund--federal appropriation for  
32 fiscal year 2010 is provided solely for American recovery and  
33 reinvestment act of 2009 (ARRA) fiscal stabilization funds to restore  
34 state reductions for the student achievement program.

35 **Sec. 1414.** 2010 1st sp.s. c 37 s 517 (uncodified) is amended to  
36 read as follows:

37 **FOR THE SUPERINTENDENT OF PUBLIC INSTRUCTION**



1           (1) Appropriations made in this act to the office of the  
2 superintendent of public instruction shall initially be allotted as  
3 required by this act. Subsequent allotment modifications shall not  
4 include transfers of moneys between sections of this act, except as  
5 expressly provided in subsection (2) of this section.

6           (2) The appropriations to the office of the superintendent of  
7 public instruction in this act shall be expended for the programs and  
8 amounts specified in this act. However, after May 1, (~~2010~~) 2011,  
9 unless specifically prohibited by this act and after approval by the  
10 director of financial management, the superintendent of public  
11 instruction may transfer state general fund appropriations for fiscal  
12 year (~~2010~~) 2011 among the following programs to meet the  
13 apportionment schedule for a specified formula in another of these  
14 programs: General apportionment; employee compensation adjustments;  
15 pupil transportation; special education programs; institutional  
16 education programs; transitional bilingual programs; and student  
17 achievement and learning assistance programs.

18           (3) The director of financial management shall notify the  
19 appropriate legislative fiscal committees in writing prior to approving  
20 any allotment modifications or transfers under this section.

(End of part)

PART XV  
HIGHER EDUCATION

Sec. 1501. 2011 c 5 s 601 (uncodified) is amended to read as follows:

**FOR THE UNIVERSITY OF WASHINGTON**

General Fund--State Appropriation (FY 2010)	\$269,571,000
General Fund--State Appropriation (FY 2011)	<del>(\$259,706,000)</del>
	<u>\$259,552,000</u>
General Fund--Federal Appropriation	\$43,971,000
Education Legacy Trust Account--State Appropriation	\$54,534,000
Accident Account--State Appropriation	\$6,750,000
Medical Aid Account--State Appropriation	\$6,540,000
Biotoxin Account--State Appropriation	\$449,000
TOTAL APPROPRIATION	<del>(\$641,521,000)</del>
	<u>\$641,367,000</u>

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

(1) In implementing the appropriations in this section, the president and regents shall seek to minimize impacts on student services and instructional programs by maximizing reductions in administration and other non-instructional activities.

(2) Because higher education is an essential driver of economic recovery and development, the university shall maintain, and endeavor to increase, enrollment and degree production levels at or beyond their academic year 2008-09 levels in the following high-demand fields: Biological and biomedical sciences; computer and information sciences; education with specializations in special education, math, or science; engineering and engineering technology; health professions and related clinical sciences; and mathematics and statistics.

(3) \$75,000 of the general fund--state appropriation for fiscal year 2010 and \$75,000 of the general fund--state appropriation for fiscal year 2011 are provided solely for forestry research by the Olympic natural resources center.

(4) \$150,000 of the general fund--state appropriation for fiscal year 2010 is provided solely for the William D. Ruckelshaus center for

1 facilitation, support, and analysis to support the nurse staffing  
2 steering committee in its work to apply best practices related to  
3 patient safety and nurse staffing.

4 (5) \$54,000 of the general fund--state appropriation for fiscal  
5 year 2010 and \$54,000 of the general fund--state appropriation for  
6 fiscal year 2011 are provided solely for the University of Washington  
7 geriatric education center to provide a voluntary adult family home  
8 certification program. In addition to the minimum qualifications  
9 required under RCW 70.128.120, individuals participating in the  
10 voluntary adult family home certification program shall complete fifty-  
11 two hours of class requirements as established by the University of  
12 Washington geriatric education center. Individuals completing the  
13 requirements of RCW 70.128.120 and the voluntary adult family home  
14 certification program shall be issued a certified adult family home  
15 license by the department of social and health services. The  
16 department of social and health services shall adopt rules implementing  
17 the provisions of this subsection.

18 (6) \$50,000 of the general fund--state appropriation for fiscal  
19 year 2010 and \$52,000 of the general fund--state appropriation for  
20 fiscal year 2011 are provided solely for the center for international  
21 trade in forest products in the college of forest resources.

22 (7) \$250,000 of the general fund--state appropriation for fiscal  
23 year 2011 is provided solely for joint planning to increase the number  
24 of residency positions and programs in eastern Washington and Spokane  
25 within the existing Washington, Wyoming, Alaska, Montana, Idaho (WWAMI)  
26 regional medical education program partnership between the University  
27 of Washington school of medicine, Washington State University, and area  
28 physicians and hospitals. The joint planning efforts are to include  
29 preparation of applications for new residency programs in family  
30 medicine, internal medicine, obstetrics, psychiatry and general  
31 surgery; business plans for those new programs; and for increasing the  
32 number of positions in existing programs among regional academic and  
33 hospital partners and networks. The results of the joint planning  
34 efforts, including the status of the application preparation and  
35 business plan, must be reported to the house of representatives  
36 committee on higher education and the senate committee on higher  
37 education and workforce development by December 1, 2010.

1 (8) \$25,000 of the general fund--state appropriation for fiscal  
2 year 2011 is provided solely for implementation of chapter 164, Laws of  
3 2010 (local government infrastructure). The University of Washington  
4 shall use a qualified researcher to report the percentage probability  
5 that the application's assumptions and estimates of jobs created and  
6 increased tax receipts will be achieved by the projects. In making  
7 this report, the qualified researcher shall work with the department of  
8 revenue and the applicants to develop a series of factors that are  
9 based on available economic metrics and sound principles.

10 (9) Appropriations in section 609 of this act reflect reductions to  
11 the state need grant. The University of Washington shall use locally  
12 held funds to provide a commensurate amount of aid to eligible students  
13 who would have received state need grant payments through the  
14 appropriations in section 609 of this act.

15 By September 1, 2011, the University of Washington shall report to  
16 the appropriate legislative fiscal and policy committees regarding the  
17 implementation of this section. The report shall provide detail on the  
18 number of students provided aid under this subsection and the amount of  
19 aid provided to each student.

20 **Sec. 1502.** 2011 c 5 s 602 (uncodified) is amended to read as  
21 follows:

22 **FOR WASHINGTON STATE UNIVERSITY**

23	General Fund--State Appropriation (FY 2010) . . . . .	\$169,462,000
24	General Fund--State Appropriation (FY 2011) . . . . .	<del>(( \$170,699,000 ))</del>
25		<u>\$170,090,000</u>
26	General Fund--Federal Appropriation . . . . .	\$15,772,000
27	Education Legacy Trust Account--State Appropriation . . . . .	\$34,435,000
28	TOTAL APPROPRIATION . . . . .	<del>(( \$390,368,000 ))</del>
29		<u>\$389,759,000</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) \$75,000 of the general fund--state appropriation for fiscal  
27 year 2010 and \$75,000 of the general fund--state appropriation for  
28 fiscal year 2011 are provided solely for research related to honeybee  
29 colony collapse disease.

30 (5) Appropriations in section 609 of this act reflect reductions to  
31 the state need grant. Washington State University shall use locally  
32 held funds to provide a commensurate amount of aid to eligible students  
33 who would have received state need grant payments through the  
34 appropriations in section 609 of this act.

35 By September 1, 2011, Washington State University shall report to  
36 the appropriate legislative fiscal and policy committees regarding the  
37 implementation of this section. The report shall provide detail on the

1 number of students provided aid under this subsection and the amount of  
2 aid provided to each student.

3 **Sec. 1503.** 2011 c 5 s 603 (uncodified) is amended to read as  
4 follows:

5 **FOR EASTERN WASHINGTON UNIVERSITY**

6	General Fund--State Appropriation (FY 2010) . . . . .	\$34,689,000
7	General Fund--State Appropriation (FY 2011) . . . . .	<del>(\$35,126,000)</del>
8		<u>\$35,106,000</u>
9	General Fund--Federal Appropriation . . . . .	\$5,522,000
10	Education Legacy Trust Account--State Appropriation . . . .	\$16,041,000
11	TOTAL APPROPRIATION . . . . .	<del>(\$91,378,000)</del>
12		<u>\$91,358,000</u>

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

15 (1) In implementing the appropriations in this section, the  
16 president and governing board shall seek to minimize impacts on student  
17 services and instructional programs by maximizing reductions in  
18 administration and other non-instructional activities.

19 (2) Because higher education is an essential driver of economic  
20 recovery and development, the university shall maintain, and endeavor  
21 to increase, enrollment and degree production levels at or beyond their  
22 academic year 2008-09 levels in the following high-demand fields:  
23 Biological and biomedical sciences; computer and information sciences;  
24 education with specializations in special education, math, or science;  
25 engineering and engineering technology; health professions and related  
26 clinical sciences; and mathematics and statistics.

27 (3) At least \$200,000 of the general fund--state appropriation for  
28 fiscal year 2010 and at least \$200,000 of the general fund--state  
29 appropriation for fiscal year 2011 shall be expended on the northwest  
30 autism center.

31 (4) Appropriations in section 609 of this act reflect reductions to  
32 the state need grant. Eastern Washington University shall use locally  
33 held funds to provide a commensurate amount of aid to eligible students  
34 who would have received state need grant payments through the  
35 appropriations in section 609 of this act.

36 By September 1, 2011, Eastern Washington University shall report to  
37 the appropriate legislative fiscal and policy committees regarding the

1 implementation of this section. The report shall provide detail on the  
2 number of students provided aid under this subsection and the amount of  
3 aid provided to each student.

4 **Sec. 1504.** 2011 c 5 s 604 (uncodified) is amended to read as  
5 follows:

6 **FOR CENTRAL WASHINGTON UNIVERSITY**

7	General Fund--State Appropriation (FY 2010) . . . . .	\$30,289,000
8	General Fund--State Appropriation (FY 2011) . . . . .	<del>(\$32,383,000)</del>
9		<u>\$32,337,000</u>
10	General Fund--Federal Appropriation . . . . .	\$6,975,000
11	Education Legacy Trust Account--State Appropriation . . . . .	\$19,012,000
12	TOTAL APPROPRIATION . . . . .	<del>(\$88,659,000)</del>
13		<u>\$88,613,000</u>

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

16 (1) In implementing the appropriations in this section, the  
17 president and governing board shall seek to minimize impacts on student  
18 services and instructional programs by maximizing reductions in  
19 administration and other non-instructional activities.

20 (2) Because higher education is an essential driver of economic  
21 recovery and development, the university shall maintain, and endeavor  
22 to increase, enrollment and degree production levels at or beyond their  
23 academic year 2008-09 levels in the following high-demand fields:  
24 Biological and biomedical sciences; computer and information sciences;  
25 education with specializations in special education, math, or science;  
26 engineering and engineering technology; health professions and related  
27 clinical sciences; and mathematics and statistics.

28 (3) Appropriations in section 609 of this act reflect reductions to  
29 the state need grant. Central Washington University shall use locally  
30 held funds to provide a commensurate amount of aid to eligible students  
31 who would have received state need grant payments through the  
32 appropriations in section 609 of this act.

33 By September 1, 2011, Central Washington University shall report to  
34 the appropriate legislative fiscal and policy committees regarding the  
35 implementation of this section. The report shall provide detail on the  
36 number of students provided aid under this subsection and the amount of  
37 aid provided to each student.

1       **Sec. 1505.** 2011 c 5 s 605 (uncodified) is amended to read as  
2 follows:

3 **FOR THE EVERGREEN STATE COLLEGE**

4	General Fund--State Appropriation (FY 2010) . . . . .	\$20,514,000
5	General Fund--State Appropriation (FY 2011) . . . . .	<del>(\$17,728,000)</del>
6		<u>\$17,714,000</u>
7	General Fund--Federal Appropriation . . . . .	\$2,366,000
8	Education Legacy Trust Account--State Appropriation . . . . .	\$5,417,000
9	TOTAL APPROPRIATION . . . . .	<del>(\$46,025,000)</del>
10		<u>\$46,011,000</u>

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

13       (1) In implementing the appropriations in this section, the  
14 president and governing board shall seek to minimize impacts on student  
15 services and instructional programs by maximizing reductions in  
16 administration and other non-instructional activities.

17       (2) Because higher education is an essential driver of economic  
18 recovery and development, the college shall maintain, and endeavor to  
19 increase, enrollment and degree production levels at or beyond their  
20 academic year 2008-09 levels in the following high-demand fields:  
21 Biological and biomedical sciences; computer and information sciences;  
22 education with specializations in special education, math, or science;  
23 engineering and engineering technology; health professions and related  
24 clinical sciences; and mathematics and statistics.

25       (3)(a) At least \$100,000 of the general fund--state appropriation  
26 for fiscal year 2010 shall be expended on the labor education and  
27 research center.

28       (b) In fiscal year 2011 the labor education and research center  
29 shall be transferred from The Evergreen State College to south Seattle  
30 community college.

31       (4) \$100,000 of the general fund--state appropriation for fiscal  
32 year 2010 and \$100,000 of the general fund--state appropriation for  
33 fiscal year 2011 are provided solely for the Washington state institute  
34 for public policy to report to the legislature regarding efficient and  
35 effective programs and policies. The report shall calculate the return  
36 on investment to taxpayers from evidence-based prevention and  
37 intervention programs and policies that influence crime, K-12 education  
38 outcomes, child maltreatment, substance abuse, mental health, public



1 health, public assistance, employment, and housing. The institute for  
2 public policy shall provide the legislature with a comprehensive list  
3 of programs and policies that improve these outcomes for children and  
4 adults in Washington and result in more cost-efficient use of public  
5 resources. The institute shall submit interim reports by December 15,  
6 2009, and October 1, 2010, and a final report by June 30, 2011. The  
7 institute may receive additional funds from a private organization for  
8 the purpose of conducting this study.

9 (5) To the extent federal or private funding is available for this  
10 purpose, the Washington state institute for public policy and the  
11 center for reinventing public education at the University of Washington  
12 shall examine the relationship between participation in pension systems  
13 and teacher quality and mobility patterns in the state. The department  
14 of retirement systems shall facilitate researchers' access to necessary  
15 individual-level data necessary to effectively conduct the study. The  
16 researchers shall ensure that no individually identifiable information  
17 will be disclosed at any time. An interim report on project findings  
18 shall be completed by November 15, 2010, and a final report shall be  
19 submitted to the governor and to the relevant committees of the  
20 legislature by October 15, 2011.

21 (6) At least \$200,000 of the general fund--state appropriation for  
22 fiscal year 2010 and at least \$200,000 of the general fund--state  
23 appropriation for fiscal year 2011 shall be expended on the Washington  
24 center for undergraduate education.

25 (7) \$15,000 of the general fund--state appropriation for fiscal  
26 year 2010 is provided solely for the Washington state institute for  
27 public policy to examine the need for and methods to increase the  
28 availability of nonfood items, such as personal hygiene supplies,  
29 soaps, paper products, and other items, to needy persons in the state.  
30 The study shall examine existing private and public programs that  
31 provide such products, and develop recommendations for the most cost-  
32 effective incentives for private and public agencies to increase local  
33 distribution outlets and local and regional networks of supplies. A  
34 final report shall be delivered to the legislature and the governor by  
35 December 1, 2009.

36 (8) \$17,000 of the general fund--state appropriation for fiscal  
37 year 2010 and \$42,000 of the general fund--state appropriation for  
38 fiscal year 2011 are provided to the Washington state institute for

1 public policy to implement Second Substitute House Bill No. 2106 (child  
2 welfare outcomes). If the bill is not enacted by June 30, 2009, the  
3 amounts provided in this subsection shall lapse.

4 (9) \$54,000 of the general fund--state appropriation for fiscal  
5 year 2010 and \$23,000 of the general fund--state appropriation for  
6 fiscal year 2011 are provided solely to implement Substitute Senate  
7 Bill No. 5882 (racial disproportionality). If the bill is not enacted  
8 by June 30, 2009, the amounts provided in this subsection shall lapse.

9 (10) \$75,000 of the general fund--state appropriation for fiscal  
10 year 2010 is provided solely for the Washington state institute of  
11 public policy to evaluate the adequacy of and access to financial aid  
12 and independent living programs for youth in foster care. The  
13 examination shall include opportunities to improve efficiencies within  
14 these programs. The institute shall report its findings by December 1,  
15 2009.

16 (11) \$75,000 of the general fund--state appropriation for fiscal  
17 year 2010 is provided solely for the Washington state institute for  
18 public policy to conduct an assessment of the general assistance  
19 unemployable program and other similar programs. The assessment shall  
20 include a review of programs in other states that provide similar  
21 services and will include recommendations on promising approaches that  
22 both improve client outcomes and reduce state costs. A report is due  
23 by December 1, 2009.

24 (12) To the extent funds are available, the Washington state  
25 institute for public policy is encouraged to continue the longitudinal  
26 analysis of long-term mental health outcomes directed in chapter 334,  
27 Laws of 2001 (mental health performance audit), to build upon the  
28 evaluation of the impacts of chapter 214, Laws of 1999 (mentally ill  
29 offenders); and to assess program outcomes and cost effectiveness of  
30 the children's mental health pilot projects as required by chapter 372,  
31 Laws of 2006.

32 (13) \$50,000 of the general fund--state appropriation for fiscal  
33 year 2011 is provided solely for the institute for public policy to  
34 provide research support to the council on quality education.

35 (14) At least \$119,207 of the general fund--state appropriation for  
36 fiscal year 2011 shall be expended on the longhouse center.

37 (15) At least \$103,146 of the general fund--state appropriation for

1 fiscal year 2011 shall be expended on the Northwest Indian applied  
2 research institute.

3 (16) Appropriations in section 609 of this act reflect reductions  
4 to the state need grant. The Evergreen State College shall use locally  
5 held funds to provide a commensurate amount of aid to eligible students  
6 who would have received state need grant payments through the  
7 appropriations in section 609 of this act.

8 By September 1, 2011, The Evergreen State College shall report to  
9 the appropriate legislative fiscal and policy committees regarding the  
10 implementation of this section. The report shall provide detail on the  
11 number of students provided aid under this subsection and the amount of  
12 aid provided to each student.

13 **Sec. 1506.** 2011 c 5 s 606 (uncodified) is amended to read as  
14 follows:

15 **FOR WESTERN WASHINGTON UNIVERSITY**

16	General Fund--State Appropriation (FY 2010) . . . . .	\$43,146,000
17	General Fund--State Appropriation (FY 2011) . . . . .	<del>(\$46,359,000)</del>
18		<u>\$46,310,000</u>
19	General Fund--Federal Appropriation . . . . .	\$8,885,000
20	Education Legacy Trust Account--State Appropriation . . . .	\$12,917,000
21	TOTAL APPROPRIATION . . . . .	<del>(\$111,307,000)</del>
22		<u>\$111,258,000</u>

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

25 (1) In implementing the appropriations in this section, the  
26 president and governing board shall seek to minimize impacts on student  
27 services and instructional programs by maximizing reductions in  
28 administration and other non-instructional activities.

29 (2) Because higher education is an essential driver of economic  
30 recovery and development, the university shall maintain, and endeavor  
31 to increase, enrollment and degree production levels at or beyond their  
32 academic year 2008-09 levels in the following high-demand fields:  
33 Biological and biomedical sciences; computer and information sciences;  
34 education with specializations in special education, math, or science;  
35 engineering and engineering technology; health professions and related  
36 clinical sciences; and mathematics and statistics.

1 (3) Appropriations in section 609 of this act reflect reductions to  
2 the state need grant. Western Washington University shall use locally  
3 held funds to provide a commensurate amount of aid to eligible students  
4 who would have received state need grant payments through the  
5 appropriations in section 609 of this act.

6 By September 1, 2011, Western Washington University shall report to  
7 the appropriate legislative fiscal and policy committees regarding the  
8 implementation of this section. The report shall provide detail on the  
9 number of students provided aid under this subsection and the amount of  
10 aid provided to each student.

11 **Sec. 1507.** 2011 c 5 s 607 (uncodified) is amended to read as  
12 follows:

13 **FOR THE STATE BOARD FOR COMMUNITY AND TECHNICAL COLLEGES**

14	General Fund--State Appropriation (FY 2010) . . . . .	\$631,804,000
15	General Fund--State Appropriation (FY 2011) . . . . .	<del>(\$603,296,000)</del>
16		<u>\$603,511,000</u>
17	General Fund--Federal Appropriation . . . . .	\$17,171,000
18	Education Legacy Trust Account--State Appropriation . . . . .	\$95,035,000
19	Opportunity Express Account--State Appropriation . . . . .	\$18,556,000
20	TOTAL APPROPRIATION . . . . .	<del>(\$1,365,862,000)</del>
21		<u>\$1,366,077,000</u>

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

24 (1) \$28,761,000 of the general fund--state appropriation for fiscal  
25 year 2010, \$28,761,000 of the general fund--state appropriation for  
26 fiscal year 2011, and \$17,556,000 of the opportunity express account--  
27 state appropriation are provided solely as special funds for training  
28 and related support services, including financial aid, as specified in  
29 RCW 28C.04.390. Funding is provided to support at least 6,200 full-  
30 time equivalent students in fiscal year 2010 and at least 9,984 full-  
31 time equivalent students in fiscal year 2011.

32 (2) \$2,725,000 of the general fund--state appropriation for fiscal  
33 year 2010 and \$2,725,000 of the general fund--state appropriation for  
34 fiscal year 2011 are provided solely for administration and customized  
35 training contracts through the job skills program. The state board  
36 shall make an annual report by January 1st of each year to the governor  
37 and to the appropriate policy and fiscal committees of the legislature

1 regarding implementation of this section, listing the scope of grant  
2 awards, the distribution of funds by educational sector and region of  
3 the state, and the results of the partnerships supported by these  
4 funds.

5 (3) Of the amounts appropriated in this section, \$3,500,000 is  
6 provided solely for the student achievement initiative.

7 (4) When implementing the appropriations in this section, the state  
8 board and the trustees of the individual community and technical  
9 colleges shall minimize impact on academic programs, maximize  
10 reductions in administration, and shall at least maintain, and endeavor  
11 to increase, enrollment opportunities and degree and certificate  
12 production in high employer-demand fields of study at their academic  
13 year 2008-09 levels.

14 (5) Within the board's 2009-11 biennial budget allocation to  
15 Bellevue College, and pursuant to RCW 28B.50.810, the college may  
16 implement, on a tuition and fee basis, an additional applied  
17 baccalaureate degree in interior design. This program is intended to  
18 provide students with additional opportunities to earn baccalaureate  
19 degrees and to respond to emerging job and economic growth  
20 opportunities. The program reviews and approval decisions required by  
21 RCW 28B.50.810 (3) and (4) shall be completed by July 31, 2009, so that  
22 the degree may be offered during the 2009-10 academic year.

23 (6) In accordance with the recommendations of the higher education  
24 coordinating board's 2008 *Kitsap region higher education center study*,  
25 the state board shall facilitate development of university centers by  
26 allocating thirty 2-year and 4-year partnership full-time enrollment  
27 equivalencies to Olympic College and ten 2-year and 4-year partnership  
28 full-time enrollment equivalencies to Peninsula College. The colleges  
29 shall use the allocations to establish a partnership with a  
30 baccalaureate university or universities for delivery of upper division  
31 degree programs in the Kitsap region. The Olympic and Peninsula  
32 Community College districts shall additionally work together to ensure  
33 coordinated development of these and other future baccalaureate  
34 opportunities through coordinated needs assessment, planning, and  
35 scheduling.

36 (7) By September 1, 2009, the state board for community and  
37 technical colleges, the higher education coordinating board, and the  
38 office of financial management shall review and to the extent necessary

1 revise current 2009-11 performance measures and targets based on the  
2 level of state, tuition, and other resources appropriated or authorized  
3 in this act and in the omnibus 2009-11 omnibus capital budget act. The  
4 boards and the office of financial management shall additionally  
5 develop new performance targets for the 2011-13 and the 2013-15 biennia  
6 that will guide and measure the community and technical college  
7 system's contributions to achievement of the state's higher education  
8 master plan goals.

9 (8) \$2,250,000 of the general fund--state appropriation for fiscal  
10 year 2010 and \$2,250,000 of the general fund--state appropriation for  
11 fiscal year 2011 are provided solely for the hospital employee  
12 education and training program under which labor, management, and  
13 college partnerships develop or expand and evaluate training programs  
14 for incumbent hospital workers that lead to careers in nursing and  
15 other high-demand health care occupations. The board shall report  
16 student progress, outcomes, and costs to the relevant fiscal and policy  
17 committees of the legislature by November 2009 and November 2010.

18 (9) Community and technical colleges are not required to send mass  
19 mailings of course catalogs to residents of their districts. Community  
20 and technical colleges shall consider lower cost alternatives, such as  
21 mailing postcards or brochures that direct individuals to online  
22 information and other ways of acquiring print catalogs.

23 (10) \$1,112,000 of the general fund--state appropriation for fiscal  
24 year 2010 and \$1,113,000 of the general fund--state appropriation for  
25 fiscal year 2011 are provided solely for the state board to enhance  
26 online distance learning and open courseware technology. Funds shall  
27 be used to support open courseware, open textbooks, open licenses to  
28 increase access, affordability and quality of courses in higher  
29 education. The state board for community and technical colleges shall  
30 select the most appropriate courses to support open courseware based  
31 solely upon criteria of maximizing the value of instruction and  
32 reducing costs of textbooks and other instructional materials for the  
33 greatest number of students in higher education, regardless of the type  
34 of institution those students attend.

35 (11) \$158,000 of the general fund--state appropriation for fiscal  
36 year 2011 is provided solely to implement House Bill No. 2694 (B.S. in  
37 nursing/university center). If the bill is not enacted by June 30,  
38 2010, the amount provided in this subsection shall lapse.

1 (12)(a) The labor education and research center is transferred from  
2 The Evergreen State College to south Seattle community college and  
3 shall begin operations on July 1, 2010.

4 (b) At least \$164,000 of the general fund--state appropriation for  
5 fiscal year 2011 shall be expended on the labor education and research  
6 center to provide outreach programs and direct educational and research  
7 services to labor unions and worker-centered organizations.

8 (13) \$1,000,000 of the opportunity express account--state  
9 appropriation is provided solely for the opportunity grant program as  
10 specified in RCW 28B.50.271.

11 (14) \$1,750,000 of the general fund--state appropriation for fiscal  
12 year 2011 is provided solely for the state board for community and  
13 technical colleges to contract with the aerospace training and research  
14 center on Paine field in Everett, Washington to support industry-  
15 identified training in the aerospace sector.

16 (15) Sufficient amounts are provided in this section to implement  
17 the food stamp employment and training program under Second Substitute  
18 House Bill No. 2782 (security lifeline act).

19 (16) Appropriations in section 609 of this act reflect reductions  
20 to the state need grant. The state board for community and technical  
21 colleges shall use locally held funds to provide a commensurate amount  
22 of aid to eligible students who would have received state need grant  
23 payments through the appropriations in section 609 of this act.

24 By September 1, 2011, the state board for community and technical  
25 colleges shall report to the appropriate legislative fiscal and policy  
26 committees regarding the implementation of this section. The report  
27 shall provide detail on the number of students provided aid under this  
28 subsection and the amount of aid provided to each student.

29 **Sec. 1508.** 2011 c 5 s 608 (uncodified) is amended to read as  
30 follows:

31 **FOR THE HIGHER EDUCATION COORDINATING BOARD--POLICY COORDINATION AND**  
32 **ADMINISTRATION**

33	General Fund--State Appropriation (FY 2010) . . . . .	\$6,402,000
34	General Fund--State Appropriation (FY 2011) . . . . .	<del>(( \$5,183,000 ))</del>
35		<u>\$5,339,000</u>
36	General Fund--Federal Appropriation . . . . .	\$4,332,000
37	TOTAL APPROPRIATION . . . . .	<del>(( \$15,917,000 ))</del>

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

(1) Within the funds appropriated in this section, the higher education coordinating board shall complete a system design planning project that defines how the current higher education delivery system can be shaped and expanded over the next ten years to best meet the needs of Washington citizens and businesses for high quality and accessible post-secondary education. The board shall propose policies and specific, fiscally feasible implementation recommendations to accomplish the goals established in the *2008 strategic master plan for higher education*. The project shall specifically address the roles, missions, and instructional delivery systems both of the existing and of proposed new components of the higher education system; the extent to which specific academic programs should be expanded, consolidated, or discontinued and how that would be accomplished; the utilization of innovative instructional delivery systems and pedagogies to reach both traditional and nontraditional students; and opportunities to consolidate institutional administrative functions. The study recommendations shall also address the proposed location, role, mission, academic program, and governance of any recommended new campus, institution, or university center. During the planning process, the board shall inform and actively involve the chairs from the senate and house of representatives committees on higher education, or their designees. The board shall report the findings and recommendations of this system design planning project to the governor and the appropriate committees of the legislature by December 1, 2009.

(2) \$146,000 of the general fund--state appropriation for fiscal year 2010 and \$65,000 of the general fund--state appropriation for fiscal year 2011 are provided solely for the higher education coordinating board to administer Engrossed Second Substitute House Bill No. 2021 (revitalizing student financial aid). If the bill is not enacted by June 30, 2009, the amounts provided in this subsection shall lapse.

(3) \$167,000 of the general fund--state appropriation for fiscal year 2010 and \$67,000 of the general fund--state appropriation for fiscal year 2011 are provided solely to implement Engrossed Second



1 Substitute House Bill No. 1946 (regarding higher education online  
2 technology). If the bill is not enacted by June 30, 2009, the amounts  
3 provided in this subsection shall lapse.

4 (4) \$350,000 of the general fund--state appropriation for fiscal  
5 year 2010 and \$200,000 of the general fund--state appropriation for  
6 fiscal year 2011 are provided solely for the higher education  
7 coordinating board to contract with the Pacific Northwest university of  
8 health sciences to conduct training and education of health care  
9 professionals to promote osteopathic physician services in rural and  
10 underserved areas of the state.

11 **Sec. 1509.** 2011 c 5 s 609 (uncodified) is amended to read as  
12 follows:

13 **FOR THE HIGHER EDUCATION COORDINATING BOARD--FINANCIAL AID AND GRANT**  
14 **PROGRAMS**

15	General Fund--State Appropriation (FY 2010) . . . . .	\$188,332,000
16	General Fund--State Appropriation (FY 2011) . . . . .	<del>(\$96,833,000)</del>
17		<u>\$182,683,000</u>
18	General Fund--Federal Appropriation . . . . .	\$13,129,000
19	Education Legacy Trust Account--State	
20	Appropriation . . . . .	<del>(\$116,060,000)</del>
21		<u>\$30,210,000</u>
22	Opportunity Pathways Account--State Appropriation . . . . .	\$73,500,000
23	TOTAL APPROPRIATION . . . . .	\$487,854,000

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

26 (1) \$178,726,000 of the general fund--state appropriation for  
27 fiscal year 2010, \$95,187,000 of the general fund--state appropriation  
28 for fiscal year 2011, \$109,188,000 of the education legacy trust  
29 account appropriation, \$73,500,000 of the opportunity pathways  
30 appropriation, and \$2,545,000 of the general fund--federal  
31 appropriation are provided solely for student financial aid payments  
32 under the state need grant; the state work study program including up  
33 to a four percent administrative allowance; the Washington scholars  
34 program; and the Washington award for vocational excellence. State  
35 need grant and the Washington award for vocational excellence shall be  
36 adjusted to offset the cost of the resident undergraduate tuition

1 increases, limited to those tuition increases authorized under this  
2 act. The Washington scholars program shall provide awards sufficient  
3 to offset ninety percent of the total tuition and fee award.

4 (2)(a) Within the funds appropriated in this section, eligibility  
5 for the state need grant shall include students with family incomes at  
6 or below 70 percent of the state median family income (MFI), adjusted  
7 for family size. Awards for all students shall be adjusted by the  
8 estimated amount by which Pell grant increases exceed projected  
9 increases in the noninstructional costs of attendance. Awards for  
10 students with incomes between 51 and 70 percent of the state median  
11 shall be prorated at the following percentages of the award amount  
12 granted to those with incomes below 51 percent of the MFI: 70 percent  
13 for students with family incomes between 51 and 55 percent MFI; 65  
14 percent for students with family incomes between 56 and 60 percent MFI;  
15 60 percent for students with family incomes between 61 and 65 percent  
16 MFI; and 50 percent for students with family incomes between 66 and 70  
17 percent MFI.

18 (b) Grant awards for students at private four-year colleges shall  
19 be set at the same level as the student would receive if attending one  
20 of the public research universities.

21 (3) To the maximum extent practicable, the board shall provide  
22 state work study subsidies only to resident students during the 2010-11  
23 academic year. Additionally, in order to provide work opportunities to  
24 as many resident students as possible, the board is encouraged to  
25 increase the proportion of student wages that is to be paid by both  
26 proprietary and nonprofit, public, and private employers.

27 (4) \$3,872,000 of the education legacy trust account--state  
28 appropriation is provided solely for the passport to college  
29 scholarship program pursuant to chapter 28B.117 RCW. The higher  
30 education coordinating board shall contract with a college scholarship  
31 organization with expertise in managing scholarships for low-income,  
32 high-potential students and foster care children and young adults to  
33 administer the program. Of the amount in this subsection, \$39,000 is  
34 provided solely for the higher education coordinating board for  
35 administration of the contract and the remaining shall be contracted  
36 out to the organization for the following purposes:

37 (a) \$384,000 is provided solely for program administration, and

1 (b) \$3,449,000 is provided solely for student financial aid for up  
2 to 151 students and to fund student support services. Funds are  
3 provided for student scholarships, provider training, and for incentive  
4 payments to the colleges they attend for individualized student support  
5 services which may include, but are not limited to, college and career  
6 advising, counseling, tutoring, costs incurred for students while  
7 school is not in session, personal expenses, health insurance, and  
8 emergency services.

9 (5) \$1,250,000 of the general fund--state appropriation for fiscal  
10 year 2010 is provided solely for the health professional scholarship  
11 and loan program. The funds provided in this subsection shall be: (a)  
12 Prioritized for health care deliver sites demonstrating a commitment to  
13 serving the uninsured; and (b) allocated between loan repayments and  
14 scholarships proportional to current program allocations.

15 (6) For fiscal year 2010 and fiscal year 2011, the board shall  
16 defer loan or conditional scholarship repayments to the future teachers  
17 conditional scholarship and loan repayment program for up to one year  
18 for each participant if the participant has shown evidence of efforts  
19 to find a teaching job but has been unable to secure a teaching job per  
20 the requirements of the program.

21 (7) \$246,000 of the general fund--state appropriation for fiscal  
22 year 2010 and \$246,000 of the general fund--state appropriation for  
23 fiscal year 2011 are for community scholarship matching grants and its  
24 administration. To be eligible for the matching grant, nonprofit  
25 groups organized under section 501(c)(3) of the federal internal  
26 revenue code must demonstrate they have raised at least \$2,000 in new  
27 moneys for college scholarships after the effective date of this  
28 section. Groups may receive no more than one \$2,000 matching grant per  
29 year and preference shall be given to groups affiliated with  
30 scholarship America. Up to a total of \$46,000 per year of the amount  
31 appropriated in this section may be awarded to a nonprofit community  
32 organization to administer scholarship matching grants, with preference  
33 given to an organization affiliated with scholarship America.

34 (8) \$500,000 of the general fund--state appropriation for fiscal  
35 year 2010 and \$500,000 of the general fund--state appropriation for  
36 fiscal year 2011 are provided solely for state need grants provided to  
37 students enrolled in three to five credit-bearing quarter credits, or

1 the equivalent semester credits. Total state expenditures on this  
2 program shall not exceed the amounts provided in this subsection.

3 (9) \$2,500,000 of the education legacy trust account--state  
4 appropriation is provided solely for the gaining early awareness and  
5 readiness for undergraduate programs project.

6 (10) \$75,000 of the general fund--state appropriation for fiscal  
7 year 2010 is provided solely for higher education student child care  
8 matching grants under chapter 28B.135 RCW.

9 (11) \$200,000 of the general fund--state appropriation for fiscal  
10 year 2011 is provided solely for continuation of the leadership 1000  
11 scholarship sponsorship and matching program.

12 (12) In 2010 and 2011, the board shall continue to designate  
13 Washington scholars and scholar-alternates and to recognize them at  
14 award ceremonies as provided in RCW 28A.600.150, but state funding is  
15 provided for award of only one scholarship per legislative district  
16 during the 2010-11 academic year. After the 2010-11 academic year, and  
17 as provided in RCW 28B.76.660, the board may distribute grants to these  
18 eligible students to the extent that funds are appropriated for this  
19 purpose.

20 (13) Fiscal year 2011 appropriations in this section reflect  
21 general fund-state reductions to the state need grant. In implementing  
22 these reductions, the board shall reduce state need grant payments to  
23 each of the following institutions in the following amounts:

24	University of Washington . . . . .	\$5,658,000
25	Washington State University . . . . .	\$3,718,000
26	Eastern Washington University . . . . .	\$765,000
27	Central Washington University . . . . .	\$705,000
28	The Evergreen State College . . . . .	\$386,000
29	Western Washington University . . . . .	\$1,010,000
30	State Board for Community and Technical Colleges . . . . .	\$13,143,000

31 If any of these institutions has received state need grant payments  
32 in excess of the amount to which it is entitled after application of  
33 the reductions in this section, that institution shall remit to the  
34 board the amount of the overpayment.

35 **Sec. 1510.** 2011 c 5 s 610 (uncodified) is amended to read as  
36 follows:

1 **FOR THE WORK FORCE TRAINING AND EDUCATION COORDINATING BOARD**

2	General Fund--State Appropriation (FY 2010) . . . . .	\$1,465,000
3	General Fund--State Appropriation (FY 2011) . . . . .	<del>(\$1,353,000)</del>
4		<u>\$1,358,000</u>
5	General Fund--Federal Appropriation . . . . .	<del>(\$54,020,000)</del>
6		<u>\$54,022,000</u>
7	TOTAL APPROPRIATION . . . . .	<del>(\$56,838,000)</del>
8		<u>\$56,845,000</u>

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

11 (1) \$60,000 of the general fund--state appropriation for fiscal  
12 year 2010 and \$60,000 of the general fund--state appropriation for  
13 fiscal year 2011 are provided solely for implementation of Engrossed  
14 Second Substitute House Bill No. 2227 (evergreen jobs act). If the  
15 bill is not enacted by June 30, 2009, the amounts provided in this  
16 subsection shall lapse.

17 (2) In 2010 and 2011, the board shall continue to designate  
18 recipients of the Washington award for vocational excellence and to  
19 recognize them at award ceremonies as provided in RCW 28C.04.535, but  
20 state funding is provided for award of only one scholarship per  
21 legislative district during the 2010-11 academic year. After the  
22 2010-11 academic year, and as provided in RCW 28B.76.670, the board may  
23 distribute grants to these eligible students to the extent that funds  
24 are appropriated for this purpose.

25 **Sec. 1511.** 2011 c 5 s 612 (uncodified) is amended to read as  
26 follows:

27 **FOR THE DEPARTMENT OF EARLY LEARNING**

28	General Fund--State Appropriation (FY 2010) . . . . .	\$60,400,000
29	General Fund--State Appropriation (FY 2011) . . . . .	<del>(\$19,335,000)</del>
30		<u>\$19,302,000</u>
31	General Fund--Federal Appropriation . . . . .	\$266,004,000
32	Opportunity Pathways Account--State Appropriation . . . . .	\$40,000,000
33	TOTAL APPROPRIATION . . . . .	<del>(\$385,739,000)</del>
34		<u>\$385,706,000</u>

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

1 (1) \$54,878,000 of the general fund--state appropriation for fiscal  
2 year 2010 and \$14,405,000 of the general fund--state appropriation for  
3 fiscal year 2011, and \$40,000,000 of the opportunity pathways account  
4 appropriation are provided solely for early childhood education and  
5 assistance program services. This appropriation temporarily reduces  
6 the number of slots for the 2009-11 fiscal biennium for the early  
7 childhood education and assistance program. The department shall  
8 reduce slots where providers serve both federal headstart and early  
9 childhood education and assistance program children, to the greatest  
10 extent possible, in order to achieve no reduction of slots across the  
11 state. The amounts in this subsection also reflect reductions to the  
12 administrative expenditures for the early childhood education and  
13 assistance program. The department shall reduce administrative  
14 expenditures, to the greatest extent possible, prior to reducing early  
15 childhood education and assistance program slots. Of these amounts,  
16 \$10,284,000 is a portion of the biennial amount of state matching  
17 dollars required to receive federal child care and development fund  
18 grant dollars.

19 (2) \$1,000,000 of the general fund--federal appropriation is  
20 provided to the department to contract with Thrive by Five, Washington  
21 for a pilot project for a quality rating and improvement system to  
22 provide parents with information they need to choose quality child care  
23 and education programs and to improve the quality of early care and  
24 education programs. The department in collaboration with Thrive by  
25 Five shall operate the pilot projects in King, Yakima, Clark, Spokane,  
26 and Kitsap counties. The department shall use child care development  
27 fund quality money for this purpose.

28 (3) \$425,000 of the general fund--state appropriation for fiscal  
29 year 2010, \$213,000 of the general fund--state appropriation for fiscal  
30 year 2011, and \$850,000 of the general fund--federal appropriation are  
31 provided solely for child care resource and referral network services.  
32 The general fund--federal funding represents moneys from the American  
33 recovery and reinvestment act of 2009 (child care development block  
34 grant).

35 (4) \$750,000 of the general fund--state appropriation for fiscal  
36 year 2010 and \$1,500,000 of the general fund--federal appropriation are  
37 provided solely for the career and wage ladder program created by

1 chapter 507, Laws of 2005. The general fund--federal funding  
2 represents moneys from the American recovery and reinvestment act of  
3 2009 (child care development block grant).

4 (5) \$50,000 of the general fund--state appropriation for fiscal  
5 year 2010 and \$50,000 of the general fund--state appropriation for  
6 fiscal year 2011 are provided solely for the department to work with  
7 stakeholders and the office of the superintendent of public instruction  
8 to identify and test a kindergarten assessment process and tools in  
9 geographically diverse school districts. School districts may  
10 participate in testing the kindergarten assessment process on a  
11 voluntary basis. The department shall report to the legislature on the  
12 kindergarten assessment process not later than January 15, 2011.  
13 Expenditure of amounts provided in this subsection is contingent on  
14 receipt of an equal match from private sources. As matching funds are  
15 made available, the department may expend the amounts provided in this  
16 subsection.

17 (6) \$1,600,000 of the general fund--federal appropriation is  
18 provided solely for the department to fund programs to improve the  
19 quality of infant and toddler child care through training, technical  
20 assistance, and child care consultation.

21 (7) \$200,000 of the general fund--state appropriation for fiscal  
22 year 2010 and \$200,000 of the general fund--state appropriation for  
23 fiscal year 2011 are provided solely to develop and provide culturally  
24 relevant supports for parents, family, and other caregivers.

25 (8) The legislature notes that the department of early learning is  
26 developing a plan for improving child care licensing and is consulting,  
27 as practicable, with parents, licensed child care providers, and  
28 stakeholders from the child care community. The plan shall outline the  
29 processes and specify the resources necessary for improvements such as  
30 continuing licenses, child care licensing technology, and weighted  
31 child care regulations, including development of risk-based decision  
32 making models and inclusive, evidence-based rule making. The  
33 department shall submit to the appropriate committees of the  
34 legislature a plan by January 15, 2011.

35 (9) The department is the lead agency for and recipient of the  
36 federal child care and development fund grant. Amounts within this  
37 grant shall be used to fund child care licensing, quality initiatives,  
38 agency administration, and other costs associated with child care

1 subsidies. The department shall transfer a portion of this grant to  
2 the department of social and health services to partially fund the  
3 child care subsidies paid by the department of social and health  
4 services on behalf of the department of early learning.

5 (10) The department shall use child care development fund money to  
6 satisfy the federal audit requirement of the improper payments act  
7 (IPIA) of 2002. In accordance with the IPIA's rules, the money spent  
8 on the audits will not count against the five percent state limit on  
9 administrative expenditures.

10 (11) Within available amounts, the department in consultation with  
11 the office of financial management and the department of social and  
12 health services shall report quarterly enrollments and active caseload  
13 for the working connections child care program to the legislative  
14 fiscal committees. The report shall also identify the number of cases  
15 participating in both temporary assistance for needy families and  
16 working connections child care.

17 (12) The appropriations in this section reflect reductions in the  
18 appropriations for the department's administrative expenses. It is the  
19 intent of the legislature that these reductions shall be achieved, to  
20 the greatest extent possible, by reducing those administrative costs  
21 that do not affect direct client services or direct service delivery or  
22 program.

23 (13) \$500,000 of the general fund--state appropriation for fiscal  
24 year 2011 is provided solely for the department to contract with the  
25 private-public partnership established in chapter 43.215 RCW for home  
26 visitation programs. Of this amount, \$200,000 of the general fund--  
27 state appropriation for fiscal year 2011 is provided solely for  
28 expenditure into the home visiting services account created in Part IX  
29 of this act to be used for contracts for home visitation with the  
30 private-public partnership.

31 (14) In accordance to RCW 43.215.255(2) and 43.135.055, the  
32 department is authorized to increase child care center licensure fees  
33 by fifty-two dollars for the first twelve children and an additional  
34 four dollars per additional child in fiscal year 2011 for costs to the  
35 department for the licensure activity, including costs of necessary  
36 inspection.

37 (15) In accordance with RCW 43.135.055, the department of early



1 learning is authorized to adopt and increase the fees set forth in and  
2 previously authorized in section 3, chapter 231, Laws of 2010.

3 (16) As of January 31, 2011, the department may not adopt, enforce,  
4 or implement any rules or policies restricting the eligibility of  
5 consumers for child care subsidy benefits to a countable income level  
6 below one hundred seventy-five percent of the federal poverty  
7 guidelines.

8 **Sec. 1512.** 2011 c 5 s 613 (uncodified) is amended to read as  
9 follows:

10 **FOR THE STATE SCHOOL FOR THE BLIND**

11	General Fund--State Appropriation (FY 2010) . . . . .	\$5,902,000
12	General Fund--State Appropriation (FY 2011) . . . . .	<del>(\$5,509,000)</del>
13		<u>\$5,506,000</u>
14	General Fund--Private/Local Appropriation . . . . .	\$1,942,000
15	TOTAL APPROPRIATION . . . . .	<del>(\$13,353,000)</del>
16		<u>\$13,350,000</u>

17 The appropriations in this section are subject to the following  
18 conditions and limitations: \$271,000 of the general fund--  
19 private/local appropriation is provided solely for the school for the  
20 blind to offer short course programs, allowing students the opportunity  
21 to leave their home schools for short periods and receive intensive  
22 training. The school for the blind shall provide this service to the  
23 extent that it is funded by contracts with school districts and  
24 educational services districts.

25 **Sec. 1513.** 2011 c 5 s 614 (uncodified) is amended to read as  
26 follows:

27 **FOR THE WASHINGTON STATE CENTER FOR CHILDHOOD DEAFNESS AND HEARING**  
28 **LOSS**

29	General Fund--State Appropriation (FY 2010) . . . . .	\$8,593,000
30	General Fund--State Appropriation (FY 2011) . . . . .	<del>(\$8,230,000)</del>
31		<u>\$8,226,000</u>
32	General Fund--Private/Local Appropriation . . . . .	\$526,000
33	TOTAL APPROPRIATION . . . . .	<del>(\$17,349,000)</del>
34		<u>\$17,345,000</u>

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

1 (1) \$210,000 of the general fund--private/local appropriation is  
2 provided solely for the operation of the shared reading video outreach  
3 program. The school for the deaf shall provide this service to the  
4 extent it is funded by contracts with school districts and educational  
5 service districts.

6 (2) \$25,000 of the general fund--state appropriation for fiscal  
7 year 2010 and \$25,000 of the general fund--state appropriation for  
8 fiscal year 2011 are provided solely for implementation of Engrossed  
9 Second Substitute House Bill No. 1879 (deaf and hard of hearing). If  
10 the bill is not enacted by June 30, 2009, the amounts provided in this  
11 subsection shall lapse.

12 **Sec. 1514.** 2011 c 5 s 615 (uncodified) is amended to read as  
13 follows:

14 **FOR THE WASHINGTON STATE ARTS COMMISSION**

15	General Fund--State Appropriation (FY 2010) . . . . .	\$1,844,000
16	General Fund--State Appropriation (FY 2011) . . . . .	<del>(\$1,230,000)</del>
17		<u>\$1,228,000</u>
18	General Fund--Federal Appropriation . . . . .	<del>(\$1,944,000)</del>
19		<u>\$2,107,000</u>
20	General Fund--Private/Local Appropriation . . . . .	\$1,052,000
21	TOTAL APPROPRIATION . . . . .	<del>(\$6,070,000)</del>
22		<u>\$6,231,000</u>

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. 1515.** 2011 c 5 s 616 (uncodified) is amended to read as  
32 follows:

33 **FOR THE WASHINGTON STATE HISTORICAL SOCIETY**

34	General Fund--State Appropriation (FY 2010) . . . . .	\$2,592,000
35	General Fund--State Appropriation (FY 2011) . . . . .	<del>(\$2,381,000)</del>
36		<u>\$2,379,000</u>

1 TOTAL APPROPRIATION . . . . . ((~~\$4,973,000~~))  
2 \$4,971,000

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

11 **Sec. 1516.** 2011 c 5 s 617 (uncodified) is amended to read as  
12 follows:

13 **FOR THE EASTERN WASHINGTON STATE HISTORICAL SOCIETY**  
14 General Fund--State Appropriation (FY 2010) . . . . . \$1,612,000  
15 General Fund--State Appropriation (FY 2011) . . . . . (~~(\$1,490,000)~~)  
16 \$1,489,000  
17 TOTAL APPROPRIATION . . . . . (~~(\$3,102,000)~~)  
18 \$3,101,000

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 administrative costs  
23 that do not affect direct client services or direct service delivery or  
24 programs. The agency shall, to the greatest extent possible, reduce  
25 spending in those areas that shall have the least impact on  
26 implementing its mission.

(End of part)

PART XVI  
SPECIAL APPROPRIATIONS

Sec. 1601. 2010 1st sp.s. c 37 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**

General Fund--State Appropriation (FY 2010)	\$842,590,000
General Fund--State Appropriation (FY 2011)	<del>(( \$894,284,000 ))</del>
	<u>\$878,400,000</u>
State Building Construction Account--State	
Appropriation	\$11,707,000
Columbia River Basin Water Supply Development Account--	
State Appropriation	\$117,000
Hood Canal Aquatic Rehabilitation Bond Account--State	
Appropriation	\$11,000
State Taxable Building Construction Account--State	
Appropriation	\$1,136,000
Gardner-Evans Higher Education Construction Account--	
State Appropriation	\$260,000
Debt-Limit Reimbursable Bond Retirement Account--State	
Appropriation	\$2,612,000
TOTAL APPROPRIATION	<del>(( \$1,752,717,000 ))</del>
	<u>\$1,736,833,000</u>

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. 1602. 2010 1st sp.s. c 37 s 702 (uncodified) is amended to read as follows:

**FOR THE STATE TREASURER--BOND RETIREMENT AND INTEREST, AND ONGOING BOND REGISTRATION AND TRANSFER CHARGES: FOR GENERAL OBLIGATION DEBT TO**

1 **BE REIMBURSED AS PRESCRIBED BY STATUTE**

2 General Fund--State Appropriation (FY 2010) . . . . . \$26,436,000

3 General Fund--State Appropriation (FY 2011) . . . . . (~~(\$27,773,000)~~)

4 \$27,709,000

5 School Construction and Skill Centers Building

6 Account--State Appropriation . . . . . \$477,000

7 Nondebt-Limit Reimbursable Bond Retirement Account--

8 State Appropriation . . . . . (~~(\$140,872,000)~~)

9 \$135,872,000

10 TOTAL APPROPRIATION . . . . . (~~(\$195,558,000)~~)

11 \$190,494,000

12 The appropriations in this section are subject to the following

13 conditions and limitations: The general fund appropriation is for

14 expenditure into the nondebt-limit general fund bond retirement

15 account. The entire general fund--state appropriation for fiscal year

16 2010 shall be expended into the nondebt-limit general fund bond

17 retirement account by June 30, 2010.

18 **Sec. 1603.** 2010 1st sp.s. c 37 s 703 (uncodified) is amended to

19 read as follows:

20 **FOR THE STATE TREASURER--BOND RETIREMENT AND INTEREST, AND ONGOING**

21 **BOND REGISTRATION AND TRANSFER CHARGES: FOR BOND SALE EXPENSES**

22 General Fund--State Appropriation (FY 2010) . . . . . \$1,357,000

23 General Fund--State Appropriation (FY 2011) . . . . . \$1,357,000

24 State Building Construction Account--State

25 Appropriation . . . . . \$1,273,000

26 Columbia River Basin Water Supply Development

27 Account--State Appropriation . . . . . (~~(\$9,000)~~)

28 \$13,000

29 Hood Canal Aquatic Rehabilitation Bond Account--

30 State Appropriation . . . . . \$1,000

31 State Taxable Building Construction Account--State

32 Appropriation . . . . . (~~(\$72,000)~~)

33 \$131,000

34 Gardner-Evans Higher Education Construction

35 Account--State Appropriation . . . . . \$18,000

36 School Construction and Skill Centers Building

37 Account--State Appropriation . . . . . (~~(\$30,000)~~)

1 \$51,000  
 2 TOTAL APPROPRIATION . . . . . (~~(\$4,117,000)~~)  
 3 \$4,201,000

4 **Sec. 1604.** 2010 1st sp.s. c 37 s 709 (uncodified) is amended to  
 5 read as follows:

6 **FOR SUNDRY CLAIMS.** The following sums, or so much thereof as may  
 7 be necessary, are appropriated from the general fund, unless otherwise  
 8 indicated, for relief of various individuals, firms, and corporations  
 9 for sundry claims. These appropriations are to be disbursed on  
 10 vouchers approved by the director of financial management, except as  
 11 otherwise provided, as follows:

12 (1) Reimbursement of criminal defendants acquitted on the basis of  
 13 self-defense, pursuant to RCW 9A.16.110:

- 14 (a) Gerald S. Morrow, claim number 99970006 . . . . . \$20,567
- 15 (b) Darrell R. Baumgart, claim number 99970007 . . . . . \$4,528
- 16 (c) William Davis, claim number 99970008 . . . . . \$8,093
- 17 (d) Gene T. Strader, claim number 99970009 . . . . . \$33,875
- 18 (e) Cecilio Cortez, claim number 99970012 . . . . . \$17,055
- 19 (f) Alexander D. Coble, claim number 99970013 . . . . . \$302,110
- 20 (g) James W. Jolly, claim number 99970017 . . . . . \$28,884
- 21 (h) James Jay Olsen, claim number 99970018 . . . . . \$97,220
- 22 (i) Todd E. Miller, claim number 99970019 . . . . . \$6,957
- 23 (j) Sean S. DeHart, claim number 99970021 . . . . . \$52,062
- 24 (k) Thomas L. Raglin, Jr., claim number 99970022 . . . . . \$4,360
- 25 (l) Matthew Smitham, claim number 99970016 . . . . . \$8,100
- 26 (m) John R. Frederick, claim number 99970020 . . . . . \$7,719
- 27 (n) Justin C. Federmeier, claim number 99970023 . . . . . \$29,728
- 28 (o) David R. Palmer, claim number 99970024 . . . . . \$4,250
- 29 (p) Ian K. Berghoffer, claim number 99970026 . . . . . \$33,455
- 30 (q) Darryl L. Koenen, claim number 99970027 . . . . . \$23,077
- 31 (r) Lee J. Stites, claim number 99970028 . . . . . \$7,502
- 32 (s) Bobby G. Ewing, claim number 99970029 . . . . . \$51,093
- 33 (t) Dylan Friesz, claim number 99970030 . . . . . \$10,200
- 34 (u) Kevin L. Lund, claim number 99970031 . . . . . \$11,402
- 35 (v) Rodney C. Price, claim number 99970033 . . . . . \$11,250
- 36 (w) Matthew S. Lovacs, claim number 99970034 . . . . . \$25,700
- 37 (x) Christopher A. Peeler, claim number 99970035 . . . . . \$47,923



1       **Sec. 1606.** 2011 c 5 s 703 (uncodified) is amended to read as  
2 follows:

3       **INFORMATION TECHNOLOGY**

4       Pursuant to section 11, chapter 282, Laws of 2010 (state government  
5 technology use), the office of financial management shall work with the  
6 appropriate state agencies to generate savings of \$30,000,000 from  
7 technology efficiencies from the state general fund. From  
8 appropriations in this act, the office of financial management shall  
9 reduce general fund--state allotments by (~~(\$24,841,000)~~) \$16,209,000  
10 for fiscal year 2011. The office of financial management shall,  
11 utilizing existing fund balance, reduce the data processing revolving  
12 account rates in an amount to reflect up to half of the reductions  
13 identified in this section. The office of financial management may use  
14 savings or existing fund balances from information technology accounts  
15 to achieve savings in this section. The allotment reductions shall be  
16 placed in unallotted status and remain unexpended. Nothing in this  
17 section is intended to impact revenue collection efforts by the  
18 department of revenue.

19       **Sec. 1607.** 2009 c 564 s 719 (uncodified) is amended to read as  
20 follows:

21	<b>FOR THE OFFICE OF FINANCIAL MANAGEMENT--O'BRIEN BUILDING IMPROVEMENT</b>	
22	General Fund--State Appropriation (FY 2010) . . . . .	\$1,435,000
23	General Fund--State Appropriation (FY 2011) . . . . .	( <del>(\$1,435,000)</del> )
24		<u>\$1,884,000</u>
25	TOTAL APPROPRIATION . . . . .	( <del>(\$2,870,000)</del> )
26		<u>\$3,319,000</u>

27       The appropriations in this section are subject to the following  
28 conditions and limitations: The appropriations are provided solely for  
29 expenditure into the general administration services account for  
30 payment of principal, interest, and financing expenses associated with  
31 the certificate of participation for the O'Brien building improvement,  
32 project number 20081007.

(End of part)



PART XVII

OTHER TRANSFERS AND APPROPRIATIONS

Sec. 1701. 2010 1st sp.s. c 37 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 . . . . .	(( <del>\$7,572,000</del> ))
	<u>\$7,888,000</u>
General Fund Appropriation for public utility	
district excise tax distributions . . . . .	(( <del>\$47,342,000</del> ))
	<u>\$45,125,000</u>
General Fund Appropriation for prosecuting	
attorney distributions . . . . .	(( <del>\$6,281,000</del> ))
	<u>\$5,804,000</u>
General Fund Appropriation for boating safety	
and education distributions . . . . .	(( <del>\$4,854,000</del> ))
	<u>\$3,954,000</u>
General Fund Appropriation for other tax	
distributions . . . . .	(( <del>\$50,000</del> ))
	<u>\$55,000</u>
General Fund Appropriation for habitat conservation	
program distributions . . . . .	(( <del>\$3,000,000</del> ))
	<u>\$2,642,000</u>
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 . . . . .	(( <del>\$36,651,000</del> ))
	<u>\$31,519,000</u>
County Criminal Justice Assistance Appropriation . . . . .	(( <del>\$68,528,000</del> ))
	<u>\$66,216,000</u>
Municipal Criminal Justice Assistance	
Appropriation . . . . .	(( <del>\$27,175,000</del> ))
	<u>\$25,510,000</u>

1	City-County Assistance Account Appropriation for local	
2	government financial assistance distribution . . .	(( <del>\$27,366,000</del> ))
3		<u>\$23,845,000</u>
4	Liquor Excise Tax Account Appropriation for liquor	
5	excise tax distribution . . . . .	(( <del>\$58,268,000</del> ))
6		<u>\$58,822,000</u>
7	Streamline Sales and Use Tax Account Appropriation for	
8	distribution to local taxing jurisdictions to	
9	mitigate the unintended revenue redistribution	
10	effect of the sourcing law changes . . . . .	(( <del>\$50,056,000</del> ))
11		<u>\$51,535,000</u>
12	Columbia River Water Delivery Account Appropriation	
13	for the Confederated Tribes of the Colville	
14	Reservation . . . . .	(( <del>\$7,315,000</del> ))
15		<u>\$7,257,000</u>
16	Columbia River Water Delivery Account Appropriation	
17	for the Spokane Tribe of Indians . . . . .	(( <del>\$4,644,000</del> ))
18		<u>\$4,704,000</u>
19	Liquor Revolving Account Appropriation for liquor	
20	profits distribution . . . . .	(( <del>\$68,741,000</del> ))
21		<u>\$64,670,000</u>
22	Liquor Revolving Account Appropriation for additional	
23	liquor profits distribution to local governments . . .	\$18,677,000
24	TOTAL APPROPRIATION . . . . .	(( <del>\$439,234,000</del> ))
25		<u>\$420,937,000</u>

26 The total expenditures from the state treasury under the  
27 appropriations in this section shall not exceed the funds available  
28 under statutory distributions for the stated purposes.

29 **Sec. 1702.** 2009 c 564 s 802 (uncodified) is amended to read as  
30 follows:

31 **FOR THE STATE TREASURER--FOR THE COUNTY CRIMINAL JUSTICE ASSISTANCE**  
32 **ACCOUNT**

33	Impaired Driver Safety Account Appropriation . . . . .	(( <del>\$2,351,000</del> ))
34		<u>\$2,467,000</u>

35 The appropriation in this section is subject to the following  
36 conditions and limitations: The amount appropriated in this section  
37 shall be distributed quarterly during the 2009-11 biennium in

1 accordance with RCW 82.14.310. This funding is provided to counties  
2 for the costs of implementing criminal justice legislation including,  
3 but not limited to: Chapter 206, Laws of 1998 (drunk driving  
4 penalties); chapter 207, Laws of 1998 (DUI penalties); chapter 208,  
5 Laws of 1998 (deferred prosecution); chapter 209, Laws of 1998  
6 (DUI/license suspension); chapter 210, Laws of 1998 (ignition interlock  
7 violations); chapter 211, Laws of 1998 (DUI penalties); chapter 212,  
8 Laws of 1998 (DUI penalties); chapter 213, Laws of 1998 (intoxication  
9 levels lowered); chapter 214, Laws of 1998 (DUI penalties); and chapter  
10 215, Laws of 1998 (DUI provisions).

11 **Sec. 1703.** 2009 c 564 s 803 (uncodified) is amended to read as  
12 follows:

13 **FOR THE STATE TREASURER--FOR THE MUNICIPAL CRIMINAL JUSTICE ASSISTANCE**  
14 **ACCOUNT**

15 Impaired Driver Safety Account Appropriation . . . . . (~~(\$1,543,000)~~)  
16 \$1,645,000

17 The appropriation in this section is subject to the following  
18 conditions and limitations: The amount appropriated in this section  
19 shall be distributed quarterly during the 2009-11 biennium to all  
20 cities ratably based on population as last determined by the office of  
21 financial management. The distributions to any city that substantially  
22 decriminalizes or repeals its criminal code after July 1, 1990, and  
23 that does not reimburse the county for costs associated with criminal  
24 cases under RCW 3.50.800 or 3.50.805(2), shall be made to the county in  
25 which the city is located. This funding is provided to cities for the  
26 costs of implementing criminal justice legislation including, but not  
27 limited to: Chapter 206, Laws of 1998 (drunk driving penalties);  
28 chapter 207, Laws of 1998 (DUI penalties); chapter 208, Laws of 1998  
29 (deferred prosecution); chapter 209, Laws of 1998 (DUI/license  
30 suspension); chapter 210, Laws of 1998 (ignition interlock violations);  
31 chapter 211, Laws of 1998 (DUI penalties); chapter 212, Laws of 1998  
32 (DUI penalties); chapter 213, Laws of 1998 (intoxication levels  
33 lowered); chapter 214, Laws of 1998 (DUI penalties); and chapter 215,  
34 Laws of 1998 (DUI provisions).

35 NEW SECTION. **Sec. 1704.** 2010 1st sp.s. c 37 s 802 (uncodified) is  
36 repealed.

1       **Sec. 1705.** 2011 c 5 s 801 (uncodified) is amended to read as  
2 follows:

3 **FOR THE STATE TREASURER--TRANSFERS**

4 State Treasurer's Service Account: For transfer to the  
5 state general fund, \$16,400,000 for fiscal year  
6 2010 and \$29,400,000 for fiscal year 2011 . . . . . \$45,800,000  
7 Waste Reduction, Recycling and Litter Control Account:  
8 For transfer to the state general fund, \$3,000,000  
9 for fiscal year 2010 and \$3,000,000 for fiscal year  
10 2011 . . . . . \$6,000,000  
11 State Toxics Control Account: For transfer to the  
12 state general fund, \$15,340,000 for fiscal year  
13 2010 and \$37,780,000 for fiscal year 2011 . . . . . \$53,120,000  
14 Local Toxics Control Account: For transfer to the  
15 state general fund, \$37,060,000 for fiscal year  
16 2010 and \$65,759,000 for fiscal year 2011 . . . . . \$102,819,000  
17 Education Construction Account: For transfer to the  
18 state general fund, \$105,228,000 for fiscal year  
19 2010 and \$106,451,000 for fiscal year 2011 . . . . . \$211,679,000  
20 Aquatics Lands Enhancement Account: For transfer to  
21 the state general fund, \$8,520,000 for fiscal  
22 year 2010 and \$12,550,000 for fiscal year 2011 . . . . . \$21,070,000  
23 Drinking Water Assistance Account: For transfer to  
24 the drinking water assistance repayment account . . . . . \$28,600,000  
25 Economic Development Strategic Reserve Account: For  
26 transfer to the state general fund, \$2,500,000 for  
27 fiscal year 2010 and \$3,900,000 for fiscal year  
28 2011 . . . . . \$6,400,000  
29 Tobacco Settlement Account: For transfer to the state  
30 general fund, in an amount not to exceed by more  
31 than \$26,000,000 the actual amount of the annual  
32 payment to the tobacco settlement account . . . . . \$204,098,000  
33 Tobacco Settlement Account: For transfer to the life  
34 sciences discovery fund, in an amount not to exceed  
35 \$26,000,000 less than the actual amount of the  
36 strategic contribution supplemental payment to  
37 the tobacco settlement account . . . . . \$39,170,000  
38 General Fund: For transfer to the streamline sales and

1 use tax account, \$24,274,000 for fiscal year 2010  
2 and \$24,182,000 for fiscal year 2011 . . . . . \$48,456,000  
3 State Convention and Trade Center Account: For  
4 transfer to the state convention and trade center  
5 operations account, \$1,000,000 for fiscal year  
6 2010 and \$3,100,000 for fiscal year 2011 . . . . . \$4,100,000  
7 Tobacco Prevention and Control Account: For transfer  
8 to the state general fund, \$1,961,000 for fiscal  
9 year 2010 and \$3,000,000 for fiscal year 2011 . . . . . \$4,961,000  
10 Nisqually Earthquake Account: For transfer to the  
11 disaster response account for fiscal year 2010 . . . . . \$500,000  
12 Judicial Information Systems Account: For transfer  
13 to the state general fund, \$3,250,000 for fiscal  
14 year 2010 and \$3,250,000 for fiscal year 2011 . . . . . \$6,500,000  
15 Department of Retirement Systems Expense Account: For  
16 transfer to the state general fund, \$1,000,000 for  
17 fiscal year 2010 and \$1,500,000 for fiscal year  
18 2011 . . . . . \$2,500,000  
19 State Emergency Water Projects Account: For transfer  
20 to the state general fund, \$390,000 for fiscal  
21 year 2011 . . . . . \$390,000  
22 The Charitable, Educational, Penal, and Reformatory  
23 Institutions Account: For transfer to the state  
24 general fund, \$5,550,000 for fiscal year 2010 and  
25 \$4,450,000 for fiscal year 2011 . . . . . \$10,000,000  
26 Energy Freedom Account: For transfer to the state  
27 general fund, \$4,038,000 for fiscal year 2010 and  
28 \$2,978,000 for fiscal year 2011 . . . . . \$7,016,000  
29 Thurston County Capital Facilities Account: For  
30 transfer to the state general fund, \$8,604,000  
31 for fiscal year 2010 and \$5,156,000 for fiscal  
32 year 2011 . . . . . \$13,760,000  
33 Public Works Assistance Account: For transfer to the  
34 state general fund, \$279,640,000 for fiscal year  
35 2010 and (~~(\$229,560,000)~~) \$39,744,000 for fiscal  
36 year 2011 . . . . . (~~(\$509,200,000)~~)  
37 \$319,384,000  
38 Budget Stabilization Account: For transfer to the

1 state general fund for fiscal year 2010 . . . . . \$45,130,000  
2 Liquor Revolving Account: For transfer to the state  
3 general fund, \$31,000,000 for fiscal year 2010 and  
4 \$31,000,000 for fiscal year 2011 . . . . . \$62,000,000  
5 Public Works Assistance Account: For transfer to the  
6 city-county assistance account, \$5,000,000 on  
7 July 1, 2009, and \$5,000,000 on July 1, 2010 . . . . . \$10,000,000  
8 Public Works Assistance Account: For transfer to the  
9 drinking water assistance account, \$6,930,000  
10 for fiscal year 2010 and \$4,000,000 for fiscal  
11 year 2011 . . . . . \$10,930,000  
12 Shared Game Lottery Account: For transfer to the  
13 education legacy trust account, \$3,600,000 for  
14 fiscal year 2010 and \$2,400,000 for fiscal year  
15 2011 . . . . . \$6,000,000  
16 State Lottery Account: For transfer to the education  
17 legacy trust account, \$9,500,000 for fiscal year  
18 2010 and \$9,500,000 for fiscal year 2011 . . . . . \$19,000,000  
19 College Faculty Awards Trust Fund: For transfer  
20 to the state general fund for fiscal year 2010,  
21 an amount not to exceed the actual cash balance  
22 of the fund and \$1,957,000 for fiscal year 2011 . . . . . \$5,957,000  
23 Washington Distinguished Professorship Trust Fund:  
24 For transfer to the state general fund for fiscal  
25 year 2010, an amount not to exceed the actual cash  
26 balance of the fund and \$2,966,000 for fiscal year  
27 2011 . . . . . \$8,966,000  
28 Washington Graduate Fellowship Trust Account:  
29 For transfer to the state general fund for fiscal  
30 year 2010, an amount not to exceed the actual cash  
31 balance of the fund and \$1,008,000 for fiscal year  
32 2011 . . . . . \$3,008,000  
33 GET Ready for Math and Science Scholarship Account:  
34 For transfer to the state general fund for  
35 fiscal year 2010, an amount not to exceed  
36 the actual cash balance not comprised of or  
37 needed to match private contributions . . . . . \$1,800,000  
38 Financial Services Regulation Account: For transfer

1 to the state general fund, \$2,000,000 for fiscal  
2 year 2010 and \$7,000,000 for fiscal year 2011 . . . . . \$9,000,000  
3 Data Processing Revolving Fund: For transfer to  
4 the state general fund, \$5,632,000 for fiscal  
5 year 2010 and \$4,159,000 for fiscal year 2011 . . . . . \$9,791,000  
6 Public Service Revolving Account: For transfer to  
7 the state general fund, \$8,000,000 for fiscal  
8 year 2010 and \$7,000,000 for fiscal year 2011 . . . . . \$15,000,000  
9 Water Quality Capital Account: For transfer to the  
10 state general fund, \$278,000 for fiscal year 2011 . . . . . \$278,000  
11 Performance Audits of Government Account: For  
12 transfer to the state general fund, \$10,000,000  
13 for fiscal year 2010 and \$7,000,000  
14 for fiscal year 2011 . . . . . \$17,000,000  
15 Job Development Account: For transfer to the  
16 state general fund, \$20,930,000 for fiscal  
17 year 2010 . . . . . \$20,930,000  
18 Savings Incentive Account: For transfer to the  
19 state general fund, \$10,117,000 for fiscal  
20 year 2010 and \$32,075,000 for fiscal year  
21 2011 . . . . . \$42,192,000  
22 Education Savings Account: For transfer to the  
23 state general fund, \$90,690,000  
24 for fiscal year 2010 and \$53,384,000 for fiscal  
25 year 2011 . . . . . \$144,074,000  
26 Cleanup Settlement Account: For transfer to the  
27 state efficiency and restructuring account for  
28 fiscal year 2011 . . . . . \$39,480,000  
29 Disaster Response Account: For transfer to the  
30 state drought preparedness account, \$4,000,000  
31 for fiscal year 2010 . . . . . \$4,000,000  
32 Washington State Convention and Trade Center Account:  
33 For transfer to the state general fund, \$10,000,000  
34 for fiscal year 2011. The transfer in this section  
35 shall occur on June 30, 2011, only if by that date  
36 the Washington state convention and trade center is  
37 not transferred to a public facilities district  
38 pursuant to Substitute Senate Bill No. 6889

1 (convention and trade center) . . . . . \$10,000,000  
2 Institutional Welfare/Betterment Account: For transfer  
3 to the state general fund, \$2,000,000 for fiscal  
4 year 2010 and \$2,000,000 for fiscal year 2011 . . . . . \$4,000,000  
5 Future Teacher Conditional Scholarship Account: For  
6 transfer to the state general fund, \$2,150,000  
7 for fiscal year 2010 and \$2,150,000 for fiscal  
8 year 2011 . . . . . \$4,300,000  
9 Fingerprint Identification Account: For transfer  
10 to the state general fund, \$800,000 for fiscal  
11 year 2011 . . . . . \$800,000  
12 Prevent or Reduce Owner-Occupied Foreclosure  
13 Program Account: For transfer to the financial  
14 education public-private partnership account for  
15 fiscal year 2010, an amount not to exceed the actual  
16 cash balance of the fund as of June 30, 2010 . . . . . \$300,000  
17 Nisqually Earthquake Account: For transfer to the  
18 state general fund for fiscal year 2011 . . . . . \$696,000  
19 Disaster Response Account: For transfer to the state  
20 general fund for fiscal year 2011 . . . . . \$14,500,000  
21 Washington Auto Theft Prevention Account: For  
22 transfer to the state general fund, \$1,500,000  
23 for fiscal year 2011 . . . . . \$1,500,000  
24 Tourism Enterprise Account: For transfer to the  
25 state general fund, \$590,000 for fiscal year  
26 2011 . . . . . \$590,000  
27 Tourism Development and Promotion Account: For  
28 transfer to the state general fund, \$205,000  
29 for fiscal year 2011 . . . . . \$205,000  
30 Life Sciences Discovery Fund: For transfer to  
31 the basic health plan stabilization account . . . . . \$6,000,000  
32 Life Sciences Discovery Fund: For transfer to  
33 the state general fund for fiscal year 2011 . . . . . \$2,200,000  
34 Industrial Insurance Premium Refund Account: For  
35 transfer to the state general fund, \$4,500,000  
36 for fiscal year 2011 . . . . . \$4,500,000  
37 Distressed County Assistance Account: For transfer  
38 to the state general fund, \$205,000 for



1       fiscal year 2011 . . . . . \$ 205,000  
 2   State Drought Preparedness Account: For transfer to  
 3       the state general fund, \$4,000,000 for fiscal  
 4       year 2011 . . . . . \$4,000,000  
 5   Freshwater Aquatic Algae Control Account: For  
 6       transfer to the state general fund, \$400,000 for  
 7       fiscal year 2011 . . . . . \$400,000  
 8   Freshwater Aquatic Weeds Account: For transfer to  
 9       the state general fund, \$300,000 for fiscal  
 10      year 2011 . . . . . \$300,000  
 11   Liquor Control Board Construction and Maintenance  
 12      Account: For transfer to the state general fund  
 13      for fiscal year 2011 . . . . . \$3,000,000  
 14   Insurance Commissioner's Regulatory Account: For  
 15      transfer to the state general fund, for fiscal  
 16      year 2011 . . . . . \$2,300,000  
 17   Natural Resources Real Property Replacement Account:  
 18      For transfer to the state general fund, for fiscal  
 19      year 2011 . . . . . \$312,000  
 20   Resource Management Cost Account: For transfer to  
 21      the state general fund, for fiscal year 2011 . . . . . \$312,000

(End of part)

**PART XVIII**  
**MISCELLANEOUS**

**Sec. 1801.** RCW 48.02.190 and 2009 c 161 s 1 are each amended to read as follows:

(1) As used in this section:

(a) "Organization" means every insurer, as defined in RCW 48.01.050, having a certificate of authority to do business in this state, every health care service contractor, as defined in RCW 48.44.010, every health maintenance organization, as defined in RCW 48.46.020, or self-funded multiple employer welfare arrangement, as defined in RCW 48.125.010, registered to do business in this state. "Class one" organizations shall consist of all insurers as defined in RCW 48.01.050. "Class two" organizations shall consist of all organizations registered under provisions of chapters 48.44 and 48.46 RCW. "Class three" organizations shall consist of self-funded multiple employer welfare arrangements as defined in RCW 48.125.010.

(b)(i) "Receipts" means (A) net direct premiums consisting of direct gross premiums, as defined in RCW 48.18.170, paid for insurance written or renewed upon risks or property resident, situated, or to be performed in this state, less return premiums and premiums on policies not taken, dividends paid or credited to policyholders on direct business, and premiums received from policies or contracts issued in connection with qualified plans as defined in RCW 48.14.021, and (B) prepayments to health care service contractors, as defined in RCW 48.44.010, health maintenance organizations, as defined in RCW 48.46.020, or participant contributions to self-funded multiple employer welfare arrangements, as defined in RCW 48.125.010, less experience rating credits, dividends, prepayments returned to subscribers, and payments for contracts not taken.

(ii) Participant contributions, under chapter 48.125 RCW, used to determine the receipts in this state under this section shall be determined in the same manner as premiums taxable in this state are determined under RCW 48.14.090.

(c) "Regulatory surcharge" means the fees imposed by this section.

(2) The annual cost of operating the office of insurance commissioner shall be determined by legislative appropriation. A pro

1 rata share of the cost shall be charged to all organizations as a  
2 regulatory surcharge. Each class of organization shall contribute a  
3 sufficient amount to the insurance commissioner's regulatory account to  
4 pay the reasonable costs, including overhead, of regulating that class  
5 of organization.

6 (3) The regulatory surcharge shall be calculated separately for  
7 each class of organization. The regulatory surcharge collected from  
8 each organization shall be that portion of the cost of operating the  
9 insurance commissioner's office, for that class of organization, for  
10 the ensuing fiscal year that is represented by the organization's  
11 portion of the receipts collected or received by all organizations  
12 within that class on business in this state during the previous  
13 calendar year. However, the regulatory surcharge must not exceed one-  
14 eighth of one percent of receipts and the minimum regulatory surcharge  
15 shall be one thousand dollars.

16 (4) The commissioner shall annually, on or before June 1st,  
17 calculate and bill each organization for the amount of the regulatory  
18 surcharge. The regulatory surcharge shall be due and payable no later  
19 than June 15th of each year. However, if the necessary financial  
20 records are not available or if the amount of the legislative  
21 appropriation is not determined in time to carry out such calculations  
22 and bill such regulatory surcharge within the time specified, the  
23 commissioner may use the regulatory surcharge factors for the prior  
24 year as the basis for the regulatory surcharge and, if necessary, the  
25 commissioner may impose supplemental fees to fully and properly charge  
26 the organizations. Any organization failing to pay the regulatory  
27 surcharges by June 30th shall pay the same penalties as the penalties  
28 for failure to pay taxes when due under RCW 48.14.060. The regulatory  
29 surcharge required by this section is in addition to all other taxes  
30 and fees now imposed or that may be subsequently imposed.

31 (5) All moneys collected shall be deposited in the insurance  
32 commissioner's regulatory account in the state treasury which is hereby  
33 created.

34 (6) Unexpended funds in the insurance commissioner's regulatory  
35 account at the close of a fiscal year shall be carried forward in the  
36 insurance commissioner's regulatory account to the succeeding fiscal  
37 year and shall be used to reduce future regulatory surcharges. During

1 the 2009-2011 fiscal biennium, the legislature may transfer from the  
2 insurance commissioner's regulatory account to the state general fund  
3 such amounts as reflect the excess fund balance in the account.

4 (7)(a) Each insurer may annually collect regulatory surcharges  
5 remitted in preceding years by means of a policyholder surcharge on  
6 premiums charged for all kinds of insurance. The recoupment shall be  
7 at a uniform rate reasonably calculated to collect the regulatory  
8 surcharge remitted by the insurer.

9 (b) If an insurer fails to collect the entire amount of the  
10 recoupment in the first year under this section, it may repeat the  
11 recoupment procedure provided for in this subsection (7) in succeeding  
12 years until the regulatory surcharge is fully collected or a de minimis  
13 amount remains uncollected. Any such de minimis amount may be  
14 collected as provided in (d) of this subsection.

15 (c) The amount and nature of any recoupment shall be separately  
16 stated on either a billing or policy declaration sent to an insured.  
17 The amount of the recoupment must not be considered a premium for any  
18 purpose, including the premium tax or agents' commissions.

19 (d) An insurer may elect not to collect the regulatory surcharge  
20 from its insured. In such a case, the insurer may recoup the  
21 regulatory surcharge through its rates, if the following requirements  
22 are met:

23 (i) The insurer remits the amount of surcharge not collected by  
24 election under this subsection; and

25 (ii) The surcharge is not considered a premium for any purpose,  
26 including the premium tax or agents' commission.

27 **Sec. 1802.** RCW 79.17.210 and 2003 c 334 s 118 are each amended to  
28 read as follows:

29 (1) The legislature finds that the department has a need to  
30 maintain the real property asset base it manages and needs an  
31 accounting mechanism to complete transactions without reducing the real  
32 property asset base.

33 (2) The natural resources real property replacement account is  
34 created in the state treasury. This account shall consist of funds  
35 transferred or paid for the disposal or transfer of real property by  
36 the department under RCW 79.17.200. The funds in this account shall be  
37 used solely for the acquisition of replacement real property and may be

1 spent only when, and as, authorized by legislative appropriation.  
2 During the 2009-2011 fiscal biennium, the legislature may transfer from  
3 the natural resources real property replacement account to the state  
4 general fund an amount that reflects state general fund contributions  
5 to the account.

6 **Sec. 1803.** RCW 79.64.020 and 2008 c 328 s 6004 are each amended to  
7 read as follows:

8 A resource management cost account in the state treasury is created  
9 to be used solely for the purpose of defraying the costs and expenses  
10 necessarily incurred by the department in managing and administering  
11 state lands and aquatic lands and the making and administering of  
12 leases, sales, contracts, licenses, permits, easements, and rights-of-  
13 way as authorized under the provisions of this title. Appropriations  
14 from the resource management cost account to the department shall be  
15 expended for no other purposes. Funds in the resource management cost  
16 account may be appropriated or transferred by the legislature for the  
17 benefit of all of the trusts from which the funds were derived. (~~For~~  
18 ~~the 2007-2009 biennium, moneys in the account may be used for the~~  
19 ~~purposes identified in section 3044, chapter 328, Laws of 2008)) During  
20 the 2009-2011 fiscal biennium, the legislature may transfer from the  
21 resource management cost account to the state general fund an amount  
22 that reflects state general fund contributions to the land bank portion  
23 of the account.~~

24 NEW SECTION. **Sec. 1804.** If any provision of this act or its  
25 application to any person or circumstance is held invalid, the  
26 remainder of the act or the application of the provision to other  
27 persons or circumstances is not affected.

28 NEW SECTION. **Sec. 1805.** This act is necessary for the immediate  
29 preservation of the public peace, health, or safety, or support of the  
30 state government and its existing public institutions, and takes effect  
31 immediately, except for section 948 of this act which takes effect June  
32 30, 2011.

(End of part)

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