

CERTIFICATION OF ENROLLMENT
THIRD ENGROSSED SUBSTITUTE SENATE BILL 5034

63rd Legislature
2013 2nd Special Session

Passed by the Senate June 28, 2013
YEAS 44 NAYS 4

President of the Senate

Passed by the House June 28, 2013
YEAS 81 NAYS 11

Speaker of the House of Representatives

Approved

Governor of the State of Washington

CERTIFICATE

I, Hunter G. Goodman, Secretary of the Senate of the State of Washington, do hereby certify that the attached is **THIRD ENGROSSED SUBSTITUTE SENATE BILL 5034** as passed by the Senate and the House of Representatives on the dates hereon set forth.

Secretary

FILED

**Secretary of State
State of Washington**

THIRD ENGROSSED SUBSTITUTE SENATE BILL 5034

Passed Legislature - 2013 2nd Special Session

State of Washington 63rd Legislature 2013 2nd Special Session

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

READ FIRST TIME 04/05/13.

1 AN ACT Relating to fiscal matters; amending RCW 2.68.020, 2.28.170,
2 2.28.170, 13.40.466, 18.43.150, 18.85.061, 19.28.351, 28A.500.020,
3 28B.15.069, 28B.20.476, 28B.67.030, 28B.95.160, 28B.105.110,
4 28C.04.535, 28C.10.082, 38.52.540, 41.06.280, 41.06.280, 41.26.802,
5 43.08.190, 43.09.475, 43.10.150, 43.19.791, 43.24.150, 43.24.150,
6 43.79.445, 43.79.480, 43.82.010, 43.101.200, 43.155.050, 46.66.080,
7 46.68.340, 67.70.190, 70.42.090, 70.93.180, 70.96A.350, 70.105D.---,
8 70.105D.070, 70.148.020, 74.09.215, 74.13.621, 74.09.215, 77.12.201,
9 77.12.203, 79.64.020, 79.64.040, 82.08.160, 82.14.310, 86.26.007, and
10 74.09.215; reenacting and amending RCW 28B.15.067, 41.60.050,
11 41.80.010, 41.80.020, 43.325.040, 71.24.310, and 79.105.150; amending
12 2013 c 147 s 1 (uncodified); amending 2013 c 306 ss 517, 518, and 519;
13 amending 2012 2nd sp.s. c 7 ss 111, 112, 114, 115, 118, 121, 127, 129,
14 131, 132, 136, 139, 142, 144, 149, 201, 202, 203, 204, 205, 206, 207,
15 208, 209, 210, 211, 212, 213, 216, 218, 219, 220, 221, 222, 303, 307,
16 308, 402, 502, 505, 506, 507, 508, 509, 510, 511, 512, 513, 514, 602,
17 613, 615, 616, 617, 701, 702, 707, 801, 802, 803, and 804 (uncodified);
18 amending 2011 2nd sp.s. c 9 ss 506 and 703 (uncodified); amending 2011
19 1st sp.s. c 50 s 804 (uncodified); amending 2011 1st sp.s. c 41 s 3
20 (uncodified); adding a new section to 2011 1st sp.s. c 50 (uncodified);
21 creating new sections; making appropriations; providing effective

1 dates; providing expiration dates; and declaring an emergency.

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

3 NEW SECTION. **Sec. 1.** (1) A budget is hereby adopted and, subject
4 to the provisions set forth in the following sections, the several
5 amounts specified in parts I through IX of this act, or so much thereof
6 as shall be sufficient to accomplish the purposes designated, are
7 hereby appropriated and authorized to be incurred for salaries, wages,
8 and other expenses of the agencies and offices of the state and for
9 other specified purposes for the fiscal biennium beginning July 1,
10 2013, and ending June 30, 2015, except as otherwise provided, out of
11 the several funds of the state hereinafter named.

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

14 (a) "Fiscal year 2014" or "FY 2014" means the fiscal year ending
15 June 30, 2014.

16 (b) "Fiscal year 2015" or "FY 2015" means the fiscal year ending
17 June 30, 2015.

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

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

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

26 **PART I**

27 **GENERAL GOVERNMENT**

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

29	General Fund--State Appropriation (FY 2014)	\$30,789,000
30	General Fund--State Appropriation (FY 2015)	\$31,075,000
31	Motor Vehicle Account--State Appropriation	\$1,765,000
32	TOTAL APPROPRIATION	\$63,629,000

1 NEW SECTION. **Sec. 102. FOR THE SENATE**

2	General Fund--State Appropriation (FY 2014)	\$21,150,000
3	General Fund--State Appropriation (FY 2015)	\$23,405,000
4	Motor Vehicle Account--State Appropriation	\$1,514,000
5	TOTAL APPROPRIATION	\$46,069,000

6 NEW SECTION. **Sec. 103. FOR THE JOINT LEGISLATIVE AUDIT AND REVIEW**
7 **COMMITTEE**

8	General Fund--State Appropriation (FY 2014)	\$62,000
9	General Fund--State Appropriation (FY 2015)	\$111,000
10	Performance Audits of Government Account--State	
11	Appropriation	\$5,641,000
12	Medical Aid Account--State Appropriation	\$332,000
13	Accident Account--State Appropriation	\$332,000
14	TOTAL APPROPRIATION	\$6,478,000

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

17 (1) Notwithstanding the provisions of this section, the joint
18 legislative audit and review committee may adjust the due dates for
19 projects included on the committee's 2013-15 work plan as necessary to
20 efficiently manage workload.

21 (2) \$332,000 of the medical aid account--state appropriation and
22 \$332,000 of the accident account--state appropriation are provided for
23 the purposes of chapter 37, Laws of 2011 (workers' compensation).

24 (3) \$323,000 of the performance audits of government account--state
25 appropriation is provided for consultant and staff costs related to the
26 economic analysis of tax preferences as directed by chapter 43.136 RCW.

27 (4) The joint legislative audit and review committee shall conduct
28 an audit of Washington's state research universities. The purpose of
29 the audit is to identify cost and profit centers within, and in
30 partnership with, the research universities. The audit must focus on
31 public funds; student fees, in particular tuition; and auxiliary
32 enterprises, which for the purposes of the audit at the University of
33 Washington includes University of Washington medical center, the
34 internal lending program, the W fund, and the center for
35 commercialization. The audit at each university must achieve the
36 following:

1 (a) Assess the university's policies and practices for tracking
2 per-student expenditures for instruction and identify the average
3 amount per student that the university has spent on instruction for
4 undergraduate students in each of the past five fiscal years;

5 (b) Obtain the university's definition of auxiliary enterprises and
6 determine the number of auxiliary enterprises, including the University
7 of Washington medical center, the University of Washington internal
8 lending program, the W fund, and the center for commercialization, that
9 exist in the university system, the methods the university uses to
10 track revenue and expenditures of auxiliary enterprises, and the
11 policies and practices the university has in place to ensure that state
12 funding is not used to supplement or guarantee projects or programs
13 authorized by auxiliary enterprises;

14 (c) Identify how much money is being spent on undergraduate
15 education and to what extent undergraduate education is subsidizing
16 graduate education; and

17 (d) Determine how tuition funds are being used and to what extent
18 they are being used to fund the University of Washington medical
19 center, the University of Washington internal lending program, the W
20 fund, and the center for commercialization and to back bonds authorized
21 by the university.

22 (5) The committee shall conduct a study of the current methods of
23 collecting legal financial obligations and compare those methods with
24 other debt collection methods, including contracting for debt
25 collection of legal financial obligations. The study shall include
26 analysis of the costs and revenues of current methods and compare those
27 to alternatives, and include analysis of the impact of current methods
28 and alternatives to revenues received by the state. Included shall be
29 an examination of costs and revenue generation before and after the
30 implementation of chapter 379, Laws of 2003 (SSB 5990) and chapter 362,
31 Laws of 2005 (SSB 5256) and analysis of whether these changes met the
32 legislative goals of reducing costs and increasing collections. A
33 report on the results of the analysis shall be presented to the
34 appropriate committees of the legislature by December 2014.

35 (6) The committee shall conduct a study of economic development
36 programs and projects supported by the state general fund in the
37 department of commerce. The study shall first review the extent to
38 which these programs: (a) Included specific economic development

1 targets; (b) monitored economic development targets; (c) required for
2 programs which provided support or services through contracts, whether
3 the contracts were structured such that if economic development targets
4 were not met, contracts were reviewed or revised; and (d) changed the
5 economic development targets of associate development organizations
6 relative to funding increases since 2007. The study will include the
7 feasibility of determining how to isolate other factors, such as
8 general economic trends, from the impacts of economic development
9 programs. The costs and options for conducting future analysis of the
10 outcomes specific to economic development programs shall be included
11 and a briefing report shall be provided to the appropriate committees
12 of the legislature by December 1, 2013. A complete report with study
13 data and conclusions shall be provided to the appropriate committees of
14 the legislature by December 1, 2014.

15 (7) The committee shall analyze the incidence and level of taxation
16 and business incentives available to the financial services industry in
17 Washington State, and identify the relative differences in taxes and
18 business incentives compared to California. A report shall be provided
19 to the appropriate committees of the legislature by December 1, 2014.

20 (8) The committee shall conduct an analysis of how school districts
21 use school days. The analysis must include:

22 (a) How school districts define classroom time, nonclassroom time,
23 instructional time, noninstructional time, and any other definitions of
24 how the school day is divided or used;

25 (b) Estimates of time in each category;

26 (c) How noninstructional time is distributed over the annual number
27 of school days;

28 (d) When noninstructional hours occur;

29 (e) How noninstructional hours are used, including how much
30 noninstructional time is devoted to professional development for the
31 purposes of teacher and principal evaluation training or common core
32 state standards training; and

33 (f) The extent to which the use of each category of time is
34 identified or defined in collective bargaining agreements.

35 To the extent data is not available at the statewide level, the
36 committee may use case studies or other methods to conduct the
37 analysis. The committee shall submit a report of its findings to the
38 education committees of the legislature by December 1, 2014.

1 (9) The committee shall review funding enhancement formulas that
2 provide minimum staffing unit funding to small school districts and
3 districts with school plants that have been judged by the state board
4 of education to be remote and necessary. The committee will make an
5 assessment of the current formulas and report any recommended
6 adjustments to the legislative fiscal committees of the senate and the
7 house of representatives by November 1, 2014. In assessing the current
8 formulas, the committee may consider: Enhancements being made to basic
9 education funding in the 2013-2015 omnibus appropriations act and
10 committed to under Engrossed Substitute House Bill No. 2261 (chapter
11 548, Laws of 2009) and Substitute House Bill No. 2776 (chapter 236,
12 Laws of 2010); developments in technology or educational service
13 delivery since the formulas were established; practices in other
14 states; districts' ability to provide students with access to a program
15 of education; and inter-district equity.

16 (10) The committee shall conduct a study of the effectiveness of
17 the state agency performance indicators and performance measurement
18 process established in chapter 43.88 RCW, the state budget and
19 accounting act. The study will focus on the integration of performance
20 measurements into the state budgeting process and the ability of the
21 legislative fiscal committees to use effective performance indicators
22 in developing the state budget. The committee shall present its
23 findings and recommendations to the legislative fiscal committees in a
24 public hearing during the 2015 legislative session.

25 (11) By June 30, 2014, the committee shall conduct a study of the
26 electricity cost impacts for each qualifying utility to meet the 2016
27 and 2020 renewable resource and conservation targets under chapter
28 19.285 RCW. The study must also include an analysis of the impacts on
29 each utility's commercial, industrial, and residential customers,
30 including an additional analysis of the impacts on low-income
31 residential customers.

32 (12) In carrying out the report required by RCW 44.28.157, the
33 committee shall include by December 2014, an analysis of the impacts of
34 using the Washington health benefit exchange established in chapter
35 43.71 RCW as a mechanism for providing health insurance for part-time
36 certificated and classified K-12 public school employees. The analysis
37 shall be conducted in coordination with the health care authority and
38 shall include a review of how the exchange, federal health premium tax

1 credits and subsidies for out-of-pocket expenses administered through
2 the exchange, and Medicaid expansion have impacted, or could impact,
3 health care costs for individuals, school districts, and the state.
4 The analysis shall also include a review of the cost of stand-alone
5 dental plans.

6 NEW SECTION. **Sec. 104. FOR THE LEGISLATIVE EVALUATION AND**
7 **ACCOUNTABILITY PROGRAM COMMITTEE**

8	General Fund--State Appropriation (FY 2014)	\$1,653,000
9	General Fund--State Appropriation (FY 2015)	\$1,811,000
10	TOTAL APPROPRIATION	\$3,464,000

11 NEW SECTION. **Sec. 105. FOR THE JOINT LEGISLATIVE SYSTEMS**
12 **COMMITTEE**

13	General Fund--State Appropriation (FY 2014)	\$8,004,000
14	General Fund--State Appropriation (FY 2015)	\$7,973,000
15	TOTAL APPROPRIATION	\$15,977,000

16 NEW SECTION. **Sec. 106. FOR THE OFFICE OF THE STATE ACTUARY**

17 Department of Retirement Systems Expense

18	Account--State Appropriation	\$3,529,000
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19 NEW SECTION. **Sec. 107. FOR THE STATUTE LAW COMMITTEE**

20	General Fund--State Appropriation (FY 2014)	\$3,895,000
21	General Fund--State Appropriation (FY 2015)	\$4,102,000
22	TOTAL APPROPRIATION	\$7,997,000

23 NEW SECTION. **Sec. 108. FOR THE OFFICE OF LEGISLATIVE SUPPORT**
24 **SERVICES**

25	General Fund--State Appropriation (FY 2014)	\$3,686,000
26	General Fund--State Appropriation (FY 2015)	\$3,684,000
27	TOTAL APPROPRIATION	\$7,370,000

28 NEW SECTION. **Sec. 109. LEGISLATIVE AGENCIES**

29 In order to achieve operating efficiencies within the financial
30 resources available to the legislative branch, the executive rules
31 committee of the house of representatives and the facilities and
32 operations committee of the senate by joint action may transfer funds

1 among the house of representatives, senate, joint legislative audit and
2 review committee, legislative evaluation and accountability program
3 committee, joint transportation committee, office of the state actuary,
4 joint legislative systems committee, statute law committee, and office
5 of legislative support services.

6 NEW SECTION. **Sec. 110. FOR THE SUPREME COURT**

7 General Fund--State Appropriation (FY 2014) \$6,911,000
8 General Fund--State Appropriation (FY 2015) \$6,836,000
9 TOTAL APPROPRIATION \$13,747,000

10 NEW SECTION. **Sec. 111. FOR THE LAW LIBRARY**

11 General Fund--State Appropriation (FY 2014) \$1,481,000
12 General Fund--State Appropriation (FY 2015) \$1,468,000
13 TOTAL APPROPRIATION \$2,949,000

14 NEW SECTION. **Sec. 112. FOR THE COMMISSION ON JUDICIAL CONDUCT**

15 General Fund--State Appropriation (FY 2014) \$1,068,000
16 General Fund--State Appropriation (FY 2015) \$994,000
17 TOTAL APPROPRIATION \$2,062,000

18 NEW SECTION. **Sec. 113. FOR THE COURT OF APPEALS**

19 General Fund--State Appropriation (FY 2014) \$15,691,000
20 General Fund--State Appropriation (FY 2015) \$15,685,000
21 TOTAL APPROPRIATION \$31,376,000

22 NEW SECTION. **Sec. 114. FOR THE ADMINISTRATOR FOR THE COURTS**

23 General Fund--State Appropriation (FY 2014) \$51,085,000
24 General Fund--State Appropriation (FY 2015) \$50,771,000
25 General Fund--Federal Appropriation \$2,125,000
26 General Fund--Private/Local Appropriation \$658,000
27 Judicial Information Systems Account--State
28 Appropriation \$46,611,000
29 Judicial Stabilization Trust Account--State
30 Appropriation \$6,691,000
31 TOTAL APPROPRIATION \$157,941,000

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

1 (1) \$1,500,000 of the judicial information systems account--state
2 appropriation is provided solely for development and implementation of
3 the information network hub project.

4 (2) \$2,138,000 of the judicial information systems account--state
5 appropriation is provided solely for replacement of computer equipment,
6 including servers, routers, and storage system upgrades.

7 (3) The administrative office of the courts, in conjunction with
8 the office of the chief information officer, shall analyze the
9 feasibility and associated costs of moving the judicial branch servers
10 and data center equipment to the state data center. Amounts provided
11 in subsections (1) and (2) of this section may not be expended until
12 the office of the chief information officer approves the expenditures.

13 (4) The distributions made under this subsection and distributions
14 from the county criminal justice assistance account made pursuant to
15 section 801 of this act constitute appropriate reimbursement for costs
16 for any new programs or increased level of service for purposes of RCW
17 43.135.060.

18 (5) \$1,199,000 of the judicial information systems account--state
19 appropriation is provided solely for replacing computer equipment at
20 state courts and state judicial agencies.

21 (6) \$108,000 of the general fund--state appropriation for fiscal
22 year 2014 and \$108,000 of the general fund--state appropriation for
23 fiscal year 2015 are provided solely for the implementation of chapter
24 210, Laws of 2013 (Senate Bill No. 5052) (superior court judges Whatcom
25 county). The funds provided in this subsection shall be expended only
26 if the fourth superior court judge position in Whatcom county is
27 appointed and serving on the bench.

28 (7) \$108,000 of the general fund--state appropriation for fiscal
29 year 2014 and \$108,000 of the general fund--state appropriation for
30 fiscal year 2015 are provided solely for the implementation of chapter
31 142, Laws of 2013 (House Bill No. 1175) (superior court judges
32 Benton/Franklin counties). The funds provided in this subsection shall
33 be expended only if the seventh superior court judge position in Benton
34 and Franklin counties jointly is appointed and serving on the bench.

35 (8) \$11,300,000 of the judicial information systems account--state
36 appropriation is provided solely for continued implementation of the
37 superior court case management system project. The administrative
38 office of the courts, in consultation with the judicial information

1 systems committee, the superior court case management system project
2 steering committee, and the office of the chief information officer
3 shall develop a revised charter to implement the next phases of the
4 superior court case management system. The revised charter shall
5 insure that the superior court case management system project steering
6 committee continues to provide contract oversight, in collaboration
7 with the judicial information system committee, through the
8 implementation period and various phases of the project. Oversight
9 responsibilities throughout the various phases of the project must
10 include, but are not limited to, vendor management, contract and
11 deliverable management, and assuring satisfaction of the business and
12 technical needs at the local level. The superior court case management
13 system project steering committee may solicit input from user groups as
14 deemed appropriate. The revised charter shall be approved by the
15 judicial information systems committee.

16 (9) \$1,399,000 of the general fund--state appropriation for fiscal
17 year 2014 and \$1,399,000 of the general fund--state appropriation for
18 fiscal year 2015 are provided solely for school districts for petitions
19 to juvenile court for truant students as provided in RCW 28A.225.030
20 and 28A.225.035. The administrator for the courts shall develop an
21 interagency agreement with the superintendent of public instruction to
22 allocate the funding provided in this subsection. Allocation of this
23 money to school districts shall be based on the number of petitions
24 filed. This funding includes amounts school districts may expend on
25 the cost of serving petitions filed under RCW 28A.225.030 by certified
26 mail or by personal service or for the performance of service of
27 process for any hearing associated with RCW 28A.225.030.

28 (10)(a) \$7,313,000 of the general fund--state appropriation for
29 fiscal year 2014 and \$7,313,000 of the general fund--state
30 appropriation for fiscal year 2015 are provided solely for distribution
31 to county juvenile court administrators to fund the costs of processing
32 truancy, children in need of services, and at-risk youth petitions.
33 The administrator for the courts, in conjunction with the juvenile
34 court administrators, shall develop an equitable funding distribution
35 formula. The formula shall neither reward counties with higher than
36 average per-petition processing costs nor shall it penalize counties
37 with lower than average per-petition processing costs.

1 (b) Each fiscal year during the 2013-2015 fiscal biennium, each
2 county shall report the number of petitions processed and the total
3 actual costs of processing truancy, children in need of services, and
4 at-risk youth petitions. Counties shall submit the reports to the
5 administrator for the courts no later than 45 days after the end of the
6 fiscal year. The administrator for the courts shall electronically
7 transmit this information to the chairs and ranking minority members of
8 the house of representatives and senate fiscal committees no later than
9 60 days after a fiscal year ends. These reports are deemed
10 informational in nature and are not for the purpose of distributing
11 funds.

12 (11) \$274,000 of the general fund--state appropriation for fiscal
13 year 2014 and \$274,000 of the general fund--state appropriation for
14 fiscal year 2015 are provided solely for the office of public
15 guardianship to continue guardianship services for those low-income
16 incapacitated persons who were receiving services on June 30, 2013.

17 (12) \$333,000 of the judicial information systems account--state
18 appropriation is provided solely for the content management system for
19 the appellate courts.

20 **NEW SECTION. Sec. 115. FOR THE OFFICE OF PUBLIC DEFENSE**

21	General Fund--State Appropriation (FY 2014)	\$30,410,000
22	General Fund--State Appropriation (FY 2015)	\$33,719,000
23	Judicial Stabilization Trust Account--State	
24	Appropriation	\$3,648,000
25	General Fund--Federal Appropriation	\$152,000
26	TOTAL APPROPRIATION	\$67,929,000

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

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

31 (2) \$3,378,000 of the general fund--state appropriation for fiscal
32 year 2015 is provided solely to expand the parents representation
33 program into Asotin, Columbia, Garfield, King, Whatcom, and Whitman
34 counties.

35 **NEW SECTION. Sec. 116. FOR THE OFFICE OF CIVIL LEGAL AID**

36	General Fund--State Appropriation (FY 2014)	\$10,862,000
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1	General Fund--State Appropriation (FY 2015)	\$10,870,000
2	Judicial Stabilization Trust Account--State	
3	Appropriation	\$1,454,000
4	TOTAL APPROPRIATION	\$23,186,000

5 The appropriations in this section are subject to the following
6 conditions and limitations: An amount not to exceed \$40,000 of the
7 general fund--state appropriation for fiscal year 2014 and an amount
8 not to exceed \$40,000 of the general fund--state appropriation for
9 fiscal year 2015 may be used to provide telephonic legal advice and
10 assistance to otherwise eligible persons who are sixty years of age or
11 older on matters authorized by RCW 2.53.030(2) (a) through (k)
12 regardless of household income or asset level.

13 NEW SECTION. **Sec. 117. FOR THE OFFICE OF THE GOVERNOR**

14	General Fund--State Appropriation (FY 2014)	\$5,509,000
15	General Fund--State Appropriation (FY 2015)	\$5,217,000
16	Economic Development Strategic Reserve Account--State	
17	Appropriation	\$4,000,000
18	TOTAL APPROPRIATION	\$14,726,000

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

21 (1) \$4,000,000 of the economic development strategic reserve
22 account appropriation is provided solely for efforts to assist with
23 currently active industrial recruitment efforts that will bring new
24 jobs to the state or will retain headquarter locations of major
25 companies currently housed in the state.

26 (2) \$684,000 of the general fund--state appropriation for fiscal
27 year 2014 and \$684,000 of the general fund--state appropriation for
28 fiscal year 2015 are provided solely for the office of the education
29 ombudsman.

30 (3) \$258,000 of the general fund--state appropriation for fiscal
31 year 2014 is provided solely for implementation of Engrossed Second
32 Substitute Senate Bill No. 5802 (greenhouse gas emissions). If the
33 bill is not enacted by June 30, 2013, the amount provided in this
34 subsection shall lapse.

35 NEW SECTION. **Sec. 118. FOR THE LIEUTENANT GOVERNOR**

36	General Fund--State Appropriation (FY 2014)	\$654,000
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1 General Fund--State Appropriation (FY 2015) \$658,000
 2 General Fund--Private/Local Appropriation \$90,000
 3 TOTAL APPROPRIATION \$1,402,000

4 NEW SECTION. **Sec. 119. FOR THE PUBLIC DISCLOSURE COMMISSION**

5 General Fund--State Appropriation (FY 2014) \$2,082,000
 6 General Fund--State Appropriation (FY 2015) \$2,015,000
 7 TOTAL APPROPRIATION \$4,097,000

8 NEW SECTION. **Sec. 120. FOR THE SECRETARY OF STATE**

9 General Fund--State Appropriation (FY 2014) \$11,356,000
 10 General Fund--State Appropriation (FY 2015) \$9,535,000
 11 General Fund--Federal Appropriation \$7,419,000
 12 Public Records Efficiency, Preservation, and Access
 13 Account--State Appropriation \$7,361,000
 14 Charitable Organization Education Account--State
 15 Appropriation \$364,000
 16 Local Government Archives Account--State
 17 Appropriation \$8,467,000
 18 Election Account--Federal Appropriation \$12,016,000
 19 Washington State Heritage Center Account--State
 20 Appropriation \$8,860,000
 21 TOTAL APPROPRIATION \$65,378,000

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

24 (1) \$3,301,000 of the general fund--state appropriation for fiscal
 25 year 2014 is provided solely to reimburse counties for the state's
 26 share of primary and general election costs and the costs of conducting
 27 mandatory recounts on state measures. Counties shall be reimbursed
 28 only for those odd-year election costs that the secretary of state
 29 validates as eligible for reimbursement.

30 (2)(a) \$1,847,000 of the general fund--state appropriation for
 31 fiscal year 2014 and \$1,926,000 of the general fund--state
 32 appropriation for fiscal year 2015 are provided solely for contracting
 33 with a nonprofit organization to produce gavel-to-gavel television
 34 coverage of state government deliberations and other events of
 35 statewide significance during the 2013-2015 fiscal biennium. The
 36 funding level for each year of the contract shall be based on the

1 amount provided in this subsection. The nonprofit organization shall
2 be required to raise contributions or commitments to make
3 contributions, in cash or in kind, in an amount equal to forty percent
4 of the state contribution. The office of the secretary of state may
5 make full or partial payment once all criteria in this subsection have
6 been satisfactorily documented.

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

12 (c) The nonprofit organization shall prepare an annual independent
13 audit, an annual financial statement, and an annual report, including
14 benchmarks that measure the success of the nonprofit organization in
15 meeting the intent of the program.

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

18 (i) Attempting to influence the passage or defeat of any
19 legislation by the legislature of the state of Washington, by any
20 county, city, town, or other political subdivision of the state of
21 Washington, or by the congress, or the adoption or rejection of any
22 rule, standard, rate, or other legislative enactment of any state
23 agency;

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

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

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

30 (4) It is the intent of the legislature to consider during the 2014
31 legislative session funding for the publication and distribution of a
32 primary election voters pamphlet.

33 (5) \$771,000 of the general fund--state appropriation for fiscal
34 year 2014 and \$772,000 of the general fund--state appropriation for
35 fiscal year 2015 are provided solely for the state library to purchase
36 statewide on-line access to the information technology academy to allow
37 public access to on-line courses and learning resources through public
38 libraries.

1 NEW SECTION. **Sec. 121. FOR THE GOVERNOR'S OFFICE OF INDIAN**
2 **AFFAIRS**

3	General Fund--State Appropriation (FY 2014)	\$253,000
4	General Fund--State Appropriation (FY 2015)	\$248,000
5	TOTAL APPROPRIATION	\$501,000

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

17 NEW SECTION. **Sec. 122. FOR THE COMMISSION ON ASIAN PACIFIC**
18 **AMERICAN AFFAIRS**

19	General Fund--State Appropriation (FY 2014)	\$213,000
20	General Fund--State Appropriation (FY 2015)	\$207,000
21	TOTAL APPROPRIATION	\$420,000

22 NEW SECTION. **Sec. 123. FOR THE STATE TREASURER**
23 State Treasurer's Service Account--State

24	Appropriation	\$14,924,000
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25 The appropriation in this section is subject to the following
26 conditions and limitations: \$150,000 of the state treasurer's service
27 account--state appropriation is provided solely for legal fees related
28 to additional legal assistance due to changes in federal financial
29 regulations and an increase in complex and high profile litigation.

30 NEW SECTION. **Sec. 124. FOR THE STATE AUDITOR**

31	General Fund--State Appropriation (FY 2014)	\$728,000
32	General Fund--State Appropriation (FY 2015)	\$733,000
33	State Auditing Services Revolving Account--State	
34	Appropriation	\$9,573,000
35	Performance Audits of Government Account--State	

1	Appropriation	\$56,000
2	TOTAL APPROPRIATION	\$11,090,000

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

5 (1) \$728,000 of the general fund--state appropriation for fiscal
6 year 2014 and \$733,000 of the general fund--state appropriation for
7 fiscal year 2015 are provided solely for staff and related costs to
8 verify the accuracy of reported school district data submitted for
9 state funding purposes; conduct school district program audits of state
10 funded public school programs; establish the specific amount of state
11 funding adjustments whenever audit exceptions occur and the amount is
12 not firmly established in the course of regular public school audits;
13 and to assist the state special education safety net committee when
14 requested.

15 (2) The legislature requests a performance audit of the purchasing
16 and use of health care actuarial services by state agencies, including
17 but not limited to the health care authority, department of labor and
18 industries, department of health, office of financial management,
19 office of the insurance commissioner, and department of social and
20 health services. The audit should document the level of expenditures
21 on contracted and in-house health care related actuarial services, and
22 how effectively the agencies manage the quality and value of those
23 services. The performance audit should evaluate whether health care
24 related actuarial services that are currently purchased by state
25 agencies on a contract basis could be provided in a more efficient and
26 transparent manner by a new division in the office of the state
27 actuary, or by a separate office in the executive branch.

28 (3) The legislature requests that the state auditor evaluate
29 whether providing health care services delivered through managed care
30 for disabled adults in the healthy options blind/disabled program is
31 more cost effective than providing the same health care services
32 through a fee-for-service system. The audit may consider examining
33 cost effectiveness at a statewide level as well as examining cost
34 effectiveness within certain geographic regions.

35 (4) The legislature requests the state auditor to conduct an audit
36 of the department of health, the department of social and health
37 services, and the health care authority for compliance with federal law
38 and to identify any fraudulent activity, by June 30, 2014.

1 (5) The legislature requests that the state auditor evaluate the
2 department of corrections' current inmate intake and reception process.
3 The audit may consider examining cost effectiveness of the assessment,
4 classification, facility assignment and transportation processes.

5 NEW SECTION. **Sec. 125. FOR THE CITIZENS' COMMISSION ON SALARIES**
6 **FOR ELECTED OFFICIALS**

7	General Fund--State Appropriation (FY 2014)	\$141,000
8	General Fund--State Appropriation (FY 2015)	\$171,000
9	TOTAL APPROPRIATION	\$312,000

10 NEW SECTION. **Sec. 126. FOR THE ATTORNEY GENERAL**

11	General Fund--State Appropriation (FY 2014)	\$10,456,000
12	General Fund--State Appropriation (FY 2015)	\$10,132,000
13	General Fund--Federal Appropriation	\$7,114,000
14	New Motor Vehicle Arbitration Account--State	
15	Appropriation	\$997,000
16	Legal Services Revolving Account--State	
17	Appropriation	\$191,286,000
18	Tobacco Prevention and Control Account--State	
19	Appropriation	\$271,000
20	Medicaid Fraud Penalty Account--State Appropriation	\$2,279,000
21	Public Services Revolving Account--State	
22	Appropriation	\$2,093,000
23	TOTAL APPROPRIATION	\$224,628,000

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

26 (1) The attorney general shall report each fiscal year on actual
27 legal services expenditures and actual attorney staffing levels for
28 each agency receiving legal services. The report shall be submitted to
29 the office of financial management and the fiscal committees of the
30 senate and house of representatives no later than ninety days after the
31 end of each fiscal year. As part of its by agency report to the
32 legislative fiscal committees and the office of financial management,
33 the office of the attorney general shall include information detailing
34 the agency's expenditures for its agency-wide overhead and a breakdown
35 by division of division administration expenses.

1 (2) Prior to entering into any negotiated settlement of a claim
2 against the state that exceeds five million dollars, the attorney
3 general shall notify the director of financial management and the
4 chairs of the senate committee on ways and means and the house of
5 representatives committee on appropriations.

6 (3) The attorney general shall annually report to the fiscal
7 committees of the legislature all new *cy pres* awards and settlements
8 and all new accounts, disclosing their intended uses, balances, the
9 nature of the claim or account, proposals, and intended timeframes for
10 the expenditure of each amount. The report shall be distributed
11 electronically and posted on the attorney general's web site. The
12 report shall not be printed on paper or distributed physically.

13 (4) The executive ethics board shall: (a) Develop a statewide
14 plan, with performance measures, to provide overall direction and
15 accountability in all executive branch agencies and statewide elected
16 offices; (b) coordinate and work with the commission on judicial
17 conduct and the legislative ethics board; (c) assess and evaluate each
18 agency's ethical culture through employee and stakeholder surveys,
19 review Washington state quality award feedback reports, and publish an
20 annual report on the results to the public; and (d) solicit outside
21 evaluations, studies, and recommendations for improvements from
22 academics, nonprofit organizations, the public disclosure commission,
23 or other entities with expertise in ethics, integrity, and the public
24 sector.

25 (5) \$424,000 of the legal services revolving account--state
26 appropriation is provided solely for replacement of a portion of the
27 agency's personal computers. The amount provided in this subsection is
28 conditioned on the department satisfying the requirements of the
29 project management oversight standards and policies established by the
30 office of the chief information officer and section 945 of this act,
31 personal computer acquisition and replacement.

32 (6) \$609,000 of the legal services revolving account--state
33 appropriation is provided solely for upgrades to software programs.
34 The amount provided in this subsection is conditioned on the department
35 satisfying the requirements of the project management oversight
36 standards and policies established by the office of the chief
37 information officer.

1 (7) \$150,000 of the legal services revolving account--state
2 appropriation is provided solely for the implementation of Engrossed
3 Second Substitute Senate Bill No. 5405 (extended foster care). If the
4 bill is not enacted by June 30, 2013, the amount provided in this
5 subsection shall lapse.

6 (8) \$50,000 of the general fund--state appropriation for fiscal
7 year 2014 and \$50,000 of the general fund--state appropriation for
8 fiscal year 2015 are provided solely for the implementation of
9 Engrossed Substitute House Bill No. 1341 (wrongful imprisonment). If
10 the bill is not enacted by June 30, 2013, the amount provided in this
11 subsection shall lapse.

12 (9) \$189,000 of the legal services revolving account--state
13 appropriation is provided solely for the implementation of Substitute
14 House Bill No. 1420 (transportation improvement projects). If the bill
15 is not enacted by June 30, 2013, the amount provided in this subsection
16 shall lapse.

17 (10) \$2,093,000 of the public service revolving account--state
18 appropriation is provided solely for the work of the public counsel
19 section of the office of the attorney general.

20 (11) \$353,000 of the general fund--state appropriation for fiscal
21 year 2014 and \$353,000 of the general fund--state appropriation for
22 fiscal year 2015 are provided solely for a grant to the Washington
23 coalition of crime victim advocates to provide training, certification,
24 and technical assistance for crime victim service center advocates.

25 NEW SECTION. **Sec. 127. FOR THE CASELOAD FORECAST COUNCIL**

26	General Fund--State Appropriation (FY 2014)	\$1,260,000
27	General Fund--State Appropriation (FY 2015)	\$1,230,000
28	TOTAL APPROPRIATION	\$2,490,000

29 NEW SECTION. **Sec. 128. FOR THE DEPARTMENT OF COMMERCE**

30	General Fund--State Appropriation (FY 2014)	\$63,076,000
31	General Fund--State Appropriation (FY 2015)	\$60,151,000
32	General Fund--Federal Appropriation	\$265,004,000
33	General Fund--Private/Local Appropriation	\$5,638,000
34	Public Works Assistance Account--State	
35	Appropriation	\$3,036,000
36	Drinking Water Assistance Administrative	

1	Account--State Appropriation	\$445,000
2	Lead Paint Account--State Appropriation	\$147,000
3	Building Code Council Account--State Appropriation	\$13,000
4	Home Security Fund Account--State Appropriation	\$25,452,000
5	Affordable Housing for All Account--State	
6	Appropriation	\$11,915,000
7	Financial Fraud and Identity Theft Crimes Investigation	
8	and Prosecution Account--State Appropriation	\$969,000
9	Low-Income Weatherization Assistance Account--State	
10	Appropriation	\$1,882,000
11	Community and Economic Development Fee Account--State	
12	Appropriation	\$5,303,000
13	Washington Housing Trust Account--State	
14	Appropriation	\$19,592,000
15	Prostitution Prevention and Intervention Account--	
16	State Appropriation	\$98,000
17	Public Facility Construction Loan Revolving	
18	Account--State Appropriation	\$758,000
19	Washington Community Technology Opportunity Account--	
20	Private/Local Appropriation	\$10,000
21	Liquor Revolving Account--State Appropriation	\$5,605,000
22	TOTAL APPROPRIATION	\$469,094,000

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

25 (1) Repayments of outstanding mortgage and rental assistance
26 program loans administered by the department under RCW 43.63A.640 shall
27 be remitted to the department, including any current revolving account
28 balances. The department shall collect payments on outstanding loans,
29 and deposit them into the state general fund. Repayments of funds owed
30 under the program shall be remitted to the department according to the
31 terms included in the original loan agreements.

32 (2) \$500,000 of the general fund--state appropriation for fiscal
33 year 2014 and \$500,000 of the general fund--state appropriation for
34 fiscal year 2015 are provided solely for a grant to resolution
35 Washington to building statewide capacity for alternative dispute
36 resolution centers and dispute resolution programs that guarantee that
37 citizens have access to low-cost resolution as an alternative to
38 litigation.

1 (3) \$306,000 of the general fund--state appropriation for fiscal
2 year 2014 and \$306,000 of the general fund--state appropriation for
3 fiscal year 2015 are provided solely for a grant to the retired senior
4 volunteer program.

5 (4) The department shall administer its growth management act
6 technical assistance and pass-through grants so that smaller cities and
7 counties receive proportionately more assistance than larger cities or
8 counties.

9 (5) \$375,000 of the general fund--state appropriation for fiscal
10 year 2014 and \$375,000 of the general fund--state appropriation for
11 fiscal year 2015 are provided solely as pass-through funding to Walla
12 Walla Community College for its water and environmental center.

13 (6) \$1,800,000 of the home security fund--state appropriation is
14 provided for transitional housing assistance or partial payments for
15 rental assistance under the independent youth housing program.

16 (7) \$5,000,000 of the home security fund--state appropriation is
17 for the operation, repair, and staffing of shelters in the homeless
18 family shelter program.

19 (8) \$198,000 of the general fund--state appropriation for fiscal
20 year 2014 and \$198,000 of the general fund--state appropriation for
21 fiscal year 2015 are provided solely for the Washington new Americans
22 program.

23 (9) \$2,949,000 of the general fund--state appropriation for fiscal
24 year 2014 and \$2,949,000 of the general fund--state appropriation for
25 fiscal year 2015 are provided solely for associate development
26 organizations. During the 2013-2015 fiscal biennium, the department
27 shall consider an associate development organization's total resources
28 when making contracting and fund allocation decisions, in addition to
29 the schedule provided in RCW 43.330.086.

30 (10) \$234,000 of the general fund--state appropriation for fiscal
31 year 2014 and \$233,000 of the general fund--state appropriation for
32 fiscal year 2015 are provided solely for the Washington asset building
33 coalitions.

34 (11) \$5,605,000 of the liquor revolving account--state
35 appropriation is provided solely for the department to contract with
36 the municipal research and services center of Washington.

37 (12) \$500,000 of the general fund--state appropriation for fiscal
38 year 2014 and \$500,000 of the general fund--state appropriation for

1 fiscal year 2015 are provided solely for the purposes of purchasing
2 contracted services to expand and promote the tourism industry in the
3 state of Washington.

4 (a) The department must contract with the Washington tourism
5 alliance. Expenditure of state moneys is contingent upon the
6 contractor providing a dollar for dollar cash or in-kind match.
7 Funding must be provided for the following services:

8 (i) Serving as a central point of contact through developing and
9 maintaining a web portal for Washington tourism, operating a call
10 center, and mailing travel guides;

11 (ii) Promoting Washington as a tourism destination to national and
12 international markets, with emphasis on markets in Europe and Asia;

13 (iii) Providing information to businesses and local communities on
14 tourism opportunities that could expand local revenues; and

15 (iv) Conducting tourism-related research, including market research
16 and measuring the return on investment of funded activities.

17 (b) The department may not use more than 4 percent of the funds to
18 administer, monitor, and report the outcomes of the services. The
19 department must electronically submit performance metrics by January 1,
20 2014, and report the outcomes of the services by January 1, 2015, to
21 the economic development committees of the legislature.

22 (c) The department has the authority to designate one or more
23 alternative contractors if necessary due to performance or other
24 significant issues. Such change must only be made after consultation
25 with the Washington tourism alliance, the governor's office, and the
26 chairs and ranking members of the economic development committees of
27 the legislature.

28 (13) \$72,000 of the prostitution prevention and intervention
29 account is provided solely for implementation of Engrossed Substitute
30 House Bill No. 1291 (sex trade victims). If the bill is not enacted by
31 June 30, 2013, the amount provided in this subsection shall lapse.

32 (14) \$49,000 of the general fund--state appropriation for fiscal
33 year 2014 and \$49,000 of the general fund--state appropriation for
34 fiscal year 2015 are provided solely for implementation of House Bill
35 No. 1818 (business and government streamlining). If the bill is not
36 enacted by June 30, 2013, the amounts provided in this subsection shall
37 lapse.

1 (15) \$36,000 of the general fund--state appropriation for fiscal
2 year 2014 and \$37,000 of the general fund--state appropriation for
3 fiscal year 2015 are provided solely for the department to develop an
4 economic cluster strategy to leverage the state's unique maritime
5 assets, geography, history, and infrastructure. Goals include growing
6 employment, targeted economic activity, environmental considerations,
7 tax revenue to state and local governments, and quality of life
8 associated with the maritime sector by working with the industry to
9 understand workforce needs, parity considerations with Oregon and
10 British Columbia, and tax structure and regulatory barriers. The
11 department will report its findings to the appropriate committees of
12 the legislature no later than December 1, 2014.

13 (16) \$2,000,000 of the Washington housing trust account--state
14 appropriation is provided solely for the department of commerce for
15 services to homeless families through the Washington families fund.

16 (17) \$5,000,000 of the home security account--state appropriation
17 is provided solely for the department of commerce to provide emergency
18 assistance to homeless families in the temporary assistance for needy
19 families program.

20 (18) \$75,000 of the general fund--state appropriation for fiscal
21 year 2014 is provided solely for the economic development commission to
22 retain one current administrative position. The department shall
23 convene a work group, chaired by the current chair of the economic
24 development commission, of representatives of associate development
25 organizations and the economic development commission to recommend:
26 (1) Changes to the economic development commission's purpose and source
27 and amount of funding; (2) objective benchmarks and outcome-based
28 performance measures for evaluating state investments in economic
29 development; (3) high priority regulatory reforms to foster a favorable
30 business climate for long-term private sector job creation and
31 competitiveness; and (4) organizational roles responsibilities and
32 structures to strengthen cohesive planning, streamline execution, and
33 improve outcomes. The work group shall be comprised of representatives
34 from no less than eight associate development organizations
35 representing both urban and rural counties and counties on both sides
36 of the Cascade range. The department shall submit a report of the work
37 group's recommendation to the fiscal and economic development policy
38 committees of the legislature by December 15, 2013.

1 (19) \$4,000,000 of the general fund--state appropriation for fiscal
2 year 2014 and \$850,000 of the general fund--state appropriation for
3 fiscal year 2015 are provided solely for purposes of creating and
4 operating a community health care and education and innovation center
5 at the Pacific Medical Center in Seattle. Amounts provided in this
6 subsection must be used for lease, maintenance, operations, and other
7 required related expenses for Seattle community colleges allied health
8 programs and other related uses identified by the department of
9 commerce. The department is authorized to enter into a thirty-year
10 lease for the Pacific Medical Center property.

11 (20) Within the appropriations in this section, the department
12 shall, by December 1, 2013, develop a comprehensive start-up Washington
13 strategy to facilitate the growth of start-ups and enhance the state's
14 competitiveness in recruiting and retaining businesses that start up in
15 Washington. This shall include but is not limited to: Business and
16 occupation tax relief, capital investment, regulatory burdens,
17 workforce and infrastructure needs and support. Start-up businesses
18 interactions with state government and other public entities as a
19 customer shall also be considered.

20 (21) \$700,000 of the general fund--state appropriation for fiscal
21 year 2014 and \$700,000 of the general fund--state appropriation for
22 fiscal year 2015 are provided solely for the department to identify and
23 invest in strategic growth areas, support key sectors, and align
24 existing economic development programs and priorities. The department
25 must consider Washington's position as the most trade dependent state
26 when identifying priority investments. The department must engage
27 states and provinces in the northwest as well as associate development
28 organizations, small business development centers, chambers of
29 commerce, ports, and other partners to leverage the funds provided.
30 For each dollar expended the department must receive a one hundred
31 percent match. The match may be provided by the department through
32 nongeneral fund sources, or any partnering governments or
33 organizations. The department must develop performance metrics and
34 milestones. The department must electronically submit the performance
35 metrics and performance-to-date by January 1, 2014, to the economic
36 development committees of the legislature.

37 (22) The department is authorized to suspend issuing any

1 nonstatutorily required grants or contracts of an amount less than
2 \$1,000,000 per year.

3 (23) The department is authorized to require an applicant to pay an
4 application fee to cover the cost of reviewing the project and
5 preparing an advisory opinion on whether a proposed electric generation
6 project or conservation resource qualifies to meet mandatory
7 conservation targets.

8 (24) \$25,000 of the general fund--state appropriation for fiscal
9 year 2014 and \$25,000 of the general fund--state appropriation for
10 fiscal year 2015 are provided solely for the economic impact and
11 infrastructure cost study for Covington town center.

12 (25) The department is directed to work with innovation partnership
13 zone administrators to review the existing grant program, including the
14 criteria for designation as an innovation partnership zone and the
15 grant funding criteria. The department shall submit its report to the
16 legislature by December 1, 2013.

17 NEW SECTION. **Sec. 129. FOR THE ECONOMIC AND REVENUE FORECAST**
18 **COUNCIL**

19	General Fund--State Appropriation (FY 2014)	\$764,000
20	General Fund--State Appropriation (FY 2015)	\$802,000
21	Lottery Administrative Account--State Appropriation	\$50,000
22	TOTAL APPROPRIATION	\$1,616,000

23 NEW SECTION. **Sec. 130. FOR THE OFFICE OF FINANCIAL MANAGEMENT**

24	General Fund--State Appropriation (FY 2014)	\$18,414,000
25	General Fund--State Appropriation (FY 2015)	\$17,542,000
26	General Fund--Federal Appropriation	\$31,340,000
27	General Fund--Private/Local Appropriation	\$370,000
28	Economic Development Strategic Reserve Account--State	
29	Appropriation	\$289,000
30	Personnel Service Fund--State Appropriation	\$8,656,000
31	Data Processing Revolving Account--State	
32	Appropriation	\$6,015,000
33	Higher Education Personnel Services Account--State	
34	Appropriation	\$1,497,000
35	Performance Audits of Government Account--State	
36	Appropriation	\$4,000,000

1 TOTAL APPROPRIATION \$88,123,000

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

4 (1) The office of financial management shall prepare a report
5 outlining alternative methods of procuring health benefits for home
6 care workers, including individual providers and agency providers. In
7 preparing the report, the office of financial management shall consult
8 with the department of social and health services, representatives of
9 individual home care providers, and agency home care providers.

10 Along with a summary of the current method of providing benefits,
11 the report must include an analysis of the policy and fiscal
12 implications of accessing health benefits through the Washington health
13 benefits exchange. The report must also provide an analysis of a
14 medicaid section 1115 waiver with the federal centers for medicare and
15 medicaid services that would provide additional medicaid matching funds
16 for individual provider home care workers who are provided with health
17 care benefits through a collective bargaining agreement negotiated with
18 the state under chapter 74.39A RCW, but would otherwise be eligible for
19 medicaid under the federal expanded eligibility provisions that take
20 effect January 1, 2014.

21 The report must be submitted to the appropriate fiscal committees
22 of the legislature by January 6, 2014.

23 (2) \$350,000 of the general fund--state appropriation for fiscal
24 year 2014 is provided solely for implementation of Engrossed Second
25 Substitute Senate Bill No. 5802 (greenhouse gas emissions). If the
26 bill is not enacted by June 30, 2013, the amount provided in this
27 subsection shall lapse.

28 (3) \$536,000 of the general fund--state appropriation for fiscal
29 year 2014 is provided solely for a study of the state's medical and
30 public assistance eligibility systems and infrastructure with the goal
31 of simplifying procedures, improving customer service, and reducing
32 state expenditures. The study must also examine which state entities
33 play various roles in the eligibility and data verification processes
34 in order to determine if eligibility processes can be further
35 streamlined in light of changes related to the federal affordable care
36 act. The study must identify how costs will be allocated between state
37 and federal funding sources and options for maximizing federal

1 participation. The office of financial management shall provide a
2 report on its findings and recommendations to the relevant policy and
3 fiscal committees of the legislature by January 1, 2014.

4 (4)(a) The legislature finds that the state's nationally recognized
5 student achievement initiative has led to significant improvements at
6 two-year institutions of higher education. With the goal of creating
7 such efficiencies within the four-year institutions of higher
8 education, the office of financial management shall convene, in
9 coordination with the joint committee on higher education and the
10 student achievement council, a technical incentive funding model task
11 force to propose an incentive funding model for the four-year
12 institutions of higher education. The model will provide new incentive
13 funding to four-year institutions of higher education that demonstrate
14 improvement on existing performance measures and control resident
15 undergraduate tuition growth. Participation in the program is
16 voluntary; however, funding appropriated for this program shall only be
17 available to those institutions that have chosen to participate in the
18 program.

19 (b) The task force must include the following members:

20 (i) One representative from the student achievement council;

21 (ii) One representative from the education data center created in
22 RCW 43.41.400; and

23 (iii) One representative from each of the four-year institutions of
24 higher education.

25 (c) The program shall include, but shall not be limited to:

26 (i) A system for allocating new incentive funding to participating
27 institutions based on an institution's:

28 (A) Performance in specific metrics;

29 (B) Control and reduction where possible of resident undergraduate
30 and graduate tuition; and

31 (C) Efficient utilization of classrooms, laboratories, and online
32 and other high technology instructional methods;

33 (ii) A methodology for allocating funding for performance as
34 specified in (c)(i)(A) of this subsection that is based on performance
35 metrics reported in the accountability monitoring and reporting system
36 established in RCW 28B.77.090 and that recognizes each institution's
37 unique mission by measuring each institution's performance in these
38 metrics against its past performance;

1 (iii) A methodology for investing any unallocated incentive funds
2 to the state need grant program created in chapter 28B.92 RCW to expand
3 access to low-income and underserved student populations; and

4 (iv) A methodology for establishing a baseline level of state
5 funding that:

6 (A) Fully supports the state's need for an increasing portion of
7 its citizens to gain post-secondary education and qualifications;

8 (B) Recognizes the acute need of the state's high-technology
9 economy for a sufficient number of graduates in high employer demand
10 programs of study;

11 (C) Achieves a more equitable share of support between the state
12 and students and their families; and

13 (D) Provides for funding enhancements based on demonstrated
14 improvements in institutional performance within the educational
15 achievement and tuition reduction incentive program.

16 (d) The workgroup shall submit a final report containing an
17 incentive funding model to the governor and higher education and fiscal
18 committees of the legislature by December 31, 2013.

19 (5) By November 30, 2013, the office of the chief information
20 officer shall provide to the economic development committees of the
21 legislature a plan for establishing performance benchmarks and
22 measuring results of implementing a one-stop integrated system for
23 business interactions with government. The plan must include a
24 timeline, agency responsibilities, and a benchmark for initial
25 implementation.

26 **NEW SECTION. Sec. 131. FOR THE OFFICE OF ADMINISTRATIVE HEARINGS**

27 Administrative Hearings Revolving Account--State

28 Appropriation \$37,772,000

29 The appropriation in this section is subject to the following
30 conditions and limitations: \$151,000 of the administrative hearings
31 revolving account--state appropriation is provided solely for
32 replacement of computer equipment, including servers, routers, and
33 storage system upgrades. The amount provided in this subsection is
34 conditioned on the department satisfying the requirements of the
35 project management oversight standards and policies established by the
36 office of the chief information officer.

1 NEW SECTION. **Sec. 132. FOR THE WASHINGTON STATE LOTTERY**

2 Lottery Administrative Account--State

3 Appropriation \$25,696,000

4 The appropriation in this section is subject to the following
5 conditions and limitations:

6 (1) \$596,000 of the lottery administrative account--state
7 appropriation is provided solely for the replacement of the lottery's
8 gaming systems vendor contract.

9 (2) No portion of this appropriation may be used for acquisition of
10 gaming system capabilities that violates state law.

11 NEW SECTION. **Sec. 133. FOR THE COMMISSION ON HISPANIC AFFAIRS**

12 General Fund--State Appropriation (FY 2014) \$238,000

13 General Fund--State Appropriation (FY 2015) \$235,000

14 TOTAL APPROPRIATION \$473,000

15 NEW SECTION. **Sec. 134. FOR THE COMMISSION ON AFRICAN-AMERICAN**
16 **AFFAIRS**

17 General Fund--State Appropriation (FY 2014) \$233,000

18 General Fund--State Appropriation (FY 2015) \$224,000

19 TOTAL APPROPRIATION \$457,000

20 NEW SECTION. **Sec. 135. FOR THE DEPARTMENT OF RETIREMENT**
21 **SYSTEMS--OPERATIONS**

22 Department of Retirement Systems Expense

23 Account--State Appropriation \$50,728,000

24 NEW SECTION. **Sec. 136. FOR THE DEPARTMENT OF REVENUE**

25 General Fund--State Appropriation (FY 2014) \$107,985,000

26 General Fund--State Appropriation (FY 2015) \$106,301,000

27 Timber Tax Distribution Account--State Appropriation \$6,102,000

28 Waste Reduction/Recycling/Litter Control--State

29 Appropriation \$132,000

30 State Toxics Control Account--State Appropriation \$93,000

31 Master License Fund--State Appropriation \$17,082,000

32 Data Processing Revolving Account--State Appropriation . . . \$6,751,000

33 TOTAL APPROPRIATION \$244,446,000

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

3 (1) The department of revenue is authorized to increase the master
4 application fee to nineteen dollars and the renewal fee to eleven
5 dollars consistent with RCW 19.02.075.

6 (2) \$6,751,000 of the data processing revolving account--state
7 appropriation and \$4,853,000 of the master license fund--state
8 appropriation are provided solely for the replacement of the
9 department's legacy business systems. The amounts provided in this
10 subsection are conditioned on the department satisfying the
11 requirements of the project management oversight standards and policies
12 established by the office of the chief information officer.

13 (3) \$495,000 of the general fund--state appropriation for fiscal
14 year 2014 and \$431,000 of the general fund--state appropriation for
15 fiscal year 2015 are provided solely for the implementation of House
16 Bill No. 1971 or Senate Bill No. 5873 (communications services reform).
17 If neither bill is enacted by June 30, 2013, the amounts provided in
18 the subsection shall lapse.

19 (4) \$641,000 of the general fund--state appropriation for fiscal
20 year 2014 and \$297,000 of the general fund--state appropriation for
21 fiscal year 2015 are provided solely for the implementation of Senate
22 Bill No. 5882 or House Bill No. 2081 (tax preferences and
23 transparency). If neither bill is enacted by June 30, 2013, the
24 amounts provided in the subsection shall lapse.

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

26	General Fund--State Appropriation (FY 2014)	\$1,217,000
27	General Fund--State Appropriation (FY 2015)	\$1,178,000
28	TOTAL APPROPRIATION	\$2,395,000

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

31	OMWBE Enterprises Account--State Appropriation	\$4,077,000
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32 The appropriation in this section is subject to the following
33 conditions and limitations: \$200,000 of the minority and women's
34 business enterprises account--state appropriation is provided for
35 implementation of a certification program for small business
36 enterprises. The agency will collaborate with the department of

1 transportation to certify small businesses as small business
2 enterprises. Funding for this work is provided through interagency
3 agreement with the state department of transportation.

4 NEW SECTION. **Sec. 139. FOR THE INSURANCE COMMISSIONER**

5	General Fund--State Appropriation (FY 2014)	\$300,000
6	General Fund--State Appropriation (FY 2015)	\$100,000
7	General Fund--Federal Appropriation	\$4,495,000
8	Health Benefit Exchange Account--State Appropriation	\$676,000
9	Insurance Commissioners Regulatory Account--State	
10	Appropriation	\$49,555,000
11	TOTAL APPROPRIATION	\$55,126,000

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

14 (1) \$676,000 of the health benefit exchange account--state
15 appropriation is provided solely to implement Engrossed Substitute
16 House Bill No. 1947 (Washington health benefit exchange). If the bill
17 is not enacted by June 30, 2013, the amount provided in this subsection
18 shall lapse.

19 (2) The office of the insurance commissioner shall not curtail
20 functions relating to solvency, rates and forms, and consumer
21 protection.

22 NEW SECTION. **Sec. 140. FOR THE STATE INVESTMENT BOARD**

23	State Investment Board Expense Account--State	
24	Appropriation	\$36,035,000

25 NEW SECTION. **Sec. 141. FOR THE LIQUOR CONTROL BOARD**

26	Liquor Revolving Account--State Appropriation	\$65,146,000
27	General Fund--Federal Appropriation	\$945,000
28	General Fund--Private/Local Appropriation	\$25,000
29	TOTAL APPROPRIATION	\$66,116,000

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

32 (1) \$2,494,000 of the liquor revolving account--state appropriation
33 is provided solely for the liquor control board to implement Initiative
34 Measure No. 502.

1 (2)(a) The liquor control board must work with the department of
2 health and the department of revenue to develop recommendations for the
3 legislature regarding the interaction of medical marijuana regulations
4 and the provisions of Initiative Measure No. 502. At a minimum, the
5 recommendations must include provisions addressing the following:

- 6 (i) Age limits;
- 7 (ii) Authorizing requirements for medical marijuana;
- 8 (iii) Regulations regarding health care professionals;
- 9 (iv) Collective gardens;
- 10 (v) Possession amounts;
- 11 (vi) Location requirements;
- 12 (vii) Requirements for medical marijuana producing, processing, and
13 retail licensing;
- 14 (viii) Taxation of medical marijuana in relation to recreational
15 marijuana; and
- 16 (ix) The state agency that should be the regulatory body for
17 medical cannabis.

18 (b) The board must submit its recommendations to the appropriate
19 committees of the legislature by January 1, 2014.

20 NEW SECTION. **Sec. 142. FOR THE UTILITIES AND TRANSPORTATION**
21 **COMMISSION**

22	General Fund--Federal Appropriation	\$150,000
23	General Fund--Private/Local Appropriation	\$11,228,000
24	Public Service Revolving Account--State	
25	Appropriation	\$29,893,000
26	Pipeline Safety Account--State Appropriation	\$4,411,000
27	Pipeline Safety Account--Federal Appropriation	\$1,938,000
28	TOTAL APPROPRIATION	\$47,620,000

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

31 (1) The commission shall work with the Idaho public utilities
32 commission and the public utility commission of Oregon to identify
33 common regulatory functions that can be performed jointly, with the
34 goal of formalizing an agreement that protects essential services while
35 increasing regulatory effectiveness and efficiencies through economies
36 of scale. The commission is authorized to enter into an agreement with

1 such other state public utility commissions to work jointly in
2 administering specified respective regulatory functions.

3 (2) Up to \$200,000 of the total appropriation is provided for the
4 commission to continue to evaluate the regulatory processes for energy
5 companies and identify and implement administrative actions to improve
6 those processes. The commission shall develop and adopt a schedule for
7 such administrative actions.

8 **NEW SECTION. Sec. 143. FOR THE MILITARY DEPARTMENT**

9	General Fund--State Appropriation (FY 2014)	\$1,880,000
10	General Fund--State Appropriation (FY 2015)	\$1,846,000
11	General Fund--Federal Appropriation	\$140,135,000
12	Enhanced 911 Account--State Appropriation	\$58,514,000
13	Disaster Response Account--State Appropriation	\$14,531,000
14	Disaster Response Account--Federal Appropriation	\$53,253,000
15	Military Department Rent and Lease Account--State	
16	Appropriation	\$615,000
17	Worker and Community Right-to-Know Account--State	
18	Appropriation	\$2,794,000
19	TOTAL APPROPRIATION	\$273,568,000

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

22 (1) \$14,531,000 of the disaster response account--state
23 appropriation and \$53,253,000 of the disaster response account--federal
24 appropriation may be spent only on disasters declared by the governor
25 and with the approval of the office of financial management. The
26 military department shall submit a report to the office of financial
27 management and the legislative fiscal committees on October 1st and
28 February 1st of each year detailing information on the disaster
29 response account, including: (a) The amount and type of deposits into
30 the account; (b) the current available fund balance as of the reporting
31 date; and (c) the projected fund balance at the end of the 2014-2015
32 biennium based on current revenue and expenditure patterns.

33 (2) \$75,000,000 of the general fund--federal appropriation is
34 provided solely for homeland security, subject to the following
35 conditions:

36 (a) Any communications equipment purchased by local jurisdictions

1 or state agencies shall be consistent with standards set by the
2 Washington state interoperability executive committee; and

3 (b) The department shall submit an annual report to the office of
4 financial management and the legislative fiscal committees detailing
5 the governor's domestic security advisory group recommendations;
6 homeland security revenues and expenditures, including estimates of
7 total federal funding for the state; and incremental changes from the
8 previous estimate.

9 NEW SECTION. **Sec. 144. FOR THE PUBLIC EMPLOYMENT RELATIONS**
10 **COMMISSION**

11	General Fund--State Appropriation (FY 2014)	\$1,977,000
12	General Fund--State Appropriation (FY 2015)	\$2,036,000
13	Higher Education Personnel Services Account--State	
14	Appropriation	\$521,000
15	Personnel Service Account--State Appropriation	\$3,300,000
16	TOTAL APPROPRIATION	\$7,834,000

17 NEW SECTION. **Sec. 145. FOR THE BOARD OF ACCOUNTANCY**

18	Certified Public Accountants' Account--State	
19	Appropriation	\$2,699,000

20 NEW SECTION. **Sec. 146. FOR THE FORENSIC INVESTIGATION COUNCIL**

21	Death Investigations Account--State Appropriation	\$498,000
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22 The appropriation in this section is subject to the following
23 conditions and limitations:

24 (1) \$250,000 of the death investigations account appropriation is
25 provided solely for providing financial assistance to local
26 jurisdictions in multiple death investigations. The forensic
27 investigation council shall develop criteria for awarding these funds
28 for multiple death investigations involving an unanticipated,
29 extraordinary, and catastrophic event or those involving multiple
30 jurisdictions.

31 (2) \$210,000 of the death investigations account appropriation is
32 provided solely for providing financial assistance to local
33 jurisdictions in identifying human remains.

1 NEW SECTION. **Sec. 147. FOR THE HORSE RACING COMMISSION**

2 Horse Racing Commission Operating Account--State

3 Appropriation \$3,552,000

4 The appropriation in this section is subject to the following
5 conditions and limitations: Pursuant to RCW 43.135.055, the commission
6 is authorized to increase licensing fees by up to five percent in
7 fiscal year 2014 and up to five percent in fiscal year 2015; and
8 background check fees by up to one dollar in fiscal year 2014, and up
9 to one dollar in fiscal year 2015.

10 NEW SECTION. **Sec. 148. FOR THE DEPARTMENT OF ENTERPRISE SERVICES**

11 General Fund--State Appropriation (FY 2014) \$3,654,000

12 General Fund--State Appropriation (FY 2015) \$3,628,000

13 Building Code Council Account--State Appropriation \$1,227,000

14 TOTAL APPROPRIATION \$8,509,000

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

17 (1) \$3,287,000 of the general fund--state appropriation for fiscal
18 year 2014 and \$3,286,000 of the general fund--state appropriation for
19 fiscal year 2015 are provided solely for the payment of facilities and
20 services charges, utilities and contracts charges, public and historic
21 facilities charges, and capital projects surcharges allocable to the
22 senate, house of representatives, statute law committee, and joint
23 legislative systems committee. The department shall allocate charges
24 attributable to these agencies among the affected revolving funds. The
25 department shall maintain an interagency agreement with these agencies
26 to establish performance standards, prioritization of preservation and
27 capital improvement projects, and quality assurance provisions for the
28 delivery of services under this subsection. The legislative agencies
29 named in this subsection shall continue to enjoy all of the same rights
30 of occupancy and space use on the capitol campus as historically
31 established.

32 (2) In accordance with RCW 46.08.172 and 43.135.055, the department
33 is authorized to increase parking fees in fiscal years 2014 and 2015 as
34 necessary to meet the actual costs of conducting business.

35 (3) The building code council account appropriation is provided
36 solely for the operation of the state building code council as required
37 by statute and modified by the standards established by executive order

1 10-06. The council shall not consider any proposed code amendment or
2 take any other action not authorized by statute or in compliance with
3 the standards established in executive order 10-06. No member of the
4 council may receive compensation, per diem, or reimbursement for
5 activities other than physical attendance at those meetings of the
6 state building code council or the council's designated committees, at
7 which the opportunity for public comment is provided generally and on
8 all agenda items upon which the council proposes to take action. The
9 building code council shall comply with chapter 19.85 RCW, known as the
10 regulatory fairness act, by including with all proposed substantial
11 code amendments an analysis addressing cost effectiveness, net
12 benefits, payback periods, and life-cycle costs.

13 (4) Within funding for the building code council, no moneys may be
14 expended for work on aspirational codes under RCW 19.27A.150. Nothing
15 in this proviso shall inhibit the building code council from adopting
16 and implementing current codes.

17 (5) The department of enterprise services shall purchase flags
18 needed for ceremonial occasions on the capitol campus in order to fully
19 represent the countries that have an international consulate in
20 Washington state.

21 (6) Before any agency may purchase a passenger motor vehicle as
22 defined in RCW 43.19.560, the agency must have written approval from
23 the director of the department of enterprise services.

24 (7) \$2,400,000 of the data processing revolving account
25 appropriation is provided solely for the implementation of a pilot
26 program to implement a strategy and action plan to modernize the
27 state's enterprise financial and administrative systems. The
28 department, the office of financial management, and the office of the
29 chief information officer, will lead the planning effort and establish
30 advisory committees composed of key stakeholders. The plan will
31 include an assessment of the readiness of state government to conduct
32 a business transformation and system replacement project of this scale.
33 The plan shall incorporate the objectives of lean management and should
34 include recommendations on: Project scope, phasing and timeline,
35 expected outcomes and measures of success, product strategy, budget and
36 financing strategy options, risk mitigation, staffing and organization,
37 and strategies to close readiness gaps. The department shall submit

1 the implementation plan to the fiscal committees of the legislature by
2 December 15, 2013.

3 The amounts provided in this subsection are conditioned on the
4 department satisfying the requirements of the project management
5 oversight standards and policies established by the office of the chief
6 information officer.

7 (8) \$8,013,000 of the data processing revolving account
8 appropriation is provided solely for the implementation of a pilot
9 program to implement a time, leave, and attendance enterprise system.
10 The amounts provided in this subsection are conditioned on the
11 department satisfying the requirements of the project management
12 oversight standards and policies established by the office of the chief
13 information officer.

14 (9) From the fee charged to master contract vendors, the department
15 shall transfer to the office of minority and women's business
16 enterprises in equal monthly installments \$2,039,000 in fiscal year
17 2014 and \$2,038,000 in fiscal year 2015.

18 (10) The legislature intends to review for purchase parcel number
19 one and surrounding property on McNeil Island. The department shall
20 coordinate with the federal government to obtain an appraisal
21 determining the fair market value and shall provide an estimate to the
22 legislative fiscal committees by October 1, 2013.

23 NEW SECTION. **Sec. 149. FOR THE BOARD FOR VOLUNTEER FIREFIGHTERS**

24 Volunteer Firefighters' and Reserve Officers'

25 Administrative Account--State Appropriation \$1,044,000

26 NEW SECTION. **Sec. 150. FOR THE DEPARTMENT OF ARCHAEOLOGY AND**
27 **HISTORIC PRESERVATION**

28 General Fund--State Appropriation (FY 2014) \$1,293,000

29 General Fund--State Appropriation (FY 2015) \$1,242,000

30 General Fund--Federal Appropriation \$1,950,000

31 General Fund--Private/Local Appropriation \$14,000

32 TOTAL APPROPRIATION \$4,499,000

33 The appropriations in this section are subject to the following
34 conditions and limitations: Within the amounts appropriated in this
35 section, the department shall report the following data on the survey
36 and inventory processes to the appropriate policy and fiscal committees

1 of the legislature on December 1, 2013, and December 1, 2014: The
2 number of survey and inventory reports and sites received, by month,
3 provided to the department responsive to state and federal laws; the
4 number, by month, of resources or records reported pursuant to the
5 survey and inventory processes. In addition, the department shall seek
6 to obtain, and encourage reporting of, cultural resource compliance
7 contract costs.

(End of part)

PART II
HUMAN SERVICES

NEW SECTION. **Sec. 201. FOR THE DEPARTMENT OF SOCIAL AND HEALTH SERVICES**

(1) The appropriations to the department of social and health services in this act shall be expended for the programs and in the amounts specified in this act. Appropriations made in this act to the department of social and health services shall initially be allotted as required by this act. Subsequent allotment modifications shall not include transfers of moneys between sections of this act except as expressly provided in this act, nor shall allotment modifications permit moneys that are provided solely for a specified purpose to be used for other than that purpose.

(2) The department of social and health services shall not initiate any services that require expenditure of state general fund moneys unless expressly authorized in this act or other law. The department may seek, receive, and spend, under RCW 43.79.260 through 43.79.282, federal moneys not anticipated in this act as long as the federal funding does not require expenditure of state moneys for the program in excess of amounts anticipated in this act. If the department receives unanticipated unrestricted federal moneys, those moneys shall be spent for services authorized in this act or in any other legislation providing appropriation authority, and an equal amount of appropriated state general fund moneys shall lapse. Upon the lapsing of any moneys under this subsection, the office of financial management shall notify the legislative fiscal committees. As used in this subsection, "unrestricted federal moneys" includes block grants and other funds that federal law does not require to be spent on specifically defined projects or matched on a formula basis by state funds.

(3)(a) The health care authority and the department are authorized to develop an integrated health care program designed to slow the progression of illness and disability and better manage medicaid expenditures for the aged and disabled population. Under the Washington medicaid integration partnership (WMIP) and the medicare integrated care project (MICP), the health care authority and the department may combine and transfer such medicaid funds appropriated

1 under sections 204, 206, 208, and 213 of this act as may be necessary
2 to finance a unified health care plan for the WMIP and the MICP 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 2013-2015 fiscal biennium. The amount of funding assigned from each
6 program may not exceed the average per capita cost assumed in this act
7 for individuals covered by that program, actuarially adjusted for the
8 health condition of persons enrolled, times the number of clients
9 enrolled. In implementing the WMIP and the MICP, the health care
10 authority and the department may: (i) Withhold from calculations of
11 "available resources" as set forth in RCW 71.24.025 a sum equal to the
12 capitated rate for enrolled individuals; and (ii) employ capitation
13 financing and risk-sharing arrangements in collaboration with health
14 care service contractors licensed by the office of the insurance
15 commissioner and qualified to participate in both the medicaid and
16 medicare programs.

17 (b) If Washington has been selected to participate in phase two of
18 the federal demonstration project for persons dually-eligible for both
19 medicare and medicaid, the department and the authority may initiate
20 the MICP. Participation in the project shall be limited to persons who
21 are eligible for both medicare and medicaid and to counties in which
22 the county legislative authority has agreed to the terms and conditions
23 under which it will operate. The purpose of the project shall be to
24 demonstrate and evaluate ways to improve care while reducing state
25 expenditures for persons enrolled both in medicare and medicaid. To
26 that end, prior to initiating the project, the department and the
27 authority shall assure that state expenditures shall be no greater on
28 either a per person or total basis than the state would otherwise
29 incur. Individuals who are solely eligible for medicaid may also
30 participate if their participation is agreed to by the health care
31 authority, the department, and the county legislative authority.

32 (4) The legislature finds that medicaid payment rates, as
33 calculated by the department pursuant to the appropriations in this
34 act, bear a reasonable relationship to the costs incurred by
35 efficiently and economically operated facilities for providing quality
36 services and will be sufficient to enlist enough providers so that care
37 and services are available to the extent that such care and services
38 are available to the general population in the geographic area. The

1 legislature finds that cost reports, payment data from the federal
2 government, historical utilization, economic data, and clinical input
3 constitute reliable data upon which to determine the payment rates.

4 (5) The department shall to the maximum extent practicable use the
5 same system for delivery of spoken-language interpreter services for
6 social services appointments as the one established for medical
7 appointments in section 213 of this act. When contracting directly
8 with an individual to deliver spoken language interpreter services, the
9 department shall only contract with language access providers who are
10 working at a location in the state and who are state-certified or
11 state-authorized, except that when such a provider is not available,
12 the department may use a language access provider who meets other
13 certifications or standards deemed to meet state standards, including
14 interpreters in other states.

15 (6) The department shall facilitate enrollment under the medicaid
16 expansion for clients applying for or receiving state funded services
17 from the department and its contractors. Prior to open enrollment, the
18 department shall coordinate with the health care authority to provide
19 referrals to the Washington health benefit exchange for clients that
20 will be ineligible for the medicaid expansion but are enrolled in
21 coverage that will be eliminated in the transition to the medicaid
22 expansion.

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

25	General Fund--State Appropriation (FY 2014)	\$296,676,000
26	General Fund--State Appropriation (FY 2015)	\$297,641,000
27	General Fund--Federal Appropriation	\$489,939,000
28	General Fund--Private/Local Appropriation	\$1,354,000
29	Home Security Fund Account--State Appropriation	\$10,741,000
30	Domestic Violence Prevention Account--State	
31	Appropriation	\$1,240,000
32	Child and Family Reinvestment Account--State	
33	Appropriation	\$6,491,000
34	TOTAL APPROPRIATION	\$1,104,082,000

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

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

6 (2) \$668,000 of the general fund--state appropriation for fiscal
7 year 2014 and \$668,000 of the general fund--state appropriation for
8 fiscal year 2015 are provided solely to contract for the operation of
9 one pediatric interim care center. The center shall provide
10 residential care for up to thirteen children through two years of age.
11 Seventy-five percent of the children served by the center must be in
12 need of special care as a result of substance abuse by their mothers.
13 The center shall also provide on-site training to biological, adoptive,
14 or foster parents. The center shall provide at least three months of
15 consultation and support to the parents accepting placement of children
16 from the center. The center may recruit new and current foster and
17 adoptive parents for infants served by the center. The department
18 shall not require case management as a condition of the contract.

19 (3) \$538,500 of the general fund--state appropriation for fiscal
20 year 2014, \$539,500 of the general fund--state appropriation for fiscal
21 year 2015, \$656,000 of the general fund--private/local appropriation,
22 and \$253,000 of the general fund--federal appropriation are provided
23 solely for children's administration to contract with an educational
24 advocacy provider with expertise in foster care educational outreach.
25 The amounts in this subsection are provided solely for contracted
26 education coordinators to assist foster children in succeeding in K-12
27 and higher education systems and to assure a focus on education during
28 the transition to performance based contracts. Funding shall be
29 prioritized to regions with high numbers of foster care youth and/or
30 regions where backlogs of youth that have formerly requested
31 educational outreach services exist. The department shall utilize
32 private matching funds to maintain educational advocacy services.

33 (4) \$10,741,000 of the home security fund--state appropriation is
34 provided solely for the department to contract for services pursuant to
35 RCW 13.32A.030 and 74.15.220. The department shall contract and
36 collaborate with service providers in a manner that maintains the
37 availability and geographic representation of secure and semi-secure
38 crisis residential centers and HOPE centers. To achieve efficiencies

1 and increase utilization, the department shall allow the co-location of
2 these centers, except that a youth may not be placed in a secure
3 facility or the secure portion of a co-located facility except as
4 specifically authorized by chapter 13.32A RCW. The reductions to
5 appropriations in this subsection related to semi-secure crisis
6 residential centers reflect a reduction to the number of beds for semi-
7 secure crisis residential centers and not a reduction in rates. Any
8 secure crisis residential center or semi-secure crisis residential
9 center bed reduction shall not be based solely upon bed utilization.
10 The department is to exercise its discretion in reducing the number of
11 beds but to do so in a manner that maintains availability and
12 geographic representation of semi-secure and secure crisis residential
13 centers.

14 (5) \$125,000 of the general fund--state appropriation for fiscal
15 year 2014 and \$125,000 of the general fund--state appropriation for
16 fiscal year 2015 are provided solely for a community-based organization
17 that has innovated, developed, and replicated a foster care delivery
18 model that includes a licensed hub home. The community-based
19 organization will provide training and technical assistance to the
20 children's administration to develop five hub home models in region 2
21 that will improve child outcomes, support foster parents, and encourage
22 the least restrictive community placements for children.

23 (6) \$73,000 of the general fund--state appropriation for fiscal
24 year 2014, \$20,000 of the general fund--state appropriation for fiscal
25 year 2015, and \$31,000 of the general fund--federal appropriation are
26 provided solely for implementation of Second Substitute House Bill No.
27 1566 (youth in out-of-home care). If the bill is not enacted by June
28 30, 2013, the amounts provided in this subsection shall lapse.

29 (7) \$88,000 of the general fund--state appropriation for fiscal
30 year 2014, \$2,000 of the general fund--state appropriation for fiscal
31 year 2015, and \$28,000 of the general fund--federal appropriation are
32 provided solely for implementation of Engrossed Substitute House Bill
33 No. 1774 (child welfare system). If the bill is not enacted by June
34 30, 2013, the amounts provided in this subsection shall lapse.

35 (8) \$1,698,000 of the general fund--state appropriation for fiscal
36 year 2014, \$2,788,000 of the general fund--state appropriation for
37 fiscal year 2015, and \$1,894,000 of the general fund--federal
38 appropriation are provided solely for implementation of Engrossed

1 Second Substitute Senate Bill No. 5405 (extended foster care). If the
2 bill is not enacted by June 30, 2013, the amounts provided in this
3 subsection shall lapse.

4 (9) \$579,000 of the general fund--state appropriation for fiscal
5 year 2014, \$579,000 of the general fund--state appropriation for fiscal
6 year 2015, and \$109,000 of the general fund--federal appropriation are
7 provided solely for a receiving care center east of the Cascade
8 mountains.

9 (10)(a) \$446,000 of the general fund--state appropriation for
10 fiscal year 2014 and \$446,000 of the general fund--state appropriation
11 for fiscal year 2015 are provided solely for a contract with a
12 nongovernmental entity or entities to establish one demonstration site
13 in a school district or group of school districts in western
14 Washington.

15 (b) The children's administration and the nongovernmental entity or
16 entities shall collaboratively select the demonstration site. The
17 demonstration site should be a school district or group of school
18 districts with a significant number of students who are dependent
19 pursuant to chapter 13.34 RCW.

20 (c) The demonstration site established under this subsection must
21 be selected by September 1, 2013.

22 (d) The purpose of the demonstration site is to improve the
23 educational outcomes of students who are dependent pursuant to chapter
24 13.34 RCW by providing individualized education services and monitoring
25 and supporting dependent youths' completion of educational milestones,
26 remediation needs, and special education needs.

27 (e) The demonstration site established under this subsection must
28 facilitate the educational progress and graduation of dependent youth.
29 The contract must be performance-based with a stated goal of improving
30 the graduation rates of foster youth by two percent per year over five
31 school year periods, starting with the 2014-15 school year and ending
32 with the 2019-20 school year. The demonstration site must develop and
33 provide services aimed at improving the educational outcomes of foster
34 youth. These services must include:

35 (i) Direct advocacy for foster youth to eliminate barriers to
36 educational access and success;

37 (ii) Consultation with department of social and health services

1 case workers to develop educational plans for and with participating
2 youth;

3 (iii) Monitoring education progress of participating youth;

4 (iv) Providing participating youth with school and local resources
5 that may assist in educational access and success; and

6 (v) Coaching youth, caregivers, and social workers to advocate for
7 dependent youth in the educational system.

8 (f) The contracted nongovernmental entity or entities must report
9 demonstration site outcomes to the department of social and health
10 services and the office of public instruction by June 30, 2014, for the
11 2013-14 school year, and by June 30, 2015, for the 2014-15 school year.

12 (g) The children's administration must proactively refer all
13 students fifteen years or older, within the demonstration site area, to
14 the selected nongovernmental entity for educational services.

15 (h) The children's administration must report quarterly to the
16 legislature on the number of eligible youth and number of youth
17 referred for services beginning at the close of the second quarter of
18 fiscal year 2014 and through the final quarter of fiscal year 2015.

19 (i) The contracted nongovernmental entity or entities shall report
20 to the legislature by June 30, 2015, on the effectiveness of the
21 demonstration site in increasing graduation rates for dependent youth.

22 (11) \$50,000 of the general fund--state appropriation for fiscal
23 year 2014, and \$50,000 of the general fund--state appropriation for
24 fiscal year 2015, and \$256,000 of the general fund--federal
25 appropriation are provided solely for implementation of Substitute
26 Senate Bill No. 5315 (Powell fatality team). If the bill is not
27 enacted by June 30, 2013, the amounts provided in this subsection shall
28 lapse.

29 (12) \$670,000 of the general fund--state appropriation for fiscal
30 year 2014 and \$670,000 of the general fund--state appropriation for
31 fiscal year 2015 are provided solely for services provided through
32 children's advocacy centers.

33 (13)(a) \$22,695,000 of the general fund--state appropriation for
34 fiscal year 2014, \$22,695,000 of the general fund--state appropriation
35 for fiscal year 2015, and \$28,450,000 of the general fund--federal
36 appropriation are provided solely for services for children and
37 families. Prior to approval of contract services pursuant to RCW
38 74.13B.020, the amounts provided in this section shall be allotted on

1 a monthly basis and expenditures shall not exceed allotments based on
2 a three-month rolling average without approval of the office of
3 financial management following notification to the legislative fiscal
4 committees.

5 (b) The department shall provide these services to safely reduce
6 the number of children in out-of-home care, the time spent in out-of-
7 home care prior to achieving permanency, and the number of children
8 returning to out-of-home care following permanency.

9 (14) \$1,783,000 of the general fund--state appropriation for fiscal
10 year 2015, \$6,491,000 of the child and family reinvestment account--
11 state appropriation, and \$8,274,000 of the general fund--federal
12 appropriation, are provided solely for the implementation and
13 operations of the family assessment response program.

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

16	General Fund--State Appropriation (FY 2014)	\$89,967,000
17	General Fund--State Appropriation (FY 2015)	\$90,255,000
18	General Fund--Federal Appropriation	\$3,464,000
19	General Fund--Private/Local Appropriation	\$1,981,000
20	Washington Auto Theft Prevention Authority Account--	
21	State Appropriation	\$196,000
22	Reinvesting in Youth--State Appropriation	\$383,000
23	Juvenile Accountability Incentive Account--Federal	
24	Appropriation	\$2,801,000
25	TOTAL APPROPRIATION	\$189,047,000

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

28 (1) \$331,000 of the general fund--state appropriation for fiscal
29 year 2014 and \$331,000 of the general fund--state appropriation for
30 fiscal year 2015 are provided solely for deposit in the county criminal
31 justice assistance account for costs to the criminal justice system
32 associated with the implementation of chapter 338, Laws of 1997
33 (juvenile code revisions). The amounts provided in this subsection are
34 intended to provide funding for county adult court costs associated
35 with the implementation of chapter 338, Laws of 1997 and shall be
36 distributed in accordance with RCW 82.14.310.

1 (2) \$2,716,000 of the general fund--state appropriation for fiscal
2 year 2014 and \$2,716,000 of the general fund--state appropriation for
3 fiscal year 2015 are provided solely for the implementation of chapter
4 338, Laws of 1997 (juvenile code revisions). The amounts provided in
5 this subsection are intended to provide funding for county impacts
6 associated with the implementation of chapter 338, Laws of 1997 and
7 shall be distributed to counties as prescribed in the current
8 consolidated juvenile services (CJS) formula.

9 (3) \$3,482,000 of the general fund--state appropriation for fiscal
10 year 2014 and \$3,482,000 of the general fund--state appropriation for
11 fiscal year 2015 are provided solely to implement community juvenile
12 accountability grants pursuant to chapter 338, Laws of 1997 (juvenile
13 code revisions). Funds provided in this subsection may be used solely
14 for community juvenile accountability grants, administration of the
15 grants, and evaluations of programs funded by the grants.

16 (4) \$1,130,000 of the general fund--state appropriation for fiscal
17 year 2014 and \$1,130,000 of the general fund--state appropriation for
18 fiscal year 2015 are provided solely to implement alcohol and substance
19 abuse treatment programs for locally committed offenders. The juvenile
20 rehabilitation administration shall award these moneys on a competitive
21 basis to counties that submitted a plan for the provision of services
22 approved by the division of alcohol and substance abuse. The juvenile
23 rehabilitation administration shall develop criteria for evaluation of
24 plans submitted and a timeline for awarding funding and shall assist
25 counties in creating and submitting plans for evaluation.

26 (5) \$3,123,000 of the general fund--state appropriation for fiscal
27 year 2014 and \$3,123,000 of the general fund--state appropriation for
28 fiscal year 2015 are provided solely for grants to county juvenile
29 courts for the following programs identified by the Washington state
30 institute for public policy (institute) in its October 2006 report:
31 "Evidence-Based Public Policy Options to Reduce Future Prison
32 Construction, Criminal Justice Costs and Crime Rates": Functional
33 family therapy, multi-systemic therapy, aggression replacement training
34 and interagency coordination programs, or other programs with a
35 positive benefit-cost finding in the institute's report. County
36 juvenile courts shall apply to the juvenile rehabilitation
37 administration for funding for program-specific participation and the

1 administration shall provide grants to the courts consistent with the
2 per-participant treatment costs identified by the institute.

3 (6) \$1,537,000 of the general fund--state appropriation for fiscal
4 year 2014 and \$1,537,000 of the general fund--state appropriation for
5 fiscal year 2015 are provided solely for expansion of the following
6 treatments and therapies in juvenile rehabilitation administration
7 programs identified by the Washington state institute for public policy
8 in its October 2006 report: "Evidence-Based Public Policy Options to
9 Reduce Future Prison Construction, Criminal Justice Costs and Crime
10 Rates": Multidimensional treatment foster care, family integrated
11 transitions, and aggression replacement training, or other programs
12 with a positive benefit-cost finding in the institute's report. The
13 administration may concentrate delivery of these treatments and
14 therapies at a limited number of programs to deliver the treatments in
15 a cost-effective manner.

16 (7)(a) The juvenile rehabilitation administration shall administer
17 a block grant, rather than categorical funding, of consolidated
18 juvenile service funds, community juvenile accountability act grants,
19 the chemical dependency disposition alternative funds, the mental
20 health disposition alternative, and the sentencing disposition
21 alternative for the purpose of serving youth adjudicated in the
22 juvenile justice system. In making the block grant, the juvenile
23 rehabilitation administration shall follow the following formula and
24 will prioritize evidence-based programs and disposition alternatives
25 and take into account juvenile courts program-eligible youth in
26 conjunction with the number of youth served in each approved evidence-
27 based program or disposition alternative: (i) Thirty-seven and one-
28 half percent for the at-risk population of youth ten to seventeen years
29 old; (ii) fifteen percent for moderate and high-risk youth; (iii)
30 twenty-five percent for evidence-based program participation; (iv)
31 seventeen and one-half percent for minority populations; (v) three
32 percent for the chemical dependency disposition alternative; and (vi)
33 two percent for the mental health and sentencing dispositional
34 alternatives. Funding for the special sex offender disposition
35 alternative (SSODA) shall not be included in the block grant, but
36 allocated on the average daily population in juvenile courts. Funding
37 for the evidence-based expansion grants shall be excluded from the
38 block grant formula. Funds may be used for promising practices when

1 approved by the juvenile rehabilitation administration and juvenile
2 courts, through the community juvenile accountability act committee,
3 based on the criteria established in consultation with Washington state
4 institute for public policy and the juvenile courts.

5 (b) The juvenile rehabilitation administration and the juvenile
6 courts shall establish a block grant funding formula oversight
7 committee with equal representation from the juvenile rehabilitation
8 administration and the juvenile courts. The purpose of this committee
9 is to assess the ongoing implementation of the block grant funding
10 formula, utilizing data-driven decision making and the most current
11 available information. The committee will be cochaired by the juvenile
12 rehabilitation administration and the juvenile courts, who will also
13 have the ability to change members of the committee as needed to
14 achieve its purpose. Initial members will include one juvenile court
15 representative from the finance committee, the community juvenile
16 accountability act committee, the risk assessment quality assurance
17 committee, the executive board of the Washington association of
18 juvenile court administrators, the Washington state center for court
19 research, and a representative of the superior court judges
20 association; two representatives from the juvenile rehabilitation
21 administration headquarters program oversight staff, two
22 representatives of the juvenile rehabilitation administration regional
23 office staff, one representative of the juvenile rehabilitation
24 administration fiscal staff and a juvenile rehabilitation
25 administration division director. The committee may make changes to
26 the formula categories other than the evidence-based program and
27 disposition alternative categories if it is determined the changes will
28 increase statewide service delivery or effectiveness of evidence-based
29 program or disposition alternative resulting in increased cost benefit
30 savings to the state. Long-term cost benefit must be considered.
31 Percentage changes may occur in the evidence-based program or
32 disposition alternative categories of the formula should it be
33 determined the changes will increase evidence-based program or
34 disposition alternative delivery and increase the cost benefit to the
35 state. These outcomes will also be considered in determining when
36 evidence-based expansion or special sex offender disposition
37 alternative funds should be included in the block grant or left
38 separate.

1 (c) The juvenile courts and administrative office of the courts
2 shall be responsible for collecting and distributing information and
3 providing access to the data systems to the juvenile rehabilitation
4 administration and the Washington state institute for public policy
5 related to program and outcome data. The juvenile rehabilitation
6 administration and the juvenile courts will work collaboratively to
7 develop program outcomes that reinforce the greatest cost benefit to
8 the state in the implementation of evidence-based practices and
9 disposition alternatives.

10 (8) The juvenile courts and administrative office of the courts
11 shall collect and distribute information related to program outcome and
12 provide access to these data systems to the juvenile rehabilitation
13 administration and Washington state institute for public policy. The
14 agreements between administrative office of the courts, the juvenile
15 courts, and the juvenile rehabilitation administration shall be
16 executed to ensure that the juvenile rehabilitation administration
17 receives the data that the juvenile rehabilitation administration
18 identifies as needed to comply with this subsection. This includes,
19 but is not limited to, information by program at the statewide
20 aggregate level, individual court level, and individual client level
21 for the purpose of the juvenile rehabilitation administration providing
22 quality assurance and oversight for the locally committed youth block
23 grant and associated funds and at times as specified by the juvenile
24 rehabilitation administration as necessary to carry out these
25 functions. The data shall be provided in a manner that reflects the
26 collaborative work the juvenile rehabilitation administration and
27 juvenile courts have developed regarding program outcomes that
28 reinforce the greatest cost benefit to the state in the implementation
29 of evidence-based practices and disposition alternatives.

30 (9) \$445,000 of the general fund--state appropriation for fiscal
31 year 2014 and \$445,000 of the general fund--state appropriation for
32 fiscal year 2015 are provided solely for funding of the teamchild
33 project.

34 (10) \$178,000 of the general fund--state appropriation for fiscal
35 year 2014 and \$178,000 of the general fund--state appropriation for
36 fiscal year 2015 are provided solely for the juvenile detention
37 alternatives initiative.

1 (11) \$250,000 of the general fund--state appropriation for fiscal
2 year 2014 and \$250,000 of the general fund--state appropriation for
3 fiscal year 2015 are provided solely for a grant program focused on
4 criminal street gang prevention and intervention. The Washington state
5 partnership council on juvenile justice may award grants under this
6 subsection. The council shall give priority to applicants who have
7 demonstrated the greatest problems with criminal street gangs.
8 Applicants composed of, at a minimum, one or more local governmental
9 entities and one or more nonprofit, nongovernmental organizations that
10 have a documented history of creating and administering effective
11 criminal street gang prevention and intervention programs may apply for
12 funding under this subsection.

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

15 (1) COMMUNITY SERVICES/REGIONAL SUPPORT NETWORKS

16 General Fund--State Appropriation (FY 2014)	\$327,467,000
17 General Fund--State Appropriation (FY 2015)	\$308,723,000
18 General Fund--Federal Appropriation	\$561,394,000
19 General Fund--Private/Local Appropriation	\$17,864,000
20 TOTAL APPROPRIATION	\$1,215,448,000

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

23 (a) \$104,999,000 of the general fund--state appropriation for
24 fiscal year 2014 and \$85,895,000 of the general fund--state
25 appropriation for fiscal year 2015 are provided solely for persons and
26 services not covered by the medicaid program. To the extent possible,
27 levels of regional support network spending shall be maintained in the
28 following priority order: Crisis and commitment services; community
29 inpatient services; and residential care services, including personal
30 care and emergency housing assistance. This is a reduction in flexible
31 nonmedicaid funding of \$4,343,000 for fiscal year 2014 and \$23,446,000
32 for fiscal year 2015. This reduction reflects offsets in state funding
33 related to services that will now be funded with federal dollars
34 through the affordable care act medicaid expansion. This reduction
35 shall be distributed as follows:

36 (i) The \$4,343,000 reduction in fiscal year 2014 and \$11,723,000 of
37 the reduction in fiscal year 2015 must be distributed among regional

1 support networks based on a formula that equally weights each regional
2 support networks proportion of individuals who become newly eligible
3 and enroll in medicaid under the expansion provisions of the affordable
4 care act in fiscal year 2014 and each regional support network's
5 spending of flexible nonmedicaid funding on services that would be
6 reimbursable for federal medicaid matching funds if provided to
7 medicaid enrollees in the 2011-2013 fiscal biennium.

8 (ii) The remaining \$11,723,000 reduction in fiscal year 2015 must
9 be distributed among regional support networks based on each regional
10 support network's proportion of individuals who become newly eligible
11 and enroll in medicaid under the expansion provisions of the affordable
12 care act through fiscal year 2015.

13 (b) \$6,590,000 of the general fund--state appropriation for fiscal
14 year 2014, \$6,590,000 of the general fund--state appropriation for
15 fiscal year 2015, and \$7,620,000 of the general fund--federal
16 appropriation are provided solely for the department and regional
17 support networks to continue to contract for implementation of high-
18 intensity programs for assertive community treatment (PACT) teams. In
19 determining the proportion of medicaid and nonmedicaid funding provided
20 to regional support networks with PACT teams, the department shall
21 consider the differences between regional support networks in the
22 percentages of services and other costs associated with the teams that
23 are not reimbursable under medicaid. The department may allow regional
24 support networks which have nonmedicaid reimbursable costs that are
25 higher than the nonmedicaid allocation they receive under this section
26 to supplement these funds with local dollars or funds received under
27 section 204(1)(a) of this act. The department and regional support
28 networks shall maintain consistency with all essential elements of the
29 PACT evidence-based practice model in programs funded under this
30 section.

31 (c) \$5,850,000 of the general fund--state appropriation for fiscal
32 year 2014, \$5,850,000 of the general fund--state appropriation for
33 fiscal year 2015, and \$1,300,000 of the general fund--federal
34 appropriation are provided solely for the western Washington regional
35 support networks to provide either community- or hospital campus-based
36 services for persons who require the level of care previously provided
37 by the program for adaptive living skills (PALS) at western state
38 hospital.

1 (d) The number of nonforensic beds allocated for use by regional
2 support networks at eastern state hospital shall be 192 per day. The
3 number of nonforensic beds allocated for use by regional support
4 networks at western state hospital shall be 557 per day.

5 (e) From the general fund--state appropriations in this subsection,
6 the secretary of social and health services shall assure that regional
7 support networks reimburse the aging and disability services
8 administration for the general fund--state cost of medicaid personal
9 care services that enrolled regional support network consumers use
10 because of their psychiatric disability.

11 (f) The department is authorized to continue to contract directly,
12 rather than through contracts with regional support networks, for
13 children's long-term inpatient facility services.

14 (g) \$750,000 of the general fund--state appropriation for fiscal
15 year 2014 and \$750,000 of the general fund--state appropriation for
16 fiscal year 2015 are provided solely to continue performance-based
17 incentive contracts to provide appropriate community support services
18 for individuals with severe mental illness who were discharged from the
19 state hospitals as part of the expanding community services initiative.
20 These funds will be used to enhance community residential and support
21 services provided by regional support networks through other state and
22 federal funding.

23 (h) \$1,125,000 of the general fund--state appropriation for fiscal
24 year 2014 and \$1,125,000 of the general fund--state appropriation for
25 fiscal year 2015 are provided solely for the Spokane regional support
26 network to implement services to reduce utilization and the census at
27 eastern state hospital. Such services shall include:

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

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

34 (iii) Mental health services provided in nursing facilities to
35 individuals with dementia, and consultation to facility staff treating
36 those individuals; and

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

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

5 (i) \$1,529,000 of the general fund--state appropriation for fiscal
6 year 2014 and \$1,529,000 of the general fund--state appropriation for
7 fiscal year 2015 are provided solely to reimburse Pierce and Spokane
8 counties for the cost of conducting 180-day commitment hearings at the
9 state psychiatric hospitals.

10 (j) Regional support networks may use local funds to earn
11 additional federal medicaid match, provided the locally matched rate
12 does not exceed the upper-bound of their federally allowable rate
13 range, and provided that the enhanced funding is used only to provide
14 medicaid state plan or waiver services to medicaid clients.
15 Additionally, regional support networks may use a portion of the state
16 funds allocated in accordance with (a) of this subsection to earn
17 additional medicaid match, but only to the extent that the application
18 of such funds to medicaid services does not diminish the level of
19 crisis and commitment, community inpatient, residential care, and
20 outpatient services presently available to persons not eligible for
21 medicaid.

22 (k) \$3,436,000 of the general fund--state appropriation for fiscal
23 year 2014 and \$2,291,000 of the general fund--state appropriation for
24 fiscal year 2015 are provided solely for mental health services for
25 mentally ill offenders while confined in a county or city jail and for
26 facilitating access to programs that offer mental health services upon
27 release from confinement.

28 (l) \$523,000 of the general fund--state appropriation for fiscal
29 year 2014, \$775,000 of the general fund--state appropriation for fiscal
30 year 2015, and \$854,000 of the general fund--federal appropriation are
31 provided solely for implementation of sections 3 through 5 of chapter
32 289, Laws of 2013 (E2SHB 1114). Regional support networks must use
33 this funding for the development of intensive community programs that
34 allow individuals to be diverted or transitioned from the state
35 hospitals in accordance with plans approved by the department.

36 (m) \$5,986,000 of the general fund--state appropriation for fiscal
37 year 2014, \$11,592,000 of the general fund--state appropriation for
38 fiscal year 2015, and \$10,160,000 of the general fund--federal

1 appropriation are provided solely for implementation of chapter 335,
2 Laws of 2013 (ESSB 5480). Regional support networks must use this
3 funding for the development of intensive community programs that allow
4 individuals to be diverted or transitioned from the state hospitals in
5 accordance with plans approved by the department.

6 (n) Due to recent approval of federal medicaid matching funds for
7 the disability lifeline and the alcohol and drug abuse treatment
8 support act programs, the department shall charge regional support
9 networks for only the state share rather than the total cost of
10 community psychiatric hospitalization for persons enrolled in those
11 programs.

12 (o) The legislature finds that the circumstances of the Chelan-
13 Douglas regional support network (CD-RSN) make it necessary for CD-RSN
14 to undergo restructuring in order to provide mental health services
15 essential to the health and wellness of the citizens within its service
16 area. The legislature intends to provide additional temporary
17 financial relief to the CD-RSN while it undergoes internal
18 restructuring or negotiates a merger with another regional support
19 network.

20 The department shall negotiate relief for outstanding fiscal year
21 2013 reimbursements owed by CD-RSN to the state provided that the CD-
22 RSN has a plan in place that is approved by the department by August 1,
23 2013, that demonstrates how CD-RSN will maintain financial viability
24 and stability or will merge with another regional support network.

25 For the period of July 1, 2013, through December 31, 2013, the
26 department may alter collection of reimbursement from CD-RSN for
27 overuse of state hospital beds. To receive a reduction to the required
28 reimbursement for overuse of state hospital beds, CD-RSN must continue
29 to prioritize services that reduce its utilization and census at
30 eastern state hospital and be actively implementing an approved plan to
31 maintain financial viability or pursuing a future merger with another
32 regional support network. Up to \$298,000 of the general fund--state
33 appropriation for fiscal year 2014 is for the department to provide
34 payments to regional support networks in eastern Washington which have
35 used less than their allocated or contracted patient days of care at
36 the state hospital to replace the share of the reimbursements from CD-
37 RSN that the regional support networks would have received under RCW
38 71.24.320.

1 (p) \$266,000 of the general fund--state appropriation for fiscal
2 year 2014 is provided solely to maintain services for the King county
3 regional support network as it works to transition services to settings
4 that are eligible for federal participation for individuals covered
5 under the medicaid program.

6 (2) INSTITUTIONAL SERVICES

7	General Fund--State Appropriation (FY 2014)	\$135,246,000
8	General Fund--State Appropriation (FY 2015)	\$131,863,000
9	General Fund--Federal Appropriation	\$150,863,000
10	General Fund--Private/Local Appropriation	\$63,097,000
11	TOTAL APPROPRIATION	\$481,069,000

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

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

17 (b) \$231,000 of the general fund--state appropriation for fiscal
18 year 2014 and \$231,000 of the general fund--state appropriation for
19 fiscal year 2015 are provided solely for a community partnership
20 between western state hospital and the city of Lakewood to support
21 community policing efforts in the Lakewood community surrounding
22 western state hospital. The amounts provided in this subsection (2)(b)
23 are for the salaries, benefits, supplies, and equipment for one full-
24 time investigator, one full-time police officer, and one full-time
25 community service officer at the city of Lakewood.

26 (c) \$45,000 of the general fund--state appropriation for fiscal
27 year 2014 and \$45,000 of the general fund--state appropriation for
28 fiscal year 2015 are provided solely for payment to the city of
29 Lakewood for police services provided by the city at western state
30 hospital and adjacent areas.

31 (d) \$20,000,000 of the general fund--state appropriation for fiscal
32 year 2014 and \$20,000,000 of the general fund--state appropriation for
33 fiscal year 2015 are provided solely to maintain staffed capacity to
34 serve an average daily census in forensic wards at western state
35 hospital of 270 patients per day.

36 (e) \$2,068,000 of the general fund--state appropriation for fiscal
37 year 2014, \$2,066,000 of the general fund--state appropriation for
38 fiscal year 2015, and \$240,000 of the general fund--federal

1 appropriation are provided solely for the state psychiatric hospitals
2 to plan, procure, and implement the core elements of an electronic
3 medical record system that is compliant with the international
4 classification of diseases (ICD-10) by October 1, 2014. These funds
5 must only be used for an electronic medical record system that meets
6 federal criteria for electronic sharing of patient information and
7 clinical care summaries with doctors' offices, hospitals, and health
8 systems which use federally certified electronic health record systems.
9 The procurement and implementation shall be conducted to allow for
10 these services to be expanded to the department of corrections. The
11 amounts provided in this subsection are conditioned on the department
12 satisfying the requirements of the project management oversight
13 standards and policies established by the office of the chief
14 information officer.

15 (3) SPECIAL PROJECTS

16	General Fund--State Appropriation (FY 2014)	\$1,609,000
17	General Fund--State Appropriation (FY 2015)	\$1,610,000
18	General Fund--Federal Appropriation	\$6,286,000
19	TOTAL APPROPRIATION	\$9,505,000

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

22 (a) \$1,161,000 of the general fund--state appropriation for fiscal
23 year 2014 and \$1,161,000 of the general fund--state appropriation for
24 fiscal year 2015 are provided solely for children's evidence-based
25 mental health services.

26 (b) \$446,000 of the general fund--state appropriation for fiscal
27 year 2014, \$446,000 of the general fund--state appropriation for fiscal
28 year 2015, and \$178,000 of the general fund--federal appropriation are
29 provided solely for the University of Washington's evidence-based
30 practice institute which supports the identification, evaluation, and
31 implementation of evidence-based or promising practices. The institute
32 must work with the department to develop a plan to seek private,
33 federal, or other grant funding in order to reduce the need for state
34 general funds. The institute and the department must submit this plan
35 to the office of financial management and the fiscal committees of the
36 legislature by December 1, 2013.

37 (4) PROGRAM SUPPORT

1	General Fund--State Appropriation (FY 2014)	\$5,287,000
2	General Fund--State Appropriation (FY 2015)	\$4,777,000
3	General Fund--Federal Appropriation	\$7,711,000
4	General Fund--Private/Local Appropriation	\$502,000
5	TOTAL APPROPRIATION	\$18,277,000

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

8 (a) In accordance with RCW 43.20B.110, 43.135.055, and 71.24.035,
9 the department is authorized to adopt license and certification fees in
10 fiscal years 2014 and 2015 to support the costs of the regulatory
11 program. The department's fee schedule shall have differential rates
12 for providers with proof of accreditation from organizations that the
13 department has determined to have substantially equivalent standards to
14 those of the department, including but not limited to the joint
15 commission on accreditation of health care organizations, the
16 commission on accreditation of rehabilitation facilities, and the
17 council on accreditation. To reflect the reduced costs associated with
18 regulation of accredited programs, the department's fees for
19 organizations with such proof of accreditation must reflect the lower
20 costs of licensing for these programs than for other organizations
21 which are not accredited.

22 (b) \$74,000 of the general fund--state appropriation for fiscal
23 year 2014, \$74,000 of the general fund--state appropriation for fiscal
24 year 2015, and \$78,000 of the general fund--federal appropriation are
25 provided solely for implementation of chapter 335, Laws of 2013 (ESSB
26 5480).

27 (c) \$160,000 of the general fund--state appropriation for fiscal
28 year 2014 and \$80,000 of the general fund--state appropriation for
29 fiscal year 2015 are provided solely for implementation of chapter 284,
30 Laws of 2013 (ESSB 5551).

31 (d) In developing the new medicaid managed care rates under which
32 the public mental health managed care system will operate, the
33 department must seek to estimate the reasonable and necessary cost of
34 efficiently and effectively providing a comparable set of medically
35 necessary mental health benefits to persons of different acuity levels
36 regardless of where in the state they live. The department must report
37 to the office of financial management and to the relevant fiscal and

1 policy committees of the legislature on its proposed new mental health
2 managed care rate-setting approach by August 1, 2013, and again at
3 least sixty days prior to implementation of new capitation rates.

4 (e) \$349,000 of the general fund--state appropriation for fiscal
5 year 2014, \$212,000 of the general fund--state appropriation for fiscal
6 year 2015, and \$302,000 of the general fund--federal appropriation are
7 provided solely to implement chapter 320, Laws of 2013 (ESHB 1519) and
8 chapter 338, Laws of 2013 (2SSB 5732).

9 (f) The department shall work cooperatively with the health care
10 authority to explore the feasibility of incentivizing small, rural
11 hospitals to convert, in part or fully, some of their beds to
12 psychiatric treatment beds. No later than December 31, 2014, the
13 department shall report to the appropriate fiscal committees of the
14 legislature on the feasibility of such conversion. The report shall
15 consider rate enhancements and the ability to claim federal medicaid
16 matching funds on converted beds.

17 (g) \$75,000 of the general fund--state appropriation for fiscal
18 year 2014 and \$21,000 of the general fund--federal appropriation are
19 provided for implementation of section 9, chapter 197, Laws of 2013
20 (ESHB 1336). The department must utilize these funds for mental health
21 first aid training targeted at teachers and educational staff in
22 accordance with the training model developed by the department of
23 psychology in Melbourne, Australia.

24 (h) Within the amounts appropriated in this section, funding is
25 provided for the department to continue to develop the child adolescent
26 needs and strengths assessment tool and build workforce capacity to
27 provide evidence based wraparound services for children, consistent
28 with the anticipated settlement agreement in *T.R. v. Dreyfus and*
29 *Porter*.

30 NEW SECTION. **Sec. 205. FOR THE DEPARTMENT OF SOCIAL AND HEALTH**
31 **SERVICES--DEVELOPMENTAL DISABILITIES PROGRAM**

32 (1) COMMUNITY SERVICES

33	General Fund--State Appropriation (FY 2014)	\$439,963,000
34	General Fund--State Appropriation (FY 2015)	\$458,131,000
35	General Fund--Federal Appropriation	\$820,769,000
36	General Fund--Private/Local Appropriation	\$21,000
37	TOTAL APPROPRIATION	\$1,718,884,000

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

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

7 (b) In accordance with RCW 18.51.050, 18.20.050, 70.128.060, and
8 43.135.055, the department is authorized to increase nursing facility,
9 assisted living facility, and adult family home fees as necessary to
10 fully support the actual costs of conducting the licensure, inspection,
11 and regulatory programs. The license fees may not exceed the
12 department's annual licensing and oversight activity costs and shall
13 include the department's cost of paying providers for the amount of the
14 license fee attributed to medicaid clients.

15 (i) The current annual renewal license fee for adult family homes
16 shall be increased to \$225 per bed beginning in fiscal year 2014 and
17 \$225 per bed beginning in fiscal year 2015. A processing fee of \$2,750
18 shall be charged to each adult family home when the home is initially
19 licensed. This fee is nonrefundable.

20 (ii) The current annual renewal license fee for assisted living
21 facilities shall be increased to \$106 per bed beginning in fiscal year
22 2014 and \$106 per bed beginning in fiscal year 2015.

23 (iii) The current annual renewal license fee for nursing facilities
24 shall be increased to \$359 per bed beginning in fiscal year 2014 and
25 \$359 per bed beginning in fiscal year 2015.

26 (c) \$13,301,000 of the general fund--state appropriation for fiscal
27 year 2014, \$20,607,000 of the general fund--state appropriation for
28 fiscal year 2015, and \$33,910,000 of the general fund federal
29 appropriation are provided solely for the implementation of the
30 agreement reached between the governor and the service employees
31 international union healthcare 775nw through an interest arbitration
32 decision under the provisions of chapters 74.39A and 41.56 RCW for the
33 2013-2015 fiscal biennium.

34 (d) \$6,244,000 of the general fund--state appropriation for fiscal
35 year 2014 and \$6,244,000 of the general fund--state appropriation for
36 fiscal year 2015 are appropriated solely for the individual and family
37 support program. Within these amounts, the department shall expand the

1 current number of clients receiving services and focus on extending
2 services to individuals with developmental disabilities who are not
3 otherwise receiving paid services from the department.

4 (e) No later than December 31, 2013, the department shall report to
5 the appropriate fiscal committees of the legislature with a strategy to
6 reduce the rate disparity between urban and suburban residential
7 service providers. The report shall include a proposal for a rate
8 component that recognizes differences in costs as they relate to the
9 geographical location of the provider; however, the proposed component
10 shall use a geographical variable that is more granular than the
11 provider's county.

12 (f) \$1,547,000 of the general fund--state appropriation for fiscal
13 year 2015, and \$4,790,000 of the general fund--federal appropriation
14 are provided solely for a payment system that satisfies medicaid
15 requirements regarding time reporting for W-2 providers. The amounts
16 provided in this subsection are conditioned on the department
17 satisfying the requirements of the project management oversight
18 standards and policies established by the office of the chief
19 information officer.

20 (g) \$1,707,000 of the general fund--state appropriation for fiscal
21 year 2014, \$2,670,000 of the general fund--state appropriation for
22 fiscal year 2015, and \$4,376,000 of the general fund--federal
23 appropriation are provided solely for the homecare agency parity
24 impacts of the service employees international union healthcare 775nw
25 arbitration award.

26 (h) The department is authorized to establish limited exemption
27 criteria in rule to address RCW 74.39A.325 when a landline phone is not
28 available to the employee.

29 (2) INSTITUTIONAL SERVICES

30 General Fund--State Appropriation (FY 2014)	\$85,261,000
31 General Fund--State Appropriation (FY 2015)	\$84,980,000
32 General Fund--Federal Appropriation	\$160,021,000
33 General Fund--Private/Local Appropriation	\$23,041,000
34 TOTAL APPROPRIATION	\$353,303,000

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

37 (a) Individuals receiving services as supplemental security income

1 (SSI) state supplemental payments shall not become eligible for medical
2 assistance under RCW 74.09.510 due solely to the receipt of SSI state
3 supplemental payments.

4 (b) \$721,000 of the general fund--state appropriation for fiscal
5 year 2014 and \$721,000 of the general fund--state appropriation for
6 fiscal year 2015 are for the department to fulfill its contracts with
7 the school districts under chapter 28A.190 RCW to provide
8 transportation, building space, and other support services as are
9 reasonably necessary to support the educational programs of students
10 living in residential habilitation centers.

11 (3) PROGRAM SUPPORT

12	General Fund--State Appropriation (FY 2014)	\$1,943,000
13	General Fund--State Appropriation (FY 2015)	\$1,993,000
14	General Fund--Federal Appropriation	\$1,957,000
15	TOTAL APPROPRIATION	\$5,893,000

16 (4) SPECIAL PROJECTS

17	General Fund--State Appropriation (FY 2014)	\$1,400,000
18	General Fund--State Appropriation (FY 2015)	\$1,400,000
19	General Fund--Federal Appropriation	\$1,200,000
20	TOTAL APPROPRIATION	\$4,000,000

21 NEW SECTION. **Sec. 206. FOR THE DEPARTMENT OF SOCIAL AND HEALTH**
22 **SERVICES--AGING AND ADULT SERVICES PROGRAM**

23	General Fund--State Appropriation (FY 2014)	\$869,628,000
24	General Fund--State Appropriation (FY 2015)	\$923,218,000
25	General Fund--Federal Appropriation	\$1,934,089,000
26	General Fund--Private/Local Appropriation	\$30,122,000
27	Traumatic Brain Injury Account--State Appropriation	\$3,393,000
28	Skilled Nursing Facility Safety Net Trust Account--State	
29	Appropriation	\$88,000,000
30	TOTAL APPROPRIATION	\$3,848,450,000

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

33 (1) For purposes of implementing chapter 74.46 RCW, the weighted
34 average nursing facility payment rate shall not exceed \$171.35 for
35 fiscal year 2014 and shall not exceed \$171.58 for fiscal year 2015,
36 including the rate add-ons described in (a) and (b) of this subsection.

1 However, if the waiver requested from the federal centers for medicare
2 and medicaid services in relation to the safety net assessment is for
3 any reason disapproved, the weighted average nursing facility payment
4 rate shall not exceed \$162.43 for fiscal year 2014 and shall not exceed
5 \$163.58 for fiscal year 2015. There will be no adjustments for
6 economic trends and conditions in fiscal years 2014 and 2015. The
7 economic trends and conditions factor or factors defined in the
8 biennial appropriations act shall not be compounded with the economic
9 trends and conditions factor or factors defined in any other biennial
10 appropriations acts before applying it to the component rate
11 allocations established in accordance with chapter 74.46 RCW. When no
12 economic trends and conditions factor for either fiscal year is defined
13 in a biennial appropriations act, no economic trends and conditions
14 factor or factors defined in any earlier biennial appropriations act
15 shall be applied solely or compounded to the component rate allocations
16 established in accordance with chapter 74.46 RCW.

17 (a) Within the funds provided, the department shall continue to
18 provide an add-on per medicaid resident day per facility not to exceed
19 \$1.57. The add-on shall be used to increase wages, benefits, and/or
20 staffing levels for certified nurse aides; or to increase wages and/or
21 benefits for dietary aides, housekeepers, laundry aides, or any other
22 category of worker whose statewide average dollars-per-hour wage was
23 less than \$15 in calendar year 2008, according to cost report data.
24 The add-on may also be used to address resulting wage compression for
25 related job classes immediately affected by wage increases to low-wage
26 workers. The department shall continue reporting requirements and a
27 settlement process to ensure that the funds are spent according to this
28 subsection.

29 (b) The department shall do a comparative analysis of the facility-
30 based payment rates calculated on July 1, 2013, using the payment
31 methodology defined in chapter 74.46 RCW and as funded in the omnibus
32 appropriations act, excluding the comparative add-on, acuity add-on,
33 and safety net reimbursement, to the facility-based payment rates in
34 effect June 30, 2010. If the facility-based payment rate calculated on
35 July 1, 2013, is smaller than the facility-based payment rate on June
36 30, 2010, then the difference shall be provided to the individual
37 nursing facilities as an add-on payment per medicaid resident day.

1 (c) During the comparative analysis performed in subsection (b) of
2 this section, if it is found that the direct care rate for any facility
3 calculated using the payment methodology defined in chapter 74.46 RCW
4 and as funded in the omnibus appropriations act, excluding the
5 comparative add-on, acuity add-on, and safety net reimbursement, is
6 greater than the direct care rate in effect on June 30, 2010, then the
7 facility shall receive a ten percent direct care rate add-on to
8 compensate that facility for taking on more acute clients than they
9 have in the past.

10 (d) The department shall provide a medicaid rate add-on to
11 reimburse the medicaid share of the skilled nursing facility safety net
12 assessment as a medicaid allowable cost. The nursing facility safety
13 net rate add-on may not be included in the calculation of the annual
14 statewide weighted average nursing facility payment rate.

15 (e) The rate add-on provided in (c) of this subsection is subject
16 to the reconciliation and settlement process provided in RCW
17 74.46.022(6).

18 (f) If the waiver requested from the federal centers for medicare
19 and medicaid services in relation to the safety net assessment is for
20 any reason disapproved, (b), (c), and (d) of this subsection do not
21 apply.

22 (2) In accordance with chapter 74.46 RCW, the department shall
23 issue no additional certificates of capital authorization for fiscal
24 year 2014 and no new certificates of capital authorization for fiscal
25 year 2015 and shall grant no rate add-ons to payment rates for capital
26 improvements not requiring a certificate of need and a certificate of
27 capital authorization for fiscal years 2014 and 2015.

28 (3) In accordance with RCW 18.51.050, 18.20.050, 70.128.060, and
29 43.135.055, the department is authorized to increase nursing facility,
30 assisted living facility, and adult family home fees as necessary to
31 fully support the actual costs of conducting the licensure, inspection,
32 and regulatory programs. The license fees may not exceed the
33 department's annual licensing and oversight activity costs and shall
34 include the department's cost of paying providers for the amount of the
35 license fee attributed to medicaid clients.

36 (a) The current annual renewal license fee for adult family homes
37 shall be increased to \$225 per bed beginning in fiscal year 2014 and

1 \$225 per bed beginning in fiscal year 2015. A processing fee of \$2,750
2 shall be charged to each adult family home when the home is initially
3 licensed. This fee is nonrefundable.

4 (b) The current annual renewal license fee for assisted living
5 facilities shall be increased to \$106 per bed beginning in fiscal year
6 2014 and \$106 per bed beginning in fiscal year 2015.

7 (c) The current annual renewal license fee for nursing facilities
8 shall be increased to \$359 per bed beginning in fiscal year 2014 and
9 \$359 per bed beginning in fiscal year 2015.

10 (4) The department is authorized to place long-term care clients
11 residing in nursing homes and paid for with state only funds into less
12 restrictive community care settings while continuing to meet the
13 client's care needs.

14 (5) \$30,640,000 of the general fund--state appropriation for fiscal
15 year 2014, \$48,633,000 of the general fund--state appropriation for
16 fiscal year 2015, and \$79,273,000 of the general fund--federal
17 appropriation are provided solely for the implementation of the
18 agreement reached between the governor and the service employees
19 international union healthcare 775nw through an interest arbitration
20 decision under the provisions of chapters 74.39A and 41.56 RCW for the
21 2013-2015 fiscal biennium.

22 (6) \$1,840,000 of the general fund--state appropriation for fiscal
23 year 2014 and \$1,877,000 of the general fund--state appropriation for
24 fiscal year 2015 are provided solely for operation of the volunteer
25 services program. Funding shall be prioritized towards serving
26 populations traditionally served by long-term care services to include
27 senior citizens and persons with disabilities.

28 (7) \$4,894,000 of the general fund--state appropriation for fiscal
29 year 2015, and \$15,150,000 of the general fund--federal appropriation
30 are provided solely for a payment system that satisfies medicaid
31 requirements regarding time reporting for W-2 providers. The amounts
32 provided in this subsection are conditioned on the department
33 satisfying the requirements of the project management oversight
34 standards and policies established by the office of the chief
35 information officer.

36 (8) The department is authorized to establish limited exemption
37 criteria in rule to address RCW 74.39A.325 when a landline phone is not
38 available to the employee.

1 (9) Within the amounts appropriated in this section, in a report to
2 the appropriate fiscal committees of the legislature that must be
3 submitted by December 1, 2013, the department of social and health
4 services must describe the process for establishing medicaid rates for
5 assisted living and adult family homes. The report must include
6 information about licensing and physical plant standards, contracting
7 provisions, and per capita and biennial expenditures for assisted
8 living and adult family homes.

9 (10) \$10,800,000 of the general fund--state appropriation for
10 fiscal year 2014, \$17,768,000 of the general fund--state appropriation
11 for fiscal year 2015, and \$28,567,000 of the general fund--federal
12 appropriation are provided solely for the homecare agency parity
13 impacts of the service employees international union healthcare 775nw
14 arbitration award.

15 (11) \$33,000 of the general fund--state appropriation for fiscal
16 year 2014, \$17,000 of the general fund--state appropriation for fiscal
17 year 2015, and \$50,000 of the general fund--federal appropriation are
18 provided solely for staffing and other expenses associated with the
19 work of the joint legislative executive committee on planning for aging
20 and disability issues that is established by this subsection.

21 (a) A joint legislative executive committee on aging and disability
22 is established, with members as provided in this subsection.

23 (i) Four members of the senate, with the leaders of the two largest
24 caucuses each appointing two members. Four members of the house of
25 representatives, with the leaders of the two largest caucuses each
26 appointing two members;

27 (ii) A member from the office of the governor, appointed by the
28 governor;

29 (iii) The secretary of the department of social and health services
30 or his or her designee;

31 (iv) The director of the health care authority or his or her
32 designee; and

33 (v) The director of the department of retirement systems or his or
34 her designee.

35 (b) The committee must convene by September 1, 2013. At the first
36 meeting, the committee will select cochairs from among its members who
37 are legislators. All meetings of the committee are open to the public.

1 (c) The purpose of the committee is to identify key strategic
2 actions to prepare for the aging of the population in Washington,
3 including state budget and policy options, by conducting at least, but
4 not limited to, the following tasks:

5 (i) Establish a profile of Washington's current population of older
6 people and people with disabilities and a projection of population
7 growth through 2030;

8 (ii) Establish an inventory of services and supports currently
9 available to older people and people with disabilities from the health
10 care and long-term services and support systems and other community
11 resources such as housing, transportation, income support, and
12 protection for vulnerable adults;

13 (iii) Identify state budget and policy options to more effectively
14 use state, federal and private resources to, over time, reduce the
15 growth rate in state expenditures that would otherwise occur by
16 continuing current policy in light of significant population growth;

17 (iv) Identify strategies to better serve the health care needs of
18 an aging population and people with disabilities, and promote healthy
19 living;

20 (v) Identify policy options to create financing mechanisms for
21 long-term services and supports that will promote additional private
22 responsibility for individuals and families to meet their needs for
23 service;

24 (vi) Identify policies to promote financial security in retirement,
25 support people who wish to stay in the workplace longer, and expand the
26 availability of workplace retirement savings plans; and

27 (vii) Identify policy options to help communities adapt to the
28 aging demographic in planning for housing, land use and transportation.

29 (d) The committee shall consult with the office of the insurance
30 commissioner, the caseload forecast council, health care authority, and
31 other appropriate entities with specialized knowledge of the needs and
32 growth trends of the aging population and people with disabilities.

33 (e) Staff support for the committee shall be provided by the office
34 of program research, senate committee services, the office of financial
35 management, and the department of social and health services.

36 (f) Within existing appropriations, the cost of meetings must be
37 paid jointly by the senate, house of representatives, and the office of
38 financial management. Joint committee expenditures are subject to

1 approval by the senate facilities and operations committee and the
2 house of representatives executive rules committee, or their successor
3 committees. The joint committee members may be reimbursed for travel
4 expenses as authorized under RCW 43.03.050 and 43.03.060, and chapter
5 44.04 RCW as appropriate. Advisory committee members may not receive
6 compensation or reimbursement for travel and expenses.

7 (g) The committee shall issue an interim report to the legislature
8 by December 10, 2013, and issue final recommendations to the governor
9 and relevant standing committees of the legislature by December 10,
10 2014.

11 (12) \$240,000 of the general fund--state appropriation for fiscal
12 year 2014, \$1,342,000 of the general fund--state appropriation for
13 fiscal year 2015, and \$1,468,000 of the general fund--federal
14 appropriation are provided solely to implement chapter 320, Laws of
15 2013 (ESHB 1519) and chapter 338, Laws of 2013 (2SSB 5732).

16 (13) The department shall review the capital add-on rate
17 established by RCW 74.39A.320 for effectiveness in incentivizing
18 assisted living facilities to serve Medicaid eligible clients. Upon
19 completing its review, the department shall submit its findings along
20 with recommendations for alternatives to the office of financial
21 management and the fiscal committees of the legislature by December 1,
22 2013. The department is encouraged to engage stakeholders in
23 developing alternatives.

24 (14) \$239,000 of the general fund--state appropriation for fiscal
25 year 2014, \$160,000 of the general fund--state appropriation for fiscal
26 year 2015, and \$398,000 of the general fund--federal appropriation are
27 provided solely to implement chapter 300, Laws of 2013 (SSB 5630).

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

30	General Fund--State Appropriation (FY 2014)	\$402,504,000
31	General Fund--State Appropriation (FY 2015)	\$405,019,000
32	General Fund--Federal Appropriation	\$1,211,774,000
33	General Fund--Private/Local Appropriation	\$30,594,000
34	TOTAL APPROPRIATION	\$2,049,891,000

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

1 (1)(a) \$178,757,000 of the general fund--state appropriation for
2 fiscal year 2014, \$172,999,000 of the general fund--state appropriation
3 for fiscal year 2015, and \$732,881,000 of the general fund--federal
4 appropriation are provided solely for all components of the WorkFirst
5 program. Within the amounts provided for the WorkFirst program, the
6 department may provide assistance using state-only funds for families
7 eligible for temporary assistance for needy families. The department
8 must create a WorkFirst budget structure that allows for transparent
9 tracking of budget units and subunits of expenditures where these units
10 and subunits are mutually exclusive from other department budget units.
11 The budget structure must include budget units for the following: Cash
12 assistance, child care, WorkFirst activities, and administration of the
13 program. Within these budget units, the department must develop
14 program index codes for specific activities and develop allotments and
15 track expenditures using these codes. The department shall report to
16 the office of financial management and the relevant fiscal and policy
17 committees of the legislature prior to adopting the new structure. The
18 secretary of the department of social and health services, working with
19 WorkFirst partner agencies and in collaboration with the WorkFirst
20 oversight task force, shall develop a plan for maximizing the following
21 outcomes and shall report back to the legislature by November 1, 2013.
22 The outcomes to be measured are: (i) Increased employment; (ii)
23 completion of education or post-secondary training; (iii) completion of
24 barrier removal activity including drug and alcohol or mental health
25 treatment; (iv) housing stability; (v) child care or education
26 stability for the children of temporary assistance for needy families
27 recipients; (vi) reduced rate of return after exit from the WorkFirst
28 program; and (vii) work participation requirements.

29 (b) \$406,818,000 of the amounts in (a) of this subsection are
30 provided solely for assistance to clients, including grants, diversion
31 cash assistance, and additional diversion emergency assistance
32 including but not limited to assistance authorized under RCW
33 74.08A.210. The department may use state funds to provide support to
34 working families that are eligible for temporary assistance for needy
35 families but otherwise not receiving cash assistance.

36 (c) \$168,019,000 of the amounts in (a) of this subsection are
37 provided solely for WorkFirst job search, education and training
38 activities, barrier removal services, limited English proficiency

1 services, and tribal assistance under RCW 74.08A.040. The department
2 must allocate this funding based on client outcomes and cost
3 effectiveness measures.

4 (d) \$367,676,000 of the amounts in (a) of this subsection are
5 provided solely for the working connections child care program under
6 RCW 43.215.135.

7 (e) \$142,124,000 of the amounts in (a) of this subsection are
8 provided solely for WorkFirst and working connections child care
9 administration and overhead.

10 (f) The amounts in (b) through (d) of this subsection shall be
11 expended for the programs and in the amounts specified. However, the
12 department may transfer up to 10 percent of funding between (b) through
13 (d) of this subsection, but only if the funding is available or
14 necessary to transfer solely due to utilization, caseload changes, or
15 underperformance in terms of client outcomes. The department shall
16 provide notification prior to any transfer to the office of financial
17 management and to the appropriate legislative committees and the
18 legislative-executive WorkFirst oversight task force. The approval of
19 the director of financial management is required prior to any transfer
20 under this subsection.

21 (2) \$1,657,000 of the general fund--state appropriation for fiscal
22 year 2014 and \$1,657,000 of the general fund--state appropriation for
23 fiscal year 2015 are provided solely for naturalization services.

24 (3) \$2,366,000 of the general fund--state appropriation for fiscal
25 year 2014 is provided solely for employment services for refugees and
26 immigrants, of which \$1,774,000 is provided solely for the department
27 to pass through to statewide refugee and immigrant assistance
28 organizations for limited English proficiency pathway services; and
29 \$2,366,000 of the general fund--state appropriation for fiscal year
30 2015 is provided solely for employment services for refugees and
31 immigrants, of which \$1,774,000 is provided solely for the department
32 to pass through to statewide refugee and immigrant assistance
33 organizations for limited English proficiency pathway services.

34 (4) On December 1, 2013, and annually thereafter, the department
35 must report to the legislature on all sources of funding available for
36 both refugee and immigrant services and naturalization services during
37 the current fiscal year and the amounts expended to date by service

1 type and funding source. The report must also include the number of
2 clients served and outcome data for the clients.

3 (5) To ensure expenditures remain within available funds
4 appropriated in this section, the legislature establishes the benefit
5 under the state food assistance program, pursuant to RCW 74.08A.120, to
6 be seventy-five percent of the federal supplemental nutrition
7 assistance program benefit amount.

8 (6) \$18,000 of the general fund--state appropriation for fiscal
9 year 2014 is provided solely for implementation of section 1, chapter
10 337, Laws of 2013 (2SSB 5595).

11 (7) \$4,729,000 of the general fund--state appropriation for fiscal
12 year 2014 and \$4,729,000 of the general fund--state appropriation for
13 fiscal year 2015 are provided solely for implementation of the
14 telephone assistance program and the Washington information network 211
15 organization pursuant to Substitute House Bill No. 1971 (communication
16 services). Of these funds, \$500,000 of the general fund--state
17 appropriation for fiscal year 2014 and \$500,000 of the general fund--
18 state appropriation for fiscal year 2015 are provided solely for
19 operational support of the Washington information network 211
20 organization. If Substitute House Bill No. 1971 (communication
21 services) is not enacted by June 30, 2013, the amounts provided in this
22 subsection shall lapse.

23 (8) The department shall review clients receiving services through
24 the aged, blind, or disabled assistance program, to determine whether
25 they would benefit from assistance in becoming naturalized citizens,
26 and thus be eligible to receive federal supplemental security income
27 benefits. Those cases shall be given high priority for naturalization
28 funding through the department.

29 (9) The department shall continue the interagency agreement with
30 the department of veterans' affairs to establish a process for referral
31 of veterans who may be eligible for veterans' services. This agreement
32 must include out-stationing department of veterans' affairs staff in
33 selected community service office locations in King and Pierce counties
34 to facilitate applications for veterans' services.

35 (10) \$500,000 of the general fund--state appropriation for fiscal
36 year 2014 and \$1,500,000 of the general fund--state appropriation for
37 fiscal year 2015 are provided solely for implementation of Substitute

1 House Bill No. 2069 (safety net benefits). If the bill is not enacted
2 by June 30, 2013, the amounts provided in this subsection shall lapse.

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 2014)	\$72,650,000
6	General Fund--State Appropriation (FY 2015)	\$61,855,000
7	General Fund--Federal Appropriation	\$277,248,000
8	General Fund--Private/Local Appropriation	\$13,554,000
9	Criminal Justice Treatment Account--State	
10	Appropriation	\$14,568,000
11	Problem Gambling Account--State Appropriation	\$1,450,000
12	TOTAL APPROPRIATION	\$441,325,000

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 or
18 other specialized chemical dependency case management providers for
19 pregnant, post-partum, and parenting women. For all contractors: (a)
20 Service and other outcome data must be provided to the department by
21 request; (b) program modifications needed to maximize access to federal
22 medicaid matching funds will be phased in over the course of the 2013-
23 2015 fiscal biennium; and (c) indirect charges for administering the
24 program shall not exceed ten percent of the total contract amount.

25 (2) Within the amounts appropriated in this section, the department
26 shall continue to provide for chemical dependency treatment services
27 for adult medicaid eligible, pregnant and parenting women, disability
28 lifeline, and alcoholism and drug addiction treatment and support act,
29 and medical care services clients.

30 (3) In accordance with RCW 70.96A.090 and 43.135.055, the
31 department is authorized to adopt fees for the review and approval of
32 treatment programs in fiscal years 2014 and 2015 as necessary to
33 support the costs of the regulatory program. The department's fee
34 schedule shall have differential rates for providers with proof of
35 accreditation from organizations that the department has determined to
36 have substantially equivalent standards to those of the department,
37 including but not limited to the joint commission on accreditation of

1 health care organizations, the commission on accreditation of
2 rehabilitation facilities, and the council on accreditation. To
3 reflect the reduced costs associated with regulation of accredited
4 programs, the department's fees for organizations with such proof of
5 accreditation must reflect the lower cost of licensing for these
6 programs than for other organizations which are not accredited.

7 (4) \$3,500,000 of the general fund--federal appropriation (from the
8 substance abuse prevention and treatment federal block grant) is
9 provided solely for the continued funding of existing county drug and
10 alcohol use prevention programs.

11 (5) \$2,600,000 of the general fund--state appropriation for fiscal
12 year 2014 is provided solely for the department to transition 128 beds
13 from settings that are considered institutions for mental diseases to
14 facilities with no more than 16 beds that are able to claim federal
15 match for services provided to medicaid clients or individuals covered
16 under the department's section 1115 medicaid waiver. The department
17 may conduct a request for proposal process to fulfill this requirement
18 and adopt rates that are comparable to the pilot projects implemented
19 in the 2011-13 fiscal biennium. The department may use these funds to
20 assist with the costs of providers in setting up or converting to 16-
21 bed facilities. This funding may also be used for providers that are
22 developing new capacity for clients who will become eligible for
23 services under the affordable care act medicaid expansion. The number
24 of beds available for pregnant and parenting women must not be reduced.

25 (6) \$283,000 of the criminal justice treatment account
26 appropriation is provided solely for transitional funding for the
27 family drug court in Pierce county.

28 (7) Within the amounts appropriated in this section, the department
29 shall contract with the Washington state institute for public policy
30 for a long-term efficacy study of the chemical dependency treatment
31 programs funded by the division of alcohol and substance abuse. The
32 study shall focus on how many program participants successfully
33 complete dependency programs and how long they abstain from use of
34 drugs and alcohol.

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

37 General Fund--State Appropriation (FY 2014) \$16,478,000

1	General Fund--State Appropriation (FY 2015)	\$16,459,000
2	General Fund--Federal Appropriation	\$99,413,000
3	TOTAL APPROPRIATION	\$132,350,000

4 The appropriations in this section are subject to the following
5 conditions and limitations: \$5,006,000 of the general fund--state
6 appropriation for fiscal year 2014 and \$5,094,000 of the general fund--
7 state appropriation for fiscal year 2015 are provided solely for
8 services and support to individuals who are deaf, hard of hearing, or
9 deaf-blind.

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

12	General Fund--State Appropriation (FY 2014)	\$36,420,000
13	General Fund--State Appropriation (FY 2015)	\$35,813,000
14	TOTAL APPROPRIATION	\$72,233,000

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

17 (1) The department of social and health services shall transfer the
18 stewardship of McNeil Island to the department of corrections
19 industries program, effective September 1, 2013. The transferred
20 responsibilities shall include marine operations, waste water
21 treatment, water treatment, road maintenance, and any other general
22 island maintenance that is not site specific to the operations of the
23 special commitment center or the Pierce county secure community
24 transition facility. Facility maintenance within the perimeter of the
25 special commitment center shall remain the responsibility of the
26 department of social and health services. Capital repairs and
27 maintenance necessary to maintain the special commitment center on
28 McNeil Island shall be managed by the department of social and health
29 services. The legislature directs both departments to enter into an
30 interagency agreement by August 1, 2013. The office of financial
31 management shall oversee the negotiations of the interagency agreement.
32 The interagency agreement must describe equipment that will transfer
33 between the departments, warehouse space that will be shared by the
34 departments, and occupancy requirements for any shops outside the
35 perimeter of the special commitment center. The office of financial
36 management will make the final determination on any disagreements
37 between the departments on the details of the interagency agreement.

1 (2) \$3,120,000 of the general fund--state appropriation for fiscal
2 year 2014 and \$3,120,000 of the general fund--state appropriation for
3 fiscal year 2015 are provided solely for operational costs specific to
4 island operations of the special commitment center and the Pierce
5 county secure community transition facility. The department shall
6 establish an accounting structure that enables it to track and report
7 on costs specific to island operations.

8 (3) All employees of the department of social and health services
9 engaged in performing the powers, functions, and duties transferred to
10 the department of corrections industries program under this subsection,
11 are transferred to the department of corrections.

12 (4) All classified employees of the department of social and health
13 services assigned to the department of corrections under this
14 subsection whose positions are within an existing bargaining unit
15 description at the department of corrections shall become a part of the
16 existing bargaining unit at the department of corrections and shall be
17 considered an appropriate inclusion or modification of the existing
18 bargaining unit under the provisions of chapter 41.80 RCW.

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

21	General Fund--State Appropriation (FY 2014)	\$30,127,000
22	General Fund--State Appropriation (FY 2015)	\$29,333,000
23	General Fund--Federal Appropriation	\$37,150,000
24	General Fund--Private/Local Appropriation . . . . .	.\$654,000
25	TOTAL APPROPRIATION	\$97,264,000

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

28 (1) \$395,000 of the general fund--state appropriation for fiscal
29 year 2014, \$228,000 of the general fund--state appropriation for fiscal
30 year 2015, and \$335,000 of the general fund--federal appropriation are
31 provided solely to implement chapter 320, Laws of 2013 (ESHB 1519) and
32 chapter 338, Laws of 2013 (2SSB 5732).

33 (2) \$300,000 of the general fund--state appropriation for fiscal
34 year 2014 and \$300,000 of the general fund--state appropriation for
35 fiscal year 2015 are provided solely for the Washington state mentors
36 program to continue its public-private partnerships to provide

1 technical assistance and training to mentoring programs that serve
2 at-risk youth.

3 (3) \$82,000 of the general fund--state appropriation for fiscal
4 year 2014, \$44,000 of the general fund--state appropriation for fiscal
5 year 2015, and \$28,000 of the general fund--federal appropriation are
6 provided solely to develop a report on state efforts to prevent and
7 control diabetes. The department, the health care authority, and the
8 department of health shall submit a coordinated report to the governor
9 and the appropriate committees of the legislature by December 31, 2014,
10 on the following:

11 (a) The financial impacts and reach that diabetes of all types and
12 undiagnosed gestational diabetes are having on the programs
13 administered by each agency and individuals, including children with
14 mothers with undiagnosed gestational diabetes, enrolled in those
15 programs. Items in this assessment must include: (i) The number of
16 lives with diabetes and undiagnosed gestational diabetes impacted or
17 covered by the programs administered by each agency; (ii) the number of
18 lives with diabetes, or at risk for diabetes, and family members
19 impacted by prevention and diabetes control programs implemented by
20 each agency; (iii) the financial toll or impact diabetes and its
21 complications, and undiagnosed gestational diabetes and the
22 complications experienced during labor to children of mothers with
23 gestational diabetes places on these programs in comparison to other
24 chronic diseases and conditions; and (iv) the financial toll or impact
25 diabetes and its complications, and diagnosed gestational diabetes and
26 the complications experienced during labor to children of mothers with
27 gestational diabetes places on these programs;

28 (b) An assessment of the benefits of implemented and existing
29 programs and activities aimed at controlling all types of diabetes and
30 preventing the disease. This assessment must also document the amount
31 and source for any funding directed to each agency for the programs and
32 activities aimed at reaching those with diabetes of all types;

33 (c) A description of the level of coordination existing between the
34 agencies on activities, programmatic activities, and messaging on
35 managing, treating, or preventing all types of diabetes and its
36 complications;

37 (d) The development or revision of detailed policy-related action
38 plans and budget recommendations for battling diabetes and undiagnosed

1 gestational diabetes that includes a range of actionable items for
 2 consideration by the legislature. The plans and budget recommendations
 3 must identify proposed action steps to reduce the impact of diabetes,
 4 prediabetes, related diabetes complications, and undiagnosed
 5 gestational diabetes. The plans and budget recommendations must also
 6 identify expected outcomes of the action steps proposed in the
 7 following biennium while also establishing benchmarks for controlling
 8 and preventing all types of diabetes; and

9 (e) An estimate of savings, efficiencies, costs, and budgetary
 10 savings and resources required to implement the plans and budget
 11 recommendations identified in (d) of this subsection (5).

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

14	General Fund--State Appropriation (FY 2014)	\$60,470,000
15	General Fund--State Appropriation (FY 2015)	\$60,511,000
16	General Fund--Federal Appropriation	\$55,264,000
17	TOTAL APPROPRIATION	\$176,245,000

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

19	General Fund--State Appropriation (FY 2014)	\$2,131,026,000
20	General Fund--State Appropriation (FY 2015)	\$2,114,731,000
21	General Fund--Federal Appropriation	\$7,245,749,000
22	General Fund--Private/Local Appropriation	\$57,780,000
23	Emergency Medical Services and Trauma Care Systems	
24	Trust Account--State Appropriation	\$15,082,000
25	Hospital Safety Net Assessment Fund--State	
26	Appropriation	\$669,381,000
27	Health Benefit Exchange Account--State Appropriation	\$17,277,000
28	State Health Care Authority Administration Account--	
29	State Appropriation	\$34,809,000
30	Medical Aid Account--State Appropriation	\$528,000
31	Medicaid Fraud Penalty Account--State Appropriation	\$21,206,000
32	TOTAL APPROPRIATION	\$12,307,569,000

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

35 (1) \$1,143,994,000 of the general fund--federal appropriation is
 36 provided solely to implement the medicaid expansion as defined in the

1 social security act, section 1902(a)(10)(A)(i)(VIII), subject to the
2 conditions and limitations in this subsection. If the federal medical
3 assistance percentage for the medicaid expansion falls below the
4 percentages in section 1905(y) of the social security act as of July 1,
5 2013, the authority shall ensure that the state does not incur any
6 additional state costs above what would have been incurred had the
7 federal medical assistance percentages remained at the percentages in
8 section 1905(y) as of July 1, 2013. The director is authorized to make
9 any necessary program adjustments to comply with this requirement,
10 including adding or adjusting premiums, modifying benefits, or reducing
11 optional programs. To the extent a waiver is needed to accomplish
12 this, the director shall promptly apply for such waiver. If a
13 necessary waiver is not approved, the medicaid expansion program shall
14 be terminated upon appropriate notification to the legislature and
15 enrollees.

16 (2) The requirements of this subsection apply to the basic health
17 plan. This subsection is null and void and has no further effect upon
18 implementation of the medicaid expansion under subsection (1) of this
19 section.

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

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

35 (c) The administrator shall take at least the following actions to
36 assure that persons participating in the basic health plan are eligible
37 for the level of assistance they receive: (a) Require submission of
38 (i) income tax returns, and recent pay history, from all applicants, or

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

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

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

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

37 (5) In determining financial eligibility for medicaid-funded

1 services, the health care authority is authorized to disregard
2 recoveries by Holocaust survivors of insurance proceeds or other
3 assets, as defined in RCW 48.104.030.

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

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

12 (8) \$4,261,000 of the general fund--state appropriation for fiscal
13 year 2014, \$4,261,000 of the general fund--state appropriation for
14 fiscal year 2015, and \$8,522,000 of the general fund--federal
15 appropriation are provided solely for low-income disproportionate share
16 hospital payments.

17 (9) \$400,000 of the general fund--state appropriation for fiscal
18 year 2014, \$400,000 of the general fund--state appropriation for fiscal
19 year 2015, and \$800,000 of the general fund--federal appropriation are
20 provided solely for disproportionate share hospital payments to rural
21 hospitals certified by the centers for medicare and medicaid services
22 as sole community hospitals as of January 1, 2013, with less than one
23 hundred fifty acute care licensed beds in fiscal year 2011 that do not
24 participate in the certified public expenditures program.

25 (10) \$100,000 of the general fund--state appropriation for fiscal
26 year 2014 and \$100,000 of the general fund--state appropriation for
27 fiscal year 2015 are provided solely for grants to rural hospitals in
28 Clallam county that were certified by the centers for medicare and
29 medicaid services as sole community hospitals as of January 1, 2013,
30 with less than one hundred fifty acute care licensed beds in fiscal
31 year 2011.

32 (11) Within the amounts appropriated in this section, the health
33 care authority shall provide disproportionate share hospital payments
34 to hospitals that provide services to children in the children's health
35 program who are not eligible for services under Title XIX or XXI of the
36 federal social security act due to their citizenship status.

37 (12) \$6,000,000 of the general fund--federal appropriation is
38 provided solely for supplemental payments to nursing homes operated by

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

21 (13) The health care authority shall continue the inpatient
22 hospital certified public expenditures program for the 2013-2015 fiscal
23 biennium. The program shall apply to all public hospitals, including
24 those owned or operated by the state, except those classified as
25 critical access hospitals or state psychiatric institutions. The
26 health care authority shall submit reports to the governor and
27 legislature by November 1, 2013, and by November 1, 2014, that evaluate
28 whether savings continue to exceed costs for this program. If the
29 certified public expenditures (CPE) program in its current form is no
30 longer cost-effective to maintain, the health care authority shall
31 submit a report to the governor and legislature detailing
32 cost-effective alternative uses of local, state, and federal resources
33 as a replacement for this program. During fiscal year 2014 and fiscal
34 year 2015, hospitals in the program shall be paid and shall retain one
35 hundred percent of the federal portion of the allowable hospital cost
36 for each medicaid inpatient fee-for-service claim payable by medical
37 assistance and one hundred percent of the federal portion of the
38 maximum disproportionate share hospital payment allowable under federal

1 regulations. Inpatient medicaid payments shall be established using an
2 allowable methodology that approximates the cost of claims submitted by
3 the hospitals. Payments made to each hospital in the program in each
4 fiscal year of the biennium shall be compared to a baseline amount.
5 The baseline amount will be determined by the total of (a) the
6 inpatient claim payment amounts that would have been paid during the
7 fiscal year had the hospital not been in the CPE program based on the
8 reimbursement rates developed, implemented, and consistent with
9 policies approved in the 2013-2015 biennial operating appropriations
10 act and in effect on July 1, 2013, (b) one-half of the indigent
11 assistance disproportionate share hospital payment amounts paid to and
12 retained by each hospital during fiscal year 2005, and (c) all of the
13 other disproportionate share hospital payment amounts paid to and
14 retained by each hospital during fiscal year 2005 to the extent the
15 same disproportionate share hospital programs exist in the 2013-2015
16 fiscal biennium. If payments during the fiscal year exceed the
17 hospital's baseline amount, no additional payments will be made to the
18 hospital except the federal portion of allowable disproportionate share
19 hospital payments for which the hospital can certify allowable match.
20 If payments during the fiscal year are less than the baseline amount,
21 the hospital will be paid a state grant equal to the difference between
22 payments during the fiscal year and the applicable baseline amount.
23 Payment of the state grant shall be made in the applicable fiscal year
24 and distributed in monthly payments. The grants will be recalculated
25 and redistributed as the baseline is updated during the fiscal year.
26 The grant payments are subject to an interim settlement within eleven
27 months after the end of the fiscal year. A final settlement shall be
28 performed. To the extent that either settlement determines that a
29 hospital has received funds in excess of what it would have received as
30 described in this subsection, the hospital must repay the excess
31 amounts to the state when requested. \$3,860,000 of the general
32 fund--state appropriation for fiscal year 2014 and \$1,137,000 of the
33 general fund--state appropriation for fiscal year 2015 are provided
34 solely for state grants for the participating hospitals.

35 (14) The health care authority shall seek public-private
36 partnerships and federal funds that are or may become available to
37 provide on-going support for outreach and education efforts under the

1 federal children's health insurance program reauthorization act of
2 2009.

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

15 (16) \$170,000 of the general fund--state appropriation for fiscal
16 year 2014, \$121,000 of the general fund--state appropriation for fiscal
17 year 2015, and \$292,000 of the general fund--federal appropriation are
18 provided solely to implement Engrossed Substitute House Bill No. 1519
19 (service coordination organizations) and Second Substitute Senate Bill
20 No. 5732 (behavioral health services). If neither of the bills is
21 enacted by June 30, 2013, the amounts provided in this subsection shall
22 lapse.

23 (17) \$57,000 of the general fund--state appropriation for fiscal
24 year 2014, \$40,000 of the general fund--state appropriation for fiscal
25 year 2015, and \$55,000 of the general fund--federal appropriation are
26 provided solely to develop a report on state efforts to prevent and
27 control diabetes. The authority, the department of social and health
28 services, and the department of health shall submit a coordinated
29 report to the governor and the appropriate committees of the
30 legislature by December 31, 2014, on the following:

31 (a) The financial impacts and reach that diabetes of all types and
32 undiagnosed gestational diabetes are having on the programs
33 administered by each agency and individuals, including children with
34 mothers with undiagnosed gestational diabetes, enrolled in those
35 programs. Items in this assessment must include: (i) The number of
36 lives with diabetes and undiagnosed gestational diabetes impacted or
37 covered by the programs administered by each agency; (ii) the number of
38 lives with diabetes, or at risk for diabetes, and family members

1 impacted by prevention and diabetes control programs implemented by
2 each agency; (iii) the financial toll or impact diabetes and its
3 complications, and undiagnosed gestational diabetes and the
4 complications experienced during labor to children of mothers with
5 gestational diabetes places on these programs in comparison to other
6 chronic diseases and conditions; and (iv) the financial toll or impact
7 diabetes and its complications, and diagnosed gestational diabetes and
8 the complications experienced during labor to children of mothers with
9 gestational diabetes places on these programs;

10 (b) An assessment of the benefits of implemented and existing
11 programs and activities aimed at controlling all types of diabetes and
12 preventing the disease. This assessment must also document the amount
13 and source for any funding directed to each agency for the programs and
14 activities aimed at reaching those with diabetes of all types;

15 (c) A description of the level of coordination existing between the
16 agencies on activities, programmatic activities, and messaging on
17 managing, treating, or preventing all types of diabetes and its
18 complications;

19 (d) The development or revision of detailed policy-related action
20 plans and budget recommendations for battling diabetes and undiagnosed
21 gestational diabetes that includes a range of actionable items for
22 consideration by the legislature. The plans and budget recommendations
23 must identify proposed action steps to reduce the impact of diabetes,
24 prediabetes, related diabetes complications, and undiagnosed
25 gestational diabetes. The plans and budget recommendations must also
26 identify expected outcomes of the action steps proposed in the
27 following biennium while also establishing benchmarks for controlling
28 and preventing all types of diabetes; and

29 (e) An estimate of savings, efficiencies, costs, and budgetary
30 savings and resources required to implement the plans and budget
31 recommendations identified in (d) of this subsection (17).

32 (18) Within the amounts appropriated in this section, the authority
33 shall identify strategies to improve patient adherence to treatment
34 plans for diabetes and implement these strategies as a pilot through
35 one health home program to be identified by the authority. The
36 authority shall report to the governor and the legislature in December
37 2014 on the progress of strategy implementation. The authority shall
38 report to the governor and legislature in December 2015 on patient

1 outcomes and cost savings derived from new adherence strategies in the
2 health home model and make recommendations for improving the
3 strategies.

4 (19) Effective January 1, 2014, managed care contracts must
5 incorporate accountability measures that monitor patient health and
6 improved health outcomes, and shall include an expectation that each
7 patient receive a wellness examination that documents the baseline
8 health status and allows for monitoring of health improvements and
9 outcome measures.

10 (20) \$25,000 of the general fund--state appropriation for fiscal
11 year 2014 and \$25,000 of the general fund--federal appropriation are
12 provided solely for the development of recommendations for funding
13 integrated school nursing and outreach services. The authority shall
14 collaborate with the office of the superintendent of public instruction
15 to develop recommendations for increasing federal financial
16 participation for providing nursing services in schools with the goals
17 of integrating nursing and outreach services and supporting one nurse
18 for every four hundred fifty students in elementary schools and one
19 nurse for every seven hundred fifty students in secondary schools. In
20 developing these recommendations, the authority shall inquire with the
21 federal centers for medicare and medicaid services about state plan
22 amendment or waiver options for receiving additional federal matching
23 funds for school nursing services provided to children enrolled in
24 apple health for kids. The recommendations shall include proposals for
25 funding training and reimbursement for nurses that provide outreach
26 services to help eligible students enroll in apple health for kids and
27 other social services programs. The authority and the office of the
28 superintendent of public instruction shall provide these
29 recommendations to the governor and the legislature by December 1,
30 2013.

31 (21) \$430,000 of the general fund--state appropriation for fiscal
32 year 2014 and \$500,000 of the general fund--federal appropriation are
33 provided solely to complete grant requirements for the health
34 information exchange.

35 (22) \$143,000 of the medicaid fraud penalty account--state
36 appropriation and \$423,000 of the general fund--federal appropriation
37 are provided solely for the rebasing of outpatient and inpatient
38 payment methods.

1 (23) \$1,163,000 of the medicaid fraud penalty account--state
2 appropriation and \$9,710,000 of the general fund--federal appropriation
3 are provided solely to implement the conversion to the tenth version of
4 the world health organization's international classification of
5 diseases.

6 (24) \$111,000 of the general fund--state appropriation for fiscal
7 year 2014, \$35,000 of the general fund--state appropriation for fiscal
8 year 2015, and \$359,000 of the general fund--federal appropriation are
9 provided solely to update the medicaid information technology
10 architecture state self-assessment and to develop the five year road
11 map for the medicaid information technology architecture architect.

12 (25) \$62,000 of the general fund--state appropriation for fiscal
13 year 2014, \$62,000 of the general fund--state appropriation for fiscal
14 year 2015, and \$126,000 of the general fund--federal appropriation are
15 provided solely to support the Robert Bree collaborative's efforts to
16 disseminate evidence-based best practices for preventing and treating
17 health problems.

18 (26) Within the amounts appropriated in this section, the authority
19 shall increase reimbursement rates for primary care services provided
20 by independent nurse practitioners to medicare levels for the period
21 from July 1, 2013, to December 31, 2014.

22 (27) The authority shall seek a medicaid state plan amendment to
23 create a professional services supplemental payment managed care
24 program for professional services delivered to managed care recipients
25 by University of Washington medicine and other public professional
26 providers. This program shall be effective as soon as administratively
27 possible and shall operate concurrently with the existing professional
28 services supplemental payment program. The authority shall apply
29 federal rules for identifying the difference between average commercial
30 rates and fee-for-service medicaid payments. This difference will be
31 multiplied by the number of managed care encounters and incorporated
32 into the managed care plan capitation rates by a certified actuary.
33 The managed care plans will pay the providers the difference
34 attributable to the increased capitation rate. Participating providers
35 shall be solely responsible for providing the local funds required to
36 obtain federal matching funds. Any incremental costs incurred by the
37 authority in the development, implementation, and maintenance of this
38 program shall be the responsibility of the participating providers.

1 Participating providers shall retain the full amount of supplemental
2 payments provided under this program, net of any costs related to the
3 program that are disallowed due to audits or litigation against the
4 state.

5 (28) Sufficient amounts are appropriated in this section for the
6 authority to provide an adult dental benefit beginning January 1, 2014.

7 (29) To the extent allowed under federal law, the authority shall
8 require an adult client to enroll in full medicaid coverage instead of
9 family planning-only coverage unless the client is at risk of domestic
10 violence.

11 (30) The authority shall facilitate enrollment under the medicaid
12 expansion for clients applying for or receiving state funded services
13 from the authority and its contractors. Prior to open enrollment, the
14 authority shall coordinate with the department of social and health
15 services to provide referrals to the Washington health benefit exchange
16 for clients that will be ineligible for the medicaid expansion but are
17 enrolled in coverage that will be eliminated in the transition to the
18 medicaid expansion.

19 (31) \$90,000 of the general fund--state appropriation for fiscal
20 year 2014, \$90,000 of the general fund--state appropriation for fiscal
21 year 2015, and \$180,000 of the general fund--federal appropriation are
22 provided solely to continue operation by a nonprofit organization of a
23 toll-free hotline that assists families to learn about and enroll in
24 the apple health for kids program.

25 (32) Within the amounts appropriated in this section, the authority
26 shall reduce premiums for children with family incomes above 200
27 percent of the federal poverty level in the state-funded children's
28 health program who are not eligible for coverage under the federal
29 children's health insurance program. Premiums in the state and federal
30 children's health insurance program shall be equal.

31 (33) The appropriations in this section reflect savings and
32 efficiencies by transferring children receiving medical care provided
33 through fee-for-service to medical care provided through managed care.

34 (34) \$150,000 of the general fund--state appropriation for fiscal
35 year 2014, \$436,000 of the general fund--state appropriation for fiscal
36 year 2015, and \$170,561,000 of the general fund--federal appropriation
37 are provided solely for the provider incentive program and other
38 initiatives related to the health information technology medicaid plan.

1 (35) The authority shall purchase a brand name drug when it
2 determines that the cost of the brand name drug after rebates is less
3 than the cost of generic alternatives and that purchase of the brand
4 rather than generic version can save at least \$250,000. The authority
5 may purchase generic alternatives when changes in market prices make
6 the price of the brand name drug after rebates more expensive than the
7 generic alternatives.

8 (36) The authority shall not subject antiretroviral drugs used to
9 treat HIV/AIDS, anticancer medications used to kill or slow the growth
10 of cancerous cells, antihemophilic drugs, or transplant drugs to any
11 medicaid preferred drug list or formulary for the fee-for-service
12 population.

13 (37) \$1,531,000 of the general fund--state appropriation for fiscal
14 year 2014, \$280,000 of the general fund--state appropriation for fiscal
15 year 2015, and \$10,803,000 of the general fund--federal appropriation
16 are provided solely to implement phase two of the project to create a
17 single provider payment system that consolidates medicaid medical and
18 social services payments and replaces the social service payment
19 system. The amounts provided in this subsection are conditioned on the
20 authority satisfying the requirements of the project management
21 oversight standards and policies established by the office of the chief
22 information officer.

23 (38) Within the amounts appropriated in this section, the health
24 care authority and the department of social and health services shall
25 implement the state option to provide health homes for enrollees with
26 chronic conditions under section 2703 of the federal affordable care
27 act. The total state match for enrollees who are dually-eligible for
28 both medicare and medicaid and not enrolled in managed care shall be no
29 more than the net savings to the state from the enhanced match rate for
30 its medicaid-only managed care enrollees under section 2703.

31 (39) The health care authority shall not initiate any services that
32 require expenditure of state general fund moneys unless expressly
33 authorized in this act or other law. The health care authority may
34 seek, receive, and spend, under RCW 43.79.260 through 43.79.282,
35 federal moneys not anticipated in this act as long as the federal
36 funding does not require expenditure of state moneys for the program in
37 excess of amounts anticipated in this act. If the health care
38 authority receives unanticipated unrestricted federal moneys, those

1 moneys shall be spent for services authorized in this act or in any
2 other legislation providing appropriation authority, and an equal
3 amount of appropriated state general fund moneys shall lapse. Upon the
4 lapsing of any moneys under this subsection, the office of financial
5 management shall notify the legislative fiscal committees. As used in
6 this subsection, "unrestricted federal moneys" includes block grants
7 and other funds that federal law does not require to be spent on
8 specifically defined projects or matched on a formula basis by state
9 funds.

10 (40) Within the amounts appropriated in this section, the authority
11 shall reimburse for primary care services provided by naturopathic
12 physicians.

13 (41) Within amounts appropriated, the health care authority shall
14 conduct a review of its management and staffing structure to identify
15 efficiencies and opportunities to reduce full time equivalent employees
16 and other administrative costs. A report summarizing the review and
17 the authority's recommendations to reduce costs and full time
18 equivalent employees must be submitted to the governor and legislature
19 by November 1, 2013.

20 (42) \$17,279,000 of the health benefit exchange account--state
21 appropriation and \$2,721,000 of the general fund--federal appropriation
22 are provided solely to support the operations of the Washington health
23 benefit exchange from January 1, 2015, to June 30, 2015. The
24 Washington state health insurance pool administrator shall transfer
25 \$20,838,000 of pool contributions to the treasurer for deposit into the
26 health benefit exchange account in calendar year 2014.

27 (43) Within the amounts appropriated in this section, the authority
28 shall continue to provide coverage after December 31, 2013, for
29 pregnant teens that qualify under existing pregnancy medical programs,
30 but whose eligibility for pregnancy related services would otherwise
31 end due to the application of the new modified adjusted gross income
32 eligibility standard.

33 (44) Upon implementation of the medicaid expansion under subsection
34 (1) of this section, the breast and cervical cancer treatment program
35 is eliminated. To maintain continuity of coverage, the authority shall
36 offer the option to stay in a fee-for-service program to clients that
37 are already enrolled in the breast and cervical cancer treatment
38 program and will be transitioned into the new adult group upon

1 implementation of the medicaid expansion. The authority will continue
2 to provide coverage to clients that are already enrolled in the breast
3 and cervical cancer treatment program at the time of program
4 elimination until their courses of treatment are completed.

5 (45) \$40,000 of the general fund--state appropriation for fiscal
6 year 2014 and \$40,000 of the general fund--federal appropriation are
7 provided solely for the authority to create a new position to provide
8 adequate oversight and assistance to managed care organizations, rural
9 health clinics, and federally qualified health centers under a new
10 administratively streamlined payment methodology. Effective July 1,
11 2013, or upon obtaining any necessary federal approval, but in no case
12 during the first quarter of a calendar year, the authority shall
13 implement an administratively streamlined payment methodology for
14 federally qualified health centers and rural health clinics. The
15 authority's payments to managed care organizations shall include the
16 full encounter payment comprised of both the standard and enhancement
17 payments for federally qualified health centers and rural health
18 clinics as defined in the medicaid state plan and in accordance with
19 section 1902(bb) of the social security act (42 U.S.C. 1396a(bb)). At
20 no time will a managed care organization be at risk for or have any
21 claim to the supplemental payment portion of the rate which will be
22 reconciled to ensure accurate payment and full pass through of the
23 obligated funds. For any services eligible for encounter payments, as
24 defined in the medicaid state plan, managed care organizations shall be
25 required to pay at least the full published encounter rates directly to
26 each clinic or center, and payments will be reconciled on at least an
27 annual basis between the managed care organization and the authority,
28 with final review and approval by the authority. At the option of any
29 clinic, the enhancement payment can be received from the managed care
30 organization on a per member per month basis for all assigned managed
31 care enrollees in an amount prescribed by the authority. Nothing in
32 this section is intended to disrupt mutually agreeable contractual
33 arrangements between managed care organizations and clinics that impact
34 how the standard payment for services is paid. The authority will
35 require participating managed care organizations to reimburse federally
36 qualified health centers and rural health clinics for clean claims in
37 strict adherence to the timeliness of payment standards established
38 under contract and specified for the medicaid fee-for-service program

1 in section 1902(a)(37) of the social security act (42 U.S.C.
2 1396a(a)(37)), 42 C.F.R. Sec. 447.46, and specified for health carriers
3 in WAC 284-43-321. The authority shall exercise all necessary options
4 under its existing sanctions policy to enforce timely payment of
5 claims. The authority shall ensure necessary staff and resources are
6 identified to actively monitor and enforce the timeliness and accuracy
7 of payments to federally qualified health centers and rural health
8 clinics. By January 1, 2014, and after collaboration with federally
9 qualified health centers, rural health clinics, managed care plans, and
10 the centers for medicare and medicaid services, the authority will
11 produce a report that provides options for a new payment methodology
12 that rewards innovation and outcomes over volume of services delivered,
13 and which maintains the integrity of the rural health clinic and
14 federally qualified health center programs as outlined under federal
15 law. The report will detail necessary federal authority for
16 implementation and provide the benefits and drawbacks of each option.

17 (46) \$3,605,000 of the general fund--state appropriation for fiscal
18 year 2014 is provided solely to proportionally reduce the amounts that
19 rural health clinics owe the state under the calendar year 2009
20 recoupment.

21 (47) Sufficient amounts are appropriated in this section to remove
22 the mental health visit limit and to provide the shingles vaccine and
23 screening, brief intervention, and referral to treatment benefits that
24 are available in the medicaid alternative benefit plan in the current
25 medicaid benefit plan beginning January 1, 2014. The authority shall
26 monitor the costs of the habilitative benefit as part of the
27 forecasting process but shall not provide this benefit in the current
28 medicaid benefit plan without a direct appropriation in the omnibus
29 appropriations act.

30 (48) The appropriations in this section reflect savings and
31 efficiencies achieved by modifying dispensing methods of contraceptive
32 drugs. The authority must make arrangements for all medicaid programs
33 offered through managed care plans or fee-for-service programs to
34 require dispensing of contraceptive drugs with a one-year supply
35 provided at one time unless a patient requests a smaller supply or the
36 prescribing physician instructs that the patient must receive a smaller
37 supply. Contracts with managed care plans must allow on-site
38 dispensing of the prescribed contraceptive drugs at family planning

1 clinics. Dispensing practices must follow clinical guidelines for
2 appropriate prescribing and dispensing to ensure the health of the
3 patient while maximizing access to effective contraceptive drugs.

4 (49)(a) \$75,000 of the general fund--state appropriation for fiscal
5 year 2014 and \$75,000 of the general fund--federal appropriation are
6 provided solely for preparing options with an expert consultant for
7 possible implementation of a targeted premium assistance program and
8 possible implementation of the federal basic health option. \$75,000 of
9 the amounts appropriated in this subsection is provided solely for the
10 development of options related to the targeted premium assistance
11 program. The authority shall develop options for a waiver request to
12 the federal centers for medicare and medicaid services to implement a
13 targeted premium assistance program for the expansion adults,
14 identified in section 1902(a)(10)(A)(i)(VIII) of the social security
15 act, with incomes above one hundred percent of the federal poverty
16 level, and for children covered in the children's health insurance
17 program with incomes above two hundred percent of the federal poverty
18 level, with a goal of providing seamless coverage through the health
19 benefit exchange and improving opportunities for families to be covered
20 in the same health plans. The options must include the possibility of
21 applying premiums for individuals and cost-sharing that may exceed the
22 five percent of family income cap under federal law, and the options
23 must include recommendations to make the targeted premium assistance
24 program cost neutral. The authority shall submit a report on the
25 options to the legislature and the governor by January 1, 2014. The
26 authority is encouraged to be creative, use subject matter experts, and
27 exhaust all possible options to achieve cost neutrality. The report
28 shall also include a detailed plan and timeline. \$75,000 of the
29 amounts appropriated in this subsection is provided solely for the
30 development of options related to the federal basic health option. The
31 authority shall prepare options for implementing the federal basic
32 health option as federal guidance becomes available. The authority
33 shall submit a report on the options to the legislature and the
34 governor by January 1, 2014, or ninety days following the release of
35 federal guidance. The report must include a comparison of the premiums
36 and cost-sharing under the federal basic health option with the premium
37 assistance options described in this subsection, options for
38 implementing the federal basic health option in combination with a

1 premium assistance program, a detailed fiscal analysis for each
2 coverage approach, including the estimated costs for system design and
3 implementation, and information about impacted populations.

4 (b) Where possible, the authority shall leverage the same expert
5 consultants to review each proposal and compare and contrast the
6 approaches to ensure seamless coordination with the health benefit
7 exchange.

8 (c) The authority shall collaborate with the joint select committee
9 on health care oversight in the development of these options.

10 NEW SECTION. **Sec. 214. FOR THE HUMAN RIGHTS COMMISSION**

11	General Fund--State Appropriation (FY 2014)	\$2,077,000
12	General Fund--State Appropriation (FY 2015)	\$1,996,000
13	General Fund--Federal Appropriation	\$2,185,000
14	TOTAL APPROPRIATION	\$6,258,000

15 The appropriations in this section are subject to the following
16 conditions and limitations: \$218,000 of the general fund--federal
17 appropriation is provided for additional financial resources from the
18 U.S. department of housing and urban development for the investigation
19 of discrimination cases involving service animals.

20 NEW SECTION. **Sec. 215. FOR THE BOARD OF INDUSTRIAL INSURANCE**
21 **APPEALS**

22	Worker and Community Right-to-Know Account--State	
23	Appropriation	\$10,000
24	Accident Account--State Appropriation	\$19,763,000
25	Medical Aid Account--State Appropriation	\$19,763,000
26	TOTAL APPROPRIATION	\$39,536,000

27 NEW SECTION. **Sec. 216. FOR THE CRIMINAL JUSTICE TRAINING**
28 **COMMISSION**

29	General Fund--State Appropriation (FY 2014)	\$14,257,000
30	General Fund--State Appropriation (FY 2015)	\$14,159,000
31	General Fund--Private/Local Appropriation	\$3,059,000
32	Death Investigations Account--State Appropriation	\$148,000
33	Municipal Criminal Justice Assistance Account--	
34	State Appropriation	\$460,000
35	Washington Auto Theft Prevention Authority Account--	

1	State Appropriation	\$8,597,000
2	TOTAL APPROPRIATION	\$40,680,000

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

5 (1) \$5,000,000 of the general fund--state appropriation for fiscal
6 year 2014 and \$5,000,000 of the general fund--state appropriation for
7 fiscal year 2015, are provided to the Washington association of
8 sheriffs and police chiefs solely to verify the address and residency
9 of registered sex offenders and kidnapping offenders under RCW
10 9A.44.130.

11 (2) \$340,000 of the general fund--local appropriation is provided
12 solely to purchase ammunition for the basic law enforcement academy.
13 Jurisdictions shall reimburse to the criminal justice training
14 commission the costs of ammunition, based on the average cost of
15 ammunition per cadet, for cadets that they enroll in the basic law
16 enforcement academy.

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

19 (4) \$100,000 of the general fund--state appropriation for fiscal
20 year 2014 and \$100,000 of the general fund--state appropriation for
21 fiscal year 2015 are provided solely for a school safety program. The
22 commission, in collaboration with the school safety center advisory
23 committee, shall provide the school safety training for all school
24 administrators and school safety personnel hired after the effective
25 date of this section.

26 (5) \$96,000 of the general fund--state appropriation for fiscal
27 year 2014 and \$96,000 of the general fund--state appropriation for
28 fiscal year 2015 are provided solely for the school safety center
29 within the commission. The safety center shall act as an information
30 dissemination and resource center when an incident occurs in a school
31 district in Washington or in another state, coordinate activities
32 relating to school safety, and review and approve manuals and curricula
33 used for school safety models and training. Through an interagency
34 agreement, the commission shall provide funding for the office of the
35 superintendent of public instruction to continue to develop and
36 maintain a school safety information web site. The school safety
37 center advisory committee shall develop and revise the training
38 program, using the best practices in school safety, for all school

1 safety personnel. The commission shall provide research-related
2 programs in school safety and security issues beneficial to both law
3 enforcement and schools.

4 (6) \$123,000 of the general fund--state appropriation for fiscal
5 year 2014 and \$123,000 of the general fund--state appropriation for
6 fiscal year 2015 are provided solely for the costs of providing
7 statewide advanced driving training with the use of a driving
8 simulator.

9 (7) \$165,000 of the general fund--state appropriation for fiscal
10 year 2014 and \$165,000 of the general fund--state appropriation for
11 fiscal year 2015 are provided solely for crisis intervention training
12 for peace officers. The commission shall incorporate eight hours of
13 crisis intervention curriculum into its basic law enforcement academy
14 and shall offer an eight-hour in-service crisis intervention training
15 course.

16 NEW SECTION. **Sec. 217. FOR THE DEPARTMENT OF LABOR AND**
17 **INDUSTRIES**

18	General Fund--State Appropriation (FY 2014)	\$17,158,000
19	General Fund--State Appropriation (FY 2015)	\$17,733,000
20	General Fund--Federal Appropriation	\$11,876,000
21	Asbestos Account--State Appropriation	\$366,000
22	Electrical License Account--State Appropriation	\$37,124,000
23	Farm Labor Contractor Account--State Appropriation	\$28,000
24	Worker and Community Right-to-Know Account--	
25	State Appropriation	\$903,000
26	Public Works Administration Account--State	
27	Appropriation	\$6,252,000
28	Manufactured Home Installation Training Account--	
29	State Appropriation	\$353,000
30	Accident Account--State Appropriation	\$258,440,000
31	Accident Account--Federal Appropriation	\$13,626,000
32	Medical Aid Account--State Appropriation	\$278,697,000
33	Medical Aid Account--Federal Appropriation	\$3,186,000
34	Plumbing Certificate Account--State Appropriation	\$1,732,000
35	Pressure Systems Safety Account--State	
36	Appropriation	\$4,193,000
37	TOTAL APPROPRIATION	\$651,667,000

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

3 (1) Pursuant to RCW 43.135.055, the department is authorized to
4 increase elevator fees by up to 13.1 percent during the 2013-2015
5 fiscal biennium. This increase is necessary to support expenditures
6 authorized in this section, consistent with chapter 70.87 RCW.

7 (2) \$1,336,000 of the medical aid account--state appropriation is
8 provided solely for implementation of Substitute Senate Bill No. 5362
9 (workers' compensation/vocational rehabilitation). If the bill is not
10 enacted by June 30, 2013, the amount provided in this subsection shall
11 lapse.

12 (3) \$279,000 of the public works administration account--state
13 appropriation, \$4,000 of the medical aid account--state appropriation,
14 and \$4,000 of the accident account--state appropriation are provided
15 solely for implementation of Substitute House Bill No. 1420
16 (transportation improvement projects). If the bill is not enacted by
17 June 30, 2013, the amounts provided in this subsection shall lapse.

18 (4) \$104,000 of the general fund--state appropriation for fiscal
19 year 2014 and \$104,000 of the general fund--state appropriation for
20 fiscal year 2015 are provided solely to implement Substitute Senate
21 Bill No. 5123 (farm internships). If the bill is not enacted by June
22 30, 2013, the amount provided in this subsection shall lapse.

23 (5) The department of labor and industries must establish and
24 perform, within existing funds, a formal review process of its existing
25 rules. The goal of the review is to decrease the numbers of, simplify
26 the process, and decrease the time required for obtaining licenses,
27 permits, and inspections, as applicable, in order to reduce the
28 regulatory burden on businesses without compromising public health and
29 safety. Benchmarks must be adopted to assess the effectiveness of
30 streamlining efforts. The department must establish a process for
31 effectively applying sunset provisions to rules when applicable. The
32 department must report to the applicable committees of the legislature
33 with its review process and benchmarks by January 2014.

34 (6) \$210,000 of the medical aid account--state appropriation and
35 \$630,000 of the accident account--state appropriation are provided
36 solely for the contract costs and one staff position at the department
37 for the purpose of implementing the logging safety initiative in an
38 effort to reduce the frequency and severity of injuries in manual, or

1 nonmechanized, logging. The department shall reduce \$840,000 of
 2 workers compensation funding used for the safety and health investment
 3 project to maintain cost neutrality. Additional costs for the
 4 implementation of the logging safety initiative shall be accomplished
 5 by the department within existing resources to include the assignment
 6 of two full-time auditors specifically for this purpose. The
 7 department is directed to include \$420,000 of these costs in its
 8 calculation of workers' compensation premiums for the forest products
 9 industry for 2014, 2015, and 2016 rates. The department shall report
 10 to the legislature by December 31, 2014, an approach for using a third
 11 party safety certification vendor, accomplishments of the taskforce,
 12 accomplishments on this effort to-date, and future plans. The report
 13 must identify options for future funding and make recommendations for
 14 permanent funding for this program.

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

16 (1) HEADQUARTERS

17	General Fund--State Appropriation (FY 2014)	\$1,996,000
18	General Fund--State Appropriation (FY 2015)	\$1,900,000
19	Charitable, Educational, Penal, and Reformatory	
20	Institutions Account--State Appropriation	\$10,000
21	TOTAL APPROPRIATION	\$3,906,000

22 (2) FIELD SERVICES

23	General Fund--State Appropriation (FY 2014)	\$5,340,000
24	General Fund--State Appropriation (FY 2015)	\$5,316,000
25	General Fund--Federal Appropriation	\$3,455,000
26	General Fund--Private/Local Appropriation	\$4,418,000
27	Veteran Estate Management Account--Private/Local	
28	Appropriation	\$1,104,000
29	TOTAL APPROPRIATION	\$19,633,000

30 The appropriations in this subsection are subject to the following
 31 conditions and limitations: \$300,000 of the general fund--state
 32 appropriation for fiscal year 2014 and \$300,000 of the general fund--
 33 state appropriation for fiscal year 2015 are provided solely to provide
 34 crisis and emergency relief and education, training, and employment
 35 assistance to veterans and their families in their communities through
 36 the veterans innovation program.

1	(3) INSTITUTIONAL SERVICES	
2	General Fund--State Appropriation (FY 2014)	\$102,000
3	General Fund--State Appropriation (FY 2015)	\$20,000
4	General Fund--Federal Appropriation	\$68,981,000
5	General Fund--Private/Local Appropriation	\$39,355,000
6	TOTAL APPROPRIATION	\$108,458,000

7	<u>NEW SECTION.</u> Sec. 219. FOR THE DEPARTMENT OF HEALTH	
8	General Fund--State Appropriation (FY 2014)	\$60,230,000
9	General Fund--State Appropriation (FY 2015)	\$59,198,000
10	General Fund--Federal Appropriation	\$536,074,000
11	General Fund--Private/Local Appropriation	\$139,455,000
12	Hospital Data Collection Account--State Appropriation	\$222,000
13	Health Professions Account--State Appropriation	\$104,722,000
14	Aquatic Lands Enhancement Account--State Appropriation	\$604,000
15	Emergency Medical Services and Trauma Care Systems	
16	Trust Account--State Appropriation	\$12,319,000
17	Safe Drinking Water Account--State Appropriation	\$5,267,000
18	Drinking Water Assistance Account--Federal	
19	Appropriation	\$14,806,000
20	Waterworks Operator Certification--State	
21	Appropriation	\$1,560,000
22	Drinking Water Assistance Administrative Account--	
23	State Appropriation	\$339,000
24	Site Closure Account--State Appropriation	\$159,000
25	Biotoxin Account--State Appropriation	\$1,323,000
26	State Toxics Control Account--State Appropriation	\$3,949,000
27	Medical Test Site Licensure Account--State	
28	Appropriation	\$4,737,000
29	Youth Tobacco Prevention Account--State Appropriation	\$1,512,000
30	Public Health Supplemental Account--Private/Local	
31	Appropriation	\$3,236,000
32	Accident Account--State Appropriation	\$304,000
33	Medical Aid Account--State Appropriation	\$50,000
34	Medicaid Fraud Penalty Account--State	
35	Appropriation	\$987,000
36	TOTAL APPROPRIATION	\$951,053,000

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

3 (1)(a) The department of health shall not initiate any services
4 that will require expenditure of state general fund moneys unless
5 expressly authorized in this act or other law. The department of
6 health and the state board of health shall not implement any new or
7 amended rules pertaining to primary and secondary school facilities
8 until the rules and a final cost estimate have been presented to the
9 legislature, and the legislature has formally funded implementation of
10 the rules through the omnibus appropriations act or by statute. The
11 department may seek, receive, and spend, under RCW 43.79.260 through
12 43.79.282, federal moneys not anticipated in this act as long as the
13 federal funding does not require expenditure of state moneys for the
14 program in excess of amounts anticipated in this act. If the
15 department receives unanticipated unrestricted federal moneys, those
16 moneys shall be spent for services authorized in this act or in any
17 other legislation that provides appropriation authority, and an equal
18 amount of appropriated state moneys shall lapse. Upon the lapsing of
19 any moneys under this subsection, the office of financial management
20 shall notify the legislative fiscal committees. As used in this
21 subsection, "unrestricted federal moneys" includes block grants and
22 other funds that federal law does not require to be spent on
23 specifically defined projects or matched on a formula basis by state
24 funds.

25 (b) The joint administrative rules review committee shall review
26 the new or amended rules pertaining to primary and secondary school
27 facilities under (a) of this subsection. The review committee shall
28 determine whether (i) the rules are within the intent of the
29 legislature as expressed by the statute that the rule implements, (ii)
30 the rule has been adopted in accordance with all applicable provisions
31 of law, or (iii) that the agency is using a policy or interpretive
32 statement in place of a rule. The rules review committee shall report
33 to the appropriate policy and fiscal committees of the legislature the
34 results of committee's review and any recommendations that the
35 committee deems advisable.

36 (2) In accordance with RCW 43.70.250 and 43.135.055, the department
37 is authorized to establish and raise fees in fiscal year 2014 as
38 necessary to meet the actual costs of conducting business and the

1 appropriation levels in this section. This authorization applies to
2 fees required for newborn screening, and fees associated with the
3 following professions: Agency affiliated counselors; certified
4 counselors; and certified advisors.

5 (3) \$150,000 of the state toxics control account--state
6 appropriation is provided solely to provide water filtration systems
7 for low-income households with individuals at high public health risk
8 from nitrate-contaminated wells in the lower Yakima basin.

9 (4)(a) \$64,000 of the medicaid fraud penalty account--state
10 appropriation is provided solely for the department to integrate the
11 prescription monitoring program into the coordinated care electronic
12 tracking program developed in response to section 213, chapter 7, Laws
13 of 2012, 2nd sp. sess., commonly referred to as the seven best
14 practices in emergency medicine.

15 (b) The integration must provide prescription monitoring program
16 data to emergency department personnel when the patient registers in
17 the emergency department. Such exchange may be a private or public
18 joint venture, including the use of the state health information
19 exchange.

20 (c) As part of the integration, the department shall request
21 insurers and third-party administrators that provide coverage to
22 residents of Washington state to provide the following to the
23 coordinated care electronic tracking program:

24 (i) Any available information regarding the assigned primary care
25 provider, and the primary care provider's telephone and fax numbers.
26 This information is to be used for real-time communication to an
27 emergency department provider when caring for a patient; and

28 (ii) Information regarding any available care plans or treatment
29 plans for patients with higher utilization of services on a regular
30 basis. This information is to be provided to the treating provider.

31 (5) \$270,000 of the general fund--state appropriation for fiscal
32 year 2014 is provided solely for the Washington autism alliance to
33 assist autistic individuals and families with autistic children during
34 the transition to federal health reform.

35 (6) \$6,000 of the general fund--state appropriation for fiscal year
36 2014 and \$5,000 of the general fund--state appropriation for fiscal
37 year 2015 are provided solely for the department to convene a work
38 group to study and recommend language for standardized clinical

1 affiliation agreements for clinical placements associated with the
2 education and training of physicians licensed under chapter 18.71 RCW,
3 osteopathic physicians and surgeons licensed under chapter 18.57 RCW,
4 and nurses licensed under chapter 18.79 RCW. The work group shall
5 develop one recommended standardized clinical affiliation agreement for
6 each profession or one recommended standardized clinical affiliation
7 agreement for all three professions.

8 (a) When choosing members of the work group, the department shall
9 consult with the health care personnel shortage task force and shall
10 attempt to ensure that the membership of the work group is
11 geographically diverse. The work group must, at a minimum, include
12 representatives of the following:

- 13 (i) Two-year institutions of higher education;
- 14 (ii) Four-year institutions of higher education;
- 15 (iii) The University of Washington medical school;
- 16 (iv) The college of osteopathic medicine at the Pacific Northwest
17 University of Health Sciences;
- 18 (v) The health care personnel shortage task force;
- 19 (vi) Statewide organizations representing hospitals and other
20 facilities that accept clinical placements;
- 21 (vii) A statewide organization representing physicians;
- 22 (viii) A statewide organization representing osteopathic physicians
23 and surgeons;
- 24 (ix) A statewide organization representing nurses;
- 25 (x) A labor organization representing nurses; and
- 26 (xi) Any other groups deemed appropriate by the department in
27 consultation with the health care personnel shortage task force.

28 (b) The work group shall report its findings to the governor and
29 the appropriate standing committees of the legislature no later than
30 November 15, 2014.

31 (7) \$65,000 of the general fund--state appropriation for fiscal
32 year 2014 and \$65,000 of the general fund--state appropriation for
33 fiscal year 2015 are for the midwifery licensure and regulatory program
34 to supplement revenue from fees. The department shall charge no more
35 than five hundred twenty-five dollars annually for new or renewed
36 licenses for the midwifery program.

37 (8) During the 2013-2015 fiscal biennium, each person subject to

1 RCW 43.70.110(3)(c) is required to pay only one surcharge of up to
2 twenty-five dollars annually for the purposes of RCW 43.70.112,
3 regardless of how many professional licenses the person holds.

4 (9) \$654,000 of the health professions account--state appropriation
5 is provided solely for the implementation of Engrossed Senate Bill No.
6 5206 (health sciences library). If the bill is not enacted by June 30,
7 2013, the amount provided in this subsection shall lapse.

8 (10) \$35,000 of the health professions account--state appropriation
9 is provided solely for the implementation of House Bill No. 1003
10 (health professions licensees). If the bill is not enacted by June 30,
11 2013, the amount provided in this subsection shall lapse.

12 (11) \$10,000 of the health professions account--state appropriation
13 is provided solely for the implementation of Substitute House Bill No.
14 1270 (board of denturists). If the bill is not enacted by June 30,
15 2013, the amount provided in this subsection shall lapse.

16 (12) \$10,000 of the health professions account--state appropriation
17 is provided solely for the implementation of Substitute House Bill No.
18 1271 (denturism). If the bill is not enacted by June 30, 2013, the
19 amount provided in this subsection shall lapse.

20 (13) \$11,000 of the health professions account--state appropriation
21 is provided solely for the implementation of House Bill No. 1330
22 (dental hygienists, assistants). If the bill is not enacted by June
23 30, 2013, the amount provided in this subsection shall lapse.

24 (14) \$1,008,000 of the health professions account--state
25 appropriation is provided solely for the implementation of Substitute
26 House Bill No. 1343 (nurses surcharge). If the bill is not enacted by
27 June 30, 2013, the amount provided in this subsection shall lapse.

28 (15) \$34,000 of the health professions account--state appropriation
29 is provided solely for the implementation of Substitute House Bill No.
30 1376 (suicide assessment training). If the bill is not enacted by June
31 30, 2013, the amount provided in this subsection shall lapse.

32 (16) \$10,000 of the health professions account--state appropriation
33 is provided solely for the implementation of Engrossed Substitute House
34 Bill No. 1515 (medical assistants). If the bill is not enacted by June
35 30, 2013, the amount provided in this subsection shall lapse.

36 (17) \$2,185,000 of the health professions account--state
37 appropriation is provided solely for the implementation of Second

1 Substitute House Bill No. 1518 (disciplinary authorities). If the bill
2 is not enacted by June 30, 2013, the amount provided in this subsection
3 shall lapse.

4 (18) \$141,000 of the general fund--private/local appropriation is
5 provided solely for the implementation of Substitute House Bill No.
6 1525 (birth certificates). If the bill is not enacted by June 30,
7 2013, the amount provided in this subsection shall lapse.

8 (19) \$220,000 of the health professions account--state
9 appropriation is provided solely for the implementation of House Bill
10 No. 1534 (impaired dentist program). If the bill is not enacted by
11 June 30, 2013, the amount provided in this subsection shall lapse.

12 (20) \$51,000 of the health professions account--state appropriation
13 is provided solely for the implementation of House Bill No. 1609 (board
14 of pharmacy). If the bill is not enacted by June 30, 2013, the amount
15 provided in this subsection shall lapse.

16 (21) \$12,000 of the health professions account--state appropriation
17 is provided solely for the implementation of Substitute House Bill No.
18 1629 (home care aide continuing education). If the bill is not enacted
19 by June 30, 2013, the amount provided in this subsection shall lapse.

20 (22) \$18,000 of the health professions account--state appropriation
21 is provided solely for the implementation of Substitute House Bill No.
22 1737 (physician assistants). If the bill is not enacted by June 30,
23 2013, the amount provided in this subsection shall lapse.

24 (23) \$77,000 of the general fund--state appropriation for fiscal
25 year 2014 and \$38,000 of the general fund--state appropriation for
26 fiscal year 2015 are provided solely to develop a report on state
27 efforts to prevent and control diabetes. The department, the health
28 care authority, and the department of social and health services shall
29 submit a coordinated report to the governor and the appropriate
30 committees of the legislature by December 31, 2014, on the following:

31 (a) The financial impacts and reach that diabetes of all types and
32 undiagnosed gestational diabetes are having on the programs
33 administered by each agency and individuals, including children with
34 mothers with undiagnosed gestational diabetes, enrolled in those
35 programs. Items in this assessment must include: (i) The number of
36 lives with diabetes and undiagnosed gestational diabetes impacted or
37 covered by the programs administered by each agency; (ii) the number of
38 lives with diabetes, or at risk for diabetes, and family members

1 impacted by prevention and diabetes control programs implemented by
2 each agency; (iii) the financial toll or impact diabetes and its
3 complications, and undiagnosed gestational diabetes and the
4 complications experienced during labor to children of mothers with
5 gestational diabetes places on these programs in comparison to other
6 chronic diseases and conditions; and (iv) the financial toll or impact
7 diabetes and its complications, and diagnosed gestational diabetes and
8 the complications experienced during labor to children of mothers with
9 gestational diabetes places on these programs;

10 (b) An assessment of the benefits of implemented and existing
11 programs and activities aimed at controlling all types of diabetes and
12 preventing the disease. This assessment must also document the amount
13 and source for any funding directed to each agency for the programs and
14 activities aimed at reaching those with diabetes of all types;

15 (c) A description of the level of coordination existing between the
16 agencies on activities, programmatic activities, and messaging on
17 managing, treating, or preventing all types of diabetes and its
18 complications;

19 (d) The development or revision of detailed policy-related action
20 plans and budget recommendations for battling diabetes and undiagnosed
21 gestational diabetes that includes a range of actionable items for
22 consideration by the legislature. The plans and budget recommendations
23 must identify proposed action steps to reduce the impact of diabetes,
24 prediabetes, related diabetes complications, and undiagnosed
25 gestational diabetes. The plans and budget recommendations must also
26 identify expected outcomes of the action steps proposed in the
27 following biennium while also establishing benchmarks for controlling
28 and preventing all types of diabetes; and

29 (e) An estimate of savings, efficiencies, costs, and budgetary
30 savings and resources required to implement the plans and budget
31 recommendations identified in (d) of this subsection (23).

32 (24) Within the general fund--state amounts appropriated in this
33 section, the department of health will develop and administer the
34 certified home care aide examination translated into at least seven
35 languages in addition to the languages in which the examination is
36 available on the effective date of this act. The purpose of offering
37 the examination in additional languages is to encourage an adequate

1 supply of certified home care aides to meet diverse long-term care
2 client needs.

3 (25) The department of health must establish and perform, within
4 existing funds, a formal review process of its existing rules. The
5 goal of the review is to decrease the numbers of, simplify the process,
6 and decrease the time required for obtaining licenses, permits, and
7 inspections, as applicable, in order to reduce the regulatory burden on
8 businesses without compromising public health and safety. Benchmarks
9 must be adopted to assess the effectiveness of streamlining efforts.
10 The department must establish a process for effectively applying sunset
11 provisions to rules when applicable. The department must report to the
12 applicable committees of the legislature with its review process and
13 benchmarks by January 2014.

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

15 (1) ADMINISTRATION AND SUPPORT SERVICES

16	General Fund--State Appropriation (FY 2014)	\$56,437,000
17	General Fund--State Appropriation (FY 2015)	\$54,779,000
18	Data Processing Revolving Account--State	
19	Appropriation	\$1,249,000
20	TOTAL APPROPRIATION	\$112,465,000

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

23 (a) \$35,000 of the general fund--state appropriation for fiscal
24 year 2014 and \$35,000 of the general fund--state appropriation for
25 fiscal year 2015 are provided solely for the support of a statewide
26 council on mentally ill offenders that includes as its members
27 representatives of community-based mental health treatment programs,
28 current or former judicial officers, and directors and commanders of
29 city and county jails and state prison facilities. The council will
30 investigate and promote cost-effective approaches to meeting the
31 long-term needs of adults and juveniles with mental disorders who have
32 a history of offending or who are at-risk of offending, including their
33 mental health, physiological, housing, employment, and job training
34 needs.

35 (b) \$150,000 of the general fund--state appropriation for fiscal
36 year 2014 and \$75,000 of the general fund--state appropriation for
37 fiscal year 2015 are provided solely for the department to contract

1 with a consultant who can facilitate and provide project expertise on
2 the implementation of community and prison based offender programming
3 that follows the risk-needs-responsivity model.

4 (i) By September 1, 2013, the department shall provide to the
5 consultant an inventory of all existing programming both in prisons and
6 in community operations. The department shall consult with the
7 Washington state institute for public policy (WSIPP) to determine
8 whether programs are evidence-based or research-based using definitions
9 provided by WSIPP and shall include this information on the inventory.

10 (ii) By October 1, 2013, the consultant shall report to the
11 department, the office of financial management, and legislative fiscal
12 committees on the department's current plans and processes for managing
13 offender programming including processes for phasing-out ineffective
14 programs and implementing evidence-based or research-based programs.
15 All department programs should be considered by the consultant
16 regardless of whether they are included on the most recent list of
17 WSIPP approved identifiable evidence-based practices in (b)(i) of this
18 subsection.

19 (iii) The WSIPP, in consultation with the department, shall
20 systematically review selected programs to determine the effectiveness
21 of these programs at reducing recidivism or other outcomes. The WSIPP
22 shall conduct a benefit-cost analysis of these programs when feasible
23 and shall report to the legislature by December 1, 2013.

24 (iv) Based on the report provided by the consultant and the WSIPP
25 review of programs, the department shall work collaboratively with the
26 consultant to develop and complete a written comprehensive
27 implementation plan by January 15, 2014. The implementation plan must
28 clearly identify the types of programs to be included, the recommended
29 locations where the programs will be sited, an implementation timeline,
30 and a phasing of the projected number of participants needed to meet
31 the threshold of available program funds.

32 (v) Using the written implementation plan as a guide, the
33 department must have programs in place and fully phased-in no later
34 than June 30, 2015.

35 (vi) The department shall hold the consultant on retainer to assist
36 the department as needed throughout the implementation process. The
37 consultant shall review quarterly the actual implementation compared to
38 the written implementation plan and shall provide a report to the

1 secretary of the department. The department shall provide reports to
2 the office of financial management and legislative fiscal committees as
3 follows:

4 (A) The written comprehensive implementation plan shall be provided
5 by January 15, 2014; and

6 (B) Written progress updates shall be provided by July 1, 2014, and
7 by December 1, 2014.

8 (2) CORRECTIONAL OPERATIONS

9	General Fund--State Appropriation (FY 2014)	\$605,039,000
10	General Fund--State Appropriation (FY 2015)	\$604,704,000
11	General Fund--Federal Appropriation	\$3,322,000
12	Washington Auto Theft Prevention Authority Account--	
13	State Appropriation	\$7,585,000
14	Environmental Legacy Stewardship Account--State	
15	Appropriation	\$105,000
16	County Criminal Justice Assistance Account--State	
17	Appropriation	\$390,000
18	TOTAL APPROPRIATION	\$1,221,145,000

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

21 (a) During the 2013-2015 fiscal biennium, when contracts are
22 established or renewed for offender pay phone and other telephone
23 services provided to inmates, the department shall select the
24 contractor or contractors primarily based on the following factors:
25 (i) The lowest rate charged to both the inmate and the person paying
26 for the telephone call; and (ii) the lowest commission rates paid to
27 the department, while providing reasonable compensation to cover the
28 costs of the department to provide the telephone services to inmates
29 and provide sufficient revenues for the activities funded from the
30 institutional welfare betterment account.

31 (b) \$501,000 of the general fund--state appropriation for fiscal
32 year 2014 and \$501,000 of the general fund--state appropriation for
33 fiscal year 2015 are provided solely for the department to maintain the
34 facility, property, and assets at the institution formerly known as the
35 maple lane school in Rochester. The department may not house
36 incarcerated offenders at the maple lane site until specifically
37 directed to do so by the legislature.

1 (c) By December 1, 2013, the department of corrections shall
2 provide a report to the office of financial management and the
3 appropriate fiscal and policy committees of the legislature that
4 evaluates the department's inmate intake processes and expenditures and
5 makes recommendations for improvements. The evaluation must include an
6 analysis of lean management processes that, if adopted, could improve
7 the efficiency and cost effectiveness of inmate intake.

8 (d) By December 1, 2013, the department of corrections shall
9 provide a report to the office of financial management and the
10 appropriate fiscal and policy committees of the legislature that
11 evaluates the department's use of partial confinement and work release
12 programs and makes recommendations for improving public safety and
13 decreasing recidivism through increasing participation in partial
14 confinement re-entry and work release programs. In making its
15 recommendations, the department shall identify:

16 (i) Options for increasing the capacity of work release beds to
17 meet the number of eligible offenders;

18 (ii) Potential cost savings to the state through contracting for or
19 building new work release capacity;

20 (iii) Options for expanding eligibility for partial confinement,
21 including creation of a structured re-entry program that includes
22 stable housing, mandatory participation in evidence-based programs, and
23 intensive supervision; and

24 (iv) Potential cost savings to the state from creation of a
25 structured re-entry program.

26 (e) By December 1, 2013, the department of corrections shall
27 provide a report to the office of financial management and the
28 appropriate fiscal and policy committees of the legislature that
29 evaluates the department's community parenting alternative program, and
30 makes recommendations for increasing participation in the program with
31 the goals of increasing public safety and decreasing recidivism. The
32 evaluation shall include recommendations for increasing the placement
33 of eligible offenders into the program and increasing eligibility to
34 other populations. In making its recommendations, the department shall
35 identify the percent of the eligible population currently entering the
36 program, outcomes to-date for program participants, and potential cost
37 savings from increasing placement of offenders into the program.

1 (f) The department of corrections shall contract with local and
2 tribal governments for the provision of jail capacity to house
3 offenders who violate the terms of their community supervision. A
4 contract shall not have a cost of incarceration in excess of \$85 per
5 day per offender. A contract shall not have a year-to-year increase in
6 excess of three percent per year. The contracts may include rates for
7 the medical care of offenders which exceed the daily cost of
8 incarceration and the limitation on year-to-year increase, provided
9 that medical payments conform to the department's offender health plan,
10 pharmacy formulary, and all off-site medical expenses are preapproved
11 by department utilization management staff.

12 (g)(i) The legislature finds that it has taken several steps to
13 mitigate the demand for prison capacity including funding evidence-
14 based programming for offenders which is proven to reduce recidivism,
15 funding evidence-based treatment alternatives to incarceration for
16 drug-addicted offenders, standardizing inconsistencies in the drug
17 sentencing grid, and authorizing the department to rent local jail
18 beds. These steps will also assist the department's implementation of
19 additional operational efficiencies by reducing costs related to
20 offender intake, processing, and transportation.

21 (ii) Up to \$1,119,000 of the general fund--state appropriation for
22 fiscal year 2014 and up to \$1,322,000 of the general fund--state
23 appropriation for fiscal year 2015 may be used by the department to
24 rent jail capacity for short-term offenders. In contracting for jail
25 beds for short-term offenders, the department shall rent capacity from
26 local and tribal governments to house offenders with an earned release
27 date of less than one hundred twenty days remaining on his or her
28 sentence at the time the offender would otherwise be transferred to a
29 state correctional facility. The contracted daily costs for these
30 offenders shall not exceed \$70 per offender including medical costs.

31 (h) The department of corrections shall issue a competitive
32 solicitation by August 1, 2013, to contract with local jurisdictions
33 for the use of inmate bed capacity in lieu of prison beds operated by
34 the state. The department may contract for up to 300 beds statewide to
35 the extent that it is at no net cost to the department. The department
36 shall calculate and report the average cost per offender per day,
37 inclusive of all services, on an annual basis for a facility that is
38 representative of average medium or lower offender costs. The duration

1 of the contracts may be for up to four years. The department shall not
2 pay a rate greater than \$65 per day per offender for all costs
3 associated with the offender while in the local correctional facility
4 to include programming and health care costs, or the equivalent of \$65
5 per day per bed including programming and health care costs for full
6 units. The capacity provided at local correctional facilities must be
7 for offenders whom the department of corrections defines as medium or
8 lower security offenders. Programming provided for inmates held in
9 local jurisdictions is included in the rate, and details regarding the
10 type and amount of programming, and any conditions regarding
11 transferring offenders will be negotiated with the department as part
12 of any contract. Local jurisdictions must provide health care to
13 offenders that meet standards set by the department. The local jail
14 will provide all medical care including unexpected emergent care. The
15 department must utilize a screening process to ensure that offenders
16 with existing extraordinary medical/mental health needs are not
17 transferred to local jail facilities. If extraordinary medical
18 conditions develop for an inmate while at a jail facility the jail may
19 transfer the offender back to the department, subject to terms of the
20 negotiated agreement. Health care costs incurred prior to transfer
21 will be the responsibility of the jail. The department will report to
22 legislative fiscal committees and the office of financial management by
23 November 1, 2013, to provide a status update on implementation.

24 (i) The department shall convene a work group to develop health
25 care cost containment strategies at local jail facilities. The work
26 group shall identify cost containment strategies in place at the
27 department and at local jail facilities, identify the costs and
28 benefits of implementing strategies in jail health-care facilities, and
29 make recommendations on implementing beneficial strategies. The work
30 group shall submit a report on its findings and recommendations to the
31 fiscal committees of the legislature by October 1, 2013. The work
32 group shall include jail administrators, representatives from health
33 care facilities at the local jail level and the state prisons level,
34 and other representatives as deemed necessary.

35 (j) \$1,026,000 of the general fund--state appropriation for fiscal
36 year 2014 and \$781,000 of the general fund--state appropriation for
37 fiscal year 2015 are provided solely to expand the piloted

1 risk-needs-responsivity model to include the use of cognitive
2 behavioral therapy with evidence-based programming at two minimum
3 security prison facilities and at the Monroe correctional complex.

4 (k) \$23,653,000 of the general fund--state appropriation for fiscal
5 year 2014 and \$24,919,000 of the general fund--state appropriation for
6 fiscal year 2015 are provided solely for offender programming.
7 Pursuant to section 220(1) of this act, the department shall develop
8 and implement a written comprehensive plan for offender programming
9 that prioritizes programs which follow the risk-needs-responsivity
10 model, are evidence-based, and have measurable outcomes. The
11 department is authorized to discontinue ineffective programs and to
12 repurpose underspent funds according to the priorities in the written
13 plan.

14 (l) \$36,000 of the general fund--state appropriation for fiscal
15 year 2014 and \$36,000 of the general fund--state appropriation for
16 fiscal year 2015 are provided solely for implementation of Engrossed
17 Senate Bill No. 5484 (assault in the third-degree). If the bill is not
18 enacted by June 30, 2013, the amounts provided in this subsection shall
19 lapse.

20 (m) \$48,000 of the general fund--state appropriation for fiscal
21 year 2014 and \$48,000 of the general fund--state appropriation for
22 fiscal year 2015 are provided solely for implementation of Engrossed
23 Substitute House Bill No. 1383 (stalking protection orders). If the
24 bill is not enacted by June 30, 2013, the amounts provided in this
25 subsection shall lapse.

26 (n) \$36,000 of the general fund--state appropriation for fiscal
27 year 2014 and \$36,000 of the general fund--state appropriation for
28 fiscal year 2015 are provided solely for implementation of Senate Bill
29 No. 5149 (crimes against pharmacies). If the bill is not enacted by
30 June 30, 2013, the amounts provided in this subsection shall lapse.

31 (o) \$24,000 of the general fund--state appropriation for fiscal
32 year 2014 and \$24,000 of the general fund--state appropriation for
33 fiscal year 2015 are provided solely for implementation of Engrossed
34 Substitute Senate Bill No. 5669 (trafficking). If the bill is not
35 enacted by June 30, 2013, the amounts provided in this subsection shall
36 lapse.

37 (p) \$24,000 of the general fund--state appropriation for fiscal
38 year 2014 and \$24,000 of the general fund--state appropriation for

1 fiscal year 2015 are provided solely for implementation of Engrossed
2 Senate Bill No. 5053 (vehicle prowling). If the bill is not enacted by
3 June 30, 2013, the amounts provided in this subsection shall lapse.

4 (q) \$96,000 of the county criminal justice assistance--state
5 appropriation is provided solely for implementation of Engrossed Senate
6 Bill No. 5105 (rental vouchers for offenders). If the bill is not
7 enacted by June 30, 2013, the amount provided in this subsection shall
8 lapse.

9 (3) COMMUNITY SUPERVISION

10	General Fund--State Appropriation (FY 2014)	\$130,568,000
11	General Fund--State Appropriation (FY 2015)	\$131,973,000
12	County Criminal Justice Assistance Account--State	\$2,249,000
13	Ignition Interlock Device Revolving Account--State	\$2,200,000
14	TOTAL APPROPRIATION	\$266,990,000

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

17 (a) \$1,906,000 of the county criminal justice assistance account--
18 state appropriation and \$2,200,000 of the ignition interlock device
19 revolving account--state appropriation are provided solely for the
20 department to contract for additional residential drug offender
21 sentencing alternative treatment slots. By December 1, 2013, the
22 department shall provide a report to the appropriate fiscal committees
23 of the house of representatives and the senate on the use of the
24 additional treatment slots.

25 (b) \$4,186,000 of the general fund--state appropriation for fiscal
26 year 2014 and \$6,362,000 of the general fund--state appropriation for
27 fiscal year 2015 must be expended on evidence-based programs that
28 follow the risk-needs-responsivity model. The department is authorized
29 to use up to ten percent of these funds as necessary to secure physical
30 space as needed to maximize program delivery of evidence-based
31 treatment to all high-risk, high-need offenders in community
32 supervision. Funding may be prioritized by the department to any
33 program recognized as evidence-based for adult offenders by the
34 Washington state institute for public policy.

35 (c) \$16,513,000 of the general fund--state appropriation for fiscal
36 year 2014 and \$16,527,000 of the general fund--state appropriation for
37 fiscal year 2015 are provided solely for offender programming.
38 Pursuant to section 220 (1) of this act, the department shall develop

1 and implement a written comprehensive plan for offender programming
2 that prioritizes programs which follow the risk-needs-responsivity
3 model, are evidence-based, and have measurable outcomes. The
4 department is authorized to discontinue ineffective programs and to
5 repurpose underspent funds according to the priorities in the written
6 plan.

7 (d) \$107,000 of the county criminal justice--state appropriation is
8 provided solely for implementation of Engrossed Senate Bill No. 5105
9 (rental vouchers for offenders). If the bill is not enacted by June
10 30, 2013, the amount provided in this subsection shall lapse.

11 (4) CORRECTIONAL INDUSTRIES

12	General Fund--State Appropriation (FY 2014)	\$6,780,000
13	General Fund--State Appropriation (FY 2015)	\$7,182,000
14	TOTAL APPROPRIATION	\$13,962,000

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

17 (a) \$3,293,000 of the general fund--state appropriation for fiscal
18 year 2014 and \$3,707,000 of the general fund--state appropriation for
19 fiscal year 2015 are provided solely for the stewardship of McNeil
20 island. The department shall assume responsibility of all island
21 maintenance excluding site specific maintenance operations for the
22 special commitment center and the Pierce county secure transitional
23 facility. The department shall as part of its industries program
24 provide job skills to offenders while providing the minimum maintenance
25 and preservation necessary for the state to remain in compliance with
26 the federal deed for McNeil island. The department shall report on
27 efficiencies and potential cost reductions to the office of financial
28 management and legislative fiscal committees by December 15, 2013.

29 (b)(i) The department of social and health services shall transfer
30 the stewardship of McNeil Island to the department of corrections
31 industries program, effective September 1, 2013. The transferred
32 responsibilities shall include marine operations, waste water
33 treatment, water treatment, road maintenance, and any other general
34 island maintenance that is not site specific to the operations of the
35 special commitment center or the Pierce county secure community
36 transition facility. Facility maintenance within the perimeter of the
37 special commitment center shall remain the responsibility of the
38 department of social and health services. Capital repairs and

1 maintenance necessary to maintain the special commitment center on
2 McNeil Island shall be managed by the department of social and health
3 services. The legislature directs both departments to enter into an
4 interagency agreement by August 1, 2013. The office of financial
5 management shall oversee the negotiations of the interagency agreement.
6 The interagency agreement must describe equipment that will transfer
7 between the departments, warehouse space that will be shared by the
8 departments, and occupancy requirements for any shops outside the
9 perimeter of the special commitment center. The office of financial
10 management will make the final determination on any disagreements
11 between the departments on the details of the interagency agreement.

12 (ii) All employees of the department of social and health services
13 engaged in performing the powers, functions, and duties transferred to
14 the department of corrections industries program under this subsection,
15 are transferred to the department of corrections.

16 (iii) All classified employees of department of social and health
17 services assigned to the department of corrections under this
18 subsection whose positions are within an existing bargaining unit
19 description at the department of corrections shall become a part of the
20 existing bargaining unit at the department of corrections and shall be
21 considered an appropriate inclusion or modification of the existing
22 bargaining unit under the provisions of chapter 41.80 RCW.

23 (5) INTERAGENCY PAYMENTS

24	General Fund--State Appropriation (FY 2014)	\$35,345,000
25	General Fund--State Appropriation (FY 2015)	\$32,115,000
26	TOTAL APPROPRIATION	\$67,460,000

27 The appropriations in this subsection are subject to the following
28 conditions and limitations: The state prison medical facilities may
29 use funds appropriated in this subsection to purchase goods and
30 supplies through hospital or other group purchasing organizations when
31 it is cost effective to do so.

32 NEW SECTION. **Sec. 221. FOR THE DEPARTMENT OF SERVICES FOR THE**
33 **BLIND**

34	General Fund--State Appropriation (FY 2014)	\$2,242,000
35	General Fund--State Appropriation (FY 2015)	\$2,197,000
36	General Fund--Federal Appropriation	\$21,060,000
37	General Fund--Private/Local Appropriation	\$60,000

1	TOTAL APPROPRIATION	\$25,559,000
2	<u>NEW SECTION. Sec. 222. FOR THE EMPLOYMENT SECURITY DEPARTMENT</u>	
3	General Fund--Federal Appropriation	\$269,977,000
4	General Fund--Private/Local Appropriation	\$34,206,000
5	Unemployment Compensation Administration Account--	
6	Federal Appropriation	\$320,006,000
7	Administrative Contingency Account--State	
8	Appropriation	\$22,728,000
9	Employment Service Administrative Account--State	
10	Appropriation	\$35,567,000
11	TOTAL APPROPRIATION	\$682,484,000

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

14 (1) \$5,000,000 of the unemployment compensation administration
15 account--federal appropriation is from amounts made available to the
16 state by section 903(g) of the social security act (Reed act). This
17 amount is provided solely for continuing current unemployment insurance
18 functions and department services to employers and job seekers.

19 (2) \$12,386,000 of the unemployment compensation administration
20 account--federal appropriation is from amounts made available to the
21 state by section 903(g) of the social security act (Reed act). This
22 amount is provided solely for the replacement of the unemployment
23 insurance tax information system for the employment security
24 department. The amounts provided in this subsection are conditioned on
25 the department satisfying the requirements of the project management
26 oversight standards and policies established by the office of the chief
27 information officer.

28 (3) \$3,735,000 of the unemployment compensation account--federal
29 appropriation is from amounts made available to the state by section
30 903(g) of the social security act (Reed act). This amount is provided
31 solely for the replacement of call center technology to improve the
32 integration of the telephone and computing systems to increase
33 efficiency and improve customer service.

34 (4) \$182,000 of the employment services administrative account--
35 state appropriation is provided for costs associated with the second
36 stage of the review and evaluation of the training benefits program as
37 directed in section 15(2), chapter 4, Laws of 2011 (unemployment

1 insurance program). This second stage shall be developed and conducted
2 by the joint legislative audit and review committee and shall consist
3 of further work on the process study and net-impact/cost-benefit
4 analysis components of the evaluation.

5 (5) \$240,000 of the administrative contingency account--state
6 appropriation is provided solely for the employment security department
7 to contract with a center for workers in King county. The amount
8 appropriated in this subsection shall be used by the contracted center
9 for workers to support initiatives that generate high-skill, high-wage
10 jobs; improve workforce and training systems; improve service delivery
11 for dislocated workers; and build alliances with community and
12 environmental organizations.

13 (6) The department is prohibited from expending amounts
14 appropriated in this section for implementation of chapter 49.86 RCW.

(End of part)

PART III
NATURAL RESOURCES

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

General Fund--State Appropriation (FY 2014)	\$445,000
General Fund--State Appropriation (FY 2015)	\$446,000
General Fund--Federal Appropriation	\$31,000
General Fund--Private/Local Appropriation	\$874,000
TOTAL APPROPRIATION	\$1,796,000

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

General Fund--State Appropriation (FY 2014)	\$25,929,000
General Fund--State Appropriation (FY 2015)	\$25,506,000
General Fund--Federal Appropriation	\$105,230,000
General Fund--Private/Local Appropriation	\$16,912,000
Reclamation Account--State Appropriation	\$3,735,000
Flood Control Assistance Account--State Appropriation	\$1,985,000
State Emergency Water Projects Revolving Account--State Appropriation	\$40,000
Waste Reduction/Recycling/Litter Control--State Appropriation	\$9,722,000
State Drought Preparedness Account--State Appropriation	\$204,000
State and Local Improvements Revolving Account (Water Supply Facilities)--State Appropriation	\$426,000
Environmental Legacy Stewardship Account--State Appropriation	\$43,748,000
Aquatic Algae Control Account--State Appropriation	\$513,000
Water Rights Tracking System Account--State Appropriation	\$46,000
Site Closure Account--State Appropriation	\$556,000
Wood Stove Education and Enforcement Account--State Appropriation	\$612,000
Worker and Community Right-to-Know Account--State Appropriation	\$1,701,000
Water Rights Processing Account--State Appropriation	\$135,000
State Toxics Control Account--State Appropriation	\$124,238,000
State Toxics Control Account--Private/Local	

1	Appropriation	\$979,000
2	Local Toxics Control Account--State Appropriation	\$3,774,000
3	Water Quality Permit Account--State Appropriation	\$40,982,000
4	Underground Storage Tank Account--State Appropriation	\$3,347,000
5	Biosolids Permit Account--State Appropriation	\$1,848,000
6	Hazardous Waste Assistance Account--State	
7	Appropriation	\$6,037,000
8	Air Pollution Control Account--State Appropriation	\$3,128,000
9	Oil Spill Prevention Account--State Appropriation	\$5,684,000
10	Air Operating Permit Account--State Appropriation	\$3,132,000
11	Freshwater Aquatic Weeds Account--State Appropriation	\$1,409,000
12	Oil Spill Response Account--State Appropriation	\$7,076,000
13	Water Pollution Control Revolving Account--State	
14	Appropriation	\$356,000
15	Water Pollution Control Revolving Account--Federal	
16	Appropriation	\$1,505,000
17	Water Pollution Control Revolving Administration	
18	Account--State Appropriation	\$1,021,000
19	Radioactive Mixed Waste Account--State Appropriation	\$13,800,000
20	TOTAL APPROPRIATION	\$455,316,000

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

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

28 (2) Pursuant to RCW 43.135.055, the department is authorized to
29 increase the following fees as necessary to meet the actual costs of
30 conducting business and the appropriation levels in this section:
31 Wastewater discharge permit, not more than 4.55 percent in fiscal year
32 2014 and 4.63 percent in fiscal year 2015; and reasonably available
33 control technology fee.

34 (3) \$1,981,000 of the state toxics control account--state
35 appropriation is for the department to provide training regarding the
36 benefits of low-impact development including, but not limited to, when
37 the use of low-impact development is appropriate and feasible, and the
38 design, installation, maintenance, and best practices of low-impact

1 development. The department will consult with Washington State
2 University extension low-impact development technical center and others
3 in the development of the low-impact technical training. As
4 appropriate, the department may contract with the Washington State
5 University extension low-impact development technical center, private
6 sector vendors, associations, and others to deliver the technical
7 training. The training must be provided free of cost to phase I and
8 phase II permittees and the private development community including
9 builders, engineers, and other industry professionals. The training
10 must be sequenced geographically and provided in time for local
11 jurisdictions to comply with RCW 90.48.260 and 36.70A.130(5). By
12 August 1, 2013, the department of ecology shall provide the governor
13 and appropriate legislative committees a plan for how low-impact
14 development training funds will be spent during fiscal years 2014
15 through 2017.

16 (4) \$440,000 of the state toxics control account--state
17 appropriation is provided solely for administering the water pollution
18 control facilities financial assistance program authorized in chapter
19 90.50A RCW.

20 (5) \$350,000 of the state toxics control account--state
21 appropriation is provided solely for the Spokane river regional toxics
22 task force to support their efforts to address elevated levels of
23 polychlorinated biphenyls in the Spokane river. Funding will be used
24 to determine the extent of the cleanup required, implement cleanup
25 actions to meet applicable water quality standards, and prevent
26 recontamination.

27 (6) \$516,000 of the state toxics control account--state
28 appropriation is provided solely for the department to support an
29 ultrafine particulate study to determine how, if at all, the biomass
30 cogeneration facilities in Port Townsend and Port Angeles may impact
31 air quality and the health of citizens in the region.

32 (7) \$65,000 of the water quality permit account--state
33 appropriation is provided solely for the implementation of Engrossed
34 Substitute House Bill No. 1245 (derelict and abandoned vessels). If
35 the bill is not enacted by June 30, 2013, the amount provided in this
36 subsection shall lapse.

37 (8) The department of ecology shall establish and perform, within
38 existing funds, a formal review process of its existing rules. The

1 goal of the review is to decrease the numbers of, simplify the process,
2 and decrease the time required for obtaining licenses, permits, and
3 inspections, as applicable, in order to reduce the regulatory burden on
4 businesses without compromising public health and safety. Benchmarks
5 must be adopted to assess the effectiveness of streamlining efforts.
6 The department must establish a process for effectively applying sunset
7 provisions to rules when applicable. The department must report to the
8 applicable committees of the legislature with its review process and
9 benchmarks by January 2014.

10 (9) The department shall collaborate with the middle snake river
11 watershed, WRIA 35 planning unit in implementing its watershed plan.

12 (10)(a) \$14,000,000 of the general fund--state appropriation for
13 fiscal year 2014 and \$14,000,000 of the general fund--state
14 appropriation for fiscal year 2015 are for activities within the water
15 resources program.

16 (b) Of the amounts provided in (a) of this subsection, \$500,000 of
17 the general fund--state appropriation for fiscal year 2015 is provided
18 solely for processing water right permit applications only if the
19 department of ecology issues at least five hundred water right
20 decisions in fiscal year 2014, and if the department of ecology does
21 not issue at least five hundred water right decisions in fiscal year
22 2014 the amount provided in this subsection shall lapse and remain
23 unexpended. The department of ecology shall submit a report to the
24 office of financial management and the state treasurer by June 30,
25 2014, that documents whether five hundred water right decisions were
26 issued in fiscal year 2014. For the purposes of this subsection,
27 applications that are voluntarily withdrawn by an applicant do not
28 count towards the five hundred water right decision requirement. For
29 the purposes of water budget-neutral requests under chapter 173-539A
30 WAC, multiple domestic connections authorized within a single water
31 budget-neutral decision are considered one decision for the purposes of
32 this subsection.

33 (11) The department of ecology, in consultation with the office of
34 financial management, shall prepare a facilities plan to reduce the
35 agency's facilities obligation and the agency's cost per FTE for its
36 facilities by 2017 to align with comparable state agencies. The plan
37 must be submitted to the office of financial management and the
38 appropriate legislative fiscal committees by November 1, 2013. The

1 plan must include: (a) An inventory of all currently owned and leased
 2 buildings, consistent with the data provided through the state's
 3 facilities inventory process prescribed by the office of financial
 4 management annually by September 1st; (b) a list of facilities
 5 solutions that will reduce costs with an emphasis on consolidation,
 6 collocation, and alternative space solutions such as shared workspace
 7 and mobile work; and (c) a department-wide coordinated process and plan
 8 for regularly evaluating facility needs.

9 NEW SECTION. **Sec. 303. FOR THE STATE PARKS AND RECREATION**
 10 **COMMISSION**

11	General Fund--State Appropriation (FY 2014)	\$4,254,000
12	General Fund--State Appropriation (FY 2015)	\$4,254,000
13	General Fund--Federal Appropriation	\$6,014,000
14	Winter Recreation Program Account--State Appropriation . . .	\$2,065,000
15	ORV and Nonhighway Vehicle Account--State Appropriation . . .	\$215,000
16	Snowmobile Account--State Appropriation	\$4,859,000
17	Aquatic Lands Enhancement Account--State Appropriation	\$363,000
18	Parks Renewal and Stewardship Account--State	
19	Appropriation	\$103,065,000
20	Parks Renewal and Stewardship Account--Private/Local	
21	Appropriation	\$300,000
22	Waste Reduction/Recycling/Litter Control Account--State	
23	Appropriation	\$1,700,000
24	TOTAL APPROPRIATION	\$127,089,000

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

27 (1) \$79,000 of the general fund--state appropriation for fiscal
 28 year 2014 and \$79,000 of the general fund--state appropriation for
 29 fiscal year 2015 are provided solely for a grant for the operation of
 30 the Northwest weather and avalanche center.

31 (2) Prior to closing any state park, the commission must notify all
 32 affected local governments and relevant nonprofit organizations of the
 33 intended closure and provide an opportunity for the notified local
 34 governments and nonprofit organizations to elect to acquire, or enter
 35 into, a maintenance and operating contract with the commission that
 36 would allow the park to remain open.

1 (3) The commission shall prepare a report on its efforts to
2 increase revenue from all sources, including the discover pass. The
3 report shall also include a status update on the fiscal health of the
4 state parks system, and shall be submitted to the office of financial
5 management and the appropriate committees of the legislature by October
6 28, 2013.

7 NEW SECTION. **Sec. 304. FOR THE RECREATION AND CONSERVATION**
8 **FUNDING BOARD**

9	General Fund--State Appropriation (FY 2014)	\$823,000
10	General Fund--State Appropriation (FY 2015)	\$815,000
11	General Fund--Federal Appropriation	\$3,425,000
12	General Fund--Private/Local Appropriation	\$24,000
13	Aquatic Lands Enhancement Account--State Appropriation	\$480,000
14	Firearms Range Account--State Appropriation	\$37,000
15	Recreation Resources Account--State Appropriation	\$3,086,000
16	NOVA Program Account--State Appropriation	\$964,000
17	TOTAL APPROPRIATION	\$9,654,000

18 NEW SECTION. **Sec. 305. FOR THE ENVIRONMENTAL AND LAND USE**
19 **HEARINGS OFFICE**

20	General Fund--State Appropriation (FY 2014)	\$2,227,000
21	General Fund--State Appropriation (FY 2015)	\$2,147,000
22	TOTAL APPROPRIATION	\$4,374,000

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

24	General Fund--State Appropriation (FY 2014)	\$6,841,000
25	General Fund--State Appropriation (FY 2015)	\$6,738,000
26	General Fund--Federal Appropriation	\$2,301,000
27	State Toxics Control Account--State Appropriation	\$1,000,000
28	TOTAL APPROPRIATION	\$16,880,000

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

31 (1) Within the amounts appropriated in this section, the
32 conservation commission, in consultation with conservation districts,
33 must submit to the office of financial management and legislative
34 fiscal committees by December 10, 2013, a report outlining
35 opportunities to minimize districts' overhead costs, including

1 consolidation of conservation districts within counties in which there
2 is more than one district. The report must include details on the
3 anticipated future savings that could be expected from implementing
4 these efficiencies starting on July 1, 2014.

5 (2) \$300,000 of the general fund--state appropriation for fiscal
6 year 2014 and \$246,000 of the general fund--state appropriation for
7 fiscal year 2015 are provided solely to implement the voluntary
8 stewardship program in Thurston and Chelan counties. These amounts may
9 not be used to fund agency indirect and administrative expenses.

10 (3) \$1,000,000 of the general fund--federal appropriation is
11 provided solely to implement the voluntary stewardship program
12 statewide. The commission shall place the appropriation in this
13 subsection in unallotted status, and may not allot any of these funds
14 until the federal government has provided funding to the commission for
15 the purpose of implementing the voluntary stewardship program.

16 (4) The conservation commission must evaluate the current system
17 for the election of conservation district board supervisors and
18 recommend improvements to ensure the highest degree of public
19 involvement in these elections. The commission must engage with
20 stakeholder groups and conservation districts to gather a set of
21 options for improvement to district elections, which must include an
22 option aligning district elections with state and local general
23 elections. The commission must submit a report detailing the options
24 to the office of financial management and appropriate committees of the
25 legislature by December 10, 2013.

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

27	General Fund--State Appropriation (FY 2014)	\$30,321,000
28	General Fund--State Appropriation (FY 2015)	\$28,999,000
29	General Fund--Federal Appropriation	\$107,585,000
30	General Fund--Private/Local Appropriation	\$58,784,000
31	ORV and Nonhighway Vehicle Account--State Appropriation	\$397,000
32	Aquatic Lands Enhancement Account--State	
33	Appropriation	\$15,919,000
34	Recreational Fisheries Enhancement--State Appropriation	\$2,590,000
35	Environmental Legacy Stewardship Account--State	
36	Appropriation	\$1,224,000
37	Warm Water Game Fish Account--State Appropriation	\$2,507,000

1	Eastern Washington Pheasant Enhancement Account--State	
2	Appropriation	\$849,000
3	Aquatic Invasive Species Enforcement Account--State	
4	Appropriation	\$209,000
5	Aquatic Invasive Species Prevention Account--State	
6	Appropriation	\$737,000
7	State Wildlife Account--State Appropriation	\$103,460,000
8	Special Wildlife Account--State Appropriation	\$2,405,000
9	Special Wildlife Account--Federal Appropriation	\$500,000
10	Special Wildlife Account--Private/Local Appropriation	\$3,446,000
11	Wildlife Rehabilitation Account--State Appropriation	\$259,000
12	Hydraulic Project Approval Account--State Appropriation	\$674,000
13	Regional Fisheries Enhancement Salmonid Recovery	
14	Account--Federal Appropriation	\$5,001,000
15	Oil Spill Prevention Account--State Appropriation	\$917,000
16	Oyster Reserve Land Account--State Appropriation	\$773,000
17	TOTAL APPROPRIATION	\$367,556,000

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

20 (1) \$130,000 of the general fund--state appropriation for fiscal
21 year 2014 and \$130,000 of the general fund--state appropriation for
22 fiscal year 2015 are provided solely to pay for emergency fire
23 suppression costs. These amounts may not be used to fund agency
24 indirect and administrative expenses.

25 (2) Prior to submitting its 2015-2017 biennial operating and
26 capital budget request related to state fish hatcheries to the office
27 of financial management, the department shall contract with the
28 hatchery scientific review group (HSRG) to review this request. This
29 review shall: (a) Determine if the proposed requests are consistent
30 with HSRG recommendations; (b) prioritize the components of the
31 requests based on their contributions to protecting wild salmonid
32 stocks and meeting the recommendations of the HSRG; and (c) evaluate
33 whether the proposed requests are being made in the most cost effective
34 manner. The department shall provide a copy of the HSRG review to the
35 office of financial management with their agency budget proposal.

36 (3) \$400,000 of the general fund--state appropriation for fiscal
37 year 2014 and \$400,000 of the general fund--state appropriation for

1 fiscal year 2015 are provided solely for a state match to support the
2 Puget Sound nearshore partnership between the department and the U.S.
3 army corps of engineers.

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

9 (5) During the 2013-2015 fiscal biennium, the department must
10 retain ownership and continue to occupy the downtown Olympia office
11 building at 600 Capitol Way.

12 (6) \$1,000,000 of the state wildlife account--state appropriation
13 is provided solely to the department for resources that serve to
14 promote and engage nonlethal deterrence methods relating to wolf and
15 livestock interaction with a priority given to funding cooperative
16 agreements with livestock producers, and of this amount, \$250,000 in
17 fiscal year 2014 is provided solely for compensation for injury or loss
18 of livestock caused by wolves as prescribed in chapter 77.36 RCW.

19 (7) \$100,000 of the state wildlife account--state appropriation is
20 provided solely for the transfer of trout from the Clarks creek
21 hatchery to the Lakewood hatchery.

22 (8) \$100,000 of the general fund--state appropriation for fiscal
23 year 2014 and \$100,000 of the general fund--state appropriation for
24 fiscal year 2015 are provided solely for the production of steelhead,
25 coho, and Chinook salmon at the Clarks creek hatchery.

26 (9) \$200,000 of the state wildlife account--state appropriation,
27 \$50,000 of the general fund--state appropriation for fiscal year 2014,
28 and \$50,000 of the general fund--state appropriation for fiscal year
29 2015 are provided solely for the department to increase production of
30 juvenile fall Chinook on the Cowlitz river. The funds provided may be
31 used to match or leverage funds from private or public sources for the
32 same purpose.

33 (10) \$596,000 of the general fund--state appropriation for fiscal
34 year 2014 and \$596,000 of the general fund--state appropriation for
35 fiscal year 2015 are provided solely for weed assessments and for
36 payments in lieu of real property taxes to counties that elect to
37 receive the payments for department owned game lands within the county.

1 (11) \$10,000 of the aquatic lands enhancement account--state
2 appropriation is provided solely for development of an aquatic invasive
3 species passport program to improve the efficiency and effectiveness of
4 watercraft inspections by expediting aquatic invasive species
5 watercraft inspections for watercraft at low risk of transmitting
6 invasive species and prioritizing the use of available resources for
7 the inspection of high risk vessels.

8 (12) Within the amounts appropriated in this section, the
9 department must deploy additional wildlife conflict specialists to
10 provide landowner assistance and address wildlife conflicts, with at
11 least one additional specialist primarily assigned to each of the
12 following areas: Administrative region six of the department; Okanogan
13 and Chelan counties in administrative region two of the department; and
14 Whatcom and Skagit counties in administrative region four of the
15 department.

16 (13) \$25,000 of the general fund--state appropriation for fiscal
17 year 2014 and \$25,000 of the general fund--state appropriation for
18 fiscal year 2015 are provided solely for implementation of House Bill
19 No. 1112 (science and public policy). If the bill is not enacted by
20 June 30, 2013, the amounts provided in this subsection shall lapse.

21 (14) Within the amounts appropriated in this section the department
22 shall work with the regional fisheries enhancement groups to identify
23 a revenue source or sources capable of providing long-term funding to
24 support the community-based salmon restoration work of regional
25 fisheries enhancement groups. The department shall work with the
26 regional fisheries enhancement group coalition to submit a report to
27 the office of financial management and the appropriate legislative
28 committees by December 1, 2013, with the outcomes and recommendations.

29 (15) The director must submit a revised payment methodology to the
30 office of financial management and the fiscal committees of the
31 legislature by October 1, 2013, on the allocation to counties as
32 payments in lieu of real property taxes under RCW 77.12.203 for those
33 counties that elected to receive an amount in lieu of real property
34 taxes equal to that amount paid on similar parcels of open space land
35 taxable under chapter 83.34 RCW as of January 1, 2013. The revised
36 payment methodology shall be designed to provide supplemental payments
37 to the affected counties. The department shall not implement this

1 methodology until it has been approved by the legislature and
2 incorporated into the 2014 supplemental omnibus appropriations act.

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

4	General Fund--State Appropriation (FY 2014)	\$42,515,000
5	General Fund--State Appropriation (FY 2015)	\$45,092,000
6	General Fund--Federal Appropriation	\$26,963,000
7	General Fund--Private/Local Appropriation	\$2,372,000
8	Forest Development Account--State Appropriation	\$49,054,000
9	ORV and Nonhighway Vehicle Account--State Appropriation . . .	\$4,494,000
10	Surveys and Maps Account--State Appropriation	\$2,170,000
11	Aquatic Lands Enhancement Account--State Appropriation . . .	\$3,634,000
12	Snowmobile Account--State Appropriation	\$100,000
13	Environmental Legacy Stewardship Account--State	
14	Appropriation	\$3,948,000
15	Resources Management Cost Account--State	
16	Appropriation	\$111,073,000
17	Surface Mining Reclamation Account--State Appropriation . . .	\$3,972,000
18	Disaster Response Account--State Appropriation	\$5,000,000
19	Forest and Fish Support Account--State Appropriation	\$11,759,000
20	Aquatic Land Dredged Material Disposal Site	
21	Account--State Appropriation	\$843,000
22	Natural Resources Conservation Areas Stewardship	
23	Account--State Appropriation	\$34,000
24	Marine Resources Stewardship Trust Account--State	
25	Appropriation	\$3,700,000
26	State Toxics Control Account--State Appropriation	\$80,000
27	Forest Practices Application Account--State	
28	Appropriation	\$1,697,000
29	Air Pollution Control Account--State Appropriation	\$785,000
30	NOVA Program Account--State Appropriation	\$950,000
31	Derelict Vessel Removal Account--State Appropriation	\$1,770,000
32	Agricultural College Trust Management Account--State	
33	Appropriation	\$2,712,000
34	TOTAL APPROPRIATION	\$324,717,000

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

1 (1) \$1,389,000 of the general fund--state appropriation for fiscal
2 year 2014 and \$1,323,000 of the general fund--state appropriation for
3 fiscal year 2015 are provided solely for deposit into the agricultural
4 college trust management account and are provided solely to manage
5 approximately 70,700 acres of Washington State University's
6 agricultural college trust lands.

7 (2) \$19,099,000 of the general fund--state appropriation for fiscal
8 year 2014, \$19,099,000 of the general fund--state appropriation for
9 fiscal year 2015, and \$5,000,000 of the disaster response account--
10 state appropriation are provided solely for emergency fire suppression.
11 None of the general fund and disaster response account amounts provided
12 in this subsection may be used to fund agency indirect and
13 administrative expenses. Agency indirect and administrative costs
14 shall be allocated among the agency's remaining accounts and
15 appropriations. The department of natural resources shall submit a
16 quarterly report to the office of financial management and the
17 legislative fiscal committees detailing information on current and
18 planned expenditures from the disaster response account. This work
19 shall be done in coordination with the military department.

20 (3) \$5,000,000 of the forest and fish support account--state
21 appropriation is provided solely for outcome-based, performance
22 contracts with tribes to participate in the implementation of the
23 forest practices program. Contracts awarded may only contain indirect
24 costs set at or below the rate in the contracting tribe's indirect cost
25 agreement with the federal government. If federal funding for this
26 purpose is reinstated, the amount provided in this subsection shall
27 lapse.

28 (4) \$518,000 of the forest and fish support account--state
29 appropriation is provided solely for outcome-based performance
30 contracts with nongovernmental organizations to participate in the
31 implementation of the forest practices program. Contracts awarded may
32 only contain indirect cost set at or below a rate of eighteen percent.

33 (5) \$717,000 of the forest and fish support account--state
34 appropriation is provided solely to fund interagency agreements with
35 the department of ecology and the department of fish and wildlife as
36 part of the adaptive management process.

37 (6) \$440,000 of the state general fund--state appropriation for
38 fiscal year 2014 and \$440,000 of the state general fund--state

1 appropriation for fiscal year 2015 are provided solely for forest work
2 crews that support correctional camps and are contingent upon
3 continuing operations of Naselle youth camp.

4 (7) \$2,382,000 of the resource management cost account--state
5 appropriation is for addressing the growing backlog of expired aquatic
6 leases and new aquatic lease applications. The department shall
7 implement a Lean process to improve the lease review process and
8 further reduce the backlog, and submit a report on its progress in
9 addressing the backlog and implementation of the Lean process to the
10 governor and the appropriate committees of the legislature by October
11 1, 2013.

12 (8) \$1,948,000 of the environmental legacy stewardship account--
13 state appropriation is provided solely for the department to pay a
14 portion of the costs to complete remedial investigation work at
15 Whitmarsh landfill and Mill site A and perform final-year maintenance
16 of the Olympic view triangle site in Commencement Bay.

17 (9) \$265,000 of the resources management cost account--state
18 appropriation is provided solely for implementation of Second
19 Substitute House Bill No. 1764 (geoduck diver licenses). If the bill
20 is not enacted by June 30, 2013, the amount provided in this subsection
21 shall lapse.

22 (10) \$425,000 of the derelict vessel removal account--state
23 appropriation is provided solely for implementation of Engrossed
24 Substitute House Bill No. 1245 (derelict and abandoned vessels). If
25 the bill is not enacted by June 30, 2013, the amount provided in this
26 subsection shall lapse.

27 (11) \$3,700,000 of the marine resources stewardship trust account--
28 state appropriation is provided solely for implementation of priority
29 marine management planning efforts including mapping activities,
30 ecological assessment, data tools, stakeholder engagement, and all
31 other work identified in Engrossed Senate Bill No. 5603 (marine
32 advisory councils) during the 2013-2015 fiscal biennium.

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

34	General Fund--State Appropriation (FY 2014)	\$15,300,000
35	General Fund--State Appropriation (FY 2015)	\$15,294,000
36	General Fund--Federal Appropriation	\$23,098,000
37	General Fund--Private/Local Appropriation	\$192,000

1	Aquatic Lands Enhancement Account--State Appropriation . . .	\$2,837,000
2	State Toxics Control Account--State Appropriation	\$5,203,000
3	Water Quality Permit Account--State Appropriation	\$70,000
4	TOTAL APPROPRIATION	\$61,994,000

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

7 (1) \$5,308,445 of the general fund--state appropriation for fiscal
8 year 2014 and \$5,302,905 of the general fund--state appropriation for
9 fiscal year 2015 are provided solely for implementing the food
10 assistance program as defined in RCW 43.23.290.

11 (2) Pursuant to RCW 43.135.055 and 16.57.220, the department is
12 authorized to institute livestock inspection fees in the 2013-2015
13 fiscal biennium for calves less than thirty days old.

14 (3) Pursuant to RCW 43.135.055 and 16.36.150, the department is
15 authorized to establish a fee for the sole purpose of purchasing and
16 operating a database and any other technology or software needed to
17 administer animal disease traceability activities for cattle sold or
18 slaughtered in the state or transported out of the state.

19 (4) Within the amounts appropriated in this section, the department
20 of agriculture must convene and facilitate a work group with
21 appropriate stakeholders to review fees supporting programs within the
22 department that are also supported with state general fund. In
23 developing strategies to make the program work more self-supporting,
24 the workgroup will consider, at minimum, the length of time since the
25 last fee increase, similar fees that exist in neighboring states, and
26 fee increases that will ensure reasonable competitiveness in the
27 respective industries. The workgroup must submit a report containing
28 recommendations that will make each of the fee supported programs
29 within the department less reliant on state general fund to the office
30 of financial management and legislative fiscal committees by December
31 1, 2013.

32 NEW SECTION. **Sec. 310. FOR THE WASHINGTON POLLUTION LIABILITY**
33 **INSURANCE PROGRAM**

34	Pollution Liability Insurance Program Trust	
35	Account--State Appropriation	\$987,000

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

2 General Fund--State Appropriation (FY 2014) \$2,416,000
3 General Fund--State Appropriation (FY 2015) \$2,318,000
4 General Fund--Federal Appropriation \$11,570,000
5 Aquatic Lands Enhancement Account--State Appropriation . . . \$1,920,000
6 State Toxics Control Account--State Appropriation \$676,000
7 TOTAL APPROPRIATION \$18,900,000

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

10 (1) \$788,000 of the aquatic lands enhancement account--state
11 appropriation is provided solely for coordinating a study of Puget
12 Sound juvenile steelhead marine survival conducted by the department of
13 fish and wildlife and based on a study plan developed in cooperation
14 with federal, tribal, and nongovernmental entities.

15 (2) By October 1, 2014, the Puget Sound partnership shall provide
16 the governor a single, prioritized list of state agency 2015-2017
17 capital and operating budget requests related to Puget Sound
18 restoration.

(End of part)

PART IV
TRANSPORTATION

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

4	General Fund--State Appropriation (FY 2014)	\$1,103,000
5	General Fund--State Appropriation (FY 2015)	\$1,341,000
6	Architects' License Account--State Appropriation	\$902,000
7	Professional Engineers' Account--State	
8	Appropriation	\$3,558,000
9	Real Estate Commission Account--State Appropriation	\$9,929,000
10	Uniform Commercial Code Account--State	
11	Appropriation	\$3,154,000
12	Real Estate Education Account--State Appropriation	\$276,000
13	Real Estate Appraiser Commission Account--State	
14	Appropriation	\$1,703,000
15	Business and Professions Account--State	
16	Appropriation	\$17,454,000
17	Funeral and Cemetery Account--State Appropriation	\$5,000
18	Landscape Architects' License Account--State Appropriation	\$4,000
19	Appraisal Management Company Account--State	
20	Appropriation	\$4,000
21	Real Estate Research Account--State Appropriation	\$415,000
22	Wildlife Account--State Appropriation	\$32,000
23	Geologists' Account--State Appropriation	\$52,000
24	Derelict Vessel Removal Account--State Appropriation	\$31,000
25	TOTAL APPROPRIATION	\$39,963,000

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

28 (1) \$566,000 of the business and professions account--state
29 appropriation is provided solely for the implementation of Engrossed
30 Substitute House Bill No. 1552 (scrap metal theft reduction). If the
31 bill is not enacted by June 30, 2013, the amount provided in this
32 subsection shall lapse.

33 (2) \$166,000 of the business and professions account--state
34 appropriation in fiscal year 2014 only is provided solely for the
35 implementation of Substitute House Bill No. 1779 (esthetics). If the

1 bill is not enacted by June 30, 2013, the amount provided in this
2 subsection shall lapse.

3 (3) \$592,000 of the business and professions account--state
4 appropriation is provided solely for the implementation of Substitute
5 House Bill No. 1822 (debt collection practices). If the bill is not
6 enacted by June 30, 2013, the amount provided in this subsection shall
7 lapse.

8 (4) \$32,000 of the state wildlife account--state appropriation is
9 provided solely for the implementation of Engrossed Second Substitute
10 Senate Bill No. 5193 (wolf conflict management). If the bill is not
11 enacted by June 30, 2013, the amount provided in this subsection shall
12 lapse.

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

14	General Fund--State Appropriation (FY 2014)	\$34,653,000
15	General Fund--State Appropriation (FY 2015)	\$32,485,000
16	General Fund--Federal Appropriation	\$16,189,000
17	General Fund--Private/Local Appropriation	\$3,020,000
18	Death Investigations Account--State Appropriation	\$9,956,000
19	Enhanced 911 Account--State Appropriation	\$3,480,000
20	County Criminal Justice Assistance Account--State	
21	Appropriation	\$3,332,000
22	Municipal Criminal Justice Assistance Account--State	
23	Appropriation	\$1,351,000
24	Fire Service Trust Account--State Appropriation	\$131,000
25	Disaster Response Account--State Appropriation	\$8,000,000
26	Fire Service Training Account--State Appropriation	\$9,797,000
27	Aquatic Invasive Species Enforcement Account--State	
28	Appropriation	\$54,000
29	State Toxics Control Account--State Appropriation	\$516,000
30	Fingerprint Identification Account--State	
31	Appropriation	\$10,747,000
32	Vehicle License Fraud Account--State Appropriation	\$447,000
33	TOTAL APPROPRIATION	\$134,158,000

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

36 (1) \$200,000 of the fire service training account--state
37 appropriation is provided solely for two FTEs in the office of the

1 state director of fire protection to exclusively review K-12
2 construction documents for fire and life safety in accordance with the
3 state building code. It is the intent of this appropriation to provide
4 these services only to those districts that are located in counties
5 without qualified review capabilities.

6 (2) \$8,000,000 of the disaster response account--state
7 appropriation is provided solely for Washington state fire service
8 resource mobilization costs incurred in response to an emergency or
9 disaster authorized under RCW 43.43.960 through 43.43.964. The state
10 patrol shall submit a report quarterly to the office of financial
11 management and the legislative fiscal committees detailing information
12 on current and planned expenditures from this account. This work shall
13 be done in coordination with the military department.

14 (3) \$700,000 of the fire service training account--state
15 appropriation is provided solely for the firefighter apprenticeship
16 training program.

17 (4) \$3,480,000 of the enhanced 911 account--state appropriation is
18 provided solely for upgrades to the Washington state identification
19 system and the Washington crime information center. Amounts provided
20 in this subsection may not be expended until the office of the chief
21 information officer approves a plan to move the Washington state
22 patrol's servers and data center equipment into the state data center
23 in the 1500 Jefferson building, and the office of the chief information
24 officer certifies that the Washington state patrol has begun the move.
25 The amounts provided in this subsection are conditioned on the
26 department satisfying the requirements of the project management
27 oversight standards and policies established by the office of the chief
28 information officer.

29 (5) \$154,000 of the fingerprint identification account--state
30 appropriation is provided solely for implementation of Substitute House
31 Bill No. 1612 (firearms offenders). If the bill is not enacted by June
32 30, 2013, the amount provided in this subsection shall lapse.

(End of part)

PART V
EDUCATION

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

General Fund--State Appropriation (FY 2014)	\$27,264,000
General Fund--State Appropriation (FY 2015)	\$26,041,000
General Fund--Federal Appropriation	\$63,826,000
General Fund--Private/Local Appropriation	\$4,005,000
Performance Audits of Government Account--State Appropriation	\$200,000
TOTAL APPROPRIATION	\$121,336,000

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

(1) A maximum of \$16,881,000 of the general fund--state appropriation for fiscal year 2014 and \$16,602,000 of the general fund--state appropriation for fiscal year 2015 is for state agency operations.

(a) \$8,846,000 of the general fund--state appropriation for fiscal year 2014 and \$8,910,000 of the general fund--state appropriation for fiscal year 2015 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) Districts shall report to the office of the superintendent of public instruction daily student unexcused absence data by school, using a uniform definition of unexcused absence as established by the superintendent.

(iii) By September of each year, the office of the superintendent of public instruction shall produce an annual status report of the budget provisos in sections 501 and 513 of this act. The status report of each proviso shall include, but not be limited to, the following information: Purpose and objective, number of staff, number of

1 contractors, status of proviso implementation, number of beneficiaries
2 by year, list of beneficiaries, and proviso outcomes and achievements.

3 (iv) The superintendent of public instruction shall update the
4 program prepared and distributed under RCW 28A.230.150 for the
5 observation of temperance and good citizenship day to include providing
6 an opportunity for eligible students to register to vote at school.

7 (v) The office of the superintendent of public instruction shall
8 review career and technical education and skill center programs'
9 funding enhancement formulas, expenditure accounting systems, and
10 reporting. The office will make recommendations for revising the
11 funding formulas, including the possibility of conversion to a model
12 that enhances basic education rates, potential revisions to accounting
13 systems, and recommendations for improving reporting and transparency.
14 The office shall submit recommendations to the appropriate fiscal
15 committees of the legislature and the office of financial management by
16 October 1, 2013.

17 (vi) Appropriations in this section are sufficient for the office
18 of the superintendent of public instruction to conduct ongoing
19 consolidated program reviews of alternative learning experience
20 programs and dropout reengagement programs established under chapter
21 20, Laws of 2010. The office of the superintendent of public
22 instruction shall include alternative learning education and dropout
23 reengagement programs in their ongoing consolidated program reviews, as
24 well as provide outreach and training to school districts regarding
25 implementation of the programs. Findings from the program reviews will
26 be used to support and prioritize office of the superintendent outreach
27 and education efforts that assist school districts in implementing the
28 programs in accordance with statute and legislative intent, as well as
29 to support financial and performance audit work conducted by the office
30 of the state auditor.

31 (b) \$1,017,000 of the general fund--state appropriation for fiscal
32 year 2014 and \$1,017,000 of the general fund--state appropriation for
33 fiscal year 2015 are provided solely for activities associated with the
34 implementation of new school finance systems required by chapter 236,
35 Laws of 2010 (K-12 education funding) and chapter 548, Laws of 2009
36 (state's education system), including technical staff, systems
37 reprogramming, and workgroup deliberations, including the quality
38 education council and the data governance working group.

1 (c) \$1,012,000 of the general fund--state appropriation for fiscal
2 year 2014 and \$1,012,000 of the general fund--state appropriation for
3 fiscal year 2015 are provided solely for the operation and expenses of
4 the state board of education, including basic education assistance
5 activities. Of these amounts, \$161,000 of the general fund--state
6 appropriation for fiscal year 2014 and \$161,000 of the general fund--
7 state appropriation for fiscal year 2015 are provided for
8 implementation of Initiative Measure No. 1240 (charter schools).

9 (d) \$1,325,000 of the general fund--state appropriation for fiscal
10 year 2014 and \$1,325,000 of the general fund--state appropriation for
11 fiscal year 2015 are provided solely to the professional educator
12 standards board for the following:

13 (i) \$1,050,000 in fiscal year 2014 and \$1,050,000 in fiscal year
14 2015 are for the operation and expenses of the Washington professional
15 educator standards board;

16 (ii) \$250,000 of the general fund--state appropriation for fiscal
17 year 2014 and \$250,000 of the general fund--state appropriation for
18 fiscal year 2015 are for mentor stipends provided through the
19 alternative routes to certification program administered by the
20 professional educator standards board, including the pipeline for
21 paraeducators program and the retooling to teach conditional loan
22 programs. Funding within this subsection (1)(d)(ii) is also provided
23 for the recruiting Washington teachers program; and

24 (iii) \$25,000 of the general fund--state appropriation for fiscal
25 year 2014 and \$25,000 of the general fund--state appropriation for
26 fiscal year 2015 are provided solely for the professional educator
27 standards board to develop educator interpreter standards and identify
28 interpreter assessments that are available to school districts.
29 Interpreter assessments should meet the following criteria: (A)
30 Include both written assessment and performance assessment; (B) be
31 offered by a national organization of professional sign language
32 interpreters and transliterators; and (C) be designed to assess
33 performance in more than one sign system or sign language. The board
34 shall establish a performance standard, defining what constitutes a
35 minimum assessment result, for each educational interpreter assessment
36 identified. The board shall publicize the standards and assessments
37 for school district use.

1 (e) \$133,000 of the general fund--state appropriation for fiscal
2 year 2014 and \$133,000 of the general fund--state appropriation for
3 fiscal year 2015 are provided solely for the implementation of chapter
4 240, Laws of 2010, including staffing the office of equity and civil
5 rights.

6 (f) \$50,000 of the general fund--state appropriation for fiscal
7 year 2014 and \$50,000 of the general fund--state appropriation for
8 fiscal year 2015 are provided solely for the ongoing work of the
9 education opportunity gap oversight and accountability committee.

10 (g) \$45,000 of the general fund--state appropriation for fiscal
11 year 2014 and \$45,000 of the general fund--state appropriation for
12 fiscal year 2015 are provided solely for the implementation of chapter
13 380, Laws of 2009 (enacting the interstate compact on educational
14 opportunity for military children).

15 (h) \$131,000 of the general fund--state appropriation for fiscal
16 year 2014 and \$131,000 of the general fund--state appropriation for
17 fiscal year 2015 are provided solely for the implementation of
18 Initiative Measure No. 1240 (charter schools).

19 (i) \$1,826,000 of the general fund--state appropriation for fiscal
20 year 2014 and \$1,802,000 of the general fund--state appropriation for
21 fiscal year 2015 are provided solely for implementing a comprehensive
22 data system to include financial, student, and educator data, including
23 development and maintenance of the comprehensive education data and
24 research system (CEDARS).

25 (j) \$25,000 of the general fund--state appropriation for fiscal
26 year 2014 and \$25,000 of the general fund--state appropriation for
27 fiscal year 2015 are provided solely for project citizen, a program
28 sponsored by the national conference of state legislatures and the
29 center for civic education to promote participation in government by
30 middle school students.

31 (k) \$1,500,000 of the general fund--state appropriation for fiscal
32 year 2014 and \$1,500,000 of the general fund--state appropriation for
33 fiscal year 2015 are provided solely for collaborative schools for
34 innovation and success authorized under chapter 53, Laws of 2012. The
35 office of the superintendent of public instruction shall award \$500,000
36 per year in funding for each collaborative school for innovation and
37 success selected for participation in the pilot program during 2012.

1 (l) \$123,000 of the general fund--state appropriation for fiscal
2 year 2014 and \$123,000 of the general fund--state appropriation for
3 fiscal year 2015 are provided solely for implementation of chapter 163,
4 Laws of 2012 (foster care outcomes). The office of the superintendent
5 of public instruction shall annually report each December on the
6 implementation of the state's plan of cross-system collaboration to
7 promote educational stability and improve education outcomes of foster
8 youth.

9 (m) \$250,000 of the general fund--state appropriation for fiscal
10 year 2014 and \$250,000 of the general fund--state appropriation for
11 fiscal year 2015 are provided solely for implementation of chapter 178,
12 Laws of 2012 (open K-12 education resources).

13 (n) \$93,000 of the general fund--state appropriation for fiscal
14 year 2014 and \$93,000 of the general fund--state appropriation for
15 fiscal year 2015 are provided solely for chapter 185, Laws of 2011
16 (bullying prevention, which requires the office of the superintendent
17 of public instruction to convene an ongoing workgroup on school
18 bullying and harassment prevention. Within the amounts provided,
19 \$140,000 is for youth suicide prevention activities.

20 (o) \$138,000 of the general fund--state appropriation for fiscal
21 year 2014 is provided solely for implementation of House Bill No. 1336
22 (troubled youth in school). If the bill is not enacted by June 30,
23 2013, the amounts provided in this subsection shall lapse.

24 (p) \$68,000 of the general fund--state appropriation for fiscal
25 year 2014 and \$14,000 of the general fund--state appropriation for
26 fiscal year 2015 are provided solely for implementation of House Bill
27 No. 1134 (state-tribal education compacts). If the bill is not enacted
28 by June 30, 2013, the amounts provided in this subsection shall lapse.

29 (q) \$62,000 of the general fund--state appropriation for fiscal
30 year 2014 and \$62,000 of the general fund--state appropriation for
31 fiscal year 2015 are for competitive grants to school districts to
32 increase the capacity of high schools to offer AP computer science
33 courses. In making grant allocations, the office of the superintendent
34 of public instruction must give priority to schools and districts in
35 rural areas, with substantial enrollment of low-income students, and
36 that do not offer AP computer science. School districts may apply to
37 receive either or both of the following grants:

1 (i) A grant to establish partnerships to support computer science
2 professionals from private industry serving on a voluntary basis as
3 coinstructors along with a certificated teacher, including via
4 synchronous video, for AP computer science courses; or

5 (ii) A grant to purchase or upgrade technology and curriculum
6 needed for AP computer science, as well as provide opportunities for
7 professional development for classroom teachers to have the requisite
8 knowledge and skills to teach AP computer science.

9 (r) \$27,000 of the general fund--state appropriation for fiscal
10 year 2014 is provided solely for implementation of House Bill No. 1556
11 (cardiac arrest education).

12 (s) \$50,000 of the general fund--state appropriation for fiscal
13 year 2014 is provided solely for the development of recommendations for
14 funding integrated school nursing and outreach services. The office of
15 the superintendent of public instruction shall collaborate with the
16 health care authority to develop recommendations for increasing federal
17 financial participation for providing nursing services in schools with
18 the goals of integrating nursing and outreach services and supporting
19 one nurse for every four-hundred fifty students in elementary schools
20 and one nurse for every seven-hundred fifty students in secondary
21 schools. The recommendations shall include proposals for funding
22 training and reimbursement for nurses that provide outreach services to
23 help eligible students enroll in apple health for kids and other social
24 services programs. The authority and the office of the superintendent
25 of public instruction shall provide these recommendations to the
26 governor and the legislature by December 1, 2013.

27 (t) \$50,000 of the general fund--state appropriation for fiscal
28 year 2014 is provided solely for the office of the superintendent of
29 public instruction to contract with an organization to develop a model
30 plan for evaluating the outcomes of state funded pilot education
31 programs, including guidelines for standard data that must be gathered
32 throughout any education pilot program, as well as guidance for data
33 and evaluation methods depending on the design of the program and the
34 target population. The contract must also include a provision to
35 provide guidance for the evaluation of existing pilot programs.

36 (u) \$10,000 of the general fund--state appropriation for fiscal
37 year 2014 and \$10,000 of the general fund--state appropriation for
38 fiscal year 2015 are provided solely for the superintendent of public

1 instruction to convene a committee for the selection and recognition of
2 Washington innovative schools. The committee shall select and
3 recognize Washington innovative schools based on the selection criteria
4 established by the office of the superintendent of public instruction,
5 in accordance with chapter 202, Laws of 2011 (innovation schools--
6 recognition) and chapter 260, Laws of 2011 (innovation schools and
7 zones).

8 (v) \$100,000 of the general fund--state appropriation for fiscal
9 year 2014 and \$100,000 of the general fund--state appropriation for
10 fiscal year 2015 are provided solely for the Mobius science center to
11 expand mobile outreach of science, technology, engineering, and
12 mathematics (STEM) education to students in rural, tribal, and
13 low-income communities.

14 (2) \$200,000 of the performance audits of government account--state
15 appropriation is provided solely for a one-time workload increase to
16 address additional audit resolutions and appeals in the alternative
17 learning experience programs.

18 (3) \$10,277,000 of the general fund--state appropriation for fiscal
19 year 2014 and \$9,565,000 of the general fund--state appropriation for
20 fiscal year 2015 are for statewide programs.

21 (a) HEALTH AND SAFETY

22 (i) \$2,541,000 of the general fund--state appropriation for fiscal
23 year 2014 and \$2,541,000 of the general fund--state appropriation for
24 fiscal year 2015 are provided solely for a corps of nurses located at
25 educational service districts, as determined by the superintendent of
26 public instruction, to be dispatched to the most needy schools to
27 provide direct care to students, health education, and training for
28 school staff.

29 (ii) \$135,000 of the general fund--state appropriation for fiscal
30 year 2014 and \$135,000 of the general fund--state appropriation for
31 fiscal year 2015 are provided solely for a nonviolence and leadership
32 training program provided by the institute for community leadership.

33 (b) TECHNOLOGY

34 \$1,221,000 of the general fund--state appropriation for fiscal year
35 2014 and \$1,221,000 of the general fund--state appropriation for fiscal
36 year 2015 are provided solely for K-20 telecommunications network
37 technical support in the K-12 sector to prevent system failures and
38 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) \$1,875,000 of the general fund--state appropriation for fiscal
6 year 2014 and \$1,875,000 of the general fund--state appropriation for
7 fiscal year 2015 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 2014 and \$1,000,000 of the general fund--state appropriation for
13 fiscal year 2015 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) \$1,000,000 of the general fund--state appropriation for
18 fiscal year 2014 and \$1,000,000 of the general fund--state
19 appropriation for fiscal year 2015 are provided solely for dropout
20 prevention, intervention, and reengagement programs, including the jobs
21 for America's graduates (JAG) program and the building bridges
22 statewide program.

23 (iv) \$2,112,000 of the general fund--state appropriation for fiscal
24 year 2014 and \$1,400,000 of the general fund--state appropriation for
25 fiscal year 2015 are provided solely for the implementation of chapter
26 340, Laws of 2011 and chapter 51, Laws of 2012. This includes the
27 development and implementation of the Washington kindergarten inventory
28 of developing skills (WaKIDS).

29 (v) \$100,000 of the general fund--state appropriation for fiscal
30 year 2014 and \$100,000 of the general fund--state appropriation for
31 fiscal year 2015 are provided solely to subsidize advanced placement
32 exam fees and international baccalaureate class fees and exam fees for
33 low-income students. To be eligible for the subsidy, a student must be
34 either enrolled or eligible to participate in the federal free or
35 reduced price lunch program, and the student must have maximized the
36 allowable federal contribution. The office of the superintendent of
37 public instruction shall set the subsidy in an amount so that the

1 advanced placement exam fee does not exceed \$15.00 and the combined
2 class and exam fee for the international baccalaureate does not exceed
3 \$14.50.

4 (vi) \$293,000 of the general fund--state appropriation for fiscal
5 year 2014 and \$293,000 of the general fund--state appropriation for
6 fiscal year 2015 are provided solely for the office of the
7 superintendent of public instruction to support the dissemination of
8 the navigation 101 curriculum to all districts.

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

11	General Fund--State Appropriation (FY 2014)	\$5,395,289,000
12	General Fund--State Appropriation (FY 2015)	\$5,581,336,000
13	Education Legacy Trust Account--State Appropriation . . .	\$328,563,000
14	TOTAL APPROPRIATION	\$11,305,188,000

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 2013-14 and 2014-15 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, 2013, to August 31, 2013, the superintendent shall
25 allocate general apportionment funding to school districts programs as
26 provided in sections 502 and 503, chapter 50, Laws of 2011 1st sp.
27 sess., as amended.

28 (d) The enrollment of any district shall be the annual average
29 number of full-time equivalent students and part-time students as
30 provided in RCW 28A.150.350, enrolled on the fourth day of school in
31 September and on the first school day of each month October through
32 June, including students who are in attendance pursuant to RCW
33 28A.335.160 and 28A.225.250 who do not reside within the servicing
34 school district. Any school district concluding its basic education
35 program in May must report the enrollment of the last school day held
36 in May in lieu of a June enrollment.

37 (2) CERTIFICATED INSTRUCTIONAL STAFF ALLOCATIONS

1 Allocations for certificated instructional staff salaries for the
2 2013-14 and 2014-15 school years are determined using formula-generated
3 staff units calculated pursuant to this subsection.

4 (a) Certificated instructional staff units, as defined in RCW
5 28A.150.410, shall be allocated to reflect the minimum class size
6 allocations, requirements, and school prototypes assumptions as
7 provided in RCW 28A.150.260, except that the allocation for guidance
8 counselors in a middle school shall be 1.216 and the allocation for
9 guidance counselors in a high school shall be 2.009, which enhancements
10 are within the program of basic education. The superintendent shall
11 make allocations to school districts based on the district's annual
12 average full-time equivalent student enrollment in each grade.

13 (b) Additional certificated instructional staff units provided in
14 this subsection (2) that exceed the minimum requirements in RCW
15 28A.150.260 are enhancements outside the program of basic education,
16 except as otherwise provided in this section.

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

21
22 General education class size:

23 Grade	RCW 28A.150.260	2013-14	2014-15
		School Year	School Year
24 Grades K-3	25.23	25.23
25 Grade 4	27.00	27.00
26 Grades 5-6	27.00	27.00
27 Grades 7-8	28.53	28.53
28 Grades 9-12	28.74	28.74

29
30 The superintendent shall base allocations for career and technical
31 education (CTE) and skill center programs average class size as
32 provided in RCW 28A.150.260.

33 (ii) For each level of prototypical school at which more than fifty
34 percent of the students were eligible for free and reduced-price meals

1 in the prior school year, the superintendent shall allocate funding
2 based on the following average class size of full-time equivalent
3 students per teacher:

4 (A) General education class size in high poverty schools:

5	Grade	RCW 28A.150.260
6	Grade 2	24.10
7	Grade 3	24.10
8	Grade 4	27.00
9	Grades 5-6	27.00
10	Grades 7-8	28.53
11	Grades 9-12	28.74

12 (B) For grades K-1, class size of 20.85 is provided for high
13 poverty schools for the 2013-14 school year;

14 (C) For grades K through 1, the superintendent shall, at a minimum,
15 allocate funding to high-poverty schools for the 2014-15 school year
16 based on an average class size of 24.10 full-time equivalent students
17 per teacher. The superintendent shall provide enhanced funding for
18 class size reduction in grades K through 1 to the extent of, and
19 proportionate to, the school's demonstrated actual average class size
20 up to a class size of 20.30 full-time equivalent students per teacher.
21 The office of the superintendent of public instruction shall develop
22 rules to implement the enhanced funding authorized under (ii)(C) of
23 this subsection and shall distribute draft rules for review no later
24 than December 1, 2013. The office of the superintendent of public
25 instruction shall report the draft rules and proposed methodology to
26 the governor and the appropriate policy and fiscal committees of the
27 legislature by December 1, 2013.

28 (D) The enhancement in this subsection (2)(c)(ii) is within the
29 program of basic education.

30 (iii) Pursuant to RCW 28A.150.260(4)(a), the assumed teacher
31 planning period, expressed as a percentage of a teacher work day, is
32 13.42 percent in grades K-6, and 16.67 percent in grades 7-12; and

33 (iv) Laboratory science, advanced placement, and international
34 baccalaureate courses are funded at the same class size assumptions as
35 general education schools in the same grade; and

1 (d)(i) Funding for teacher librarians, school nurses, social
2 workers, school psychologists, and guidance counselors is allocated
3 based on the school prototypes as provided in RCW 28A.150.260 and (a)
4 of this subsection and is considered certificated instructional staff,
5 except as provided in (d)(ii) of this subsection.

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

11 Career and Technical Education

12 students	2.02 per 1000 student FTE's
13 Skill Center students	2.36 per 1000 student FTE's

14 (3) ADMINISTRATIVE STAFF ALLOCATIONS

15 (a) Allocations for school building-level certificated
16 administrative staff salaries for the 2013-14 and 2014-15 school years
17 for general education students are determined using the formula
18 generated staff units calculated pursuant to this subsection. The
19 superintendent shall make allocations to school districts based on the
20 district's annual average full-time equivalent enrollment in each
21 grade. The following prototypical school values shall determine the
22 allocation for principals, assistance principals, and other
23 certificated building level administrators:

24 Prototypical School Building:

25 Elementary School	1.253
26 Middle School	1.353
27 High School	1.880

28 (b) Students in approved career and technical education and skill
29 center programs generate certificated school building-level
30 administrator staff units at per student rates that are a multiple of
31 the general education rate in (a) of this subsection by the following
32 factors: Career and Technical Education students1.025
33 Skill Center students1.198

34 (4) CLASSIFIED STAFF ALLOCATIONS

1 Allocations for classified staff units providing school building-
2 level and district-wide support services for the 2013-14 and 2014-15
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 except that the allocation for parent involvement coordinators in an
7 elementary school shall be 0.0825, which enhancement is within the
8 program of basic education.

9 (5) CENTRAL OFFICE ALLOCATIONS

10 In addition to classified and administrative staff units allocated
11 in subsections (3) and (4) of this section, classified and
12 administrative staff units are provided for the 2013-14 and 2014-15
13 school year for the central office administrative costs of operating a
14 school district, at the following rates:

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

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

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

30 (d) For students in approved career-technical and skill center
31 programs, central office classified units are allocated at the same
32 staff unit per student rate as those generated for general education
33 students of the same grade in this subsection (5), and central office
34 administrative staff units are allocated at staff unit per student
35 rates that exceed the general education rate established for students
36 in the same grade in this subsection (5) by 1.71 percent in the 2013-14
37 school year and 2.00 percent in the 2014-15 school year for career and

1 technical education students, and 21.60 percent in the 2013-14 school
2 year and 15.98 percent in the 2014-15 school year for skill center
3 students.

4 (6) FRINGE BENEFIT ALLOCATIONS

5 Fringe benefit allocations shall be calculated at a rate of 18.68
6 percent in the 2013-14 school year and 18.68 percent in the 2014-15
7 school year for certificated salary allocations provided under
8 subsections (2), (3), and (5) of this section, and a rate of 20.95
9 percent in the 2013-14 school year and 20.95 percent in the 2014-15
10 school year for classified salary allocations provided under
11 subsections (4) and (5) of this section.

12 (7) INSURANCE BENEFIT ALLOCATIONS

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

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

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

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

26 Funding is allocated per annual average full-time equivalent
27 student for the materials, supplies, and operating costs (MSOC)
28 incurred by school districts, consistent with the requirements of RCW
29 28A.150.260.

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

32 MSOC RATES/STUDENT FTE

33

1	MSOC Component	2013-14	2014-15
2		SCHOOL YEAR	SCHOOL YEAR
3			
4	Technology	\$77.46	\$82.16
5	Utilities and Insurance	\$210.46	\$223.23
6	Curriculum and Textbooks	\$83.17	\$88.21
7	Other Supplies and Library Materials	\$176.56	\$187.27
8	Instructional Professional Development for Certificated		
9	and Classified Staff	\$12.86	\$13.64
10	Facilities Maintenance	\$104.27	\$110.59
11	Security and Central Office	\$72.24	\$76.62
12	TOTAL BASIC EDUCATION MSOC/STUDENT FTE	\$737.02	\$781.72

13 (b) Students in approved skill center programs generate per student
14 FTE MSOC allocations of \$1,244.25 for the 2013-14 school year and
15 \$1,262.92 for the 2014-15 school year.

16 (c) Students in approved exploratory and preparatory career and
17 technical education programs generate a per student MSOC allocation of
18 \$1,399.30 for the 2013-14 school year and \$1,420.29 for the 2014-15
19 school year.

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

23 (9) SUBSTITUTE TEACHER ALLOCATIONS

24 For the 2013-14 and 2014-15 school years, funding for substitute
25 costs for classroom teachers is based on four (4) funded substitute
26 days per classroom teacher unit generated under subsection (2) of this
27 section, at a daily substitute rate of \$151.86.

28 (10) ALTERNATIVE LEARNING EXPERIENCE PROGRAM FUNDING

29 (a) Amounts provided in this section from July 1, 2013, to August
30 31, 2013, are adjusted to reflect provisions of chapter 34, Laws of
31 2011 1st sp. sess. (allocation of funding for funding for students
32 enrolled in alternative learning experiences).

33 (b) Amounts provided in this section beginning September 1, 2013,
34 are adjusted to reflect modifications to alternative learning
35 experience courses in Engrossed Substitute Senate Bill No. 5946
36 (student educational outcomes).

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

10 (11) VOLUNTARY FULL DAY KINDERGARTEN PROGRAMS

11 Funding in this section is sufficient to fund voluntary full day
12 kindergarten programs in qualifying high poverty schools, pursuant to
13 RCW 28A.150.220 and 28A.150.315. Each kindergarten student who enrolls
14 for the voluntary full-day program in a qualifying school shall count
15 as one-half of one full-time equivalent student for purpose of making
16 allocations under this section. Funding in this section provides full-
17 day kindergarten programs for 43.75 percent of kindergarten enrollment
18 in the 2013-14 school year and 43.75 percent in the 2014-15 school
19 year, which enhancement is within the program of basic education.

20 (12) INCREASED INSTRUCTIONAL HOURS FOR GRADES SEVEN THROUGH TWELVE

21 (a) School districts shall implement the increased instructional
22 hours for the instructional program of basic education required under
23 the provisions of RCW 28A.150.220(2)(a) beginning with the 2014-15
24 school year, which enhancement is within the program of basic
25 education.

26 (b) Amounts provided in this section are sufficient to fund
27 increased instructional hours in grades seven through twelve. For the
28 2014-15 school year, the superintendent shall allocate funding to
29 school districts for increased instructional hours. In calculating the
30 allocations, the superintendent shall assume the following averages:

31 (a) Additional instruction of 2.2222 hours per week per full-time
32 equivalent student in grades seven through twelve in school year 2014-
33 15; (b) the general education average class sizes specified in section
34 502(2)(c); (c) 36 instructional weeks per year; (d) 900 instructional
35 hours per teacher; and (e) the district's average staff mix and
36 compensation rates as provided in sections 503 and 504 of this act.

1 (13) ADDITIONAL FUNDING FOR SMALL SCHOOL DISTRICTS AND REMOTE AND
2 NECESSARY PLANTS

3 For small school districts and remote and necessary school plants
4 within any district which have been judged to be remote and necessary
5 by the superintendent of public instruction, additional staff units are
6 provided to ensure a minimum level of staffing support. Additional
7 administrative and certificated instructional staff units provided to
8 districts in this subsection shall be reduced by the general education
9 staff units, excluding career and technical education and skills center
10 enhancement units, otherwise provided in subsections (2) through (5) of
11 this section on a per district basis.

12 (a) For districts enrolling not more than twenty-five average
13 annual full-time equivalent students in grades K-8, and for small
14 school plants within any school district which have been judged to be
15 remote and necessary by the superintendent of public instruction and
16 enroll not more than twenty-five average annual full-time equivalent
17 students in grades K-8:

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

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

28 (b) For specified enrollments in districts enrolling more than
29 twenty-five but not more than one hundred average annual full-time
30 equivalent students in grades K-8, and for small school plants within
31 any school district which enroll more than twenty-five average annual
32 full-time equivalent students in grades K-8 and have been judged to be
33 remote and necessary by the superintendent of public instruction:

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

37 (ii) For enrollment of up to twenty annual average full-time

1 equivalent students in grades 7 and 8, 0.92 certificated instructional
2 staff units and 0.08 certificated administrative staff units;

3 (c) For districts operating no more than two high schools with
4 enrollments of less than three hundred average annual full-time
5 equivalent students, for enrollment in grades 9-12 in each such school,
6 other than alternative schools, except as noted in this subsection:

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

12 (ii) For all other small high schools under this subsection, nine
13 certificated instructional staff units and one-half of a certificated
14 administrative staff unit for the first sixty average annual full-time
15 equivalent students, and additional staff units based on a ratio of
16 0.8732 certificated instructional staff units and 0.1268 certificated
17 administrative staff units per each additional forty-three and one-half
18 average annual full-time equivalent students;

19 (iii) Districts receiving staff units under this subsection shall
20 add students enrolled in a district alternative high school and any
21 grades nine through twelve alternative learning experience programs
22 with the small high school enrollment for calculations under this
23 subsection;

24 (d) For each nonhigh school district having an enrollment of more
25 than seventy annual average full-time equivalent students and less than
26 one hundred eighty students, operating a grades K-8 program or a grades
27 1-8 program, an additional one-half of a certificated instructional
28 staff unit;

29 (e) For each nonhigh school district having an enrollment of more
30 than fifty annual average full-time equivalent students and less than
31 one hundred eighty students, operating a grades K-6 program or a grades
32 1-6 program, an additional one-half of a certificated instructional
33 staff unit;

34 (f)(i) For enrollments generating certificated staff unit
35 allocations under (a) through (e) of this subsection, one classified
36 staff unit for each 2.94 certificated staff units allocated under such
37 subsections;

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

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

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

21 (15) The superintendent may distribute funding for the following
22 programs outside the basic education formula during fiscal years 2014
23 and 2015 as follows:

24 (a) \$605,000 of the general fund--state appropriation for fiscal
25 year 2014 and \$614,000 of the general fund--state appropriation for
26 fiscal year 2015 are provided solely for fire protection for school
27 districts located in a fire protection district as now or hereafter
28 established pursuant to chapter 52.04 RCW.

29 (b) \$436,000 of the general fund--state appropriation for fiscal
30 year 2014 and \$436,000 of the general fund--state appropriation for
31 fiscal year 2015 are provided solely for programs providing skills
32 training for secondary students who are enrolled in extended day
33 school-to-work programs, as approved by the superintendent of public
34 instruction. The funds shall be allocated at a rate not to exceed \$500
35 per full-time equivalent student enrolled in those programs.

36 (16) \$214,000 of the general fund--state appropriation for fiscal
37 year 2014 and \$217,000 of the general fund--state appropriation for
38 fiscal year 2015 are provided solely for school district emergencies as

1 certified by the superintendent of public instruction. At the close of
2 the fiscal year the superintendent of public instruction shall report
3 to the office of financial management and the appropriate fiscal
4 committees of the legislature on the allocations provided to districts
5 and the nature of the emergency.

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

9 (18) Students participating in running start programs may be funded
10 up to a combined maximum enrollment of 1.2 FTE including school
11 district and institution of higher education enrollment. In
12 calculating the combined 1.2 FTE, the office of the superintendent of
13 public instruction may average the participating student's September
14 through June enrollment to account for differences in the start and end
15 dates for courses provided by the high school and higher education
16 institution. Additionally, the office of the superintendent of public
17 instruction, in consultation with the state board for community and
18 technical colleges, the student achievement council, and the education
19 data center, shall annually track and report to the fiscal committees
20 of the legislature on the combined FTE experience of students
21 participating in the running start program, including course load
22 analyses at both the high school and community and technical college
23 system.

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

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

31 (b) For the fourth through eighth school years following
32 consolidation, the difference between the basic education formula staff
33 units received by the districts for the school year prior to
34 consolidation and the basic education formula staff units after
35 consolidation pursuant to subsection (12) of this section shall be
36 reduced in increments of twenty percent per year.

37 (20)(a) Indirect cost charges by a school district to approved
38 career and technical education middle and secondary programs shall not

1 exceed 15 percent of the combined basic education and career and
2 technical education program enhancement allocations of state funds.
3 Middle and secondary career and technical education programs are
4 considered separate programs for funding and financial reporting
5 purposes under this section.

6 (b) Career and technical education program full-time equivalent
7 enrollment shall be reported on the same monthly basis as the
8 enrollment for students eligible for basic support, and payments shall
9 be adjusted for reported career and technical education program
10 enrollments on the same monthly basis as those adjustments for
11 enrollment for students eligible for basic support.

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

14 (1) The following calculations determine the salaries used in the
15 state allocations for certificated instructional, certificated
16 administrative, and classified staff units as provided in RCW
17 28A.150.280 and under section 502 of this act:

18 (a) Salary allocations for certificated instructional staff units
19 are determined for each district by multiplying the district's
20 certificated instructional total base salary shown on LEAP Document 2
21 by the district's average staff mix factor for certificated
22 instructional staff in that school year, computed using LEAP document
23 1; and

24 (b) Salary allocations for certificated administrative staff units
25 and classified staff units for each district are determined based on
26 the district's certificated administrative and classified salary
27 allocation amounts shown on LEAP Document 2.

28 (2) For the purposes of this section:

29 (a) "LEAP Document 1" means the staff mix factors for certificated
30 instructional staff according to education and years of experience, as
31 developed by the legislative evaluation and accountability program
32 committee on June 1, 2013 at 08:06 hours; and

33 (b) "LEAP Document 2" means the school year salary allocations for
34 certificated administrative staff and classified staff and derived and
35 total base salaries for certificated instructional staff as developed
36 by the legislative evaluation and accountability program committee on
37 June 1, 2013 at 01:29 hours.

1 (3) Incremental fringe benefit factors are applied to salary
 2 adjustments at a rate of 18.04 percent for school year 2013-14 and
 3 18.04 percent for school year 2014-15 for certificated instructional
 4 and certificated administrative staff and 17.45 percent for school year
 5 2013-14 and 17.45 percent for the 2014-15 school year for classified
 6 staff.

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

10
 11 Table Of Total Base Salaries For Certificated Instructional Staff For School Year 2013-14
 12 *** Education Experience ***

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

Table Of Total Base Salaries For Certificated Instructional Staff For School Year 2014-15

*** Education Experience ***

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

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

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

- (i) Credits earned since receiving the masters degree; and
- (ii) Any credits in excess of forty-five credits that were earned after the baccalaureate degree but before the masters degree.

(5) For the purposes of this section:

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

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

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

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

6 (e) "Credits" means college quarter hour credits and equivalent in-
7 service credits computed in accordance with RCW 28A.415.020 and
8 28A.415.023.

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

14 (a) The employee has a masters degree; or

15 (b) The credits were used in generating state salary allocations
16 before January 1, 1992.

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

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

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

23 (1)(a) Additional salary adjustments as necessary to fund the base
24 salaries for certificated instructional staff as listed for each
25 district in LEAP Document 2, defined in section 503(2)(b) of this act.
26 Allocations for these salary adjustments shall be provided to all
27 districts that are not grandfathered to receive salary allocations
28 above the statewide salary allocation schedule, and to certain
29 grandfathered districts to the extent necessary to ensure that salary
30 allocations for districts that are currently grandfathered do not fall
31 below the statewide salary allocation schedule.

32 (b) Additional salary adjustments to certain districts as necessary
33 to fund the per full-time-equivalent salary allocations for
34 certificated administrative staff as listed for each district in LEAP
35 Document 2, defined in section 503(2)(b) of this act.

36 (c) Additional salary adjustments to certain districts as necessary

1 to fund the per full-time-equivalent salary allocations for classified
2 staff as listed for each district in LEAP Document 2, defined in
3 section 503(2)(b) of this act.

4 (d) The appropriations in this subsection (1) include associated
5 incremental fringe benefit allocations at 18.04 percent for the 2013-14
6 school year and 18.04 percent for the 2014-15 school year for
7 certificated instructional and certificated administrative staff and
8 17.45 percent for the 2013-14 school year and 17.45 percent for the
9 2014-15 school year for classified staff.

10 (e) The appropriations in this section include the increased or
11 decreased portion of salaries and incremental fringe benefits for all
12 relevant state-funded school programs in part V of this act. Changes
13 for general apportionment (basic education) are based on the salary
14 allocation schedules and methodology in sections 502 and 503 of this
15 act. Changes for special education result from changes in each
16 district's basic education allocation per student. Changes for
17 educational service districts and institutional education programs are
18 determined by the superintendent of public instruction using the
19 methodology for general apportionment salaries and benefits in sections
20 502 and 503 of this act.

21 (f) The appropriations in this section include no salary
22 adjustments for substitute teachers.

23 (2) The maintenance rate for insurance benefit allocations is
24 \$768.00 per month for the 2013-14 and 2014-15 school years. The
25 appropriations in this section reflect the incremental change in cost
26 of allocating rates of \$768.00 per month for the 2013-14 school year
27 and \$768.00 per month for the 2014-15 school year.

28 (3) The rates specified in this section are subject to revision
29 each year by the legislature.

30 NEW SECTION. **Sec. 505. FOR THE SUPERINTENDENT OF PUBLIC**
31 **INSTRUCTION--FOR PUPIL TRANSPORTATION**

32	General Fund--State Appropriation (FY 2014)	\$365,120,000
33	General Fund--State Appropriation (FY 2015)	\$427,408,000
34	TOTAL APPROPRIATION	\$792,528,000

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

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

4 (2)(a) For the 2013-14 and 2014-15 school years, the superintendent
5 shall allocate funding to school district programs for the
6 transportation of students as provided in RCW 28A.160.192. Funding in
7 this section for school year 2014-15 constitutes full implementation of
8 RCW 28A.160.192, which enhancement is within the program of basic
9 education.

10 (b) From July 1, 2013 to August 31, 2013, the superintendent shall
11 allocate funding to school districts programs for the transportation of
12 students as provided in section 505, chapter 50, Laws of 2011 1st sp.
13 sess., as amended.

14 (3) A maximum of \$892,000 of this fiscal year 2014 appropriation
15 and a maximum of \$892,000 of the fiscal year 2015 appropriation may be
16 expended for regional transportation coordinators and related
17 activities. The transportation coordinators shall ensure that data
18 submitted by school districts for state transportation funding shall,
19 to the greatest extent practical, reflect the actual transportation
20 activity of each district.

21 (4) The office of the superintendent of public instruction shall
22 provide reimbursement funding to a school district for school bus
23 purchases only after the superintendent of public instruction
24 determines that the school bus was purchased from the list established
25 pursuant to RCW 28A.160.195(2) or a comparable competitive bid process
26 based on the lowest price quote based on similar bus categories to
27 those used to establish the list pursuant to RCW 28A.160.195.

28 (5) The superintendent of public instruction shall base
29 depreciation payments for school district buses on the pre-sales tax
30 five-year average of lowest bids in the appropriate category of bus.
31 In the final year on the depreciation schedule, the depreciation
32 payment shall be based on the lowest bid in the appropriate bus
33 category for that school year.

34 (6) Funding levels in this section reflect waivers granted by the
35 state board of education for four-day school weeks as allowed under RCW
36 28A.305.141.

37 (7) The office of the superintendent of public instruction shall
38 annually disburse payments for bus depreciation in August.

1 NEW SECTION. **Sec. 506. FOR THE SUPERINTENDENT OF PUBLIC**
2 **INSTRUCTION--FOR SCHOOL FOOD SERVICE PROGRAMS**

3	General Fund--State Appropriation (FY 2014)	\$7,111,000
4	General Fund--State Appropriation (FY 2015)	\$7,111,000
5	General Fund--Federal Appropriation	\$473,326,000
6	TOTAL APPROPRIATION	\$487,548,000

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

9 (1) \$7,111,000 of the general fund--state appropriation for fiscal
10 year 2014 and \$7,111,000 of the general fund--state appropriation for
11 fiscal year 2015 are provided solely for state matching money for
12 federal child nutrition programs, and may support the meals for kids
13 program through the following allowable uses:

14 (a) Elimination of breakfast copays for eligible public school
15 students and lunch copays for eligible public school students in grades
16 kindergarten through third grade who are eligible for reduced price
17 lunch;

18 (b) Assistance to school districts and authorized public and
19 private nonprofit organizations for supporting summer food service
20 programs, and initiating new summer food service programs in low-income
21 areas;

22 (c) Reimbursements to school districts for school breakfasts served
23 to students eligible for free and reduced price lunch, pursuant to
24 chapter 287, Laws of 2005; and

25 (d) Assistance to school districts in initiating and expanding
26 school breakfast programs.

27 The office of the superintendent of public instruction shall report
28 annually to the fiscal committees of the legislature on annual
29 expenditures in (a), (b), and (c) of this subsection.

30 NEW SECTION. **Sec. 507. FOR THE SUPERINTENDENT OF PUBLIC**
31 **INSTRUCTION--FOR SPECIAL EDUCATION PROGRAMS**

32	General Fund--State Appropriation (FY 2014)	\$702,149,000
33	General Fund--State Appropriation (FY 2015)	\$738,043,000
34	General Fund--Federal Appropriation	\$462,022,000
35	Education Legacy Trust Account--State Appropriation	\$46,151,000
36	TOTAL APPROPRIATION	\$1,948,365,000

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

3 (1) Funding for special education programs is provided on an excess
4 cost basis, pursuant to RCW 28A.150.390. School districts shall ensure
5 that special education students as a class receive their full share of
6 the general apportionment allocation accruing through sections 502 and
7 504 of this act. To the extent a school district cannot provide an
8 appropriate education for special education students under chapter
9 28A.155 RCW through the general apportionment allocation, it shall
10 provide services through the special education excess cost allocation
11 funded in this section.

12 (2)(a) The superintendent of public instruction shall ensure that:

13 (i) Special education students are basic education students first;

14 (ii) As a class, special education students are entitled to the
15 full basic education allocation; and

16 (iii) Special education students are basic education students for
17 the entire school day.

18 (b) The superintendent of public instruction shall continue to
19 implement the full cost method of excess cost accounting, as designed
20 by the committee and recommended by the superintendent, pursuant to
21 section 501(1)(k), chapter 372, Laws of 2006.

22 (3) Each fiscal year appropriation includes such funds as are
23 necessary to complete the school year ending in the fiscal year and for
24 prior fiscal year adjustments.

25 (4)(a) For the 2013-14 and 2014-15 school years, the superintendent
26 shall allocate funding to school district programs for special
27 education students as provided in RCW 28A.150.390, except that the
28 calculation of the base allocation also includes allocations for
29 increased instructional hours for grades seven through twelve as
30 provided under section 502(12)(b), which enhancement is within the
31 program of basic education.

32 (b) From July 1, 2013 to August 31, 2013, the superintendent shall
33 allocate funding to school district programs for special education
34 students as provided in section 507, chapter 50, Laws of 2011 1st sp.
35 sess., as amended.

36 (5) The following applies throughout this section: The definitions
37 for enrollment and enrollment percent are as specified in RCW

1 28A.150.390(3). Each district's general fund--state funded special
2 education enrollment shall be the lesser of the district's actual
3 enrollment percent or 12.7 percent.

4 (6) At the request of any interdistrict cooperative of at least 15
5 districts in which all excess cost services for special education
6 students of the districts are provided by the cooperative, the maximum
7 enrollment percent shall be calculated in accordance with RCW
8 28A.150.390(3) (c) and (d), and shall be calculated in the aggregate
9 rather than individual district units. For purposes of this
10 subsection, the average basic education allocation per full-time
11 equivalent student shall be calculated in the aggregate rather than
12 individual district units.

13 (7) \$22,263,000 of the general fund--state appropriation for fiscal
14 year 2014, \$34,392,000 of the general fund--state appropriation for
15 fiscal year 2015, and \$29,574,000 of the general fund--federal
16 appropriation are provided solely for safety net awards for districts
17 with demonstrated needs for special education funding beyond the
18 amounts provided in subsection (4) of this section. If the federal
19 safety net awards based on the federal eligibility threshold exceed the
20 federal appropriation in this subsection (7) in any fiscal year, the
21 superintendent shall expend all available federal discretionary funds
22 necessary to meet this need. At the conclusion of each school year,
23 the superintendent shall recover safety net funds that were distributed
24 prospectively but for which districts were not subsequently eligible.

25 (a) For the 2013-14 and 2014-15 school years, safety net funds
26 shall be awarded by the state safety net oversight committee as
27 provided in section 109(1) chapter 548, Laws of 2009 (ESHB 2261).

28 (b) The office of the superintendent of public instruction shall
29 make award determinations for state safety net funding in August of
30 each school year. Determinations on school district eligibility for
31 state safety net awards shall be based on analysis of actual
32 expenditure data from the current school year.

33 (8) A maximum of \$678,000 may be expended from the general fund--
34 state appropriations to fund 5.43 full-time equivalent teachers and 2.1
35 full-time equivalent aides at children's orthopedic hospital and
36 medical center. This amount is in lieu of money provided through the
37 home and hospital allocation and the special education program.

1 (9) The superintendent shall maintain the percentage of federal
2 flow-through to school districts at 85 percent. In addition to other
3 purposes, school districts may use increased federal funds for high-
4 cost students, for purchasing regional special education services from
5 educational service districts, and for staff development activities
6 particularly relating to inclusion issues.

7 (10) A school district may carry over from one year to the next
8 year up to 10 percent of the general fund--state funds allocated under
9 this program; however, carryover funds shall be expended in the special
10 education program.

11 (11) \$252,000 of the general fund--state appropriation for fiscal
12 year 2014 and \$252,000 of the general fund--state appropriation for
13 fiscal year 2015 are provided solely for two additional full-time
14 equivalent staff to support the work of the safety net committee and to
15 provide training and support to districts applying for safety net
16 awards.

17 (12) \$50,000 of the general fund--state appropriation for fiscal
18 year 2014, \$50,000 of the general fund--state appropriation for fiscal
19 year 2015, and \$100,000 of the general fund--federal appropriation
20 shall be expended to support a special education ombudsman program
21 within the office of superintendent of public instruction.

22 NEW SECTION. **Sec. 508. FOR THE SUPERINTENDENT OF PUBLIC**
23 **INSTRUCTION--FOR EDUCATIONAL SERVICE DISTRICTS**

24	General Fund--State Appropriation (FY 2014)	\$8,143,000
25	General Fund--State Appropriation (FY 2015)	\$8,151,000
26	TOTAL APPROPRIATION	\$16,294,000

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

29 (1) The educational service districts shall continue to furnish
30 financial services required by the superintendent of public instruction
31 and RCW 28A.310.190 (3) and (4).

32 (2) Funding within this section is provided for regional
33 professional development related to mathematics and science curriculum
34 and instructional strategies. Funding shall be distributed among the
35 educational service districts in the same proportion as distributions
36 in the 2007-2009 biennium. Each educational service district shall use
37 this funding solely for salary and benefits for a certificated

1 instructional staff with expertise in the appropriate subject matter
2 and in professional development delivery, and for travel, materials,
3 and other expenditures related to providing regional professional
4 development support.

5 (3) The educational service districts, at the request of the state
6 board of education pursuant to RCW 28A.310.010 and 28A.305.130, may
7 receive and screen applications for school accreditation, conduct
8 school accreditation site visits pursuant to state board of education
9 rules, and submit to the state board of education post-site visit
10 recommendations for school accreditation. The educational service
11 districts may assess a cooperative service fee to recover actual plus
12 reasonable indirect costs for the purposes of this subsection.

13 NEW SECTION. **Sec. 509. FOR THE SUPERINTENDENT OF PUBLIC**
14 **INSTRUCTION--FOR LOCAL EFFORT ASSISTANCE**

15	General Fund--State Appropriation (FY 2014)	\$311,174,000
16	General Fund--State Appropriation (FY 2015)	\$335,533,000
17	TOTAL APPROPRIATION	\$646,707,000

18 The appropriations in this section are subject to the following
19 conditions and limitations: For purposes of RCW 84.52.0531, the
20 increase per full-time equivalent student is 4.914 percent from the
21 2012-13 school year to the 2013-14 school year and 4.914 percent from
22 the 2013-14 school year to the 2014-15 school year.

23 NEW SECTION. **Sec. 510. FOR THE SUPERINTENDENT OF PUBLIC**
24 **INSTRUCTION--FOR INSTITUTIONAL EDUCATION PROGRAMS**

25	General Fund--State Appropriation (FY 2014)	\$15,291,000
26	General Fund--State Appropriation (FY 2015)	\$15,493,000
27	TOTAL APPROPRIATION	\$30,784,000

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

30 (1) Each general fund--state fiscal year appropriation includes
31 such funds as are necessary to complete the school year ending in the
32 fiscal year and for prior fiscal year adjustments.

33 (2) State funding provided under this section is based on salaries
34 and other expenditures for a 220-day school year. The superintendent
35 of public instruction shall monitor school district expenditure plans

1 for institutional education programs to ensure that districts plan for
2 a full-time summer program.

3 (3) State funding for each institutional education program shall be
4 based on the institution's annual average full-time equivalent student
5 enrollment. Staffing ratios for each category of institution shall
6 remain the same as those funded in the 1995-97 biennium.

7 (4) The funded staffing ratios for education programs for juveniles
8 age 18 or less in department of corrections facilities shall be the
9 same as those provided in the 1997-99 biennium.

10 (5) \$1,070,000 of the general fund--state appropriation for fiscal
11 year 2014 and \$1,070,000 of the general fund--state appropriation for
12 fiscal year 2015 are provided solely to maintain at least one
13 certificated instructional staff and related support services at an
14 institution whenever the K-12 enrollment is not sufficient to support
15 one full-time equivalent certificated instructional staff to furnish
16 the educational program. The following types of institutions are
17 included: Residential programs under the department of social and
18 health services for developmentally disabled juveniles, programs for
19 juveniles under the department of corrections, programs for juveniles
20 under the juvenile rehabilitation administration, and programs for
21 juveniles operated by city and county jails.

22 (6) Ten percent of the funds allocated for each institution may be
23 carried over from one year to the next.

24 **NEW SECTION. Sec. 511. FOR PROGRAMS FOR HIGHLY CAPABLE STUDENTS**

25	General Fund--State Appropriation (FY 2014)	\$9,555,000
26	General Fund--State Appropriation (FY 2015)	\$9,677,000
27	TOTAL APPROPRIATION	\$19,232,000

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

30 (1) Each general fund fiscal year appropriation includes such funds
31 as are necessary to complete the school year ending in the fiscal year
32 and for prior fiscal year adjustments.

33 (2)(a) For the 2013-14 and 2014-15 school years, the superintendent
34 shall allocate funding to school district programs for highly capable
35 students as provided in RCW 28A.150.260(10)(c). In calculating the
36 allocations, the superintendent shall assume the following: (i)
37 Additional instruction of 2.1590 hours per week per funded highly

1 capable program student; (ii) fifteen highly capable program students
2 per teacher; (iii) 36 instructional weeks per year; (iv) 900
3 instructional hours per teacher; and (v) the district's average staff
4 mix and compensation rates as provided in sections 503 and 504 of this
5 act.

6 (b) From July 1, 2013, to August 31, 2013, the superintendent shall
7 allocate funding to school districts programs for highly capable
8 students as provided in section 511, chapter 50, Laws of 2011 1st sp.
9 sess., as amended.

10 (3) \$85,000 of the general fund--state appropriation for fiscal
11 year 2014 and \$85,000 of the general fund--state appropriation for
12 fiscal year 2015 are provided solely for the centrum program at Fort
13 Worden state park.

14 NEW SECTION. **Sec. 512. FOR THE SUPERINTENDENT OF PUBLIC**
15 **INSTRUCTION--FOR MISCELLANEOUS--NO CHILD LEFT BEHIND ACT**

16 General Fund--Federal Appropriation \$4,052,000

17 NEW SECTION. **Sec. 513. FOR THE SUPERINTENDENT OF PUBLIC**
18 **INSTRUCTION--EDUCATION REFORM PROGRAMS**

19 General Fund--State Appropriation (FY 2014) \$121,840,000

20 General Fund--State Appropriation (FY 2015) \$104,524,000

21 General Fund--Federal Appropriation \$206,234,000

22 General Fund--Private/Local Appropriation \$4,002,000

23 Education Legacy Trust Account--State Appropriation \$1,599,000

24 TOTAL APPROPRIATION \$438,199,000

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

27 (1)(a) \$44,575,000 of the general fund--state appropriation for
28 fiscal year 2014, \$27,134,000 of the general fund--state appropriation
29 for fiscal year 2015, \$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 (i) Development and implementation of retake assessments for high
34 school students who are not successful in one or more content areas and
35 (ii) 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. State funding to districts shall be limited to one
7 collection of evidence payment per student, per content-area
8 assessment.

9 (b) The superintendent of public instruction shall modify the
10 statewide student assessment system and implement assessments developed
11 with a multistate consortium beginning in the 2014-15 school year to
12 assess student proficiency on the standards adopted under RCW
13 28A.655.071 and including the provisions of House Bill No. 1450.

14 (2) \$356,000 of the general fund--state appropriation for fiscal
15 year 2014 and \$356,000 of the general fund--state appropriation for
16 fiscal year 2015 are provided solely for the Washington state
17 leadership and assistance for science education reform (LASER) regional
18 partnership activities coordinated at the Pacific science center,
19 including instructional material purchases, teacher and principal
20 professional development, and school and community engagement events.

21 (3) \$5,851,000 of the general fund--state appropriation for fiscal
22 year 2014 and \$3,935,000 of the general fund--state appropriation for
23 fiscal year 2015 are provided solely for implementation of a new
24 performance-based evaluation for certificated educators and other
25 activities as provided in chapter 235, Laws of 2010 (education reform)
26 and chapter 35, Laws of 2012 (certificated employee evaluations).

27 (4)(a) \$45,263,000 of the general fund--state appropriation for
28 fiscal year 2014 and \$49,673,000 of the general fund--state
29 appropriation for fiscal year 2015 are provided solely for the
30 following bonuses for teachers who hold valid, unexpired certification
31 from the national board for professional teaching standards and who are
32 teaching in a Washington public school, subject to the following
33 conditions and limitations:

34 (i) For national board certified teachers, a bonus of \$5,090 per
35 teacher in the 2013-14 and 2014-15 school years;

36 (ii) An additional \$5,000 annual bonus shall be paid to national
37 board certified teachers who teach in either: (A) High schools where
38 at least 50 percent of student headcount enrollment is eligible for

1 federal free or reduced price lunch, (B) middle schools where at least
2 60 percent of student headcount enrollment is eligible for federal free
3 or reduced price lunch, or (C) elementary schools where at least 70
4 percent of student headcount enrollment is eligible for federal free or
5 reduced price lunch;

6 (iii) The superintendent of public instruction shall adopt rules to
7 ensure that national board certified teachers meet the qualifications
8 for bonuses under (a)(ii) of this subsection for less than one full
9 school year receive bonuses in a pro-rated manner. All bonuses in
10 (a)(i) and (ii) of this subsection will be paid in July of each school
11 year. Bonuses in (a)(i) and (ii) of this subsection shall be reduced
12 by a factor of 40 percent for first year NBPTS certified teachers, to
13 reflect the portion of the instructional school year they are
14 certified; and

15 (iv) During the 2013-14 and 2014-15 school years, and within
16 available funds, certificated instructional staff who have met the
17 eligibility requirements and have applied for certification from the
18 national board for professional teaching standards may receive a
19 conditional loan of two thousand dollars or the amount set by the
20 office of the superintendent of public instruction to contribute toward
21 the current assessment fee, not including the initial up-front
22 candidacy payment. The fee shall be an advance on the first annual
23 bonus under RCW 28A.405.415. The conditional loan is provided in
24 addition to compensation received under a district's salary schedule
25 and shall not be included in calculations of a district's average
26 salary and associated salary limitation under RCW 28A.400.200.
27 Recipients who fail to receive certification after three years are
28 required to repay the conditional loan. The office of the
29 superintendent of public instruction shall adopt rules to define the
30 terms for initial grant of the assessment fee and repayment, including
31 applicable fees. To the extent necessary, the superintendent may use
32 revenues from the repayment of conditional loan scholarships to ensure
33 payment of all national board bonus payments required by this section
34 in each school year.

35 (5) \$477,000 of the general fund--state appropriation for fiscal
36 year 2014 and \$477,000 of the general fund--state appropriation for
37 fiscal year 2015 are provided solely for the leadership internship
38 program for superintendents, principals, and program administrators.

1 (6) \$950,000 of the general fund--state appropriation for fiscal
2 year 2014 and \$950,000 of the general fund--state appropriation for
3 fiscal year 2015 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.

8 (7) \$810,000 of the general fund--state appropriation for fiscal
9 year 2014 and \$810,000 of the general fund--state appropriation for
10 fiscal year 2015 are provided solely for the development of a
11 leadership academy for school principals and administrators. The
12 superintendent of public instruction shall contract with an independent
13 organization to operate a state-of-the-art education leadership academy
14 that will be accessible throughout the state. Semiannually the
15 independent organization shall report on amounts committed by
16 foundations and others to support the development and implementation of
17 this program. Leadership academy partners shall include the state
18 level organizations for school administrators and principals, the
19 superintendent of public instruction, the professional educator
20 standards board, and others as the independent organization shall
21 identify.

22 (8) \$2,000,000 of the general fund--state appropriation for fiscal
23 year 2014 and \$2,000,000 of the general fund--state appropriation for
24 fiscal year 2015 are provided solely for a statewide information
25 technology (IT) academy program. This public-private partnership will
26 provide educational software, as well as IT certification and software
27 training opportunities for students and staff in public schools.

28 (9) \$1,277,000 of the general fund--state appropriation for fiscal
29 year 2014 and \$1,277,000 of the general fund--state appropriation for
30 fiscal year 2015 are provided solely for secondary career and technical
31 education grants pursuant to chapter 170, Laws of 2008. If equally
32 matched by private donations, \$300,000 of the 2014 appropriation and
33 \$300,000 of the 2015 appropriation shall be used to support FIRST
34 robotics programs. Of the amounts in this subsection, \$100,000 of the
35 fiscal year 2014 appropriation and \$100,000 of the fiscal year 2015
36 appropriation are provided solely for the purpose of statewide
37 supervision activities for career and technical education student
38 leadership organizations.

1 (10) \$125,000 of the general fund--state appropriation for fiscal
2 year 2014 and \$125,000 of the general fund--state appropriation for
3 fiscal year 2015 are provided solely for (a) staff at the office of the
4 superintendent of public instruction to coordinate and promote efforts
5 to develop integrated math, science, technology, and engineering
6 programs in schools and districts across the state; and (b) grants of
7 \$2,500 to provide twenty middle and high school teachers each year with
8 professional development training for implementing integrated math,
9 science, technology, and engineering programs in their schools.

10 (11) \$135,000 of the general fund--state appropriation for fiscal
11 year 2014 and \$135,000 of the general fund--state appropriation for
12 fiscal year 2015 are provided solely for science, technology,
13 engineering and mathematics lighthouse projects, consistent with
14 chapter 238, Laws of 2010.

15 (12) \$1,000,000 of the general fund--state appropriation for fiscal
16 year 2014 and \$1,000,000 of the general fund--state appropriation for
17 fiscal year 2015 are provided solely for a beginning educator support
18 program. School districts and/or regional consortia may apply for
19 grant funding. The superintendent shall implement this program in 5 to
20 15 school districts and/or regional consortia. The program provided by
21 a district and/or regional consortia shall include: A paid
22 orientation; assignment of a qualified mentor; development of a
23 professional growth plan for each beginning teacher aligned with
24 professional certification; release time for mentors and new teachers
25 to work together; and teacher observation time with accomplished peers.
26 \$250,000 may be used to provide statewide professional development
27 opportunities for mentors and beginning educators.

28 (13) \$250,000 of the general fund--state appropriation for fiscal
29 year 2014 and \$250,000 of the general fund--state appropriation for
30 fiscal year 2015 are provided solely for advanced project lead the way
31 courses at ten high schools. To be eligible for funding in 2014, a
32 high school must have offered a foundational project lead the way
33 course during the 2012-13 school year. The 2014 funding must be used
34 for one-time start-up course costs for an advanced project lead the way
35 course, to be offered to students beginning in the 2013-14 school year.
36 To be eligible for funding in 2015, a high school must have offered a
37 foundational project lead the way course during the 2013-14 school
38 year. The 2015 funding must be used for one-time start-up course costs

1 for an advanced project lead the way course, to be offered to students
2 beginning in the 2014-15 school year. The office of the superintendent
3 of public instruction and the education research and data center at the
4 office of financial management shall track student participation and
5 long-term outcome data.

6 (14) \$300,000 of the general fund--state appropriation for fiscal
7 year 2014 and \$300,000 of the general fund--state appropriation for
8 fiscal year 2015 are provided solely for annual start-up grants for
9 aerospace and manufacturing technical programs housed at four skill
10 centers. The grants are provided for start-up equipment and curriculum
11 purchases. To be eligible for funding, the skill center must agree to
12 provide regional high schools with access to a technology laboratory,
13 expand manufacturing certificate and course offerings at the skill
14 center, and provide a laboratory space for local high school teachers
15 to engage in professional development in the instruction of courses
16 leading to student employment certification in the aerospace and
17 manufacturing industries. Once a skill center receives a start-up
18 grant, it is ineligible for additional start-up funding in the
19 following school year. The office of the superintendent of public
20 instruction shall administer the grants in consultation with the center
21 for excellence for aerospace and advanced materials manufacturing.

22 (15) \$150,000 of the general fund--state appropriation for fiscal
23 year 2014 and \$150,000 of the general fund--state appropriation for
24 fiscal year 2015 are provided solely for annual start-up grants to six
25 high schools to implement the aerospace assembler program.
26 Participating high schools must agree to offer the aerospace assembler
27 training program to students by spring semester of school year 2013-14.
28 Once a high school receives a start-up grant, it is ineligible for
29 additional start-up funding in the following school year. The office
30 of the superintendent of public instruction and the education research
31 and data center at the office of financial management shall track
32 student participation and long-term outcome data.

33 (16) \$10,000,000 of the general fund--state appropriation for
34 fiscal year 2014 and \$5,000,000 of the general fund--state
35 appropriation for fiscal year 2015 are provided solely for the
36 provision of training for teachers in the performance-based teacher
37 principal evaluation program. Of the amounts appropriated in this

1 subsection, \$5,000,000 for fiscal year 2014 is a one-time
2 appropriation.

3 (17) \$3,600,000 of the general fund--state appropriation for fiscal
4 year 2014 and \$6,681,000 of the general fund--state appropriation for
5 fiscal year 2015 are provided solely for the implementation of
6 Engrossed Second Substitute Senate Bill No. 5329 (persistently failing
7 schools). If the bill is not enacted by June 30, 2013, the amounts
8 provided in this subsection shall lapse.

9 (18) \$100,000 of the general fund--state appropriation for fiscal
10 year 2014 and \$100,000 of the general fund--state appropriation for
11 fiscal year 2015 are provided solely to promote the financial literacy
12 of students. The effort will be coordinated through the financial
13 literacy public-private partnership.

14 (19) \$109,000 of the general fund--state appropriation for fiscal
15 year 2014 and \$99,000 of the general fund--state appropriation for
16 fiscal year 2015 are provided solely for the office of the
17 superintendent of public instruction to implement a youth dropout
18 prevention program that incorporates partnerships between community-
19 based organizations, schools, food banks and farms or gardens. The
20 office of the superintendent of public instruction shall select one
21 school district that must partner with an organization that is
22 operating an existing similar program and that also has the ability to
23 serve at least 40 students. Of the amount appropriated in this
24 subsection, up to \$10,000 may be used by the office of the
25 superintendent of public instruction for administration of the program.

26 (20) \$2,399,000 of the general fund--state appropriation for fiscal
27 year 2014 and \$2,035,000 of the general fund--state appropriation for
28 fiscal year 2015 are provided solely to implement Engrossed Substitute
29 Senate Bill No. 5946 (strengthening student educational outcomes). If
30 the bill is not enacted by June 30, 2013, the amounts provided in this
31 subsection shall lapse.

32 (21) \$1,110,000 of the general fund--state appropriation for fiscal
33 year 2014 and \$1,061,000 of the general fund--state appropriation for
34 fiscal year 2015 are provided solely for chapter 184, Laws of 2013
35 (Second Substitute House Bill No. 1642) (academic acceleration). Of
36 the amount appropriated in this section, forty-nine thousand is
37 provided as one-time funding.

1 NEW SECTION. **Sec. 514. FOR THE SUPERINTENDENT OF PUBLIC**
2 **INSTRUCTION--FOR TRANSITIONAL BILINGUAL PROGRAMS**

3	General Fund--State Appropriation (FY 2014)	\$95,500,000
4	General Fund--State Appropriation (FY 2015)	\$106,120,000
5	General Fund--Federal Appropriation	\$71,016,000
6	TOTAL APPROPRIATION	\$272,636,000

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

9 (1) Each general fund fiscal year appropriation includes such funds
10 as are necessary to complete the school year ending in the fiscal year
11 and for prior fiscal year adjustments.

12 (2)(a) For the 2013-14 and 2014-15 school years, the superintendent
13 shall allocate funding to school districts for transitional bilingual
14 programs under RCW 28A.180.010 through 28A.180.080, including programs
15 for exited students, as provided in RCW 28A.150.260(10)(b) and the
16 provisions of this section. In calculating the allocations, the
17 superintendent shall assume the following averages: (i) Additional
18 instruction of 4.7780 hours per week per transitional bilingual program
19 student in grades kindergarten through twelve in school years 2013-14
20 and 2014-15; (ii) additional instruction of 3.0000 hours per week in
21 school year 2013-14 for the head count number of students who have
22 exited the transitional bilingual instruction program within the
23 previous school year based on their performance on the English
24 proficiency assessment; (iii) additional instruction of 3.0000 hours
25 per week in school year 2014-15 for the head count number of students
26 who have exited the transitional bilingual instruction program within
27 the previous two years based on their performance on the English
28 proficiency assessment; (iv) fifteen transitional bilingual program
29 students per teacher; (v) 36 instructional weeks per year; (vi) 900
30 instructional hours per teacher; and (vii) the district's average staff
31 mix and compensation rates as provided in sections 503 and 504 of this
32 act.

33 (b) From July 1, 2013, to August 31, 2013, the superintendent shall
34 allocate funding to school districts for transitional bilingual
35 instruction programs as provided in section 514, chapter 50, Laws of
36 2011 1st sp. sess., as amended.

37 (3) The superintendent may withhold allocations to school districts
38 in subsection (2) of this section solely for the central provision of

1 assessments as provided in RCW 28A.180.090 (1) and (2) up to the
2 following amounts: 1.76 percent for school year 2013-14 and 1.59
3 percent for school year 2014-15.

4 (4) The general fund--federal appropriation in this section is for
5 migrant education under Title I Part C and English language
6 acquisition, and language enhancement grants under Title III of the
7 elementary and secondary education act.

8 (5) \$35,000 of the general fund--state appropriation for fiscal
9 year 2014 and \$35,000 of the general fund--state appropriation for
10 fiscal year 2015 are provided solely to track current and former
11 transitional bilingual program students.

12 NEW SECTION. **Sec. 515. FOR THE SUPERINTENDENT OF PUBLIC**
13 **INSTRUCTION--FOR THE LEARNING ASSISTANCE PROGRAM**

14	General Fund--State Appropriation (FY 2014)	\$196,356,000
15	General Fund--State Appropriation (FY 2015)	\$218,335,000
16	General Fund--Federal Appropriation	\$448,434,000
17	TOTAL APPROPRIATION	\$863,125,000

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

20 (1) The general fund--state appropriations in this section are
21 subject to the following conditions and limitations:

22 (a) The appropriations include such funds as are necessary to
23 complete the school year ending in the fiscal year and for prior fiscal
24 year adjustments.

25 (b)(i) For the 2013-14 and 2014-15 school years, the superintendent
26 shall allocate funding to school districts for learning assistance
27 programs as provided in RCW 28A.150.260(10)(a), except that the
28 allocation for the additional instructional hours shall be enhanced as
29 provided in this section, which enhancements are within the program of
30 the basic education. In calculating the allocations, the
31 superintendent shall assume the following averages: (A) Additional
32 instruction of 2.3975 hours per week per funded learning assistance
33 program student for the 2013-14 school year and the 2014-15 school
34 year; (B) fifteen learning assistance program students per teacher; (C)
35 36 instructional weeks per year; (D) 900 instructional hours per
36 teacher; and (E) the district's average staff mix and compensation
37 rates as provided in sections 503 and 504 of this act.

1 (ii) From July 1, 2013, to August 31, 2013, the superintendent
2 shall allocate funding to school districts for learning assistance
3 programs as provided in section 515, chapter 50, Laws of 2011 1st sp.
4 sess., as amended.

5 (c) A school district's funded students for the learning assistance
6 program shall be the sum of the district's full-time equivalent
7 enrollment in grades K-12 for the prior school year multiplied by the
8 district's percentage of October headcount enrollment in grades K-12
9 eligible for free or reduced price lunch in the prior school year.

10 (2) Allocations made pursuant to subsection (1) of this section
11 shall be adjusted to reflect ineligible applications identified through
12 the annual income verification process required by the national school
13 lunch program, as recommended in the report of the state auditor on the
14 learning assistance program dated February, 2010.

15 (3) The general fund--federal appropriation in this section is
16 provided for Title I Part A allocations of the no child left behind act
17 of 2001.

18 (4) A school district may carry over from one year to the next up
19 to 10 percent of the general fund--state funds allocated under this
20 program; however, carryover funds shall be expended for the learning
21 assistance program.

22 NEW SECTION. **Sec. 516. FOR THE SUPERINTENDENT OF PUBLIC**
23 **INSTRUCTION**

24 (1) Amounts distributed to districts by the superintendent through
25 part V of this act are for allocations purposes only, unless specified
26 by part V of this act, and do not entitle a particular district,
27 district employee, or student to a specific service, beyond what has
28 been expressly provided in statute. Part V of this act restates the
29 requirements of various sections of Title 28A RCW. If any conflict
30 exists, the provisions of Title 28A RCW control unless this act
31 explicitly states that it is providing an enhancement. Any amounts
32 provided in part V of this act in excess of the amounts required by
33 Title 28A RCW provided in statute, are not within the program of basic
34 education unless clearly stated by this act.

35 (2) To the maximum extent practicable, when adopting new or revised
36 rules or policies relating to the administration of allocations in part

1 V of this act that result in fiscal impact, the office of the
2 superintendent of public instruction shall attempt to seek legislative
3 approval through the budget request process.

4 (3) Appropriations made in this act to the office of the
5 superintendent of public instruction shall initially be allotted as
6 required by this act. Subsequent allotment modifications shall not
7 include transfers of moneys between sections of this act.

(End of part)

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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) The legislature, the office of financial management, and other state agencies need consistent and accurate personnel data from institutions of higher education for policy planning purposes. Institutions of higher education shall report personnel data to the department of personnel for inclusion in the department's data warehouse. Uniform reporting procedures shall be established by the office of financial management's office of the state human resources director for use by the reporting institutions, including provisions for common job classifications and common definitions of full-time equivalent staff. Annual contract amounts, number of contract months, and funding sources shall be consistently reported for employees under contract.

(3) 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.

(4)(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, except as provided in section 604(4) of this act. In fiscal year 2014 and fiscal year 2015, the state board for community and technical colleges may use salary and benefit savings from faculty turnover to provide salary increments and associated benefits for faculty who qualify through professional development and training.

(b) For employees under the jurisdiction of chapter 41.56 RCW, salary increases will be in accordance with the applicable collective bargaining agreement. However, an increase shall not be provided to

1 any classified employee whose salary is above the approved salary range
2 maximum for the class to which the employee's position is allocated.

3 (c) For each institution of higher education receiving
4 appropriations under sections 606 through 611 of this act:

5 (i) The only allowable salary increases are those associated with
6 normally occurring promotions and increases related to faculty and
7 staff retention; and

8 (ii) Institutions may provide salary increases from other sources
9 to instructional and research faculty at the universities and The
10 Evergreen State College, exempt professional staff, teaching and
11 research assistants, as classified by the office of financial
12 management, and all other nonclassified staff, but not including
13 employees under chapter 41.80 RCW. Any salary increase granted under
14 the authority of this subsection (4)(c)(ii) shall not be included in an
15 institution's salary base for future state funding. It is the intent
16 of the legislature that state general fund support for an institution
17 shall not increase during the current or any future biennium as a
18 result of any salary increases authorized under this subsection
19 (4)(c)(ii).

20 NEW SECTION. **Sec. 602.** (1) Within the amounts appropriated in
21 this act, each institution of higher education is expected to enroll
22 and educate at least the following numbers of full-time equivalent
23 state-supported students per academic year:

	2013-14	2014-15
	Annual Average	Annual Average
26 University of Washington	37,162	37,162
27 Washington State University	22,228	22,228
28 Central Washington University	9,105	9,105
29 Eastern Washington University	8,734	8,734
30 The Evergreen State College	4,335	4,335
31 Western Washington University	12,710	12,710
32 State Board for Community & 33 Technical Colleges		
34 Adult Students	139,237	139,237
35 Running Start Students	11,558	11,558

1 (2) In achieving or exceeding these enrollment targets, each
2 institution shall seek to:

3 (a) Maintain and to the extent possible increase enrollment
4 opportunities at branch campuses;

5 (b) Maintain and to the extent possible increase enrollment
6 opportunities at university centers and other partnership programs that
7 enable students to earn baccalaureate degrees on community college
8 campuses; and

9 (c) Eliminate and consolidate programs of study for which there is
10 limited student or employer demand, or that are not areas of core
11 academic strength for the institution, particularly when such programs
12 duplicate offerings by other in-state institutions.

13 (3) For purposes of monitoring and reporting statewide enrollment,
14 the University of Washington and Washington State University shall
15 notify the office of financial management of the number of full-time
16 student equivalent enrollments budgeted for each of their campuses.

17 **NEW SECTION. Sec. 603. PUBLIC BACCALAUREATE INSTITUTIONS**

18 (1) In order to operate within the state funds appropriated in this
19 act, the governing boards of the state research universities, the state
20 regional universities, and The Evergreen State College are authorized
21 to adopt and adjust tuition and fees for the 2013-14 and 2014-15
22 academic years as provided in this section.

23 (2) For the purposes of chapter 28B.15 RCW, the omnibus
24 appropriations act assumes no increase of tuition levels for resident
25 undergraduate students over the amounts charged to resident
26 undergraduate students for the prior year.

27 (3) Appropriations in sections 606 through 611 of this act are
28 sufficient to maintain resident undergraduate tuition levels at the
29 levels charged to resident undergraduate students during the 2012-13
30 academic year. As a result, for the 2013-14 academic year, the
31 institutions of higher education shall not adopt resident undergraduate
32 tuition levels that are greater than the tuition levels assumed in
33 subsection (2) of this section. For the 2014-15 academic year, the
34 institutions of higher education are authorized to adopt tuition levels
35 for resident undergraduate students that are less than, equal to, or
36 greater than tuition levels assumed in the omnibus appropriations act
37 in subsection (2) of this section. However, to the extent that tuition

1 levels exceed the tuition levels assumed in subsection (2) of this
2 section, the institution of higher education shall be subject to the
3 conditions and limitations provided in RCW 28B.15.102.

4 (4) Each governing board is authorized to increase tuition charges
5 to graduate and professional students, and to nonresident undergraduate
6 students, by amounts judged reasonable and necessary by the governing
7 board.

8 (5) Each governing board is authorized to increase summer quarter
9 or semester tuition fees for resident and nonresident undergraduate,
10 graduate, and professional students pursuant to RCW 28B.15.067.

11 (6) Each governing board is authorized to adopt or increase charges
12 for fee-based, self-sustaining degree programs, credit courses,
13 noncredit workshops and courses, and special contract courses by
14 amounts judged reasonable and necessary by the governing board.

15 (7) Each governing board is authorized to adopt or increase
16 services and activities fees for all categories of students as provided
17 in RCW 28B.15.069.

18 (8) Each governing board is authorized to adopt or increase
19 technology fees as provided in RCW 28B.15.069.

20 (9) Each governing board is authorized to adopt or increase special
21 course and lab fees, and health and counseling fees, to the extent
22 necessary to cover the reasonable and necessary exceptional cost of the
23 course or service.

24 (10) Each governing board is authorized to adopt or increase
25 administrative fees such as, but not limited to, those charged for
26 application, matriculation, special testing, and transcripts by amounts
27 judged reasonable and necessary by the governing board.

28 (11) The state universities, the regional universities, and The
29 Evergreen State College must accept the transfer of college-level
30 courses taken by running start students if a student seeking a transfer
31 of the college-level courses has been admitted to the state university,
32 the regional university, or The Evergreen State College, and if the
33 college-level courses are recognized as transferrable by the admitting
34 institution of higher education.

35 (12) Appropriations in sections 606 through 611 of this act are
36 sufficient to implement 2013-2015 collective bargaining agreements at
37 institutions of higher education negotiated under chapter 41.80 RCW.

1 The institutions may also use these funds for any other purpose
2 including restoring prior compensation reductions, increasing
3 compensation, and implementing other collective bargaining agreements.

4 NEW SECTION. **Sec. 604. STATE BOARD FOR COMMUNITY AND TECHNICAL**
5 **COLLEGES**

6 (1) In order to operate within the state funds appropriated in this
7 act, the state board is authorized to adopt and adjust tuition and fees
8 for the 2013-14 and 2014-15 academic years as provided in this section.

9 (2) For the purposes of chapter 28B.15 RCW, appropriations in the
10 omnibus appropriations act assumes no increase in tuition levels for
11 resident undergraduate students over the amounts charged to resident
12 undergraduate students for the prior year. For the 2014-15 academic
13 year, the state board is authorized to adopt tuition levels for
14 resident undergraduate students that are less than, equal to, or
15 greater than tuition levels assumed in the omnibus appropriations act
16 in this subsection. However, to the extent that tuition levels exceed
17 the tuition levels assumed in this subsection, the state board shall
18 retain an additional one percent of operating fees above what is
19 already retained pursuant to RCW 28B.15.031 for the purposes of RCW
20 28B.15.820. For the 2013-2015 fiscal biennium, when expending this
21 additional retained amount, the community and technical colleges are
22 subject to the conditions and limitations in RCW 28B.15.102.

23 (3) For the 2013-14 and 2014-15 academic years, the state board may
24 increase tuition fees charged to resident undergraduates enrolled in
25 upper division applied baccalaureate programs as specified in
26 subsection (2) of this section.

27 (4) Appropriations in section 605 include the restoration of the
28 three percent reduction in compensation costs taken in the 2011-2013
29 fiscal biennium. This funding is sufficient to implement 2013-2015
30 collective bargaining agreements at institutions of higher education
31 negotiated under chapter 41.80 RCW. The colleges may also use the
32 restored funds for any other purpose including restoring prior
33 compensation reductions, increasing compensation, and implementing
34 other collective bargaining agreements.

35 (5) The state board may increase the tuition fees charged to
36 nonresident students by amounts judged reasonable and necessary by the
37 board.

1 (6) The trustees of the technical colleges are authorized to either
2 (a) increase operating fees by no more than the percentage increases
3 authorized for community colleges by the state board; or (b) fully
4 adopt the tuition fee charge schedule adopted by the state board for
5 community colleges.

6 (7) For academic years 2013-14 and 2014-15, the trustees of the
7 technical colleges are authorized to increase building fees by an
8 amount judged reasonable in order to progress toward parity with the
9 building fees charged students attending the community colleges.

10 (8) The state board is authorized to increase the maximum allowable
11 services and activities fees as provided in RCW 28B.15.069. The
12 trustees of the community and technical colleges are authorized to
13 increase services and activities fees up to the maximum level
14 authorized by the state board.

15 (9) The trustees of the community and technical colleges are
16 authorized to adopt or increase charges for fee-based, self-sustaining
17 programs such as summer session, international student contracts, and
18 special contract courses by amounts judged reasonable and necessary by
19 the trustees.

20 (10) The trustees of the community and technical colleges are
21 authorized to adopt or increase special course and lab fees to the
22 extent necessary to cover the reasonable and necessary exceptional cost
23 of the course or service.

24 (11) The trustees of the community and technical colleges are
25 authorized to adopt or increase administrative fees such as but not
26 limited to those charged for application, matriculation, special
27 testing, and transcripts by amounts judged reasonable and necessary by
28 the trustees.

29 NEW SECTION. **Sec. 605. FOR THE STATE BOARD FOR COMMUNITY AND**
30 **TECHNICAL COLLEGES**

31	General Fund--State Appropriation (FY 2014)	\$570,262,000
32	General Fund--State Appropriation (FY 2015)	\$568,999,000
33	Community/Technical College Capital Projects	
34	Account--State Appropriation	\$17,548,000
35	Education Legacy Trust Account--State	
36	Appropriation	\$95,373,000
37	TOTAL APPROPRIATION	\$1,252,182,000

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

3 (1) \$33,261,000 of the general fund--state appropriation for fiscal
4 year 2014 and \$33,261,000 of the general fund--state appropriation for
5 fiscal year 2015 are provided solely as special funds for training and
6 related support services, including financial aid, as specified in RCW
7 28C.04.390. Funding is provided to support at least 7,170 full-time
8 equivalent students in fiscal year 2014 and at least 7,170 full-time
9 equivalent students in fiscal year 2015.

10 (2) \$5,450,000 of the education legacy trust account--state
11 appropriation is provided solely for administration and customized
12 training contracts through the job skills program. The state board
13 shall make an annual report by January 1st of each year to the governor
14 and to the appropriate policy and fiscal committees of the legislature
15 regarding implementation of this section, listing the scope of grant
16 awards, the distribution of funds by educational sector and region of
17 the state, and the results of the partnerships supported by these
18 funds.

19 (3) \$100,000 of the general fund--state appropriation for fiscal
20 year 2014 and \$100,000 of the general fund--state appropriation for
21 fiscal year 2015 are provided solely for the aerospace center of
22 excellence currently hosted by Everett community college to:

23 (a) Increase statewide communications and outreach between industry
24 sectors, industry organizations, businesses, K-12 schools, colleges,
25 and universities;

26 (b) Enhance information technology to increase business and student
27 accessibility and use of the center's web site; and

28 (c) Act as the information entry point for prospective students and
29 job seekers regarding education, training, and employment in the
30 industry.

31 (4) \$181,000 of the general fund--state appropriation for fiscal
32 year 2014 and \$181,000 of the general fund--state appropriation for
33 fiscal year 2015 are provided solely for the opportunity center for
34 employment and education internet technology integration project at
35 north Seattle community college.

36 (5) \$255,000 of the general fund--state appropriation for fiscal
37 year 2014 and \$255,000 of the general fund--state appropriation for

1 fiscal year 2015 are provided solely for implementation of a maritime
2 industries training program at south Seattle community college.

3 (6) \$5,250,000 of the general fund--state appropriation for fiscal
4 year 2014 and \$5,250,000 of the general fund--state appropriation for
5 fiscal year 2015 are provided solely for the student achievement
6 initiative.

7 (7) \$500,000 of the general fund--state appropriation for fiscal
8 year 2014 is provided solely for implementation of Second Substitute
9 Senate Bill No. 5624 (STEM or career and tech ed). If the bill is not
10 enacted by June 30, 2013, the amount provided in this subsection shall
11 lapse.

12 (8) Community and technical colleges are not required to send mass
13 mailings of course catalogs to residents of their districts. Community
14 and technical colleges shall consider lower cost alternatives, such as
15 mailing postcards or brochures that direct individuals to online
16 information and other ways of acquiring print catalogs.

17 (9) The state board for community and technical colleges shall not
18 use funds appropriated in this section to support intercollegiate
19 athletics programs.

20 NEW SECTION. **Sec. 606. FOR THE UNIVERSITY OF WASHINGTON**

21	General Fund--State Appropriation (FY 2014)	\$246,897,000
22	General Fund--State Appropriation (FY 2015)	\$245,200,000
23	Geoduck Aquaculture Research Account--State	
24	Appropriation	\$300,000
25	Education Legacy Trust Account--State Appropriation	\$13,998,000
26	Economic Development Strategic Reserve Account--	
27	State Appropriation	\$3,000,000
28	Biotoxin Account--State Appropriation	\$390,000
29	Accident Account--State Appropriation	\$6,741,000
30	Medical Aid Account--State Appropriation	\$6,546,000
31	Aquatic Land Enhancement Account--State Appropriation	\$700,000
32	State Toxics Control Account--State Appropriation	\$1,120,000
33	TOTAL APPROPRIATION	\$524,892,000

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

36 (1) \$300,000 of the geoduck aquaculture research account--state
37 appropriation is provided solely for the University of Washington sea

1 grant program to commission scientific research studies that examine
2 possible negative and positive effects, including the cumulative
3 effects and the economic contribution, of evolving shellfish
4 aquaculture techniques and practices on Washington's economy and marine
5 ecosystems. The research conducted for the studies is not intended to
6 be a basis for an increase in the number of shellfish harvesting
7 permits available and should be coordinated with any research efforts
8 related to ocean acidification. The University of Washington must
9 submit an annual report detailing any findings and outline the progress
10 of the study, consistent with RCW 43.01.036, to the appropriate
11 legislative committees by December 1st of each year.

12 (2) \$52,000 of the general fund--state appropriation for fiscal
13 year 2014 and \$52,000 of the general fund--state appropriation for
14 fiscal year 2015 are provided solely for the center for international
15 trade in forest products in the college of forest resources.

16 (3) \$4,459,000 of the general fund--state appropriation for fiscal
17 year 2014 and \$4,459,000 of the general fund--state appropriation for
18 fiscal year 2015 are provided solely for the expansion of computer
19 science and engineering enrollments. The university will work with the
20 education research and data center to establish program baselines and
21 demonstrate enrollment increases. By September 1, 2014, and each
22 September 1st thereafter, the university shall provide a report that
23 provides the specific detail on how these amounts were spent in the
24 preceding fiscal year, including but not limited to the cost per
25 student, student completion rates, and the number of low-income
26 students enrolled in each program, any process changes or best-
27 practices implemented by the college, and how many students are
28 enrolled in computer science and engineering programs above the 2012-
29 2013 academic year baseline.

30 (4) \$3,000,000 of the general fund--state appropriation for fiscal
31 year 2014 and \$3,000,000 of the general fund--state appropriation for
32 fiscal year 2015 are provided solely for creation of a clean energy
33 institute. The institute shall integrate physical sciences and
34 engineering with a research focus on energy storage and solar energy.

35 (5) \$3,000,000 of the economic development strategic reserve
36 account appropriation is provided solely to support the joint center
37 for aerospace innovation technology.

1 (6) Within existing resources the University of Washington may:
2 (a) Form and implement an integrated innovation institute and research,
3 planning, and outreach initiatives at the Olympic national resources
4 center; and (b) accredit a four-year undergraduate forestry program
5 from the society of American foresters. Accreditation may occur in
6 conjunction with reaccreditation of the master of forest resources
7 program.

8 (7) \$700,000 of the aquatic lands enhancement account--state
9 appropriation and \$1,120,000 of the state toxics control account--state
10 appropriation are provided solely for the center on ocean acidification
11 and related work necessary to implement the recommendations of the
12 governor's blue ribbon task force on ocean acidification. The
13 university shall provide staffing for this purpose.

14 (8) The University of Washington shall not use funds appropriated
15 in this section to support intercollegiate athletics programs.

16 NEW SECTION. **Sec. 607. FOR WASHINGTON STATE UNIVERSITY**

17	General Fund--State Appropriation (FY 2014)	\$156,616,000
18	General Fund--State Appropriation (FY 2015)	\$157,701,000
19	Education Legacy Trust Account--State Appropriation	\$33,995,000
20	TOTAL APPROPRIATION	\$348,312,000

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

23 (1) Within existing resources, Washington State University shall
24 establish an accredited forestry program.

25 (2) \$2,856,000 of the general fund--state appropriation for fiscal
26 year 2014 and \$2,857,000 of the general fund--state appropriation for
27 fiscal year 2015 are provided solely for the expansion of computer
28 science and engineering enrollments. The university will work with the
29 education research and data center to establish program baselines and
30 demonstrate enrollment increases. By September 1, 2014, and each
31 September 1st thereafter, the university shall provide a report that
32 provides the specific detail on how these amounts were spent in the
33 preceding fiscal year, including but not limited to the cost per
34 student, student completion rates, and the number of low-income
35 students enrolled in each program, any process changes or best-
36 practices implemented by the college, and how many students are

1 enrolled in computer science and engineering programs above the 2012-
2 2013 academic year baseline.

3 (3) \$25,000 of the general fund--state appropriation for fiscal
4 year 2014 is provided solely for the Ruckelshaus center to collaborate
5 with local governments, the media, and representatives of the public
6 regarding public record requests made to local government. The center
7 shall facilitate meetings and discussions and report to the appropriate
8 committees of the legislature. The report shall include information
9 on:

10 (a) Recommendations related to balancing open public records with
11 concerns of local governments related to interfering with the work of
12 the local government;

13 (b) Resources necessary to accommodate requests;

14 (c) Potential harassment of government employees;

15 (d) Potential safety concerns of people named in the record;

16 (e) Potentially assisting criminal activity; and

17 (f) Other issues brought forward by the participants.

18 The center shall report to the appropriate committees of the
19 legislature by December 15, 2013.

20 (4) \$300,000 of the general fund--state appropriation for fiscal
21 year 2014 and \$300,000 of the general fund--state appropriation for
22 fiscal year 2015 are provided solely for the Washington State
23 University agricultural research center to conduct public outreach and
24 education related to nonlethal methods of mitigating conflicts between
25 livestock and large wild carnivores. Of the amounts provided in this
26 subsection, \$200,000 of the general fund--state appropriation for
27 fiscal year 2014 and \$200,000 of the general fund--state appropriation
28 for fiscal year 2015 are provided solely to the center to conduct a
29 detailed analysis of such methods. The amounts appropriated in this
30 subsection may not be subject to an administrative fee or charge, and
31 must be used for costs directly associated with the research and
32 analysis.

33 (5) \$2,400,000 of the general fund--state appropriation for fiscal
34 year 2014 and \$3,600,000 of the general fund--state appropriation for
35 fiscal year 2015 are provided solely for expansion of medical education
36 and biomedical research in Spokane.

37 (6) Washington State University shall not use funds appropriated in
38 this section to support intercollegiate athletic programs.

1 NEW SECTION. **Sec. 608. FOR EASTERN WASHINGTON UNIVERSITY**

2	General Fund--State Appropriation (FY 2014)	\$31,674,000
3	General Fund--State Appropriation (FY 2015)	\$31,619,000
4	Education Legacy Trust Account--State Appropriation	\$15,470,000
5	TOTAL APPROPRIATION	\$78,763,000

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

8 (1) At least \$200,000 of the general fund--state appropriation for
9 fiscal year 2014 and at least \$200,000 of the general fund--state
10 appropriation for fiscal year 2015 shall be expended on the Northwest
11 autism center.

12 (2) Eastern Washington University shall not use funds appropriated
13 in this section to support intercollegiate athletics programs.

14 NEW SECTION. **Sec. 609. FOR CENTRAL WASHINGTON UNIVERSITY**

15	General Fund--State Appropriation (FY 2014)	\$29,719,000
16	General Fund--State Appropriation (FY 2015)	\$29,533,000
17	Education Legacy Trust Account--State Appropriation	\$19,076,000
18	TOTAL APPROPRIATION	\$78,328,000

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

21 (1) \$25,000 of the general fund--state appropriation for fiscal
22 year 2014 is provided solely for the college of education to conduct a
23 study identifying the duties encompassed in a state-funded teacher's
24 typical work day. The study must include an estimate of the percent of
25 a teacher's typical day that is spent on teaching related duties and
26 the percentage of the teacher's day that is spent on duties that are
27 not directly related to teaching. The university shall submit a report
28 to the appropriate committees of the legislature by December 1, 2013.

29 (2) Amounts appropriated in this section are sufficient for the
30 university to develop a plan to create an online degree granting entity
31 that awards degrees based on an alternative credit model. The
32 university shall submit a final plan by December 1, 2013, to the higher
33 education committees of the legislature.

34 (3) Central Washington University shall not use funds appropriated
35 in this section to support intercollegiate athletics programs.

1 NEW SECTION. **Sec. 610. FOR THE EVERGREEN STATE COLLEGE**

2	General Fund--State Appropriation (FY 2014)	\$18,563,000
3	General Fund--State Appropriation (FY 2015)	\$17,911,000
4	Education Legacy Trust Account--State Appropriation	\$5,450,000
5	TOTAL APPROPRIATION	\$41,924,000

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

8 (1) \$77,000 of the general fund--state appropriation for fiscal
9 year 2014 is provided solely for Washington state institute for public
10 policy to examine cases with extraordinary costs within the foster care
11 system managed by the children's administration of the department of
12 social and health services. This audit will examine the highest cost
13 foster children to determine if the child's care could be provided in
14 a more cost-effective manner and whether the cost for these placements
15 is consistent across similarly acute children.

16 (2) \$85,000 of the general fund--state appropriation for fiscal
17 year 2014 is provided solely for the Washington state institute for
18 public policy to conduct an empirical study of the validity and
19 reliability of the safety assessment tool currently used in child
20 welfare cases by the children's administration of the department of
21 social and health services. In conducting this study, the institute
22 must identify: (a) Whether other empirically based child welfare
23 safety assessment tools exist and, if so, compare those tools to the
24 tool used by the children's administration; (b) whether other factors
25 or combination of factors not included in the current safety assessment
26 tool should be included to help predict real outcomes; and (c) where
27 possible, whether there is unnecessary duplication in the application
28 of the family assessment tool used by the department. A report on the
29 study is due to the appropriate policy committees of the legislature by
30 December 15, 2013.

31 (3) \$100,000 of the general fund--state appropriation for fiscal
32 year 2014 and \$50,000 of the general fund--state appropriation for
33 fiscal year 2015 are provided solely for the Washington state institute
34 for public policy to conduct a comprehensive retrospective outcome
35 evaluation and return on investment analysis of the early learning
36 childhood program pursuant to Senate Bill No. 5904 (high quality early
37 learning). This evaluation is due December 15, 2014. If the bill is

1 not enacted by June 30, 2013, the amount provided in this subsection
2 shall lapse.

3 (4) \$50,000 of the general fund--state appropriation for fiscal
4 year 2014 and \$50,000 of the general fund--state appropriation for
5 fiscal year 2015 are provided solely for the Washington state institute
6 for public policy to develop a risk assessment instrument for patients
7 committed for involuntary treatment in Washington state.

8 (5) \$58,000 of the general fund--state appropriation for fiscal
9 year 2014 and \$27,000 of the general fund--state appropriation for
10 fiscal year 2015 are provided solely for the Washington state institute
11 for public policy to prepare an inventory of evidence-based and
12 research-based effective practices, activities, and programs for use by
13 school districts in the learning assistance program pursuant to
14 Engrossed Second Substitute Senate Bill No. 5946 (student educational
15 outcomes). The initial inventory is due by August 1, 2014, and shall
16 be updated every two years thereafter. If the bill is not enacted by
17 June 30, 2013, the amounts provided in this subsection shall lapse.

18 (6) \$50,000 of the general fund--state appropriation for fiscal
19 year 2014 are provided solely for the Washington state institute for
20 public policy to provide expertise to the department of corrections on
21 the implementation of programming that follows the risk needs
22 responsivity model. In consultation with the department of
23 corrections, the institute will systematically review selected programs
24 for outcome measures.

25 (7) Funding provided in this section is sufficient for The
26 Evergreen State College to continue operations of the Longhouse Center
27 and the Northwest Indian applied research institute.

28 (8) \$166,000 of the general fund--state appropriation for fiscal
29 year 2014 and \$84,000 of the general fund--state appropriation for
30 fiscal year 2015 are provided solely for the Washington state institute
31 for public policy to provide primary staff support for a K-12 funding
32 task force established in this subsection.

33 (a) The task force shall be composed of the following members:

34 (i) Two members from each of the largest caucuses of the house of
35 representatives, appointed by the speaker of the house of
36 representatives;

37 (ii) Two members from each of the largest caucuses of the senate,
38 appointed by the president of the senate;

1 (iii) The superintendent of public instruction or designee; and

2 (iv) Three members appointed by the governor.

3 (b) The task force shall be chaired or cochaired by legislative
4 members selected by members of the task force.

5 (c) The purpose of the task force is to examine options and make
6 recommendations to the legislature on the following topics:

7 (i) Revised salary allocation methodologies and models for
8 administrative, classified, and certificated instructional staff in
9 public schools. The salary allocation model for certificated
10 instructional staff must address regional salary differentials;

11 (ii) Policies and funding to support career and technical
12 education, including:

13 (A) A revised funding allocation methodology for career and
14 technical education for middle schools, comprehensive high schools, and
15 skill centers through the prototypical school funding formula;

16 (B) Recommended capital facilities policies related to the siting
17 of skill center campuses, including skill centers colocated on
18 comprehensive high school and higher education campuses; and

19 (C) The feasibility of establishing technical high schools as an
20 alternative delivery model for integrated secondary career and academic
21 education; and

22 (iii) The appropriate use of state and local property taxes to
23 support the financing of public schools, modifications to property tax
24 growth limitations, and strategies for improving the stability and
25 transparency of such use.

26 (d) The task force shall submit an interim report to the education
27 and fiscal committees of the legislature by December 1, 2013, and a
28 final report by December 1, 2014.

29 (e) Additional staff support for the task force shall be provided
30 as needed by the house office of program research, the senate committee
31 services, and the office of financial management.

32 (9) Notwithstanding other provisions in this section, the board of
33 directors for the Washington state institute for public policy may
34 adjust due dates for projects included on the institute's 2013-2015
35 work plan as necessary to efficiently manage workload.

36 (10) The Evergreen State College shall not use funds appropriated
37 in this section to support intercollegiate athletics programs.

1 NEW SECTION. **Sec. 611. FOR WESTERN WASHINGTON UNIVERSITY**

2 General Fund--State Appropriation (FY 2014) \$44,542,000
3 General Fund--State Appropriation (FY 2015) \$44,377,000
4 Education Legacy Trust Account--State
5 Appropriation \$13,050,000
6 TOTAL APPROPRIATION \$101,969,000

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

9 (1) \$1,497,000 of the general fund--state appropriation for fiscal
10 year 2014 and \$1,498,000 of the general fund--state appropriation for
11 fiscal year 2015 are provided solely for the expansion of computer
12 science and engineering enrollments. The university will work with the
13 education research and data center to establish program baselines and
14 demonstrate enrollment increases. By September 1, 2014, and each
15 September 1st thereafter, the university shall provide a report that
16 provides the specific detail on how these amounts were spent in the
17 preceding fiscal year, including but not limited to the cost per
18 student, student completion rates, and the number of low-income
19 students enrolled in each program, any process changes or best-
20 practices implemented by the college, and how many students are
21 enrolled in computer science and engineering programs above the 2012-
22 2013 academic year baseline.

23 (2) Western Washington University shall not use funds appropriated
24 in this section to support intercollegiate athletics programs.

25 NEW SECTION. **Sec. 612. FOR THE STUDENT ACHIEVEMENT COUNCIL--**
26 **POLICY COORDINATION AND ADMINISTRATION**

27 General Fund--State Appropriation (FY 2014) \$5,307,000
28 General Fund--State Appropriation (FY 2015) \$5,318,000
29 General Fund--Federal Appropriation \$4,817,000
30 TOTAL APPROPRIATION \$15,442,000

31 The appropriations in this section are subject to the following
32 conditions and limitations: The student achievement council is
33 authorized to increase or establish fees for initial degree
34 authorization, degree authorization renewal, degree authorization
35 reapplication, new program applications, and new site applications
36 pursuant to RCW 28B.85.060.

1 NEW SECTION. **Sec. 613. FOR THE STUDENT ACHIEVEMENT COUNCIL--**

2 **OFFICE OF STUDENT FINANCIAL ASSISTANCE**

3 General Fund--State Appropriation (FY 2014) \$245,122,000
4 General Fund--State Appropriation (FY 2015) \$244,674,000
5 General Fund--Federal Appropriation \$11,648,000
6 General Fund--Private/Local Appropriation \$34,000
7 Education Legacy Trust Account--State Appropriation \$36,036,000
8 Washington Opportunity Pathways Account--State
9 Appropriation \$147,000,000
10 TOTAL APPROPRIATION \$684,514,000

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

13 (1) \$237,454,000 of the general fund--state appropriation for
14 fiscal year 2014, \$237,455,000 of the general fund--state
15 appropriation, and \$147,000,000 of the Washington opportunity pathways
16 account--state appropriation are provided solely for student financial
17 aid payments under the state need grant and state work study programs
18 including up to four percent administrative allowance for the state
19 work study program.

20 (2) Changes made to the state need grant program in the 2011-2013
21 fiscal biennium are continued in the 2013-2015 fiscal biennium
22 including aligning increases in awards given to private institutions
23 with the annual tuition increases for public research institutions or
24 the private institution's average annual tuition increase experience of
25 3.5 percent per year, whichever is less, and reducing the awards for
26 students who first enrolled as a new student in for-profit institutions
27 as of the 2011-2012 academic year or thereafter by fifty percent,
28 except that one-half of the fifty percent reduction shall be restored
29 on July 1, 2013, for students attending regionally accredited for-
30 profit institutions.

31 (3) Changes made to the state work study program in the 2009-2011
32 and 2011-2013 fiscal biennia are continued in the 2013-2015 fiscal
33 biennium including maintaining the increased required employer share of
34 wages; adjusted employer match rates; discontinuation of nonresident
35 student eligibility for the program; and revising distribution methods
36 to institutions by taking into consideration other factors such as off-
37 campus job development, historical utilization trends, and student
38 need.

1 (4) Within the funds appropriated in this section, eligibility for
2 the state need grant shall include students with family incomes at or
3 below 70 percent of the state median family income (MFI), adjusted for
4 family size, and shall include students enrolled in three to five
5 credit-bearing quarter credits, or the equivalent semester credits.
6 Awards for all students shall be adjusted by the estimated amount by
7 which Pell grant increases exceed projected increases in the
8 noninstructional costs of attendance. Awards for students with incomes
9 between 51 and 70 percent of the state median shall be prorated at the
10 following percentages of the award amount granted to those with incomes
11 below 51 percent of the MFI: 70 percent for students with family
12 incomes between 51 and 55 percent MFI; 65 percent for students with
13 family incomes between 56 and 60 percent MFI; 60 percent for students
14 with family incomes between 61 and 65 percent MFI; and 50 percent for
15 students with family incomes between 66 and 70 percent MFI.

16 (5) Students who are eligible for the college bound scholarship
17 shall be given priority for the state need grant program if the
18 students have applied by the institution's priority financial aid
19 deadline and have completed their financial aid file in a timely
20 manner. These eligible college bound students whose family incomes are
21 in the 0-65 median family income ranges shall be awarded the maximum
22 state need grant for which they are eligible under state policies and
23 may not be denied maximum state need grant funding due to institutional
24 policies or delayed awarding of college bound scholarship students.

25 (6) \$36,036,000 of the education legacy trust account--state
26 appropriation is provided solely for the college bound scholarship
27 program. This amount assumes that college bound scholarship recipients
28 will receive priority for state need grant awards in fiscal year 2014
29 and fiscal year 2015. If this policy of prioritization is not fully
30 achieved, it is the intent of this legislation to provide supplemental
31 appropriations in the 2014 supplemental operating budget.

32 (7) \$2,236,000 of the general fund--state appropriation for fiscal
33 year 2014 and \$2,236,000 of the general fund--state appropriation for
34 fiscal year 2015 are provided solely for the passport to college
35 program. The maximum scholarship award shall be \$5,000. The board
36 shall contract with a nonprofit organization to provide support
37 services to increase student completion in their postsecondary program

1 and shall, under this contract, provide a minimum of \$500,000 in fiscal
2 years 2014 and 2015 for this purpose.

3 (8) In developing the skilled and educated workforce report
4 pursuant to RCW 28B.77.080(3), the council shall use the bureau of
5 labor statistics analysis of the education and training requirements of
6 occupations, in addition to any other method the council may choose to
7 use, to assess the number and type of higher education and training
8 credentials required to match employer demand for a skilled and
9 educated workforce.

10 NEW SECTION. **Sec. 614. FOR THE WORK FORCE TRAINING AND EDUCATION**
11 **COORDINATING BOARD**

12	General Fund--State Appropriation (FY 2014)	\$1,582,000
13	General Fund--State Appropriation (FY 2015)	\$1,478,000
14	General Fund--Federal Appropriation	\$54,260,000
15	TOTAL APPROPRIATION	\$57,320,000

16 The appropriations in this section are subject to the following
17 conditions and limitations: For the 2013-2015 fiscal biennium the
18 board shall not designate recipients of the Washington award for
19 vocational excellence or recognize them at award ceremonies as provided
20 in RCW 28C.04.535.

21 NEW SECTION. **Sec. 615. FOR THE DEPARTMENT OF EARLY LEARNING**

22	General Fund--State Appropriation (FY 2014)	\$34,253,000
23	General Fund--State Appropriation (FY 2015)	\$48,689,000
24	General Fund--Federal Appropriation	\$293,652,000
25	Opportunity Pathways Account--State Appropriation	\$80,000,000
26	Home Visiting Services Account--State Appropriation	\$2,868,000
27	Home Visiting Services Account--Federal Appropriation	\$22,756,000
28	Children's Trust Account--State Appropriation	\$180,000
29	TOTAL APPROPRIATION	\$482,398,000

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

32 (1) \$20,229,000 of the general fund--state appropriation for fiscal
33 year 2014, \$36,474,000 of the general fund--state appropriation for
34 fiscal year 2015, and \$80,000,000 of the opportunity pathways account
35 appropriation are provided solely for the early childhood education
36 assistance program services. Of these amounts, \$10,284,000 is a

1 portion of the biennial amount of state maintenance of effort dollars
2 required to receive federal child care and development fund grant
3 dollars.

4 (2) \$638,000 of the general fund--state appropriation for fiscal
5 year 2014, and \$638,000 of the general fund--state appropriation for
6 fiscal year 2015 are provided solely for child care resource and
7 referral network services.

8 (3) \$200,000 of the general fund--state appropriation for fiscal
9 year 2014 and \$200,000 of the general fund--state appropriation for
10 fiscal year 2015 are provided solely to develop and provide culturally
11 relevant supports for parents, family, and other caregivers.

12 (4) The department is the lead agency for and recipient of the
13 federal child care and development fund grant. Amounts within this
14 grant shall be used to fund child care licensing, quality initiatives,
15 agency administration, and other costs associated with child care
16 subsidies. The department shall transfer a portion of this grant to
17 the department of social and health services to fund the child care
18 subsidies paid by the department of social and health services on
19 behalf of the department of early learning.

20 (5) \$1,434,000 of the general fund--state appropriation for fiscal
21 year 2014, \$1,434,000 of the general fund--state appropriation for
22 fiscal year 2015 are provided solely for expenditure into the home
23 visiting services account. This funding is intended to meet federal
24 maintenance of effort requirements and to secure private matching
25 funds.

26 (6)(a) \$153,717,000 of the general fund--federal appropriation is
27 provided solely for the working connections child care program under
28 RCW 43.215.135.

29 (b) In addition to groups that were given prioritized access to the
30 working connections child care program effective March 1, 2011, the
31 department shall also give prioritized access into the program to
32 families in which a parent of a child in care is a minor who is not
33 living with a parent or guardian and who is a full-time student in a
34 high school that has a school-sponsored on-site child care center.

35 (7) Within available amounts, the department in consultation with
36 the office of financial management and the department of social and
37 health services shall report quarterly enrollments and active caseload
38 for the working connections child care program to the legislative

1 fiscal committees and the legislative-executive WorkFirst oversight
2 task force. The report shall also identify the number of cases
3 participating in both temporary assistance for needy families and
4 working connections child care.

5 (8) \$1,025,000 of the general fund--state appropriation for fiscal
6 year 2014, \$1,025,000 of the general fund--state appropriation for
7 fiscal year 2015, and \$13,424,000 of the general fund--federal
8 appropriation are provided solely for the seasonal child care program.
9 If federal sequestration cuts are realized, cuts to the seasonal child
10 care program must be proportional to other federal reductions made
11 within the department.

12 (9) \$3,572,000 of the general fund--state appropriation for fiscal
13 year 2014, \$2,522,000 of the general fund--state appropriation for
14 fiscal year 2015, and \$4,304,000 of the general fund--federal
15 appropriation are provided solely for the medicaid treatment child care
16 (MTCC) program. The department shall contract for MTCC services to
17 provide therapeutic child care and other specialized treatment services
18 to abused, neglected, at-risk, and/or drug-affected children. Priority
19 for services shall be given to children referred from the department of
20 social and health services children's administration. In addition to
21 referrals made by children's administration, the department shall
22 authorize services for children referred to the MTCC program, as long
23 as the children meet the eligibility requirements as outlined in the
24 Washington state plan for the MTCC program.

25 (a) Of the amounts appropriated in this subsection, \$60,000 per
26 fiscal year may be used by the department for administering the MTCC
27 program, if needed.

28 (b) Of the amounts provided in this subsection, \$1,050,000 of the
29 general fund--state appropriation for fiscal year 2014 is provided
30 solely to continue providing services in the event of losing federal
31 funding for the MTCC program. To the extent that the moneys provided
32 in this subsection (9)(b) are not necessary for this purpose, the
33 amounts provided shall lapse.

34 (10) \$150,000 of the general fund--state appropriation for fiscal
35 year 2014 and \$150,000 of the general fund--state appropriation for
36 fiscal year 2015 are provided solely for a contract with a nonprofit
37 entity experienced in the provision of promoting early literacy for
38 children through pediatric office visits.

1 (11) \$721,000 of the general fund--state appropriation for fiscal
2 year 2014 is provided solely for the department to complete development
3 work of the electronic benefits transfer system.

4 (12) \$793,000 of the general fund--state appropriation for fiscal
5 year 2014 and \$796,000 of the general fund--state appropriation for
6 fiscal year 2015 are provided solely for implementation of an
7 electronic benefits transfer system. To the maximum extent possible,
8 the department shall work to integrate this system with the department
9 of social and health services payment system. The amounts provided in
10 this subsection are conditioned on the department satisfying the
11 requirements of the project management oversight standards and policies
12 established by the office of the chief information officer.

13 (13) \$32,000 of the general fund--state appropriation for fiscal
14 year 2014 is provided solely for implementation of Second Substitute
15 Senate Bill No. 5595 (child care reform). If the bill is not enacted
16 by June 30, 2013, the amounts provided in this subsection shall lapse.

17 (14)(a)(i) The department of early learning is required to provide
18 to the education research and data center, housed at the office of
19 financial management, data on all state-funded early childhood
20 programs. These programs include the early support for infants and
21 toddlers, early childhood education and assistance program (ECEAP), and
22 the working connections and seasonal subsidized childcare programs
23 including license exempt facilities or family, friend, and neighbor
24 care. The data provided by the department to the education research
25 data center must include information on children who participate in
26 these programs, including their name and date of birth, and dates the
27 child received services at a particular facility.

28 (ii) The ECEAP early learning professionals must enter
29 qualifications into the department's professional development registry
30 during the 2013-14 school year. By October 2015, the department must
31 provide ECEAP early learning professional data to the education
32 research data center.

33 (iii) The department must request federally funded head start
34 programs to voluntarily provide data to the department and the
35 education research data center that is equivalent to what is being
36 provided for state-funded programs.

37 (iv) The education research and data center must provide a report
38 on early childhood program participation and K-12 outcomes to the house

1 of representatives appropriations committee and the senate ways and
2 means committee using available data by November 2013 for the school
3 year ending in 2012 and again in March 2014 for the school year ending
4 in 2013.

5 (b) The department, in consultation with the department of social
6 and health services, must withhold payment for services to early
7 childhood programs that do not report on the name, date of birth, and
8 the dates a child received services at a particular facility.

9 NEW SECTION. **Sec. 616. FOR THE STATE SCHOOL FOR THE BLIND**

10	General Fund--State Appropriation (FY 2014)	\$6,032,000
11	General Fund--State Appropriation (FY 2015)	\$5,805,000
12	General Fund--Private/Local Appropriation	\$15,000
13	TOTAL APPROPRIATION	\$11,852,000

14 NEW SECTION. **Sec. 617. FOR THE WASHINGTON STATE CENTER FOR**
15 **CHILDHOOD DEAFNESS AND HEARING LOSS**

16	General Fund--State Appropriation (FY 2014)	\$8,615,000
17	General Fund--State Appropriation (FY 2015)	\$8,591,000
18	TOTAL APPROPRIATION	\$17,206,000

19 NEW SECTION. **Sec. 618. FOR THE WASHINGTON STATE ARTS COMMISSION**

20	General Fund--State Appropriation (FY 2014)	\$1,125,000
21	General Fund--State Appropriation (FY 2015)	\$1,101,000
22	General Fund--Federal Appropriation	\$2,074,000
23	General Fund--Private/Local Appropriation	\$12,000
24	TOTAL APPROPRIATION	\$4,312,000

25 NEW SECTION. **Sec. 619. FOR THE WASHINGTON STATE HISTORICAL**
26 **SOCIETY**

27	General Fund--State Appropriation (FY 2014)	\$2,123,000
28	General Fund--State Appropriation (FY 2015)	\$2,150,000
29	TOTAL APPROPRIATION	\$4,273,000

30 NEW SECTION. **Sec. 620. FOR THE EASTERN WASHINGTON STATE**
31 **HISTORICAL SOCIETY**

32	General Fund--State Appropriation (FY 2014)	\$1,600,000
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1	General Fund--State Appropriation (FY 2015)	\$1,530,000
2	TOTAL APPROPRIATION	\$3,130,000

(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 2014)	\$741,362,000
General Fund--State Appropriation (FY 2015)	\$1,060,322,000
State Building Construction Account--State Appropriation	\$4,297,000
Columbia River Basin Water Supply Development Account--State Appropriation	\$269,000
State Taxable Building Construction Account--State Appropriation	\$211,000
Debt-Limit Reimbursable Bond Retire Account--State Appropriation	\$2,320,000
TOTAL APPROPRIATION	\$1,808,781,000

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 2014 shall be expended into the debt-limit general fund bond retirement account by June 30, 2014.

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	\$4,138,000
Medical Aid Account--State Appropriation	\$4,138,000
TOTAL APPROPRIATION	\$8,276,000

NEW SECTION. **Sec. 703. FOR THE STATE TREASURER--BOND RETIREMENT AND INTEREST, AND ONGOING BOND REGISTRATION AND TRANSFER CHARGES: FOR GENERAL OBLIGATION DEBT TO BE REIMBURSED AS PRESCRIBED BY STATUTE**

General Fund--State Appropriation (FY 2014)	\$25,636,000
General Fund--State Appropriation (FY 2015)	\$16,102,000
Nondebt-Limit Reimbursable Bond Retirement Account--State	

1	Appropriation	\$140,215,000
2	TOTAL APPROPRIATION	\$181,953,000

3 The appropriations in this section are subject to the following
4 conditions and limitations: The general fund appropriation is for
5 expenditure into the nondebt-limit general fund bond retirement
6 account. The entire general fund--state appropriation for fiscal year
7 2014 shall be expended into the nondebt-limit general fund bond
8 retirement account by June 30, 2014.

9 NEW SECTION. **Sec. 704. FOR THE STATE TREASURER--BOND RETIREMENT**
10 **AND INTEREST, AND ONGOING BOND REGISTRATION AND TRANSFER CHARGES: FOR**
11 **BOND SALE EXPENSES**

12	General Fund--State Appropriation (FY 2014)	\$1,726,000
13	General Fund--State Appropriation (FY 2015)	\$1,726,000
14	State Building Construction Account--State Appropriation . . .	\$867,000
15	Columbia River Basin Water Supply Development	
16	Account--State Appropriation	\$57,000
17	State Taxable Building Construction Account--State	
18	Appropriation	\$45,000
19	TOTAL APPROPRIATION	\$4,421,000

20 NEW SECTION. **Sec. 705. FOR THE OFFICE OF FINANCIAL MANAGEMENT--**
21 **FIRE CONTINGENCY**

22	General Fund--State Appropriation (FY 2014)	\$4,000,000
23	General Fund--State Appropriation (FY 2015)	\$4,000,000
24	TOTAL APPROPRIATION	\$8,000,000

25 The appropriations in this section are subject to the following
26 conditions and limitations: The appropriations are provided solely for
27 expenditure into the disaster response account to be used for any
28 Washington state fire service resource mobilization costs incurred by
29 the Washington state patrol in response to an emergency or disaster
30 authorized under RCW 43.43.960 and 43.43.964.

31 NEW SECTION. **Sec. 706. FOR THE OFFICE OF FINANCIAL MANAGEMENT--**
32 **DISASTER RESPONSE ACCOUNT**

33	General Fund--State Appropriation (FY 2014)	\$5,100,000
34	General Fund--State Appropriation (FY 2015)	\$2,500,000
35	TOTAL APPROPRIATION	\$7,600,000

1 The appropriations in this section are subject to the following
2 conditions and limitations: The appropriations are provided solely for
3 expenditure into the disaster response account for emergency fire
4 suppression by the department of natural resources and to complete
5 projects necessary to recover from previously declared disasters.

6 NEW SECTION. **Sec. 707. FOR THE OFFICE OF FINANCIAL MANAGEMENT--**
7 **EMERGENCY FUND**

8	General Fund--State Appropriation (FY 2014)	\$850,000
9	General Fund--State Appropriation (FY 2015)	\$850,000
10	TOTAL APPROPRIATION	\$1,700,000

11 The appropriations in this section are subject to the following
12 conditions and limitations: The appropriations in this section are for
13 the governor's emergency fund for the critically necessary work of any
14 agency.

15 NEW SECTION. **Sec. 708. FOR THE OFFICE OF FINANCIAL MANAGEMENT--**
16 **EDUCATION TECHNOLOGY REVOLVING ACCOUNT**

17	General Fund--State Appropriation (FY 2014)	\$8,000,000
18	General Fund--State Appropriation (FY 2015)	\$8,000,000
19	TOTAL APPROPRIATION	\$16,000,000

20 The appropriations in this section are subject to the following
21 conditions and limitations: The appropriations in this section are
22 provided solely for expenditure into the education technology revolving
23 account for the purpose of covering ongoing operational and equipment
24 replacement costs incurred by the K-20 educational network program in
25 providing telecommunication services to network participants.

26 NEW SECTION. **Sec. 709. FOR THE OFFICE OF FINANCIAL MANAGEMENT--**
27 **O'BRIEN BUILDING IMPROVEMENT**

28	General Fund--State Appropriation (FY 2014)	\$2,948,000
29	General Fund--State Appropriation (FY 2015)	\$2,942,000
30	TOTAL APPROPRIATION	\$5,890,000

31 The appropriations in this section are subject to the following
32 conditions and limitations: The appropriations are provided solely for
33 expenditure into the enterprise services account for payment of

1 principal, interest, and financing expenses associated with the
 2 certificate of participation for the O'Brien building improvement,
 3 project number 20081007.

4 NEW SECTION. **Sec. 710. FOR THE STATE TREASURER--COUNTY PUBLIC**
 5 **HEALTH ASSISTANCE**

6	General Fund--State Appropriation (FY 2014)	\$36,386,000
7	General Fund--State Appropriation (FY 2015)	\$36,386,000
8	TOTAL APPROPRIATION	\$72,772,000

9 The appropriations in this section are subject to the following
 10 conditions and limitations: The state treasurer shall distribute the
 11 appropriations to the following counties and health districts in the
 12 amounts designated to support public health services, including public
 13 health nursing:

15	Health District	FY 2014	FY 2015	2013-15
16				Biennium
17	Adams County Health District	\$121,213	\$121,213	\$242,426
18	Asotin County Health District	\$159,890	\$159,890	\$319,780
19	Benton-Franklin Health District	\$1,614,337	\$1,614,337	\$3,228,674
20	Chelan-Douglas Health District	\$399,634	\$399,634	\$799,268
21	Clallam County Health and Human Services	\$291,401	\$291,401	\$582,802
22	Department			
23	Clark County Health District	\$1,767,341	\$1,767,341	\$3,534,682
24	Skamania County Health Department	\$111,327	\$111,327	\$222,654
25	Columbia County Health District	\$119,991	\$119,991	\$239,982
26	Cowlitz County Health Department	\$477,981	\$477,981	\$955,962
27	Garfield County Health District	\$93,154	\$93,154	\$186,308
28	Grant County Health District	\$297,761	\$297,762	\$595,523
29	Grays Harbor Health Department	\$335,666	\$335,666	\$671,332
30	Island County Health Department	\$255,224	\$225,224	\$510,448
31	Jefferson County Health and Human Services	\$184,080	\$184,080	\$368,160
32	Seattle-King County Department of Public Health	\$10,558,598	\$10,558,598	\$21,117,196
33	Bremerton-Kitsap County Health District	\$997,476	\$997,476	\$1,994,952
34	Kittitas County Health Department	\$198,979	\$198,979	\$397,958
35	Klickitat County Health Department	\$153,784	\$153,784	\$307,568

1	Lewis County Health Department	\$263,134	\$263,134	\$526,268
2	Lincoln County Health Department	\$113,917	\$113,917	\$227,834
3	Mason County Department of Health Services	\$227,448	\$227,448	\$454,896
4	Okanogan County Health District	\$169,882	\$169,882	\$339,764
5	Pacific County Health Department	\$169,075	\$169,075	\$338,150
6	Tacoma-Pierce County Health Department	\$4,143,169	\$4,143,169	\$8,286,338
7	San Juan County Health and Community Services	\$2,253,493	\$2,253,493	\$4,506,986
8	Skagit County Health Department	\$449,745	\$449,745	\$899,490
9	Snohomish Health District	\$3,433,291	\$3,433,291	\$6,866,582
10	Spokane County Health District	\$2,877,318	\$2,877,318	\$5,574,636
11	Northeast Tri-County Health District	\$249,303	\$249,303	\$498,606
12	Thurston County Health Department	\$1,046,897	\$1,046,897	\$2,093,794
13	Wahkiakum County Health Department	\$93,181	\$9,180	\$186,361
14	Walla Walla County-City Health Department	\$302,173	\$302,173	\$604,346
15	Whatcom County Health Department	\$1,214,301	\$1,214,301	\$2,428,602
16	Whitman County Health Department	\$189,355	\$189,355	\$378,710
17	Yakima Health District	\$1,052,482	\$1,052,482	\$2,104,964
18				
19	TOTAL APPROPRIATIONS	\$36,386,001	\$36,386,001	\$72,772,002

20 NEW SECTION. **Sec. 711. BELATED CLAIMS**

21 The agencies and institutions of the state may expend moneys
22 appropriated in this act, upon approval of the office of financial
23 management, for the payment of supplies and services furnished to the
24 agency or institution in prior fiscal biennia.

25 NEW SECTION. **Sec. 712. FOR THE DEPARTMENT OF RETIREMENT**
26 **SYSTEMS--CONTRIBUTIONS TO RETIREMENT SYSTEMS**

27 The appropriations in this section are subject to the following
28 conditions and limitations: The appropriations for the law enforcement
29 officers' and firefighters' retirement system shall be made on a
30 monthly basis consistent with chapter 41.45 RCW, and the appropriations
31 for the judges and judicial retirement systems shall be made on a
32 quarterly basis consistent with chapters 2.10 and 2.12 RCW.

33 (1) There is appropriated for state contributions to the law
34 enforcement officers' and firefighters' retirement system:
35 General Fund--State Appropriation (FY 2014) \$58,700,000
36 General Fund--State Appropriation (FY 2015) \$61,600,000

1 TOTAL APPROPRIATION \$120,300,000
 2 (2) There is appropriated for contributions to the judicial
 3 retirement system:
 4 General Fund--State Appropriation (FY 2014) \$10,600,000
 5 General Fund--State Appropriation (FY 2015) \$10,600,000
 6 TOTAL APPROPRIATION \$21,200,000

7 NEW SECTION. **Sec. 713. FOR THE OFFICE OF FINANCIAL MANAGEMENT--**
 8 **STATE EFFICIENCY AND RESTRUCTURING REPAYMENT**

9 General Fund--State Appropriation (FY 2014) \$4,981,000
 10 General Fund--State Appropriation (FY 2015) \$4,981,000
 11 TOTAL APPROPRIATION \$9,962,000

12 The appropriations in this section are subject to the following
 13 conditions and limitations: The appropriations in this section are
 14 provided solely for expenditure into the cleanup settlement account on
 15 July 1, 2013, and July 1, 2014, as repayment of moneys that were
 16 transferred to the state efficiency and restructuring account.

17 NEW SECTION. **Sec. 714. FOR THE OFFICE OF FINANCIAL MANAGEMENT--**
 18 **LEAN MANAGEMENT STRATEGIES EFFICIENCY SAVINGS**

19 General Fund--State Appropriation (FY 2015) (\$30,000,000)

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

22 (1) The legislature is committed to promoting a state government
 23 culture that makes sustained improvement a habitual behavior from
 24 front-line staff to agency leadership.

25 (2) The office of financial management must develop a strategic
 26 lean management action plan to drive efficiencies in state spending and
 27 to increase productivity of state employees while improving and
 28 increasing state services for taxpayers. The action plan must
 29 determine the specific agencies and programs that would benefit most
 30 from application of the action plan, and the plan must target resources
 31 accordingly.

32 (3) The office of financial management must integrate lean
 33 principles into all performance management efforts.

34 (4) The office of financial management and the office of the chief

1 information officer must integrate lean principles into all major
2 information technology initiatives.

3 (5) The office of financial management must develop and implement
4 a lean practitioner fellowship program to train state agency staff.
5 Agency staff participating in the fellowship will be assigned to work
6 on statewide efforts that streamline and improve processes across
7 agencies.

8 (6) Agencies must report to the office of financial management at
9 least twice per fiscal year process improvements and efficiencies
10 gained through tools such as the lean strategy. The office of
11 financial management must compile and transmit these reports to the
12 appropriate fiscal committees of the legislature at least every six
13 months, beginning January 1, 2014.

14 (7) The office of financial management must report to the
15 legislature by December 2014 on the viability of the lean/performance
16 management program becoming a self-funding program.

17 (8) The office of financial management must reduce allotments for
18 affected state agencies by \$30,000,000 from the state general fund for
19 fiscal year 2015 in this act to reflect fiscal year 2015 savings
20 resulting from application of the lean management and performance
21 management strategies required by this section.

22 NEW SECTION. **Sec. 715. FOR THE OFFICE OF FINANCIAL MANAGEMENT--**
23 **INFORMATION TECHNOLOGY EXPENDITURES**

24	General Fund--State Appropriation (FY 2014)	(\$2,500,000)
25	General Fund--State Appropriation (FY 2015)	(\$2,500,000)
26	TOTAL APPROPRIATION	(\$5,000,000)

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

29 (1) The office of the chief information officer and the office of
30 financial management shall work to drive efficiency in state
31 procurement, maintenance, and operations of information technology.

32 (2) Agencies must report to the office of the chief information
33 officer and the office of financial management at least annually on
34 efficiencies gained through these efforts. The office of financial
35 management must compile and transmit these reports to the appropriate
36 fiscal committees of the legislature at least every year, beginning
37 January 1, 2014.

1 (3) The office of financial management shall reduce allotments for
2 all affected state agencies by \$2,500,000 from fiscal year 2014 general
3 fund--state appropriations and \$2,500,000 from fiscal year 2015 general
4 fund--state appropriations in this act to reflect savings resulting
5 from efficiencies in information technology expenditures statewide.

6 NEW SECTION. **Sec. 716. FOR THE OFFICE OF THE INSURANCE**
7 **COMMISSIONER--HEALTH BENEFIT EXCHANGE ACCOUNT**

8 General Fund--State Appropriation (FY 2014) \$676,000

9 The appropriations in this section are subject to the following
10 conditions and limitations: The amounts in this section are provided
11 solely for expenditure into the health benefit exchange account--state
12 and are provided as a loan to be repaid with amounts from the health
13 benefit exchange account--state by July 30, 2015.

14 NEW SECTION. **Sec. 717. FOR THE OFFICE OF FINANCIAL MANAGEMENT--**
15 **COMMUNICATION SERVICES REFORM**

16 General Fund--State Appropriation (FY 2014) \$47,000

17 General Fund--State Appropriation (FY 2015) \$4,953,000

18 TOTAL APPROPRIATION \$5,000,000

19 The appropriations in this section are subject to the following
20 conditions and limitations: The appropriations in this section are
21 provided solely for expenditure into the universal communications
22 services fund to implement Substitute House Bill No. 1971
23 (communications services). If the bill is not enacted by June 30,
24 2013, the appropriations provided in this section shall lapse.

25 NEW SECTION. **Sec. 718. FOR THE OFFICE OF FINANCIAL MANAGEMENT--**
26 **AGENCY EFFICIENCIES**

27 General Fund--State Appropriation (FY 2014) (\$2,500,000)

28 General Fund--State Appropriation (FY 2015) (\$2,500,000)

29 TOTAL APPROPRIATION (\$5,000,000)

30 The appropriations in this section are subject to the following
31 conditions and limitations: The office of financial management shall
32 reduce allotments for all agencies by \$2,500,000 from fiscal year 2014
33 general fund--state appropriations and \$2,500,000 from fiscal year 2015
34 general fund--state appropriations in this act to reflect (1) available

1 fund balances in dedicated revolving funds used for central services to
2 state agencies and (2) more efficient delivery of consolidated central
3 services to state agencies.

4 NEW SECTION. **Sec. 719. FOR THE LEGISLATIVE TASK FORCE ON CAREER**
5 **EDUCATION OPPORTUNITIES**

6 (1) The legislature finds that for too long, there has been a
7 perception that career readiness and college readiness represent two
8 separate and unequal tracks. The importance of providing high quality
9 opportunities for applied learning, work-integrated learning, cross-
10 disciplinary curriculum, career exploration and planning, and career
11 and technical equivalence often appears subsumed by an emphasis on
12 theoretical academics. The legislature intends to create a vision for
13 the integration of career education alongside academic education.

14 (2)(a) A legislative task force on career education opportunities
15 is established with the following members:

16 (i) Two members from each of the largest caucuses of the house of
17 representatives, appointed by the speaker of the house of
18 representatives;

19 (ii) Two members from each of the largest caucuses of the senate,
20 appointed by the president of the senate;

21 (iii) The superintendent of public instruction or a designee;

22 (iv) One representative each from the workforce training and
23 education coordinating board, state board of education, the student
24 achievement council, and the Washington association of career and
25 technical education; and

26 (v) One member appointed by the governor.

27 (b) The task force shall be cochaired by one house and one senate
28 member, selected by the members of the task force.

29 (3) The purpose of the task force is to identify strategies for how
30 education that supports career readiness, including but not limited to
31 career and technical education, may be better integrated into secondary
32 education opportunities for all students. The strategies to be
33 considered by the task force include state laws and policies,
34 graduation requirements, and state funding for instructional programs.
35 The task force must examine the barriers, incentives and disincentives,
36 costs, and cost-effectiveness of current policies and practices.

1 (4) The office of the superintendent of public instruction shall
2 identify a recommended list of course equivalencies for career and
3 technical education courses and submit the list to the task force under
4 this section by October 1, 2013.

5 (5) The task force shall examine at least the following:

6 (a) An analysis of the career and college ready graduation
7 requirements proposed by the state board of education and any
8 recommendations regarding graduation requirements;

9 (b) Options for expanding career education and career exploration
10 and planning into middle school;

11 (c) Options for increasing student and parent awareness of the
12 multiple education and career pathways available for students;

13 (d) Strategies for enhancing and supporting work-integrated
14 learning opportunities for students;

15 (e) Recommended policies that both support and provide appropriate
16 state oversight and strategic planning for career and technical
17 education offered in middle schools, comprehensive high schools, and
18 skill centers; and

19 (f) Recommendations for how to maximize statewide use of the list
20 of career and technical education course equivalencies identified by
21 the office of the superintendent of public instruction.

22 (6) A preliminary report from the task force is due December 15,
23 2013, to include initial analysis and a plan for completion of the
24 final report. A final report is due September 1, 2014.

25 (7) The task force shall coordinate its analysis and
26 recommendations with other studies of career and technical education
27 delivery models and financing, including financing of capital
28 facilities.

29 (8) Staff support for the task force must be provided by senate
30 committee services and the house of representatives office of program
31 research, with assistance from the office of the superintendent of
32 public instruction, the student achievement council, and the workforce
33 training and education coordinating board as necessary.

34 (9) Legislative members of the task force may be reimbursed for
35 travel expenses in accordance with RCW 44.04.120. The expenses of the
36 task force must be paid jointly by the senate and the house of
37 representatives. Task force expenditures are subject to approval by

1 the senate facilities and operations committee and the house of
2 representatives executive rules committee.

3 NEW SECTION. **Sec. 720. FOR THE OFFICE OF FINANCIAL MANAGEMENT--**
4 **FEDERAL PATIENT PROTECTION AND AFFORDABLE CARE ACT SAVINGS AND OTHER**
5 **HEALTH CARE SAVINGS**

6 General Fund--State Appropriation (FY 2015) (\$10,000,000)

7 The appropriation in this section is subject to the following
8 conditions and limitations:

9 (1) The appropriation in this section is provided solely to reduce
10 appropriations or allocations in this budget related to providing
11 health benefits to reflect savings that may be achieved through greater
12 efficiencies and/or coordinating publicly provided health insurance
13 benefits with the federal patient protection and affordable care act
14 programs. The office of financial management shall work with other
15 agencies to prepare a plan that identifies savings under this
16 subsection (1) and reduces allotments or allocations accordingly to
17 achieve any savings identified in the plan.

18 (2) To facilitate the transfer of moneys to agencies from dedicated
19 other funds and accounts, the state treasurer shall transfer sufficient
20 moneys from dedicated funds or accounts from which savings are achieved
21 in accordance with schedules developed by the office of financial
22 management consistent with the savings identified under subsection (1)
23 of this section. The office shall reduce allotments for all agencies
24 to reflect these savings.

(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 premium distributions (\$8,248,000), General Fund Appropriation for public utility district excise tax distributions (\$50,894,000), General Fund Appropriation for prosecuting attorney distributions (\$6,068,000), General Fund Appropriation for boating safety and education distributions (\$4,000,000), General Fund Appropriation for other tax distributions (\$65,000), General Fund Appropriation for habitat conservation program distributions (\$3,000,000), Death Investigations Account Appropriation for distribution to counties for publicly funded autopsies (\$3,158,000), Aquatic Lands Enhancement Account Appropriation for harbor improvement revenue distribution (\$146,000), Timber Tax Distribution Account Appropriation for distribution to "timber" counties (\$72,120,000), County Criminal Justice Assistance Appropriation (\$78,983,000), Municipal Criminal Justice Assistance Appropriation (\$30,550,000), City-County Assistance Account Appropriation for local government financial assistance distribution (\$17,134,000), Liquor Excise Tax Account Appropriation for liquor excise tax distribution (\$24,744,000), Streamlined Sales and Use Tax Mitigation Account Appropriation for distribution to local taxing jurisdictions to mitigate the unintended revenue redistribution effect of the sourcing law changes (\$50,488,000), and Columbia River Water Delivery Account Appropriation for the Confederated Tribes of the Colville.

1	Reservation	\$7,760,000
2	Columbia River Water Delivery Account Appropriation for	
3	the Spokane Tribe of Indians	\$5,025,000
4	Liquor Revolving Account Appropriation for liquor	
5	profits distribution	\$98,876,000
6	TOTAL APPROPRIATION	\$434,259,000

7 The total expenditures from the state treasury under the
8 appropriations in this section shall not exceed the funds available
9 under statutory distributions for the stated purposes.

10 NEW SECTION. **Sec. 802. FOR THE STATE TREASURER--FOR THE COUNTY**
11 **CRIMINAL JUSTICE ASSISTANCE ACCOUNT**

12	Impaired Driver Safety Account Appropriation	\$2,469,000
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13 The appropriation in this section is subject to the following
14 conditions and limitations: The amount appropriated in this section
15 shall be distributed quarterly during the 2013-2015 fiscal biennium in
16 accordance with RCW 82.14.310. This funding is provided to counties
17 for the costs of implementing criminal justice legislation including,
18 but not limited to: Chapter 206, Laws of 1998 (drunk driving
19 penalties); chapter 207, Laws of 1998 (DUI penalties); chapter 208,
20 Laws of 1998 (deferred prosecution); chapter 209, Laws of 1998
21 (DUI/license suspension); chapter 210, Laws of 1998 (ignition interlock
22 violations); chapter 211, Laws of 1998 (DUI penalties); chapter 212,
23 Laws of 1998 (DUI penalties); chapter 213, Laws of 1998 (intoxication
24 levels lowered); chapter 214, Laws of 1998 (DUI penalties); and chapter
25 215, Laws of 1998 (DUI provisions).

26 NEW SECTION. **Sec. 803. FOR THE STATE TREASURER--MUNICIPAL**
27 **CRIMINAL JUSTICE ASSISTANCE ACCOUNT**

28	Impaired Driver Safety Account Appropriation	\$1,646,000
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29 The appropriation in this section is subject to the following
30 conditions and limitations: The amount appropriated in this section
31 shall be distributed quarterly during the 2013-2015 fiscal biennium to
32 all cities ratably based on population as last determined by the office
33 of financial management. The distributions to any city that
34 substantially decriminalizes or repeals its criminal code after July 1,
35 1990, and that does not reimburse the county for costs associated with

1 criminal cases under RCW 3.50.800 or 3.50.805(2), shall be made to the
2 county in which the city is located. This funding is provided to
3 cities for the costs of implementing criminal justice legislation
4 including, but not limited to: Chapter 206, Laws of 1998 (drunk
5 driving penalties); chapter 207, Laws of 1998 (DUI penalties); chapter
6 208, Laws of 1998 (deferred prosecution); chapter 209, Laws of 1998
7 (DUI/license suspension); chapter 210, Laws of 1998 (ignition interlock
8 violations); chapter 211, Laws of 1998 (DUI penalties); chapter 212,
9 Laws of 1998 (DUI penalties); chapter 213, Laws of 1998 (intoxication
10 levels lowered); chapter 214, Laws of 1998 (DUI penalties); and chapter
11 215, Laws of 1998 (DUI provisions).

12 NEW SECTION. **Sec. 804. FOR THE STATE TREASURER--FEDERAL REVENUES**
13 **FOR DISTRIBUTION**

14 General Fund Appropriation for federal flood control
15 funds distribution \$66,000
16 General Fund Appropriation for federal grazing fees
17 distribution \$1,706,000
18 Forest Reserve Fund Appropriation for federal forest
19 reserve fund distribution \$5,636,000
20 TOTAL APPROPRIATION \$7,408,000

21 The total expenditures from the state treasury under the
22 appropriations in this section shall not exceed the funds available
23 under statutory distributions for the stated purposes.

24 NEW SECTION. **Sec. 805. FOR THE STATE TREASURER--TRANSFERS**

25 State Treasurer's Service Account: For transfer to
26 the state general fund, \$10,100,000 for fiscal
27 year 2014 and \$10,100,000 for fiscal year 2015 \$20,200,000
28 Drinking Water Assistance Account: For transfer to
29 the drinking water assistance repayment account \$32,000,000
30 General Fund: For transfer to the streamlined sales
31 and use tax account, \$25,284,000 for fiscal
32 year 2014 and \$25,204,000 for fiscal year 2015 \$50,488,000
33 Public Works Assistance Account: For transfer to the
34 education legacy trust account, \$138,622,000 for
35 fiscal year 2014 and \$138,622,000 for fiscal year
36 2015 \$277,244,000

1 Local Toxics Control Account: For transfer to the
2 state general fund, \$9,000,000 for fiscal year
3 2014 and \$9,000,000 for fiscal year 2015 \$18,000,000
4 State Taxable Building Construction Account: For
5 transfer to the Columbia River basin taxable bond
6 water supply development account, an amount not to
7 exceed \$32,000,000
8 Employment Training Finance Account: For transfer to
9 the state general fund, \$1,000,000 for fiscal year
10 2014 and \$1,000,000 for fiscal year 2015 \$2,000,000
11 Tuition Recovery Trust Account: For transfer to the
12 state general fund, \$1,250,000 for fiscal year 2014
13 and \$1,250,000 for fiscal year 2015 \$2,500,000
14 General Fund: For transfer to the child and family
15 reinvestment account, \$3,800,000 for fiscal year
16 2014 and \$2,691,000 for fiscal year 2015 \$6,491,000
17 Flood Control Assistance Account: For transfer to the
18 state general fund, \$1,000,000 for fiscal year 2014
19 and \$1,000,000 for fiscal year 2015 \$2,000,000
20 Tobacco Settlement Account: For transfer to the state
21 general fund, in an amount not to exceed the actual
22 amount of the annual base payment to the tobacco
23 settlement account \$157,221,000
24 Tobacco Settlement Account: For transfer to the state
25 general fund from the amounts deposited in the
26 account that are attributable to the annual
27 strategic contribution payment received in
28 fiscal year 2014 \$17,000,000
29 Tobacco Settlement Account: For transfer to the state
30 general fund from the amounts deposited in the
31 account that are attributable to the annual
32 strategic contribution payment received in fiscal
33 year 2015 \$17,000,000
34 Tobacco Settlement Account: For transfer to the life
35 sciences discovery fund, in an amount not to exceed
36 the actual remaining amount of the annual strategic
37 contribution payment to the tobacco settlement account
38 for fiscal year 2014 \$9,515,000

1 Tobacco Settlement Account: For transfer to the life
2 sciences discovery fund, in an amount not to exceed
3 the actual remaining amount of the annual strategic
4 contribution payment to the tobacco settlement account
5 for fiscal year 2015 \$9,515,000

6 The transfer to the life sciences discovery fund is subject to the
7 following conditions:

8 (1) The life sciences discovery fund authority board of trustees
9 shall begin preparing to become a self-sustaining entity capable of
10 operating without direct state subsidy by the time the tobacco
11 strategic contribution supplemental payments end in fiscal year 2017.

12 (2) \$250,000 of the appropriation in fiscal year 2014 and \$250,000
13 of the appropriation in fiscal year 2015 are provided solely to promote
14 the development and delivery of global health technologies and
15 products.

16 (a) The life sciences discovery fund authority must either
17 administer a grant application, review, and reward process, or contract
18 with a qualified nonprofit organization for these services. State
19 moneys must be provided for grants to entities for the development,
20 production, promotion, and delivery of global health technologies and
21 products. Grant award criteria must include:

22 (i) The quality of the proposed research or the proposed technical
23 assistance in product development or production process design. Any
24 grant funds awarded for research activities must be awarded for
25 nonbasic research that will assist in the commercialization or
26 manufacture of global health technologies;

27 (ii) The potential for the grant recipient to improve global health
28 outcomes;

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

31 (iv) The potential for the grant to stimulate, or promote technical
32 skills training for, employment in the development of global health
33 technologies in the state; and

34 (v) The willingness of the grant recipient, when appropriate, to
35 enter into royalty or licensing income agreements with the authority.

36 (b) The authority, or the contractor of the authority, must report
37 information including the types of products and research funded, the

1 funding leveraged by the grants, and the number and types of jobs
2 created as a result of the grants, to the economic development
3 committees of the legislature by December 1, 2014.

4 Aquatic Lands Enhancement Account: For transfer to the
5 geoduck aquaculture research account, \$150,000 for
6 fiscal year 2014 and \$150,000 for fiscal year 2015 \$300,000

7 Health Benefit Exchange Account: For transfer to the
8 state general fund for fiscal year 2015 \$21,514,000

9 Criminal Justice Treatment Account: For transfer to the
10 state general fund, \$437,000 for fiscal year 2014
11 and \$2,746,000 for fiscal year 2015 \$3,183,000

12 Resources Management Cost Account--Aquatics: For transfer
13 to the marine resources stewardship trust account,
14 \$1,850,000 for fiscal year 2014 and \$1,850,000 for
15 fiscal year 2015 \$3,700,000

16 Legal Services Revolving Account: For transfer to the
17 state general fund, \$976,000 for fiscal year 2014
18 and \$1,477,000 for fiscal year 2015 \$2,453,000

19 Personnel Service Account: For transfer to the state
20 general fund, \$733,000 for fiscal year 2014 and
21 \$733,000 for fiscal year 2015 \$1,466,000

22 Data Processing Revolving Account: For transfer to the
23 state general fund, \$4,069,000 for fiscal year 2014
24 and \$4,070,000 for fiscal year 2015 \$8,139,000

25 Home Security Fund Account: For transfer to the
26 transitional housing operating and rent account \$7,500,000

27 Professional Engineers' Account: For transfer to the
28 state general fund, \$956,000 for fiscal year 2014 and
29 \$957,000 for fiscal year 2015 \$1,913,000

30 Electrical License Account: For transfer to the state
31 general fund, \$1,700,000 for fiscal year 2014 and
32 \$1,700,000 for fiscal year 2015 \$3,400,000

33 Business and Professions Account: For transfer to the
34 state general fund, \$1,838,000 for fiscal year 2014
35 and \$1,800,000 for fiscal year 2015 \$3,638,000

36 Energy Freedom Account: For transfer to the state
37 general fund, \$1,000,000 for fiscal year 2014
38 and \$1,000,000 for fiscal year 2015 \$2,000,000

1 Pollution Liability Insurance Program Trust Account:
 2 For transfer to the state general fund, \$2,500,000
 3 for fiscal year 2014 and \$2,500,000 for fiscal year
 4 2015 \$5,000,000
 5 Real Estate Commission Account: For transfer to the
 6 state general fund, \$1,700,000 for fiscal year 2014
 7 and \$1,700,000 for fiscal year 2015 \$3,400,000
 8 State Lottery Account: For transfer to the education
 9 legacy trust account, \$6,050,000 for fiscal year 2014
 10 and \$6,050,000 for fiscal year 2015 \$12,100,000
 11 State Toxics Control Account: For transfer to the
 12 radioactive mixed waste account, \$2,000,000 for fiscal
 13 year 2014 \$2,000,000

(End of part)

PART IX
MISCELLANEOUS

NEW SECTION. **Sec. 901. EXPENDITURE AUTHORIZATIONS**

The appropriations contained in this act are maximum expenditure authorizations. Pursuant to RCW 43.88.037, moneys disbursed from the treasury on the basis of a formal loan agreement shall be recorded as loans receivable and not as expenditures for accounting purposes. To the extent that moneys are disbursed on a loan basis, the corresponding appropriation shall be reduced by the amount of loan moneys disbursed from the treasury during the 2011-2013 fiscal biennium.

NEW SECTION. **Sec. 902. EMERGENCY FUND ALLOCATIONS**

Whenever allocations are made from the governor's emergency fund appropriation to an agency that is financed in whole or in part by other than general fund moneys, the director of financial management may direct the repayment of such allocated amount to the general fund from any balance in the fund or funds which finance the agency. An appropriation is not necessary to effect such repayment.

NEW SECTION. **Sec. 903. STATUTORY APPROPRIATIONS**

In addition to the amounts appropriated in this act for revenues for distribution, and bond retirement and interest including ongoing bond registration and transfer charges, transfers, interest on registered warrants, and certificates of indebtedness, there is also appropriated such further amounts as may be required or available for these purposes under any statutory formula or under chapters 39.94 and 39.96 RCW or any proper bond covenant made under law.

NEW SECTION. **Sec. 904. BOND EXPENSES**

In addition to such other appropriations as are made by this act, there is hereby appropriated to the state finance committee from legally available bond proceeds in the applicable construction or building funds and accounts such amounts as are necessary to pay the expenses incurred in the issuance and sale of the subject bonds.

NEW SECTION. **Sec. 905. VOLUNTARY RETIREMENT, SEPARATION, AND**

1 **DOWNSHIFTING INCENTIVES**

2 As a management tool to reduce costs and make more effective use of
3 resources, while improving employee productivity and morale, agencies
4 may implement a voluntary retirement and/or separation, program that is
5 cost neutral or results in cost savings (including costs to the state
6 pension systems) over a two-year period following the commencement of
7 the program, provided that such a program is approved by the director
8 of financial management. Agencies participating in this authorization
9 may offer voluntary retirement and/or separation incentives and options
10 according to procedures and guidelines established by the office of
11 financial management, in consultation with the office of the state
12 human resources director and the department of retirement systems. The
13 options may include, but are not limited to, financial incentives for
14 voluntary separation or retirement. An employee does not have a
15 contractual right to a financial incentive offered under this section.
16 Offers shall be reviewed and monitored jointly by the office of the
17 state human resources director and the department of retirement
18 systems. Agencies are required to submit a report by July 30, 2015, to
19 the legislature and the office of financial management on the outcome
20 of their approved incentive program. The report should include
21 information on the details of the program including the incentive
22 payment amount for each participant, the total cost to the state, and
23 the projected or actual net dollar savings over the two year period.

24 The department of retirement systems may collect from employers the
25 actuarial cost of any incentive provided under this program, or any
26 other incentive to retire provided by employers to members of the
27 state's pension systems, for deposit in the appropriate pension
28 account.

29 NEW SECTION. **Sec. 906. COLLECTIVE BARGAINING AGREEMENTS NOT**
30 **IMPAIRED**

31 Nothing in this act prohibits the expenditure of any funds by an
32 agency or institution of the state for benefits guaranteed by any
33 collective bargaining agreement in effect on the effective date of this
34 section.

35 NEW SECTION. **Sec. 907. COLLECTIVE BARGAINING AGREEMENTS**

36 The following sections represent the results of the 2013-2015

1 collective bargaining process required under the provisions of chapters
2 41.80, 41.56 and 74.39A RCW. Provisions of the collective bargaining
3 agreements contained in sections 908 through 938 of this act are
4 described in general terms. Only major economic terms are included in
5 the descriptions. These descriptions do not contain the complete
6 contents of the agreements. The collective bargaining agreements or
7 the continuation of terms and conditions of the 2011-2013 agreements
8 contained in Part IX of this act may also be funded by expenditures
9 from nonappropriated accounts. If positions are funded with lidded
10 grants or dedicated fund sources with insufficient revenue, additional
11 funding from other sources is not provided.

12 NEW SECTION. **Sec. 908. COLLECTIVE BARGAINING AGREEMENT--WFSE**

13 An agreement has been reached between the governor and the
14 Washington federation of state employees general government under the
15 provisions of chapter 41.80 RCW for the 2013-2015 fiscal biennium.
16 Funding is provided to add a longevity step and for backfill costs for
17 a personal leave day. The agreement also includes a one percent salary
18 increase for all bargaining unit members effective July 1, 2014,
19 through June 30, 2015, contingent on the state collecting \$200,000,000
20 or more in unanticipated general fund-state revenue from increased
21 economic activity.

22 NEW SECTION. **Sec. 909. COLLECTIVE BARGAINING AGREEMENT--WPEA**

23 An agreement has been reached between the governor and the
24 Washington public employees association general government under the
25 provisions of chapter 41.80 RCW for the 2013-2015 fiscal biennium.
26 Funding is provided to add a longevity step. The agreement also
27 includes a one percent salary increase for all bargaining unit members
28 effective July 1, 2014, through June 30, 2015, contingent on the state
29 collecting \$200,000,000 or more in unanticipated general fund-state
30 revenue from increased economic activity.

31 NEW SECTION. **Sec. 910. COLLECTIVE BARGAINING AGREEMENT--**
32 **COALITION OF UNIONS**

33 An agreement has been reached between the governor and the
34 coalition of unions under the provisions of chapter 41.80 RCW for the
35 2013-2015 fiscal biennium. Funding is provided to add a longevity

1 step. The agreement also includes a one percent salary increase for
2 all bargaining unit members effective July 1, 2014, through June 30,
3 2015, contingent on the state collecting \$200,000,000 or more in
4 unanticipated general fund-state revenue from increased economic
5 activity.

6 NEW SECTION. **Sec. 911. COLLECTIVE BARGAINING AGREEMENT--WAFWP**

7 An agreement has been reached between the governor and the
8 Washington association of fish and wildlife professionals under the
9 provisions of chapter 41.80 RCW for the 2013-2015 fiscal biennium.
10 Funding is provided to add a longevity step. The agreement also
11 includes a one percent salary increase for all bargaining unit members
12 effective July 1, 2014, through June 30, 2015, contingent on the state
13 collecting \$200,000,000 or more in unanticipated general fund-state
14 revenue from increased economic activity.

15 NEW SECTION. **Sec. 912. COLLECTIVE BARGAINING AGREEMENT--PTE**
16 **LOCAL 17**

17 An agreement has been reached between the governor and the
18 professional and technical employees local 17 under the provisions of
19 chapter 41.80 RCW for the 2013-2015 fiscal biennium. Funding is
20 provided to add a longevity step. The agreement also includes a one
21 percent salary increase for all bargaining unit members effective July
22 1, 2014, through June 30, 2015, contingent on the state collecting
23 \$200,000,000 or more in unanticipated general fund-state revenue from
24 increased economic activity.

25 NEW SECTION. **Sec. 913. COLLECTIVE BARGAINING AGREEMENT--SEIU**
26 **1199NW**

27 An agreement has been reached between the governor and the service
28 employees international union healthcare 1199nw under the provisions of
29 chapter 41.80 RCW for the 2013-2015 fiscal biennium. Funding is
30 provided to add a longevity step and for backfill costs for a personal
31 leave day. The agreement also includes a one percent salary increase
32 for all bargaining unit members effective July 1, 2014, through June
33 30, 2015, contingent on the state collecting \$200,000,000 or more in
34 unanticipated general fund-state revenue from increased economic
35 activity.

1 NEW SECTION. **Sec. 914. COLLECTIVE BARGAINING AGREEMENT--**
2 **TEAMSTERS LOCAL 117**

3 An agreement has been reached between the governor and the
4 international brotherhood of teamsters local 117 under the provisions
5 of chapter 41.80 RCW for the 2013-2015 fiscal biennium. Funding is
6 provided to add a longevity step. The agreement also includes a one
7 percent salary increase for all bargaining unit members effective July
8 1, 2014, through June 30, 2015, contingent on the state collecting
9 \$200,000,000 or more in unanticipated general fund-state revenue from
10 increased economic activity.

11 NEW SECTION. **Sec. 915. COLLECTIVE BARGAINING AGREEMENT--WFSE**
12 **HIGHER EDUCATION COMMUNITY COLLEGE COALITION**

13 An agreement has been reached between the governor and the
14 Washington federation of state employees community college coalition
15 under the provisions of chapter 41.80 RCW for the 2013-2015 fiscal
16 biennium. Funding is provided to add a longevity step. The agreement
17 also includes a one percent salary increase for all bargaining unit
18 members effective July 1, 2014, through June 30, 2015, contingent on
19 the state collecting \$200,000,000 or more in unanticipated general
20 fund-state revenue from increased economic activity.

21 NEW SECTION. **Sec. 916. COLLECTIVE BARGAINING AGREEMENT--WPEA**
22 **HIGHER EDUCATION COMMUNITY COLLEGE COALITION**

23 An agreement has been reached between the governor and the
24 Washington public employees association community college coalition
25 under the provisions of chapter 41.80 RCW for the 2013-2015 fiscal
26 biennium. Funding is provided to add a longevity step. The agreement
27 also includes a one percent salary increase for all bargaining unit
28 members effective July 1, 2014, through June 30, 2015, contingent on
29 the state collecting \$200,000,000 or more in unanticipated general
30 fund-state revenue from increased economic activity.

31 NEW SECTION. **Sec. 917. COLLECTIVE BARGAINING AGREEMENT--WSP**
32 **TROOPERS ASSOCIATION**

33 An agreement has been reached between the governor and the
34 Washington state patrol troopers association through an interest
35 arbitration decision under the provisions of chapter 41.56 RCW for the

1 2013-2015 fiscal biennium. Funding is provided for the awarded three
2 percent salary increase for all bargaining unit members effective July
3 1, 2013, and a one percent increase to longevity pay for years five
4 through nine effective July 1, 2014.

5 NEW SECTION. **Sec. 918. COLLECTIVE BARGAINING AGREEMENT--WSP**
6 **LIEUTENANTS ASSOCIATION**

7 An agreement has been reached between the governor and the
8 Washington state patrol lieutenants association through an interest
9 arbitration decision under the provisions of chapter 41.56 RCW for the
10 2013-2015 fiscal biennium. Funding is provided for the awarded three
11 percent salary increase for all bargaining unit members effective July
12 1, 2014, and for parking of department issued vehicles for employees
13 assigned vehicles at the general administration building or capital
14 campus.

15 NEW SECTION. **Sec. 919. COLLECTIVE BARGAINING AGREEMENT--YAKIMA**
16 **VALLEY COMMUNITY COLLEGE--WPEA**

17 An agreement has been reached between Yakima Valley Community
18 College and the Washington public employees association under the
19 provisions of chapter 41.80 RCW for the 2013-2015 fiscal biennium.
20 Funding is provided to add a longevity step. The agreement also
21 includes that economic terms and conditions replicate those specified
22 in the agreement executed by and between the Washington state higher
23 education coalition and the Washington public employees association
24 under RCW 41.80.010 for the term July 1, 2013, to June 30, 2015.

25 NEW SECTION. **Sec. 920. COLLECTIVE BARGAINING AGREEMENT--THE**
26 **EVERGREEN STATE COLLEGE--WFSE**

27 An agreement has been reached between The Evergreen State College
28 and the Washington federation of state employees under the provisions
29 of chapter 41.80 RCW for the 2013-2015 fiscal biennium. Funding is
30 provided to add a longevity step and a personal leave day. Funding is
31 also provided for a one percent salary increase for all bargaining unit
32 members beginning July 1, 2014.

33 NEW SECTION. **Sec. 921. COLLECTIVE BARGAINING AGREEMENT--WESTERN**
34 **WASHINGTON UNIVERSITY--WFSE**

1 An agreement has been reached between the Western Washington
2 University and the Washington federation of state employees under the
3 provisions of chapter 41.80 RCW for the 2013-2015 fiscal biennium.
4 Funding is provided to add a longevity step. The agreement also
5 includes compensation equal to any compensation increase approved,
6 implemented, and funded by the state for general government classified
7 represented staff through the general service salary schedule.

8 NEW SECTION. **Sec. 922. COLLECTIVE BARGAINING AGREEMENT--WESTERN**
9 **WASHINGTON UNIVERSITY--PSE**

10 An agreement has been reached between the Western Washington
11 University and the public schools employees under the provisions of
12 chapter 41.80 RCW for the 2013-2015 fiscal biennium. Funding is
13 provided to add a longevity step. The agreement also includes
14 compensation equal to any compensation increase approved, implemented,
15 and funded by the state for general government classified represented
16 staff through the general service salary schedule.

17 NEW SECTION. **Sec. 923. COLLECTIVE BARGAINING AGREEMENT--EASTERN**
18 **WASHINGTON UNIVERSITY--WFSE**

19 An agreement has been reached between Eastern Washington University
20 and the Washington federation of state employees under the provisions
21 of chapter 41.80 RCW for the 2013-2015 fiscal biennium. Funding is
22 provided to add a longevity step. Funding is also provided for a one
23 percent salary increase for all bargaining unit members beginning July
24 1, 2013, and a one percent salary increase for all bargaining unit
25 members beginning July 1, 2014.

26 NEW SECTION. **Sec. 924. COLLECTIVE BARGAINING AGREEMENT--CENTRAL**
27 **WASHINGTON UNIVERSITY--WFSE**

28 An agreement has been reached between Central Washington University
29 and the Washington federation of state employees under the provisions
30 of chapter 41.80 RCW for the 2013-2015 fiscal biennium. Funding is
31 provided to add a longevity step and for a one percent salary increase
32 for all bargaining unit members beginning July 1, 2014. The agreement
33 also includes additional one-time payments each November of each fiscal
34 year for members continually employed during the preceding twelve

1 months in an amount up to three percent of member's gross wages
2 contingent on the university's achievement of the goals contained in
3 its student success incentive program.

4 NEW SECTION. **Sec. 925. COLLECTIVE BARGAINING AGREEMENT--CENTRAL**
5 **WASHINGTON UNIVERSITY--PSE**

6 An agreement has been reached between Central Washington University
7 and the public schools employees under the provisions of chapter 41.80
8 RCW for the 2013-2015 fiscal biennium. Funding is provided to add a
9 longevity step. The agreement includes a one percent salary increase
10 for all bargaining unit members beginning July 1, 2014, and in the
11 event classified employees bargaining at the general government's
12 higher education tables receive a general wage increase greater than
13 one percent, salary ranges will increase by the higher amount. The
14 agreement also includes additional one-time payments each November each
15 fiscal year for members continually employed during the preceding
16 twelve months in an amount up to three percent of member's gross wages
17 contingent on the university's achievement of the goals contained in
18 its student success incentive program.

19 NEW SECTION. **Sec. 926. COLLECTIVE BARGAINING AGREEMENT--**
20 **UNIVERSITY OF WASHINGTON--WFSE**

21 An agreement has been reached between the University of Washington
22 and the Washington federation of state employees under the provisions
23 of chapter 41.80 RCW for the 2013-2015 fiscal biennium. Funding is
24 provided for additional premium pay, preceptor pay, and professional
25 development increases. Funding is also provided for a two percent wage
26 increase for all bargaining unit members beginning July 1, 2013, and a
27 two percent wage increase for all bargaining unit members beginning
28 July 1, 2014. The agreement also provides that if the university
29 agrees to across-the-board salary increases for any SEIU 925 bargaining
30 unit that are more favorable than those negotiated with WFSE, the
31 university will grant the same salary increase to WFSE-represented
32 employees.

33 NEW SECTION. **Sec. 927. COLLECTIVE BARGAINING AGREEMENT--**
34 **UNIVERSITY OF WASHINGTON--SEIU 925**

35 An agreement has been reached between the University of Washington

1 and the service employees Washington federation of state employees
2 under the provisions of chapter 41.80 RCW for the 2013-2015 fiscal
3 biennium. Funding is provided for additional step increases, a two
4 percent salary increase for all bargaining unit members beginning July
5 1, 2013, and a two percent salary increase for all bargaining unit
6 members beginning July 1, 2014. The agreement also provides that if
7 the university agrees to across-the-board salary increases or general
8 increases for a SEIU 1199 or Washington state nurse association
9 bargaining unit that are more favorable than those negotiated with SEIU
10 925, the university will grant the same salary increase to SEIU
11 925-represented employees.

12 NEW SECTION. **Sec. 928. COLLECTIVE BARGAINING AGREEMENT--**
13 **UNIVERSITY OF WASHINGTON--TEAMSTERS 117 (UW POLICE OFFICERS)**

14 An agreement has been reached between the University of Washington
15 and the teamsters 117 under the provisions of chapter 41.80 RCW for the
16 2013-2015 fiscal biennium. Funding is provided for a two percent
17 salary increase for all bargaining unit members beginning July 1, 2013,
18 and a two percent salary increase for all bargaining unit members
19 beginning July 1, 2014.

20 NEW SECTION. **Sec. 929. COLLECTIVE BARGAINING AGREEMENT--**
21 **WASHINGTON STATE UNIVERSITY--WFSE**

22 An agreement has been reached between the Washington State
23 University and the Washington federation of state employees under the
24 provisions of chapter 41.80 RCW for the 2013-2015 fiscal biennium. The
25 agreement provides that if a general salary increase, implementation of
26 a salary survey, or a longevity step (Step M) is approved and funded by
27 the state for university nonbargaining unit covered classified staff,
28 WFSE bargaining unit members will receive the same.

29 NEW SECTION. **Sec. 930. COLLECTIVE BARGAINING AGREEMENT--**
30 **WASHINGTON STATE UNIVERSITY--PSE**

31 An agreement has been reached between the Washington State
32 University and the public schools employees under the provisions of
33 chapter 41.80 RCW for the 2013-2015 fiscal biennium. The agreement
34 provides that the bargaining unit members have a "me-too" agreement
35 regarding cost of living increases with university classified staff

1 utilizing the general service higher education salary schedule should
2 the university request and receive funding to provide an across-the-
3 board salary increase for classified staff.

4 NEW SECTION. **Sec. 931. COLLECTIVE BARGAINING AGREEMENT--**
5 **WASHINGTON STATE UNIVERSITY--WSU POLICE GUILD**

6 An agreement has been reached between the Washington State
7 University and the WSU Police Guild under the provisions of chapter
8 41.80 RCW for the 2013-2015 fiscal biennium. Funding is provided to
9 add a longevity step.

10 NEW SECTION. **Sec. 932. COMPENSATION--REPRESENTED EMPLOYEES--**
11 **SUPER COALITION--INSURANCE BENEFITS**

12 No agreement was reached between the governor and the health care
13 super coalition under the provisions of chapter 41.80 RCW for the
14 2013-2015 fiscal biennium. Appropriations in this act for state
15 agencies, including institutions of higher education are sufficient to
16 continue the provisions of the 2011-2013 collective bargaining
17 agreement, and are subject to the following conditions and limitations:

18 (1)(a) The monthly employer funding rate for insurance benefit
19 premiums, public employees' benefits board administration, and the
20 uniform medical plan, shall not exceed \$782 per eligible employee for
21 fiscal year 2014. For fiscal year 2015 the monthly employer funding
22 rate shall not exceed \$763 per eligible employee.

23 (b) In order to achieve the level of funding provided for health
24 benefits, the public employees' benefits board shall require or make
25 any or all of the following: Employee premium copayments, increases in
26 point-of-service cost sharing, the implementation of managed
27 competition, or other changes to benefits consistent with RCW
28 41.05.065. Beginning July 1, 2014, the board shall add a \$25 per month
29 surcharge to the premiums due from members who use tobacco products and
30 a surcharge of not less than \$50 per month to the premiums due from
31 members who cover a spouse or domestic partner where the spouse or
32 domestic partner has chosen not to enroll in other employer-based group
33 health insurance that has benefits and premiums with an actuarial value
34 of not less than 95 percent of the actuarial value of the public
35 employees' benefits board plan with the largest enrollment.

1 (c) The health care authority shall deposit any moneys received on
2 behalf of the uniform medical plan as a result of rebates on
3 prescription drugs, audits of hospitals, subrogation payments, or any
4 other moneys recovered as a result of prior uniform medical plan claims
5 payments, into the public employees' and retirees' insurance account to
6 be used for insurance benefits. Such receipts shall not be used for
7 administrative expenditures.

8 (2) The health care authority, subject to the approval of the
9 public employees' benefits board, shall provide subsidies for health
10 benefit premiums to eligible retired or disabled public employees and
11 school district employees who are eligible for medicare, pursuant to
12 RCW 41.05.085. The subsidy provided for calendar years 2014 and 2015
13 shall be up to \$150 per month.

14 NEW SECTION. **Sec. 933. COMPENSATION--REPRESENTED EMPLOYEES**
15 **OUTSIDE SUPER COALITION--INSURANCE BENEFITS**

16 Appropriations for state agencies in this act are sufficient for
17 represented employees outside the super coalition for health benefits,
18 and are subject to the following conditions and limitations:

19 (1)(a) The monthly employer funding rate for insurance benefit
20 premiums, public employees' benefits board administration, and the
21 uniform medical plan, shall not exceed \$782 per eligible employee for
22 fiscal year 2014. For fiscal year 2015 the monthly employer funding
23 rate shall not exceed \$763 per eligible employee.

24 (b) In order to achieve the level of funding provided for health
25 benefits, the public employees' benefits board shall require or make
26 any or all of the following: Employee premium copayments, increases in
27 point-of-service cost sharing, the implementation of managed
28 competition, or other changes to benefits consistent with RCW
29 41.05.065. Beginning July 1, 2014, the board shall add a \$25 per month
30 surcharge to the premiums due from members who use tobacco products and
31 a surcharge of not less than \$50 per month to the premiums due from
32 members who cover a spouse or domestic partner where the spouse or
33 domestic partner has chosen not to enroll in other employer-based group
34 health insurance that has benefits and premiums with an actuarial value
35 of not less than 95 percent of the actuarial value of the public
36 employees' benefits board plan with the largest enrollment.

1 (c) The health care authority shall deposit any moneys received on
2 behalf of the uniform medical plan as a result of rebates on
3 prescription drugs, audits of hospitals, subrogation payments, or any
4 other moneys recovered as a result of prior uniform medical plan claims
5 payments, into the public employees' and retirees' insurance account to
6 be used for insurance benefits. Such receipts shall not be used for
7 administrative expenditures.

8 (2) The health care authority, subject to the approval of the
9 public employees' benefits board, shall provide subsidies for health
10 benefit premiums to eligible retired or disabled public employees and
11 school district employees who are eligible for medicare, pursuant to
12 RCW 41.05.085. The subsidy provided for calendar years 2014 and 2015
13 shall be up to \$150 per month.

14 NEW SECTION. **Sec. 934. COLLECTIVE BARGAINING AGREEMENTS**

15 For collective bargaining agreements negotiated with the state for
16 the 2013-2015 fiscal biennium under chapter 41.80 RCW, the governor may
17 request funds to implement the terms and conditions of any agreement
18 negotiated by an institution of higher education and submitted to the
19 office of financial management after October 1, 2012, but before
20 December 20, 2012, if that agreement is determined to be financially
21 feasible to the state by the director of financial management.

22 NEW SECTION. **Sec. 935. COLLECTIVE BARGAINING AGREEMENT FOR**
23 **NONSTATE EMPLOYEES--LANGUAGE ACCESS PROVIDERS WFSE**

24 An agreement has been reached between the governor and the
25 Washington federation of state employees for the language access
26 providers under the provisions of chapter 41.56 RCW for the 2013-2015
27 fiscal biennium. Funding is provided for a rate increase of 50 cents
28 per hour effective July 1, 2013, and rate increase of 50 cents per hour
29 effective July 1, 2014. Funding is also provided to accommodate a
30 change to the no-show payment rules.

31 NEW SECTION. **Sec. 936. COLLECTIVE BARGAINING AGREEMENT FOR**
32 **NONSTATE EMPLOYEES--SEIU HEALTHCARE 775NW HOMECARE WORKERS**

33 An agreement has been reached between the governor and the service
34 employees international union healthcare 775nw through an interest
35 arbitration decision under the provisions of chapter 74.39A and 41.56

1 RCW for the 2013-2015 fiscal biennium. Funding is provided for
2 increases to wages and pay differentials, mileage allowance, and
3 healthcare contributions. Funding is also provided for a paid holiday
4 and payment of certification and testing fees.

5 NEW SECTION. **Sec. 937. COLLECTIVE BARGAINING AGREEMENT FOR**
6 **NONSTATE EMPLOYEES--SEIU LOCAL 925 CHILDCARE WORKERS**

7 An agreement has been reached between the governor and the service
8 employees international union local 925 under the provisions of chapter
9 41.56 RCW for the 2013-2015 fiscal biennium. Funding is provided for
10 increases to health care, scholarship funding and non-standard hours
11 bonus.

12 NEW SECTION. **Sec. 938. COLLECTIVE BARGAINING AGREEMENT FOR**
13 **NONSTATE EMPLOYEES--WSRCC ADULT FAMILY HOMES**

14 An agreement has been reached between the governor and the
15 Washington state residential care council under the provisions of
16 chapter 41.56 RCW for the 2013-2015 fiscal biennium. Funding is
17 provided for a specialty adult family home contract for community
18 placement of clients currently in western state hospital and an
19 increase in the daily bed hold rate (days eight through twenty).

20 NEW SECTION. **Sec. 939. COMPENSATION--NONREPRESENTED EMPLOYEES--**
21 **INSURANCE BENEFITS**

22 Appropriations for state agencies in this act are sufficient for
23 nonrepresented state employee health benefits for state agencies,
24 including institutions of higher education, and are subject to the
25 following conditions and limitations:

26 (1)(a) The monthly employer funding rate for insurance benefit
27 premiums, public employees' benefits board administration, and the
28 uniform medical plan, shall not exceed \$782 per eligible employee for
29 fiscal year 2014. For fiscal year 2015 the monthly employer funding
30 rate shall not exceed \$763 per eligible employee.

31 (b) In order to achieve the level of funding provided for health
32 benefits, the public employees' benefits board shall require or make
33 any or all of the following: Employee premium copayments, increases in
34 point-of-service cost sharing, the implementation of managed
35 competition, or other changes to benefits consistent with RCW

1 41.05.065. Beginning July 1, 2014, the board shall add a \$25 per month
2 surcharge to the premiums due from members who use tobacco products and
3 a surcharge of not less than \$50 per month to the premiums due from
4 members who cover a spouse or domestic partner where the spouse or
5 domestic partner has chosen not to enroll in other employer-based group
6 health insurance that has benefits and premiums with an actuarial value
7 of not less than 95 percent of the actuarial value of the public
8 employees' benefits board plan with the largest enrollment.

9 (c) The health care authority shall deposit any moneys received on
10 behalf of the uniform medical plan as a result of rebates on
11 prescription drugs, audits of hospitals, subrogation payments, or any
12 other moneys recovered as a result of prior uniform medical plan claims
13 payments, into the public employees' and retirees' insurance account to
14 be used for insurance benefits. Such receipts shall not be used for
15 administrative expenditures.

16 (2) The health care authority, subject to the approval of the
17 public employees' benefits board, shall provide subsidies for health
18 benefit premiums to eligible retired or disabled public employees and
19 school district employees who are eligible for medicare, pursuant to
20 RCW 41.05.085. The subsidy provided for calendar years 2014 and 2015
21 shall be up to \$150 per month.

22 (3) Technical colleges, school districts, and educational service
23 districts shall remit to the health care authority for deposit into the
24 public employees' and retirees' insurance account established in RCW
25 41.05.120 the following amounts:

26 (a) For each full-time employee, \$64.40 per month beginning
27 September 1, 2013, and \$70.39 beginning September 1, 2014; and

28 (b) For each part-time employee, who at the time of the remittance
29 is employed in an eligible position as defined in RCW 41.32.010 or
30 41.40.010 and is eligible for employer fringe benefit contributions for
31 basic benefits, \$64.40 each month beginning September 1, 2013, and
32 \$70.39 beginning September 1, 2014, prorated by the proportion of
33 employer fringe benefit contributions for a full-time employee that the
34 part-time employee receives. The remittance requirements specified in
35 this subsection (3) shall not apply to employees of a technical
36 college, school district, or educational service district who purchase
37 insurance benefits through contracts with the health care authority.

1 NEW SECTION. **Sec. 940. COMPENSATION--REVISE PENSION CONTRIBUTION**
2 **RATES**

3 The appropriations for school districts and state agencies,
4 including institutions of higher education are subject to the following
5 conditions and limitations: Appropriations are adjusted to reflect
6 changes to agency appropriations to reflect pension contribution rates
7 adopted by the pension funding council and the law enforcement
8 officers' and firefighters' retirement system plan 2 board.

9 NEW SECTION. **Sec. 941. NONREPRESENTED EMPLOYEE LONGEVITY STEP**

10 For classified state employees, except those within the Washington
11 management service and except those represented by a bargaining unit
12 under chapters 41.80, 41.56, or 47.64 RCW, funding is provided within
13 agency appropriations for implementation of a longevity step, in
14 accordance with rules adopted under RCW 41.06.133.

15 NEW SECTION. **Sec. 942. COMPENSATION--CONTINGENT INCREASE IN**
16 **SALARIES AND WAGES**

17 (1) If the director of the office of financial management
18 determines that the February 2014 economic and revenue forecast council
19 forecast for general fund--state revenues for fiscal year 2015 is
20 \$200,000,000 or more than the September 2012 economic and revenue
21 forecast council forecast for general fund--state revenues for fiscal
22 year 2015 as a result of increased economic activity, effective July 1,
23 2014, appropriations to state agencies will increase in the amounts
24 specified in LEAP Document 2013-H01 to fund a one percent salary
25 increase effective July 1, 2014, through June 30, 2015, for the
26 following state employees:

27 (a) All classified employees;

28 (b) Employees in the Washington management service;

29 (c) Except as provided in subsection (2) of this section, employees
30 exempt from merit system rules in the executive, legislative, and
31 judicial branches;

32 (d) Employees of the marine division of the department of
33 transportation represented by the office and professional employees
34 international union local eight and service employees international
35 union local six.

1 (2) The salary increase in this section is not provided to the
2 following state employees:

3 (a) Commissioned officers of the Washington state patrol
4 represented by the Washington state patrol troopers association and the
5 Washington state patrol lieutenants association;

6 (b) Employees of the marine division of the department of
7 transportation represented by:

8 (i) The ferry agents, supervisors, project administrators
9 association;

10 (ii) The Pacific northwest regional council of carpenters;

11 (iii) The Puget Sound metal trades council;

12 (iv) The marine engineers' beneficial association unlicensed engine
13 room employees;

14 (v) The marine engineers' beneficial association licensed engineer
15 officers;

16 (vi) The masters, mates and pilots - mates;

17 (vii) The masters, mates and pilots - masters;

18 (viii) The masters, mates and pilots - watch supervisors; and

19 (ix) The inlandboatmen's union of the pacific.

20 (c) Employees whose maximum salaries are set by the commission on
21 salaries for elected officials; and

22 (d) Faculty employees and employees exempt from merit system rules
23 at institutions of higher education.

24 (3) For purposes of this section, "increased economic activity"
25 means additional revenue derived from taxable business and consumer
26 activity and does not include revenue changes from changes in state or
27 federal law or revenue changes characterized by the economic and
28 revenue forecast council as a noneconomic change.

29 NEW SECTION. **Sec. 943. ACQUISITION OF INFORMATION TECHNOLOGY**
30 **PROJECTS THROUGH FINANCIAL CONTRACTS**

31 (1) Financial contracts for the acquisition of the information
32 technology projects authorized in this section must be approved jointly
33 by the office of the financial management and the office of the chief
34 information officer. Information technology projects funded under this
35 section shall meet the following requirements:

36 (a) The project reduces costs and achieves economies of scale by

1 leveraging statewide investments in systems and data and other common
2 or enterprise-wide solutions within and across state agencies;

3 (b) The project begins or continues replacement of legacy
4 information technology systems and replacing these systems with modern
5 and more efficient information technology systems;

6 (c) The project improves the ability of an agency to recover from
7 major disaster;

8 (d) The project provides future savings and efficiencies for an
9 agency through reduced operating costs, improved customer service, or
10 increased revenue collections; and

11 (e) Preference for project approval must be given to an agency that
12 has prior approval from the office of the chief information officer, an
13 approved business plan, and where the primary hurdle to project funding
14 is the lack of funding capacity.

15 (2) The following state agencies may enter into financial contracts
16 to finance expenditures for the acquisition and implementation of the
17 following information technology projects for up to the respective
18 amounts indicated, plus financing expenses and required reserves
19 pursuant to chapter 39.94 RCW:

20 (a) Subject to subsection (4) of this section, \$10,000,000 for the
21 department of enterprise services time, leave, and attendance pilot
22 project;

23 (b) \$3,867,000 for the Washington state patrol for continuation of
24 the mobile office platform;

25 (c) \$8,500,000 for the department of social and health services
26 conversion to the tenth version of the world health organization's
27 international classification of diseases;

28 (d) \$5,558,000 for the department of early learning system
29 implementation of electronic benefit transfers;

30 (e) \$4,323,000 for the department of corrections for radio
31 infrastructure upgrades.

32 (3) The office of financial management with assistance from the
33 office of the chief information officer will report to the governor and
34 fiscal committees of the legislature by November 1st of each year on
35 the status of distributions and expenditures on information technology
36 projects and improved statewide or agency performance results achieved
37 by project funding.

1 (4) If the Washington state department of transportation enters
2 into financial contracts pursuant to chapter 39.94 RCW for the
3 acquisition and implementation of a time, leave, and labor distribution
4 system, the authorization provided to the department of enterprise
5 services in subsection (2)(a) of this section expires.

6 NEW SECTION. **Sec. 944. INFORMATION TECHNOLOGY PROJECTS**

7 (1) The office of the chief information officer, in coordination
8 with the technology services board, must evaluate existing state
9 technology policies on technology investment planning and project
10 implementation to determine whether these policies reflect current
11 industry leading practices. Where necessary, the office of the chief
12 information officer shall develop revisions to these policies designed
13 to incorporate leading practices, and to incorporate appropriate
14 reporting mechanisms designed to improve the transparency of agency
15 compliance with these policies. All revisions must be submitted to the
16 technology services board for approval no later than September 30,
17 2013. The technology services board may create a subcommittee
18 responsible for the ongoing review and oversight of state technology
19 policy development.

20 (2) The office of the chief information officer shall improve the
21 transparency of agency technology planning and development activities
22 by implementing a publicly facing web-based reporting tool for
23 centralized reporting and posting of these documents. The office of
24 the chief information officer shall develop and implement a policy
25 requiring that all critical planning documents, including but not
26 limited to feasibility studies, project management plans, and quality
27 assurance plans for all major projects, and all quality assurance
28 status reports. The reporting tool should be in place no later than
29 September 30, 2013.

30 NEW SECTION. **Sec. 945. PERSONAL COMPUTER ACQUISITION AND**
31 **REPLACEMENT**

32 (1) The legislature finds that the state must achieve reduced costs
33 in the acquisition and deployment of new and replacement personal
34 computers. The office of the chief information officer of the state
35 must develop a policy on the procurement of personal computers with the

1 goal of reducing the total life cycle cost of ownership. The policy
2 must be effective no later than September 1, 2013.

3 (2) At a minimum, the policy must address frequency of replacement,
4 identify a preferred financing method, and identify one or more
5 preferred equipment configurations. Financing methods examined in
6 developing the policy must include leasing, lease purchasing,
7 purchasing using certificates of participation and cash purchase. In
8 determining total life cycle costs, the office of the chief information
9 officer must consider the cost of acquisition, deployment, financing,
10 maintenance, and decommissioning of personal computers including any
11 residual software licensing costs. The office of the chief information
12 officer may include any other criteria deemed appropriate in developing
13 the policy.

14 (3) The office of the attorney general shall participate in a pilot
15 acquisition program. Key elements of the pilot will include a regular
16 replacement cycle that ensures reliable equipment and is acquired by
17 lease. Deployment of the replacement computer and decommissioning of
18 the old computer must also be part of the acquisition contract. The
19 office of the attorney general must work with the office of the chief
20 information officer to determine the costs and benefits of this
21 approach relative to cash procurement and agency deployment and
22 decommissioning. The office of the chief information officer shall
23 report on the findings of the pilot not later than January 1, 2015.

24 (4) While judicial, legislative, and higher education agencies are
25 exempt from this policy, they are encouraged to adhere to the policy to
26 the maximum extent practicable in meeting the goal of lowering the
27 total life cycle cost of ownership for personal computers.

28 NEW SECTION. **Sec. 946. INFORMATION TECHNOLOGY SECURITY PROGRAMS**
29 **AND TRAINING**

30 (1) The office of the chief information officer has developed
31 information technology security policies and standards to assist state
32 agencies in implementing an information technology security program.
33 Before any agency may expend amounts appropriated in this act on
34 information technology equipment, the agency must adopt the information
35 technology security policies and standards and the state chief
36 information officer must approve an agency's information technology
37 security program.

1 (2) Every agency shall submit to the office of the chief
2 information officer a schedule for employee information technology
3 security training, in accordance with technology security policies, no
4 later than September 1, 2013. In the event an agency has not complied
5 with this requirement, the chief information officer may request the
6 office of financial management to embargo all or part of the amounts
7 appropriated to the agency in this act for information technology
8 equipment purchases until the agency training schedule is received.

9 **Sec. 947.** 2013 c 306 s 517 (uncodified) is amended to read as
10 follows:

11 **COMPENSATION--REPRESENTED EMPLOYEES--SUPER COALITION--INSURANCE**
12 **BENEFITS**

13 No agreement has been reached between the governor and the health
14 care super coalition under chapter 41.80 RCW for the 2013-2015 fiscal
15 biennium. Appropriations in this act for state agencies, including
16 institutions of higher education, are sufficient to continue the
17 provisions of the 2011-2013 collective bargaining agreement and are
18 subject to the following conditions and limitations:

19 (1)(a) The monthly employer funding rate for insurance benefit
20 premiums, public employees' benefits board administration, and the
21 uniform medical plan must not exceed (~~(\$809)~~) \$782 per eligible
22 employee for fiscal year 2014. For fiscal year 2015, the monthly
23 employer funding rate must not exceed (~~(\$820)~~) \$763 per eligible
24 employee.

25 (b) In order to achieve the level of funding provided for health
26 benefits, the public employees' benefits board must require any of the
27 following: Employee premium copayments; increases in point-of-service
28 cost sharing; the implementation of managed competition; or other
29 changes to benefits consistent with RCW 41.05.065. Beginning July 1,
30 2014, the board shall add a \$25 per month surcharge to the premiums due
31 from members who use tobacco products and a surcharge of not less than
32 \$50 per month to the premiums due from members who cover a spouse or
33 domestic partner where the spouse or domestic partner has chosen not to
34 enroll in other employer-based group health insurance that has benefits
35 and premiums with an actuarial value not less than 95 percent of the
36 actuarial value of the public employees' benefits board plan with the
37 largest enrollment.

1 (c) The health care authority shall deposit any moneys received on
2 behalf of the uniform medical plan as a result of rebates on
3 prescription drugs, audits of hospitals, subrogation payments, or any
4 other moneys recovered as a result of prior uniform medical plan claims
5 payments into the public employees' and retirees' insurance account to
6 be used for insurance benefits. Such receipts must not be used for
7 administrative expenditures.

8 (2) The health care authority, subject to the approval of the
9 public employees' benefits board, shall provide subsidies for health
10 benefit premiums to eligible retired or disabled public employees and
11 school district employees who are eligible for medicare, pursuant to
12 RCW 41.05.085. For calendar years 2014 and 2015, the subsidy must be
13 \$150.00 per month.

14 **Sec. 948.** 2013 c 306 s 518 (uncodified) is amended to read as
15 follows:

16 **COMPENSATION--REPRESENTED EMPLOYEES OUTSIDE SUPER COALITION--INSURANCE**
17 **BENEFITS**

18 Appropriations for state agencies in this act are sufficient for
19 represented employees outside the super coalition for health benefits
20 and are subject to the following conditions and limitations:

21 (1)(a) The monthly employer funding rate for insurance benefit
22 premiums, public employees' benefits board administration, and the
23 uniform medical plan must not exceed (~~(\$809)~~) \$782 per eligible
24 employee for fiscal year 2014. For fiscal year 2015, the monthly
25 employer funding rate must not exceed (~~(\$820)~~) \$763 per eligible
26 employee.

27 (b) In order to achieve the level of funding provided for health
28 benefits, the public employees' benefits board shall require any of the
29 following: Employee premium copayments; increases in point-of-service
30 cost sharing; the implementation of managed competition; or other
31 changes to benefits consistent with RCW 41.05.065. Beginning July 1,
32 2014, the board shall add a \$25 per month surcharge to the premiums due
33 from members who use tobacco products and a surcharge of not less than
34 \$50 per month to the premiums due from members who cover a spouse or
35 domestic partner where the spouse or domestic partner has chosen not to
36 enroll in other employer-based group health insurance that has benefits

1 and premiums with an actuarial value not less than 95 percent of the
2 actuarial value of the public employees' benefits board plan with the
3 largest enrollment.

4 (c) The health care authority shall deposit any moneys received on
5 behalf of the uniform medical plan as a result of rebates on
6 prescription drugs, audits of hospitals, subrogation payments, or any
7 other moneys recovered as a result of prior uniform medical plan claims
8 payments into the public employees' and retirees' insurance account to
9 be used for insurance benefits. Such receipts must not be used for
10 administrative expenditures.

11 (2) The health care authority, subject to the approval of the
12 public employees' benefits board, shall provide subsidies for health
13 benefit premiums to eligible retired or disabled public employees and
14 school district employees who are eligible for medicare, pursuant to
15 RCW 41.05.085. For calendar years 2014 and 2015, the subsidy must be
16 \$150.00 per month.

17 **Sec. 949.** 2013 c 306 s 519 (uncodified) is amended to read as
18 follows:

19 **COMPENSATION--NONREPRESENTED EMPLOYEES--INSURANCE BENEFITS**

20 Appropriations for state agencies in this act are sufficient for
21 nonrepresented state employee health benefits for state agencies,
22 including institutions of higher education, and are subject to the
23 following conditions and limitations:

24 (1)(a) The monthly employer funding rate for insurance benefit
25 premiums, public employees' benefits board administration, and the
26 uniform medical plan must not exceed (~~(\$809)~~) \$782 per eligible
27 employee for fiscal year 2014. For fiscal year 2015, the monthly
28 employer funding rate must not exceed (~~(\$820)~~) \$763 per eligible
29 employee.

30 (b) In order to achieve the level of funding provided for health
31 benefits, the public employees' benefits board shall require any of the
32 following: Employee premium copayments; increases in point-of-service
33 cost sharing; the implementation of managed competition; or make other
34 changes to benefits consistent with RCW 41.05.065. Beginning July 1,
35 2014, the board shall add a \$25 per month surcharge to the premiums due
36 from members who use tobacco products and a surcharge of not less than
37 \$50 per month to the premiums due from members who cover a spouse or

1 domestic partner where the spouse or domestic partner has chosen not to
2 enroll in other employer-based group health insurance that has benefits
3 and premiums with an actuarial value not less than 95 percent of the
4 actuarial value of the public employees' benefits board plan with the
5 largest enrollment.

6 (c) The health care authority shall deposit any moneys received on
7 behalf of the uniform medical plan as a result of rebates on
8 prescription drugs, audits of hospitals, subrogation payments, or any
9 other moneys recovered as a result of prior uniform medical plan claims
10 payments into the public employees' and retirees' insurance account to
11 be used for insurance benefits. Such receipts must not be used for
12 administrative expenditures.

13 (2) The health care authority, subject to the approval of the
14 public employees' benefits board, shall provide subsidies for health
15 benefit premiums to eligible retired or disabled public employees and
16 school district employees who are eligible for medicare, pursuant to
17 RCW 41.05.085. For calendar years 2014 and 2015, the subsidy must be
18 \$150.00 per month.

19 **Sec. 950.** RCW 2.68.020 and 2012 2nd sp.s. c 7 s 913 are each
20 amended to read as follows:

21 There is created an account in the custody of the state treasurer
22 to be known as the judicial information system account. The
23 administrative office of the courts shall maintain and administer the
24 account, in which shall be deposited all moneys received from in-state
25 noncourt users and any out-of-state users of the judicial information
26 system and moneys as specified in RCW 2.68.040 for the purposes of
27 providing judicial information system access to noncourt users and
28 providing an adequate level of automated services to the judiciary.
29 The legislature shall appropriate the funds in the account for the
30 purposes of the judicial information system. The account shall be used
31 for the acquisition of equipment, software, supplies, services, and
32 other costs incidental to the acquisition, development, operation, and
33 administration of information services, telecommunications, systems,
34 software, supplies, and equipment, including the payment of principal
35 and interest on items paid in installments. During the 2011-2013
36 fiscal biennium, the judicial information system(~~s~~-[system]) account
37 may be appropriated to support the state law library. During the 2013-

1 2015 fiscal biennium, the judicial information system account may be
2 appropriated to support the information systems and other activities in
3 the administrative office of the courts.

4 **Sec. 951.** RCW 2.28.170 and 2009 c 445 s 2 are each amended to read
5 as follows:

6 (1) Counties may establish and operate drug courts.

7 (2) For the purposes of this section, "drug court" means a court
8 that has special calendars or dockets designed to achieve a reduction
9 in recidivism and substance abuse among nonviolent, substance abusing
10 felony and nonfelony offenders, whether adult or juvenile, by
11 increasing their likelihood for successful rehabilitation through
12 early, continuous, and intense judicially supervised treatment;
13 mandatory periodic drug testing; and the use of appropriate sanctions
14 and other rehabilitation services.

15 (3)(a) Any jurisdiction that seeks a state appropriation to fund a
16 drug court program must first:

17 (i) Exhaust all federal funding that is available to support the
18 operations of its drug court and associated services; and

19 (ii) Match, on a dollar-for-dollar basis, state moneys allocated
20 for drug court programs with local cash or in-kind resources. Moneys
21 allocated by the state must be used to supplement, not supplant, other
22 federal, state, and local funds for drug court operations and
23 associated services. However, from July 26, 2009, until June 30,
24 ((2013)) 2015, no match is required for state moneys expended for the
25 administrative and overhead costs associated with the operation of a
26 drug court pursuant to RCW 70.96A.350.

27 (b) Any county that establishes a drug court pursuant to this
28 section shall establish minimum requirements for the participation of
29 offenders in the program. The drug court may adopt local requirements
30 that are more stringent than the minimum. The minimum requirements
31 are:

32 (i) The offender would benefit from substance abuse treatment;

33 (ii) The offender has not previously been convicted of a serious
34 violent offense or sex offense as defined in RCW 9.94A.030; and

35 (iii) Without regard to whether proof of any of these elements is
36 required to convict, the offender is not currently charged with or
37 convicted of an offense:

- 1 (A) That is a sex offense;
- 2 (B) That is a serious violent offense;
- 3 (C) During which the defendant used a firearm; or
- 4 (D) During which the defendant caused substantial or great bodily
- 5 harm or death to another person.

6 **Sec. 952.** RCW 2.28.170 and 2013 c 257 s 5 are each amended to read
7 as follows:

8 (1) Jurisdictions may establish and operate drug courts.

9 (2) For the purposes of this section, "drug court" means a court
10 that has special calendars or dockets designed to achieve a reduction
11 in recidivism and substance abuse among nonviolent, substance abusing
12 felony and nonfelony offenders, whether adult or juvenile, by
13 increasing their likelihood for successful rehabilitation through
14 early, continuous, and intense judicially supervised treatment;
15 mandatory periodic drug testing; and the use of appropriate sanctions
16 and other rehabilitation services.

17 (3)(a) Any jurisdiction that seeks a state appropriation to fund a
18 drug court program must first:

19 (i) Exhaust all federal funding that is available to support the
20 operations of its drug court and associated services; and

21 (ii) Match, on a dollar-for-dollar basis, state moneys allocated
22 for drug court programs with local cash or in-kind resources. Moneys
23 allocated by the state must be used to supplement, not supplant, other
24 federal, state, and local funds for drug court operations and
25 associated services. However, from July 26, 2009, until June 30,
26 (~~2013~~) 2015, no match is required for state moneys expended for the
27 administrative and overhead costs associated with the operation of a
28 drug court pursuant to RCW 70.96A.350.

29 (b) Any jurisdiction that establishes a drug court pursuant to this
30 section shall establish minimum requirements for the participation of
31 offenders in the program. The drug court may adopt local requirements
32 that are more stringent than the minimum. The minimum requirements
33 are:

34 (i) The offender would benefit from substance abuse treatment;

35 (ii) The offender has not previously been convicted of a serious
36 violent offense or sex offense as defined in RCW 9.94A.030; and

1 (iii) Without regard to whether proof of any of these elements is
2 required to convict, the offender is not currently charged with or
3 convicted of an offense:

4 (A) That is a sex offense;

5 (B) That is a serious violent offense;

6 (C) During which the defendant used a firearm; or

7 (D) During which the defendant caused substantial or great bodily
8 harm or death to another person.

9 **Sec. 953.** RCW 13.40.466 and 2006 c 304 s 4 are each amended to
10 read as follows:

11 (1) The reinvesting in youth account is created in the state
12 treasury. Moneys in the account shall be spent only after
13 appropriation. Expenditures from the account may be used to reimburse
14 local governments for the implementation of the reinvesting in youth
15 program established in RCW 13.40.462 and 13.40.464. During the
16 2013-2015 fiscal biennium, the legislature may appropriate moneys from
17 the reinvesting in youth account for juvenile rehabilitation purposes.

18 (2) Revenues to the reinvesting in youth account consist of
19 revenues appropriated to or deposited in the account.

20 (3) The department of social and health services juvenile
21 rehabilitation administration shall review and monitor the expenditures
22 made by any county or group of counties that is funded, in whole or in
23 part, with funds provided through the reinvesting in youth account.
24 Counties shall repay any funds that are not spent in accordance with
25 RCW 13.40.462 and 13.40.464.

26 **Sec. 954.** RCW 18.43.150 and 1991 c 277 s 2 are each amended to
27 read as follows:

28 All fees collected under the provisions of RCW 18.43.050,
29 18.43.060, 18.43.080, 18.43.100, and 18.43.130 and fines collected
30 under RCW 18.43.110 shall be paid into the professional engineers'
31 account, which account is hereby established in the state treasury to
32 be used to carry out the purposes and provisions of RCW 18.43.050,
33 18.43.060, 18.43.080, 18.43.100, 18.43.110, 18.43.120, 18.43.130(~~18.43.140~~),
34 and all other duties required for operation and
35 enforcement of this chapter. During the 2013-2015 fiscal biennium, the

1 legislature may transfer moneys from the professional engineers'
2 account to the state general fund such amounts as reflect the excess
3 fund balance of the fund.

4 **Sec. 955.** RCW 18.85.061 and 2008 c 23 s 29 are each amended to
5 read as follows:

6 All fees required under this chapter shall be set by the director
7 in accordance with RCW 43.24.086 and shall be paid to the state
8 treasurer. All fees paid under the provisions of this chapter shall be
9 placed in the real estate commission account in the state treasury.
10 All money derived from fines imposed under this chapter shall be
11 deposited in the real estate education program account created in RCW
12 18.85.321. During the 2013-2015 fiscal biennium, the legislature may
13 transfer to the state general fund such amounts as reflect the excess
14 fund balance in the real estate commission account.

15 **Sec. 956.** RCW 19.28.351 and 2003 1st sp.s. c 25 s 910 are each
16 amended to read as follows:

17 All sums received from licenses, permit fees, or other sources,
18 herein shall be paid to the state treasurer and placed in a special
19 fund designated as the "electrical license fund," and paid out upon
20 vouchers duly and regularly issued therefor and approved by the
21 director of labor and industries or the director's designee following
22 determination by the board that the sums are necessary to accomplish
23 the intent of chapter 19.28 RCW. The treasurer shall keep an accurate
24 record of payments into, or receipts of, the fund, and of all
25 disbursements therefrom.

26 During the ((2003-2005)) 2013-2015 biennium, the legislature may
27 transfer moneys from the electrical license fund to the state general
28 fund such amounts as reflect the excess fund balance of the fund.

29 **Sec. 957.** RCW 28A.500.020 and 2010 c 237 s 5 are each amended to
30 read as follows:

31 (1) Unless the context clearly requires otherwise, the definitions
32 in this section apply throughout this chapter.

33 (a) "Prior tax collection year" means the year immediately
34 preceding the year in which the local effort assistance shall be
35 allocated.

1 (b) "Statewide average fourteen percent levy rate" means fourteen
2 percent of the total levy bases as defined in RCW 84.52.0531 (3)
3 through (5) for calendar years 2014 and 2015, and as defined in RCW
4 84.52.0531 (3) and (4) in calendar years 2016 and thereafter, summed
5 for all school districts, and divided by the total assessed valuation
6 for excess levy purposes in the prior tax collection year for all
7 districts as adjusted to one hundred percent by the county indicated
8 ratio established in RCW 84.48.075.

9 (c) The "district's fourteen percent levy amount" means the school
10 district's maximum levy authority after transfers determined under RCW
11 84.52.0531(2) (a) through (c) divided by the district's maximum levy
12 percentage determined under RCW 84.52.0531(~~(+5)~~) (6) multiplied by
13 fourteen percent.

14 (d) The "district's fourteen percent levy rate" means the
15 district's fourteen percent levy amount divided by the district's
16 assessed valuation for excess levy purposes for the prior tax
17 collection year as adjusted to one hundred percent by the county
18 indicated ratio.

19 (e) "Districts eligible for local effort assistance" means those
20 districts with a fourteen percent levy rate that exceeds the statewide
21 average fourteen percent levy rate.

22 (2) Unless otherwise stated all rates, percents, and amounts are
23 for the calendar year for which local effort assistance is being
24 calculated under this chapter.

25 **Sec. 958.** RCW 28B.15.067 and 2012 2nd sp.s. c 7 s 914 and 2012 c
26 228 s 6 are each reenacted and amended to read as follows:

27 (1) Tuition fees shall be established under the provisions of this
28 chapter.

29 (2) Beginning in the 2011-12 academic year, reductions or increases
30 in full-time tuition fees shall be as provided in the omnibus
31 appropriations act for resident undergraduate students at community and
32 technical colleges. The governing boards of the state universities,
33 regional universities, and The Evergreen State College; and the state
34 board for community and technical colleges may reduce or increase full-
35 time tuition fees for all students other than resident undergraduates,
36 including nonresident students, summer school students, and students in
37 other self-supporting degree programs. Percentage increases in full-

1 time tuition may exceed the fiscal growth factor. Except during the
2 ((2011-2013)) 2013-2015 fiscal biennium, the state board for community
3 and technical colleges may pilot or institute differential tuition
4 models. The board may define scale, scope, and rationale for the
5 models.

6 (3)(a) Beginning with the 2011-12 academic year and through the end
7 of the 2014-15 academic year, the governing boards of the state
8 universities, the regional universities, and The Evergreen State
9 College may reduce or increase full-time tuition fees for all students,
10 including summer school students and students in other self-supporting
11 degree programs. Percentage increases in full-time tuition fees may
12 exceed the fiscal growth factor. Reductions or increases may be made
13 for all or portions of an institution's programs, campuses, courses, or
14 students; however, during the ((2011-2013)) 2013-2015 fiscal biennium,
15 reductions or increases in tuition must be uniform among resident
16 undergraduate students.

17 (b) Prior to reducing or increasing tuition for each academic year,
18 the governing boards of the state universities, the regional
19 universities, and The Evergreen State College shall consult with
20 existing student associations or organizations with student
21 undergraduate and graduate representatives regarding the impacts of
22 potential tuition increases. Each governing board shall make public
23 its proposal for tuition and fee increases twenty-one days before the
24 governing board of the institution considers adoption and allow
25 opportunity for public comment. However, the requirement to make
26 public a proposal for tuition and fee increases twenty-one days before
27 the governing board considers adoption shall not apply if the omnibus
28 appropriations act has not passed the legislature by May 15th.
29 Governing boards shall be required to provide data regarding the
30 percentage of students receiving financial aid, the sources of aid, and
31 the percentage of total costs of attendance paid for by aid.

32 (c) Prior to reducing or increasing tuition for each academic year,
33 the state board for community and technical college system shall
34 consult with existing student associations or organizations with
35 undergraduate student representation regarding the impacts of potential
36 tuition increases. The state board for community and technical
37 colleges shall provide data regarding the percentage of students

1 receiving financial aid, the sources of aid, and the percentage of
2 total costs of attendance paid for by aid.

3 (4) Beginning with the 2015-16 academic year through the 2018-19
4 academic year, the governing boards of the state universities, regional
5 universities, and The Evergreen State College may set tuition for
6 resident undergraduates as follows:

7 (a) If state funding for a college or university falls below the
8 state funding provided in the operating budget for fiscal year 2011,
9 the governing board may increase tuition up to the limits set in (d) of
10 this subsection, reduce enrollments, or both;

11 (b) If state funding for a college or university is at least at the
12 level of state funding provided in the operating budget for fiscal year
13 2011, the governing board may increase tuition up to the limits set in
14 (d) of this subsection and shall continue to at least maintain the
15 actual enrollment levels for fiscal year 2011 or increase enrollments
16 as required in the omnibus appropriations act;

17 (c) If state funding is increased so that combined with resident
18 undergraduate tuition the sixtieth percentile of the total per-student
19 funding at similar public institutions of higher education in the
20 global challenge states under RCW 28B.15.068 is exceeded, the governing
21 board shall decrease tuition by the amount needed for the total per-
22 student funding to be at the sixtieth percentile under RCW 28B.15.068;
23 and

24 (d) The amount of tuition set by the governing board for an
25 institution under this subsection (4) may not exceed the sixtieth
26 percentile of the resident undergraduate tuition of similar public
27 institutions of higher education in the global challenge states.

28 (5) The tuition fees established under this chapter shall not apply
29 to high school students enrolling in participating institutions of
30 higher education under RCW 28A.600.300 through 28A.600.400.

31 (6) The tuition fees established under this chapter shall not apply
32 to eligible students enrolling in a dropout reengagement program
33 through an interlocal agreement between a school district and a
34 community or technical college under RCW 28A.175.100 through
35 28A.175.110.

36 (7) The tuition fees established under this chapter shall not apply
37 to eligible students enrolling in a community or technical college

1 participating in the pilot program under RCW 28B.50.534 for the purpose
2 of obtaining a high school diploma.

3 (8) Beginning in the 2019-20 academic year, reductions or increases
4 in full-time tuition fees for resident undergraduates at four-year
5 institutions of higher education shall be as provided in the omnibus
6 appropriations act.

7 (9) The legislative advisory committee to the committee on advanced
8 tuition payment established in RCW 28B.95.170 shall:

9 (a) Review the impact of differential tuition rates on the funded
10 status and future unit price of the Washington advanced college tuition
11 payment program; and

12 (b) No later than January 14, 2013, make a recommendation to the
13 appropriate policy and fiscal committees of the legislature regarding
14 how differential tuition should be addressed in order to maintain the
15 ongoing solvency of the Washington advanced college tuition payment
16 program.

17 **Sec. 959.** RCW 28B.15.069 and 2012 c 229 s 701 are each amended to
18 read as follows:

19 (1) The building fee for each academic year shall be a percentage
20 of total tuition fees. This percentage shall be calculated by the
21 office of financial management and be based on the actual percentage
22 the building fee is of total tuition for each tuition category in the
23 1994-95 academic year, rounded up to the nearest half percent.

24 (2) The governing boards of each institution of higher education,
25 except for the technical colleges, shall charge to and collect from
26 each student a services and activities fee. A governing board may
27 increase the existing fee annually, consistent with budgeting
28 procedures set forth in RCW 28B.15.045, by a percentage not to exceed
29 the annual percentage increase in student tuition fees for resident
30 undergraduate students: PROVIDED, That such percentage increase shall
31 not apply to that portion of the services and activities fee previously
32 committed to the repayment of bonded debt. These rate adjustments may
33 exceed the fiscal growth factor. ~~((For the 2003-04 academic year, the
34 services and activities fee shall be based upon the resident
35 undergraduate services and activities fee in 2002-03))~~ For the 2013-
36 2015 fiscal biennium, each governing board is authorized to increase
37 the services and activities fees by amounts judged reasonable and

1 necessary by the services and activities fee committee and the
2 governing board consistent with the budgeting procedures set forth in
3 RCW 28B.15.045. The services and activities fee committee provided for
4 in RCW 28B.15.045 may initiate a request to the governing board for a
5 fee increase.

6 (3) Tuition and services and activities fees consistent with
7 subsection (2) of this section shall be set by the state board for
8 community and technical colleges for community college summer school
9 students unless the community college charges fees in accordance with
10 RCW 28B.15.515.

11 (4) Subject to the limitations of RCW 28B.15.910, each governing
12 board of a community college may charge such fees for ungraded courses,
13 noncredit courses, community services courses, and self-supporting
14 courses as it, in its discretion, may determine, consistent with the
15 rules of the state board for community and technical colleges.

16 (5) The governing board of a college offering an applied
17 baccalaureate degree program under RCW 28B.50.810 may charge tuition
18 fees for those courses above the associate degree level at rates
19 consistent with rules adopted by the state board for community and
20 technical colleges, not to exceed tuition fee rates at the regional
21 universities.

22 **Sec. 960.** RCW 28B.20.476 and 2007 c 216 s 2 are each amended to
23 read as follows:

24 The geoduck aquaculture research account is created in the custody
25 of the state treasurer. All receipts from any legislative
26 appropriations, the aquaculture industry, or any other private or
27 public source directed to the account must be deposited in the account.
28 Expenditures from the account may only be used by the sea grant program
29 for the geoduck research projects identified by RCW 28B.20.475. Only
30 the president of the University of Washington or the president's
31 designee may authorize expenditures from the account. The account is
32 subject to the allotment procedures under chapter 43.88 RCW, but an
33 appropriation is not required for expenditures. During the 2013-2015
34 fiscal biennium, amounts available in the geoduck aquaculture research
35 account may also be appropriated for the sea grant program at the
36 University of Washington to conduct research examining the possible

1 negative and positive effects of evolving shellfish aquaculture
2 techniques and practices on Washington's economy and marine ecosystems.

3 **Sec. 961.** RCW 28B.67.030 and 2012 c 46 s 2 are each amended to
4 read as follows:

5 (1) All payments received from a participant in the Washington
6 customized employment training program created in RCW 28B.67.020 must
7 be deposited into the employment training finance account, which is
8 hereby created in the custody of the state treasurer. Only the state
9 board for community and technical colleges may authorize expenditures
10 from the account and no appropriation is required for expenditures.
11 The money in the account must be used solely for training allowances
12 under the Washington customized employment training program created in
13 RCW 28B.67.020 and for providing up to seventy-five thousand dollars
14 per year for training, marketing, and facilitation services to increase
15 the use of the program. The deposit of payments under this section
16 from a participant ceases when the board specifies that the participant
17 has met the monetary obligations of the program. During the ((2007–
18 2009)) 2013–2015 fiscal biennium, the legislature may transfer from the
19 employment training finance account to the state general fund such
20 amounts as reflect the excess fund balance in the account.

21 (2) All revenue solicited and received under the provisions of RCW
22 28B.67.020(4) must be deposited into the employment training finance
23 account to provide training allowances.

24 (3) The definitions in RCW 28B.67.010 apply to this section.

25 (4) This section expires July 1, 2017.

26 **Sec. 962.** RCW 28B.95.160 and 2011 1st sp.s. c 11 s 173 are each
27 amended to read as follows:

28 Ownership of tuition units purchased by the office for the GET
29 ready for math and science scholarship program under RCW 28B.105.070
30 shall be in the name of the state of Washington and may be redeemed by
31 the state of Washington on behalf of recipients of GET ready for math
32 and science scholarship program scholarships for tuition and fees
33 except that during the 2013-2015 fiscal biennium any unused tuition
34 units may be used for the college bound scholarship program established
35 in chapter 28B.118 RCW.

1 **Sec. 963.** RCW 28B.105.110 and 2011 1st sp.s. c 11 s 188 are each
2 amended to read as follows:

3 (1) The GET ready for math and science scholarship account is
4 created in the custody of the state treasurer.

5 (2) The office shall deposit into the account all money received
6 for the GET ready for math and science scholarship program from
7 appropriations and private sources. The account shall be
8 self-sustaining.

9 (3) Expenditures from the account shall be used for scholarships to
10 eligible students and for purchases of GET units. Purchased GET units
11 shall be owned and held in trust by the office. Expenditures from the
12 account shall be an equal match of state appropriations and private
13 funds raised by the program administrator. During the 2009-2011 fiscal
14 biennium, expenditures from the account not to exceed five percent may
15 be used by the program administrator to carry out the provisions of RCW
16 28B.105.090.

17 (4) With the exception of the operating costs associated with the
18 management of the account by the treasurer's office as authorized in
19 chapter 43.79A RCW, the account shall be credited with all investment
20 income earned by the account.

21 (5) Disbursements from the account are exempt from appropriations
22 and the allotment provisions of chapter 43.88 RCW.

23 (6) Disbursements from the account shall be made only on the
24 authorization of the office.

25 (7) During the ~~((2009-2011))~~ 2013-2015 fiscal biennium, ~~((the~~
26 ~~legislature may transfer from))~~ appropriated state funds available in
27 the GET ready for math and science scholarship account and GET units
28 owned by the office and not used for the GET ready for math and science
29 scholarship ~~((account to the state general fund such amounts as have~~
30 ~~not been donated from or matched by private contributions))~~ program may
31 be used for the college bound scholarship program created in chapter
32 28B.118 RCW.

33 **Sec. 964.** RCW 28C.04.535 and 2011 1st sp.s. c 50 s 930 are each
34 amended to read as follows:

35 Except for the ~~((2011-12 and 2012-13))~~ 2013-14 and 2014-15 school
36 years, the Washington award for vocational excellence shall be granted
37 annually. The workforce training and education coordinating board

1 shall notify the students receiving the award, their vocational
2 instructors, local chambers of commerce, the legislators of their
3 respective districts, and the governor, after final selections have
4 been made. The workforce training and education coordinating board, in
5 conjunction with the governor's office, shall prepare appropriate
6 certificates to be presented to the selected students. Awards shall be
7 presented in public ceremonies at times and places determined by the
8 workforce training and education coordinating board in cooperation with
9 the office of the governor.

10 **Sec. 965.** RCW 28C.10.082 and 1991 sp.s. c 13 s 85 are each amended
11 to read as follows:

12 The tuition recovery trust fund is hereby established in the
13 custody of the state treasurer. The agency shall deposit in the fund
14 all moneys received under RCW 28C.10.084. Moneys in the fund may be
15 spent only for the purposes under RCW 28C.10.084. Disbursements from
16 the fund shall be on authorization of the agency. During the 2013-2015
17 fiscal biennium, the legislature may transfer from the tuition recovery
18 trust fund to the state general fund such amounts as reflect the excess
19 fund balance in the fund. The fund is subject to the allotment
20 procedure provided under chapter 43.88 RCW, but no appropriation is
21 required for disbursements.

22 **Sec. 966.** RCW 38.52.540 and 2012 2nd sp.s. c 7 s 915 are each
23 amended to read as follows:

24 (1) The enhanced 911 account is created in the state treasury. All
25 receipts from the state enhanced 911 excise taxes imposed by RCW
26 82.14B.030 must be deposited into the account. Moneys in the account
27 must be used only to support the statewide coordination and management
28 of the enhanced 911 system, for the implementation of wireless enhanced
29 911 statewide, for the modernization of enhanced 911 emergency
30 communications systems statewide, and to help supplement, within
31 available funds, the operational costs of the system, including
32 adequate funding of counties to enable implementation of wireless
33 enhanced 911 service and reimbursement of radio communications service
34 companies for costs incurred in providing wireless enhanced 911 service
35 pursuant to negotiated contracts between the counties or their agents
36 and the radio communications service companies. (~~For the 2011-2013~~

1 ~~fiscal biennium, the account may be used for modernizing narrowband~~
2 ~~radio capability in the department of corrections.))~~ For the 2013-2015
3 fiscal biennium, the account may be used for a criminal history system
4 upgrade in the Washington state patrol and for activities and programs
5 in the military department. A county must show just cause, including
6 but not limited to a true and accurate accounting of the funds
7 expended, for any inability to provide reimbursement to radio
8 communications service companies of costs incurred in providing
9 enhanced 911 service.

10 (2) Funds generated by the enhanced 911 excise tax imposed by RCW
11 82.14B.030(5) may not be distributed to any county that has not imposed
12 the maximum county enhanced 911 excise tax allowed under RCW
13 82.14B.030(1). Funds generated by the enhanced 911 excise tax imposed
14 by RCW 82.14B.030(6) may not be distributed to any county that has not
15 imposed the maximum county enhanced 911 excise tax allowed under RCW
16 82.14B.030(2).

17 (3) The state enhanced 911 coordinator, with the advice and
18 assistance of the enhanced 911 advisory committee, is authorized to
19 enter into statewide agreements to improve the efficiency of enhanced
20 911 services for all counties and shall specify by rule the additional
21 purposes for which moneys, if available, may be expended from this
22 account.

23 **Sec. 967.** RCW 41.06.280 and 2011 1st sp.s. c 43 s 419 are each
24 amended to read as follows:

25 There is hereby created a fund within the state treasury,
26 designated as the "personnel service fund," to be used by the office of
27 financial management and the department of enterprise services as a
28 revolving fund for the payment of salaries, wages, and operations
29 required for the administration of the provisions of this chapter,
30 applicable provisions of chapter 41.04 RCW, and chapter 41.60 RCW. An
31 amount not to exceed one and one-half percent of the salaries and wages
32 for all positions in the classified service in each of the agencies
33 subject to this chapter, except the institutions of higher education,
34 shall be charged to the operations appropriations of each agency and
35 credited to the personnel service fund as the allotments are approved
36 pursuant to chapter 43.88 RCW. Subject to the above limitations, the
37 amount shall be charged against the allotments pro rata, at a rate to

1 be fixed by the director from time to time which, together with income
2 derived from services rendered under RCW 41.06.080, will provide the
3 office of financial management and the department of enterprise
4 services with funds to meet its anticipated expenditures during the
5 allotment period, including the training requirements in RCW 41.06.500
6 and 41.06.530.

7 The director shall fix the terms and charges for services rendered
8 by the department of enterprise services and the office of financial
9 management pursuant to RCW 41.06.080, which amounts shall be credited
10 to the personnel service fund and charged against the proper fund or
11 appropriation of the recipient of such services on a monthly basis.
12 Payment for services so rendered under RCW 41.06.080 shall be made on
13 a monthly basis to the state treasurer and deposited in the personnel
14 service fund.

15 Moneys from the personnel service fund shall be disbursed by the
16 state treasurer by warrants on vouchers duly authorized by the office
17 of financial management and the department of enterprise services.

18 During the 2013-2015 fiscal biennium, the legislature may transfer
19 from the personnel service fund to the state general fund such amounts
20 as reflect the excess fund balance of the account.

21 **Sec. 968.** RCW 41.06.280 and 2013 c 251 s 1 are each amended to
22 read as follows:

23 There is hereby created a fund within the state treasury,
24 designated as the "personnel service fund," to be used by the office of
25 financial management as a revolving fund for the payment of salaries,
26 wages, and operations required for the administration of the provisions
27 of this chapter, applicable provisions of chapter 41.04 RCW, and
28 chapter 41.60 RCW. An amount not to exceed one and one-half percent of
29 the salaries and wages for all positions in the classified service in
30 each of the agencies subject to this chapter, except the institutions
31 of higher education, shall be charged to the operations appropriations
32 of each agency and credited to the personnel service fund as the
33 allotments are approved pursuant to chapter 43.88 RCW. Subject to the
34 above limitations, the amount shall be charged against the allotments
35 pro rata, at a rate to be fixed by the director from time to time
36 which, together with income derived from services rendered under RCW
37 41.06.080, will provide the office of financial management with funds

1 to meet its anticipated expenditures during the allotment period,
2 including the training requirements in RCW 41.06.500 and 41.06.530.
3 All revenues, net of expenditures, previously derived from services
4 provided by the department of enterprise services under RCW 41.06.080
5 must be transferred to the enterprise services account.

6 The director shall fix the terms and charges for services rendered
7 by the office of financial management pursuant to RCW 41.06.080, which
8 amounts shall be credited to the personnel service fund and charged
9 against the proper fund or appropriation of the recipient of such
10 services on a monthly basis. Payment for services so rendered under
11 RCW 41.06.080 shall be made on a monthly basis to the state treasurer
12 and deposited in the personnel service fund.

13 Moneys from the personnel service fund shall be disbursed by the
14 state treasurer by warrants on vouchers duly authorized by the office
15 of financial management.

16 During the 2013-2015 fiscal biennium, the legislature may transfer
17 from the personnel service fund to the state general fund such amounts
18 as reflect the excess fund balance of the account.

19 **Sec. 969.** RCW 41.26.802 and 2008 c 99 s 4 are each amended to read
20 as follows:

21 (1) By September 30, 2011, if the prior fiscal biennium's general
22 state revenues exceed the previous fiscal biennium's revenues by more
23 than five percent, subject to appropriation by the legislature, the
24 state treasurer shall transfer five million dollars to the local public
25 safety enhancement account.

26 ~~(2) ((By September 30, 2013, if the prior fiscal biennium's general~~
27 ~~state revenues exceed the previous fiscal biennium's revenues by more~~
28 ~~than five percent, subject to appropriation by the legislature, the~~
29 ~~state treasurer shall transfer ten million dollars to the local public~~
30 ~~safety enhancement account.~~

31 ~~(3))~~ By September 30, 2015, if the prior fiscal biennium's general
32 state revenues exceed the previous fiscal biennium's revenues by more
33 than five percent, subject to appropriation by the legislature, the
34 state treasurer shall transfer twenty million dollars to the local
35 public safety enhancement account.

36 ~~((4))~~ (3) By September 30, 2017, and by September 30 of each
37 odd-numbered year thereafter, if the prior fiscal biennium's general

1 state revenues exceed the previous fiscal biennium's revenues by more
2 than five percent, subject to appropriation by the legislature, the
3 state treasurer shall transfer the lesser of one-third of the increase,
4 or fifty million dollars, to the local public safety enhancement
5 account.

6 **Sec. 970.** RCW 41.60.050 and 2011 1st sp.s. c 50 s 937 and 2011 1st
7 sp.s. c 43 s 473 are each reenacted and amended to read as follows:

8 The legislature shall appropriate from the personnel service fund
9 for the payment of administrative costs of the productivity board.
10 However, during the 2011-2013 and 2013-2015 fiscal (~~biennium~~)
11 biennia, the operations of the productivity board shall be suspended.

12 **Sec. 971.** RCW 41.80.010 and 2011 1st sp.s. c 50 s 938 and 2011 c
13 344 s 1 are each reenacted and amended to read as follows:

14 (1) For the purpose of negotiating collective bargaining agreements
15 under this chapter, the employer shall be represented by the governor
16 or governor's designee, except as provided for institutions of higher
17 education in subsection (4) of this section.

18 (2)(a) If an exclusive bargaining representative represents more
19 than one bargaining unit, the exclusive bargaining representative shall
20 negotiate with each employer representative as designated in subsection
21 (1) of this section one master collective bargaining agreement on
22 behalf of all the employees in bargaining units that the exclusive
23 bargaining representative represents. For those exclusive bargaining
24 representatives who represent fewer than a total of five hundred
25 employees each, negotiation shall be by a coalition of all those
26 exclusive bargaining representatives. The coalition shall bargain for
27 a master collective bargaining agreement covering all of the employees
28 represented by the coalition. The governor's designee and the
29 exclusive bargaining representative or representatives are authorized
30 to enter into supplemental bargaining of agency-specific issues for
31 inclusion in or as an addendum to the master collective bargaining
32 agreement, subject to the parties' agreement regarding the issues and
33 procedures for supplemental bargaining. This section does not prohibit
34 cooperation and coordination of bargaining between two or more
35 exclusive bargaining representatives.

1 (b) This subsection (2) does not apply to exclusive bargaining
2 representatives who represent employees of institutions of higher
3 education, except when the institution of higher education has elected
4 to exercise its option under subsection (4) of this section to have its
5 negotiations conducted by the governor or governor's designee under the
6 procedures provided for general government agencies in subsections (1)
7 through (3) of this section.

8 (c) If five hundred or more employees of an independent state
9 elected official listed in RCW 43.01.010 are organized in a bargaining
10 unit or bargaining units under RCW 41.80.070, the official shall be
11 consulted by the governor or the governor's designee before any
12 agreement is reached under (a) of this subsection concerning
13 supplemental bargaining of agency specific issues affecting the
14 employees in such bargaining unit.

15 (3) The governor shall submit a request for funds necessary to
16 implement the compensation and fringe benefit provisions in the master
17 collective bargaining agreement or for legislation necessary to
18 implement the agreement. Requests for funds necessary to implement the
19 provisions of bargaining agreements shall not be submitted to the
20 legislature by the governor unless such requests:

21 (a) Have been submitted to the director of the office of financial
22 management by October 1 prior to the legislative session at which the
23 requests are to be considered; and

24 (b) Have been certified by the director of the office of financial
25 management as being feasible financially for the state.

26 The legislature shall approve or reject the submission of the
27 request for funds as a whole. The legislature shall not consider a
28 request for funds to implement a collective bargaining agreement unless
29 the request is transmitted to the legislature as part of the governor's
30 budget document submitted under RCW 43.88.030 and 43.88.060. If the
31 legislature rejects or fails to act on the submission, either party may
32 reopen all or part of the agreement or the exclusive bargaining
33 representative may seek to implement the procedures provided for in RCW
34 41.80.090.

35 (4)(a)(i) For the purpose of negotiating agreements for
36 institutions of higher education, the employer shall be the respective
37 governing board of each of the universities, colleges, or community
38 colleges or a designee chosen by the board to negotiate on its behalf.

1 (ii) A governing board of a university or college may elect to have
2 its negotiations conducted by the governor or governor's designee under
3 the procedures provided for general government agencies in subsections
4 (1) through (3) of this section, except that:

5 (A) The governor or the governor's designee and an exclusive
6 bargaining representative shall negotiate one master collective
7 bargaining agreement for all of the bargaining units of employees of a
8 university or college that the representative represents; or

9 (B) If the parties mutually agree, the governor or the governor's
10 designee and an exclusive bargaining representative shall negotiate one
11 master collective bargaining agreement for all of the bargaining units
12 of employees of more than one university or college that the
13 representative represents.

14 (iii) A governing board of a community college may elect to have
15 its negotiations conducted by the governor or governor's designee under
16 the procedures provided for general government agencies in subsections
17 (1) through (3) of this section.

18 (b) Prior to entering into negotiations under this chapter, the
19 institutions of higher education or their designees shall consult with
20 the director of the office of financial management regarding financial
21 and budgetary issues that are likely to arise in the impending
22 negotiations.

23 (c)(i) In the case of bargaining agreements reached between
24 institutions of higher education other than the University of
25 Washington and exclusive bargaining representatives agreed to under the
26 provisions of this chapter, if appropriations are necessary to
27 implement the compensation and fringe benefit provisions of the
28 bargaining agreements, the governor shall submit a request for such
29 funds to the legislature according to the provisions of subsection (3)
30 of this section, except as provided in (c)(iii) of this subsection.

31 (ii) In the case of bargaining agreements reached between the
32 University of Washington and exclusive bargaining representatives
33 agreed to under the provisions of this chapter, if appropriations are
34 necessary to implement the compensation and fringe benefit provisions
35 of a bargaining agreement, the governor shall submit a request for such
36 funds to the legislature according to the provisions of subsection (3)
37 of this section, except as provided in this subsection (4)(c)(ii) and
38 as provided in (c)(iii) of this subsection.

1 (A) If appropriations of less than ten thousand dollars are
2 necessary to implement the provisions of a bargaining agreement, a
3 request for such funds shall not be submitted to the legislature by the
4 governor unless the request has been submitted to the director of the
5 office of financial management by October 1 prior to the legislative
6 session at which the request is to be considered.

7 (B) If appropriations of ten thousand dollars or more are necessary
8 to implement the provisions of a bargaining agreement, a request for
9 such funds shall not be submitted to the legislature by the governor
10 unless the request:

11 (I) Has been submitted to the director of the office of financial
12 management by October 1 prior to the legislative session at which the
13 request is to be considered; and

14 (II) Has been certified by the director of the office of financial
15 management as being feasible financially for the state.

16 (C) If the director of the office of financial management does not
17 certify a request under (c)(ii)(B) of this subsection as being feasible
18 financially for the state, the parties shall enter into collective
19 bargaining solely for the purpose of reaching a mutually agreed upon
20 modification of the agreement necessary to address the absence of those
21 requested funds. The legislature may act upon the compensation and
22 fringe benefit provisions of the modified collective bargaining
23 agreement if those provisions are agreed upon and submitted to the
24 office of financial management and legislative budget committees before
25 final legislative action on the biennial or supplemental operating
26 budget by the sitting legislature.

27 (iii) In the case of a bargaining unit of employees of institutions
28 of higher education in which the exclusive bargaining representative is
29 certified during or after the conclusion of a legislative session, the
30 legislature may act upon the compensation and fringe benefit provisions
31 of the unit's initial collective bargaining agreement if those
32 provisions are agreed upon and submitted to the office of financial
33 management and legislative budget committees before final legislative
34 action on the biennial or supplemental operating budget by the sitting
35 legislature.

36 (5) There is hereby created a joint committee on employment
37 relations, which consists of two members with leadership positions in
38 the house of representatives, representing each of the two largest

1 caucuses; the chair and ranking minority member of the house
2 appropriations committee, or its successor, representing each of the
3 two largest caucuses; two members with leadership positions in the
4 senate, representing each of the two largest caucuses; and the chair
5 and ranking minority member of the senate ways and means committee, or
6 its successor, representing each of the two largest caucuses. The
7 governor shall periodically consult with the committee regarding
8 appropriations necessary to implement the compensation and fringe
9 benefit provisions in the master collective bargaining agreements, and
10 upon completion of negotiations, advise the committee on the elements
11 of the agreements and on any legislation necessary to implement the
12 agreements.

13 (6) If, after the compensation and fringe benefit provisions of an
14 agreement are approved by the legislature, a significant revenue
15 shortfall occurs resulting in reduced appropriations, as declared by
16 proclamation of the governor or by resolution of the legislature, both
17 parties shall immediately enter into collective bargaining for a
18 mutually agreed upon modification of the agreement.

19 (7) After the expiration date of a collective bargaining agreement
20 negotiated under this chapter, all of the terms and conditions
21 specified in the collective bargaining agreement remain in effect until
22 the effective date of a subsequently negotiated agreement, not to
23 exceed one year from the expiration date stated in the agreement.
24 Thereafter, the employer may unilaterally implement according to law.

25 (8) For the ~~((2011-2013))~~ 2013-2015 fiscal biennium, a collective
26 bargaining agreement related to employee health care benefits
27 negotiated between the employer and coalition pursuant to RCW
28 41.80.020(3) regarding the dollar amount expended on behalf of each
29 employee shall be a separate agreement for which the governor may
30 request funds necessary to implement the agreement. ~~((If such an
31 agreement is negotiated and funded by the legislature, this agreement
32 will supersede any terms and conditions of an expired 2009-2011
33 biennial master collective bargaining agreement under this chapter
34 regarding health care benefits.))~~ The legislature may act upon a
35 2013-2015 collective bargaining agreement related to employee health
36 care benefits if an agreement is reached and submitted to the office of
37 financial management and legislative budget committees before final

1 legislative action on the biennial or supplemental operating
2 appropriations act by the sitting legislature.

3 **Sec. 972.** RCW 41.80.020 and 2011 1st sp.s. c 50 s 939 and 2011 1st
4 sp.s. c 43 s 445 are each reenacted and amended to read as follows:

5 (1) Except as otherwise provided in this chapter, the matters
6 subject to bargaining include wages, hours, and other terms and
7 conditions of employment, and the negotiation of any question arising
8 under a collective bargaining agreement.

9 (2) The employer is not required to bargain over matters pertaining
10 to:

11 (a) Health care benefits or other employee insurance benefits,
12 except as required in subsection (3) of this section;

13 (b) Any retirement system or retirement benefit; or

14 (c) Rules of the human resources director, the director of
15 enterprise services, or the Washington personnel resources board
16 adopted under RCW 41.06.157.

17 (3) Matters subject to bargaining include the number of names to be
18 certified for vacancies, promotional preferences, and the dollar amount
19 expended on behalf of each employee for health care benefits. However,
20 except as provided otherwise in this subsection for institutions of
21 higher education, negotiations regarding the number of names to be
22 certified for vacancies, promotional preferences, and the dollar amount
23 expended on behalf of each employee for health care benefits shall be
24 conducted between the employer and one coalition of all the exclusive
25 bargaining representatives subject to this chapter. The exclusive
26 bargaining representatives for employees that are subject to chapter
27 47.64 RCW shall bargain the dollar amount expended on behalf of each
28 employee for health care benefits with the employer as part of the
29 coalition under this subsection. Any such provision agreed to by the
30 employer and the coalition shall be included in all master collective
31 bargaining agreements negotiated by the parties. For institutions of
32 higher education, promotional preferences and the number of names to be
33 certified for vacancies shall be bargained under the provisions of RCW
34 41.80.010(4). For agreements covering the ((2011-2013)) 2013-2015
35 fiscal biennium, any agreement between the employer and the coalition
36 regarding the dollar amount expended on behalf of each employee for

1 health care benefits is a separate agreement and shall not be included
2 in the master collective bargaining agreements negotiated by the
3 parties.

4 (4) The employer and the exclusive bargaining representative shall
5 not agree to any proposal that would prevent the implementation of
6 approved affirmative action plans or that would be inconsistent with
7 the comparable worth agreement that provided the basis for the salary
8 changes implemented beginning with the 1983-1985 biennium to achieve
9 comparable worth.

10 (5) The employer and the exclusive bargaining representative shall
11 not bargain over matters pertaining to management rights established in
12 RCW 41.80.040.

13 (6) Except as otherwise provided in this chapter, if a conflict
14 exists between an executive order, administrative rule, or agency
15 policy relating to wages, hours, and terms and conditions of employment
16 and a collective bargaining agreement negotiated under this chapter,
17 the collective bargaining agreement shall prevail. A provision of a
18 collective bargaining agreement that conflicts with the terms of a
19 statute is invalid and unenforceable.

20 (7) This section does not prohibit bargaining that affects
21 contracts authorized by RCW 41.06.142.

22 **Sec. 973.** RCW 43.08.190 and 2011 1st sp.s. c 50 s 941 are each
23 amended to read as follows:

24 There is hereby created a fund within the state treasury to be
25 known as the "state treasurer's service fund." Such fund shall be used
26 solely for the payment of costs and expenses incurred in the operation
27 and administration of the state treasurer's office.

28 Moneys shall be allocated monthly and placed in the state
29 treasurer's service fund equivalent to a maximum of one percent of the
30 trust and treasury average daily cash balances from the earnings
31 generated under the authority of RCW 43.79A.040 and 43.84.080 other
32 than earnings generated from investment of balances in funds and
33 accounts specified in RCW 43.79A.040(4)(c). The allocation shall
34 precede the distribution of the remaining earnings as prescribed under
35 RCW 43.79A.040 and 43.84.092. The state treasurer shall establish a
36 uniform allocation rate for all funds and accounts; except that the
37 state treasurer may negotiate a different allocation rate with any

1 state agency that has independent authority over funds not statutorily
2 required to be held in the state treasury or in the custody of the
3 state treasurer. In no event shall the rate be less than the actual
4 costs incurred by the state treasurer's office. If no rate is
5 separately negotiated, the default rate for any funds held shall be the
6 rate set for funds held pursuant to statute.

7 During the 2009-2011 fiscal biennium and the 2011-2013 and 2013-
8 2015 fiscal ((biennium)) biennia, the legislature may transfer from the
9 state treasurer's service fund to the state general fund such amounts
10 as reflect the excess fund balance of the fund.

11 **Sec. 974.** RCW 43.09.475 and 2011 1st sp.s. c 50 s 942 are each
12 amended to read as follows:

13 The performance audits of government account is hereby created in
14 the custody of the state treasurer. Revenue identified in RCW
15 82.08.020(5) and 82.12.0201 shall be deposited in the account. Money
16 in the account shall be used to fund the performance audits and follow-
17 up performance audits under RCW 43.09.470 and shall be expended by the
18 state auditor in accordance with chapter 1, Laws of 2006. Only the
19 state auditor or the state auditor's designee may authorize
20 expenditures from the account. The account is subject to allotment
21 procedures under chapter 43.88 RCW, but an appropriation is not
22 required for expenditures. (~~During the 2009-2011 fiscal biennium, the~~
23 ~~legislature may transfer from the performance audits of government~~
24 ~~account to the state general fund such amounts as deemed to be~~
25 ~~appropriate or necessary.)) During (({the})) the 2011-2013 and the
26 2013-2015 fiscal ((biennium)) biennia, the performance audits of
27 government account may be appropriated for fraud investigations in the
28 state auditor's office and the department of social and health
29 services, audit and collection functions in the department of revenue,
30 the joint legislative audit and review committee, the office of
31 financial management, the superintendent of public instruction and
32 audits of school districts. In addition, during the 2011-2013 and
33 2013-2015 fiscal ((biennium)) biennia the account may be used to fund
34 the office of financial management's contract for the compliance audit
35 of the state auditor.~~

1 **Sec. 975.** RCW 43.10.150 and 1974 ex.s. c 146 s 1 are each amended
2 to read as follows:

3 A legal services revolving fund is hereby created in the state
4 treasury for the purpose of a centralized funding, accounting, and
5 distribution of the actual costs of the legal services provided to
6 agencies of the state government by the attorney general. During the
7 2013-2015 fiscal biennium, the legislature may transfer from the legal
8 services revolving account to the state general fund such amounts as
9 reflect the excess fund balance of the account.

10 **Sec. 976.** RCW 43.19.791 and 2011 2nd sp.s. c 9 s 906 are each
11 amended to read as follows:

12 There is created a revolving fund to be known as the data
13 processing revolving fund in the custody of the state treasurer. The
14 revolving fund shall be used for the acquisition of equipment,
15 software, supplies, and services and the payment of salaries, wages,
16 and other costs incidental to the acquisition, development, operation,
17 and administration of information services, telecommunications,
18 systems, software, supplies and equipment, including the payment of
19 principal and interest on bonds issued for capital projects, by the
20 department, Washington State University's computer services center, the
21 department of enterprise services' personnel information systems group
22 and financial systems management group, and other users as determined
23 by the office of financial management. The revolving fund is subject
24 to the allotment procedure provided under chapter 43.88 RCW. The chief
25 information officer or the chief information officer's designee, with
26 the approval of the technology services board, is authorized to expend
27 up to one million dollars per fiscal biennium for the technology
28 services board to conduct independent technical and financial analysis
29 of proposed information technology projects, and such an expenditure
30 does not require an appropriation. Disbursements from the revolving
31 fund for the services component of the department are not subject to
32 appropriation. Disbursements for the strategic planning and policy
33 component of the department are subject to appropriation. All
34 disbursements from the fund are subject to the allotment procedures
35 provided under chapter 43.88 RCW. The department shall establish and
36 implement a billing structure to assure all agencies pay an equitable
37 share of the costs.

1 During the 2011-2013 and the 2013-2015 fiscal (~~biennium~~) biennia,
2 the legislature may transfer from the data processing revolving account
3 to the state general fund such amounts as reflect the excess fund
4 balance and may use the data processing revolving account for
5 information technology projects.

6 As used in this section, the word "supplies" shall not be
7 interpreted to delegate or abrogate the division of purchasing's
8 responsibilities and authority to purchase supplies as described in RCW
9 43.19.190 and 43.19.200.

10 **Sec. 977.** RCW 43.24.150 and 2011 c 298 s 25 are each amended to
11 read as follows:

12 (1) The business and professions account is created in the state
13 treasury. All receipts from business or professional licenses,
14 registrations, certifications, renewals, examinations, or civil
15 penalties assessed and collected by the department from the following
16 chapters must be deposited into the account:

- 17 (a) Chapter 18.11 RCW, auctioneers;
- 18 (b) Chapter 18.16 RCW, cosmetologists, barbers, and manicurists;
- 19 (c) Chapter 18.145 RCW, court reporters;
- 20 (d) Chapter 18.165 RCW, private investigators;
- 21 (e) Chapter 18.170 RCW, security guards;
- 22 (f) Chapter 18.185 RCW, bail bond agents;
- 23 (g) Chapter 18.280 RCW, home inspectors;
- 24 (h) Chapter 19.16 RCW, collection agencies;
- 25 (i) Chapter 19.31 RCW, employment agencies;
- 26 (j) Chapter 19.105 RCW, camping resorts;
- 27 (k) Chapter 19.138 RCW, sellers of travel;
- 28 (l) Chapter 42.44 RCW, notaries public;
- 29 (m) Chapter 64.36 RCW, timeshares;
- 30 (n) Chapter 67.08 RCW, boxing, martial arts, and wrestling;
- 31 (o) Chapter 18.300 RCW, body art, body piercing, and tattooing;
- 32 (p) Chapter 79A.60 RCW, whitewater river outfitters; and
- 33 (q) Chapter 19.158 RCW, commercial telephone solicitation.

34 Moneys in the account may be spent only after appropriation.
35 Expenditures from the account may be used only for expenses incurred in
36 carrying out these business and professions licensing activities of the
37 department. Any residue in the account must be accumulated and may not

1 revert to the general fund at the end of the biennium. However, during
2 the 2013-2015 fiscal biennium the legislature may transfer to the state
3 general fund such amounts as reflect the excess fund balance in the
4 account.

5 (2) The director must biennially prepare a budget request based on
6 the anticipated costs of administering the business and professions
7 licensing activities listed in subsection (1) of this section, which
8 must include the estimated income from these business and professions
9 fees.

10 **Sec. 978.** RCW 43.24.150 and 2013 c 322 s 30 are each amended to
11 read as follows:

12 (1) The business and professions account is created in the state
13 treasury. All receipts from business or professional licenses,
14 registrations, certifications, renewals, examinations, or civil
15 penalties assessed and collected by the department from the following
16 chapters must be deposited into the account:

- 17 (a) Chapter 18.11 RCW, auctioneers;
- 18 (b) Chapter 18.16 RCW, cosmetologists, barbers, and manicurists;
- 19 (c) Chapter 18.145 RCW, court reporters;
- 20 (d) Chapter 18.165 RCW, private investigators;
- 21 (e) Chapter 18.170 RCW, security guards;
- 22 (f) Chapter 18.185 RCW, bail bond agents;
- 23 (g) Chapter 18.280 RCW, home inspectors;
- 24 (h) Chapter 19.16 RCW, collection agencies;
- 25 (i) Chapter 19.31 RCW, employment agencies;
- 26 (j) Chapter 19.105 RCW, camping resorts;
- 27 (k) Chapter 19.138 RCW, sellers of travel;
- 28 (l) Chapter 42.44 RCW, notaries public;
- 29 (m) Chapter 64.36 RCW, timeshares;
- 30 (n) Chapter 67.08 RCW, boxing, martial arts, and wrestling;
- 31 (o) Chapter 18.300 RCW, body art, body piercing, and tattooing;
- 32 (p) Chapter 79A.60 RCW, whitewater river outfitters;
- 33 (q) Chapter 19.158 RCW, commercial telephone solicitation; and
- 34 (r) Chapter 19.290 RCW, scrap metal businesses.

35 Moneys in the account may be spent only after appropriation.
36 Expenditures from the account may be used only for expenses incurred in
37 carrying out these business and professions licensing activities of the

1 department. Any residue in the account must be accumulated and may not
2 revert to the general fund at the end of the biennium. However, during
3 the 2013-2015 fiscal biennium the legislature may transfer to the state
4 general fund such amounts as reflect the excess fund balance in the
5 account.

6 (2) The director must biennially prepare a budget request based on
7 the anticipated costs of administering the business and professions
8 licensing activities listed in subsection (1) of this section, which
9 must include the estimated income from these business and professions
10 fees.

11 **Sec. 979.** RCW 43.79.445 and 2005 c 166 s 3 are each amended to
12 read as follows:

13 There is established an account in the state treasury referred to
14 as the "death investigations account" which shall exist for the purpose
15 of receiving, holding, investing, and disbursing funds appropriated or
16 provided in RCW 70.58.107 and any moneys appropriated or otherwise
17 provided thereafter.

18 Moneys in the death investigations account shall be disbursed by
19 the state treasurer once every year on December 31 and at any other
20 time determined by the treasurer. The treasurer shall make
21 disbursements to: The state toxicology laboratory, counties for the
22 cost of autopsies, the state patrol for providing partial funding for
23 the state dental identification system, the criminal justice training
24 commission for training county coroners, medical examiners and their
25 staff, and the state forensic investigations council. (~~Funds from the~~
26 ~~death investigations account may be appropriated during the 1997-99~~
27 ~~biennium for the purposes of statewide child mortality reviews~~
28 ~~administered by the department of health.)) Funds from the death
29 investigations account may be appropriated during the 2013-2015 fiscal
30 biennium for the activities of the state crime laboratory within the
31 Washington state patrol.~~

32 **Sec. 980.** RCW 43.79.480 and 2011 1st sp.s. c 50 s 947 are each
33 amended to read as follows:

34 (1) Moneys received by the state of Washington in accordance with
35 the settlement of the state's legal action against tobacco product

1 manufacturers, exclusive of costs and attorneys' fees, shall be
2 deposited in the tobacco settlement account created in this section
3 except as these moneys are sold or assigned under chapter 43.340 RCW.

4 (2) The tobacco settlement account is created in the state
5 treasury. Moneys in the tobacco settlement account may only be
6 transferred to the state general fund, and to the tobacco prevention
7 and control account for purposes set forth in this section. The
8 legislature shall transfer amounts received as strategic contribution
9 payments as defined in RCW 43.350.010 to the life sciences discovery
10 fund created in RCW 43.350.070. During the 2009-2011 and 2011-2013
11 fiscal biennia, the legislature may transfer less than the entire
12 strategic contribution payments, and may transfer amounts attributable
13 to strategic contribution payments into the basic health plan
14 stabilization account. During the 2013-2015 fiscal biennium, the
15 legislature may transfer less than the entire strategic contribution
16 payments, and may transfer amounts attributable to strategic
17 contribution payments into the state general fund.

18 (3) The tobacco prevention and control account is created in the
19 state treasury. The source of revenue for this account is moneys
20 transferred to the account from the tobacco settlement account,
21 investment earnings, donations to the account, and other revenues as
22 directed by law. Expenditures from the account are subject to
23 appropriation. During the 2009-2011 fiscal biennium, the legislature
24 may transfer from the tobacco prevention and control account to the
25 state general fund such amounts as represent the excess fund balance of
26 the account.

27 **Sec. 981.** RCW 43.82.010 and 2007 c 506 s 8 are each amended to
28 read as follows:

29 (1) The director of (~~(general administration)~~) enterprise services,
30 on behalf of the agency involved and after consultation with the office
31 of financial management, shall purchase, lease, lease purchase, rent,
32 or otherwise acquire all real estate, improved or unimproved, as may be
33 required by elected state officials, institutions, departments,
34 commissions, boards, and other state agencies, or federal agencies
35 where joint state and federal activities are undertaken and may grant
36 easements and transfer, exchange, sell, lease, or sublease all or part
37 of any surplus real estate for those state agencies which do not

1 otherwise have the specific authority to dispose of real estate. This
2 section does not transfer financial liability for the acquired property
3 to the department of (~~general administration~~) enterprise services.

4 (2) Except for real estate occupied by federal agencies, the
5 director shall determine the location, size, and design of any real
6 estate or improvements thereon acquired or held pursuant to subsection
7 (1) of this section. Facilities acquired or held pursuant to this
8 chapter, and any improvements thereon, shall conform to standards
9 adopted by the director and approved by the office of financial
10 management governing facility efficiency unless a specific exemption
11 from such standards is provided by the director of (~~general
12 administration~~) enterprise services. The director of (~~general
13 administration~~) enterprise services shall report to the office of
14 financial management and the appropriate committees of the legislature
15 annually on any exemptions granted pursuant to this subsection.

16 (3) The director of (~~general administration~~) enterprise services
17 may fix the terms and conditions of each lease entered into under this
18 chapter, except that no lease shall extend greater than twenty years in
19 duration. The director of (~~general administration~~) enterprise
20 services may enter into a long-term lease greater than ten years in
21 duration upon a determination by the director of the office of
22 financial management that the long-term lease provides a more favorable
23 rate than would otherwise be available, it appears to a substantial
24 certainty that the facility is necessary for use by the state for the
25 full length of the lease term, and the facility meets the standards
26 adopted pursuant to subsection (2) of this section. The director of
27 (~~general administration~~) enterprise services may enter into a long-
28 term lease greater than ten years in duration if an analysis shows that
29 the life-cycle cost of leasing the facility is less than the life-cycle
30 cost of purchasing or constructing a facility in lieu of leasing the
31 facility.

32 (4) Except as permitted under chapter 39.94 RCW, no lease for or on
33 behalf of any state agency may be used or referred to as collateral or
34 security for the payment of securities offered for sale through a
35 public offering. Except as permitted under chapter 39.94 RCW, no lease
36 for or on behalf of any state agency may be used or referred to as
37 collateral or security for the payment of securities offered for sale
38 through a private placement without the prior written approval of the

1 state treasurer. However, this limitation shall not prevent a lessor
2 from assigning or encumbering its interest in a lease as security for
3 the repayment of a promissory note provided that the transaction would
4 otherwise be an exempt transaction under RCW 21.20.320. The state
5 treasurer shall adopt rules that establish the criteria under which any
6 such approval may be granted. In establishing such criteria the state
7 treasurer shall give primary consideration to the protection of the
8 state's credit rating and the integrity of the state's debt management
9 program. If it appears to the state treasurer that any lease has been
10 used or referred to in violation of this subsection or rules adopted
11 under this subsection, then he or she may recommend that the governor
12 cause such lease to be terminated. The department of (~~general
13 administration~~) enterprise services shall promptly notify the state
14 treasurer whenever it may appear to the department that any lease has
15 been used or referred to in violation of this subsection or rules
16 adopted under this subsection.

17 (5) It is the policy of the state to encourage the colocation and
18 consolidation of state services into single or adjacent facilities,
19 whenever appropriate, to improve public service delivery, minimize
20 duplication of facilities, increase efficiency of operations, and
21 promote sound growth management planning.

22 (6) The director of (~~general administration~~) enterprise services
23 shall provide coordinated long-range planning services to identify and
24 evaluate opportunities for collocating and consolidating state
25 facilities. Upon the renewal of any lease, the inception of a new
26 lease, or the purchase of a facility, the director of (~~general
27 administration~~) enterprise services shall determine whether an
28 opportunity exists for collocating the agency or agencies in a single
29 facility with other agencies located in the same geographic area. If
30 a colocation opportunity exists, the director of (~~general
31 administration~~) enterprise services shall consult with the affected
32 state agencies and the office of financial management to evaluate the
33 impact colocation would have on the cost and delivery of agency
34 programs, including whether program delivery would be enhanced due to
35 the centralization of services. The director of (~~general
36 administration~~) enterprise services, in consultation with the office
37 of financial management, shall develop procedures for implementing
38 colocation and consolidation of state facilities.

1 (7) The director of ((~~general administration~~)) enterprise services
2 is authorized to purchase, lease, rent, or otherwise acquire improved
3 or unimproved real estate as owner or lessee and to lease or sublet all
4 or a part of such real estate to state or federal agencies. The
5 director of ((~~general administration~~)) enterprise services shall charge
6 each using agency its proportionate rental which shall include an
7 amount sufficient to pay all costs, including, but not limited to,
8 those for utilities, janitorial and accounting services, and sufficient
9 to provide for contingencies; which shall not exceed five percent of
10 the average annual rental, to meet unforeseen expenses incident to
11 management of the real estate.

12 (8) If the director of ((~~general administration~~)) enterprise
13 services determines that it is necessary or advisable to undertake any
14 work, construction, alteration, repair, or improvement on any real
15 estate acquired pursuant to subsection (1) or (7) of this section, the
16 director shall cause plans and specifications thereof and an estimate
17 of the cost of such work to be made and filed in his or her office and
18 the state agency benefiting thereby is hereby authorized to pay for
19 such work out of any available funds: PROVIDED, That the cost of
20 executing such work shall not exceed the sum of twenty-five thousand
21 dollars. Work, construction, alteration, repair, or improvement in
22 excess of twenty-five thousand dollars, other than that done by the
23 owner of the property if other than the state, shall be performed in
24 accordance with the public works law of this state.

25 (9) In order to obtain maximum utilization of space, the director
26 of ((~~general administration~~)) enterprise services shall make space
27 utilization studies, and shall establish standards for use of space by
28 state agencies. Such studies shall include the identification of
29 opportunities for colocation and consolidation of state agency office
30 and support facilities.

31 (10) The director of ((~~general administration~~)) enterprise services
32 may construct new buildings on, or improve existing facilities, and
33 furnish and equip, all real estate under his or her management. Prior
34 to the construction of new buildings or major improvements to existing
35 facilities or acquisition of facilities using a lease purchase
36 contract, the director of ((~~general administration~~)) enterprise
37 services shall conduct an evaluation of the facility design and budget

1 using life-cycle cost analysis, value-engineering, and other techniques
2 to maximize the long-term effectiveness and efficiency of the facility
3 or improvement.

4 (11) All conveyances and contracts to purchase, lease, rent,
5 transfer, exchange, or sell real estate and to grant and accept
6 easements shall be approved as to form by the attorney general, signed
7 by the director of (~~general administration~~) enterprise services or
8 the director's designee, and recorded with the county auditor of the
9 county in which the property is located.

10 (12) The director of (~~general administration~~) enterprise services
11 may delegate any or all of the functions specified in this section to
12 any agency upon such terms and conditions as the director deems
13 advisable. By January 1st of each year, beginning January 1, 2008, the
14 department shall submit an annual report to the office of financial
15 management and the appropriate committees of the legislature on all
16 delegated leases.

17 (13) This section does not apply to the acquisition of real estate
18 by:

19 (a) The state college and universities for research or experimental
20 purposes;

21 (b) The state liquor control board for liquor stores and
22 warehouses; (~~and~~)

23 (c) The department of natural resources, the department of fish and
24 wildlife, the department of transportation, and the state parks and
25 recreation commission for purposes other than the leasing of offices,
26 warehouses, and real estate for similar purposes; and

27 (d) The department of commerce for community college health career
28 training programs, offices for the department of commerce or other
29 appropriate state agencies, and other nonprofit community uses,
30 including community meeting and training facilities, where the real
31 estate is acquired during the 2013-2015 fiscal biennium.

32 (14) Notwithstanding any provision in this chapter to the contrary,
33 the department of (~~general administration~~) enterprise services may
34 negotiate ground leases for public lands on which property is to be
35 acquired under a financing contract pursuant to chapter 39.94 RCW under
36 terms approved by the state finance committee.

37 (15) The department of (~~general administration~~) enterprise
38 services shall report annually to the office of financial management

1 and the appropriate fiscal committees of the legislature on facility
2 leases executed for all state agencies for the preceding year, lease
3 terms, and annual lease costs. The report must include leases executed
4 under RCW 43.82.045 and subsection (12) of this section.

5 **Sec. 982.** RCW 43.101.200 and 2011 1st sp.s. c 50 s 949 are each
6 amended to read as follows:

7 (1) All law enforcement personnel, except volunteers, and reserve
8 officers whether paid or unpaid, initially employed on or after January
9 1, 1978, shall engage in basic law enforcement training which complies
10 with standards adopted by the commission pursuant to RCW 43.101.080.
11 For personnel initially employed before January 1, 1990, such training
12 shall be successfully completed during the first fifteen months of
13 employment of such personnel unless otherwise extended or waived by the
14 commission and shall be requisite to the continuation of such
15 employment. Personnel initially employed on or after January 1, 1990,
16 shall commence basic training during the first six months of employment
17 unless the basic training requirement is otherwise waived or extended
18 by the commission. Successful completion of basic training is
19 requisite to the continuation of employment of such personnel initially
20 employed on or after January 1, 1990.

21 (2) Except as otherwise provided in this chapter, the commission
22 shall provide the aforementioned training together with necessary
23 facilities, supplies, materials, and the board and room of noncommuting
24 attendees for seven days per week, except during the ((2011-2013))
25 2013-2015 fiscal biennium when the employing, county, city((+,+)) or
26 state law enforcement agency shall reimburse the commission for twenty-
27 five percent of the cost of training its personnel. Additionally, to
28 the extent funds are provided for this purpose, the commission shall
29 reimburse to participating law enforcement agencies with ten or less
30 full-time commissioned patrol officers the cost of temporary
31 replacement of each officer who is enrolled in basic law enforcement
32 training: PROVIDED, That such reimbursement shall include only the
33 actual cost of temporary replacement not to exceed the total amount of
34 salary and benefits received by the replaced officer during his or her
35 training period.

1 **Sec. 983.** RCW 43.155.050 and 2012 2nd sp.s. c 2 s 6004 are each
2 amended to read as follows:

3 The public works assistance account is hereby established in the
4 state treasury. Money may be placed in the public works assistance
5 account from the proceeds of bonds when authorized by the legislature
6 or from any other lawful source. Money in the public works assistance
7 account shall be used to make loans and to give financial guarantees to
8 local governments for public works projects. Moneys in the account may
9 also be appropriated to provide for state match requirements under
10 federal law for projects and activities conducted and financed by the
11 board under the drinking water assistance account. Not more than
12 fifteen percent of the biennial capital budget appropriation to the
13 public works board from this account may be expended or obligated for
14 preconstruction loans, emergency loans, or loans for capital facility
15 planning under this chapter; of this amount, not more than ten percent
16 of the biennial capital budget appropriation may be expended for
17 emergency loans and not more than one percent of the biennial capital
18 budget appropriation may be expended for capital facility planning
19 loans. During the 2011-2013 and 2013-2015 fiscal biennium, the
20 legislature may transfer from the public works assistance account to
21 the general fund, the water pollution control revolving account, and
22 the drinking water assistance account such amounts as reflect the
23 excess fund balance of the account. During the 2011-2013 fiscal
24 biennium, the legislature may appropriate moneys from the account for
25 economic development, innovation, and export grants, including
26 brownfields; main street improvement grants; and the loan program
27 consolidation board. During the 2013-2015 fiscal biennium, the
28 legislature may transfer from the public works assistance account to
29 the education legacy trust account such amounts as specified by the
30 legislature.

31 **Sec. 984.** RCW 43.325.040 and 2009 c 564 s 942 and 2009 c 451 s 5
32 are each reenacted and amended to read as follows:

33 (1) The energy freedom account is created in the state treasury.
34 All receipts from appropriations made to the account and any loan
35 payments of principal and interest derived from loans made under the
36 energy freedom account must be deposited into the account. Moneys in
37 the account may be spent only after appropriation. Expenditures from

1 the account may be used only for financial assistance for further
2 funding for projects consistent with this chapter or otherwise
3 authorized by the legislature.

4 (2) The green energy incentive account is created in the state
5 treasury as a subaccount of the energy freedom account. All receipts
6 from appropriations made to the green energy incentive account shall be
7 deposited into the account, and may be spent only after appropriation.
8 Expenditures from the account may be used only for:

9 (a) Refueling projects awarded under this chapter;

10 (b) Pilot projects for plug-in hybrids, including grants provided
11 for the electrification program set forth in RCW 43.325.110; and

12 (c) Demonstration projects developed with state universities as
13 defined in RCW 28B.10.016 and local governments that result in the
14 design and building of a hydrogen vehicle fueling station.

15 (3)(a) The energy recovery act account is created in the state
16 treasury. State and federal funds may be deposited into the account
17 and any loan payments of principal and interest derived from loans made
18 from the energy recovery act account must be deposited into the
19 account. Moneys in the account may be spent only after appropriation.

20 (b) Expenditures from the account may be used only for loans, loan
21 guarantees, and grants that encourage the establishment of innovative
22 and sustainable industries for renewable energy and energy efficiency
23 technology, including but not limited to:

24 (i) Renewable energy projects or programs that require interim
25 financing to complete project development and implementation;

26 (ii) Companies with innovative, near-commercial or commercial,
27 clean energy technology; and

28 (iii) Energy efficiency technologies that have a viable repayment
29 stream from reduced utility costs.

30 (c) The director shall establish policies and procedures for
31 processing, reviewing, and approving applications for funding under
32 this section. When developing these policies and procedures, the
33 department must consider the clean energy leadership strategy developed
34 under section 2, chapter 318, Laws of 2009.

35 (d) The director shall enter into agreements with approved
36 applicants to fix the term and rates of funding provided from this
37 account.

1 (e) The policies and procedures of this subsection (3) do not apply
2 to assistance awarded for projects under RCW 43.325.020(3).

3 (4) Any state agency receiving funding from the energy freedom
4 account is prohibited from retaining greater than three percent of any
5 funding provided from the energy freedom account for administrative
6 overhead or other deductions not directly associated with conducting
7 the research, projects, or other end products that the funding is
8 designed to produce unless this provision is waived in writing by the
9 director.

10 (5) Any university, institute, or other entity that is not a state
11 agency receiving funding from the energy freedom account is prohibited
12 from retaining greater than fifteen percent of any funding provided
13 from the energy freedom account for administrative overhead or other
14 deductions not directly associated with conducting the research,
15 projects, or other end products that the funding is designed to
16 produce.

17 (6) Subsections (2), (4), and (5) of this section do not apply to
18 assistance awarded for projects under RCW 43.325.020(3).

19 (7) During the (~~2009-2011~~) 2013-2015 fiscal biennium, the
20 legislature may transfer from the energy freedom account to the state
21 general fund such amounts as reflect the excess fund balance of the
22 account.

23 **Sec. 985.** RCW 46.66.080 and 2011 1st sp.s. c 50 s 958 are each
24 amended to read as follows:

25 (1) The Washington auto theft prevention authority account is
26 created in the state treasury, subject to appropriation. All revenues
27 from the traffic infraction surcharge in RCW 46.63.110(7)(b) and all
28 receipts from gifts, grants, bequests, devises, or other funds from
29 public and private sources to support the activities of the auto theft
30 prevention authority must be deposited into the account. Expenditures
31 from the account may be used only for activities relating to motor
32 vehicle theft, including education, prevention, law enforcement,
33 investigation, prosecution, and confinement. During the (~~2009-2011~~
34 ~~and~~) 2011-2013 and 2013-2015 fiscal biennia, the legislature may
35 appropriate moneys from the Washington auto theft prevention authority
36 account for criminal justice purposes and community building and may

1 transfer funds to the state general fund such amounts as reflect the
2 excess fund balance of the account.

3 (2) The authority shall allocate moneys appropriated from the
4 account to public agencies for the purpose of establishing,
5 maintaining, and supporting programs that are designed to prevent motor
6 vehicle theft, including:

7 (a) Financial support to prosecution agencies to increase the
8 effectiveness of motor vehicle theft prosecution;

9 (b) Financial support to a unit of local government or a team
10 consisting of units of local governments to increase the effectiveness
11 of motor vehicle theft enforcement;

12 (c) Financial support for the procurement of equipment and
13 technologies for use by law enforcement agencies for the purpose of
14 enforcing motor vehicle theft laws; and

15 (d) Financial support for programs that are designed to educate and
16 assist the public in the prevention of motor vehicle theft.

17 (3) The costs of administration shall not exceed ten percent of the
18 moneys in the account in any one year so that the greatest possible
19 portion of the moneys available to the authority is expended on
20 combating motor vehicle theft.

21 (4) Prior to awarding any moneys from the Washington auto theft
22 prevention authority account for motor vehicle theft enforcement, the
23 auto theft prevention authority must verify that the financial award
24 includes sufficient funding to cover proposed activities, which
25 include, but are not limited to: (a) State, municipal, and county
26 offender and juvenile confinement costs; (b) administration costs; (c)
27 law enforcement costs; (d) prosecutor costs; and (e) court costs, with
28 a priority being given to ensuring that sufficient funding is available
29 to cover state, municipal, and county offender and juvenile confinement
30 costs.

31 (5) Moneys expended from the Washington auto theft prevention
32 authority account under subsection (2) of this section shall be used to
33 supplement, not supplant, other moneys that are available for motor
34 vehicle theft prevention.

35 (6) Grants provided under subsection (2) of this section constitute
36 reimbursement for purposes of RCW 43.135.060(1).

1 **Sec. 986.** RCW 46.68.340 and 2008 c 282 s 3 are each amended to
2 read as follows:

3 The ignition interlock device revolving account is created in the
4 state treasury. All receipts from the fee assessed under RCW
5 46.20.385(6) must be deposited into the account. Moneys in the account
6 may be spent only after appropriation. Expenditures from the account
7 may be used only for administering and operating the ignition interlock
8 device revolving account program and during the 2013-2015 fiscal
9 biennium, the legislature may appropriate moneys from the ignition
10 interlock device revolving account for substance abuse programs for
11 offenders.

12 **Sec. 987.** RCW 67.70.190 and 2009 c 564 s 949 are each amended to
13 read as follows:

14 Unclaimed prizes shall be retained in the state lottery account for
15 the person entitled thereto for one hundred eighty days after the
16 drawing in which the prize is won, or after the official end of the
17 game for instant prizes. If no claim is made for the prize within this
18 time, all rights to the prize shall be extinguished, and the prize
19 shall be retained in the state lottery fund for further use as prizes,
20 except that one-third of all unclaimed prize money shall be deposited
21 in the economic development strategic reserve account created in RCW
22 43.330.250.

23 On July 1, 2009, June 30, 2010, and June 30, 2011, all unclaimed
24 prize money retained in the state lottery ((~~fund~~ ~~account~~)) account in
25 excess of three million dollars, excluding amounts distributed to the
26 economic development strategic reserve account, shall be transferred
27 into the state general fund.

28 During the 2013-2015 fiscal biennium, the legislature may transfer
29 to the education legacy trust account such amounts as reflect the
30 excess fund balance in the state lottery account from unclaimed prizes.

31 **Sec. 988.** RCW 70.42.090 and 1989 c 386 s 10 are each amended to
32 read as follows:

33 (1) The department shall establish a schedule of fees for license
34 applications, renewals, amendments, and waivers. In fixing said fees,
35 the department shall set the fees at a sufficient level to defray the
36 cost of administering the licensure program. All such fees shall be

1 fixed by rule adopted in accordance with the provisions of the
2 administrative procedure act, chapter 34.05 RCW. In determining the
3 fee schedule, the department shall consider the following: (a)
4 Complexity of the license required; (b) number and type of tests
5 performed at the test site; (c) degree of supervision required from the
6 department staff; (d) whether the license is granted under RCW
7 70.42.040; and (e) general administrative costs of the test site
8 licensing program established under this chapter. For each category of
9 license, fees charged shall be related to program costs.

10 (2) The medical test site licensure account is created in the state
11 treasury. The state treasurer shall transfer into the medical test
12 site licensure account all revenue received from medical test site
13 license fees. Funds for this account may only be appropriated for the
14 support of the activities defined under this chapter. For the 2013-
15 2015 fiscal biennium, moneys in the account may be spent for laboratory
16 services in the department of health.

17 (3) The department may establish separate fees for repeat
18 inspections and repeat audits it performs under RCW 70.42.170.

19 **Sec. 989.** RCW 70.93.180 and 2011 1st sp.s. c 50 s 963 are each
20 amended to read as follows:

21 (1) There is hereby created an account within the state treasury to
22 be known as the ((~~the~~))waste reduction, recycling, and litter control
23 account((~~the~~)). Moneys in the account may be spent only after
24 appropriation. Expenditures from the waste reduction, recycling, and
25 litter control account shall be used as follows:

26 (a) Fifty percent to the department of ecology, for use by the
27 departments of ecology, natural resources, revenue, transportation, and
28 corrections, and the parks and recreation commission, for use in litter
29 collection programs, to be distributed under RCW 70.93.220. The amount
30 to the department of ecology shall also be used for a central
31 coordination function for litter control efforts statewide((~~the~~));
32 for the biennial litter survey under RCW 70.93.200(8)((~~the~~and));
33 for statewide public awareness programs under RCW 70.93.200(7); and during
34 the 2013-2015 biennium, to support employment of youth in litter clean
35 up as intended in RCW 70.93.020, and for litter pick up using other
36 authorized agencies. The amount to the department shall also be used
37 to defray the costs of administering the funding, coordination, and

1 oversight of local government programs for waste reduction, litter
2 control, and recycling, so that local governments can apply one hundred
3 percent of their funding to achieving program goals. The amount to the
4 department of revenue shall be used to enforce compliance with the
5 litter tax imposed in chapter 82.19 RCW;

6 (b) Twenty percent to the department: (i) For local government
7 funding programs for waste reduction, litter control, and recycling
8 activities by cities and counties under RCW 70.93.250, to be
9 administered by the department of ecology; and (ii) during the 2013-
10 2015 biennium, to create a matching fund competitive grant program to
11 be used by local governments and nonprofit organizations for local or
12 statewide education programs designed to help the public with litter
13 reduction, and recycling of primarily the products taxed under chapter
14 82.19 RCW. Unspent funds from (a) and (c) of this subsection may be
15 applied to the competitive grant program; and

16 (c) Thirty percent to the department of ecology for waste reduction
17 and recycling efforts. During the 2013-2015 biennium, these funds are
18 to be used to: (i) Implement activities under RCW 70.93.200 for waste
19 reduction, recycling efforts; (ii) provide technical assistance to
20 local governments for commercial business and residential recycling
21 programs primarily for the products taxed under chapter 82.19 RCW
22 designed to educate citizens about waste and litter reduction and
23 recyclable products and programs; and (iii) increase access to
24 recycling programs, particularly for food packaging and plastic bags
25 and appropriate techniques of discarding products.

26 (2) All taxes imposed in RCW 82.19.010 and fines and bail
27 forfeitures collected or received pursuant to this chapter shall be
28 deposited in the waste reduction, recycling, and litter control account
29 and used for the programs under subsection (1) of this section.

30 (3) Not less than five percent and no more than ten percent of the
31 amount appropriated into the waste reduction, recycling, and litter
32 control account every biennium shall be reserved for capital needs,
33 including the purchase of vehicles for transporting crews and for
34 collecting litter and solid waste. Capital funds shall be distributed
35 among state agencies and local governments according to the same
36 criteria provided in RCW 70.93.220 for the remainder of the funds, so
37 that the most effective waste reduction, litter control, and recycling
38 programs receive the most funding. The intent of this subsection is to

1 provide funds for the purchase of equipment that will enable the
2 department to account for the greatest return on investment in terms of
3 reaching a zero litter goal.

4 ~~(4) ((During the 2009-2011 fiscal biennium, the legislature may
5 transfer from the waste reduction, recycling, and litter control
6 account to the state general fund such amounts as reflect the excess
7 fund balance of the account. Additionally, during the 2009-2011 fiscal
8 biennium, subsection (1)(a), (b), and (c) of this section is suspended.~~

9 ~~(5))~~ During the 2011-2013 fiscal biennium, the legislature may
10 transfer from the waste reduction, recycling, and litter control
11 account to the state general fund such amounts as reflect the excess
12 fund balance of the account. Additionally, during the 2011-2013 fiscal
13 biennium, subsection (1)(a), (b), and (c) of this section is suspended.

14 (5) During the 2013-2015 biennium, funds in the waste reduction,
15 recycling, and litter control account, collected under chapter 82.19
16 RCW, must be prioritized for the products identified under RCW
17 82.19.020 solely for the purposes of recycling and litter collection,
18 reduction, and control programs.

19 (6) During the 2013-2015 biennium, the legislature may appropriate
20 funds from the waste reduction, recycling, and litter control account
21 to the state parks and recreation commission for parks operation and
22 maintenance.

23 **Sec. 990.** RCW 70.96A.350 and 2011 2nd sp.s. c 9 s 910 are each
24 amended to read as follows:

25 (1) The criminal justice treatment account is created in the state
26 treasury. Moneys in the account may be expended solely for: (a)
27 Substance abuse treatment and treatment support services for offenders
28 with an addiction or a substance abuse problem that, if not treated,
29 would result in addiction, against whom charges are filed by a
30 prosecuting attorney in Washington state; (b) the provision of drug and
31 alcohol treatment services and treatment support services for
32 nonviolent offenders within a drug court program; (c) the
33 administrative and overhead costs associated with the operation of a
34 drug court; and (d) during the 2011-2013 biennium, the legislature may
35 appropriate up to three million dollars from the account in order to
36 offset reductions in the state general fund for treatment services
37 provided by counties. This amount is not subject to the requirements

1 of subsections (5) through (9) of this section. During the 2013-2015
2 fiscal biennium, the legislature may transfer from the criminal justice
3 treatment account to the state general fund amounts as reflect the
4 state savings associated with the implementation of the medicaid
5 expansion of the federal affordable care act. Moneys in the account
6 may be spent only after appropriation.

7 (2) For purposes of this section:

8 (a) "Treatment" means services that are critical to a participant's
9 successful completion of his or her substance abuse treatment program,
10 but does not include the following services: Housing other than that
11 provided as part of an inpatient substance abuse treatment program,
12 vocational training, and mental health counseling; and

13 (b) "Treatment support" means transportation to or from inpatient
14 or outpatient treatment services when no viable alternative exists, and
15 child care services that are necessary to ensure a participant's
16 ability to attend outpatient treatment sessions.

17 (3) Revenues to the criminal justice treatment account consist of:

18 (a) Funds transferred to the account pursuant to this section; and (b)
19 any other revenues appropriated to or deposited in the account.

20 (4)(a) For the fiscal biennium beginning July 1, 2003, the state
21 treasurer shall transfer eight million nine hundred fifty thousand
22 dollars from the general fund into the criminal justice treatment
23 account, divided into eight equal quarterly payments. For the fiscal
24 year beginning July 1, 2005, and each subsequent fiscal year, the state
25 treasurer shall transfer eight million two hundred fifty thousand
26 dollars from the general fund to the criminal justice treatment
27 account, divided into four equal quarterly payments. For the fiscal
28 year beginning July 1, 2006, and each subsequent fiscal year, the
29 amount transferred shall be increased on an annual basis by the
30 implicit price deflator as published by the federal bureau of labor
31 statistics.

32 (b) In each odd-numbered year, the legislature shall appropriate
33 the amount transferred to the criminal justice treatment account in (a)
34 of this subsection to the division of alcohol and substance abuse for
35 the purposes of subsection (5) of this section.

36 (5) Moneys appropriated to the division of alcohol and substance
37 abuse from the criminal justice treatment account shall be distributed
38 as specified in this subsection. The department shall serve as the

1 fiscal agent for purposes of distribution. Until July 1, 2004, the
2 department may not use moneys appropriated from the criminal justice
3 treatment account for administrative expenses and shall distribute all
4 amounts appropriated under subsection (4)(b) of this section in
5 accordance with this subsection. Beginning in July 1, 2004, the
6 department may retain up to three percent of the amount appropriated
7 under subsection (4)(b) of this section for its administrative costs.

8 (a) Seventy percent of amounts appropriated to the division from
9 the account shall be distributed to counties pursuant to the
10 distribution formula adopted under this section. The division of
11 alcohol and substance abuse, in consultation with the department of
12 corrections, the Washington state association of counties, the
13 Washington state association of drug court professionals, the superior
14 court judges' association, the Washington association of prosecuting
15 attorneys, representatives of the criminal defense bar, representatives
16 of substance abuse treatment providers, and any other person deemed by
17 the division to be necessary, shall establish a fair and reasonable
18 methodology for distribution to counties of moneys in the criminal
19 justice treatment account. County or regional plans submitted for the
20 expenditure of formula funds must be approved by the panel established
21 in (b) of this subsection.

22 (b) Thirty percent of the amounts appropriated to the division from
23 the account shall be distributed as grants for purposes of treating
24 offenders against whom charges are filed by a county prosecuting
25 attorney. The division shall appoint a panel of representatives from
26 the Washington association of prosecuting attorneys, the Washington
27 association of sheriffs and police chiefs, the superior court judges'
28 association, the Washington state association of counties, the
29 Washington defender's association or the Washington association of
30 criminal defense lawyers, the department of corrections, the Washington
31 state association of drug court professionals, substance abuse
32 treatment providers, and the division. The panel shall review county
33 or regional plans for funding under (a) of this subsection and grants
34 approved under this subsection. The panel shall attempt to ensure that
35 treatment as funded by the grants is available to offenders statewide.

36 (6) The county alcohol and drug coordinator, county prosecutor,
37 county sheriff, county superior court, a substance abuse treatment
38 provider appointed by the county legislative authority, a member of the

1 criminal defense bar appointed by the county legislative authority,
2 and, in counties with a drug court, a representative of the drug court
3 shall jointly submit a plan, approved by the county legislative
4 authority or authorities, to the panel established in subsection (5)(b)
5 of this section, for disposition of all the funds provided from the
6 criminal justice treatment account within that county. The funds shall
7 be used solely to provide approved alcohol and substance abuse
8 treatment pursuant to RCW 70.96A.090, treatment support services, and
9 for the administrative and overhead costs associated with the operation
10 of a drug court.

11 (a) No more than ten percent of the total moneys received under
12 subsections (4) and (5) of this section by a county or group of
13 counties participating in a regional agreement shall be spent on the
14 administrative and overhead costs associated with the operation of a
15 drug court.

16 (b) No more than ten percent of the total moneys received under
17 subsections (4) and (5) of this section by a county or group of
18 counties participating in a regional agreement shall be spent for
19 treatment support services.

20 (7) Counties are encouraged to consider regional agreements and
21 submit regional plans for the efficient delivery of treatment under
22 this section.

23 (8) Moneys allocated under this section shall be used to
24 supplement, not supplant, other federal, state, and local funds used
25 for substance abuse treatment.

26 (9) Counties must meet the criteria established in RCW
27 2.28.170(3)(b).

28 (10) The authority under this section to use funds from the
29 criminal justice treatment account for the administrative and overhead
30 costs associated with the operation of a drug court expires June 30,
31 ((2013)) 2015.

32 **Sec. 991.** RCW 70.105D.--- and 2013 2nd sp.s. c 1 s 10 are each
33 amended to read as follows:

34 (1) The environmental legacy stewardship account is created in the
35 state treasury. Beginning July 1, 2013, and every fiscal year
36 thereafter, the annual amount received from the tax imposed by RCW
37 82.21.030 that exceeds one hundred forty million dollars must be

1 deposited into the environmental legacy stewardship account. The state
2 treasurer may make periodic deposits into the environmental legacy
3 stewardship account based on forecasted revenue. Moneys in the account
4 may only be spent after appropriation.

5 (2) Moneys in the environmental legacy stewardship account may be
6 spent on performance and outcome based projects, model remedies,
7 demonstrated technologies, procedures, contracts, and project
8 management and oversight that result in significant reductions in the
9 time to complete compared to baseline averages for:

10 (a) Purposes authorized under RCW 70.105D.070 (3) and (4);

11 (b) Storm water low-impact retrofit projects and other projects
12 with significant environmental benefits that reduce storm water
13 pollution from existing infrastructure and development;

14 (c) Cleanup and disposal of hazardous substances from abandoned or
15 derelict vessels, defined for the purposes of this section as vessels
16 that have little or no value and either have no identified owner or
17 have an identified owner lacking financial resources to clean up and
18 dispose of the vessel, that pose a threat to human health or the
19 environment; and

20 (d) Appropriations to the state and local toxics control accounts
21 created in RCW 70.105D.070 if the legislature determines that
22 priorities for spending exceed available funds in those accounts.

23 (3) Except as provided under RCW 70.105D.070(3) (k) and (q),
24 nothing in chapter 1, Laws of 2013 2nd sp. sess. expands the ability of
25 a potentially liable person to receive public funding.

26 (4) Moneys in the environmental legacy stewardship account may also
27 be used as follows:

28 (a) During the 2013-2015 fiscal biennia, shoreline update technical
29 assistance and for local government shoreline master program update
30 grants;

31 (b) During the 2013-2015 fiscal biennium, solid and hazardous waste
32 compliance at the department of corrections;

33 (c) During the 2013-2015 fiscal biennium, activities at the
34 department of fish and wildlife concerning water quality monitoring,
35 hatchery water quality regulatory compliance, and technical assistance
36 to local governments on growth management and shoreline management;

37 (d) During the 2013-2015 fiscal biennium, forest practices

1 regulation and aquatic land investigation and cleanup activities at the
2 department of natural resources.

3 **Sec. 992.** RCW 70.105D.070 and 2013 2nd sp.s. c 1 s 9 are each
4 amended to read as follows:

5 (1) The state toxics control account and the local toxics control
6 account are hereby created in the state treasury.

7 (2)(a) Moneys collected under RCW 82.21.030 must be deposited as
8 follows: Fifty-six percent to the state toxics control account under
9 subsection (3) of this section and forty-four percent to the local
10 toxics control account under subsection (4) of this section. When the
11 cumulative amount of deposits made to the state and local toxics
12 control accounts under this section reaches the limit during a fiscal
13 year as established in (b) of this subsection, the remainder of the
14 moneys collected under RCW 82.21.030 during that fiscal year must be
15 deposited into the environmental legacy stewardship account created in
16 RCW 70.105D.--- (section 10, chapter 1, Laws of 2013 2nd sp. sess.).

17 (b) The limit on distributions of moneys collected under RCW
18 82.21.030 to the state and local toxics control accounts for the fiscal
19 year beginning July 1, 2013, is one hundred forty million dollars.

20 (c) In addition to the funds required under (a) of this subsection,
21 the following moneys must be deposited into the state toxics control
22 account: (i) The costs of remedial actions recovered under this
23 chapter or chapter 70.105A RCW; (ii) penalties collected or recovered
24 under this chapter; and (iii) any other money appropriated or
25 transferred to the account by the legislature.

26 (3) Moneys in the state toxics control account must be used only to
27 carry out the purposes of this chapter, including but not limited to
28 the following activities:

29 (a) The state's responsibility for hazardous waste planning,
30 management, regulation, enforcement, technical assistance, and public
31 education required under chapter 70.105 RCW;

32 (b) The state's responsibility for solid waste planning,
33 management, regulation, enforcement, technical assistance, and public
34 education required under chapter 70.95 RCW;

35 (c) The hazardous waste clean-up program required under this
36 chapter;

37 (d) State matching funds required under federal cleanup law;

- 1 (e) Financial assistance for local programs in accordance with
2 chapters 70.95, 70.95C, 70.95I, and 70.105 RCW;
- 3 (f) State government programs for the safe reduction, recycling, or
4 disposal of paint and hazardous wastes from households, small
5 businesses, and agriculture;
- 6 (g) Oil and hazardous materials spill prevention, preparedness,
7 training, and response activities;
- 8 (h) Water and environmental health protection and monitoring
9 programs;
- 10 (i) Programs authorized under chapter 70.146 RCW;
- 11 (j) A public participation program;
- 12 (k) Public funding to assist potentially liable persons to pay for
13 the costs of remedial action in compliance with clean-up standards
14 under RCW 70.105D.030(2)(e) but only when the amount and terms of such
15 funding are established under a settlement agreement under RCW
16 70.105D.040(4) and when the director has found that the funding will
17 achieve both: (i) A substantially more expeditious or enhanced cleanup
18 than would otherwise occur; and (ii) the prevention or mitigation of
19 unfair economic hardship;
- 20 (l) Development and demonstration of alternative management
21 technologies designed to carry out the hazardous waste management
22 priorities of RCW 70.105.150;
- 23 (m) State agriculture and health programs for the safe use,
24 reduction, recycling, or disposal of pesticides;
- 25 (n) Storm water pollution control projects and activities that
26 protect or preserve existing remedial actions or prevent hazardous
27 clean-up sites;
- 28 (o) Funding requirements to maintain receipt of federal funds under
29 the federal solid waste disposal act (42 U.S.C. Sec. 6901 et seq.);
- 30 (p) Air quality programs and actions for reducing public exposure
31 to toxic air pollution;
- 32 (q) Public funding to assist prospective purchasers to pay for the
33 costs of remedial action in compliance with clean-up standards under
34 RCW 70.105D.030(2)(e) if:
- 35 (i) The facility is located within a redevelopment opportunity zone
36 designated under RCW 70.105D.--- (section 4, chapter 1, Laws of 2013
37 2nd sp. sess.);

1 (ii) The amount and terms of the funding are established under a
2 settlement agreement under RCW 70.105D.040(5); and

3 (iii) The director has found the funding meets any additional
4 criteria established in rule by the department, will achieve a
5 substantially more expeditious or enhanced cleanup than would otherwise
6 occur, and will provide a public benefit in addition to cleanup
7 commensurate with the scope of the public funding;

8 (r) Petroleum-based plastic or expanded polystyrene foam debris
9 cleanup activities in fresh or marine waters; (~~and~~)

10 (s) Appropriations to the local toxics control account or the
11 environmental legacy stewardship account created in RCW 70.105D.---
12 (section 10, chapter 1, Laws of 2013 2nd sp. sess.), if the legislature
13 determines that priorities for spending exceed available funds in those
14 accounts(~~(-)~~);

15 (t) During the 2013-2015 fiscal biennium, the department of
16 ecology's water quality, shorelands, environmental assessment,
17 administration, and air quality programs;

18 (u) During the 2013-2015 fiscal biennium, actions at the state
19 conservation commission to improve water quality for shellfish; and

20 (v) During the 2013-2015 fiscal biennium, actions at the University
21 of Washington for reducing ocean acidification.

22 (4)(a) The department shall use moneys deposited in the local
23 toxics control account for grants or loans to local governments for the
24 following purposes in descending order of priority:

25 (i) Extended grant agreements entered into under (c)(i) of this
26 subsection;

27 (ii) Remedial actions, including planning for adaptive reuse of
28 properties as provided for under (c)(iv) of this subsection. The
29 department must prioritize funding of remedial actions at:

30 (A) Facilities on the department's hazardous sites list with a high
31 hazard ranking for which there is an approved remedial action work plan
32 or an equivalent document under federal cleanup law;

33 (B) Brownfield properties within a redevelopment opportunity zone
34 if the local government is a prospective purchaser of the property and
35 there is a department-approved remedial action work plan or equivalent
36 document under the federal cleanup law;

37 (iii) Storm water pollution source projects that: (A) Work in

1 conjunction with a remedial action; (B) protect completed remedial
2 actions against recontamination; or (C) prevent hazardous clean-up
3 sites;

4 (iv) Hazardous waste plans and programs under chapter 70.105 RCW;

5 (v) Solid waste plans and programs under chapters 70.95, 70.95C,
6 70.95I, and 70.105 RCW;

7 (vi) Petroleum-based plastic or expanded polystyrene foam debris
8 cleanup activities in fresh or marine waters; and

9 (vii) Appropriations to the state toxics control account or the
10 environmental legacy stewardship account created in RCW 70.105D.---
11 (section 10, chapter 1, Laws of 2013 2nd sp. sess.), if the legislature
12 determines that priorities for spending exceed available funds in those
13 accounts.

14 (b) Funds for plans and programs must be allocated consistent with
15 the priorities and matching requirements established in chapters
16 70.105, 70.95C, 70.95I, and 70.95 RCW.

17 (c) During the 2013-2015 fiscal biennium, the local toxics control
18 account may also be used for local government storm water planning and
19 implementation activities.

20 (d) During the 2013-2015 fiscal biennium, the legislature may
21 transfer from the local toxics control account to the state general
22 fund, such amounts as reflect the excess fund balance in the account.

23 (e) To expedite cleanups throughout the state, the department may
24 use the following strategies when providing grants to local governments
25 under this subsection:

26 (i) Enter into an extended grant agreement with a local government
27 conducting remedial actions at a facility where those actions extend
28 over multiple biennia and the total eligible cost of those actions
29 exceeds twenty million dollars. The agreement is subject to the
30 following limitations:

31 (A) The initial duration of such an agreement may not exceed ten
32 years. The department may extend the duration of such an agreement
33 upon finding substantial progress has been made on remedial actions at
34 the facility;

35 (B) Extended grant agreements may not exceed fifty percent of the
36 total eligible remedial action costs at the facility; and

37 (C) The department may not allocate future funding to an extended
38 grant agreement unless the local government has demonstrated to the

1 department that funds awarded under the agreement during the previous
2 biennium have been substantially expended or contracts have been
3 entered into to substantially expend the funds;

4 (ii) Enter into a grant agreement with a local government
5 conducting a remedial action that provides for periodic reimbursement
6 of remedial action costs as they are incurred as established in the
7 agreement;

8 (iii) Enter into a grant agreement with a local government prior to
9 it acquiring a property or obtaining necessary access to conduct
10 remedial actions, provided the agreement is conditioned upon the local
11 government acquiring the property or obtaining the access in accordance
12 with a schedule specified in the agreement;

13 (iv) Provide integrated planning grants to local governments to
14 fund studies necessary to facilitate remedial actions at brownfield
15 properties and adaptive reuse of properties following remediation.
16 Eligible activities include, but are not limited to: Environmental
17 site assessments; remedial investigations; health assessments;
18 feasibility studies; site planning; community involvement; land use and
19 regulatory analyses; building and infrastructure assessments; economic
20 and fiscal analyses; and any environmental analyses under chapter
21 43.21C RCW;

22 (v) Provide grants to local governments for remedial actions
23 related to areawide groundwater contamination. To receive the funding,
24 the local government does not need to be a potentially liable person or
25 be required to seek reimbursement of grant funds from a potentially
26 liable person;

27 (vi) The director may alter grant matching requirements to create
28 incentives for local governments to expedite cleanups when one of the
29 following conditions exists:

30 (A) Funding would prevent or mitigate unfair economic hardship
31 imposed by the clean-up liability;

32 (B) Funding would create new substantial economic development,
33 public recreational opportunities, or habitat restoration opportunities
34 that would not otherwise occur; or

35 (C) Funding would create an opportunity for acquisition and
36 redevelopment of brownfield property under RCW 70.105D.040(5) that
37 would not otherwise occur;

1 (vii) When pending grant applications under (c)(iv) and (v) of this
2 subsection (4) exceed the amount of funds available, designated
3 redevelopment opportunity zones must receive priority for distribution
4 of available funds.

5 (d) To expedite multiparty clean-up efforts, the department may
6 purchase remedial action cost-cap insurance.

7 (5) Except for unanticipated receipts under RCW 43.79.260 through
8 43.79.282, moneys in the state and local toxics control accounts may be
9 spent only after appropriation by statute.

10 (6) No moneys deposited into either the state or local toxics
11 control account may be used for: Natural disasters where there is no
12 hazardous substance contamination; high performance buildings; solid
13 waste incinerator facility feasibility studies, construction,
14 maintenance, or operation; or after January 1, 2010, for projects
15 designed to address the restoration of Puget Sound, funded in a
16 competitive grant process, that are in conflict with the action agenda
17 developed by the Puget Sound partnership under RCW 90.71.310. However,
18 this subsection does not prevent an appropriation from the state toxics
19 control account to the department of revenue to enforce compliance with
20 the hazardous substance tax imposed in chapter 82.21 RCW.

21 (7) Except during the 2011-2013 fiscal biennium, one percent of the
22 moneys collected under RCW 82.21.030 shall be allocated only for public
23 participation grants to persons who may be adversely affected by a
24 release or threatened release of a hazardous substance and to not-for-
25 profit public interest organizations. The primary purpose of these
26 grants is to facilitate the participation by persons and organizations
27 in the investigation and remedying of releases or threatened releases
28 of hazardous substances and to implement the state's solid and
29 hazardous waste management priorities. No grant may exceed sixty
30 thousand dollars. Grants may be renewed annually. Moneys appropriated
31 for public participation that are not expended at the close of any
32 biennium revert to the state toxics control account.

33 (8) The department shall adopt rules for grant or loan issuance and
34 performance. To accelerate both remedial action and economic recovery,
35 the department may expedite the adoption of rules necessary to
36 implement chapter 1, Laws of 2013 2nd sp. sess. using the expedited
37 procedures in RCW 34.05.353. The department shall initiate the award
38 of financial assistance by August 1, 2013. To ensure the adoption of

1 rules will not delay financial assistance, the department may
2 administer the award of financial assistance through interpretive
3 guidance pending the adoption of rules through July 1, 2014.

4 (9) Except as provided under subsection (3)(k) and (q) of this
5 section, nothing in chapter 1, Laws of 2013 2nd sp. sess. effects the
6 ability of a potentially liable person to receive public funding.

7 **Sec. 993.** RCW 70.148.020 and 2012 1st sp.s. c 3 s 1 are each
8 amended to read as follows:

9 (1) The pollution liability insurance program trust account is
10 established in the custody of the state treasurer. All funds
11 appropriated for this chapter and all premiums collected for
12 reinsurance shall be deposited in the account. Expenditures from the
13 account shall be used exclusively for the purposes of this chapter
14 including payment of costs of administering the pollution liability
15 insurance and underground storage tank community assistance programs.
16 Expenditures for payment of administrative and operating costs of the
17 agency are subject to the allotment procedures under chapter 43.88 RCW
18 and may be made only after appropriation by statute. No appropriation
19 is required for other expenditures from the account.

20 (2) Each calendar quarter, the director shall report to the
21 insurance commissioner the loss and surplus reserves required for the
22 calendar quarter. The director shall notify the department of revenue
23 of this amount by the fifteenth day of each calendar quarter.

24 (3) Each calendar quarter the director shall determine the amount
25 of reserves necessary to fund commitments made to provide financial
26 assistance under RCW 70.148.130 to the extent that the financial
27 assistance reserves do not jeopardize the operations and liabilities of
28 the pollution liability insurance program. The director shall notify
29 the department of revenue of this amount by the fifteenth day of each
30 calendar quarter. The director may immediately establish an initial
31 financial assistance reserve of five million dollars from available
32 revenues. The director may not expend more than fifteen million
33 dollars for the financial assistance program.

34 ~~((4))~~ (4) During the 2013-2015 fiscal biennium, the legislature
35 may transfer from the pollution liability insurance program trust
36 account to the state general fund such amounts as reflect the excess
37 fund balance of the account.

1 (5) This section expires July 1, 2020.

2 **Sec. 994.** RCW 71.24.310 and 2009 c 564 s 1810 and 2009 c 564 s 952
3 are each reenacted and amended to read as follows:

4 The legislature finds that administration of chapter 71.05 RCW and
5 this chapter can be most efficiently and effectively implemented as
6 part of the regional support network defined in RCW 71.24.025. For
7 this reason, the legislature intends that the department and the
8 regional support networks shall work together to implement chapter
9 71.05 RCW as follows:

10 (1) By June 1, 2006, regional support networks shall recommend to
11 the department the number of state hospital beds that should be
12 allocated for use by each regional support network. The statewide
13 total allocation shall not exceed the number of state hospital beds
14 offering long-term inpatient care, as defined in this chapter, for
15 which funding is provided in the biennial appropriations act.

16 (2) If there is consensus among the regional support networks
17 regarding the number of state hospital beds that should be allocated
18 for use by each regional support network, the department shall contract
19 with each regional support network accordingly.

20 (3) If there is not consensus among the regional support networks
21 regarding the number of beds that should be allocated for use by each
22 regional support network, the department shall establish by emergency
23 rule the number of state hospital beds that are available for use by
24 each regional support network. The emergency rule shall be effective
25 September 1, 2006. The primary factor used in the allocation shall be
26 the estimated number of adults with acute and chronic mental illness in
27 each regional support network area, based upon population-adjusted
28 incidence and utilization.

29 (4) The allocation formula shall be updated at least every three
30 years to reflect demographic changes, and new evidence regarding the
31 incidence of acute and chronic mental illness and the need for long-
32 term inpatient care. In the updates, the statewide total allocation
33 shall include (a) all state hospital beds offering long-term inpatient
34 care for which funding is provided in the biennial appropriations act;
35 plus (b) the estimated equivalent number of beds or comparable
36 diversion services contracted in accordance with subsection (5) of this
37 section.

1 (5) The department is encouraged to enter performance-based
2 contracts with regional support networks to provide some or all of the
3 regional support network's allocated long-term inpatient treatment
4 capacity in the community, rather than in the state hospital. The
5 performance contracts shall specify the number of patient days of care
6 available for use by the regional support network in the state
7 hospital.

8 (6) If a regional support network uses more state hospital patient
9 days of care than it has been allocated under subsection (3) or (4) of
10 this section, or than it has contracted to use under subsection (5) of
11 this section, whichever is less, it shall reimburse the department for
12 that care, except during the period of July 1, 2012, through December
13 31, 2013, where reimbursements may be temporarily altered per section
14 204 of this act. The reimbursement rate per day shall be the
15 hospital's total annual budget for long-term inpatient care, divided by
16 the total patient days of care assumed in development of that budget.

17 (7) One-half of any reimbursements received pursuant to subsection
18 (6) of this section shall be used to support the cost of operating the
19 state hospital and, during the 2007-2009 fiscal biennium, implementing
20 new services that will enable a regional support network to reduce its
21 utilization of the state hospital. The department shall distribute the
22 remaining half of such reimbursements among regional support networks
23 that have used less than their allocated or contracted patient days of
24 care at that hospital, proportional to the number of patient days of
25 care not used.

26 **Sec. 995.** RCW 74.09.215 and 2012 c 241 s 103 are each amended to
27 read as follows:

28 The medicaid fraud penalty account is created in the state
29 treasury. All receipts from civil penalties collected under RCW
30 74.09.210, all receipts received under judgments or settlements that
31 originated under a filing under the federal false claims act, and all
32 receipts received under judgments or settlements that originated under
33 the state medicaid fraud false claims act, chapter 74.66 RCW must be
34 deposited into the account. Moneys in the account may be spent only
35 after appropriation and must be used only for medicaid services, fraud
36 detection and prevention activities, recovery of improper payments, and
37 for other medicaid fraud enforcement activities. For the 2013-2015

1 fiscal biennium, moneys in the account may be spent on inpatient and
2 outpatient rebasing and conversion to the tenth version of the
3 international classification of diseases.

4 **Sec. 996.** RCW 74.13.621 and 2009 c 564 s 954 are each amended to
5 read as follows:

6 (1) Within existing resources, the department shall establish an
7 oversight committee to monitor, guide, and report on kinship care
8 recommendations and implementation activities. The committee shall:

9 (a) Draft a kinship care definition that is restricted to persons
10 related by blood, marriage, or adoption, including marriages that have
11 been dissolved, or for a minor defined as an "Indian child" under the
12 federal Indian child welfare act (25 U.S.C. Sec. 1901 et seq.), the
13 definition of "extended family member" under the federal Indian child
14 welfare act, and a set of principles. If the committee concludes that
15 one or more programs or services would be more efficiently and
16 effectively delivered under a different definition of kin, it shall
17 state what definition is needed, and identify the program or service in
18 the report. It shall also provide evidence of how the program or
19 service will be more efficiently and effectively delivered under the
20 different definition. The department shall not adopt rules or policies
21 changing the definition of kin without authorizing legislation;

22 (b) Monitor and provide consultation on the implementation of
23 recommendations contained in the 2002 kinship care report, including
24 but not limited to the recommendations relating to legal and respite
25 care services and resources;

26 (c) Partner with nonprofit organizations and private sector
27 businesses to guide a public education awareness campaign; and

28 (d) Assist with developing future recommendations on kinship care
29 issues.

30 (2) The department shall consult with the oversight committee on
31 its efforts to better collaborate and coordinate services to benefit
32 kinship care families.

33 (3) The oversight committee must consist of a minimum of thirty
34 percent kinship caregivers, who shall represent a diversity of kinship
35 families. Statewide representation with geographic, ethnic, and gender
36 diversity is required. Other members shall include representatives of
37 the department, representatives of relevant state agencies,

1 representatives of the private nonprofit and business sectors, child
2 advocates, representatives of Washington state Indian tribes as defined
3 under the federal Indian welfare act (25 U.S.C. Sec. 1901 et seq.), and
4 representatives of the legal or judicial field. Birth parents, foster
5 parents, and others who have an interest in these issues may also be
6 included.

7 (4) To the extent funding is available, the department may
8 reimburse nondepartmental members of the oversight committee for costs
9 incurred in participating in the meetings of the oversight committee.

10 (5) The kinship care oversight committee shall update the
11 legislature and governor annually on committee activities, with the
12 first update due by January 1, 2006.

13 (6) This section expires June 30, (~~2011~~) 2015.

14 **Sec. 997.** RCW 74.09.215 and 2013 c 36 s 3 are each amended to read
15 as follows:

16 The medicaid fraud penalty account is created in the state
17 treasury. All receipts from civil penalties collected under RCW
18 74.09.210, all receipts received under judgments or settlements that
19 originated under a filing under the federal false claims act, and all
20 receipts received under judgments or settlements that originated under
21 the state medicaid fraud false claims act, chapter 74.66 RCW, must be
22 deposited into the account. Moneys in the account may be spent only
23 after appropriation and must be used only for medicaid services, fraud
24 detection and prevention activities, recovery of improper payments, for
25 other medicaid fraud enforcement activities, and the prescription
26 monitoring program established in chapter 70.225 RCW. For the 2013-
27 2015 fiscal biennium, moneys in the account may be spent on inpatient
28 and outpatient rebasing and conversion to the tenth version of the
29 international classification of diseases.

30 **Sec. 998.** RCW 77.12.201 and 2012 2nd sp.s. c 7 s 923 are each
31 amended to read as follows:

32 The legislative authority of a county may elect, by giving written
33 notice to the director and the treasurer prior to January 1st of any
34 year, to obtain for the following year an amount in lieu of real
35 property taxes on game lands as provided in RCW 77.12.203. Upon the
36 election, the county shall keep a record of all fines, forfeitures,

1 reimbursements, and costs assessed and collected, in whole or in part,
2 under this title for violations of law or rules adopted pursuant to
3 this title, with the exception of the 2011-2013 and 2013-2015 fiscal
4 (~~biennium~~) biennia, and shall monthly remit an amount equal to the
5 amount collected to the state treasurer for deposit in the state
6 general fund. The election shall continue until the department is
7 notified differently prior to January 1st of any year.

8 **Sec. 999.** RCW 77.12.203 and 2012 2nd sp.s. c 7 s 924 are each
9 amended to read as follows:

10 (1) Except as provided in subsection (5) of this section and
11 notwithstanding RCW 84.36.010 or other statutes to the contrary, the
12 director shall pay by April 30th of each year on game lands in each
13 county, if requested by an election under RCW 77.12.201, an amount in
14 lieu of real property taxes equal to that amount paid on similar
15 parcels of open space land taxable under chapter 84.34 RCW or the
16 greater of seventy cents per acre per year or the amount paid in 1984
17 plus an additional amount for control of noxious weeds equal to that
18 which would be paid if such lands were privately owned. This amount
19 shall not be assessed or paid on department buildings, structures,
20 facilities, game farms, fish hatcheries, tidelands, or public fishing
21 areas of less than one hundred acres.

22 (2) "Game lands," as used in this section and RCW 77.12.201, means
23 those tracts one hundred acres or larger owned in fee by the department
24 and used for wildlife habitat and public recreational purposes. All
25 lands purchased for wildlife habitat, public access or recreation
26 purposes with federal funds in the Snake River drainage basin shall be
27 considered game lands regardless of acreage.

28 (3) This section shall not apply to lands transferred after April
29 23, 1990, to the department from other state agencies.

30 (4) The county shall distribute the amount received under this
31 section in lieu of real property taxes to all property taxing districts
32 except the state in appropriate tax code areas the same way it would
33 distribute local property taxes from private property. The county
34 shall distribute the amount received under this section for weed
35 control to the appropriate weed district.

36 (5) For the 2011-2013 and 2013-2015 fiscal (~~biennium~~) biennia,

1 the director shall pay by April 30th of each year on game lands in each
2 county, if requested by an election under RCW 77.12.201, an amount in
3 lieu of real property taxes and shall be distributed as follows:

4	County
5	
6	Adams.....1,909
7	Asotin.....36,123
8	Chelan..... 24,757
9	Columbia.....7,795
10	Ferry.....6,781
11	Garfield.....4,840
12	Grant.....37,443
13	((Grays Harbor.....7,264))
14	Kittitas.....143,974
15	Klickitat.....21,906
16	Lincoln.....13,535
17	Okanogan.....151,402
18	Pend Oreille.....3,309
19	Yakima.....126,225

20 These amounts shall not be assessed or paid on department buildings,
21 structures, facilities, game farms, fish hatcheries, tidelands, or
22 public fishing areas of less than one hundred acres.

23 **Sec. 1000.** RCW 79.64.020 and 2011 c 216 s 15 are each amended to
24 read as follows:

25 A resource management cost account in the state treasury is created
26 to be used solely for the purpose of defraying the costs and expenses
27 necessarily incurred by the department in managing and administering
28 state lands, community forest trust lands, and aquatic lands and the
29 making and administering of leases, sales, contracts, licenses,
30 permits, easements, and rights-of-way as authorized under the
31 provisions of this title. Appropriations from the resource management
32 cost account to the department shall be expended for no other purposes.
33 Funds in the resource management cost account may be appropriated or
34 transferred by the legislature for the benefit of all of the trusts

1 from which the funds were derived. During the 2013-2015 fiscal
2 biennium, the legislature may transfer from the aquatics revenues in
3 the resources management cost account to the marine resources
4 stewardship trust account for the purposes of chapter 43.372 RCW.

5 **Sec. 1001.** RCW 79.64.040 and 2012 2nd sp.s. c 7 s 927 are each
6 amended to read as follows:

7 (1) The board shall determine the amount deemed necessary in order
8 to achieve the purposes of this chapter and shall provide by rule for
9 the deduction of this amount from the moneys received from all leases,
10 sales, contracts, licenses, permits, easements, and rights-of-way
11 issued by the department and affecting state lands, community forest
12 trust lands, and aquatic lands, provided that no deduction shall be
13 made from the proceeds from agricultural college lands.

14 (2) Moneys received as deposits from successful bidders, advance
15 payments, and security under RCW 79.15.100, 79.15.080, and 79.11.150
16 prior to December 1, 1981, which have not been subjected to deduction
17 under this section are not subject to deduction under this section.

18 (3) Except as otherwise provided in subsections (4) and (6) of this
19 section, the deductions authorized under this section shall not exceed
20 twenty-five percent of the moneys received by the department in
21 connection with any one transaction pertaining to state lands and
22 aquatic lands other than second-class tide and shore lands and the beds
23 of navigable waters, and fifty percent of the moneys received by the
24 department pertaining to second-class tide and shore lands and the beds
25 of navigable waters.

26 (4) Deductions authorized under this section for transactions
27 pertaining to community forest trust lands must be established at a
28 level sufficient to defray over time the management costs for
29 activities prescribed in a parcel's management plan adopted pursuant to
30 RCW 79.155.080, and, if deemed appropriate by the board consistent with
31 RCW 79.155.090, to reimburse the state and any local entities' eligible
32 financial contributions for acquisition of the parcel.

33 (5) In the event that the department sells logs using the contract
34 harvesting process described in RCW 79.15.500 through 79.15.530, the
35 moneys received subject to this section are the net proceeds from the
36 contract harvesting sale.

1 (6) During the 2011-2013 and 2013-2015 fiscal ((~~biennium~~)) biennia,
2 the twenty-five percent limitation on deductions set in subsection (3)
3 of this section may be increased up to thirty percent by the board.

4 **Sec. 1002.** RCW 79.105.150 and 2012 2nd sp.s. c 7 s 929 and 2012
5 2nd sp.s. c 2 s 6008 are each reenacted and amended to read as follows:

6 (1) After deduction for management costs as provided in RCW
7 79.64.040 and payments to towns under RCW 79.115.150(2), all moneys
8 received by the state from the sale or lease of state-owned aquatic
9 lands and from the sale of valuable material from state-owned aquatic
10 lands shall be deposited in the aquatic lands enhancement account which
11 is hereby created in the state treasury. After appropriation, these
12 funds shall be used solely for aquatic lands enhancement projects; for
13 the purchase, improvement, or protection of aquatic lands for public
14 purposes; for providing and improving access to the lands; and for
15 volunteer cooperative fish and game projects. ((~~During the 2011-2013~~
16 ~~fiscal biennium, the aquatic lands enhancement account may also be used~~
17 ~~for scientific research as part of the adaptive management process and~~
18 ~~for developing a planning report for McNeil Island. During the 2011-~~
19 ~~2013 fiscal biennium, the legislature may transfer from the aquatic~~
20 ~~lands enhancement account to the state general fund such amounts as~~
21 ~~reflect excess fund balance of the account.~~)) During the ((~~2011-2013~~))
22 2013-2015 fiscal biennium, the aquatic lands enhancement account may be
23 used to support the shellfish program, the ballast water program,
24 ((~~parks,~~)) hatcheries, ((~~and~~)) the Puget Sound toxic sampling program
25 at the department of fish and wildlife, the knotweed program at the
26 department of agriculture, actions at the University of Washington for
27 reducing ocean acidification, which may include the creation of a
28 center on ocean acidification, and the Puget SoundCorps program.
29 ((~~During the 2011-2013 fiscal biennium, the legislature may transfer~~
30 ~~from the aquatic lands enhancement account to the marine resources~~
31 ~~stewardship trust account funds for the purposes of RCW 43.372.070~~))
32 During the 2013-2015 fiscal biennium, the legislature may transfer from
33 the aquatic lands enhancement account to the geoduck aquaculture
34 research account for research related to shellfish aquaculture.

35 (2) In providing grants for aquatic lands enhancement projects, the
36 recreation and conservation funding board shall:

1 (a) Require grant recipients to incorporate the environmental
2 benefits of the project into their grant applications;

3 (b) Utilize the statement of environmental benefits, consideration,
4 except as provided in RCW 79.105.610, of whether the applicant is a
5 Puget Sound partner, as defined in RCW 90.71.010, whether a project is
6 referenced in the action agenda developed by the Puget Sound
7 partnership under RCW 90.71.310, and except as otherwise provided in
8 RCW 79.105.630, and effective one calendar year following the
9 development and statewide availability of model evergreen community
10 management plans and ordinances under RCW 35.105.050, whether the
11 applicant is an entity that has been recognized, and what gradation of
12 recognition was received, in the evergreen community recognition
13 program created in RCW 35.105.030 in its prioritization and selection
14 process; and

15 (c) Develop appropriate outcome-focused performance measures to be
16 used both for management and performance assessment of the grants.

17 (3) To the extent possible, the department should coordinate its
18 performance measure system with other natural resource-related agencies
19 as defined in RCW 43.41.270.

20 (4) The department shall consult with affected interest groups in
21 implementing this section.

22 (5) After January 1, 2010, any project designed to address the
23 restoration of Puget Sound may be funded under this chapter only if the
24 project is not in conflict with the action agenda developed by the
25 Puget Sound partnership under RCW 90.71.310.

26 **Sec. 1003.** RCW 82.08.160 and 2012 2nd sp.s. c 5 s 3 are each
27 amended to read as follows:

28 (1) On or before the twenty-fifth day of each month, all taxes
29 collected under RCW 82.08.150 during the preceding month must be
30 remitted to the state department of revenue, to be deposited with the
31 state treasurer. Except as provided in subsections (2) (~~and~~), (3),
32 and (4) of this section, upon receipt of such moneys the state
33 treasurer must credit sixty-five percent of the sums collected and
34 remitted under RCW 82.08.150 (1) and (2) and one hundred percent of the
35 sums collected and remitted under RCW 82.08.150 (3) and (4) to the
36 state general fund and thirty-five percent of the sums collected and

1 remitted under RCW 82.08.150 (1) and (2) to a fund which is hereby
2 created to be known as the "liquor excise tax fund."

3 (2) During the 2012 fiscal year, 66.19 percent of the sums
4 collected and remitted under RCW 82.08.150 (1) and (2) must be
5 deposited in the state general fund and the remainder collected and
6 remitted under RCW 82.08.150 (1) and (2) must be deposited in the
7 liquor excise tax fund.

8 (3) During fiscal year 2013, all funds collected under RCW
9 82.08.150 (1), (2), (3), and (4) must be deposited into the state
10 general fund.

11 (4) During the 2013-2015 fiscal biennium, eighty two and one-half
12 percent of the sums collected and remitted under RCW 82.08.150 (1) and
13 (2) must be deposited in the state general fund and the remainder
14 collected and remitted under RCW 82.08.150 (1) and (2) must be
15 deposited in the liquor excise tax fund.

16 **Sec. 1004.** RCW 82.14.310 and 2011 1st sp.s. c 50 s 970 are each
17 amended to read as follows:

18 (1) The county criminal justice assistance account is created in
19 the state treasury. Beginning in fiscal year 2000, the state treasurer
20 must transfer into the county criminal justice assistance account from
21 the general fund the sum of twenty-three million two hundred thousand
22 dollars divided into four equal deposits occurring on July 1, October
23 1, January 1, and April 1. For each fiscal year thereafter, the state
24 treasurer must increase the total transfer by the fiscal growth factor,
25 as defined in RCW 43.135.025, forecast for that fiscal year by the
26 office of financial management in November of the preceding year.

27 (2) The moneys deposited in the county criminal justice assistance
28 account for distribution under this section, less any moneys
29 appropriated for purposes under subsection (4) of this section, must be
30 distributed at such times as distributions are made under RCW 82.44.150
31 and on the relative basis of each county's funding factor as determined
32 under this subsection.

33 (a) A county's funding factor is the sum of:

34 (i) The population of the county, divided by one thousand, and
35 multiplied by two-tenths;

36 (ii) The crime rate of the county, multiplied by three-tenths; and

1 (iii) The annual number of criminal cases filed in the county
2 superior court, for each one thousand in population, multiplied by
3 five-tenths.

4 (b) Under this section and RCW 82.14.320 and 82.14.330:

5 (i) The population of the county or city is as last determined by
6 the office of financial management;

7 (ii) The crime rate of the county or city is the annual occurrence
8 of specified criminal offenses, as calculated in the most recent annual
9 report on crime in Washington state as published by the Washington
10 association of sheriffs and police chiefs, for each one thousand in
11 population;

12 (iii) The annual number of criminal cases filed in the county
13 superior court must be determined by the most recent annual report of
14 the courts of Washington, as published by the administrative office of
15 the courts;

16 (iv) Distributions and eligibility for distributions in the 1989-
17 1991 biennium must be based on 1988 figures for both the crime rate as
18 described under (ii) of this subsection and the annual number of
19 criminal cases that are filed as described under (iii) of this
20 subsection. Future distributions must be based on the most recent
21 figures for both the crime rate as described under (ii) of this
22 subsection and the annual number of criminal cases that are filed as
23 described under (iii) of this subsection.

24 (3) Moneys distributed under this section must be expended
25 exclusively for criminal justice purposes and may not be used to
26 replace or supplant existing funding. Criminal justice purposes are
27 defined as activities that substantially assist the criminal justice
28 system, which may include circumstances where ancillary benefit to the
29 civil or juvenile justice system occurs, and which includes (a)
30 domestic violence services such as those provided by domestic violence
31 programs, community advocates, and legal advocates, as defined in RCW
32 70.123.020, and (b) during the 2001-2003 fiscal biennium, juvenile
33 dispositional hearings relating to petitions for at-risk youth,
34 truancy, and children in need of services. Existing funding for
35 purposes of this subsection is defined as calendar year 1989 actual
36 operating expenditures for criminal justice purposes. Calendar year
37 1989 actual operating expenditures for criminal justice purposes
38 exclude the following: Expenditures for extraordinary events not

1 likely to reoccur, changes in contract provisions for criminal justice
2 services, beyond the control of the local jurisdiction receiving the
3 services, and major nonrecurring capital expenditures.

4 (4) Not more than five percent of the funds deposited to the county
5 criminal justice assistance account may be available for appropriations
6 for enhancements to the state patrol crime laboratory system and the
7 continuing costs related to these enhancements. Funds appropriated
8 from this account for such enhancements may not supplant existing funds
9 from the state general fund.

10 (5) During the 2011-2013 fiscal biennium, the amount that would
11 otherwise be transferred into the county criminal justice assistance
12 account from the general fund under subsection (1) of this section must
13 be reduced by 3.4 percent.

14 (6) During the 2013-2015 fiscal biennium, for the purposes of
15 substance abuse and other programs for offenders, the legislature may
16 appropriate from the county criminal justice assistance account such
17 amounts as are in excess of the amounts necessary to fully meet the
18 state's obligations to the counties and to the Washington state patrol.
19 Excess amounts in this account are not the result of subsection (5) of
20 this section.

21 **Sec. 1005.** RCW 86.26.007 and 2012 2nd sp.s. c 7 s 932 are each
22 amended to read as follows:

23 The flood control assistance account is hereby established in the
24 state treasury. At the beginning of the 2005-2007 fiscal biennium, the
25 state treasurer shall transfer three million dollars from the general
26 fund to the flood control assistance account. Each biennium thereafter
27 the state treasurer shall transfer four million dollars from the
28 general fund to the flood control assistance account, except that
29 during the 2011-2013 fiscal biennium, the state treasurer shall
30 transfer one million dollars from the general fund to the flood control
31 assistance account. Moneys in the flood control assistance account may
32 be spent only after appropriation for purposes specified under this
33 chapter. During the 2013-2015 fiscal biennium, the legislature may
34 transfer from the flood control assistance account to the state general
35 fund such amounts as reflect the excess fund balance of the account.

(End of part)

1 SUPPLEMENTAL
2 PART XI
3 GENERAL GOVERNMENT

4 **Sec. 1101.** 2012 2nd sp.s. c 7 s 111 (uncodified) is amended to
5 read as follows:

6 **FOR THE SUPREME COURT**

7	General Fund--State Appropriation (FY 2012)	. . . . .	\$6,757,000
8	General Fund--State Appropriation (FY 2013)	. . . . .	(\$6,561,000)
9			<u>\$6,603,000</u>
10	TOTAL APPROPRIATION	. . . . .	(\$13,318,000)
11			<u>\$13,360,000</u>

12 **Sec. 1102.** 2012 2nd sp.s. c 7 s 112 (uncodified) is amended to
13 read as follows:

14 **FOR THE LAW LIBRARY**

15	General Fund--State Appropriation (FY 2012)	. . . . .	\$1,504,000
16	<u>General Fund--State Appropriation (FY 2013)</u>	. . . . .	<u>\$24,000</u>
17	Judicial Information System Account--State		
18	Appropriation	. . . . .	\$1,500,000
19	TOTAL APPROPRIATION	. . . . .	(\$3,004,000)
20			<u>\$3,028,000</u>

21 The appropriations in this section are subject to the following
22 conditions and limitations: \$50,000 of the judicial information system
23 account--state appropriation is provided solely to evaluate the state
24 law library and assess its operational structure to determine the most
25 effective delivery model for providing library services.

26 **Sec. 1103.** 2012 2nd sp.s. c 7 s 114 (uncodified) is amended to
27 read as follows:

28 **FOR THE COURT OF APPEALS**

29	General Fund--State Appropriation (FY 2012)	. . . . .	\$15,275,000
30	General Fund--State Appropriation (FY 2013)	. . . . .	(\$15,168,000)
31			<u>\$15,253,000</u>
32	TOTAL APPROPRIATION	. . . . .	(\$30,443,000)
33			<u>\$30,528,000</u>

1 **Sec. 1104.** 2012 2nd sp.s. c 7 s 115 (uncodified) is amended to
2 read as follows:

3 **FOR THE ADMINISTRATOR FOR THE COURTS**

4	General Fund--State Appropriation (FY 2012)	\$50,725,000
5	General Fund--State Appropriation (FY 2013)	(\$48,429,000)
6		<u>\$49,123,000</u>
7	General Fund--Federal Appropriation	\$2,532,000
8	General Fund--Private/Local Appropriation	\$390,000
9	Judicial Information Systems Account--State	
10	Appropriation	\$42,362,000
11	Judicial Stabilization Trust Account--State	
12	Appropriation	(\$5,954,000)
13		<u>\$5,425,000</u>
14	TOTAL APPROPRIATION	(\$150,392,000)
15		<u>\$150,557,000</u>

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

18 (1) \$1,800,000 of the general fund--state appropriation for fiscal
19 year 2012 and \$1,399,000 of the general fund--state appropriation for
20 fiscal year 2013 are provided solely for school districts for petitions
21 to juvenile court for truant students as provided in RCW 28A.225.030
22 and 28A.225.035. The office of the administrator for the courts shall
23 develop an interagency agreement with the superintendent of public
24 instruction to allocate the funding provided in this subsection.
25 Allocation of this money to school districts shall be based on the
26 number of petitions filed. This funding includes amounts school
27 districts may expend on the cost of serving petitions filed under RCW
28 28A.225.030 by certified mail or by personal service or for the
29 performance of service of process for any hearing associated with RCW
30 28A.225.030.

31 (2)(a) \$8,252,000 of the general fund--state appropriation for
32 fiscal year 2012 and \$7,313,000 of the general fund--state
33 appropriation for fiscal year 2013 are provided solely for distribution
34 to county juvenile court administrators to fund the costs of processing
35 truancy, children in need of services, and at-risk youth petitions.
36 The administrator for the courts, in conjunction with the juvenile
37 court administrators, shall develop an equitable funding distribution

1 formula. The formula shall neither reward counties with higher than
2 average per-petition processing costs nor shall it penalize counties
3 with lower than average per-petition processing costs.

4 (b) Each fiscal year during the 2011-2013 fiscal biennium, each
5 county shall report the number of petitions processed and the total
6 actual costs of processing truancy, children in need of services, and
7 at-risk youth petitions. Counties shall submit the reports to the
8 administrator for the courts no later than 45 days after the end of the
9 fiscal year. The administrator for the courts shall electronically
10 transmit this information to the chairs and ranking minority members of
11 the house of representatives and senate ways and means committees no
12 later than 60 days after a fiscal year ends. These reports are deemed
13 informational in nature and are not for the purpose of distributing
14 funds.

15 (3) The distributions made under this subsection and distributions
16 from the county criminal justice assistance account made pursuant to
17 section 801 of this act constitute appropriate reimbursement for costs
18 for any new programs or increased level of service for purposes of RCW
19 43.135.060.

20 (4) \$265,000 of the general fund--state appropriation for fiscal
21 year 2012 is provided solely for the office of public guardianship to
22 provide guardianship services for low-income incapacitated persons.

23 (5) \$1,178,000 of the judicial information systems account--state
24 appropriation is provided solely for replacing computer equipment at
25 state courts and state judicial agencies.

26 (6) No later than September 30, 2011, the judicial information
27 systems committee shall provide a report to the legislature on the
28 recommendations of the case management feasibility study, including
29 plans for a replacement of the superior court management information
30 system (SCOMIS) and plans for completing the data exchange core system
31 component consistent with a complete data exchange standard. No later
32 than December 31, 2011, the judicial information systems committee
33 shall provide a report to the legislature on the status of the data
34 exchange, the procurement process for a SCOMIS replacement, and a case
35 management system that is designed to meet the requirements approved by
36 the superior courts and county clerks of all thirty-nine counties. The
37 legislature shall solicit input on both reports from judicial,
38 legislative, and executive stakeholders.

1 (7) In order to gather better data on juveniles in the criminal
2 justice system, the administrative office of the courts shall modify
3 the judgment and sentence form for juvenile and adult sentences to
4 include one or more check boxes indicating whether (a) the adult
5 superior court had original jurisdiction for a defendant who was
6 younger than eighteen years of age at the time the case was filed; (b)
7 the case was originally filed in juvenile court but transferred to
8 adult superior court jurisdiction; or (c) the case was originally filed
9 in adult superior court or transferred to adult superior court but then
10 returned to the juvenile court.

11 (8) \$540,000 of the judicial stabilization trust account--state
12 appropriation is provided solely for the office of public guardianship
13 to continue guardianship services for those low-income incapacitated
14 persons who were receiving services on June 30, 2012.

15 (9) The Washington association of juvenile court administrators and
16 the juvenile rehabilitation administration, in consultation with the
17 community juvenile accountability act advisory committee and the
18 Washington state institute for public policy, shall analyze and review
19 data elements available from the administrative office of the courts
20 for possible integration into the evidence-based program quality
21 assurance plans and processes. The administrative office of the
22 courts, the Washington association of juvenile court administrators,
23 and the juvenile rehabilitation administration shall provide
24 information necessary to complete the review and analysis. The
25 Washington association of juvenile court administrators and the
26 juvenile rehabilitation administration shall report the findings of
27 their review and analysis, as well as any recommendations, to the
28 legislature by December 1, 2012.

29 **Sec. 1105.** 2012 2nd sp.s. c 7 s 118 (uncodified) is amended to
30 read as follows:

31 **FOR THE OFFICE OF THE GOVERNOR**

32	General Fund--State Appropriation (FY 2012)	\$5,102,000
33	General Fund--State Appropriation (FY 2013)	(\$5,247,000)
34		<u>\$5,259,000</u>
35	Economic Development Strategic Reserve Account--State	
36	Appropriation	\$1,500,000
37	TOTAL APPROPRIATION	(\$11,849,000)

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

(1) \$1,500,000 of the economic development strategic reserve account appropriation is provided solely for efforts to assist with currently active industrial recruitment efforts that will bring new jobs to the state or will retain headquarter locations of major companies currently housed in the state.

(2) \$540,000 of the general fund--state appropriation for fiscal year 2012 and \$526,000 of the general fund--state appropriation for fiscal year 2013 are provided solely for the office of the education ombudsman.

(3) \$12,000 of the general fund--state appropriation for fiscal year 2013 is provided solely for implementation of Engrossed Second Substitute Senate Bill No. 5802 (greenhouse gas emissions). If the bill is not enacted by June 30, 2012, the amount provided in this subsection shall lapse.

Sec. 1106. 2012 2nd sp.s. c 7 s 121 (uncodified) is amended to read as follows:

FOR THE SECRETARY OF STATE

General Fund--State Appropriation (FY 2012)	\$16,047,000
General Fund--State Appropriation (FY 2013)	(\$8,612,000)
	<u>\$9,972,000</u>
General Fund--Federal Appropriation	\$7,326,000
Public Records Efficiency, Preservation, and Access	
Account--State Appropriation	(\$7,074,000)
	<u>\$7,185,000</u>
Charitable Organization Education Account--State	
Appropriation	\$362,000
Local Government Archives Account--State	
Appropriation	\$8,516,000
Election Account--Federal Appropriation	\$17,284,000
Washington State Heritage Center Account--State	
Appropriation	\$5,028,000
TOTAL APPROPRIATION	(\$70,249,000)
	<u>\$71,720,000</u>

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

3 (1) \$3,898,000 of the general fund--state appropriation for fiscal
4 year 2012 is provided solely to reimburse counties for the state's
5 share of primary and general election costs and the costs of conducting
6 mandatory recounts on state measures. Counties shall be reimbursed
7 only for those odd-year election costs that the secretary of state
8 validates as eligible for reimbursement.

9 (2)(a) \$1,847,000 of the general fund--state appropriation for
10 fiscal year 2012 and \$1,926,000 of the general fund--state
11 appropriation for fiscal year 2013 are provided solely for contracting
12 with a nonprofit organization to produce gavel-to-gavel television
13 coverage of state government deliberations and other events of
14 statewide significance during the 2011-2013 biennium. The funding
15 level for each year of the contract shall be based on the amount
16 provided in this subsection. The nonprofit organization shall be
17 required to raise contributions or commitments to make contributions,
18 in cash or in kind, in an amount equal to forty percent of the state
19 contribution. The office of the secretary of state may make full or
20 partial payment once all criteria in this subsection have been
21 satisfactorily documented.

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

27 (c) The nonprofit organization shall prepare an annual independent
28 audit, an annual financial statement, and an annual report, including
29 benchmarks that measure the success of the nonprofit organization in
30 meeting the intent of the program.

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

33 (i) Attempting to influence the passage or defeat of any
34 legislation by the legislature of the state of Washington, by any
35 county, city, town, or other political subdivision of the state of
36 Washington, or by the congress, or the adoption or rejection of any
37 rule, standard, rate, or other legislative enactment of any state
38 agency;

- 1 (ii) Making contributions reportable under chapter 42.17 RCW; or
- 2 (iii) Providing any: (A) Gift; (B) honoraria; or (C) travel,
- 3 lodging, meals, or entertainment to a public officer or employee.
- 4 (3) Any reductions to funding for the Washington talking book and
- 5 Braille library may not exceed in proportion any reductions taken to
- 6 the funding for the library as a whole.

7 **Sec. 1107.** 2012 2nd sp.s. c 7 s 127 (uncodified) is amended to
 8 read as follows:

9 **FOR THE ATTORNEY GENERAL**

10	General Fund--State Appropriation (FY 2012)	\$4,758,000
11	General Fund--State Appropriation (FY 2013)	(\$7,690,000)
12		<u>\$7,890,000</u>
13	General Fund--Federal Appropriation	\$10,015,000
14	New Motor Vehicle Arbitration Account--State	
15	Appropriation	\$968,000
16	Legal Services Revolving Account--State	
17	Appropriation	(\$197,375,000)
18		<u>\$197,412,000</u>
19	Tobacco Prevention and Control Account--State	
20	Appropriation	\$270,000
21	Medicaid Fraud Penalty Account--State Appropriation	\$1,129,000
22	TOTAL APPROPRIATION	(\$222,205,000)
23		<u>\$222,442,000</u>

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

26 (1) The attorney general shall report each fiscal year on actual
 27 legal services expenditures and actual attorney staffing levels for
 28 each agency receiving legal services. The report shall be submitted to
 29 the office of financial management and the fiscal committees of the
 30 senate and house of representatives no later than ninety days after the
 31 end of each fiscal year. As part of its by agency report to the
 32 legislative fiscal committees and the office of financial management,
 33 the office of the attorney general shall include information detailing
 34 the agency's expenditures for its agency-wide overhead and a breakdown
 35 by division of division administration expenses.

36 (2) Prior to entering into any negotiated settlement of a claim
 37 against the state that exceeds five million dollars, the attorney

1 general shall notify the director of financial management and the
2 chairs of the senate committee on ways and means and the house of
3 representatives committee on ways and means.

4 (3) The attorney general shall annually report to the fiscal
5 committees of the legislature all new *cy pres* awards and settlements
6 and all new accounts, disclosing their intended uses, balances, the
7 nature of the claim or account, proposals, and intended timeframes for
8 the expenditure of each amount. The report shall be distributed
9 electronically and posted on the attorney general's web site. The
10 report shall not be printed on paper or distributed physically.

11 (4) The attorney general shall enter into an interagency agreement
12 with the department of social and health services for expenditure of
13 the state's proceeds from the *cy pres* settlement in *State of Washington*
14 *v. AstraZeneca* (Seroquel) for the purposes set forth in sections 204
15 and 213 of this act.

16 (5) \$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 (6) \$5,924,000 of the legal services revolving account--state
21 appropriation is provided solely to implement House Bill No. 2123
22 (workers' compensation). If the bill is not enacted by June 30, 2011,
23 the amount provided in this subsection shall lapse.

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

28 (8) \$96,000 of the legal services revolving fund--state
29 appropriation is provided solely to implement Senate Bill No. 5076
30 (financial institutions). If the bill is not enacted by June 30, 2011,
31 the amount provided in this subsection shall lapse.

32 (9) \$99,000 of the legal services revolving fund--state
33 appropriation is provided solely to implement Engrossed Second
34 Substitute Senate Bill No. 5769 (coal-fired generation). If the bill
35 is not enacted by June 30, 2011, the amount provided in this subsection
36 shall lapse.

37 (10) \$416,000 of the legal services revolving fund--state

1 appropriation is provided solely to implement Substitute Senate Bill
2 No. 5801 (industrial insurance system). If the bill is not enacted by
3 June 30, 2011, the amount provided in this subsection shall lapse.

4 (11) \$31,000 of the legal services revolving fund--state
5 appropriation is provided solely to implement Engrossed Substitute
6 Senate Bill No. 5021 (election campaign disclosure). If the bill is
7 not enacted by June 30, 2011, the amount provided in this subsection
8 shall lapse.

9 (12) The executive ethics board shall: (a) Develop a statewide
10 plan, with performance measures, to provide overall direction and
11 accountability in all executive branch agencies and statewide elected
12 offices; (b) coordinate and work with the commission on judicial
13 conduct and the legislative ethics board; (c) assess and evaluate each
14 agency's ethical culture through employee and stakeholder surveys,
15 review Washington state quality award feedback reports, and publish an
16 annual report on the results to the public; and (d) solicit outside
17 evaluations, studies, and recommendations for improvements from
18 academics, nonprofit organizations, the public disclosure commission,
19 or other entities with expertise in ethics, integrity, and the public
20 sector.

21 (13) \$11,000 of the legal services revolving fund--state
22 appropriation is provided solely to implement House Bill No. 2301
23 (boxing, martial arts, wrestling). If the bill is not enacted by June
24 30, 2012, the amount provided in this subsection shall lapse.

25 (14) \$56,000 of the legal services revolving fund--state
26 appropriation is provided solely to implement House Bill No. 2319
27 (affordable care act). If the bill is not enacted by June 30, 2012,
28 the amount provided in this subsection shall lapse.

29 (15) \$5,743,000 of the general fund--state appropriation for fiscal
30 year 2013 is provided solely for the legal costs associated with the
31 evaluation, filing, prosecution, response to petitions for release, and
32 appeal of sexually violent predator civil commitment cases, as provided
33 in chapter 71.09 RCW. Within the amount provided in this subsection,
34 the attorney general may enter into an interagency agreement with a
35 county prosecutor to perform prosecution services pursuant to chapter
36 71.09 RCW.

37 (16) \$94,000 of the legal services revolving fund--state

1 appropriation is provided solely to implement Senate Bill No. 6103
2 (reflexology and massage therapy). If the bill is not enacted by June
3 30, 2012, the amount provided in this subsection shall lapse.

4 (17) \$57,000 of the legal services revolving fund--state
5 appropriation is provided solely for implementation of Engrossed
6 Substitute Senate Bill No. 6237 (medical assistants). If the bill is
7 not enacted by June 30, 2012, the amount provided in this subsection
8 shall lapse.

9 (18) If Engrossed Substitute Senate Bill No. 5978 (medicaid fraud)
10 is not enacted by June 30, 2012, the amounts appropriated in this
11 section from the medicaid fraud penalty account--state appropriation
12 shall lapse and an additional \$730,000 shall be appropriated from the
13 general fund--state for fiscal year 2013 for fraud detection and
14 prevention activities, recovery of improper payments, and for other
15 medicaid fraud enforcement activities.

16 (19) \$56,000 of the legal services revolving fund--state
17 appropriation is provided solely to implement House Bill No. 2592
18 (extended foster care). If the bill is not enacted by June 30, 2012,
19 the amount provided in this subsection shall lapse.

20 (20) \$65,000 of the legal services revolving fund--state
21 appropriation is provided solely for implementation of Second Engrossed
22 Substitute Senate Bill No. 6406 (state natural resources). If the bill
23 is not enacted by June 30, 2012, the amount provided in this subsection
24 shall lapse.

25 (21) \$200,000 of the general fund--state appropriation for fiscal
26 year 2013 is provided solely for settlement payment of the Backpage.com
27 litigation.

28 **Sec. 1108.** 2012 2nd sp.s. c 7 s 129 (uncodified) is amended to
29 read as follows:

30 **FOR THE DEPARTMENT OF COMMERCE**

31	General Fund--State Appropriation (FY 2012)	\$51,799,000
32	General Fund--State Appropriation (FY 2013)	(\$72,839,000)
33		<u>\$58,839,000</u>
34	General Fund--Federal Appropriation	\$340,184,000
35	General Fund--Private/Local Appropriation	\$5,036,000
36	Public Works Assistance Account--State	
37	Appropriation	\$2,733,000

1	Drinking Water Assistance Administrative	
2	Account--State Appropriation	\$437,000
3	Lead Paint Account--State Appropriation	((\$65,000))
4		<u>\$100,000</u>
5	Building Code Council Account--State Appropriation	\$13,000
6	Home Security Fund Account--State Appropriation	\$21,007,000
7	Affordable Housing for All Account--State	
8	Appropriation	\$11,899,000
9	County Research Services Account--State	
10	Appropriation	\$540,000
11	Financial Fraud and Identity Theft Crimes Investigation	
12	and Prosecution Account--State Appropriation	((\$1,166,000))
13		<u>\$969,000</u>
14	Low-Income Weatherization Assistance Account--State	
15	Appropriation	((\$2,427,000))
16		<u>\$1,186,000</u>
17	City and Town Research Services Account--State	
18	Appropriation	\$2,577,000
19	Community and Economic Development Fee Account--State	
20	Appropriation	\$6,781,000
21	Washington Housing Trust Account--State	
22	Appropriation	\$17,444,000
23	Prostitution Prevention and Intervention Account--	
24	State Appropriation	\$86,000
25	Public Facility Construction Loan Revolving	
26	Account--State Appropriation	\$748,000
27	Washington Community Technology Opportunity Account--	
28	State Appropriation	\$713,000
29	Liquor Revolving Account--State Appropriation	((\$2,802,000))
30		<u>\$3,032,000</u>
31	TOTAL APPROPRIATION	((\$541,296,000))
32		<u>\$526,123,000</u>

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

35 (1) Repayments of outstanding mortgage and rental assistance
36 program loans administered by the department under RCW 43.63A.640 shall
37 be remitted to the department, including any current revolving account

1 balances. The department shall collect payments on outstanding loans,
2 and deposit them into the state general fund. Repayments of funds owed
3 under the program shall be remitted to the department according to the
4 terms included in the original loan agreements.

5 (2) \$500,000 of the general fund--state appropriation for fiscal
6 year 2012 and \$500,000 of the general fund--state appropriation for
7 fiscal year 2013 are provided solely for a grant to resolution
8 Washington to building statewide capacity for alternative dispute
9 resolution centers and dispute resolution programs that guarantee that
10 citizens have access to low-cost resolution as an alternative to
11 litigation.

12 (3) \$306,000 of the general fund--state appropriation for fiscal
13 year 2012 and \$306,000 of the general fund--state appropriation for
14 fiscal year 2013 are provided solely for a grant to the retired senior
15 volunteer program.

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

19 (5) \$1,800,000 of the home security fund--state appropriation is
20 provided for transitional housing assistance or partial payments for
21 rental assistance under the independent youth housing program.

22 (6) \$5,000,000 of the home security fund--state appropriation is
23 for the operation, repair, and staffing of shelters in the homeless
24 family shelter program.

25 (7) \$198,000 of the general fund--state appropriation for fiscal
26 year 2012 and \$198,000 of the general fund--state appropriation for
27 fiscal year 2013 are provided solely for the Washington new Americans
28 program.

29 (8) \$2,949,000 of the general fund--state appropriation for fiscal
30 year 2012 and \$2,949,000 of the general fund--state appropriation for
31 fiscal year 2013 are provided solely for associate development
32 organizations.

33 (9) \$127,000 of the general fund--federal appropriation is provided
34 solely for implementation of Substitute House Bill No. 1886
35 (Ruckelshaus center process). If the bill is not enacted by June 30,
36 2011, the amount provided in this subsection shall lapse.

37 (10) Up to \$200,000 of the general fund--private/local
38 appropriation is for a grant to the Washington tourism alliance for the

1 maintenance of the Washington state tourism web site
2 www.experiencewa.com and its related sub-sites. The department may
3 transfer ownership of the web site and other tourism promotion assets
4 and assign obligations to the Washington tourism alliance for purposes
5 of tourism promotion throughout the state. The alliance may use the
6 assets only in a manner consistent with the purposes for which they
7 were created. Any revenue generated from these assets must be used by
8 the alliance for the sole purposes of statewide Washington tourism
9 promotion. The legislature finds that the Washington tourism alliance,
10 a not-for-profit, 501.c.6 organization established, funded, and
11 governed by Washington tourism industry stakeholders to sustain
12 destination tourism marketing across Washington, is an appropriate body
13 to receive funding and assets from and assume obligations of the
14 department for the purposes described in this section.

15 (11) Within the appropriations in this section, specific funding is
16 provided to implement Substitute Senate Bill No. 5741 (economic
17 development commission).

18 (12) \$2,000,000 of the community and economic development fee
19 account appropriation is provided solely for the department of commerce
20 for services to homeless families through the Washington families fund.

21 (13) \$234,000 of the general fund--state appropriation for fiscal
22 year 2012 and \$233,000 of the general fund--state appropriation for
23 fiscal year 2013 are provided solely for the Washington asset building
24 coalitions.

25 (14) \$1,859,000 of the general fund--state appropriation for fiscal
26 year 2012 and \$1,859,000 of the general fund--state appropriation for
27 fiscal year 2013 are provided solely for innovative research teams,
28 also known as entrepreneurial STARS, at higher education research
29 institutions, and for entrepreneurs-in-residence programs at higher
30 education research institutions and entrepreneurial assistance
31 organizations. Of these amounts no more than \$50,000 in fiscal year
32 2012 and no more than \$50,000 in fiscal year 2013 may be provided for
33 the operation of entrepreneurs-in-residence programs at entrepreneurial
34 assistance organizations external to higher education research
35 institutions.

36 (15) Up to \$700,000 of the general fund--private/local
37 appropriation is for pass-through grants to cities in central Puget

1 Sound to plan for transfer of development rights receiving areas under
2 the central Puget Sound regional transfer of development rights
3 program.

4 (16) \$16,000 of the general fund--state appropriation for fiscal
5 year 2012 is provided solely to implement section 503 of Substitute
6 House Bill No. 1277 (licensed settings for vulnerable adults). The
7 long-term care ombudsman shall convene an adult family home quality
8 assurance panel to review problems concerning the quality of care for
9 residents in adult family homes. If Substitute House Bill No. 1277
10 (licensed settings for vulnerable adults) is not enacted by June 30,
11 2011, the amount provided in this subsection shall lapse.

12 (17) \$19,605,000 of the general fund--state appropriation for
13 fiscal year 2012 and (~~(\$39,527,000)~~) \$25,527,000 of the general fund--
14 state appropriation for fiscal year 2013 are provided solely for
15 establishment of the essential needs and housing support program
16 created in Engrossed Substitute House Bill No. 2082 (essential needs
17 and assistance program). The department of commerce shall contract for
18 these services with counties or community-based organizations involved
19 in providing essential needs and housing supports to low-income persons
20 who meet eligibility pursuant to Engrossed Substitute House Bill No.
21 2082. The department shall limit the funding used for administration
22 of the program to no more than five percent. Counties and community
23 providers shall limit the funding used for administration of the
24 program to no more than seven percent.

25 (a) Of the amounts provided in this subsection, \$4,000,000 is
26 provided solely for essential needs to clients who meet the eligibility
27 established in Engrossed Substitute House Bill No. 2082. Counties and
28 community-based organizations shall distribute basic essential products
29 in a manner that prevents abuse. To the greatest extent possible, the
30 counties or community-based organizations shall leverage local or
31 private funds, and volunteer support to acquire and distribute the
32 basic essential products.

33 (b) Of the amounts provided in this subsection, (~~(\$55,000,000)~~)
34 \$41,000,000 is provided solely for housing support services to
35 individuals who are homeless or who may become homeless, and are
36 eligible for services under this program pursuant to Engrossed
37 Substitute House Bill No. 2082.

1 (18) \$4,380,000 of the home security fund--state appropriation is
2 provided solely for the department to provide homeless housing services
3 in accordance with Engrossed Substitute House Bill No. 2048 (housing
4 assistance surcharges). If Engrossed Substitute House Bill No. 2048
5 (housing assistance surcharges) is not enacted by June 30, 2012, the
6 amounts provided in this subsection shall lapse.

7 (19) \$85,000 of the general fund--state appropriation for fiscal
8 year 2013 is provided solely for the developmental disabilities council
9 to contract for a family-to-family mentor program to provide
10 information and support to families and guardians of persons who are
11 transitioning out of residential habilitation centers. To the maximum
12 extent allowable under federal law, these funds shall be matched under
13 medicaid through the department of social and health services and
14 federal funds shall be transferred to the department for the purposes
15 stated in this subsection.

16 (20) (~~(\$2,802,000)~~) \$3,032,000 of the liquor revolving account--
17 state appropriation is provided solely for the department to contract
18 with the municipal research and services center of Washington.

19 (21) \$1,000,000 of the general fund--state appropriation for fiscal
20 year 2013 is provided solely for deposit in the shelter to housing
21 project account, hereby created in the custody of the state treasurer
22 as a nonappropriated account. The department may expend funds from the
23 account solely for a two-year pilot project to enable young adults to
24 move from temporary emergency shelter housing to transitional and
25 permanent housing throughout King county. The pilot project will be
26 administered under contract with the YMCA of greater Seattle in
27 collaboration with the rising out of the shadows young adult shelter.
28 Funding may be used for case management, housing subsidy,
29 transportation, shelter services, training and evaluation. The pilot
30 project and the shelter to housing project account expire December 31,
31 2014.

32 (22) \$12,000 of the general fund--state appropriation for fiscal
33 year 2013 is provided solely to implement Engrossed Second Substitute
34 Senate Bill No. 5292 (irrigation and port districts). If the bill is
35 not enacted by June 30, 2012, the amount provided in this subsection
36 shall lapse.

37 (23) \$100,000 of the general fund--private/local appropriation is
38 provided solely for the department to provide analysis and an advisory

1 opinion on whether a proposed electric generation project or
 2 conservation resource qualifies to meet mandatory conservation targets
 3 in accordance with Substitute Senate Bill No. 6414 (review
 4 process/utilities). The department is authorized to require an
 5 applicant to pay an application fee to cover the cost of reviewing the
 6 project and preparing an advisory opinion. If Substitute Senate Bill
 7 No. 6414 (review process/utilities) is not enacted by June 30, 2012,
 8 the amount provided in this subsection shall lapse.

9 **Sec. 1109.** 2012 2nd sp.s. c 7 s 131 (uncodified) is amended to
 10 read as follows:

11 **FOR THE OFFICE OF FINANCIAL MANAGEMENT**

12	General Fund--State Appropriation (FY 2012)	\$18,369,000
13	General Fund--State Appropriation (FY 2013)	(\$18,584,000)
14		<u>\$18,678,000</u>
15	General Fund--Federal Appropriation	(\$31,530,000)
16		<u>\$35,530,000</u>
17	General Fund--Private/Local Appropriation	\$1,370,000
18	Performance Audits of Government Account--State	
19	Appropriation	\$198,000
20	Economic Development Strategic Reserve Account--State	
21	Appropriation	\$280,000
22	Department of Personnel Services--State	
23	Appropriation	\$8,551,000
24	Data Processing Revolving Account--State	
25	Appropriation	\$5,910,000
26	Higher Education Personnel Services Account--State	
27	Appropriation	\$1,537,000
28	Aquatic Lands Enhancement Account--State Appropriation	\$100,000
29	TOTAL APPROPRIATION	(\$86,429,000)
30		<u>\$90,523,000</u>

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

33 (1) \$1,210,000 of the general fund--state appropriation for fiscal
 34 year 2012 and \$1,210,000 of the general fund--state appropriation for
 35 fiscal year 2013 are provided solely for implementation of House Bill
 36 No. 1178 (regulatory assistance office). If the bill is not enacted by
 37 June 30, 2011, the amounts provided in this subsection shall lapse.

1 (2) \$150,000 of the general fund--state appropriation for fiscal
2 year 2012 is provided solely for the office of financial management to
3 contract with an independent consultant to evaluate and recommend the
4 most cost-effective provision of services required to support the
5 department of social and health services special commitment center on
6 McNeil Island. The evaluation shall include island operation services
7 that include, but are not limited to: (a) Marine transport of
8 passengers and goods; (b) wastewater treatment; (c) fire protection and
9 suppression; (d) electrical supply; (e) water supply; and (f) road
10 maintenance.

11 The office of financial management shall solicit the input of
12 Pierce county, the department of corrections, and the department of
13 social and health services in developing the request for proposal,
14 evaluating applications, and directing the evaluation. The consultant
15 shall report to the governor and legislature by November 15, 2011.

16 (3) \$100,000 of the aquatic lands enhancement account--state
17 appropriation is provided solely for the office of financial management
18 to prepare a report to be used to initiate a comprehensive, long-range
19 planning process for the future of McNeil Island during the 2013-2015
20 fiscal biennium.

21 (a) The report on the initiation of the process must document:

22 (i) Ownership issues, including consultation with the federal
23 government about its current legal requirements associated with the
24 island;

25 (ii) Federal and state decision-making processes to change use or
26 ownership;

27 (iii) Tribal treaty interests;

28 (iv) Fish and wildlife species and their habitats;

29 (v) Land use and public safety needs;

30 (vi) Recreational opportunities for the general public;

31 (vii) Historic and archaeological resources; and

32 (viii) Revenue from and necessary to support potential future uses
33 of the island.

34 (b) The report shall develop and recommend a comprehensive, long-
35 range planning process for the future of the island and associated
36 aquatic resources, addressing the items in (a) of this subsection.

37 (c) The office of financial management may use its own staff and

1 other public agency and tribal staff or contract for services, and may
2 create a work group of knowledgeable agencies, organizations, and
3 individuals to assist in preparing the report.

4 (d) The office of financial management shall engage in broad
5 consultation with interested parties, including, but not limited to:

6 (i) Federal agencies with relevant responsibilities;

7 (ii) Tribal governments;

8 (iii) State agencies;

9 (iv) Local governments and communities in the area, including the
10 Anderson Island community, Steilacoom, and Pierce county; and

11 (v) Interested private organizations and individuals.

12 (e) The report must be submitted to the governor and appropriate
13 committees of the legislature by October 1, 2012.

14 (4) The appropriations in this section include funding for
15 activities transferred from the sentencing guidelines commission to the
16 office of financial management pursuant to Engrossed Substitute Senate
17 Bill No. 5891 (criminal justice cost savings). Prior to the effective
18 date of Engrossed Substitute Senate Bill No. 5891, the appropriations
19 in this section may be expended for the continued operations and
20 expenses of the sentencing guidelines commission pursuant to the
21 expenditure authority schedule produced by the office of financial
22 management in accordance with chapter 43.88 RCW.

23 (~~(+6)~~) (5) \$115,000 of the general fund--state appropriation for
24 fiscal year 2013 is provided solely for implementation of Engrossed
25 Substitute House Bill No. 2483 (higher education coordination). If the
26 bill is not enacted by June 30, 2012, the amount provided in this
27 subsection shall lapse.

28 (~~(+7)~~) (6)(a) The office of financial management shall determine
29 if cost savings can be achieved by the state through contracting for
30 interpreter services more effectively. The office of financial
31 management must work with all state agencies that use interpreter
32 services to determine:

33 (i) How agencies currently procure interpreter services;

34 (ii) To what degree brokers or foreign language agencies are used
35 in the acquisition of interpreter services; and

36 (iii) The cost of interpreter services as currently provided.

37 (b) The office of financial management, in consultation with the
38 department of enterprise services, must also examine approaches to

1 procuring interpreter services, including using the department of
2 enterprise services' master contract, limiting overhead costs
3 associated with interpreter contracts, and direct scheduling of
4 interpreters. The report must include recommendations for the state to
5 procure services in a more consistent and cost-effective manner.

6 (c) The office of financial management, in consultation with the
7 department of labor and industries, must determine the impact that any
8 alternative approach to procuring interpreter services will have on
9 medical providers.

10 (d) The report must include:

11 (i) Analysis of the current process for procuring interpreter
12 services;

13 (ii) Recommendations regarding options to make obtaining
14 interpreter services more consistent and cost-effective; and

15 (iii) Estimates for potential cost savings.

16 (e) The office of financial management must report to the fiscal
17 committees of the legislature by December 1, 2012.

18 ~~((+8))~~ (7) \$25,000 of the general fund--state appropriation for
19 fiscal year 2012 and \$225,000 of the general fund--state appropriation
20 for fiscal year 2013 are provided solely for implementation of House
21 Bill No. 2824 (education funding). If the bill is not enacted by June
22 30, 2012, the amount provided in this subsection shall lapse.

23 **Sec. 1110.** 2012 2nd sp.s. c 7 s 132 (uncodified) is amended to
24 read as follows:

25 **FOR THE OFFICE OF ADMINISTRATIVE HEARINGS**

26	Administrative Hearings Revolving Account--State	
27	Appropriation	((\$35,713,000))
28		<u>\$36,413,000</u>

29 The appropriation in this section is subject to the following
30 conditions and limitations: ~~((~~\$769,000~~))~~ \$700,000 of the
31 administrative hearings revolving account--state appropriation is
32 provided solely to ~~((implement Engrossed Substitute Senate Bill No.
33 5921 (social services programs). If the bill is not enacted by June
34 30, 2011, the amount provided in this subsection shall lapse))~~
35 accommodate the number of fair hearings associated with medical
36 assistance programs on behalf of the health care authority.

The appropriations in this section are subject to the following conditions and limitations: \$100,000 of the minority and women's business enterprises account--state appropriation is provided for implementation of a certification program for small business enterprises. The agency will collaborate with the department of transportation to certify small businesses as small business enterprises.

Sec. 1113. 2012 2nd sp.s. c 7 s 142 (uncodified) is amended to read as follows:

FOR THE LIQUOR CONTROL BOARD

Liquor Control Board Construction and Maintenance

Account--State Appropriation	\$3,063,000
Liquor Revolving Account--State Appropriation	\$171,838,000
General Fund--Federal Appropriation	\$945,000
General Fund--Private/Local Appropriation	\$25,000
TOTAL APPROPRIATION	\$175,871,000

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

(1) The legislature intends to facilitate the orderly transition of liquor services as required by Initiative Measure No. 1183. For liquor control board employees that remain through June 15, 2012, a temporary opportunity to cash out sick leave is provided to assist the unique challenges to the liquor control board and its employees posed by this transition.

(2) Within the amounts appropriated in this section from the liquor revolving account--state appropriation, liquor control board employees who: (a) Occupy positions in the job classifications provided in subsection (3)(c) of this section that will be eliminated after the liquor control board ceases to distribute liquor; and (b) remain as liquor control board employees through June 15, 2012, and who separate from service due to lay off by October 1, 2012, may elect to receive remuneration for their entire sick leave balance at a rate equal to one day's current monetary compensation of the employee for each four full days of accrued sick leave.

(3) The following conditions apply to sick leave cash out under this subsection:

1 (a) The rate of monetary compensation for the purposes of this
2 subsection shall not be reduced by any temporary salary reduction;

3 (b) Remuneration or benefits received under this subsection shall
4 not be included for the purpose of computing a retirement allowance
5 under any public retirement system in this state;

6 (c) The following job classifications are eligible:

- 7 (i) Liquor store clerk;
- 8 (ii) Retail assistant store manager 1;
- 9 (iii) Retail assistant store manager 2;
- 10 (iv) Retail store manager 3;
- 11 (v) Retail store manager 4;
- 12 (vi) Retail district manager;
- 13 (vii) Retail operations manager;
- 14 (viii) Director of retail services;
- 15 (ix) Director of distribution center;
- 16 (x) Director of purchasing;
- 17 (xi) Director of business enterprise;
- 18 (xii) Warehouse operator 1;
- 19 (xiii) Warehouse operator 2;
- 20 (xiv) Warehouse operator 3; and
- 21 (xv) Warehouse operator 4; and

22 (d) Should the legislature revoke any remuneration or benefits
23 granted under this section, an affected employee shall not be entitled
24 thereafter to receive such benefits as a matter of contractual right.

25 (4) Within the amounts appropriated in this section from the liquor
26 revolving account--state appropriation, up to \$946,000 may be used by
27 the liquor control board to implement Initiative Measure No. 502.

28 **Sec. 1114.** 2012 2nd sp.s. c 7 s 144 (uncodified) is amended to
29 read as follows:

30 **FOR THE MILITARY DEPARTMENT**

31	General Fund--State Appropriation (FY 2012)	\$7,116,000
32	General Fund--State Appropriation (FY 2013)	(\$6,872,000)
33		<u>\$6,938,000</u>
34	General Fund--Federal Appropriation	(\$159,075,000)
35		<u>\$159,114,000</u>
36	Enhanced 911 Account--State Appropriation	\$48,620,000
37	Disaster Response Account--State Appropriation	\$23,119,000

1	Disaster Response Account--Federal Appropriation	\$91,368,000
2	Military Department Rent and Lease Account--State	
3	Appropriation	\$615,000
4	Worker and Community Right-to-Know Account--State	
5	Appropriation	\$2,163,000
6	TOTAL APPROPRIATION	((\$338,948,000))
7		<u>\$339,053,000</u>

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

10 (1) \$18,018,000 of the disaster response account--state
11 appropriation and \$66,266,000 of the disaster response account--federal
12 appropriation may be spent only on disasters declared by the governor
13 and with the approval of the office of financial management. The
14 military department shall submit a report to the office of financial
15 management and the legislative fiscal committees on October 1st and
16 February 1st of each year detailing information on the disaster
17 response account, including: (a) The amount and type of deposits into
18 the account; (b) the current available fund balance as of the reporting
19 date; and (c) the projected fund balance at the end of the 2011-2013
20 biennium based on current revenue and expenditure patterns.

21 (2) \$75,000,000 of the general fund--federal appropriation is
22 provided solely for homeland security, subject to the following
23 conditions:

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

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

33 (3) \$15,000 of the general fund--state appropriation in fiscal year
34 2013 is provided solely to maintain the three generator systems that
35 allow the emergency operations center and emergency management division
36 to operate during unexpected power outages.

1 **Sec. 1115.** 2012 2nd sp.s. c 7 s 149 (uncodified) is amended to
2 read as follows:

3 **FOR THE DEPARTMENT OF ENTERPRISE SERVICES**

4	General Fund--State Appropriation (FY 2012)	\$3,401,000
5	General Fund--State Appropriation (FY 2013)	\$3,309,000
6	(General Fund--Federal Appropriation	\$177,000
7	General Fund--Private/Local Appropriation	\$368,000)
8	Building Code Council Account--State Appropriation	\$1,186,000
9	Department of Personnel Service Account--State	
10	Appropriation	\$11,117,000
11	Enterprise Services Account--State Appropriation	\$26,336,000
12	TOTAL APPROPRIATION	(\$45,894,000)
13		<u>\$45,349,000</u>

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

16 (1) The appropriations in this section are for the operations and
17 expenses of the department of enterprise services as established by
18 Engrossed Substitute Senate Bill No. 5931 (central service functions of
19 state government), effective October 1, 2011. Prior to October 1,
20 2011, the appropriations in this section may be expended for the
21 continued operations and expenses of the office of financial
22 management, the department of general administration, the department of
23 information services, and the department of personnel, pursuant to the
24 expenditure authority schedules produced by the office of financial
25 management, in accordance with chapter 43.88 RCW.

26 (2) \$3,028,000 of the general fund--state appropriation for fiscal
27 year 2012 and \$2,967,000 of the general fund--state appropriation for
28 fiscal year 2013 are provided solely for the payment of facilities and
29 services charges, utilities and contracts charges, public and historic
30 facilities charges, and capital projects surcharges allocable to the
31 senate, house of representatives, statute law committee, and joint
32 legislative systems committee. The department shall allocate charges
33 attributable to these agencies among the affected revolving funds. The
34 department shall maintain an interagency agreement with these agencies
35 to establish performance standards, prioritization of preservation and
36 capital improvement projects, and quality assurance provisions for the
37 delivery of services under this subsection. The legislative agencies

1 named in this subsection shall continue to enjoy all of the same rights
2 of occupancy and space use on the capitol campus as historically
3 established.

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

7 (4) The building code council account appropriation is provided
8 solely for the operation of the state building code council as required
9 by statute and modified by the standards established by executive order
10 10-06. The council shall not consider any proposed code amendment or
11 take any other action not authorized by statute or in compliance with
12 the standards established in executive order 10-06. No member of the
13 council may receive compensation, per diem, or reimbursement for
14 activities other than physical attendance at those meetings of the
15 state building code council or the council's designated committees, at
16 which the opportunity for public comment is provided generally and on
17 all agenda items upon which the council proposes to take action.

18 (5) Specific funding is provided for the purposes of section 3 of
19 House Bill No. 1770 (state purchasing).

20 (6) The amounts appropriated in this section are for implementation
21 of Senate Bill No. 5931 (streamlining central service functions).

22 (7) The department of enterprise services shall purchase flags
23 needed for ceremonial occasions on the capitol campus in order to fully
24 represent the countries that have an international consulate in
25 Washington state.

26 (8) Before any agency may purchase a passenger motor vehicle as
27 defined in RCW 43.19.560, the agency must have written approval from
28 the director of the department of enterprise services.

29 (9) The department shall adjust billings for self-insurance
30 premiums to transportation agencies to reflect rate reductions assumed
31 in this act.

(End of part)

PART XII
HUMAN SERVICES

1
2
3 **Sec. 1201.** 2012 2nd sp.s. c 7 s 201 (uncodified) is amended to
4 read as follows:

5 **FOR THE DEPARTMENT OF SOCIAL AND HEALTH SERVICES**

6 (1) The appropriations to the department of social and health
7 services in this act shall be expended for the programs and in the
8 amounts specified in this act. Appropriations made in this act to the
9 department of social and health services shall initially be allotted as
10 required by this act. Subsequent allotment modifications shall not
11 include transfers of moneys between sections of this act except as
12 expressly provided in this act, nor shall allotment modifications
13 permit moneys that are provided solely for a specified purpose to be
14 used for other than that purpose.

15 (2) The department of social and health services shall not initiate
16 any services that require expenditure of state general fund moneys
17 unless expressly authorized in this act or other law. The department
18 may seek, receive, and spend, under RCW 43.79.260 through 43.79.282,
19 federal moneys not anticipated in this act as long as the federal
20 funding does not require expenditure of state moneys for the program in
21 excess of amounts anticipated in this act. If the department receives
22 unanticipated unrestricted federal moneys, those moneys shall be spent
23 for services authorized in this act or in any other legislation
24 providing appropriation authority, and an equal amount of appropriated
25 state general fund moneys shall lapse. Upon the lapsing of any moneys
26 under this subsection, the office of financial management shall notify
27 the legislative fiscal committees. As used in this subsection,
28 "unrestricted federal moneys" includes block grants and other funds
29 that federal law does not require to be spent on specifically defined
30 projects or matched on a formula basis by state funds.

31 (3)(a) The health care authority and the department are authorized
32 to develop an integrated health care program designed to slow the
33 progression of illness and disability and better manage medicaid
34 expenditures for the aged and disabled population. Under the
35 Washington medicaid integration partnership (WMIP) and the medicare
36 integrated care project (MICP), the health care authority and the

1 department may combine and transfer such medicaid funds appropriated
2 under sections 204, 206, 208, and 213 of this act as may be necessary
3 to finance a unified health care plan for the WMIP and the MICP program
4 enrollment. The WMIP pilot projects shall not exceed a daily
5 enrollment of 6,000 persons, nor expand beyond one county during the
6 2011-2013 fiscal biennium. The amount of funding assigned from each
7 program may not exceed the average per capita cost assumed in this act
8 for individuals covered by that program, actuarially adjusted for the
9 health condition of persons enrolled, times the number of clients
10 enrolled. In implementing the WMIP and the MICP, the health care
11 authority and the department may: (i) Withhold from calculations of
12 "available resources" as set forth in RCW 71.24.025 a sum equal to the
13 capitated rate for enrolled individuals; and (ii) employ capitation
14 financing and risk-sharing arrangements in collaboration with health
15 care service contractors licensed by the office of the insurance
16 commissioner and qualified to participate in both the medicaid and
17 medicare programs. The health care authority and the department shall
18 conduct an evaluation of the WMIP by October 15, 2012, and of the MICP
19 measuring changes in participant health outcomes, changes in patterns
20 of service utilization, participant satisfaction, participant access to
21 services, and the state fiscal impact.

22 (b) Effective January 1, 2013, if Washington has been selected to
23 participate in phase two of the federal demonstration project for
24 persons dually-eligible for both medicare and medicaid, the department
25 and the authority may initiate the MICP. Participation in the project
26 shall be limited to persons who are eligible for both medicare and
27 medicaid and to counties in which the county legislative authority has
28 agreed to the terms and conditions under which it will operate. The
29 purpose of the project shall be to demonstrate and evaluate ways to
30 improve care while reducing state expenditures for persons enrolled
31 both in medicare and medicaid. To that end, prior to initiating the
32 project, the department and the authority shall assure that state
33 expenditures shall be no greater on either a per person or total basis
34 than the state would otherwise incur. Individuals who are solely
35 eligible for medicaid may also participate if their participation is
36 agreed to by the health care authority, the department, and the county
37 legislative authority.

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

11 (5) The department shall to the maximum extent practicable use the
12 same system for delivery of spoken-language interpreter services for
13 social services appointments as the one established for medical
14 appointments in section 213 of this act. When contracting directly
15 with an individual to deliver spoken language interpreter services, the
16 department shall only contract with language access providers who are
17 working at a location in the state and who are state-certified or
18 state-authorized, except that when such a provider is not available,
19 the department may use a language access provider who meets other
20 certifications or standards deemed to meet state standards, including
21 interpreters in other states.

22 (6)(a) The appropriations to the department of social and health
23 services in this act shall be expended for the programs and in the
24 amounts specified in this act. However, after May 1, (~~(2012)~~) 2013,
25 unless specifically prohibited by this act, the department may transfer
26 general fund--state appropriations for fiscal year (~~(2012)~~) 2013 among
27 programs after approval by the director of financial management.
28 However, the department shall not transfer state moneys that are
29 provided solely for a specified purpose except as expressly provided in
30 (b) of this subsection.

31 (b) To the extent that transfers under (a) of this subsection are
32 insufficient to fund actual expenditures in excess of fiscal year
33 (~~(2012)~~) 2013 caseload forecasts and utilization assumptions in the
34 long-term care, foster care, adoptions support, medicaid personal care,
35 and child support programs, the department may transfer state moneys
36 that are provided solely for a specified purpose. The department shall
37 not transfer funds, and the director of financial management shall not
38 approve the transfer, unless the transfer is consistent with the

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

10 **Sec. 1202.** 2012 2nd sp.s. c 7 s 202 (uncodified) is amended to
11 read as follows:

12 **FOR THE DEPARTMENT OF SOCIAL AND HEALTH SERVICES--CHILDREN AND FAMILY**
13 **SERVICES PROGRAM**

14	General Fund--State Appropriation (FY 2012)	\$287,014,000
15	General Fund--State Appropriation (FY 2013)	((\$285,018,000))
16		<u>\$277,399,000</u>
17	General Fund--Federal Appropriation	((\$479,315,000))
18		<u>\$477,138,000</u>
19	General Fund--Private/Local Appropriation	((\$1,354,000))
20		<u>\$1,804,000</u>
21	Home Security Fund Account--State Appropriation	\$10,741,000
22	Domestic Violence Prevention Account--State	
23	Appropriation	\$1,240,000
24	Education Legacy Trust Account--State Appropriation	\$725,000
25	TOTAL APPROPRIATION	((\$1,065,407,000))
26		<u>\$1,056,061,000</u>

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

29 (1) Within amounts provided for the foster care and adoption
30 support programs, the department shall control reimbursement decisions
31 for foster care and adoption support cases such that the aggregate
32 average cost per case for foster care and for adoption support does not
33 exceed the amounts assumed in the projected caseload expenditures.

34 (2) \$668,000 of the general fund--state appropriation for fiscal
35 year 2012 and \$668,000 of the general fund--state appropriation for
36 fiscal year 2013 are provided solely to contract for the operation of
37 one pediatric interim care center. The center shall provide

1 residential care for up to thirteen children through two years of age.
2 Seventy-five percent of the children served by the center must be in
3 need of special care as a result of substance abuse by their mothers.
4 The center shall also provide on-site training to biological, adoptive,
5 or foster parents. The center shall provide at least three months of
6 consultation and support to the parents accepting placement of children
7 from the center. The center may recruit new and current foster and
8 adoptive parents for infants served by the center. The department
9 shall not require case management as a condition of the contract. The
10 department shall collaborate with the pediatric interim care center to
11 determine if and how the center could be appropriately incorporated
12 into the performance-based contract model and report its findings to
13 the legislature by December 1, 2012.

14 (3)(a) \$80,887,000 of the general fund--state appropriation for
15 fiscal year 2012, (~~(\$81,067,000)~~) \$76,567,000 of the general fund--
16 state appropriation for fiscal year 2013, and (~~(\$74,800,000)~~)
17 \$71,598,034 of the general fund--federal appropriation are provided
18 solely for services for children and families. The amounts provided in
19 this section shall be allotted on a monthly basis and expenditures
20 shall not exceed allotments based on a three month rolling average
21 without approval of the office of financial management following
22 notification to the legislative fiscal committees.

23 (b) The department shall use these services to safely reduce the
24 number of children in out-of-home care, safely reduce the time spent in
25 out-of-home care prior to achieving permanency, and safely reduce the
26 number of children returning to out-of-home care following permanency.
27 The department shall provide an initial report to the legislature and
28 the governor by January 15, 2012, regarding the start-up costs
29 associated with performance-based contracts under RCW 74.13.360 .

30 (c) Of the amounts provided in (a) of this subsection, \$579,000 of
31 the general fund--state appropriation for fiscal year 2013 and \$109,000
32 of the general fund--federal appropriation are provided solely for a
33 receiving care center east of the Cascade mountains.

34 (4) \$176,000 of the general fund--state appropriation for fiscal
35 year 2012, \$177,000 of the general fund--state appropriation for fiscal
36 year 2013, \$656,000 of the general fund--private/local appropriation,
37 \$253,000 of the general fund--federal appropriation, and \$725,000 of
38 the education legacy trust account--state appropriation are provided

1 solely for children's administration to contract with an educational
2 advocacy provider with expertise in foster care educational outreach.
3 The amounts in this subsection are provided solely for contracted
4 education coordinators to assist foster children in succeeding in K-12
5 and higher education systems and to assure a focus on education during
6 the transition to performance based contracts. Funding shall be
7 prioritized to regions with high numbers of foster care youth and/or
8 regions where backlogs of youth that have formerly requested
9 educational outreach services exist. The department shall utilize
10 private matching funds to maintain educational advocacy services.

11 (5) \$670,000 of the general fund--state appropriation for fiscal
12 year 2012 and \$670,000 of the general fund--state appropriation for
13 fiscal year 2013 are provided solely for services provided through
14 children's advocacy centers.

15 (6) To ensure expenditures remain within available funds
16 appropriated in this section as required by RCW 74.13A.005 and
17 74.13A.020, the secretary shall not set the amount of any adoption
18 assistance payment or payments, made pursuant to RCW 26.33.320 and
19 74.13A.005 through 74.13A.080, to more than ninety percent of the
20 foster care maintenance payment for that child had he or she remained
21 in a foster family home during the same period. This subsection does
22 not apply to adoption assistance agreements in existence on the
23 effective date of this section.

24 (7) \$10,741,000 of the home security fund--state appropriation is
25 provided solely for the department to contract for services pursuant to
26 RCW 13.32A.030 and 74.15.220. The department shall contract and
27 collaborate with service providers in a manner that maintains the
28 availability and geographic representation of secure and semi-secure
29 crisis residential centers and HOPE centers. To achieve efficiencies
30 and increase utilization, the department shall allow the co-location of
31 these centers, except that a youth may not be placed in a secure
32 facility or the secure portion of a co-located facility except as
33 specifically authorized by chapter 13.32A RCW. The reductions to
34 appropriations in this subsection related to semi-secure crisis
35 residential centers reflect a reduction to the number of beds for semi-
36 secure crisis residential centers and not a reduction in rates. Any
37 secure crisis residential center or semi-secure crisis residential
38 center bed reduction shall not be based solely upon bed utilization.

1 The department is to exercise its discretion in reducing the number of
2 beds but to do so in a manner that maintains availability and
3 geographic representation of semi-secure and secure crisis residential
4 centers.

5 (8) \$47,000 of the general fund--state appropriation for fiscal
6 year 2012, \$14,000 of the general fund--state appropriation for fiscal
7 year 2013, and \$40,000 of the general fund--federal appropriation are
8 provided solely to implement Substitute House Bill No. 1697 (dependency
9 system). If the bill is not enacted by June 30, 2011, the amounts
10 provided in this subsection shall lapse.

11 (9) \$564,000 of the general fund--federal appropriation is provided
12 solely to implement Second Substitute House Bill No. 1128 (extended
13 foster care). If the bill is not enacted by June 30, 2011, the amount
14 provided in this subsection shall lapse.

15 (10) \$799,000 of the general fund--state appropriation for fiscal
16 year 2013 and \$799,000 of the general fund--federal appropriation are
17 provided solely for the implementation of Engrossed Second Substitute
18 House Bill No. 2264 (child welfare/contracting). If the bill is not
19 enacted by June 30, 2012, the amounts provided in this subsection shall
20 lapse.

21 (11) \$178,000 of the general fund--federal appropriation is
22 provided solely for the implementation of Engrossed Second Substitute
23 House Bill No. 2592 (extended foster care). If the bill is not enacted
24 by June 30, 2012, the amount provided in this subsection shall lapse.

25 (12) \$616,000 of the general fund--state appropriation for fiscal
26 year 2013 and \$616,000 of the general fund--federal appropriation are
27 provided solely for the implementation of Engrossed Substitute Senate
28 Bill No. 6555 (child protective services). If the bill is not enacted
29 by June 30, 2012, the amounts provided in this subsection shall lapse.

30 **Sec. 1203.** 2012 2nd sp.s. c 7 s 203 (uncodified) is amended to
31 read as follows:

32 **FOR THE DEPARTMENT OF SOCIAL AND HEALTH SERVICES--JUVENILE**
33 **REHABILITATION PROGRAM**

34	General Fund--State Appropriation (FY 2012)	\$85,723,000
35	General Fund--State Appropriation (FY 2013)	(\$85,258,000)
36		<u>\$85,546,000</u>
37	General Fund--Federal Appropriation	(\$3,809,000)

1		<u>\$3,808,000</u>
2	General Fund--Private/Local Appropriation	((\$1,903,000))
3		<u>\$1,904,000</u>
4	Washington Auto Theft Prevention Authority Account--	
5	State Appropriation	\$196,000
6	Juvenile Accountability Incentive Account--Federal	
7	Appropriation	\$2,801,000
8	TOTAL APPROPRIATION	((\$179,690,000))
9		<u>\$179,978,000</u>

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

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

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

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

36 (4) \$1,130,000 of the general fund--state appropriation for fiscal
37 year 2012 and \$1,130,000 of the general fund--state appropriation for
38 fiscal year 2013 are provided solely to implement alcohol and substance

1 abuse treatment programs for locally committed offenders. The juvenile
2 rehabilitation administration shall award these moneys on a competitive
3 basis to counties that submitted a plan for the provision of services
4 approved by the division of alcohol and substance abuse. The juvenile
5 rehabilitation administration shall develop criteria for evaluation of
6 plans submitted and a timeline for awarding funding and shall assist
7 counties in creating and submitting plans for evaluation.

8 (5) \$3,123,000 of the general fund--state appropriation for fiscal
9 year 2012 and \$3,123,000 of the general fund--state appropriation for
10 fiscal year 2013 are provided solely for grants to county juvenile
11 courts for the following programs identified by the Washington state
12 institute for public policy (institute) in its October 2006 report:
13 "Evidence-Based Public Policy Options to Reduce Future Prison
14 Construction, Criminal Justice Costs and Crime Rates": Functional
15 family therapy, multi-systemic therapy, aggression replacement training
16 and interagency coordination programs, or other programs with a
17 positive benefit-cost finding in the institute's report. County
18 juvenile courts shall apply to the juvenile rehabilitation
19 administration for funding for program-specific participation and the
20 administration shall provide grants to the courts consistent with the
21 per-participant treatment costs identified by the institute.

22 (6) \$1,537,000 of the general fund--state appropriation for fiscal
23 year 2012 and \$1,537,000 of the general fund--state appropriation for
24 fiscal year 2013 are provided solely for expansion of the following
25 treatments and therapies in juvenile rehabilitation administration
26 programs identified by the Washington state institute for public policy
27 in its October 2006 report: "Evidence-Based Public Policy Options to
28 Reduce Future Prison Construction, Criminal Justice Costs and Crime
29 Rates": Multidimensional treatment foster care, family integrated
30 transitions, and aggression replacement training, or other programs
31 with a positive benefit-cost finding in the institute's report. The
32 administration may concentrate delivery of these treatments and
33 therapies at a limited number of programs to deliver the treatments in
34 a cost-effective manner.

35 (7)(a) The juvenile rehabilitation administration shall administer
36 a block grant, rather than categorical funding, of consolidated
37 juvenile service funds, community juvenile accountability act grants,
38 the chemical dependency disposition alternative funds, the mental

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

24 (b) The juvenile rehabilitation administration shall phase the
25 implementation of the formula provided in subsection (1) of this
26 section by including a stop-loss formula of five percent in fiscal year
27 2012 and five percent in fiscal year 2013.

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 (8) The juvenile courts and administrative office of the courts
34 shall collect and distribute information related to program outcome and
35 provide access to these data systems to the juvenile rehabilitation
36 administration and Washington state institute for public policy.
37 Consistent with chapter 13.50 RCW, all confidentiality agreements
38 necessary to implement this information-sharing shall be approved

1 within 30 days of the effective date of this section. The agreements
2 between administrative office of the courts, the juvenile courts, and
3 the juvenile rehabilitation administration shall be executed to ensure
4 that the juvenile rehabilitation administration receives the data that
5 the juvenile rehabilitation administration identifies as needed to
6 comply with this subsection. This includes, but is not limited to,
7 information by program at the statewide aggregate level, individual
8 court level, and individual client level for the purpose of the
9 juvenile rehabilitation administration providing quality assurance and
10 oversight for the locally committed youth block grant and associated
11 funds and at times as specified by the juvenile rehabilitation
12 administration as necessary to carry out these functions. The data
13 shall be provided in a manner that reflects the collaborative work the
14 juvenile rehabilitation administration and juvenile courts have
15 developed regarding program outcomes that reinforce the greatest cost
16 benefit to the state in the implementation of evidence-based practices
17 and disposition alternatives.

18 (9) The Washington association of juvenile court administrators and
19 the juvenile rehabilitation administration, in consultation with the
20 community juvenile accountability act advisory committee and the
21 Washington state institute for public policy, shall analyze and review
22 data elements available from the administrative office of the courts
23 for possible integration into the evidence-based program quality
24 assurance plans and processes. The administrative office of the
25 courts, the Washington association of juvenile court administrators,
26 and the juvenile rehabilitation administration shall provide
27 information necessary to complete the review and analysis. The
28 Washington association of juvenile court administrators and the
29 juvenile rehabilitation administration shall report the findings of
30 their review and analysis, as well as any recommendations, to the
31 legislature by December 1, 2012.

32 **Sec. 1204.** 2012 2nd sp.s. c 7 s 204 (uncodified) is amended to
33 read as follows:

34 **FOR THE DEPARTMENT OF SOCIAL AND HEALTH SERVICES--MENTAL HEALTH**
35 **PROGRAM**

36 (1) COMMUNITY SERVICES/REGIONAL SUPPORT NETWORKS
37 General Fund--State Appropriation (FY 2012) \$317,734,000

1	General Fund--State Appropriation (FY 2013)	((\$324,319,000))
2		<u>\$321,411,000</u>
3	General Fund--Federal Appropriation	((\$449,593,000))
4		<u>\$446,421,000</u>
5	General Fund--Private/Local Appropriation	\$17,864,000
6	Hospital Safety Net Assessment Fund--State	
7	Appropriation	\$5,251,000
8	TOTAL APPROPRIATION	((\$1,114,761,000))
9		<u>\$1,108,681,000</u>

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

1 outpatient services presently available to persons not eligible for
2 medicaid.

3 (l) Given the recent approval of federal medicaid matching funds
4 for the disability lifeline and the alcohol and drug abuse treatment
5 support act programs, the department shall charge regional support
6 networks for only the state share rather than the total cost of
7 community psychiatric hospitalization for persons enrolled in those
8 programs.

9 (m) \$750,000 of the general fund--state appropriation for fiscal
10 year 2012, \$750,000 of the general fund--state appropriation for fiscal
11 year 2013, and \$1,500,000 of the general fund--federal appropriation
12 are provided solely to adjust regional support network capitation rates
13 to account for the per diem rates actually paid for psychiatric care
14 provided at hospitals participating in the certified public expenditure
15 program operated pursuant to section 213 of this act.

16 (n) The appropriations in this section reflect efficiencies to be
17 achieved through voluntary consolidation of regional support networks
18 in accordance with Substitute House Bill No. 2139 (regional support
19 networks). Voluntary consolidation of regional support networks is
20 expected to result in administrative efficiencies and maximize dollars
21 available for direct services to individuals with mental illnesses
22 without corresponding increases in state appropriations.

23 (2) INSTITUTIONAL SERVICES

24	General Fund--State Appropriation (FY 2012)	\$115,017,000
25	General Fund--State Appropriation (FY 2013)	(\$112,603,000)
26		<u>\$118,883,000</u>
27	General Fund--Federal Appropriation	(\$153,618,000)
28		<u>\$152,917,000</u>
29	General Fund--Private/Local Appropriation	(\$67,325,000)
30		<u>\$64,555,000</u>
31	TOTAL APPROPRIATION	(\$448,563,000)
32		<u>\$451,372,000</u>

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

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

1 (b) \$231,000 of the general fund--state appropriation for fiscal
 2 year 2012 and \$231,000 of the general fund--state appropriation for
 3 fiscal year 2013 are provided solely for a community partnership
 4 between western state hospital and the city of Lakewood to support
 5 community policing efforts in the Lakewood community surrounding
 6 western state hospital. The amounts provided in this subsection (2)(b)
 7 are for the salaries, benefits, supplies, and equipment for one full-
 8 time investigator, one full-time police officer, and one full-time
 9 community service officer at the city of Lakewood.

10 (c) \$45,000 of the general fund--state appropriation for fiscal
 11 year 2012 and \$45,000 of the general fund--state appropriation for
 12 fiscal year 2013 are provided solely for payment to the city of
 13 Lakewood for police services provided by the city at western state
 14 hospital and adjacent areas.

15 (d) \$20,000,000 of the general fund--state appropriation for fiscal
 16 year 2012 and \$20,000,000 of the general fund--state appropriation for
 17 fiscal year 2013 are provided solely to maintain staffed capacity to
 18 serve an average daily census in forensic wards at western state
 19 hospital of 270 patients per day.

20 (e) The appropriations in this section reflect efficiencies to be
 21 achieved through enactment of Substitute Senate Bill No. 6492
 22 (competency to stand trial). These efficiencies are expected to enable
 23 the hospitals to substantially increase the timeliness with which
 24 evaluations of defendant competency to stand trial are completed, and
 25 treatment to restore competency is initiated, without corresponding
 26 increases in state appropriations.

27 (3) SPECIAL PROJECTS

28	General Fund--State Appropriation (FY 2012)	\$1,148,000
29	General Fund--State Appropriation (FY 2013)	\$1,276,000
30	General Fund--Federal Appropriation	(\$4,198,000)
31		<u>\$5,198,000</u>
32	General Fund--Private/Local Appropriation	\$700,000
33	TOTAL APPROPRIATION	(\$7,322,000)
34		<u>\$8,322,000</u>

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

37 (a) \$1,161,000 of the general fund--state appropriation for fiscal
 38 year 2012 and \$1,161,000 of the general fund--state appropriation for

1 fiscal year 2013 are provided solely for children's evidence-based
2 mental health services. Funding is sufficient to continue serving
3 children at the same levels as fiscal year 2009.

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

13 (c) \$135,000 of the general fund--state appropriation for fiscal
14 year 2013 and \$89,000 of the general fund--federal appropriation are
15 provided solely for the department to contract with the University of
16 Washington's evidence-based practice institute and the Washington state
17 institute for public policy to consult with the department and the
18 health care authority on the implementation of Engrossed Second
19 Substitute House Bill No. 2536 (children services/delivery). The
20 department's programs responsible for administration of mental health,
21 child welfare, and juvenile justice programs will coordinate with the
22 health care authority on the development of contract terms which
23 facilitate efforts to meet requirements of the bill. If Engrossed
24 Second Substitute House Bill No. 2536 (children services/delivery) is
25 not enacted by June 30, 2012, the amounts provided in this subsection
26 shall lapse.

27 (4) PROGRAM SUPPORT

28	General Fund--State Appropriation (FY 2012)	\$4,482,000
29	General Fund--State Appropriation (FY 2013)	(\$4,247,000)
30		<u>\$4,161,000</u>
31	General Fund--Federal Appropriation	(\$7,210,000)
32		<u>\$7,128,000</u>
33	General Fund--Private/Local Appropriation	\$446,000
34	TOTAL APPROPRIATION	(\$16,385,000)
35		<u>\$16,217,000</u>

36 (a) The appropriations in this subsection are subject to the
37 following conditions and limitations: In accordance with RCW
38 43.20B.110, 43.135.055, and 71.24.035, the department is authorized to

1 increase license and certification fees in fiscal years 2012 and 2013
 2 to support the costs of the regulatory program. The fee schedule
 3 increases must be developed so that the maximum amount of additional
 4 fees paid by providers statewide in the 2011-2013 fiscal biennium is
 5 \$446,000. The department's fee schedule shall have differential rates
 6 for providers with proof of accreditation from organizations that the
 7 department has determined to have substantially equivalent standards to
 8 those of the department, including but not limited to the joint
 9 commission on accreditation of health care organizations, the
 10 commission on accreditation of rehabilitation facilities, and the
 11 council on accreditation. To reflect the reduced costs associated with
 12 regulation of accredited programs, the department's fees for
 13 organizations with such proof of accreditation must reflect the lower
 14 costs of licensing for these programs than for other organizations
 15 which are not accredited.

16 (b) \$19,000 of the general fund--state appropriation for fiscal
 17 year 2012, \$17,000 of the general fund--state appropriation for fiscal
 18 year 2013, and \$34,000 of the general fund--federal appropriation are
 19 provided solely to support a partnership among the department of social
 20 and health services, the department of health, and agencies that
 21 deliver medical care and behavioral health services in Cowlitz county.
 22 The partnership shall identify and recommend strategies for resolving
 23 regulatory, licensing, data management, reporting, and funding barriers
 24 to more effective integration of primary medical and behavioral health
 25 care services in the county.

26 **Sec. 1205.** 2012 2nd sp.s. c 7 s 205 (uncodified) is amended to
 27 read as follows:

28 **FOR THE DEPARTMENT OF SOCIAL AND HEALTH SERVICES--DEVELOPMENTAL**
 29 **DISABILITIES PROGRAM**

30 (1) COMMUNITY SERVICES

31	General Fund--State Appropriation (FY 2012)	\$405,412,000
32	General Fund--State Appropriation (FY 2013)	(\$420,327,000)
33		<u>\$409,868,000</u>
34	General Fund--Federal Appropriation	(\$752,059,000)
35		<u>\$743,824,000</u>
36	General Fund--Private/Local Appropriation	\$184,000
37	TOTAL APPROPRIATION	(\$1,577,982,000)

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

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

8 (b) Amounts appropriated in this subsection reflect a reduction to
9 funds appropriated for in-home care. The department shall reduce the
10 number of in-home hours authorized. The reduction shall be scaled
11 based on the acuity level of care recipients. The largest hour
12 reductions shall be to lower acuity patients and the smallest hour
13 reductions shall be to higher acuity patients.

14 (c) Amounts appropriated in this subsection are sufficient to
15 develop and implement the use of a consistent, statewide outcome-based
16 vendor contract for employment and day services by July 1, 2012. The
17 rates paid to vendors under this contract shall also be made
18 consistent. In its description of activities the agency shall include
19 activity listings and dollars appropriated for: Employment services,
20 day services, child development services and county administration of
21 services to the developmentally disabled. The department shall begin
22 reporting to the office of financial management on these activities
23 beginning in fiscal year 2010.

24 (d) \$944,000 of the general fund--state appropriation for fiscal
25 year 2012, \$944,000 of the general fund--state appropriation for fiscal
26 year 2013, and \$1,888,000 of the general fund--federal appropriation
27 are provided solely for state contributions for individual provider
28 health care benefits. Pursuant to the collective bargaining agreement
29 negotiated with the exclusive bargaining representative of individual
30 providers established under RCW 74.39A.270, the state shall contribute
31 to the multiemployer health benefits trust fund \$2.21 per paid hour
32 worked by individual providers.

33 (e) \$1,329,000 of the general fund--state appropriation for fiscal
34 year 2012, \$1,622,000 of the general fund--state appropriation for
35 fiscal year 2013, and \$2,947,000 of the general fund--federal
36 appropriation are provided solely for the state's contribution to the
37 training partnership, as provided in RCW 74.39A.360, for instructional
38 costs associated with the training of individual providers.

1 Contributions are funded at \$0.22 per benefit-eligible paid hour worked
2 by all home care workers. Expenditures for the purposes specified in
3 this subsection shall not exceed the amounts provided in this
4 subsection. However, if the governor and the service employees
5 international union healthcare 775nw can reach agreement on repurposing
6 funding that is currently provided in the individual provider
7 collective bargaining agreement for new individual provider wages paid
8 during training or other training related items, then expenditures for
9 training trust contributions for individual providers may include the
10 amounts provided in this subsection and the agreed upon repurposed
11 funding. Funding in this section for purposes other than the
12 individual provider collective bargaining agreement cannot be used for
13 the purposes of this subsection (1)(e). It is the intent of the
14 legislature that the funding provided in this subsection, including any
15 repurposed funding, is sufficient to cover the costs of individual
16 provider training and therefore tuition or other entrance fees are not
17 necessary.

18 (f) (~~(\$104,669,000)~~) \$107,538,000 of the general fund--state
19 appropriation for fiscal year 2013 and (~~(\$104,669,000)~~) \$107,535,000 of
20 the general fund--federal appropriation are provided solely for the
21 department to provide personal care services to waiver and nonwaiver
22 in-home clients. The department shall provide the legislature with a
23 report by December 5, 2012, on the feasibility of converting the
24 medicaid personal care program for in-home adults to a medicaid program
25 as found in section 1915(i) of the federal social security act that
26 utilizes the option for self-direction of individualized budgets. The
27 department shall operate the personal care program within the amounts
28 specifically provided.

29 (g)(i) Within the amounts appropriated in this subsection, the
30 department shall revise the current working age adult policy to allow
31 clients to choose between employment and community access activities.
32 Clients age 21 and older who are receiving services through a home- and
33 community-based medicaid waiver shall be offered the choice to
34 transition to a community access program after nine months of
35 enrollment in an employment program, and the option to transition from
36 a community access program to an employment program at any time. The
37 department shall inform clients and their legal representatives of all
38 available options for employment and day services. Information

1 provided to the client and the client's legal representative shall
2 include the types of activities each service option provides, and the
3 amount, scope, and duration of service for which the client would be
4 eligible under each service option. An individual client may be
5 authorized for only one service option, either employment services or
6 community access services. Clients may not participate in more than
7 one of these services at any given time.

8 (ii) The department shall work with counties and stakeholders to
9 strengthen and expand the existing community access program. The
10 program must emphasize support for the client so they are able to
11 participate in activities that integrate them into their community and
12 support independent living and skills.

13 (iii) The appropriation in this subsection includes funding to
14 provide employment or community access services to 168 medicaid
15 eligible young adults with developmental disabilities living with their
16 families who need employment opportunities and assistance after high
17 school graduation.

18 (h) \$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 solely for the restoration of direct
21 support to local organizations that utilize parent-to-parent networks
22 and communication to promote access and quality of care for individuals
23 with developmental disabilities and their families.

24 (i) In accordance with Engrossed Substitute House Bill No. 1277
25 (licensed settings for vulnerable adults), adult family home license
26 fees are increased in fiscal years 2012 and 2013 to support the costs
27 of conducting licensure, inspection, and regulatory programs.

28 (i) The current annual renewal license fee for adult family homes
29 shall be increased to \$100 per bed beginning in fiscal year 2012 and
30 \$175 per bed beginning in fiscal year 2013. Adult family homes shall
31 receive a corresponding vendor rate increase per medicaid patient day
32 of \$0.22 in fiscal year 2012 and \$0.43 in fiscal year 2013, or the
33 amount necessary to fully fund the license fee increase for publicly
34 funded beds, pursuant to the most recent bed estimates maintained by
35 the department.

36 (ii) Beginning in fiscal year 2012, a processing fee of \$2,750
37 shall be charged to each adult family home when the home is initially
38 licensed. This fee is nonrefundable.

1 (j) Clients with developmental disabilities have demonstrated a
2 need and a desire for a day services program as verified by over 900
3 clients currently accessing day programs through a long-term care
4 service model. In addition, every individual, to include those with a
5 developmental disability, should have the opportunity for meaningful
6 employment which allows them to contribute to their communities and to
7 become as self-sufficient as possible. Providing choice empowers
8 recipients of publicly funded services and their families by expanding
9 their degree of control over the services and supports they need.

10 The department shall work with legislators and stakeholders to
11 develop a new approach to employment and day services. The objective
12 of this plan is to ensure that adults with developmental disabilities
13 have optimum choices, and that employment and day offerings are
14 comprehensive enough to meet the needs of all clients currently served
15 on a home and community based waiver. The proposal shall be submitted
16 to the 2012 legislature for consideration and shall be constructed such
17 that a client ultimately receives employment, community access, or the
18 community day option but not more than one service at a time. The
19 proposal shall include options for program efficiencies within the
20 current employment and day structure and shall provide details on the
21 plan to implement a consistent, statewide outcome-based vendor contract
22 for employment and day services as specified in (c) of this subsection.

23 (2) INSTITUTIONAL SERVICES

24	General Fund--State Appropriation (FY 2012)	\$75,436,000
25	General Fund--State Appropriation (FY 2013)	(\$80,356,000)
26		<u>\$78,154,000</u>
27	General Fund--Federal Appropriation	(\$153,570,000)
28		<u>\$152,963,000</u>
29	General Fund--Private/Local Appropriation	\$22,043,000
30	TOTAL APPROPRIATION	(\$331,405,000)
31		<u>\$328,596,000</u>

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

34 (a) Individuals receiving services as supplemental security income
35 (SSI) state supplemental payments shall not become eligible for medical
36 assistance under RCW 74.09.510 due solely to the receipt of SSI state
37 supplemental payments.

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

8 (3) PROGRAM SUPPORT

9	General Fund--State Appropriation (FY 2012)	\$1,382,000
10	General Fund--State Appropriation (FY 2013)	(\$1,366,000)
11		<u>\$1,759,000</u>
12	General Fund--Federal Appropriation	(\$1,319,000)
13		<u>\$1,519,000</u>
14	TOTAL APPROPRIATION	(\$4,067,000)
15		<u>\$4,660,000</u>

16 (4) SPECIAL PROJECTS

17	General Fund--State Appropriation (FY 2012)	\$4,634,000
18	General Fund--State Appropriation (FY 2013)	(\$4,553,000)
19		<u>\$6,313,000</u>
20	General Fund--Federal Appropriation	(\$9,588,000)
21		<u>\$9,786,000</u>
22	General Fund--Private/Local Appropriation	(\$998,000)
23		<u>\$791,000</u>
24	TOTAL APPROPRIATION	(\$19,773,000)
25		<u>\$21,524,000</u>

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

28 Amounts appropriated in this subsection are for the purposes of
 29 transitioning clients with developmental disabilities into community
 30 settings. The department is authorized as needed to use these funds to
 31 either pay for clients residing within a residential habilitation
 32 center or for placements in the community. Pursuant to Second
 33 Substitute Senate Bill No. 5459 (services for people with developmental
 34 disabilities), funding in this subsection must be prioritized for the
 35 purpose of facilitating the consolidation and closure of Frances Haddon
 36 Morgan Center. The department shall use a person-centered approach in
 37 developing the discharge plan to assess each resident's needs and
 38 identify services the resident requires to successfully transition to

1 the community or another residential habilitation center. The
 2 department is authorized to use any savings from this effort for the
 3 purpose of developing community resources to address the needs of
 4 clients with developmental disabilities who are in crisis or in need of
 5 respite. The department shall track the costs and savings of closing
 6 Frances Haddon Morgan Center and any investments into community
 7 placements and resources. The department shall provide a fiscal
 8 progress report to the legislature by December 5, 2011.

9 **Sec. 1206.** 2012 2nd sp.s. c 7 s 206 (uncodified) is amended to
 10 read as follows:

11 **FOR THE DEPARTMENT OF SOCIAL AND HEALTH SERVICES--AGING AND ADULT**
 12 **SERVICES PROGRAM**

13	General Fund--State Appropriation (FY 2012)	\$791,493,000
14	General Fund--State Appropriation (FY 2013)	((\$809,338,000))
15		<u>\$800,181,000</u>
16	General Fund--Federal Appropriation	((\$1,690,993,000))
17		<u>\$1,685,120,000</u>
18	General Fund--Private/Local Appropriation	\$27,517,000
19	Traumatic Brain Injury Account--State Appropriation	\$3,388,000
20	Nursing Facility Quality Assurance Account--State	
21	Appropriation	\$88,000,000
22	TOTAL APPROPRIATION	((\$3,410,729,000))
23		<u>\$3,395,699,000</u>

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

26 (1) For purposes of implementing chapter 74.46 RCW, the weighted
 27 average nursing facility payment rate shall not exceed \$170.37 for
 28 fiscal year 2012 and shall not exceed ~~((\$171.43))~~ \$171.09 for fiscal
 29 year 2013, including the rate add-ons described in (a) and (b) of this
 30 subsection. However, if the waiver requested from the federal centers
 31 for medicare and medicaid services in relation to the safety net
 32 assessment created by Engrossed Substitute Senate Bill No. 5581
 33 (nursing home payments) is for any reason not approved and implemented,
 34 the weighted average nursing facility payment rate shall not exceed
 35 \$159.87 for fiscal year 2012 and shall not exceed ~~((\$160.93))~~ \$161.29
 36 for fiscal year 2013. There will be no adjustments for economic trends
 37 and conditions in fiscal years 2012 and 2013. The economic trends and

1 conditions factor or factors defined in the biennial appropriations act
2 shall not be compounded with the economic trends and conditions factor
3 or factors defined in any other biennial appropriations acts before
4 applying it to the component rate allocations established in accordance
5 with chapter 74.46 RCW. When no economic trends and conditions factor
6 for either fiscal year is defined in a biennial appropriations act, no
7 economic trends and conditions factor or factors defined in any earlier
8 biennial appropriations act shall be applied solely or compounded to
9 the component rate allocations established in accordance with chapter
10 74.46 RCW.

11 (a) Within the funds provided, the department shall continue to
12 provide an add-on per medicaid resident day per facility not to exceed
13 \$1.57. The add-on shall be used to increase wages, benefits, and/or
14 staffing levels for certified nurse aides; or to increase wages and/or
15 benefits for dietary aides, housekeepers, laundry aides, or any other
16 category of worker whose statewide average dollars-per-hour wage was
17 less than \$15 in calendar year 2008, according to cost report data.
18 The add-on may also be used to address resulting wage compression for
19 related job classes immediately affected by wage increases to low-wage
20 workers. The department shall continue reporting requirements and a
21 settlement process to ensure that the funds are spent according to this
22 subsection.

23 (b) The department shall do a comparative analysis of the facility-
24 based payment rates calculated on July 1, 2012, using the payment
25 methodology defined in chapter 74.46 RCW and as funded in the omnibus
26 appropriations act, excluding the comparative add-on, acuity add-on,
27 and safety net reimbursement, to the facility-based payment rates in
28 effect June 30, 2010. If the facility-based payment rate calculated on
29 July 1, 2012, is smaller than the facility-based payment rate on June
30 30, 2010, then the difference shall be provided to the individual
31 nursing facilities as an add-on payment per medicaid resident day.

32 (c) During the comparative analysis performed in subsection (b) of
33 this section, if it is found that the direct care rate for any facility
34 calculated using the payment methodology defined in chapter 74.46 RCW
35 and as funded in the omnibus appropriations act, excluding the
36 comparative add-on, acuity add-on, and safety net reimbursement, is
37 greater than the direct care rate in effect on June 30, 2010, then the

1 facility shall receive a ten percent direct care rate add-on to
2 compensate that facility for taking on more acute clients than they
3 have in the past.

4 (d) The department shall provide a medicaid rate add-on to
5 reimburse the medicaid share of the skilled nursing facility safety net
6 assessment as a medicaid allowable cost. The nursing facility safety
7 net rate add-on may not be included in the calculation of the annual
8 statewide weighted average nursing facility payment rate.

9 (e) If the waiver requested from the federal centers for medicare
10 and medicaid services in relation to the safety net assessment created
11 by Engrossed Substitute Senate Bill No. 5581 (nursing home payments) is
12 for any reason not approved and implemented, (b), (c), and (d) of this
13 subsection do not apply.

14 (2) After examining actual nursing facility cost information, the
15 legislature finds that the medicaid nursing facility rates calculated
16 pursuant to Engrossed Substitute Senate Bill No. 5581 (nursing home
17 payments) provide sufficient reimbursement to efficiently and
18 economically operating nursing facilities and bear a reasonable
19 relationship to costs.

20 (3) In accordance with chapter 74.46 RCW, the department shall
21 issue no additional certificates of capital authorization for fiscal
22 year 2012 and no new certificates of capital authorization for fiscal
23 year 2013 and shall grant no rate add-ons to payment rates for capital
24 improvements not requiring a certificate of need and a certificate of
25 capital authorization for fiscal years 2012 and 2013.

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

32 (5) Amounts appropriated in this section reflect a reduction to
33 funds appropriated for in-home care. The department shall reduce the
34 number of in-home hours authorized. The reduction shall be scaled
35 based on the acuity level of care recipients. The largest hour
36 reductions shall be to lower acuity patients and the smallest hour
37 reductions shall be to higher acuity patients.

1 (6) \$1,883,000 of the general fund--state appropriation for fiscal
2 year 2012, \$1,883,000 of the general fund--state appropriation for
3 fiscal year 2013, and \$3,766,000 of the general fund--federal
4 appropriation are provided solely for state contributions for
5 individual provider health care benefits. Pursuant to the collective
6 bargaining agreement negotiated with the exclusive bargaining
7 representative of individual providers established under RCW
8 74.39A.270, the state shall contribute to the multiemployer health
9 benefits trust fund \$2.21 per paid hour worked by individual providers.

10 (7) \$2,449,000 of the general fund--state appropriation for fiscal
11 year 2012, \$3,012,000 of the general fund--state appropriation for
12 fiscal year 2013, and \$5,463,000 of the general fund--federal
13 appropriation are provided solely for the state's contribution to the
14 training partnership, as provided in RCW 74.39A.360, for instructional
15 costs associated with the training of individual providers.
16 Contributions are funded at \$0.22 per benefit-eligible paid hour worked
17 by all home care workers. Expenditures for the purposes specified in
18 this subsection shall not exceed the amounts provided in this
19 subsection. However, if the governor and the service employees
20 international union healthcare 775nw can reach agreement on repurposing
21 funding that is currently provided in the individual provider
22 collective bargaining agreement for new individual provider wages paid
23 during training or other training related items, then expenditures for
24 training trust contributions for individual providers may include the
25 amounts provided in this subsection and the agreed upon repurposed
26 funding. Funding in this section for purposes other than the
27 individual provider collective bargaining agreement cannot be used for
28 the purposes of this subsection (7). It is the intent of the
29 legislature that the funding provided in this subsection, including any
30 repurposed funding, is sufficient to cover the costs of individual
31 provider training and therefore tuition or other entrance fees are not
32 necessary.

33 (8) (~~(\$338,550,000)~~) \$325,203,000 of the general fund--state
34 appropriation for fiscal year 2013 and (~~(\$338,550,000)~~) \$324,653,000 of
35 the general fund--federal appropriation are provided solely for the
36 department to provide personal care services to waiver and nonwaiver
37 in-home clients. The department shall provide the legislature with a
38 report by December 5, 2012, on the feasibility of converting the

1 medicaid personal care program for in-home adults to a medicaid program
2 as found in section 1915(i) of the federal social security act that
3 utilizes the option for self-direction of individualized budgets. The
4 department shall operate the personal care program within the amounts
5 specifically provided.

6 (9) 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 (10) The department shall eliminate the adult day health program
11 under the state plan 1915(i) option and shall reestablish it under the
12 long-term care home and community-based waiver.

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

25 (12) \$1,840,000 of the general fund--state appropriation for fiscal
26 year 2012 and \$1,877,000 of the general fund--state appropriation for
27 fiscal year 2013 are provided solely for operation of the volunteer
28 services program. Funding shall be prioritized towards serving
29 populations traditionally served by long-term care services to include
30 senior citizens and persons with disabilities.

31 (13) In accordance with Engrossed Substitute House Bill No. 1277
32 (licensed settings for vulnerable adults), nursing facility fees are
33 increased in fiscal year 2012 and adult family home fees are increased
34 in fiscal year 2012 and fiscal year 2013 to support the costs of
35 conducting licensure, inspection, and regulatory programs.

36 (a) The current annual renewal license fee for nursing facilities
37 shall be increased to \$359 per bed beginning in fiscal year 2012 and
38 assumes \$517,000 of the general fund--private/local appropriation.

1 Nursing facilities shall receive a vendor rate increase of \$0.08 per
2 medicaid patient day to cover the license fee increase for publicly
3 funded beds.

4 (b) The current annual renewal license fee for adult family homes
5 shall be increased to \$100 per bed beginning in fiscal year 2012 and
6 assumes \$1,449,000 of the general fund--private/local appropriation;
7 and \$175 per bed beginning in fiscal year 2013 and assumes \$2,463,000
8 of the general fund--private/local appropriation. Adult family homes
9 shall receive a corresponding vendor rate increase per medicaid patient
10 day of \$0.22 in fiscal year 2012 and \$0.43 in fiscal year 2013, or the
11 amount necessary to fully fund the license fee increase for publicly
12 funded beds, pursuant to the most recent bed estimates maintained by
13 the department.

14 (c) Beginning in fiscal year 2012, a processing fee of \$2,750 shall
15 be charged to each adult family home when the home is initially
16 licensed. This fee is nonrefundable.

17 (d) \$72,000 of the general fund--state appropriation for fiscal
18 year 2012, \$708,000 of the general fund--private/local appropriation
19 and \$708,000 of the general fund--federal appropriation are provided
20 solely to implement sections 501 through 503 of Engrossed Substitute
21 House Bill No. 1277 (licensed settings for vulnerable adults). The
22 department shall use additional investigative resources to address
23 complaints about provider practices as well as alleged abuse, neglect,
24 abandonment, and exploitation of residents in adult family homes. The
25 department shall develop a statewide internal quality review and
26 accountability program to improve the accountability of staff and the
27 consistent application of investigative activities, and shall convene
28 a quality assurance panel to review problems in the quality of care in
29 adult family homes.

30 (14) \$3,316,000 of the traumatic brain injury account--state
31 appropriation is provided solely to continue services for persons with
32 traumatic brain injury (TBI) as defined in chapter 143, Laws of 2011
33 (traumatic brain injury strategic partnership).

34 (15) The department is authorized to place long-term care clients
35 residing in nursing homes and paid for with state only funds into less
36 restrictive community care settings while continuing to meet the
37 client's care needs.

1 (16) The department shall participate in the work group established
2 by the department of corrections in section 220(2) of this act to
3 review release options for elderly and infirm offenders.

4 **Sec. 1207.** 2012 2nd sp.s. c 7 s 207 (uncodified) is amended to
5 read as follows:

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

8	General Fund--State Appropriation (FY 2012)	\$415,553,000
9	General Fund--State Appropriation (FY 2013)	(\$438,483,000)
10		<u>\$386,686,000</u>
11	General Fund--Federal Appropriation	(\$1,174,416,000)
12		<u>\$1,177,251,000</u>
13	General Fund--Private/Local Appropriation	\$30,592,000
14	TOTAL APPROPRIATION	(\$2,059,044,000)
15		<u>\$2,010,082,000</u>

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

18 (1) \$195,410,000 of the general fund--state appropriation for
19 fiscal year 2012, ~~(\$235,808,000)~~ \$178,052,000 of the general
20 fund--state appropriation for fiscal year 2013, and ~~(\$725,586,000)~~
21 \$710,001,000 of the general fund--federal appropriation are provided
22 solely for all components of the WorkFirst program. Under section 2 of
23 Engrossed Substitute Senate Bill No. 5921 (social services programs),
24 the amounts in this subsection assume that any participant in the
25 temporary assistance for needy families where their participation is
26 suspended and does not volunteer to participate in WorkFirst services
27 or unsubsidized employment does not receive child care subsidies or
28 WorkFirst subsidies as a condition of the suspension. Within the
29 amounts provided for the WorkFirst program, the department may provide
30 assistance using state-only funds for families eligible for temporary
31 assistance for needy families.

32 (a) Within the amounts provided for WorkFirst in this subsection,
33 the department shall continue to implement WorkFirst program
34 improvements that are designed to achieve progress against outcome
35 measures specified in Engrossed House Bill No. 2262 (WorkFirst and
36 child care) and RCW 74.08A.410.

1 (b) The department may establish a career services work transition
2 program.

3 (c) Within amounts appropriated in this section, the legislature
4 expressly mandates that the department exercise its authority, granted
5 in 1997 under RCW 74.08A.290, to contract for work activities services
6 pursuant to that statutory authority and RCW 41.06.142(3).

7 (d) The department shall create a temporary assistance for needy
8 families budget structure that allows for more transparent tracking of
9 budget units and subunits of expenditures where these units and
10 subunits are mutually exclusive from other department budget units.
11 The budget structure shall include budget units for the following:
12 Grants, child care, WorkFirst activities, and administration of the
13 program.

14 (2) \$23,679,000 of the general fund--state appropriation for fiscal
15 year 2012, in addition to supplemental security income recoveries, is
16 provided solely for financial assistance and other services to
17 recipients in the program established in section 4, chapter 8, Laws of
18 2010 1st sp. sess., until the program terminates on October 31, 2011.

19 (3)(a) \$12,457,000 of the general fund--state appropriation for
20 fiscal year 2012 and \$21,959,000 of the general fund--state
21 appropriation for fiscal year 2013, in addition to supplemental
22 security income recoveries, are provided solely for the programs
23 created in Engrossed Substitute House Bill No. 2082 (essential needs
24 and assistance program) beginning November 1, 2011.

25 (b) The department shall review clients receiving services through
26 the aged, blind, or disabled assistance program, to determine whether
27 they would benefit from assistance in becoming naturalized citizens,
28 and thus be eligible to receive federal supplemental security income
29 benefits. Those cases shall be given high priority for naturalization
30 funding through the department.

31 (c) The department shall continue the interagency agreement with
32 the department of veterans' affairs to establish a process for referral
33 of veterans who may be eligible for veterans' services. This agreement
34 must include out-stationing department of veterans' affairs staff in
35 selected community service office locations in King and Pierce counties
36 to facilitate applications for veterans' services.

37 (4) \$1,657,000 of the general fund--state appropriation for fiscal

1 year 2012 and \$1,657,000 of the general fund--state appropriation for
2 fiscal year 2013 are provided solely for naturalization services.

3 (5) \$2,366,000 of the general fund--state appropriation for fiscal
4 year 2012 is provided solely for ((refugee)) employment services for
5 refugees and immigrants, of which \$1,774,000 is provided solely for the
6 department to pass through to statewide refugee and immigrant
7 assistance organizations for limited English proficiency pathway
8 services; and \$2,366,000 of the general fund--state appropriation for
9 fiscal year 2013 is provided solely for ((refugee)) employment services
10 for refugees and immigrants, of which \$1,774,000 is provided solely for
11 the department to pass through to statewide refugee and immigrant
12 assistance organizations for limited English proficiency pathway
13 services.

14 (6) On December 1, 2011, and annually thereafter, the department
15 must report to the legislature on all sources of funding available for
16 both refugee and immigrant services and naturalization services during
17 the current fiscal year and the amounts expended to date by service
18 type and funding source. The report must also include the number of
19 clients served and outcome data for the clients.

20 (7) To ensure expenditures remain within available funds
21 appropriated in this section, the legislature establishes the benefit
22 under the state food assistance program, pursuant to RCW 74.08A.120, to
23 be fifty percent of the federal supplemental nutrition assistance
24 program benefit amount.

25 **Sec. 1208.** 2012 2nd sp.s. c 7 s 208 (uncodified) is amended to
26 read as follows:

27 **FOR THE DEPARTMENT OF SOCIAL AND HEALTH SERVICES--ALCOHOL AND**
28 **SUBSTANCE ABUSE PROGRAM**

29	General Fund--State Appropriation (FY 2012)	\$73,742,000
30	General Fund--State Appropriation (FY 2013)	(((\$71,218,000))
31		<u>\$71,019,000</u>
32	General Fund--Federal Appropriation	(((\$184,401,000))
33		<u>\$187,979,000</u>
34	General Fund--Private/Local Appropriation	(((\$13,486,000))
35		<u>\$16,248,000</u>
36	Criminal Justice Treatment Account--State	
37	Appropriation	\$20,748,000

1 Problem Gambling Account--State Appropriation \$1,448,000
2 TOTAL APPROPRIATION ((~~\$365,043,000~~))
3 \$371,184,000

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

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

11 (2) Within the amounts appropriated in this section, the department
12 shall continue to provide for chemical dependency treatment services
13 for adult medicaid eligible, pregnant and parenting women, disability
14 lifeline, and alcoholism and drug addiction treatment and support act,
15 and medical care services clients.

16 (3) In accordance with RCW 70.96A.090 and 43.135.055, the
17 department is authorized to increase fees for the review and approval
18 of treatment programs in fiscal years 2012 and 2013 as necessary to
19 support the costs of the regulatory program. The department's fee
20 schedule shall have differential rates for providers with proof of
21 accreditation from organizations that the department has determined to
22 have substantially equivalent standards to those of the department,
23 including but not limited to the joint commission on accreditation of
24 health care organizations, the commission on accreditation of
25 rehabilitation facilities, and the council on accreditation. To
26 reflect the reduced costs associated with regulation of accredited
27 programs, the department's fees for organizations with such proof of
28 accreditation must reflect the lower cost of licensing for these
29 programs than for other organizations which are not accredited.

30 (4) \$3,500,000 of the general fund--federal appropriation (from the
31 substance abuse prevention and treatment federal block grant) is
32 provided solely for the continued funding of existing county drug and
33 alcohol use prevention programs.

34 (5) Within amounts appropriated in this section, the department is
35 required to increase federal match available for intensive inpatient
36 services. During fiscal year 2013, the department shall shift
37 contracts for a minimum of 32 intensive inpatient beds currently
38 provided in settings that are considered institutions for mental

1 diseases to two or more facilities with no more than 16 beds that are
 2 able to claim federal match for services provided to medicaid clients
 3 or individuals covered under the department's section 1115 medicaid
 4 waiver. The department is authorized to conduct a request for proposal
 5 process to fulfill this requirement. By December 1, 2012, the
 6 department shall provide a plan to the office of financial management
 7 and to the relevant fiscal and policy committees of the legislature for
 8 transitioning all remaining intensive inpatient beds currently provided
 9 in settings that are considered institutions for mental diseases into
 10 facilities with no more than 16 beds by June 2017. The plan shall
 11 identify the maximum number of additional beds that can be transitioned
 12 into facilities with no more than 16 beds during the 2013-2015 fiscal
 13 biennium and the remaining number that will be transitioned during the
 14 2015-2017 fiscal biennium, a timeline and process for accomplishing
 15 this, and a projection of the related general fund--state savings for
 16 each biennium.

17 (6) The amounts appropriated in this section include reductions of
 18 \$303,000 in the general fund--state appropriation for fiscal year 2012
 19 and \$1,815,000 in the general fund--state appropriation for fiscal year
 20 2013. The department must apply this reduction across all levels of
 21 chemical dependency residential treatment services excluding services
 22 contracted through the counties, services provided to pregnant and
 23 parenting women, services provided to juveniles, and services provided
 24 to parents in dependency proceedings.

25 **Sec. 1209.** 2012 2nd sp.s. c 7 s 209 (uncodified) is amended to
 26 read as follows:

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

29	General Fund--State Appropriation (FY 2012)	\$10,854,000
30	General Fund--State Appropriation (FY 2013)	(\$10,401,000)
31		<u>\$10,353,000</u>
32	General Fund--Federal Appropriation	(\$105,060,000)
33		<u>\$104,922,000</u>
34	Telecommunications Devices for the Hearing and	
35	Speech Impaired--State Appropriation	\$2,766,000
36	TOTAL APPROPRIATION	(\$129,081,000)
37		<u>\$128,895,000</u>

1 The appropriations in this section are subject to the following
2 conditions and limitations: \$480,000 of the telecommunications devices
3 for the hearing and speech impaired account--state appropriation is
4 provided solely for the office of deaf and hard of hearing to contract
5 for services that provide employment support and help with life
6 activities for deaf-blind individuals in King county.

7 **Sec. 1210.** 2012 2nd sp.s. c 7 s 210 (uncodified) is amended to
8 read as follows:

9 **FOR THE DEPARTMENT OF SOCIAL AND HEALTH SERVICES--SPECIAL COMMITMENT**
10 **PROGRAM**

11	General Fund--State Appropriation (FY 2012)	\$48,167,000
12	General Fund--State Appropriation (FY 2013)	(\$36,128,000)
13		<u>\$38,098,000</u>
14	TOTAL APPROPRIATION	(\$84,295,000)
15		<u>\$86,265,000</u>

16 **Sec. 1211.** 2012 2nd sp.s. c 7 s 211 (uncodified) is amended to
17 read as follows:

18 **FOR THE DEPARTMENT OF SOCIAL AND HEALTH SERVICES--ADMINISTRATION AND**
19 **SUPPORTING SERVICES PROGRAM**

20	General Fund--State Appropriation (FY 2012)	\$26,069,000
21	General Fund--State Appropriation (FY 2013)	(\$24,474,000)
22		<u>\$26,301,000</u>
23	General Fund--Federal Appropriation	(\$39,550,000)
24		<u>\$42,090,000</u>
25	General Fund--Private/Local Appropriation	\$2,116,000
26	Performance Audits of State Government--State	
27	Appropriation	\$4,812,000
28	TOTAL APPROPRIATION	(\$97,021,000)
29		<u>\$101,388,000</u>

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

32 (1) \$300,000 of the general fund--state appropriation for fiscal
33 year 2012 and \$300,000 of the general fund--state appropriation for
34 fiscal year 2013 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 2012 and \$445,000 of the general fund--state appropriation for
5 fiscal year 2013 are provided solely for funding of the teamchild
6 project.

7 (3) \$178,000 of the general fund--state appropriation for fiscal
8 year 2012 and \$178,000 of the general fund--state appropriation for
9 fiscal year 2013 are provided solely for the juvenile detention
10 alternatives initiative.

11 (4) \$4,812,000 of the performance audits of state government--state
12 appropriation is provided solely for support and expansion of the
13 division of fraud investigation. The division shall conduct
14 investigatory and enforcement activities for all department programs,
15 including the child support and TANF programs.

16 (5) \$1,400,000 of the general fund--state appropriation for fiscal
17 year 2012 is provided solely for the department to distribute as
18 support to community public health and safety networks that have a
19 history of providing training and services related to adverse childhood
20 experiences. Distribution of these funds is contingent upon securing
21 funding from a private entity or entities to provide one dollar in
22 matching funds for each dollar in state funds received by a network so
23 that the funding received by a community public health and safety
24 network will be equal portions of state and private funding.

25 ((+7)) (6) \$250,000 of the general fund--state appropriation for
26 fiscal year 2013 is provided solely for a grant program focused on
27 criminal street gang prevention and intervention. The Washington state
28 partnership council on juvenile justice may award grants under this
29 subsection. The council shall give priority to applicants who have
30 demonstrated the greatest problems with criminal street gangs.
31 Applicants composed of, at a minimum, one or more local governmental
32 entities and one or more nonprofit, nongovernmental organizations that
33 have a documented history of creating and administering effective
34 criminal street gang prevention and intervention programs may apply for
35 funding under this subsection.

36 ((+8)) (7) \$113,000 of the general fund--state appropriation for
37 fiscal year 2013 and \$105,000 of the general fund--federal
38 appropriation are provided solely for staffing costs associated with

1 implementation of Engrossed Second Substitute House Bill No. 2536
2 (children services/delivery). The amounts provided in this subsection
3 must be used for coordinated evidence-based practice implementation
4 amongst the department's programs providing mental health, child
5 welfare, and juvenile justice services to children. If Engrossed
6 Second Substitute House Bill No. 2536 (children services/delivery) is
7 not enacted by June 30, 2012, the amounts provided in this subsection
8 shall lapse.

9 **Sec. 1212.** 2012 2nd sp.s. c 7 s 212 (uncodified) is amended to
10 read as follows:

11 **FOR THE DEPARTMENT OF SOCIAL AND HEALTH SERVICES--PAYMENTS TO OTHER**
12 **AGENCIES PROGRAM**

13	General Fund--State Appropriation (FY 2012)	\$62,140,000
14	General Fund--State Appropriation (FY 2013)	(\$46,303,000)
15		<u>\$49,584,000</u>
16	General Fund--Federal Appropriation	(\$53,049,000)
17		<u>\$53,409,000</u>
18	TOTAL APPROPRIATION	(\$161,492,000)
19		<u>\$165,133,000</u>

20 The appropriations in this section are subject to the following
21 conditions and limitations: \$469,000 of the general fund--state
22 appropriation for fiscal year ~~((2011))~~ 2012 and \$270,000 of the general
23 fund--state appropriation for fiscal year ~~((2012))~~ 2013 are provided
24 solely for implementation of Engrossed Substitute Senate Bill No. 5921
25 (social services programs). If the bill is not enacted by June 30,
26 2011, the amounts provided in this subsection shall lapse.

27 **Sec. 1213.** 2012 2nd sp.s. c 7 s 213 (uncodified) is amended to
28 read as follows:

29 **FOR THE STATE HEALTH CARE AUTHORITY**

30	General Fund--State Appropriation (FY 2012)	\$2,034,296,000
31	General Fund--State Appropriation (FY 2013)	(\$2,031,185,000)
32		<u>\$2,107,688,000</u>
33	General Fund--Federal Appropriation	(\$5,307,323,000)
34		<u>\$5,331,122,000</u>
35	General Fund--Private/Local Appropriation	(\$62,597,000)
36		<u>\$60,570,000</u>

1	Emergency Medical Services and Trauma Care Systems	
2	Trust Account--State Appropriation	(((\$15,077,000))
3		<u>\$14,032,000</u>
4	Hospital Safety Net Assessment Fund--State	
5	Appropriation	(((\$434,087,000))
6		<u>\$442,929,000</u>
7	State Health Care Authority Administration Account--	
8	State Appropriation	\$34,040,000
9	Basic Health Plan Stabilization Account--	
10	State Appropriation	\$44,000,000
11	Medical Aid Account--State Appropriation	\$529,000
12	Medicaid Fraud Penalty Account--State Appropriation . .	(((\$9,200,000))
13		<u>\$9,408,000</u>
14	TOTAL APPROPRIATION	(((\$9,972,334,000))
15		<u>\$10,078,614,000</u>

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

18 (1) The appropriations to the authority in this act shall be
19 expended for the purposes and in the amounts specified in this act. To
20 the extent that appropriations in this section are insufficient to fund
21 actual expenditures in excess of caseload forecasts and utilization
22 assumptions, the authority, after May 1, ((2012)) 2013, may transfer
23 general fund--state appropriations for fiscal year ((2012)) 2013 that
24 are provided solely for a specified purpose. The authority shall not
25 transfer funds, and the director of financial management shall not
26 approve the transfer, unless the transfer is consistent with the
27 objective of conserving, to the maximum extent possible, the
28 expenditure of state funds. The director of financial management shall
29 notify the appropriate fiscal committees of the senate and house of
30 representatives in writing seven days prior to approving any allotment
31 modifications or transfers under this subsection. The written
32 notification shall include a narrative explanation and justification of
33 the changes, along with expenditures and allotments by budget unit and
34 appropriation, both before and after any allotment modifications or
35 transfers.

36 (2) Within amounts appropriated in this section and sections 205
37 and 206 of this act, the health care authority shall continue to
38 provide an enhanced basic health plan subsidy for foster parents

1 licensed under chapter 74.15 RCW and workers in state-funded home care
2 programs. Under this enhanced subsidy option, foster parents eligible
3 to participate in the basic health plan as subsidized enrollees and
4 home care workers with family incomes below 200 percent of the federal
5 poverty level shall be allowed to enroll in the basic health plan at
6 the minimum premium amount charged to enrollees with incomes below
7 sixty-five percent of the federal poverty level.

8 (3) The health care authority shall require organizations and
9 individuals that are paid to deliver basic health plan services and
10 that choose to sponsor enrollment in the subsidized basic health plan
11 to pay 133 percent of the premium amount which would otherwise be due
12 from the sponsored enrollees.

13 (4)(a) \$1,200,000 of the general fund--state appropriation for
14 fiscal year 2012 is provided solely to plan the implementation of a
15 system of consolidated public school employee health benefits
16 purchasing.

17 It is the intent of the legislature to improve the administration,
18 transparency, and equity in delivering a K-12 employees' health
19 benefits system. In addition, the legislature intends that any cost
20 savings that result from changes to K-12 health benefits be dedicated
21 to public schools.

22 To further this legislative intent, the state health care authority
23 shall develop a plan to implement a consolidated health benefits'
24 system for K-12 employees for the 2013-14 school year. The health care
25 authority shall deliver a report to the legislature by December 15,
26 2011, that sets forth the implementation plan to the ways and means
27 committees of the house of representatives and the senate.

28 (b) The report prepared by the health care authority shall compare
29 and contrast the costs and benefits, both long and short term, of:

30 (i) The current K-12 health benefits system;

31 (ii) A new K-12 employee benefits pool; and

32 (iii) Enrolling K-12 employees into the health benefits pool for
33 state employees.

34 (c) In addition to the implementation plan, the report shall
35 include the following information:

36 (i) The costs and benefits of the current K-12 health benefits
37 system;

- 1 (ii) The costs and benefits of providing a new statewide K-12
2 employees' health benefits pool to school districts and school
3 employees;
- 4 (iii) The costs and benefits of enrolling K-12 employees into the
5 existing health benefits pool for state employees;
- 6 (iv) Recommendations of ways to limit administrative duplication
7 and costs, improve transparency to employees, the legislature, and the
8 public and assure equity among beneficiaries of publicly provided
9 employee health benefits;
- 10 (v) Recommendations for standardizing benefit packages and
11 purchasing efforts in a manner that seeks to maximize funding and
12 equity for all school employees;
- 13 (vi) Recommendations regarding the use of incentives, including how
14 changes to state health benefit allocations could provide employees
15 with benefits that would encourage participation;
- 16 (vii) Recommendations regarding the implementation of a new K-12
17 employee benefit plan, with separate options for voluntary
18 participation and mandatory statewide participation;
- 19 (viii) Recommendations regarding methods to reduce inequities
20 between individual and family coverage;
- 21 (ix) Consolidation of the purchasing and budget accountability for
22 school employee benefits to maximize administrative efficiency and
23 leverage existing skills and resources; and
- 24 (x) Other details the health care authority deems necessary,
25 including but not limited to recommendations on the following:
 - 26 (A) Approaches for implementing the transition to a statewide pool,
27 including administrative and statutory changes necessary to ensure a
28 successful transition, and whether the pool should be separate from, or
29 combined with, the public employees' benefits pool;
 - 30 (B) The structure of a permanent governing group to provide ongoing
31 oversight to the consolidated pool, in a manner similar to the public
32 employees benefits board functions for employee health benefits,
33 including statutory duties and authorities of the board; and
 - 34 (C) Options for including potential changes to: Eligibility
35 standardization, the public employees benefits risk pools, the movement
36 of school employee retirees into the new K-12 pool or pools, and the
37 movement of educational service district employees into the new K-12
38 pool or pools.

1 (d) In determining its costs and benefits of a new statewide K-12
2 employees' health benefits pool for school districts and school
3 employees, the health care authority shall assume the following:

4 (i) School district enrollees must constitute an entire bargaining
5 unit, or an entire group of nonrepresented employees;

6 (ii) Staffing and administration for benefits purchasing shall be
7 provided by the health care authority; and

8 (iii) The new K-12 pool would operate on a schedule that
9 coordinates with the financing and enrollment schedule used for school
10 districts.

11 (e) The office of the superintendent of public instruction and the
12 office of the insurance commissioner shall provide information and
13 technical assistance to the health care authority as requested by the
14 health care authority. The health care authority shall not implement
15 the new school employee benefits pool until authorized to do so by the
16 legislature.

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

35 (6) Enrollment in the subsidized basic health plan shall be limited
36 to only include persons who qualify as subsidized enrollees as defined
37 in RCW 70.47.020 and who (a) qualify for services under 1115 medicaid

1 demonstration project number 11-W-00254/10; or (b) are foster parents
2 licensed under chapter 74.15 RCW.

3 (7) \$23,700,000 of the general fund--federal appropriation is
4 provided solely for planning and implementation of a health benefit
5 exchange under the federal patient protection and affordable care act.
6 Within the amounts provided in this subsection, funds used by the
7 authority for information technology projects are conditioned on the
8 authority satisfying the requirements of Engrossed Second Substitute
9 Senate Bill No. 5931 (central service agencies).

10 (8) Based on quarterly expenditure reports and caseload forecasts,
11 if the health care authority estimates that expenditures for the
12 medical assistance program will exceed the appropriations, the health
13 care authority shall take steps including but not limited to reduction
14 of rates or elimination of optional services to reduce expenditures so
15 that total program costs do not exceed the annual appropriation
16 authority.

17 (9) In determining financial eligibility for medicaid-funded
18 services, the health care authority is authorized to disregard
19 recoveries by Holocaust survivors of insurance proceeds or other
20 assets, as defined in RCW 48.104.030.

21 (10) The legislature affirms that it is in the state's interest for
22 Harborview medical center to remain an economically viable component of
23 the state's health care system.

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

29 (12) \$4,261,000 of the general fund--state appropriation for fiscal
30 year 2012, \$4,261,000 of the general fund--state appropriation for
31 fiscal year 2013, and \$8,522,000 of the general fund--federal
32 appropriation are provided solely for low-income disproportionate share
33 hospital payments (~~(under RCW 74.09.730(1)(a))~~).

34 (13) \$6,000,000 of the general fund--federal appropriation is
35 provided solely for supplemental payments to nursing homes operated by
36 public hospital districts. The public hospital district shall be
37 responsible for providing the required nonfederal match for the
38 supplemental payment, and the payments shall not exceed the maximum

1 allowable under federal rules. It is the legislature's intent that the
2 payments shall be supplemental to and shall not in any way offset or
3 reduce the payments calculated and provided in accordance with part E
4 of chapter 74.46 RCW. It is the legislature's further intent that
5 costs otherwise allowable for rate-setting and settlement against
6 payments under chapter 74.46 RCW shall not be disallowed solely because
7 such costs have been paid by revenues retained by the nursing home from
8 these supplemental payments. The supplemental payments are subject to
9 retrospective interim and final cost settlements based on the nursing
10 homes' as-filed and final medicare cost reports. The timing of the
11 interim and final cost settlements shall be at the health care
12 authority's discretion. During either the interim cost settlement or
13 the final cost settlement, the health care authority shall recoup from
14 the public hospital districts the supplemental payments that exceed the
15 medicaid cost limit and/or the medicare upper payment limit. The
16 health care authority shall apply federal rules for identifying the
17 eligible incurred medicaid costs and the medicare upper payment limit.

18 (14) The health care authority shall continue the inpatient
19 hospital certified public expenditures program for the 2011-2013 fiscal
20 biennium. The program shall apply to all public hospitals, including
21 those owned or operated by the state, except those classified as
22 critical access hospitals or state psychiatric institutions. The
23 health care authority shall submit reports to the governor and
24 legislature by November 1, 2011, and by November 1, 2012, that evaluate
25 whether savings continue to exceed costs for this program. If the
26 certified public expenditures (CPE) program in its current form is no
27 longer cost-effective to maintain, the health care authority shall
28 submit a report to the governor and legislature detailing
29 cost-effective alternative uses of local, state, and federal resources
30 as a replacement for this program. During fiscal year 2012 and fiscal
31 year 2013, hospitals in the program shall be paid and shall retain one
32 hundred percent of the federal portion of the allowable hospital cost
33 for each medicaid inpatient fee-for-service claim payable by medical
34 assistance and one hundred percent of the federal portion of the
35 maximum disproportionate share hospital payment allowable under federal
36 regulations. Inpatient medicaid payments shall be established using an
37 allowable methodology that approximates the cost of claims submitted by
38 the hospitals. Payments made to each hospital in the program in each

1 fiscal year of the biennium shall be compared to a baseline amount.
2 The baseline amount will be determined by the total of (a) the
3 inpatient claim payment amounts that would have been paid during the
4 fiscal year had the hospital not been in the CPE program based on the
5 reimbursement rates developed, implemented, and consistent with
6 policies approved in the 2011-13 biennial operating appropriations act
7 and in effect on July 1, 2011, (b) one half of the indigent assistance
8 disproportionate share hospital payment amounts paid to and retained by
9 each hospital during fiscal year 2005, and (c) all of the other
10 disproportionate share hospital payment amounts paid to and retained by
11 each hospital during fiscal year 2005 to the extent the same
12 disproportionate share hospital programs exist in the 2011-13 biennium.
13 If payments during the fiscal year exceed the hospital's baseline
14 amount, no additional payments will be made to the hospital except the
15 federal portion of allowable disproportionate share hospital payments
16 for which the hospital can certify allowable match. If payments during
17 the fiscal year are less than the baseline amount, the hospital will be
18 paid a state grant equal to the difference between payments during the
19 fiscal year and the applicable baseline amount. Payment of the state
20 grant shall be made in the applicable fiscal year and distributed in
21 monthly payments. The grants will be recalculated and redistributed as
22 the baseline is updated during the fiscal year. The grant payments are
23 subject to an interim settlement within eleven months after the end of
24 the fiscal year. A final settlement shall be performed. To the extent
25 that either settlement determines that a hospital has received funds in
26 excess of what it would have received as described in this subsection,
27 the hospital must repay the excess amounts to the state when requested.
28 \$8,102,000 of the general fund--state appropriation for fiscal year
29 2012, of which \$6,570,000 is appropriated in section 204(1) of this
30 act, and (~~(\$3,162,000)~~) \$10,498,000 of the general fund--state
31 appropriation for fiscal year 2013, of which \$6,570,000 is appropriated
32 in section 204(1) of this act, are provided solely for state grants for
33 the participating hospitals. CPE hospitals will receive the inpatient
34 and outpatient reimbursement rate restorations in RCW 74.60.080 and
35 rate increases in RCW 74.60.090 funded through the hospital safety net
36 assessment fund rather than through the baseline mechanism specified in
37 this subsection.

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

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

18 ~~(17) ((For children with family incomes above 200 percent of the
19 federal poverty level in the state funded children's health program for
20 children who are not eligible for coverage under the federally funded
21 children's health insurance program, premiums shall be set every two
22 years in an amount equal to the average state only share of the per
23 capita cost of coverage in the state funded children's health program
24 for children in families with incomes at or less than two hundred
25 percent of the federal poverty level.~~

26 ~~(+18+))~~ Within the amounts appropriated in this section, the health
27 care authority shall provide disproportionate share hospital payments
28 to hospitals that provide services to children in the children's health
29 program who are not eligible for services under Title XIX or XXI of the
30 federal social security act due to their citizenship status.

31 ~~((+19+))~~ (18) \$859,000 of the general fund--state appropriation for
32 fiscal year 2012, \$979,000 of the general fund--state appropriation for
33 fiscal year 2013, and \$1,841,000 of the general fund--federal
34 appropriation are provided solely to increase prior authorization
35 activities for advanced imaging procedures.

36 ~~((+20+))~~ (19) \$196,000 of the general fund--state appropriation for
37 fiscal year 2012, \$246,000 of the general fund--state appropriation for
38 fiscal year 2013, and \$442,000 of the general fund--federal

1 appropriation are provided solely to increase prior authorization
2 activities for surgical procedures, which may include orthopedic
3 procedures, spinal procedures and interventions, and nerve procedures.

4 ~~((+21))~~ (20) \$300,000 of the general fund--private/local
5 appropriation and \$300,000 of the general fund--federal appropriation
6 are provided solely for a prescriptive practices improvement
7 collaborative focusing upon atypical antipsychotics and other
8 medications commonly used in the treatment of severe and persistent
9 mental illnesses among adults. The project shall promote collaboration
10 among community mental health centers, other major prescribers of
11 atypical antipsychotic medications to adults enrolled in state medical
12 assistance programs, and psychiatrists, pharmacists, and other
13 specialists at the University of Washington department of psychiatry
14 and/or other research universities. The collaboration shall include
15 patient-specific prescriber consultations by psychiatrists and
16 pharmacists specializing in treatment of severe and persistent mental
17 illnesses among adults; production of profiles to assist prescribers
18 and clinics in tracking their prescriptive practices and their
19 patients' medication use and adherence relative to evidence-based
20 practices guidelines, other prescribers, and patients at other clinics;
21 and in-service seminars at which participants can share and increase
22 their knowledge of evidence-based and other effective prescriptive
23 practices. The health care authority shall enter into an interagency
24 agreement with the office of the attorney general for expenditure of
25 \$300,000 of the state's proceeds of the *cy pres* settlement in *State of*
26 *Washington v. AstraZeneca* (Seroquel) for this purpose.

27 ~~((+22))~~ (21) \$570,000 of the general fund--private/local
28 appropriation is provided solely for continued operation of the
29 partnership access line for child mental health consultations. The
30 health care authority shall enter into an interagency agreement with
31 the office of the attorney general for expenditure of \$570,000 of the
32 state's proceeds of the *cy pres* settlement in *State of Washington v.*
33 *AstraZeneca* (Seroquel) for this purpose.

34 ~~((+23))~~ (22) \$80,000 of the general fund--state appropriation for
35 fiscal year 2012, \$80,000 of the general fund--state appropriation for
36 fiscal year 2013, and \$160,000 of the general fund--federal
37 appropriation are provided solely to fund the Tacoma-Pierce county

1 health department for access and outreach activities to reduce infant
2 mortality.

3 ~~((+24))~~ (23) \$75,000 of the general fund--state appropriation for
4 fiscal year 2012, \$75,000 of the general fund--state appropriation for
5 fiscal year 2013, and \$150,000 of the general fund--federal
6 appropriation are provided solely to assist with development and
7 implementation of evidence-based strategies regarding the appropriate,
8 safe, and effective role of C-section surgeries and early induced labor
9 in births and neonatal care. The strategies shall be identified and
10 implemented in consultation with clinical research specialists,
11 physicians, hospitals, advanced registered nurse practitioners, and
12 organizations concerned with maternal and child health.

13 ~~((+25))~~ (24) Within the amounts appropriated in this section, the
14 health care authority shall continue to provide school-based medical
15 services by means of an intergovernmental transfer arrangement. Under
16 the arrangement, the state shall provide forty percent and school
17 districts sixty percent of the nonfederal matching funds required for
18 receipt of federal medicaid funding for the service.

19 ~~((+26))~~ (25) \$263,000 of the general fund--state appropriation for
20 fiscal year 2012, \$88,000 of the general fund--state appropriation for
21 fiscal year 2013, and \$351,000 of the general fund--federal
22 appropriation are provided solely for development and submission to the
23 federal government by October 1, 2011, of a demonstration project
24 proposal as provided in Substitute Senate Bill No. 5596 (medicaid
25 demonstration waiver).

26 ~~((+27))~~ (26) Within the amounts appropriated in this section, the
27 health care authority shall provide spoken-language interpreter
28 services. The authority shall develop and implement a new model for
29 delivery of such services no later than July 1, 2012. The model shall
30 include:

31 (a) Development by the authority in consultation with subject-area
32 experts of guidelines to assist medical practitioners identify the
33 circumstances under which it is appropriate to use telephonic or video-
34 remote interpreting;

35 (b) The requirement that the state contract with delivery
36 organizations, including foreign language agencies, who employ or
37 subcontract only with language access providers or interpreters working
38 in the state who are certified or authorized by the state. When a

1 state-certified or state-authorized in-state language access provider
2 or interpreter is not available, the delivery organization, including
3 foreign language agencies, may use a provider with other certifications
4 or qualifications deemed to meet state standards, including
5 interpreters in other states; and

6 (c) Provision of a secure, web-based tool that medical
7 practitioners will use to schedule appointments for interpreter
8 services and to identify the most appropriate, cost-effective method of
9 service delivery in accordance with the state guidelines.

10 Nothing in this subsection affects the ability of health care
11 providers to provide interpretive services through employed staff or
12 through telephone and video remote technologies when not reimbursed
13 directly by the department. The amounts in this subsection do not
14 include federal administrative funds provided to match nonstate
15 expenditures by local health jurisdictions and governmental hospitals.

16 ~~((+28))~~ (27) In its procurement of contractors for delivery of
17 medical managed care services for nondisabled, nonelderly persons, the
18 medical assistance program shall (a) place substantial emphasis upon
19 price competition in the selection of successful bidders; and (b) not
20 require delivery of any services that would increase the actuarial cost
21 of service beyond the levels included in current healthy options
22 contracts.

23 ~~((+29))~~ (28) \$1,430,000 of the general fund--state appropriation
24 for fiscal year 2012, \$1,430,000 of the general fund--state
25 appropriation for fiscal year 2013, and \$2,860,000 of the general
26 fund--federal appropriation are provided solely to pay
27 federally-designated rural health clinics their standard encounter rate
28 for prenatal and well-child visits, whether delivered under a managed
29 care contract or fee-for-service. In reconciling managed care
30 enhancement payments for calendar years 2009 and 2010, the department
31 shall treat well-child and prenatal care visits as encounters subject
32 to the clinic's encounter rate.

33 ~~((+30))~~ (29) \$280,000 of the general fund--state appropriation for
34 fiscal year 2012 and \$282,000 of the general fund--federal
35 appropriation are provided solely to increase utilization management of
36 drugs and drug classes for which there is evidence of over-utilization,
37 off-label use, excessive dosing, duplicative therapy, or opportunities
38 to shift utilization to less expensive, equally effective formulations.

1 ~~((31))~~ (30) \$70,000 of the general fund--state appropriation for
2 fiscal year 2012, \$70,000 of the general fund--state appropriation for
3 fiscal year 2013, and \$140,000 of the general fund--federal
4 appropriation are provided solely to continue operation by a nonprofit
5 organization of a toll-free hotline that assists families to learn
6 about and enroll in the apple health for kids program.

7 ~~((32))~~ (31) \$400,000 of the general fund--state appropriation for
8 fiscal year 2012 and \$400,000 of the general fund--state appropriation
9 for fiscal year 2013 is provided solely for the local outreach, case
10 management, and coordination with dental providers needed to execute
11 the access to baby and child dentistry program, which provides dental
12 care to Medicaid eligible children up to age six.

13 ~~((33))~~ (32) Within the amounts appropriated in this section, the
14 health care authority shall continue to provide dental services to
15 pregnant women. Services shall include preventive, routine, and
16 emergent dental care.

17 ~~((34))~~ (33) \$395,000 of the general fund--state appropriation for
18 fiscal year 2012, \$395,000 of the general fund--state appropriation for
19 fiscal year 2013, and \$790,000 of the general fund--federal
20 appropriation are provided solely for continued operation of the
21 dental education in care of persons with disabilities (DECOD) program
22 at the University of Washington.

23 ~~((35))~~ (34) \$159,000 of the general fund--state appropriation for
24 fiscal year 2012, \$302,000 of the general fund--private/local
25 appropriation, and \$146,072,000 of the general fund--federal
26 appropriation are provided solely for the provider incentive program
27 and other initiatives related to the health information technology
28 Medicaid plan. The general fund--private/local appropriation in this
29 subsection shall be funded with proceeds from settlements in the case
30 of *State of Washington vs. GlaxoSmithKline*. The authority and the
31 office of the attorney general shall enter an interagency agreement
32 regarding use of these funds.

33 ~~((36))~~ (35) \$2,926,000 of the general fund--local appropriation
34 and \$2,928,000 of the general fund--federal appropriation are provided
35 solely to support medical airlift services.

36 ~~((37))~~ (36) The authority shall collect data on enrollment and
37 utilization to study whether the expansion of family planning coverage

1 under Substitute Senate Bill No. 5912 is reducing state medical
2 expenditures by reducing unwanted pregnancies. The authority shall
3 report its findings to the legislature by December 1, 2012.

4 ~~((+38+))~~ (37) \$480,000 of the general fund--state appropriation for
5 fiscal year 2012, \$480,000 of the general fund--state appropriation for
6 fiscal year 2013, and \$824,000 of the general fund--federal
7 appropriation are provided solely for customer services staff. The
8 authority will attempt to improve the phone answer rate to 40 percent
9 and reduce the response times to written questions to ten days for
10 clients and 25 days for providers. The authority will report to the
11 legislature on its progress toward achieving these goals by January 1,
12 2012. If the authority has not achieved these goals by July 1, 2012,
13 then the authority shall reduce expenditures on management staff in
14 order to increase expenditures on customer service staff until the
15 goals are achieved.

16 ~~((+39+))~~ (38) The department shall purchase a brand name drug when
17 it determines that the cost of the brand name drug after rebates is
18 less than the cost of generic alternatives and that purchase of the
19 brand rather than generic version can save at least \$250,000. The
20 department may purchase generic alternatives when changes in market
21 prices make the price of the brand name drug after rebates more
22 expensive than the generic alternatives.

23 ~~((+41+))~~ (39) \$150,000 of the general fund--state appropriation for
24 fiscal year 2012 and \$1,964,000 of the general fund--state
25 appropriation for fiscal year 2013 are provided solely to implement
26 Engrossed Second Substitute House Bill No. 2319 (affordable care act).
27 If the bill is not enacted by June 30, 2012, the amounts provided in
28 this subsection shall lapse.

29 ~~((+42+))~~ (40) \$1,109,000 of the general fund--state appropriation
30 for fiscal year 2012, \$1,471,000 of the general fund--state
31 appropriation for fiscal year 2013, and \$21,890,000 of the general
32 fund--federal appropriation are provided solely to implement phase two
33 of the project to create a single provider payment system that
34 consolidates medicaid medical and social services payments and replaces
35 the social service payment system.

36 ~~((+43+))~~ (41) In order to achieve the twelve percent reduction in
37 emergency room expenditures in the fiscal year 2013 appropriations
38 provided in this section, the authority, in consultation with the

1 Washington state hospital association, the Washington state medical
2 association, and the Washington chapter of the American college of
3 emergency physicians shall designate best practices and performance
4 measures to reduce medically unnecessary emergency room visits of
5 medicaid clients. The Washington state hospital association, the
6 Washington state medical association, and the Washington chapter of the
7 American college of emergency physicians will work with the authority
8 to promote these best practices. The best practices and performance
9 measures shall consist of the following items:

10 (a) Adoption of a system to exchange patient information among
11 emergency room departments on a regional or statewide basis;

12 (b) Active dissemination of patient educational materials produced
13 by the Washington state hospital association, Washington state medical
14 association, and the Washington chapter of the American college of
15 emergency physicians that instruct patients on appropriate facilities
16 for nonemergent health care needs;

17 (c) Designation of hospital personnel and emergency room physician
18 personnel to receive and appropriately disseminate information on
19 clients participating in the medicaid patient review and coordination
20 program and to review monthly utilization reports on those clients
21 provided by the authority;

22 (d) A process to assist the authority's patient review and
23 coordination program clients with their care plans. The process must
24 include substantial efforts by hospitals to schedule an appointment
25 with the client's assigned primary care provider within seventy-two
26 hours of the client's medically unnecessary emergency room visit when
27 appropriate under the client's care plan;

28 (e) Implementation of narcotic guidelines that incorporate the
29 Washington chapter of the American college of emergency physician
30 guidelines;

31 (f) Physician enrollment in the state's prescription monitoring
32 program, as long as the program is funded; and

33 (g) Designation of a hospital emergency department physician
34 responsible for reviewing the state's medicaid utilization management
35 feedback reports, which will include defined performance measures. The
36 emergency department physician and hospital will have a process to take
37 appropriate action in response to the information in the feedback
38 reports if performance measures are not met. The authority must

1 develop feedback reports that include timely emergency room utilization
2 data such as visit rates, medically unnecessary visit rates (by
3 hospital and by client), emergency department imaging utilization
4 rates, and other measures as needed. The authority may utilize the
5 Robert Bree collaborative for assistance related to this best practice.

6 The requirements for best practices for a critical access hospital
7 should not include adoption of a system to exchange patient information
8 if doing so would pose a financial burden, and should not include
9 requirements related to the authority's patient review and coordination
10 program if the volume of those patients seen at the critical access
11 hospital are small.

12 Hospitals participating in this medicaid best practices program
13 shall submit to the authority a declaration from executive level
14 leadership indicating hospital adoption of and compliance with the best
15 practices enumerated above. In the declaration, hospitals will affirm
16 that they have in place written policies, procedures, or guidelines to
17 implement these best practices and are willing to share them upon
18 request. The declaration must also give consent for the authority to
19 disclose feedback reports and performance measures on its web site.
20 The authority shall submit a list of declaring hospitals to the
21 relevant policy and fiscal committees of the legislature by July 15,
22 2012.

23 If the authority does not receive by July 1, 2012, declarations
24 from hospitals representing at least seventy-five percent of emergency
25 room visits by medicaid clients in fiscal year 2010, the authority may
26 implement a policy of nonpayment of medically unnecessary emergency
27 room visits, with appropriate client and clinical safeguards such as
28 exemptions and expedited prior authorization. The authority shall by
29 January 15, 2013, perform a preliminary fiscal analysis of trends in
30 implementing the best practices in this subsection, focusing on outlier
31 hospitals with high rates of unnecessary visits by medicaid clients,
32 high emergency room visit rates for patient review and coordination
33 clients, low rates of completion of treatment plans for patient review
34 and coordination clients assigned to the hospital, and high rates of
35 prescribed long-acting opiates. In cooperation with the leadership of
36 the hospital, medical, and emergency physician associations, additional
37 efforts shall be focused on assisting those outlier hospitals and
38 providers to achieve more substantial savings. The authority by

1 January 15, 2013, will report to the legislature about whether assumed
2 savings based on preliminary trend and forecasted data are on target
3 and if additional best practices or other actions need to be
4 implemented.

5 If necessary, pursuant to RCW 34.05.350(1)(c), the authority may
6 employ emergency rulemaking to achieve the reductions assumed in the
7 appropriations under this section.

8 Nothing in this subsection shall in any way impact the authority's
9 ability to adopt and implement policies pertaining to the patient
10 review and coordination program.

11 ~~((+46+))~~ (42) The ~~((department))~~ authority shall seek a medicaid
12 state plan amendment to create a ~~((graduate medical education))~~
13 professional services supplemental payment managed care program for
14 professional services delivered to managed care recipients by
15 University of Washington medicine and other public professional
16 providers. This program shall be effective as soon as administratively
17 possible and shall operate concurrently with the existing professional
18 services supplemental payment program. ~~((Providers that participate in
19 the graduate medical education supplemental payment program are not
20 eligible to participate in the professional services supplemental
21 payment program.))~~ The ~~((department))~~ authority shall apply federal
22 rules for identifying the difference between ~~((current physician
23 encounter))~~ average commercial rates and fee-for-service medicaid
24 payments ~~((to participating providers and the applicable federal upper
25 payment limit))~~. This difference will be multiplied by the number of
26 managed care encounters and incorporated into the managed care plan
27 capitation rates by a certified actuary. The managed care plans will
28 pay the providers the difference attributable to the increased
29 capitation rate. Participating providers shall be solely responsible
30 for providing the local funds required to obtain federal matching
31 funds. Any incremental costs incurred by the ~~((department))~~ authority
32 in the development, implementation, and maintenance of this program
33 shall be the responsibility of the participating providers.
34 Participating providers shall retain the full amount of supplemental
35 payments provided under this program, net of any costs related to the
36 program that are disallowed due to audits or litigation against the
37 state.

1 ~~((47))~~ (43) The authority shall exclude antiretroviral drugs used
2 to treat HIV/AIDS, anticancer medication that is used to kill or slow
3 the growth of cancerous cells, antihemophilic drugs, insulin and other
4 drugs to lower blood glucose, and immunosuppressive drugs from any
5 formulary limitations implemented to operate within the appropriations
6 provided in this section.

7 ~~((48))~~ (44) If Engrossed Substitute Senate Bill No. 5978
8 (medicaid fraud) is not enacted by June 30, 2012, the amounts
9 appropriated in this section from the medicaid fraud penalty account--
10 state appropriation shall lapse and an additional \$3,608,000 shall be
11 appropriated from the general fund--state for fiscal year 2013 for
12 medicaid services, fraud detection and prevention activities, recovery
13 of improper payments, and for other medicaid fraud enforcement
14 activities.

15 ~~((50))~~ (45) Within the amounts appropriated in this section, the
16 health care authority and the department of social and health services
17 shall implement the state option to provide health homes for enrollees
18 with chronic conditions under section 2703 of the federal affordable
19 care act. The total state match for enrollees who are dually-eligible
20 for both medicare and medicaid and not enrolled in managed care shall
21 be no more than the net savings to the state from the enhanced match
22 rate for its medicaid-only managed care enrollees under section 2703.

23 ~~((51))~~ (46) The health care authority shall not initiate any
24 services that require expenditure of state general fund moneys unless
25 expressly authorized in this act or other law. The health care
26 authority may seek, receive, and spend, under RCW 43.79.260 through
27 43.79.282, federal moneys not anticipated in this act as long as the
28 federal funding does not require expenditure of state moneys for the
29 program in excess of amounts anticipated in this act. If the health
30 care authority receives unanticipated unrestricted federal moneys,
31 those moneys shall be spent for services authorized in this act or in
32 any other legislation providing appropriation authority, and an equal
33 amount of appropriated state general fund moneys shall lapse. Upon the
34 lapsing of any moneys under this subsection, the office of financial
35 management shall notify the legislative fiscal committees. As used in
36 this subsection, "unrestricted federal moneys" includes block grants
37 and other funds that federal law does not require to be spent on

1 specifically defined projects or matched on a formula basis by state
2 funds.

3 ~~((+52+))~~ (47) \$66,000 of the general fund--state appropriation for
4 fiscal year 2013 and \$66,000 of the general fund--federal appropriation
5 are provided solely to implement Engrossed Second Substitute House Bill
6 No. 2536 (children services/delivery). The department of social and
7 health services' programs responsible for administration of mental
8 health, child welfare, and juvenile justice programs will coordinate
9 with the health care authority on the development of contract terms
10 which facilitate efforts to meet requirements of the bill. If the bill
11 is not enacted by June 30, 2012, the amounts provided in this
12 subsection shall lapse.

13 ~~((+53+))~~ (48) The health care authority shall participate in the
14 work group established by the department of corrections in section
15 220(2) of this act to review release options for elderly and infirm
16 offenders.

17 (49) \$208,000 of the medicaid fraud penalty account--state
18 appropriation for fiscal year 2013 and \$728,000 of the general fund--
19 federal appropriation are provided solely for the rebasing of
20 outpatient and inpatient payment methods.

21 **Sec. 1214.** 2012 2nd sp.s. c 7 s 216 (uncodified) is amended to
22 read as follows:

23 **FOR THE CRIMINAL JUSTICE TRAINING COMMISSION**

24	General Fund--State Appropriation (FY 2012)	\$14,589,000
25	General Fund--State Appropriation (FY 2013)	((\$14,147,000))
26		<u>\$14,504,000</u>
27	General Fund--Federal Appropriation	\$456,000
28	General Fund--Private/Local Appropriation	((\$4,048,000))
29		<u>\$3,940,000</u>
30	Death Investigations Account--State Appropriation	\$148,000
31	Municipal Criminal Justice Assistance Account--	
32	State Appropriation	\$460,000
33	Washington Auto Theft Prevention Authority Account--	
34	State Appropriation	\$8,597,000
35	TOTAL APPROPRIATION	((\$42,445,000))
36		<u>\$42,694,000</u>

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

3 (1) \$5,000,000 of the general fund--state appropriation for fiscal
4 year 2012 and \$5,000,000 of the general fund--state appropriation for
5 fiscal year 2013, are provided to the Washington association of
6 sheriffs and police chiefs solely to verify the address and residency
7 of registered sex offenders and kidnapping offenders under RCW
8 9A.44.130.

9 (2) \$321,000 of the general fund--local appropriation is provided
10 solely to purchase ammunition for the basic law enforcement academy.
11 Jurisdictions shall reimburse to the criminal justice training
12 commission the costs of ammunition, based on the average cost of
13 ammunition per cadet, for cadets that they enroll in the basic law
14 enforcement academy.

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

17 (4) \$100,000 of the general fund--state appropriation for fiscal
18 year 2012 and \$100,000 of the general fund--state appropriation for
19 fiscal year 2013 are provided solely for a school safety program. The
20 commission, in collaboration with the school safety center advisory
21 committee, shall provide the school safety training for all school
22 administrators and school safety personnel hired after the effective
23 date of this section.

24 (5) \$96,000 of the general fund--state appropriation for fiscal
25 year 2012 and \$96,000 of the general fund--state appropriation for
26 fiscal year 2013 are provided solely for the school safety center
27 within the commission. The safety center shall act as an information
28 dissemination and resource center when an incident occurs in a school
29 district in Washington or in another state, coordinate activities
30 relating to school safety, and review and approve manuals and curricula
31 used for school safety models and training. Through an interagency
32 agreement, the commission shall provide funding for the office of the
33 superintendent of public instruction to continue to develop and
34 maintain a school safety information web site. The school safety
35 center advisory committee shall develop and revise the training
36 program, using the best practices in school safety, for all school
37 safety personnel. The commission shall provide research-related

1 programs in school safety and security issues beneficial to both law
2 enforcement and schools.

3 (6) \$1,000,000 of the general fund--state appropriation for fiscal
4 year 2012 and \$1,000,000 of the general fund--state appropriation for
5 fiscal year 2013 are provided solely for grants to counties enforcing
6 illegal drug laws and which have been underserved by federally funded
7 state narcotics task forces. The Washington association of sheriffs
8 and police chiefs, the Washington association of prosecuting attorneys,
9 and the Washington association of county officials shall jointly
10 develop funding allocations for the offices of the county sheriff,
11 county prosecutor, and county clerk in qualifying counties. The
12 commission shall not impose an administrative cost on this program.

13 **Sec. 1215.** 2012 2nd sp.s. c 7 s 218 (uncodified) is amended to
14 read as follows:

15 **FOR THE DEPARTMENT OF VETERANS AFFAIRS**

16	(1) HEADQUARTERS	
17	General Fund--State Appropriation (FY 2012)	\$1,829,000
18	General Fund--State Appropriation (FY 2013)	\$1,801,000
19	Charitable, Educational, Penal, and Reformatory	
20	Institutions Account--State Appropriation	\$10,000
21	TOTAL APPROPRIATION	\$3,640,000
22	(2) FIELD SERVICES	
23	General Fund--State Appropriation (FY 2012)	\$5,002,000
24	General Fund--State Appropriation (FY 2013)	\$4,964,000
25	General Fund--Federal Appropriation	\$3,348,000
26	General Fund--Private/Local Appropriation	(\$4,722,000)
27		<u>\$5,447,000</u>
28	Veterans Innovations Program Account--State	
29	Appropriation	\$810,000
30	Veteran Estate Management Account--Private/Local	
31	Appropriation	\$1,079,000
32	TOTAL APPROPRIATION	(\$19,925,000)
33		<u>\$20,650,000</u>

34 The appropriations in this subsection are subject to the following
35 conditions and limitations: \$821,000 of the veterans innovations
36 program account--state appropriation is provided solely for the
37 department to continue support for returning combat veterans through

1 the veterans innovation program, including emergency financial
2 assistance through the defenders' fund and long-term financial
3 assistance through the competitive grant program.

4 (3) INSTITUTIONAL SERVICES

5 General Fund--State Appropriation (FY 2012) \$1,743,000

6 General Fund--Federal Appropriation ((~~\$61,437,000~~))
7 \$63,019,000
8 General Fund--Private/Local Appropriation ((~~\$29,506,000~~))
9 \$30,569,000
10 TOTAL APPROPRIATION ((~~\$92,686,000~~))
11 \$95,331,000

12 **Sec. 1216.** 2012 2nd sp.s. c 7 s 219 (uncodified) is amended to
13 read as follows:

14 **FOR THE DEPARTMENT OF HEALTH**

15 General Fund--State Appropriation (FY 2012) \$79,404,000
16 General Fund--State Appropriation (FY 2013) ((~~\$78,114,000~~))
17 \$77,589,000
18 General Fund--Federal Appropriation ((~~\$553,078,000~~))
19 \$573,078,000
20 General Fund--Private/Local Appropriation ((~~\$148,055,000~~))
21 \$144,055,000
22 Hospital Data Collection Account--State Appropriation \$214,000
23 Health Professions Account--State Appropriation \$99,085,000
24 Aquatic Lands Enhancement Account--State Appropriation \$604,000
25 Emergency Medical Services and Trauma Care Systems
26 Trust Account--State Appropriation ((~~\$12,300,000~~))
27 \$10,523,000
28 Safe Drinking Water Account--State Appropriation \$4,464,000
29 Drinking Water Assistance Account--Federal
30 Appropriation \$21,965,000
31 Waterworks Operator Certification--State
32 Appropriation \$1,528,000
33 Drinking Water Assistance Administrative Account--
34 State Appropriation \$326,000
35 Site Closure Account--State Appropriation \$79,000
36 Biotoxin Account--State Appropriation ((~~\$1,167,000~~))

1		<u>\$1,231,000</u>
2	State Toxics Control Account--State Appropriation	\$3,628,000
3	Medical Test Site Licensure Account--State	
4	Appropriation	\$2,311,000
5	Youth Tobacco Prevention Account--State	
6	Appropriation	((\$1,512,000))
7		<u>\$1,348,000</u>
8	Community and Economic Development Fee Account--State	
9	Appropriation	\$298,000
10	Public Health Supplemental Account--Private/Local	
11	Appropriation	\$3,598,000
12	Accident Account--State Appropriation	\$295,000
13	Medical Aid Account--State Appropriation	\$50,000
14	Tobacco Prevention and Control Account--State	
15	Appropriation	\$1,729,000
16	TOTAL APPROPRIATION	((\$1,013,804,000))
17		<u>\$1,027,402,000</u>

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

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

1 "unrestricted federal moneys" includes block grants and other funds
2 that federal law does not require to be spent on specifically defined
3 projects or matched on a formula basis by state funds.

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

19 (3) Pursuant to RCW 18.130.250, the department is authorized to
20 establish a lower cost fee category for retired licensed practical
21 nurses and registered nurses.

22 (4) In accordance with RCW 43.135.055, the department is authorized
23 to adopt fees set forth in and previously authorized in chapter 92,
24 Laws of 2010.

25 (5) \$1,969,000 of the health professions account--state
26 appropriation is provided solely to implement online licensing for
27 health care providers. The department must submit a detailed
28 investment plan for this project to the office of financial management.
29 The office of financial management must review and approve this plan
30 before funding may be expended. The department of health must
31 successfully implement online application and renewal for at least one
32 profession as a pilot project before pursuing additional professions.
33 The department must report to the office of financial management on the
34 outcome of the pilot project.

35 (6) \$16,000 of the health professions account--state appropriation
36 is provided solely for the implementation of House Bill No. 1181 (board
37 of naturopathy). If the bill is not enacted by June 30, 2011, the
38 amount provided in this subsection shall lapse.

1 (7) \$21,000 of the health professions account--state appropriation
2 is provided solely for the implementation of Substitute House Bill No.
3 1304 (health care assistants). If the bill is not enacted by June 30,
4 2011, the amount provided in this subsection shall lapse.

5 (8) \$54,000 of the health professions account--state appropriation
6 is provided solely for the implementation of House Bill No. 1353
7 (pharmacy technicians). If the bill is not enacted by June 30, 2011,
8 the amount provided in this subsection shall lapse.

9 (9) \$142,000 of the health professions account--state appropriation
10 is provided solely for the implementation of Engrossed Substitute
11 Senate Bill No. 5020 (social workers). If the bill is not enacted by
12 June 30, 2011, the amount provided in this subsection shall lapse.

13 (10) \$336,000 of the health professions account--state
14 appropriation is provided solely for the implementation of Senate Bill
15 No. 5480 (physicians and physician assistants). If the bill is not
16 enacted by June 30, 2011, the amount provided in this subsection shall
17 lapse.

18 (11) \$46,000 of the health professions account--state appropriation
19 is provided solely for the implementation of Substitute Senate Bill No.
20 5071 (online access for midwives and marriage and family therapists).
21 If the bill is not enacted by June 30, 2011, the amount provided in
22 this subsection shall lapse.

23 (12) \$137,000 of the health professions account--state
24 appropriation is provided solely for implementation of Substitute House
25 Bill No. 1133 (massage practitioner license). If the bill is not
26 enacted by June 30, 2011, the amount provided in this subsection shall
27 lapse.

28 (13) \$85,000 of the general fund--state appropriation for fiscal
29 year 2012 is provided solely for the developmental disabilities council
30 to contract for a family-to-family mentor program to provide
31 information and support to families and guardians of persons who are
32 transitioning out of residential habilitation centers. To the maximum
33 extent allowable under federal law, these funds shall be matched under
34 medicaid through the department of social and health services and
35 federal funds shall be transferred to the department for the purposes
36 stated in this subsection. If Second Substitute Senate Bill No. 5459
37 (people with developmental disabilities) is not enacted by June 30,
38 2011, the amounts provided in this subsection shall lapse.

1 (14) \$57,000 of the general fund--state appropriation for fiscal
2 year 2012 and \$58,000 of the general fund--state appropriation for
3 fiscal year 2013 are provided solely for the midwifery licensure and
4 regulatory program to offset a reduction in revenue from fees. There
5 shall be no change to the current annual fees for new or renewed
6 licenses for the midwifery program, except from online access to HEAL-
7 WA. The department shall convene the midwifery advisory committee on
8 a quarterly basis to address issues related to licensed midwifery.

9 (15) \$118,000 of the general fund--state appropriation for fiscal
10 year 2012 and \$118,000 of the general fund--state appropriation for
11 fiscal year 2013 are provided solely for prevention of youth suicides.

12 (16) \$87,000 of the general fund--state appropriation for fiscal
13 year 2012 and \$87,000 of the general fund--state appropriation for
14 fiscal year 2013 are provided solely for the senior falls prevention
15 program.

16 (17) \$19,000 of the health professions account--state appropriation
17 is provided solely for implementation of Senate Bill No. 6290 (military
18 spouses and partners). If the bill is not enacted by June 30, 2012,
19 the amount provided in this subsection shall lapse.

20 (18) \$102,000 of the health professions account--state
21 appropriation is provided solely for implementation of Engrossed
22 Substitute Senate Bill No. 6237 (career pathway/medical assistants).
23 If the bill is not enacted by June 30, 2012, the amount provided in
24 this subsection shall lapse.

25 (19) \$21,000 of the health professions account--state appropriation
26 is provided solely for implementation of Substitute Senate Bill No.
27 6328 (mental health professionals). If the bill is not enacted by June
28 30, 2012, the amount provided in this subsection shall lapse.

29 (20) \$61,000 of the health professions account--state appropriation
30 is provided solely for implementation of Engrossed Substitute Senate
31 Bill No. 6103 (reflexologists). If the bill is not enacted by June 30,
32 2012, the amount provided in this subsection shall lapse.

33 (21) \$28,000 of the health professions account--state appropriation
34 is provided solely for implementation of Engrossed Second Substitute
35 Senate Bill No. 5620 (dental anesthesia assistants). If the bill is
36 not enacted by June 30, 2012, the amount provided in this subsection
37 shall lapse.

1 (22) Appropriations for fiscal year 2013 include funding for
2 consolidation of the department of ecology's low-level radioactive
3 waste site use permit program in the department of health.

4 (23) During the remainder of the 2011-2013 fiscal biennium, each
5 person subject to RCW 43.70.110(3)(c) is required to pay only one
6 surcharge of up to twenty-five dollars annually for the purposes of RCW
7 43.70.112, regardless of how many professional licenses the person
8 holds.

9 (24) \$15,000 of the health professions account--state appropriation
10 is provided solely to implement Substitute House Bill No. 2056
11 (assisted living facilities). If the bill is not enacted by June 30,
12 2012, the amount provided in this subsection shall lapse.

13 (25) \$11,000 of the health professions account--state appropriation
14 is provided solely to implement Engrossed House Bill No. 2186 (licensed
15 midwives). If the bill is not enacted by June 30, 2012, the amount
16 provided in this subsection shall lapse.

17 (26) \$11,000 of the general fund--state appropriation for fiscal
18 year 2013 is provided solely to implement Engrossed Substitute House
19 Bill No. 2229 (hospital employees). If the bill is not enacted by June
20 30, 2012, the amount provided in this subsection shall lapse.

21 (27) \$48,000 of the health professions account--state appropriation
22 is provided solely to implement Engrossed Substitute House Bill No.
23 2314 (long-term care workers). If the bill is not enacted by June 30,
24 2012, the amount provided in this subsection shall lapse.

25 (28) \$280,000 of the health professions account--state
26 appropriation is provided solely to implement Engrossed Substitute
27 House Bill No. 2366 (suicide assessment and training). If the bill is
28 not enacted by June 30, 2012, the amounts provided in this subsection
29 shall lapse.

30 (29) \$11,000 of the general fund--state appropriation for fiscal
31 year 2013 is provided solely to implement Engrossed Substitute House
32 Bill No. 2582 (health care services billing). If the bill is not
33 enacted by June 30, 2012, the amount provided in this subsection shall
34 lapse.

35 (30) \$22,000 of the general fund--state appropriation for fiscal
36 year 2013 is provided solely to implement Substitute Senate Bill No.
37 6105 (prescription monitoring program). If the bill is not enacted by
38 June 30, 2012, the amount provided in this subsection shall lapse.

1 (31) \$30,000 of the health professions account--state appropriation
2 is provided solely for implementation of Engrossed Substitute House
3 Bill No. 2473 (medication assistant endorsement). If the bill is not
4 enacted by June 30, 2012, the amount provided in this subsection shall
5 lapse.

6 (32) General fund--state appropriations for fiscal year 2013
7 includes funding to subsidize operating license and inspection fees in
8 the temporary worker housing program. In implementing this subsidy,
9 the department shall evaluate program regulations including but not
10 limited to the use of occupancy levels to determine the fee structure
11 and the frequency of inspections.

12 **Sec. 1217.** 2012 2nd sp.s. c 7 s 220 (uncodified) is amended to
13 read as follows:

14 **FOR THE DEPARTMENT OF CORRECTIONS**

15 The appropriations to the department of corrections in this act
16 shall be expended for the programs and in the amounts specified in this
17 section. However, after May 1, ((2012)) 2013, after approval by the
18 director of financial management and unless specifically prohibited by
19 this act, the department may transfer general fund--state
20 appropriations for fiscal year ((2012)) 2013 between programs. The
21 department shall not transfer funds, and the director of financial
22 management shall not approve the transfer, unless the transfer is
23 consistent with the objective of conserving, to the maximum extent
24 possible, the expenditure of state funds. The director of financial
25 management shall notify the appropriate fiscal committees of the senate
26 and house of representatives in writing seven days prior to approving
27 any deviations from appropriation levels. The written notification
28 shall include a narrative explanation and justification of the changes,
29 along with expenditures and allotments by budget unit and
30 appropriation, both before and after any allotment modifications or
31 transfers.

32 (1) ADMINISTRATION AND SUPPORT SERVICES

33 General Fund--State Appropriation (FY 2012)	\$52,025,000
34 General Fund--State Appropriation (FY 2013)	((\$52,981,000))
	<u>\$52,706,000</u>
36 TOTAL APPROPRIATION	((\$105,006,000))
	<u>\$104,731,000</u>

37

1 The appropriations in this subsection are subject to the following
 2 conditions and limitations: \$35,000 of the general fund--state
 3 appropriation for fiscal year 2012 and \$35,000 of the general fund--
 4 state appropriation for fiscal year 2013 are provided solely for the
 5 support of a statewide council on mentally ill offenders that includes
 6 as its members representatives of community-based mental health
 7 treatment programs, current or former judicial officers, and directors
 8 and commanders of city and county jails and state prison facilities.
 9 The council will investigate and promote cost-effective approaches to
 10 meeting the long-term needs of adults and juveniles with mental
 11 disorders who have a history of offending or who are at-risk of
 12 offending, including their mental health, physiological, housing,
 13 employment, and job training needs.

14 (2) CORRECTIONAL OPERATIONS

15	General Fund--State Appropriation (FY 2012)	\$598,237,000
16	General Fund--State Appropriation (FY 2013)	(\$575,457,000)
17		<u>\$581,890,000</u>
18	General Fund--Federal Appropriation	\$3,324,000
19	Washington Auto Theft Prevention Authority Account--	
20	State Appropriation	(\$14,079,000)
21		<u>\$13,177,000</u>
22	Enhanced 911 Account--State Appropriation	\$2,000,000
23	TOTAL APPROPRIATION	(\$1,193,097,000)
24		<u>\$1,198,628,000</u>

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

27 (a) During the 2011-13 biennium, when contracts are established or
 28 renewed for offender pay phone and other telephone services provided to
 29 inmates, the department shall select the contractor or contractors
 30 primarily based on the following factors: (i) The lowest rate charged
 31 to both the inmate and the person paying for the telephone call; and
 32 (ii) the lowest commission rates paid to the department, while
 33 providing reasonable compensation to cover the costs of the department
 34 to provide the telephone services to inmates and provide sufficient
 35 revenues for the activities funded from the institutional welfare
 36 betterment account.

1 (b) The Harborview medical center and the University of Washington
2 medical center shall provide inpatient and outpatient hospital services
3 to offenders confined in department of corrections facilities at a rate
4 no greater than the average rate that the department has negotiated
5 with other community hospitals in Washington state.

6 (c) \$102,000 of the general fund--state appropriation for fiscal
7 year 2012 and \$102,000 of the general fund--state appropriation for
8 fiscal year 2013 are provided solely to implement House Bill No. 1290
9 (health care employee overtime). If the bill is not enacted by June
10 30, 2011, the amounts provided in this subsection shall lapse.

11 (d) \$32,000 of the general fund--state appropriation for fiscal
12 year 2012 and \$33,000 of the general fund--state appropriation for
13 fiscal year 2013 are provided solely to implement Substitute House Bill
14 No. 1718 (offenders with developmental disabilities). If the bill is
15 not enacted by June 30, 2011, the amounts provided in this subsection
16 shall lapse.

17 (e) The department of corrections shall contract with local and
18 tribal governments for the provision of jail capacity to house
19 offenders. A contract shall not have a cost of incarceration in excess
20 of \$85 per day per offender. A contract shall not have a year-to-year
21 increase in excess of three percent per year. The contracts may
22 include rates for the medical care of offenders which exceed the daily
23 cost of incarceration and the limitation on year-to-year increase,
24 provided that medical payments conform to the department's offender
25 health plan, pharmacy formulary, and all off-site medical expenses are
26 preapproved by department utilization management staff.

27 (f) \$311,000 of the general fund--state appropriation for fiscal
28 year 2013 is provided solely for implementation of House Bill No. 2346
29 (correctional officer uniforms). If the bill is not enacted by June
30 30, 2012, the amount provided in this subsection shall lapse.

31 (g) \$41,000 of the general fund--state appropriation for fiscal
32 year 2012 and (~~(\$165,000)~~) \$501,000 of the general fund--state
33 appropriation for fiscal year 2013 are provided solely for the
34 department to maintain the facility, property, and assets at the
35 institution formerly known as the maple lane school in Rochester. The
36 department may not house incarcerated offenders at the maple lane site
37 until specifically directed by the legislature. By November 1, 2012,

1 the department shall report to the appropriate fiscal committees of the
2 house of representatives and the senate with a plan for the future use
3 of the facility.

4 (h) By December 1, 2012, the department shall provide to the
5 legislative fiscal committees a report that evaluates health care
6 expenditures in Washington state correctional institutions and makes
7 recommendations for controlling health care costs. The report shall
8 evaluate the source of health care costs, including offender health
9 issues, use of pharmaceuticals, offsite and specialist medical care,
10 chronic disease costs, and mental health issues. The department may
11 include information from other states on cost control in offender
12 health care, trends in offender health care that indicate potential
13 cost increases, and management of high-cost diagnoses.

14 (i) The department shall convene a work group to develop health
15 care cost containment strategies at local jail facilities. The work
16 group shall identify cost containment strategies in place at the
17 department and at local jail facilities, identify the costs and
18 benefits of implementing strategies in jail health-care facilities, and
19 make recommendations on implementing beneficial strategies. The work
20 group shall submit a report on its findings and recommendations to the
21 fiscal committees of the legislature by October 1, 2013. The work
22 group shall include jail administrators, representatives from health
23 care facilities at the local jail level and the state prisons level,
24 and other representatives as deemed necessary.

25 (j) The department of corrections, with participation of the health
26 care authority and the department of social and health services, aging
27 and adult services administration, shall establish a work group to
28 analyze and review release options for elderly and infirm offenders and
29 submit recommendations to the appropriate policy and fiscal committees
30 of the legislature with release options for these populations no later
31 than December 1, 2012. In making its recommendations, the work group
32 shall identify:

33 (i) The most expensive medical conditions for which the department
34 has had to treat its offenders and the offenders receiving the most
35 costly ongoing medical treatments;

36 (ii) For identified populations, the age, level of disability, cost
37 of care while incarcerated, safety issues related to release, ease of
38 placement, and time served in relation to the offender's sentence;

1 (iii) Potential cost savings to the state that may be generated by
2 the early release of elderly and infirm offenders;

3 (iv) Housing options to expedite the release of aging and infirm
4 offenders while maintaining the safety of housing providers, other
5 housing residents, and the general public; and

6 (v) Optimal procedures for reviewing offenders on a case-by-case
7 basis to ensure that the interests of justice and public safety are
8 considered in any early release decision.

9 (3) COMMUNITY SUPERVISION

10	General Fund--State Appropriation (FY 2012)	\$127,121,000
11	General Fund--State Appropriation (FY 2013)	(\$128,494,000)
12		<u>\$126,251,000</u>
13	Federal Narcotics Forfeiture Account--Federal	
14	Appropriation	\$372,000
15	Controlled Substances Account--State	
16	Appropriation	\$32,000
17	TOTAL APPROPRIATION	(\$256,019,000)
18		<u>\$253,776,000</u>

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

21 (a) \$875,000 of the general fund--state appropriation for fiscal
22 year 2012 is provided solely to implement Engrossed Substitute House
23 Bill No. 5891 (criminal justice cost savings). If the bill is not
24 enacted by June 30, 2011, the amount provided in this subsection shall
25 lapse.

26 (b) ~~(\$6,362,000)~~ \$3,753,000 of the general fund--state
27 appropriation for fiscal year 2013 is provided solely to implement an
28 evidence-based risk-needs-responsivity model for community supervision
29 of offenders.

30 (4) CORRECTIONAL INDUSTRIES

31	General Fund--State Appropriation (FY 2012)	\$2,513,000
32	General Fund--State Appropriation (FY 2013)	\$2,431,000
33	TOTAL APPROPRIATION	\$4,944,000

34 The appropriations in this subsection are subject to the following
35 conditions and limitations: \$66,000 of the general fund--state
36 appropriation for fiscal year 2012 is provided solely for transfer to
37 the jail industries board. The board shall use the amounts provided

1 only for administrative expenses, equipment purchases, and technical
2 assistance associated with advising cities and counties in developing,
3 promoting, and implementing consistent, safe, and efficient offender
4 work programs.

5 (5) INTERAGENCY PAYMENTS

6	General Fund--State Appropriation (FY 2012)	\$35,821,000
7	General Fund--State Appropriation (FY 2013)	((\$27,264,000))
8		<u>\$27,539,000</u>
9	TOTAL APPROPRIATION	((\$63,085,000))
10		<u>\$63,360,000</u>

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

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

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

20 (c) The department shall reduce payments to the department of
21 information services or its successor by \$213,000 in fiscal year 2012
22 and by \$1,150,000 in fiscal year 2013. The reduction in payment shall
23 be related to the elimination of the offender base tracking system,
24 including moving remaining portions of the offender base tracking
25 system into the offender management network information system.

26 **Sec. 1218.** 2012 2nd sp.s. c 7 s 221 (uncodified) is amended to
27 read as follows:

28 **FOR THE DEPARTMENT OF SERVICES FOR THE BLIND**

29	General Fund--State Appropriation (FY 2012)	\$2,159,000
30	General Fund--State Appropriation (FY 2013)	\$2,131,000
31	General Fund--Federal Appropriation	((\$19,239,000))
32		<u>\$19,739,000</u>
33	General Fund--Private/Local Appropriation	((\$30,000))
34		<u>\$105,000</u>
35	TOTAL APPROPRIATION	((\$23,559,000))
36		<u>\$24,134,000</u>

1 **Sec. 1219.** 2012 2nd sp.s. c 7 s 222 (uncodified) is amended to
2 read as follows:

3 **FOR THE EMPLOYMENT SECURITY DEPARTMENT**

4	General Fund--Federal Appropriation	\$267,069,000
5	General Fund--Private/Local Appropriation	\$33,856,000
6	Unemployment Compensation Administration Account--	
7	Federal Appropriation	(\$349,247,000)
8		<u>\$356,767,000</u>
9	Administrative Contingency Account--State	
10	Appropriation	\$20,940,000
11	Employment Service Administrative Account--State	
12	Appropriation	\$33,609,000
13	TOTAL APPROPRIATION	(\$704,721,000)
14		<u>\$712,241,000</u>

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

17 (1) \$39,666,000 of the unemployment compensation administration
18 account--federal appropriation is from amounts made available to the
19 state by section 903 (d), (f), and (g) of the social security act (Reed
20 act). This amount is provided solely for continuing current
21 unemployment insurance functions and department services to employers
22 and job seekers.

23 (2) \$35,584,000 of the unemployment compensation administration
24 account--federal appropriation is from amounts made available to the
25 state by section 903 (d), (f), and (g) of the social security act (Reed
26 act). This amount is provided solely for the replacement of the
27 unemployment insurance tax information system for the employment
28 security department. The employment security department shall support
29 the department of revenue and department of labor and industries to
30 develop a common vision to ensure technological compatibility between
31 the three agencies to facilitate a coordinated business tax system for
32 the future that improves services to business customers. The amounts
33 provided in this subsection are conditioned on the department
34 satisfying the requirements of the project management oversight
35 standards and policies established by the office of the chief
36 information officer created in Engrossed Substitute Senate Bill No.
37 5931 (information technology management).

1 (3) \$25,000 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 implementation of system
5 changes to the unemployment insurance tax information system required
6 under chapter 4, Laws of 2011 (unemployment insurance program).

7 (4) \$1,459,000 of the unemployment compensation administration
8 account--federal appropriation is from amounts available to the state
9 by section 903 (d), (f), and (g) of the social security act (Reed act).
10 This amount is provided solely for implementation of chapter 4, Laws of
11 2011 (unemployment insurance program).

12 (5) \$80,000 of the unemployment compensation administration
13 account--federal appropriation is provided solely for costs associated
14 with the initial review and evaluation of the training benefits program
15 as directed in section 15(2), chapter 4, Laws of 2011 (unemployment
16 insurance program). The initial review shall be developed by the joint
17 legislative audit and review committee. This appropriation is provided
18 from funds made available to the state by section 903 (d), (f), and (g)
19 of the social security act (Reed act).

(End of part)

PART XIII
NATURAL RESOURCES

Sec. 1301. 2012 2nd sp.s. c 7 s 303 (uncodified) is amended to read as follows:

FOR THE STATE PARKS AND RECREATION COMMISSION

General Fund--State Appropriation (FY 2012)	\$8,955,000
General Fund--State Appropriation (FY 2013)	\$8,379,000
General Fund--Federal Appropriation	\$5,905,000
Winter Recreation Program Account--State Appropriation	(\$1,759,000)
	<u>\$2,034,000</u>
ORV and Nonhighway Vehicle Account--State Appropriation	\$224,000
Snowmobile Account--State Appropriation	\$4,844,000
Aquatic Lands Enhancement Account--State Appropriation	\$4,363,000
Parks Renewal and Stewardship Account--State Appropriation	\$106,505,000
Parks Renewal and Stewardship Account--Private/Local Appropriation	\$300,000
TOTAL APPROPRIATION	(\$141,234,000)
	<u>\$141,509,000</u>

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

(1) \$8,876,000 of the general fund--state appropriation for fiscal year 2012, \$8,300,000 of the general fund--state appropriation for fiscal year 2013, and \$4,000,000 of the aquatic lands enhancement account--state appropriation are provided solely to operate and maintain state parks as the commission implements a new fee structure. The goal of this structure is to make the parks system self-supporting. By August 1, 2012, state parks must submit a report to the office of financial management detailing its progress toward this goal and outlining any additional statutory changes needed for successful implementation.

(2) \$79,000 of the general fund--state appropriation for fiscal year 2012 and \$79,000 of the general fund--state appropriation for

1 fiscal year 2013 are provided solely for a grant for the operation of
2 the Northwest avalanche center.

3 (3) \$44,528,000 of the parks renewal and stewardship account--state
4 appropriation is provided solely for implementation of Second
5 Substitute Senate Bill No. 5622 (state land recreation access). If the
6 bill is not enacted by June 30, 2011, the amount provided in this
7 subsection shall lapse.

8 (4) Prior to closing any state park, the commission must notify all
9 affected local governments and relevant nonprofit organizations of the
10 intended closure and provide an opportunity for the notified local
11 governments and nonprofit organizations to elect to acquire, or enter
12 into, a maintenance and operating contract with the commission that
13 would allow the park to remain open.

14 (5) The state parks and recreation commission, in cooperation with
15 the Fort Worden lifelong learning center public development authority
16 authorized under RCW 35.21.730 shall provide a report to the governor
17 and appropriate committees of the legislature no later than October 15,
18 2012, to create a lifelong learning center at Fort Worden state park.
19 This plan shall support and be based upon the Fort Worden state park
20 long-range plan adopted by the state parks and recreation commission in
21 September 2008. The report shall include a business and governance
22 plan and supporting materials that provide options and recommendations
23 on the long-term governance of Fort Worden state park, including
24 building maintenance and restoration. While the commission may
25 transfer full or partial operations to the public development authority
26 the state shall retain title to the property. The state parks and
27 recreation commission and the public development authority will agree
28 on the scope and content of the report including the business and
29 governance plan. In preparing this report the state parks and
30 recreation commission and the public development authority shall
31 provide ample opportunity for the public and stakeholders to
32 participate in the development of the business and governance plan.
33 The state parks and recreation commission shall review the report and
34 if it is consistent with the 2008 Fort Worden state park long-range
35 plan shall take action on a long-term governance and business plan no
36 later than December 31, 2012.

37 (6) Within the appropriations contained in this section, the
38 commission shall review the removal of trees from Brooks memorial state

1 park that have been killed or damaged by fire in order to determine the
2 recovery value from the sale of any timber that is surplus to the needs
3 of the park. The commission shall remove such trees, if the commission
4 determines that the recovery value from the sale of any timber is at
5 least cost neutral and the removal is in a manner consistent with RCW
6 79A.05.035.

7 **Sec. 1302.** 2012 2nd sp.s. c 7 s 307 (uncodified) is amended to
8 read as follows:

9 **FOR THE DEPARTMENT OF FISH AND WILDLIFE**

10	General Fund--State Appropriation (FY 2012)	\$34,098,000
11	General Fund--State Appropriation (FY 2013)	(\$23,618,000)
12		<u>\$26,417,000</u>
13	General Fund--Federal Appropriation	(\$105,481,000)
14		<u>\$105,725,000</u>
15	General Fund--Private/Local Appropriation	(\$56,923,000)
16		<u>\$57,107,000</u>
17	ORV and Nonhighway Vehicle Account--State Appropriation . . .	\$391,000
18	Aquatic Lands Enhancement Account--State	
19	Appropriation	(\$12,113,000)
20		<u>\$12,125,000</u>
21	Recreational Fisheries Enhancement--State	
22	Appropriation	(\$2,794,000)
23		<u>\$2,809,000</u>
24	Warm Water Game Fish Account--State Appropriation . . .	(\$2,841,000)
25		<u>\$2,842,000</u>
26	Eastern Washington Pheasant Enhancement Account--State	
27	Appropriation	\$849,000
28	Aquatic Invasive Species Enforcement Account--State	
29	Appropriation	\$204,000
30	Aquatic Invasive Species Prevention Account--State	
31	Appropriation	\$848,000
32	State Wildlife Account--State Appropriation	(\$100,742,000)
33		<u>\$95,241,000</u>
34	Special Wildlife Account--State Appropriation	\$2,382,000
35	Special Wildlife Account--Federal Appropriation	\$500,000
36	Special Wildlife Account--Private/Local Appropriation . . .	\$3,415,000
37	Wildlife Rehabilitation Account--State Appropriation	\$259,000

1	Regional Fisheries Enhancement Salmonid Recovery	
2	Account--Federal Appropriation	\$5,001,000
3	Oil Spill Prevention Account--State Appropriation	\$883,000
4	Oyster Reserve Land Account--State Appropriation	\$919,000
5	Recreation Resources Account--State Appropriation	\$3,300,000
6	Hydraulic Project Approval Account--State Appropriation	\$337,000
7	TOTAL APPROPRIATION	(\$357,900,000)
8		<u>\$355,652,000</u>

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

1 member fishing permit requirements of Colville tribal law on the
2 reservation portion of the waters of Lake Rufus Woods and at designated
3 fishing areas on the north shore of Lake Rufus Woods;

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

15 (4) \$400,000 of the general fund--state appropriation for fiscal
16 year 2012 and \$400,000 of the general fund--state appropriation for
17 fiscal year 2013 are provided solely for a state match to support the
18 Puget Sound nearshore partnership between the department and the U.S.
19 army corps of engineers.

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

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

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

37 (8) By September 1, 2011, the department shall update its
38 interagency agreement dated September 30, 2010, with the department of

1 natural resources concerning land management services on the department
2 of fish and wildlife's wildlife conservation and recreation lands. The
3 update shall include rates and terms for services.

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

8 (10) \$18,514,000 of the state wildlife account--state appropriation
9 is provided solely for the implementation of Second Substitute Senate
10 Bill No. 5385 (state wildlife account). If the bill is not enacted by
11 June 30, 2011, the amount provided in this subsection shall lapse.

12 (11) \$9,418,000 of the state wildlife account--state appropriation
13 is provided solely for the implementation of Second Substitute Senate
14 Bill No. 5622 (state land recreation access). If the bill is not
15 enacted by June 30, 2011, the amount provided in this subsection shall
16 lapse.

17 (12) \$50,000 of the state wildlife account--state appropriation is
18 provided solely for mitigation, claims, and assessment costs for injury
19 or loss of livestock caused by wolves, black bears, and cougars.

20 (13) \$552,000 of the aquatic lands enhancement account--state
21 appropriation is provided solely for increased law enforcement capacity
22 to reduce the occurrence of geoduck poaching and illegal harvest
23 activities. With these additional funds, the department shall deploy
24 two new fish and wildlife officers and one detective within Puget Sound
25 to address on-the-water and marketplace geoduck harvest compliance.

26 (14) \$337,000 of the hydraulic project approval--state
27 appropriation is provided solely for the implementation of Second
28 Engrossed Substitute Senate Bill No. 6406 (state natural resources).
29 If the bill is not enacted by June 30, 2012, the amount provided in
30 this subsection shall lapse.

31 **Sec. 1303.** 2012 2nd sp.s. c 7 s 308 (uncodified) is amended to
32 read as follows:

33 **FOR THE DEPARTMENT OF NATURAL RESOURCES**

34	General Fund--State Appropriation (FY 2012)	\$30,907,000
35	General Fund--State Appropriation (FY 2013)	(\$35,791,000)
36		<u>\$67,782,000</u>
37	General Fund--Federal Appropriation	\$27,873,000

1	General Fund--Private/Local Appropriation	\$2,372,000
2	Forest Development Account--State Appropriation	(\$46,254,000)
3		<u>\$44,116,000</u>
4	ORV and Nonhighway Vehicle Account--State	
5	Appropriation	\$4,373,000
6	Surveys and Maps Account--State Appropriation	\$2,118,000
7	Aquatic Lands Enhancement Account--State	
8	Appropriation	\$69,000
9	Resources Management Cost Account--State	
10	Appropriation	\$90,131,000
11	Surface Mining Reclamation Account--State	
12	Appropriation	\$3,467,000
13	Disaster Response Account--State Appropriation	\$5,000,000
14	Forest and Fish Support Account--State Appropriation	\$9,784,000
15	Aquatic Land Dredged Material Disposal Site	
16	Account--State Appropriation	\$838,000
17	Natural Resources Conservation Areas Stewardship	
18	Account--State Appropriation	\$34,000
19	State Toxics Control Account--State Appropriation	\$80,000
20	Air Pollution Control Account--State Appropriation	\$540,000
21	NOVA Program Account--State Appropriation	\$635,000
22	Derelict Vessel Removal Account--State Appropriation	\$1,761,000
23	Agricultural College Trust Management Account--State	
24	Appropriation	\$1,848,000
25	Forest Practices Application Account--State Appropriation	\$780,000
26	Marine Resources Stewardship Trust Account--State	
27	Appropriation	\$2,100,000
28	TOTAL APPROPRIATION	(\$262,782,000)
29		<u>\$296,608,000</u>

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

32 (1) \$710,000 of the general fund--state appropriation for fiscal
33 year 2012 and \$915,000 of the general fund--state appropriation for
34 fiscal year 2013 are provided solely for deposit into the agricultural
35 college trust management account and are provided solely to manage
36 approximately 70,700 acres of Washington State University's
37 agricultural college trust lands.

1 (2) \$8,030,000 of the general fund--state appropriation for fiscal
2 year 2012, (~~(\$10,037,000)~~) \$42,028,000 of the general fund--state
3 appropriation for fiscal year 2013, and \$5,000,000 of the disaster
4 response account--state appropriation are provided solely for emergency
5 fire suppression. None of the general fund and disaster response
6 account amounts provided in this subsection may be used to fund agency
7 indirect and administrative expenses. Agency indirect and
8 administrative costs shall be allocated among the agency's remaining
9 accounts and appropriations. The department of natural resources shall
10 submit a quarterly report to the office of financial management and the
11 legislative fiscal committees detailing information on current and
12 planned expenditures from the disaster response account. This work
13 shall be done in coordination with the military department.

14 (3) \$4,500,000 of the forest and fish support account--state
15 appropriation is provided solely for outcome-based, performance
16 contracts with tribes to participate in the implementation of the
17 forest practices program. Contracts awarded in fiscal year 2013 may
18 only contain indirect costs set at or below the rate in the contracting
19 tribe's indirect cost agreement with the federal government. If
20 federal funding for this purpose is reinstated, the amount provided in
21 this subsection shall lapse.

22 (4) \$518,000 of the forest and fish support account--state
23 appropriation is provided solely for outcome-based performance
24 contracts with nongovernmental organizations to participate in the
25 implementation of the forest practices program. Contracts awarded in
26 fiscal year 2013 may only contain indirect cost set at or below a rate
27 of eighteen percent.

28 (5) During the 2011-2013 fiscal biennium, \$717,000 of the forest
29 and fish support account--state appropriation is provided solely to
30 fund interagency agreements with the department of ecology and the
31 department of fish and wildlife as part of the adaptive management
32 process.

33 (6) \$1,000,000 of the general fund--federal appropriation and
34 \$1,000,000 of the forest and fish support account--state appropriation
35 are provided solely for continuing scientific studies already underway
36 as part of the adaptive management process. Funds may not be used to
37 initiate new studies unless the department secures new federal funding
38 for the adaptive management process.

1 (7) The department is authorized to increase the silviculture
2 burning permit fee in the 2011-2013 biennium by up to eighty dollars
3 plus fifty cents per ton for each ton of material burned in excess of
4 one hundred tons.

5 (8) \$440,000 of the state general fund--state appropriation for
6 fiscal year 2012 and \$440,000 of the state general fund--state
7 appropriation for fiscal year 2013 are provided solely for forest work
8 crews that support correctional camps and are contingent upon
9 continuing operations of Naselle youth camp.

10 (9) By September 1, 2011, the department shall update its
11 interagency agreement dated September 30, 2010, with the department of
12 fish and wildlife concerning land management services on the department
13 of fish and wildlife's wildlife conservation and recreation lands. The
14 update shall include rates and terms for services.

15 (10) In partnership with the department of ecology, the departments
16 shall deliver a report to the governor, the appropriate committees of
17 the legislature, and the forest practices board by September 1, 2012,
18 documenting forest practices adaptive management program reforms
19 implemented, or recommended, that streamline existing processes to
20 increase program efficiencies and effectiveness. The departments shall
21 collaborate with interested adaptive management program participants in
22 the development of the report.

23 (11)(a) \$2,100,000 of the marine resources stewardship account--
24 state appropriation is provided solely for the implementation of
25 chapter 252, Laws of 2012 (marine management planning) and 43.372 RCW.
26 The department will work with the marine interagency team, tribes, and
27 the Washington state marine resource committee to develop a spending
28 plan consistent with the priorities in chapter 252, Laws of 2012, for
29 conducting ecosystem assessments and mapping activities related to
30 marine resources use and potential economic development, developing
31 marine management plans for the state's coastal waters, and otherwise
32 aiding in the implementation of marine planning in the state. As
33 appropriate, the team shall develop a competitive process for projects
34 to be funded by the department in fiscal year 2013.

35 (b) The department, in consultation with the marine interagency
36 team, shall submit to the office of financial management and the
37 appropriate legislative committees by September 1, 2012, a prioritized

1 list of projects and activities for funding consideration through the
2 marine resources stewardship account in the 2013-2015 fiscal biennium.
3 ~~((+13+))~~ (12) \$780,000 of the forest practices application
4 account--state appropriation, \$18,000 of the forest development
5 account--state appropriation, \$23,000 of the resources management cost
6 account--state appropriation, and \$2,000 of the surface mining
7 reclamation account--state appropriation are provided solely for the
8 implementation of Second Engrossed Substitute Senate Bill No. 6406
9 (state natural resources). If the bill is not enacted by June 30,
10 2012, the amounts provided in this subsection shall lapse.

(End of part)

PART XIV
TRANSPORTATION

Sec. 1401. 2012 2nd sp.s. c 7 s 402 (uncodified) is amended to read as follows:

FOR THE STATE PATROL

General Fund--State Appropriation (FY 2012)	\$35,395,000
General Fund--State Appropriation (FY 2013)	(\$32,323,000)
	<u>\$41,947,000</u>
General Fund--Federal Appropriation	\$16,081,000
General Fund--Private/Local Appropriation	\$3,021,000
Death Investigations Account--State Appropriation	\$5,537,000
County Criminal Justice Assistance Account--State Appropriation	\$3,207,000
Municipal Criminal Justice Assistance Account--State Appropriation	\$1,286,000
Fire Service Trust Account--State Appropriation	\$131,000
Disaster Response Account--State Appropriation	\$8,002,000
Fire Service Training Account--State Appropriation	\$9,386,000
Aquatic Invasive Species Enforcement Account--State Appropriation	\$54,000
State Toxics Control Account--State Appropriation	\$505,000
Fingerprint Identification Account--State Appropriation	\$10,067,000
Vehicle License Fraud Account--State Appropriation	\$437,000
TOTAL APPROPRIATION	(\$125,432,000)
	<u>\$135,056,000</u>

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

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

1 (2) \$8,000,000 of the disaster response account--state
2 appropriation is provided solely for Washington state fire service
3 resource mobilization costs incurred in response to an emergency or
4 disaster authorized under RCW 43.43.960 (~~and~~) through 43.43.964. The
5 state patrol shall submit a report quarterly to the office of financial
6 management and the legislative fiscal committees detailing information
7 on current and planned expenditures from this account. This work shall
8 be done in coordination with the military department.

9 (3) \$400,000 of the fire service training account--state
10 appropriation is provided solely for the firefighter apprenticeship
11 training program.

12 (4) In accordance with RCW 43.43.742 the state patrol is authorized
13 to increase the following fees in fiscal year (~~2012~~) 2013 as
14 necessary to meet the actual costs of conducting business and the
15 appropriation levels in this section: Notary service fee.

16 (5) \$59,000 of the fingerprint identification account--state
17 appropriation is provided solely for implementation of Engrossed Second
18 Substitute House Bill No. 1776 (child care center licensing). If the
19 bill is not enacted by June 30, 2011, the amount provided in this
20 subsection shall lapse.

21 (6) \$6,000 of the fingerprint identification account--state
22 appropriation is provided solely for implementation of Engrossed
23 Substitute House Bill No. 1494 (vulnerable adult referrals). If the
24 bill is not enacted by June 30, 2011, the amount provided in this
25 subsection shall lapse.

26 (7) \$1,000 of the fingerprint identification account--state
27 appropriation is provided solely for implementation of Engrossed Senate
28 Bill No. 6296 (background checks). If the bill is not enacted by June
29 30, 2012, the amount provided in this subsection shall lapse.

(End of part)

PART XV
EDUCATION

Sec. 1501. 2013 c 147 s 1 (uncodified) is amended to read as follows:

FOR THE SUPERINTENDENT OF PUBLIC INSTRUCTION

General Fund--State Appropriation (FY 2012)	\$25,322,000
General Fund--State Appropriation (FY 2013)	(\$27,133,000)
	<u>\$27,383,000</u>
General Fund--Federal Appropriation	(\$77,011,000)
	<u>\$82,011,000</u>
General Fund--Private/Local Appropriation	\$4,000,000
TOTAL APPROPRIATION	(\$133,466,000)
	<u>\$138,716,000</u>

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

(1) A maximum of \$16,056,000 of the general fund--state appropriation for fiscal year 2012 and ~~(\$14,875,000)~~ \$15,116,000 of the general fund--state appropriation for fiscal year 2013 is for state agency operations.

(a) \$9,692,000 of the general fund--state appropriation for fiscal year 2012 and ~~(\$8,169,000)~~ \$8,160,000 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

1 counselors' association, the office of the superintendent of public
2 instruction shall develop a model policy that further defines the
3 recommended roles and responsibilities of graduation coaches and
4 identifies best practices for how graduation coaches work in
5 coordination with school counselors and in the context of a
6 comprehensive school guidance and counseling program.

7 (iv) The office of the superintendent of public instruction shall,
8 no later than August 1, 2011, establish a standard statewide definition
9 of unexcused absence. The definition shall be reported to the ways and
10 means committees of the senate and house of representatives for
11 legislative review in the 2012 legislative session. Beginning no later
12 than January 1, 2012, districts shall report to the office of the
13 superintendent of public instruction, daily student unexcused absence
14 data by school.

15 (b) \$1,964,000 of the general fund--state appropriation for fiscal
16 year 2012 and \$1,017,000 of the general fund--state appropriation for
17 fiscal year 2013 are provided solely for activities associated with the
18 implementation of new school finance systems required by chapter 236,
19 Laws of 2010 (K-12 education funding) and chapter 548, Laws of 2009
20 (state's education system), including technical staff, systems
21 reprogramming, and workgroup deliberations, including the quality
22 education council and the data governance working group.

23 (c) \$851,000 of the general fund--state appropriation for fiscal
24 year 2012 and \$851,000 of the general fund--state appropriation for
25 fiscal year 2013 are provided solely for the operation and expenses of
26 the state board of education, including basic education assistance
27 activities.

28 (d) \$1,744,000 of the general fund--state appropriation for fiscal
29 year 2012 and \$1,387,000 of the general fund--state appropriation for
30 fiscal year 2013 are provided solely to the professional educator
31 standards board for the following:

32 (i) \$1,050,000 in fiscal year 2012 and \$1,050,000 in fiscal year
33 2013 are for the operation and expenses of the Washington professional
34 educator standards board;

35 (ii) \$694,000 of the general fund--state appropriation for fiscal
36 year 2012 and \$312,000 of the general fund--state appropriation for
37 fiscal year 2013 are for conditional scholarship loans and mentor
38 stipends provided through the alternative routes to certification

1 program administered by the professional educator standards board,
2 including the pipeline for paraeducators program and the retooling to
3 teach conditional loan programs. Funding within this subsection
4 (1)(d)(ii) is also provided for the recruiting Washington teachers
5 program. Funding reductions in this subsection (1)(d)(ii) in the 2011-
6 2013 fiscal biennium are intended to be one-time; and

7 (iii) \$25,000 of the general fund--state appropriation for fiscal
8 year 2013 is provided solely for the professional educator standards
9 board to develop educator interpreter standards and identify
10 interpreter assessments that are available to school districts.
11 Interpreter assessments should meet the following criteria: (A)
12 Include both written assessment and performance assessment; (B) be
13 offered by a national organization of professional sign language
14 interpreters and transliterators; and (C) be designed to assess
15 performance in more than one sign system or sign language. The board
16 shall establish a performance standard, defining what constitutes a
17 minimum assessment result, for each educational interpreter assessment
18 identified. The board shall publicize the standards and assessments
19 for school district use.

20 (e) \$133,000 of the general fund--state appropriation for fiscal
21 year 2012 and \$133,000 of the general fund--state appropriation for
22 fiscal year 2013 are provided solely for the implementation of chapter
23 240, Laws of 2010, including staffing the office of equity and civil
24 rights.

25 (f) \$50,000 of the general fund--state appropriation for fiscal
26 year 2012 and \$50,000 of the general fund--state appropriation for
27 fiscal year 2013 are provided solely for the ongoing work of the
28 education opportunity gap oversight and accountability committee.

29 (g) \$45,000 of the general fund--state appropriation for fiscal
30 year 2012 and \$45,000 of the general fund--state appropriation for
31 fiscal year 2013 are provided solely for the implementation of chapter
32 380, Laws of 2009 (enacting the interstate compact on educational
33 opportunity for military children).

34 (h) \$159,000 of the general fund--state appropriation for fiscal
35 year 2012 and \$93,000 of the general fund--state appropriation for
36 fiscal year 2013 are provided solely for the implementation of chapter
37 185, Laws of 2011 (bullying prevention), which requires the office of

1 the superintendent of public instruction to convene an ongoing
2 workgroup on school bullying and harassment prevention. Within the
3 amounts provided, \$140,000 is for youth suicide prevention activities.

4 (i) \$1,227,000 of the general fund--state appropriation for fiscal
5 year 2012 and \$1,227,000 of the general fund--state appropriation for
6 fiscal year 2013 are provided solely for implementing a comprehensive
7 data system to include financial, student, and educator data, including
8 development and maintenance of the comprehensive education data and
9 research system (CEDARS).

10 (j) \$25,000 of the general fund--state appropriation for fiscal
11 year 2012 and \$25,000 of the general fund--state appropriation for
12 fiscal year 2013 are provided solely for project citizen, a program
13 sponsored by the national conference of state legislatures and the
14 center for civic education to promote participation in government by
15 middle school students.

16 (k) \$166,000 of the general fund--state appropriation for fiscal
17 year 2012 is provided solely for the implementation of chapter 192,
18 Laws of 2011 (school district insolvency). Funding is provided to
19 develop a clear legal framework and process for dissolution of a school
20 district.

21 (l) \$1,500,000 of the general fund--state appropriation for fiscal
22 year 2013 is provided solely for implementation of House Bill No. 2799
23 (collaborative schools). If such legislation is not enacted by June
24 30, 2012, the amount provided in this subsection shall lapse.

25 (m) \$128,000 of the general fund--state appropriation for fiscal
26 year 2013 is provided solely pursuant to Substitute House Bill No. 2254
27 (foster care outcomes). The office of the superintendent of public
28 instruction shall report on the implementation of the state's plan of
29 cross-system collaboration to promote educational stability and improve
30 education outcomes of foster youth. The first report is due December
31 1, 2012, and annually thereafter through 2015. If the bill is not
32 enacted by June 30, 2012, the amount provided in this subsection shall
33 lapse.

34 (n) \$250,000 of the general fund--state appropriation for fiscal
35 year 2013 is provided solely for implementation of House Bill No. 2337
36 (open K-12 education resources). If the bill is not enacted by June
37 30, 2012, the amount provided in this subsection shall lapse.

1 (o) \$250,000 of the general fund--state appropriation for fiscal
2 year 2013 is provided solely for allocation to the office of the
3 superintendent of public instruction to provide financial assistance to
4 nonhigh school districts that are experiencing budgetary shortfalls due
5 to a significant financial condition, including, but not limited to:
6 Declining total enrollment; increased enrollment of students with
7 special education needs; and debts owed to school districts serving the
8 nonhigh school district's high school aged students. The financial
9 assistance shall be in the form of a loan. The loan agreement shall:

10 (i) Include conditions, binding on the school district, designed to
11 improve the district's financial condition;

12 (ii) Include a repayment schedule of no more than five years in
13 length; and

14 (iii) Prohibit districts that receive loans under this subsection
15 from using cash basis accounting.

16 (2) \$9,267,000 of the general fund--state appropriation for fiscal
17 year 2012 and \$12,267,000 of the general fund--state appropriation for
18 fiscal year 2013 are for statewide programs.

19 (a) HEALTH AND SAFETY

20 (i) \$2,541,000 of the general fund--state appropriation for fiscal
21 year 2012 and \$2,541,000 of the general fund--state appropriation for
22 fiscal year 2013 are provided solely for a corps of nurses located at
23 educational service districts, as determined by the superintendent of
24 public instruction, to be dispatched to the most needy schools to
25 provide direct care to students, health education, and training for
26 school staff.

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

31 (b) TECHNOLOGY

32 \$1,221,000 of the general fund--state appropriation for fiscal year
33 2012 and \$1,221,000 of the general fund--state appropriation for fiscal
34 year 2013 are provided solely for K-20 telecommunications network
35 technical support in the K-12 sector to prevent system failures and
36 avoid interruptions in school utilization of the data processing and
37 video-conferencing capabilities of the network. These funds may be

1 used to purchase engineering and advanced technical support for the
2 network.

3 (c) GRANTS AND ALLOCATIONS

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

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

16 (iii) \$2,808,000 of the general fund--state appropriation for
17 fiscal year 2012 and \$2,808,000 of the general fund--state
18 appropriation for fiscal year 2013 are provided solely for the
19 dissemination of the navigation 101 curriculum to all districts. The
20 funding shall support electronic student planning tools and software
21 for analyzing the impact of navigation 101 on student performance, as
22 well as grants to a maximum of one hundred school districts each year,
23 based on progress and need for the implementation of the navigation 101
24 program. The implementation grants shall be awarded to a cross-section
25 of school districts reflecting a balance of geographic and demographic
26 characteristics. Within the amounts provided, the office of the
27 superintendent of public instruction will create a navigation 101
28 accountability model to analyze the impact of the program.

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

34 (v) \$135,000 of the general fund--state appropriation for fiscal
35 year 2012 and \$135,000 of the general fund--state appropriation for
36 fiscal year 2013 are provided solely for dropout prevention programs at
37 the office of the superintendent of public instruction, including the
38 jobs for America's graduates (JAG) program.

1 (vi) \$500,000 of the general fund--state appropriation for fiscal
2 year 2012 and \$1,400,000 of the general fund--state appropriation for
3 fiscal year 2013 are provided solely for the implementation of chapter
4 340, Laws of 2011 (assessment of students in state-funded full-day
5 kindergarten classrooms), including the development and implementation
6 of the Washington kindergarten inventory of developing skills (WaKIDS).
7 Of the amounts in this subsection, \$1,000,000 of the fiscal year 2013
8 appropriation is for the implementation of House Bill No. 2586
9 (kindergarten inventory). If the bill is not enacted by June 30, 2012,
10 this amount shall lapse.

11 (vii) \$2,000,000 of the general fund--state appropriation for
12 fiscal year 2013 is provided solely for an urban school turnaround
13 initiative as follows:

14 (A) The office of the superintendent of public instruction shall
15 select two schools in the largest urban school district in the state.
16 The selected schools shall be among the state's lowest-performing
17 schools; be located within the same community and form a continuum of
18 education for the students in that community; have significant
19 educational achievement gaps; and include a mix of elementary, middle,
20 or high schools.

21 (B) The office shall allocate the funds under this subsection
22 (2)(c)(vii) to the school district to be used exclusively in the
23 selected schools. The district may not charge an overhead or indirect
24 fee for the allocated funds or supplant other state, federal, or local
25 funds in the selected schools. The school district shall use the funds
26 for intensive supplemental instruction, services, and materials in the
27 selected schools, including but not limited to professional development
28 for school staff; updated curriculum, materials, and technology;
29 extended learning opportunities for students; reduced class size;
30 summer enrichment activities; school-based health clinics; and other
31 research-based initiatives to dramatically turn around the performance
32 and close the achievement gap in the schools. The office shall enter
33 into an expenditure agreement with the school district under which any
34 funds under this subsection (2)(c)(vii) remaining unspent on August 31,
35 2015, shall be returned to the state. Priorities for the expenditure
36 of the funds shall be determined by the leadership and staff of each
37 school.

1 (C) The office shall monitor the activities in the selected schools
2 and the expenditure of funds to ensure the intent of this subsection
3 (2)(c)(vii) is met, and submit a report to the legislature by December
4 1, 2013, including outcomes resulting from the urban school turnaround
5 initiative. The report submitted to the legislature must include a
6 comparison of student learning achievement in the selected schools with
7 schools of comparable demographics that have not participated in the
8 grant program.

9 (D) Funding provided in this subsection (2)(c)(vii) is intended to
10 be one-time.

11 (viii) \$100,000 of the general fund--state appropriation for fiscal
12 year 2013 is provided solely to subsidize advanced placement exam fees
13 and international baccalaureate class fees and exam fees for low-income
14 students. To be eligible for the subsidy, a student must be either
15 enrolled or eligible to participate in the federal free or reduced
16 price lunch program, and the student must have maximized the allowable
17 federal contribution. The office of the superintendent of public
18 instruction shall set the subsidy in an amount so that the advanced
19 placement exam fee does not exceed \$15.00 and the combined class and
20 exam fee for the international baccalaureate does not exceed \$14.50.

21 **Sec. 1502.** 2012 2nd sp.s. c 7 s 502 (uncodified) is amended to
22 read as follows:

23 **FOR THE SUPERINTENDENT OF PUBLIC INSTRUCTION--FOR GENERAL**
24 **APPORTIONMENT**

25	General Fund--State Appropriation (FY 2012)	\$5,241,233,000
26	General Fund--State Appropriation (FY 2013)	((\$5,170,854,000))
27		<u>\$5,138,619,000</u>
28	General Fund--Federal Appropriation	\$22,327,000
29	TOTAL APPROPRIATION	((\$10,434,414,000))
30		<u>\$10,402,179,000</u>

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

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

36 (b) For the 2011-12 and 2012-13 school years, the superintendent

1 shall allocate general apportionment funding to school districts as
2 provided in the funding formulas and salary schedules in sections 502
3 and 503 of this act, excluding (c) of this subsection.

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

8 (d) The appropriations in this section include federal funds
9 provided through section 101 of P.L. No. 111-226 (education jobs fund),
10 which shall be used to support general apportionment program funding.
11 In distributing general apportionment allocations under this section
12 for the 2011-12 school year, the superintendent shall include the
13 additional amount of \$3,327,000 allocated by the United States
14 department of education on September 16, 2011, provided through 101 of
15 P.L. No. 111-226 (education jobs fund) as part of each district's
16 general apportionment allocation.

17 (e) The enrollment of any district shall be the annual average
18 number of full-time equivalent students and part-time students as
19 provided in RCW 28A.150.350, enrolled on the fourth day of school in
20 September and on the first school day of each month October through
21 June, including students who are in attendance pursuant to RCW
22 28A.335.160 and 28A.225.250 who do not reside within the servicing
23 school district. Any school district concluding its basic education
24 program in May must report the enrollment of the last school day held
25 in May in lieu of a June enrollment.

26 (2) CERTIFICATED INSTRUCTIONAL STAFF ALLOCATIONS

27 Allocations for certificated instructional staff salaries for the
28 2011-12 and 2012-13 school years are determined using formula-generated
29 staff units calculated pursuant to this subsection.

30 (a) Certificated instructional staff units, as defined in RCW
31 28A.150.410, shall be allocated to reflect the minimum class size
32 allocations, requirements, and school prototypes assumptions as
33 provided in RCW 28A.150.260. The superintendent shall make allocations
34 to school districts based on the district's annual average full-time
35 equivalent student enrollment in each grade.

36 (b) Additional certificated instructional staff units provided in
37 this subsection (2) that exceed the minimum requirements in RCW

1 28A.150.260 are enhancements outside the program of basic education,
2 except as otherwise provided in this section.

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

7 General education class size:		
8 Grade		RCW 28A.150.260
9 Grades K-3	.....	25.23
10 Grade 4	.....	27.00
11 Grades 5-6	.....	27.00
12 Grades 7-8	.....	28.53
13 Grades 9-12	.....	28.74

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

17 (ii) For each level of prototypical school at which more than fifty
18 percent of the students were eligible for free and reduced-price meals
19 in the prior school year, the superintendent shall allocate funding
20 based on the following average class size of full-time equivalent
21 students per teacher:

22 General education class size in high poverty		
23 school:		
24 Grades K-3	.....	24.10
25 Grade 4	.....	27.00
26 Grades 5-6	.....	27.00
27 Grades 7-8	.....	28.53
28 Grades 9-12	.....	28.74

29 (iii) Pursuant to RCW 28A.150.260(4)(a), the assumed teacher
30 planning period, expressed as a percentage of a teacher work day, is
31 13.42 percent in grades K-6, and 16.67 percent in grades 7-12; and

1 (iv) Laboratory science, advanced placement, and international
2 baccalaureate courses are funded at the same class size assumptions as
3 general education schools in the same grade; and

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

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

14 Career and Technical Education

15 students 2.02 per 1000 student FTE's
16 Skill Center students 2.36 per 1000 student FTE's

17 (3) ADMINISTRATIVE STAFF ALLOCATIONS

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

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

28 Career and Technical Education students 2.5 percent
29 Skill Center students 19.75 percent

30 (4) CLASSIFIED STAFF ALLOCATIONS

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

36 (5) CENTRAL OFFICE ALLOCATIONS
37

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

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

11 (b) Of the central office staff units calculated in (a) of this
12 subsection, 74.53 percent are allocated as classified staff units, as
13 generated in subsection (4) of this section, and 25.47 percent shall be
14 allocated as administrative staff units, as generated in subsection (3)
15 of this section.

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

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

30 (6) FRINGE BENEFIT ALLOCATIONS

31 Fringe benefit allocations shall be calculated at a rate of 16.33
32 percent in the 2011-12 school year and 16.34 percent in the 2012-13
33 school year for certificated salary allocations provided under
34 subsections (2), (3), and (5) of this section, and a rate of 18.73
35 percent in the 2011-12 school year and 18.73 percent in the 2012-13
36 school year for classified salary allocations provided under
37 subsections (4) and (5) of this section.

38 (7) INSURANCE BENEFIT ALLOCATIONS
39

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

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

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

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

14 Funding is allocated per annual average full-time equivalent
15 student for the materials, supplies, and operating costs (MSOC)
16 incurred by school districts, consistent with the requirements of RCW
17 28A.150.260.

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

20 MSOC RATES/STUDENT FTE

21			
22	MSOC Component	2011-12	2012-13
23		SCHOOL YEAR	SCHOOL YEAR
24			
25	Technology	\$57.42	\$58.28
26	Utilities and Insurance	\$156.03	\$158.37
27	Curriculum and Textbooks	\$61.65	\$62.58
28	Other Supplies and Library Materials	\$130.89	\$132.85
29	Instructional Professional Development for Certificated		
30	and Classified Staff	\$9.53	\$9.68
31	Facilities Maintenance	\$77.30	\$78.46
32	Security and Central Office	\$53.55	\$54.35
33	TOTAL BASIC EDUCATION MSOC/STUDENT FTE	\$546.37	\$554.57

1 (b) Students in approved skill center programs generate per student
2 FTE MSOC allocations which equal the rate for general education
3 students calculated in (a) of this subsection, multiplied by a factor
4 of 2.171.

5 (c) Students in approved exploratory and preparatory career and
6 technical education programs generate a per student MSOC allocation
7 that is equal to the rate for general education students calculated in
8 (a) of this subsection, multiplied by a factor of 2.442.

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

12 (9) SUBSTITUTE TEACHER ALLOCATIONS

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

17 (10) ALTERNATIVE LEARNING EXPERIENCE PROGRAM FUNDING

18 (a) Amounts provided in this section are adjusted to reflect
19 provisions of House Bill No. 2065 (allocation of funding for funding
20 for students enrolled in alternative learning experiences).

21 (b) The superintendent of public instruction shall require all
22 districts receiving general apportionment funding for alternative
23 learning experience (ALE) programs as defined in WAC 392-121-182 to
24 provide separate financial accounting of expenditures for the ALE
25 programs offered in district or with a provider, including but not
26 limited to private companies and multidistrict cooperatives, as well as
27 accurate, monthly headcount and FTE enrollment claimed for basic
28 education, including separate counts of resident and nonresident
29 students.

30 (11) VOLUNTARY FULL DAY KINDERGARTEN PROGRAMS

31 Funding in this section is sufficient to fund voluntary full day
32 kindergarten programs in qualifying high poverty schools, pursuant to
33 RCW 28A.150.220 and 28A.150.315. Each kindergarten student who enrolls
34 for the voluntary full-day program in a qualifying school shall count
35 as one-half of one full-time equivalent student for purpose of making
36 allocations under this section. Funding in this section provides full-
37 day kindergarten programs for 21 percent of kindergarten enrollment in

1 the 2011-12 school year, and 22 percent in the 2012-13 school year.
2 Funding priority shall be given to schools with the highest poverty
3 levels, as measured by prior year free and reduced price lunch
4 eligibility rates in each school. Funding in this section is
5 sufficient to fund voluntary full day kindergarten programs for July
6 and August of the 2010-11 school year.

7 (12) ADDITIONAL FUNDING FOR SMALL SCHOOL DISTRICTS AND REMOTE AND
8 NECESSARY PLANTS

9 For small school districts and remote and necessary school plants
10 within any district which have been judged to be remote and necessary
11 by the superintendent of public instruction, additional staff units are
12 provided to ensure a minimum level of staffing support. Additional
13 administrative and certificated instructional staff units provided to
14 districts in this subsection shall be reduced by the general education
15 staff units, excluding career and technical education and skills center
16 enhancement units, otherwise provided in subsections (2) through (5) of
17 this section on a per district basis.

18 (a) For districts enrolling not more than twenty-five average
19 annual full-time equivalent students in grades K-8, and for small
20 school plants within any school district which have been judged to be
21 remote and necessary by the superintendent of public instruction and
22 enroll not more than twenty-five average annual full-time equivalent
23 students in grades K-8:

24 (i) For those enrolling no students in grades 7 and 8, 1.76
25 certificated instructional staff units and 0.24 certificated
26 administrative staff units for enrollment of not more than five
27 students, plus one-twentieth of a certificated instructional staff unit
28 for each additional student enrolled; and

29 (ii) For those enrolling students in grades 7 or 8, 1.68
30 certificated instructional staff units and 0.32 certificated
31 administrative staff units for enrollment of not more than five
32 students, plus one-tenth of a certificated instructional staff unit for
33 each additional student enrolled;

34 (b) For specified enrollments in districts enrolling more than
35 twenty-five but not more than one hundred average annual full-time
36 equivalent students in grades K-8, and for small school plants within
37 any school district which enroll more than twenty-five average annual

1 full-time equivalent students in grades K-8 and have been judged to be
2 remote and necessary by the superintendent of public instruction:

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

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

9 (c) For districts operating no more than two high schools with
10 enrollments of less than three hundred average annual full-time
11 equivalent students, for enrollment in grades 9-12 in each such school,
12 other than alternative schools, except as noted in this subsection:

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

18 (ii) For all other small high schools under this subsection, nine
19 certificated instructional staff units and one-half of a certificated
20 administrative staff unit for the first sixty average annual full-time
21 equivalent students, and additional staff units based on a ratio of
22 0.8732 certificated instructional staff units and 0.1268 certificated
23 administrative staff units per each additional forty-three and one-half
24 average annual full-time equivalent students;

25 (iii) Districts receiving staff units under this subsection shall
26 add students enrolled in a district alternative high school and any
27 grades nine through twelve alternative learning experience programs
28 with the small high school enrollment for calculations under this
29 subsection;

30 (d) For each nonhigh school district having an enrollment of more
31 than seventy annual average full-time equivalent students and less than
32 one hundred eighty students, operating a grades K-8 program or a grades
33 1-8 program, an additional one-half of a certificated instructional
34 staff unit;

35 (e) For each nonhigh school district having an enrollment of more
36 than fifty annual average full-time equivalent students and less than
37 one hundred eighty students, operating a grades K-6 program or a grades

1 1-6 program, an additional one-half of a certificated instructional
2 staff unit;

3 (f)(i) For enrollments generating certificated staff unit
4 allocations under (a) through (e) of this subsection, one classified
5 staff unit for each 2.94 certificated staff units allocated under such
6 subsections;

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

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

18 (13) Any school district board of directors may petition the
19 superintendent of public instruction by submission of a resolution
20 adopted in a public meeting to reduce or delay any portion of its basic
21 education allocation for any school year. The superintendent of public
22 instruction shall approve such reduction or delay if it does not impair
23 the district's financial condition. Any delay shall not be for more
24 than two school years. Any reduction or delay shall have no impact on
25 levy authority pursuant to RCW 84.52.0531 and local effort assistance
26 pursuant to chapter 28A.500 RCW.

27 (14) The superintendent may distribute funding for the following
28 programs outside the basic education formula during fiscal years 2012
29 and 2013 as follows:

30 (a) \$589,000 of the general fund--state appropriation for fiscal
31 year 2012 and \$598,000 of the general fund--state appropriation for
32 fiscal year 2013 are provided solely for fire protection for school
33 districts located in a fire protection district as now or hereafter
34 established pursuant to chapter 52.04 RCW.

35 (b) \$436,000 of the general fund--state appropriation for fiscal
36 year 2012 and \$436,000 of the general fund--state appropriation for
37 fiscal year 2013 are provided solely for programs providing skills
38 training for secondary students who are enrolled in extended day

1 school-to-work programs, as approved by the superintendent of public
2 instruction. The funds shall be allocated at a rate not to exceed \$500
3 per full-time equivalent student enrolled in those programs.

4 (c) Funding in this section is sufficient to fund adjustments to
5 school districts' allocations resulting from the implementation of the
6 prototypical school funding formula, pursuant to chapter 236, Laws of
7 2010 (K-12 education funding). The funding in this section is intended
8 to hold school districts harmless in total for funding changes
9 resulting from conversion to the prototypical school formula in the
10 general apportionment program, the learning assistance program, the
11 transitional bilingual program, and the highly capable program, after
12 adjustment for changes in enrollment and other caseload adjustments.

13 (15) \$208,000 of the general fund--state appropriation for fiscal
14 year 2012 and \$211,000 of the general fund--state appropriation for
15 fiscal year 2013 are provided solely for school district emergencies as
16 certified by the superintendent of public instruction. At the close of
17 the fiscal year the superintendent of public instruction shall report
18 to the office of financial management and the appropriate fiscal
19 committees of the legislature on the allocations provided to districts
20 and the nature of the emergency.

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

24 (17) 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. In calculating the combined 1.2 FTE, the
28 office of the superintendent of public instruction may average the
29 participating student's September through June enrollment to account
30 for differences in the start and end dates for courses provided by the
31 high school and higher education institution. Additionally, the office
32 of the superintendent of public instruction, in consultation with the
33 state board for community and technical colleges, the (~~higher~~
34 ~~education coordinating board~~) student achievement council, and the
35 education data center, shall annually track and report to the fiscal
36 committees of the legislature on the combined FTE experience of
37 students participating in the running start program, including course

1 load analyses at both the high school and community and technical
2 college system.

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

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

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

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

23 (b) Career and technical education program full-time equivalent
24 enrollment shall be reported on the same monthly basis as the
25 enrollment for students eligible for basic support, and payments shall
26 be adjusted for reported career and technical education program
27 enrollments on the same monthly basis as those adjustments for
28 enrollment for students eligible for basic support.

29 **Sec. 1503.** 2012 2nd sp.s. c 7 s 505 (uncodified) is amended to
30 read as follows:

31 **FOR THE SUPERINTENDENT OF PUBLIC INSTRUCTION--FOR PUPIL TRANSPORTATION**

32	General Fund--State Appropriation (FY 2012)	\$322,243,000
33	General Fund--State Appropriation (FY 2013)	(\$273,642,000)
34		<u>\$273,893,000</u>
35	TOTAL APPROPRIATION	(\$595,885,000)
36		<u>\$596,136,000</u>

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

3 (1) Each general fund fiscal year appropriation includes such funds
4 as are necessary to complete the school year ending in the fiscal year
5 and for prior fiscal year adjustments.

6 (2)(a) For the 2011-12 and 2012-13 school years, the superintendent
7 shall allocate funding to school district programs for the
8 transportation of students as provided in RCW 28A.160.192.

9 (b) From July 1, 2011 to August 31, 2011, the superintendent shall
10 allocate funding to school districts programs for the transportation of
11 students as provided in section 505, chapter 564, Laws of 2009, as
12 amended through section 1404 of this act.

13 (3) Any amounts appropriated for maintenance level funding for
14 pupil transportation that exceed actual maintenance level expenditures
15 as calculated under the funding formula that takes effect September 1,
16 2011, shall be distributed to districts according to RCW
17 28A.160.192(2)(b).

18 (4) A maximum of \$892,000 of this fiscal year 2012 appropriation
19 and a maximum of \$892,000 of the fiscal year 2013 appropriation may be
20 expended for regional transportation coordinators and related
21 activities. The transportation coordinators shall ensure that data
22 submitted by school districts for state transportation funding shall,
23 to the greatest extent practical, reflect the actual transportation
24 activity of each district.

25 (5) The office of the superintendent of public instruction shall
26 provide reimbursement funding to a school district for school bus
27 purchases only after the superintendent of public instruction
28 determines that the school bus was purchased from the list established
29 pursuant to RCW 28A.160.195(2) or a comparable competitive bid process
30 based on the lowest price quote based on similar bus categories to
31 those used to establish the list pursuant to RCW 28A.160.195.

32 (6) The superintendent of public instruction shall base
33 depreciation payments for school district buses on the pre-sales tax
34 five-year average of lowest bids in the appropriate category of bus.
35 In the final year on the depreciation schedule, the depreciation
36 payment shall be based on the lowest bid in the appropriate bus
37 category for that school year.

1 (7) Funding levels in this section reflect waivers granted by the
2 state board of education for four-day school weeks as allowed under RCW
3 28A.305.141.

4 (8) Starting with the 2012-13 school year, the office of the
5 superintendent of public instruction shall disburse payments for bus
6 depreciation in August.

7 **Sec. 1504.** 2011 2nd sp.s. c 9 s 506 (uncodified) is amended to
8 read as follows:

9 **FOR THE SUPERINTENDENT OF PUBLIC INSTRUCTION--FOR SCHOOL FOOD SERVICE**
10 **PROGRAMS**

11	General Fund--State Appropriation (FY 2012)	\$7,111,000
12	General Fund--State Appropriation (FY 2013)	\$7,111,000
13	General Fund--Federal Appropriation	(\$436,400,000)
14		<u>\$506,000,000</u>
15	TOTAL APPROPRIATION	(\$450,622,000)
16		<u>\$520,222,000</u>

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

19 (1) \$7,111,000 of the general fund--state appropriation for fiscal
20 year 2012 and \$7,111,000 of the general fund--state appropriation for
21 fiscal year 2013 are provided solely for state matching money for
22 federal child nutrition programs, and may support the meals for kids
23 program through the following allowable uses:

24 (a) Elimination of breakfast copays for eligible public school
25 students and lunch copays for eligible public school students in grades
26 kindergarten through third grade who are eligible for reduced price
27 lunch;

28 (b) Assistance to school districts and authorized public and
29 private nonprofit organizations for supporting summer food service
30 programs, and initiating new summer food service programs in low-income
31 areas;

32 (c) Reimbursements to school districts for school breakfasts served
33 to students eligible for free and reduced price lunch, pursuant to
34 chapter 287, Laws of 2005; and

35 (d) Assistance to school districts in initiating and expanding
36 school breakfast programs.

1 The office of the superintendent of public instruction shall report
2 annually to the fiscal committees of the legislature on annual
3 expenditures in (a), (b), and (c) of this subsection.

4 **Sec. 1505.** 2012 2nd sp.s. c 7 s 506 (uncodified) is amended to
5 read as follows:

6 **FOR THE SUPERINTENDENT OF PUBLIC INSTRUCTION--FOR SPECIAL EDUCATION**
7 **PROGRAMS**

8	General Fund--State Appropriation (FY 2012)	\$648,369,000
9	General Fund--State Appropriation (FY 2013)	(\$679,832,000)
10		<u>\$659,913,000</u>
11	General Fund--Federal Appropriation	(\$486,922,000)
12		<u>\$499,922,000</u>
13	Education Legacy Trust Account--State Appropriation	\$756,000
14	TOTAL APPROPRIATION	(\$1,815,879,000)
15		<u>\$1,808,960,000</u>

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

18 (1) Funding for special education programs is provided on an excess
19 cost basis, pursuant to RCW 28A.150.390. School districts shall ensure
20 that special education students as a class receive their full share of
21 the general apportionment allocation accruing through sections 502 and
22 504 of this act. To the extent a school district cannot provide an
23 appropriate education for special education students under chapter
24 28A.155 RCW through the general apportionment allocation, it shall
25 provide services through the special education excess cost allocation
26 funded in this section.

27 (2)(a) The superintendent of public instruction shall ensure that:
28 (i) Special education students are basic education students first;
29 (ii) As a class, special education students are entitled to the
30 full basic education allocation; and
31 (iii) Special education students are basic education students for
32 the entire school day.

33 (b) The superintendent of public instruction shall continue to
34 implement the full cost method of excess cost accounting, as designed
35 by the committee and recommended by the superintendent, pursuant to
36 section 501(1)(k), chapter 372, Laws of 2006.

1 (c) Beginning with the 2010-11 school year award cycle, the office
2 of the superintendent of public instruction shall make award
3 determinations for state safety net funding in August of each school
4 year. Determinations on school district eligibility for state safety
5 net awards shall be based on analysis of actual expenditure data from
6 the current school year.

7 (3) Each fiscal year appropriation includes such funds as are
8 necessary to complete the school year ending in the fiscal year and for
9 prior fiscal year adjustments.

10 (4)(a) For the 2011-12 and 2012-13 school years, the superintendent
11 shall allocate funding to school district programs for special
12 education students as provided in RCW 28A.150.390.

13 (b) From July 1, 2011 to August 31, 2011, the superintendent shall
14 allocate funding to school district programs for special education
15 students as provided in section 507, chapter 564, Laws of 2009, as
16 amended through section 1406 of this act.

17 (5) The following applies throughout this section: The definitions
18 for enrollment and enrollment percent are as specified in RCW
19 28A.150.390(3). Each district's general fund--state funded special
20 education enrollment shall be the lesser of the district's actual
21 enrollment percent or 12.7 percent.

22 (6) At the request of any interdistrict cooperative of at least 15
23 districts in which all excess cost services for special education
24 students of the districts are provided by the cooperative, the maximum
25 enrollment percent shall be calculated in accordance with RCW
26 28A.150.390(3) (c) and (d), and shall be calculated in the aggregate
27 rather than individual district units. For purposes of this
28 subsection, the average basic education allocation per full-time
29 equivalent student shall be calculated in the aggregate rather than
30 individual district units.

31 (7) \$8,914,000 of the general fund--state appropriation for fiscal
32 year 2012, (~~(\$34,200,000)~~) \$9,469,000 of the general fund--state
33 appropriation for fiscal year 2013, and (~~(\$29,574,000)~~) \$32,574,000 of
34 the general fund--federal appropriation are provided solely for safety
35 net awards for districts with demonstrated needs for special education
36 funding beyond the amounts provided in subsection (4) of this section.
37 If the federal safety net awards based on the federal eligibility
38 threshold exceed the federal appropriation in this subsection (7) in

1 any fiscal year, the superintendent shall expend all available federal
2 discretionary funds necessary to meet this need. At the conclusion of
3 each school year, the superintendent shall recover safety net funds
4 that were distributed prospectively but for which districts were not
5 subsequently eligible.

6 (a) For the 2011-12 and 2012-13 school years, safety net funds
7 shall be awarded by the state safety net oversight committee as
8 provided in section 109(1) chapter 548, Laws of 2009 (ESHB 2261).

9 (b) From July 1, 2011 to August 31, 2011, the superintendent shall
10 operate the safety net oversight committee and shall award safety net
11 funds as provided in section 507, chapter 564, Laws of 2009, as amended
12 through section 1406 of this act.

13 (8) A maximum of \$678,000 may be expended from the general fund--
14 state appropriations to fund 5.43 full-time equivalent teachers and 2.1
15 full-time equivalent aides at children's orthopedic hospital and
16 medical center. This amount is in lieu of money provided through the
17 home and hospital allocation and the special education program.

18 (9) The superintendent shall maintain the percentage of federal
19 flow-through to school districts at 85 percent. In addition to other
20 purposes, school districts may use increased federal funds for high-
21 cost students, for purchasing regional special education services from
22 educational service districts, and for staff development activities
23 particularly relating to inclusion issues.

24 (10) A school district may carry over from one year to the next
25 year up to 10 percent of the general fund--state funds allocated under
26 this program; however, carryover funds shall be expended in the special
27 education program.

28 (11) \$251,000 of the general fund--state appropriation for fiscal
29 year 2012 and \$251,000 of the general fund--state appropriation for
30 fiscal year 2013 are provided solely for two additional full-time
31 equivalent staff to support the work of the safety net committee and to
32 provide training and support to districts applying for safety net
33 awards.

34 (12) \$50,000 of the general fund--state appropriation for fiscal
35 year 2012, \$50,000 of the general fund--state appropriation for fiscal
36 year 2013, and \$100,000 of the general fund--federal appropriation
37 shall be expended to support a special education ombudsman program
38 within the office of superintendent of public instruction.

1 **Sec. 1506.** 2012 2nd sp.s. c 7 s 507 (uncodified) is amended to
2 read as follows:

3 **FOR THE SUPERINTENDENT OF PUBLIC INSTRUCTION--FOR EDUCATIONAL SERVICE**
4 **DISTRICTS**

5	General Fund--State Appropriation (FY 2012)	\$7,894,000
6	General Fund--State Appropriation (FY 2013)	(\$7,912,000)
7		<u>\$7,896,000</u>
8	TOTAL APPROPRIATION	(\$15,806,000)
9		<u>\$15,790,000</u>

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

12 (1) The educational service districts shall continue to furnish
13 financial services required by the superintendent of public instruction
14 and RCW 28A.310.190 (3) and (4).

15 (2) Funding within this section is provided for regional
16 professional development related to mathematics and science curriculum
17 and instructional strategies. Funding shall be distributed among the
18 educational service districts in the same proportion as distributions
19 in the 2007-2009 biennium. Each educational service district shall use
20 this funding solely for salary and benefits for a certificated
21 instructional staff with expertise in the appropriate subject matter
22 and in professional development delivery, and for travel, materials,
23 and other expenditures related to providing regional professional
24 development support.

25 (3) The educational service districts, at the request of the state
26 board of education pursuant to RCW 28A.310.010 and ~~((28A.310.340))~~
27 28A.305.130, may receive and screen applications for school
28 accreditation, conduct school accreditation site visits pursuant to
29 state board of education rules, and submit to the state board of
30 education post-site visit recommendations for school accreditation.
31 The educational service districts may assess a cooperative service fee
32 to recover actual plus reasonable indirect costs for the purposes of
33 this subsection.

34 **Sec. 1507.** 2012 2nd sp.s. c 7 s 508 (uncodified) is amended to
35 read as follows:

36 **FOR THE SUPERINTENDENT OF PUBLIC INSTRUCTION--FOR LOCAL EFFORT**

1 **ASSISTANCE**

2	General Fund--State Appropriation (FY 2012)	\$300,768,000
3	General Fund--State Appropriation (FY 2013)	(\$298,166,000)
4		<u>\$299,537,000</u>
5	General Fund--Federal Appropriation	\$4,400,000
6	TOTAL APPROPRIATION	(\$603,334,000)
7		<u>\$604,705,000</u>

8 The appropriations in this section are subject to the following
9 conditions and limitations: For purposes of RCW 84.52.0531, the
10 increase per full-time equivalent student is 3 percent from the 2010-11
11 school year to the 2011-12 school year and 5 percent from the 2011-12
12 school year to the 2012-13 school year.

13 **Sec. 1508.** 2012 2nd sp.s. c 7 s 509 (uncodified) is amended to
14 read as follows:

15 **FOR THE SUPERINTENDENT OF PUBLIC INSTRUCTION--FOR INSTITUTIONAL**
16 **EDUCATION PROGRAMS**

17	General Fund--State Appropriation (FY 2012)	\$16,694,000
18	General Fund--State Appropriation (FY 2013)	(\$15,867,000)
19		<u>\$14,547,000</u>
20	TOTAL APPROPRIATION	(\$32,561,000)
21		<u>\$31,241,000</u>

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

24 (1) Each general fund--state fiscal year appropriation includes
25 such funds as are necessary to complete the school year ending in the
26 fiscal year and for prior fiscal year adjustments.

27 (2) State funding provided under this section is based on salaries
28 and other expenditures for a 220-day school year. The superintendent
29 of public instruction shall monitor school district expenditure plans
30 for institutional education programs to ensure that districts plan for
31 a full-time summer program.

32 (3) State funding for each institutional education program shall be
33 based on the institution's annual average full-time equivalent student
34 enrollment. Staffing ratios for each category of institution shall
35 remain the same as those funded in the 1995-97 biennium.

36 (4) The funded staffing ratios for education programs for juveniles

1 age 18 or less in department of corrections facilities shall be the
2 same as those provided in the 1997-99 biennium.

3 (5) \$586,000 of the general fund--state appropriation for fiscal
4 year 2012 and (~~(\$549,000)~~) \$899,000 of the general fund--state
5 appropriation for fiscal year 2013 are provided solely to maintain at
6 least one certificated instructional staff and related support services
7 at an institution whenever the K-12 enrollment is not sufficient to
8 support one full-time equivalent certificated instructional staff to
9 furnish the educational program. The following types of institutions
10 are included: Residential programs under the department of social and
11 health services for developmentally disabled juveniles, programs for
12 juveniles under the department of corrections, programs for juveniles
13 under the juvenile rehabilitation administration, and programs for
14 juveniles operated by city and county jails.

15 (6) Ten percent of the funds allocated for each institution may be
16 carried over from one year to the next.

17 **Sec. 1509.** 2012 2nd sp.s. c 7 s 510 (uncodified) is amended to
18 read as follows:

19 **FOR PROGRAMS FOR HIGHLY CAPABLE STUDENTS**

20	General Fund--State Appropriation (FY 2012)	\$8,745,000
21	General Fund--State Appropriation (FY 2013)	((\$8,788,000))
22		<u>\$9,157,000</u>
23	TOTAL APPROPRIATION	((\$17,533,000))
24		<u>\$17,902,000</u>

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

27 (1) Each general fund fiscal year appropriation includes such funds
28 as are necessary to complete the school year ending in the fiscal year
29 and for prior fiscal year adjustments.

30 (2)(a) For the 2011-12 and 2012-13 school years, the superintendent
31 shall allocate funding to school district programs for highly capable
32 students as provided in RCW 28A.150.260(10)(c). In calculating the
33 allocations, the superintendent shall assume the following: (i)
34 Additional instruction of 2.1590 hours per week per funded highly
35 capable program student; (ii) fifteen highly capable program students
36 per teacher; (iii) 36 instructional weeks per year; (iv) 900

1 instructional hours per teacher; and (v) the district's average staff
2 mix and compensation rates as provided in sections 503 and 504 of this
3 act.

4 (b) From July 1, 2011, to August 31, 2011, the superintendent shall
5 allocate funding to school districts programs for highly capable
6 students as provided in section 511, chapter 564, Laws of 2009, as
7 amended through section 1409 of this act.

8 (3) \$85,000 of the general fund--state appropriation for fiscal
9 year 2012 and \$85,000 of the general fund--state appropriation for
10 fiscal year 2013 are provided solely for the centrum program at Fort
11 Worden state park.

12 **Sec. 1510.** 2012 2nd sp.s. c 7 s 511 (uncodified) is amended to
13 read as follows:

14 **FOR THE SUPERINTENDENT OF PUBLIC INSTRUCTION--EDUCATION REFORM**
15 **PROGRAMS**

16	General Fund--State Appropriation (FY 2012)	\$58,078,000
17	General Fund--State Appropriation (FY 2013)	(\$103,655,000)
18		<u>\$103,455,000</u>
19	General Fund--Federal Appropriation	(\$219,147,000)
20		<u>\$221,147,000</u>
21	General Fund--Private/Local Appropriation	\$4,000,000
22	Education Legacy Trust Account--State Appropriation	\$1,596,000
23	TOTAL APPROPRIATION	(\$386,476,000)
24		<u>\$388,276,000</u>

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

27 (1) \$40,822,000 of the general fund--state appropriation for fiscal
28 year 2012, \$41,614,000 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
- 37 achievement. The superintendent of public instruction shall report

1 quarterly on the progress on development and implementation of
2 alternative assessments or appeals procedures. Within these amounts,
3 the superintendent of public instruction shall contract for the early
4 return of 10th grade student assessment results, on or around June 10th
5 of each year. State funding shall be limited to one collection of
6 evidence payment per student, per content-area assessment.

7 (2) \$356,000 of the general fund--state appropriation for fiscal
8 year 2012 and \$356,000 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) \$980,000 of the general fund--state appropriation for fiscal
15 year 2012 and \$980,000 of the general fund--state appropriation for
16 fiscal year 2013 are provided solely for improving technology
17 infrastructure, monitoring and reporting on school district technology
18 development, promoting standards for school district technology,
19 promoting statewide coordination and planning for technology
20 development, and providing regional educational technology support
21 centers, including state support activities, under chapter 28A.650 RCW.

22 (4) \$3,852,000 of the general fund--state appropriation for fiscal
23 year 2012 and \$2,624,000 of the general fund--state appropriation for
24 fiscal year 2013 are provided solely for continued implementation of
25 chapter 235, Laws of 2010 (education reform) including development of
26 new performance-based evaluation systems for certificated educators.

27 (5)(a) \$39,296,000 of the general fund--state appropriation for
28 fiscal year 2013 is provided solely for the following bonuses for
29 teachers who hold valid, unexpired certification from the national
30 board for professional teaching standards and who are teaching in a
31 Washington public school, subject to the following conditions and
32 limitations:

33 (i) For national board certified teachers, a bonus of \$5,090 per
34 teacher in the 2011-12 and 2012-13 school years, adjusted for inflation
35 in each school year in which Initiative 732 cost of living adjustments
36 are provided;

37 (ii) An additional \$5,000 annual bonus shall be paid to national
38 board certified teachers who teach in either: (A) High schools where

1 at least 50 percent of student headcount enrollment is eligible for
2 federal free or reduced price lunch, (B) middle schools where at least
3 60 percent of student headcount enrollment is eligible for federal free
4 or reduced price lunch, or (C) elementary schools where at least 70
5 percent of student headcount enrollment is eligible for federal free or
6 reduced price lunch;

7 (iii) The superintendent of public instruction shall adopt rules to
8 ensure that national board certified teachers meet the qualifications
9 for bonuses under (a)(ii) of this subsection for less than one full
10 school year receive bonuses in a pro-rated manner. Beginning in the
11 2011-12 school year, all bonuses in (a)(i) and (ii) of this subsection
12 will be paid in July of each school year. Bonuses in (a)(i) and (ii)
13 of this subsection shall be reduced by a factor of 40 percent for first
14 year NBPTS certified teachers, to reflect the portion of the
15 instructional school year they are certified; and

16 (iv) During the 2011-12 and 2012-13 school years, and within
17 available funds, certificated instructional staff who have met the
18 eligibility requirements and have applied for certification from the
19 national board for professional teaching standards may receive a
20 conditional loan of two thousand dollars or the amount set by the
21 office of the superintendent of public instruction to contribute toward
22 the current assessment fee, not including the initial up-front
23 candidacy payment. The fee shall be an advance on the first annual
24 bonus under RCW 28A.405.415. The conditional loan is provided in
25 addition to compensation received under a district's salary schedule
26 and shall not be included in calculations of a district's average
27 salary and associated salary limitation under RCW 28A.400.200.
28 Recipients who fail to receive certification after three years are
29 required to repay the conditional loan. The office of the
30 superintendent of public instruction shall adopt rules to define the
31 terms for initial grant of the assessment fee and repayment, including
32 applicable fees. To the extent necessary, the superintendent may use
33 revenues from the repayment of conditional loan scholarships to ensure
34 payment of all national board bonus payments required by this section
35 in each school year.

36 (6) \$477,000 of the general fund--state appropriation for fiscal
37 year 2012 and \$477,000 of the general fund--state appropriation for

1 fiscal year 2013 are provided solely for the leadership internship
2 program for superintendents, principals, and program administrators.

3 (7) \$950,000 of the general fund--state appropriation for fiscal
4 year 2012 and \$950,000 of the general fund--state appropriation for
5 fiscal year 2013 are provided solely for the Washington reading corps.
6 The superintendent shall allocate reading corps members to low-
7 performing schools and school districts that are implementing
8 comprehensive, proven, research-based reading programs. Two or more
9 schools may combine their Washington reading corps programs.

10 (8) \$810,000 of the general fund--state appropriation for fiscal
11 year 2012 and \$810,000 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 (9) \$3,234,000 of the general fund--state appropriation for fiscal
26 year 2012 and \$3,234,000 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 (10) \$1,500,000 of the general fund--state appropriation for fiscal
35 year 2012 and \$1,500,000 of the general fund--state appropriation for
36 fiscal year 2013 are provided solely for the implementation of chapter
37 288, Laws of 2011 (actual student success program), including
38 allocations to the opportunity internship program, the jobs for

1 America's graduates program, the building bridges program, services
2 provided by a college scholarship organization. Funding shall not be
3 used in the 2011-2013 fiscal biennium to provide awards for schools and
4 school districts.

5 (11) \$859,000 of the general fund--state appropriation for fiscal
6 year 2012, \$808,000 of the general fund--state appropriation for fiscal
7 year 2013, and \$248,000 of the education legacy trust account--state
8 appropriation are for administrative support of education reform
9 programs.

10 (12) \$2,000,000 of the general fund--state appropriation for fiscal
11 year 2012 and \$2,000,000 of the general fund--state appropriation for
12 fiscal year 2013 are provided solely for a statewide information
13 technology (IT) academy program. This public-private partnership will
14 provide educational software, as well as IT certification and software
15 training opportunities for students and staff in public schools.

16 (13) \$977,000 of the general fund--state appropriation for fiscal
17 year 2012 and \$1,077,000 of the general fund--state appropriation for
18 fiscal year 2013 are provided solely for secondary career and technical
19 education grants pursuant to chapter 170, Laws of 2008. If equally
20 matched by private donations, \$300,000 of the 2012 appropriation and
21 \$300,000 of the 2013 appropriation shall be used to support FIRST
22 robotics programs. Of the amounts in this subsection, \$100,000 of the
23 fiscal year 2013 appropriation is provided solely for the purpose of
24 statewide supervision activities for career and technical education
25 student leadership organizations.

26 (14) \$125,000 of the general fund--state appropriation for fiscal
27 year 2012 and \$125,000 of the general fund--state appropriation for
28 fiscal year 2013 are provided solely for (a) staff at the office of the
29 superintendent of public instruction to coordinate and promote efforts
30 to develop integrated math, science, technology, and engineering
31 programs in schools and districts across the state; and (b) grants of
32 \$2,500 to provide twenty middle and high school teachers each year with
33 professional development training for implementing integrated math,
34 science, technology, and engineering programs in their schools.

35 (15) \$135,000 of the general fund--state appropriation for fiscal
36 year 2012 and \$135,000 of the general fund--state appropriation for
37 fiscal year 2013 are provided solely for science, technology,

1 engineering and mathematics lighthouse projects, consistent with
2 chapter 238, Laws of 2010.

3 (16) \$1,000,000 of the general fund--state appropriation for fiscal
4 year 2012 and \$1,000,000 of the general fund--state appropriation for
5 fiscal year 2013 are provided solely for a beginning educator support
6 program. School districts and/or regional consortia may apply for
7 grant funding. The superintendent shall implement this program in 5 to
8 15 school districts and/or regional consortia. The program provided by
9 a district and/or regional consortia shall include: A paid
10 orientation; assignment of a qualified mentor; development of a
11 professional growth plan for each beginning teacher aligned with
12 professional certification; release time for mentors and new teachers
13 to work together; and teacher observation time with accomplished peers.
14 \$250,000 may be used to provide statewide professional development
15 opportunities for mentors and beginning educators.

16 (17) \$5,767,000 of the general fund--state appropriation for fiscal
17 year 2013 is provided solely pursuant to Engrossed Substitute Senate
18 Bill No. 5895 (certificated employee evaluations). If the bill is not
19 enacted by June 30, 2012, the amount provided in this subsection shall
20 lapse.

21 ((+19)) (18) \$250,000 of the general fund--state appropriation for
22 fiscal year 2013 is provided solely for advanced project lead the way
23 courses at ten high schools. To be eligible for funding, a high school
24 must have offered a foundational project lead the way course during the
25 2011-12 school year. The funding must be used for one-time start-up
26 course costs for an advanced project lead the way course, to be offered
27 to students beginning in the 2012-13 school year. The office of the
28 superintendent of public instruction and the education research and
29 data center at the office of financial management shall track student
30 participation and long-term outcome data.

31 ((+20)) (19) \$150,000 of the general fund--state appropriation for
32 fiscal year 2013 is provided solely for aerospace and manufacturing
33 technical programs housed at two skill centers. The one-time funding
34 is provided for start-up equipment and curriculum purchases. To be
35 eligible for funding, the skill center must agree to provide regional
36 high schools with access to a technology laboratory, expand
37 manufacturing certificate and course offerings at the skill center, and
38 provide a laboratory space for local high school teachers to engage in

1 professional development in the instruction of courses leading to
2 student employment certification in the aerospace and manufacturing
3 industries. The office of the superintendent of public instruction
4 shall administer the grants in consultation with the center for
5 excellence for aerospace and advanced materials manufacturing.

6 ((+21+)) (20) \$300,000 of the general fund--state appropriation for
7 fiscal year 2013 is provided solely for start-up grants to twelve high
8 schools to implement the aerospace assembler program. Participating
9 high schools must agree to offer the aerospace assembler training
10 program to students by spring semester of school year 2012-13. The
11 office of the superintendent of public instruction and the education
12 research and data center at the office of financial management shall
13 track student participation and long-term outcome data.

14 **Sec. 1511.** 2012 2nd sp.s. c 7 s 512 (uncodified) is amended to
15 read as follows:

16 **FOR THE SUPERINTENDENT OF PUBLIC INSTRUCTION--FOR TRANSITIONAL**
17 **BILINGUAL PROGRAMS**

18	General Fund--State Appropriation (FY 2012)	\$79,575,000
19	General Fund--State Appropriation (FY 2013)	(\$80,666,000)
20		<u>\$84,101,000</u>
21	General Fund--Federal Appropriation	\$71,001,000
22	TOTAL APPROPRIATION	(\$231,242,000)
23		<u>\$234,677,000</u>

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

26 (1) Each general fund fiscal year appropriation includes such funds
27 as are necessary to complete the school year ending in the fiscal year
28 and for prior fiscal year adjustments.

29 (2)(a) For the 2011-12 and 2012-13 school years, the superintendent
30 shall allocate funding to school districts for transitional bilingual
31 programs as provided in RCW 28A.150.260(10)(b). In calculating the
32 allocations, the superintendent shall assume the following averages:

- 33 (i) Additional instruction of 4.7780 hours per week per transitional
34 bilingual program student; (ii) fifteen transitional bilingual program
35 students per teacher; (iii) 36 instructional weeks per year; (iv) 900
36 instructional hours per teacher; and (v) the district's average staff
37

1 mix and compensation rates as provided in sections 503 and 504 of this
2 act.

3 (b) From July 1, 2011, to August 31, 2011, the superintendent shall
4 allocate funding to school districts for transitional bilingual
5 instruction programs as provided in section 514, chapter 564, Laws of
6 2009, as amended through section 1411 of this act.

7 (c) The allocations in this section reflect the implementation of
8 a new funding formula for the transitional bilingual instructional
9 program, effective September 1, 2011, as specified in RCW
10 28A.150.260(10)(b).

11 (3) The superintendent may withhold allocations to school districts
12 in subsection (2) of this section solely for the central provision of
13 assessments as provided in RCW 28A.180.090 (1) and (2) up to the
14 following amounts: 2.79 percent for school year 2011-12 and 2.11
15 percent for school year 2012-13.

16 (4) The general fund--federal appropriation in this section is for
17 migrant education under Title I Part C and English language
18 acquisition, and language enhancement grants under Title III of the
19 elementary and secondary education act.

20 (5) In preparing its 2013-15 biennial budget request, the office of
21 the superintendent of public instruction shall prepare for
22 implementation of a funding model for the transitional bilingual
23 program, beginning in school year 2013-14, that is scaled to provide
24 more support to students requiring most intensive intervention,
25 (students with beginning levels of English language proficiency) and
26 less support to students requiring less intervention. The funding
27 model shall also provide up to two years of bonus funding upon
28 successful exit from the bilingual program to facilitate successful
29 transition to a standard program of education.

30 \$35,000 of the general fund--state appropriation for fiscal year
31 2012 and \$35,000 of the general fund--state appropriation for fiscal
32 year 2013 are provided solely to track current and former transitional
33 bilingual program students.

34 **Sec. 1512.** 2012 2nd sp.s. c 7 s 513 (uncodified) is amended to
35 read as follows:

36 **FOR THE SUPERINTENDENT OF PUBLIC INSTRUCTION--FOR THE LEARNING**

1	ASSISTANCE PROGRAM	
2	General Fund--State Appropriation (FY 2012)	\$102,619,000
3	General Fund--State Appropriation (FY 2013)	((\$128,779,000))
4		<u>\$127,447,000</u>
5	General Fund--Federal Appropriation	((\$492,207,000))
6		<u>\$506,207,000</u>
7	Education Legacy Trust Account--State	
8	Appropriation	\$23,990,000
9	TOTAL APPROPRIATION	((\$747,595,000))
10		<u>\$760,263,000</u>

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

13 (1) The general fund--state appropriations in this section are
14 subject to the following conditions and limitations:

15 (a) The appropriations include such funds as are necessary to
16 complete the school year ending in the fiscal year and for prior fiscal
17 year adjustments.

18 (b)(i) For the 2011-12 and 2012-13 school years, the superintendent
19 shall allocate funding to school districts for learning assistance
20 programs as provided in RCW 28A.150.260(10)(a). In calculating the
21 allocations, the superintendent shall assume the following averages:

22 (A) Additional instruction of 1.51560 hours per week per funded
23 learning assistance program student; (B) fifteen learning assistance
24 program students per teacher; (C) 36 instructional weeks per year; (D)
25 900 instructional hours per teacher; and (E) the district's average
26 staff mix and compensation rates as provided in sections 503 and 504 of
27 this act.

28 (ii) From July 1, 2011, to August 31, 2011, the superintendent
29 shall allocate funding to school districts for learning assistance
30 programs as provided in section 515, chapter 564, Laws of 2009, as
31 amended through section 1412 of this act.

32 (c) A school district's funded students for the learning assistance
33 program shall be the sum of the district's full-time equivalent
34 enrollment in grades K-12 for the prior school year multiplied by the
35 district's percentage of October headcount enrollment in grades K-12
36 eligible for free or reduced price lunch in 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 funds
9 allocated under this program; however, carryover funds shall be
10 expended for the learning assistance program.

11 (5) The office of the superintendent of public instruction shall
12 research and recommend options for an adjustment factor for middle
13 school and high school free and reduced price lunch eligibility
14 reporting rates pursuant to RCW 28A.150.260(12)(a), and submit a report
15 to the fiscal committees of the legislature by June 1, 2012. For the
16 2011-12 and 2012-13 school years, the adjustment factor is 1.0.

17 **Sec. 1513.** 2012 2nd sp.s. c 7 s 514 (uncodified) is amended to
18 read as follows:

19 **FOR THE SUPERINTENDENT OF PUBLIC INSTRUCTION**

20 (1) Amounts distributed to districts by the superintendent through
21 part V of this act are for allocations purposes only and do not entitle
22 a particular district, district employee, or student to a specific
23 service, beyond what has been expressly provided in statute. Part V of
24 this act restates the requirements of various sections of Title 28A
25 RCW. If any conflict exists, the provisions of Title 28A RCW control
26 unless this act explicitly states that it is providing an enhancement.

27 Any amounts provided in part V of this act in excess of the amounts
28 required by Title 28A RCW provided in statute, are not within the
29 program of basic education.

30 (2) To the maximum extent practicable, when adopting new or revised
31 rules or policies relating to the administration of allocations in part
32 V of this act that result in fiscal impact, the office of the
33 superintendent of public instruction shall attempt to seek legislative
34 approval through the budget request process.

35 (3) Appropriations made in this act to the office of the
36 superintendent of public instruction shall initially be allotted as

1 required by this act. Subsequent allotment modifications shall not
2 include transfers of moneys between sections of this act except as
3 expressly provided in subsection (4) of this section.

4 (4) The appropriations to the office of the superintendent of
5 public instruction in this act shall be expended for the programs and
6 amounts specified in this act. However, after May 1, (~~(2012)~~) 2013,
7 unless specifically prohibited by this act and after approval by the
8 director of financial management, the superintendent of public
9 instruction may transfer state general fund appropriations for fiscal
10 year (~~(2012)~~) 2013 among the following programs to meet the
11 apportionment schedule for a specified formula in another of these
12 programs: General apportionment; employee compensation adjustments;
13 pupil transportation; special education programs; institutional
14 education programs; transitional bilingual programs; highly capable;
15 and learning assistance programs.

16 (5) The director of financial management shall notify the
17 appropriate legislative fiscal committees in writing prior to approving
18 any allotment modifications or transfers under this section.

(End of part)

PART XVI
HIGHER EDUCATION

Sec. 1601. 2012 2nd sp.s. c 7 s 602 (uncodified) is amended to read as follows:

FOR THE UNIVERSITY OF WASHINGTON

General Fund--State Appropriation (FY 2012)	\$201,226,000
General Fund--State Appropriation (FY 2013)	\$201,612,000
Education Legacy Trust Account--State Appropriation	\$18,579,000
Economic Development Strategic Reserve Account--	
State Appropriation	\$1,500,000
Biotoxin Account--State Appropriation	(\$450,000)
	<u>\$350,000</u>
Accident Account--State Appropriation	\$6,681,000
Medical Aid Account--State Appropriation	\$6,488,000
TOTAL APPROPRIATION	(\$436,536,000)
	<u>\$436,436,000</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 noninstructional activities.

(2) \$150,000 of the general fund--state appropriation for fiscal year 2012 and \$150,000 of the general fund--state appropriation for fiscal year 2013 are provided solely for the development of integrated medical curriculum for the Washington/Wyoming/Alaska/Montana/Idaho (WWAMI) medical education program in Spokane and eastern Washington. Funding is contingent on appropriations being provided to Washington State University for WWAMI program expansion in Spokane and eastern Washington.

(3) \$52,000 of the general fund--state appropriation for fiscal year 2012 and \$52,000 of the general fund--state appropriation for fiscal year 2013 are provided solely for the center for international trade in forest products in the college of forest resources.

(4) \$88,000 of the general fund--state appropriation for fiscal year 2012 is provided solely for implementation of Engrossed Second

1 Substitute Senate Bill No. 5485 (state's natural resources). If the
2 bill is not enacted by June 30, 2011, the amount provided in this
3 subsection shall lapse.

4 (5) \$143,000 of the general fund--state appropriation for fiscal
5 year 2012 and \$144,000 of the general fund--state appropriation for
6 fiscal year 2013 are provided solely for the ongoing management of the
7 Washington park arboretum.

8 (6) \$3,800,000 of the general fund--state appropriation for fiscal
9 year 2013 is provided solely for an expansion in engineering
10 enrollments, including enrollments in the field of computer science.
11 Amounts provided in this subsection may be used only to cover direct
12 costs of instruction associated with this enrollment expansion. By
13 June 30, 2012, the university shall provide a report to the legislature
14 that provides specific detail on how these amounts will be spent. Each
15 September 1st thereafter, the university shall provide an updated
16 report that provides specific detail on how these amounts were spent in
17 the preceding twelve months.

18 (7) Amounts appropriated in this section are sufficient for the
19 university to conduct a comprehensive review of its tuition waiver
20 policies. The resulting report shall include an overview of tuition
21 waiver uses and costs (forgone revenue) and outcomes and any
22 recommendations for changes to tuition waiver policy and shall be
23 provided to the legislature no later than December 1, 2012.

24 (8) \$610,000 of the general fund--state appropriation for fiscal
25 year 2012 is provided solely to expand health sciences capacity at the
26 University of Washington for Washington, Wyoming, Alaska, Montana,
27 Idaho (WWAMI) and \$190,000 of the general fund--state appropriation for
28 fiscal year 2012 is provided solely to expand health sciences capacity
29 at the University of Washington for Regional Initiatives in Dental
30 Education (RIDE) for the WWAMI-RIDE program expansion to achieve full
31 ramp-up of first-year medical students and dental students each year of
32 the four-year programs.

33 (9) The University of Washington shall not use funds appropriated
34 in this section to support intercollegiate athletics programs.

35 (10) Amounts appropriated in this section are sufficient to cover
36 the costs associated with the implementation of Engrossed Substitute
37 Senate Bill No. 6486 (collective bargaining for post-doctoral
38 researchers).

1 **Sec. 1602.** 2012 2nd sp.s. c 7 s 613 (uncodified) is amended to
2 read as follows:

3 **FOR THE STUDENT ACHIEVEMENT COUNCIL--OFFICE OF STUDENT FINANCIAL**
4 **ASSISTANCE**

5	General Fund--State Appropriation (FY 2013)	((\$247,034,000))
6		<u>\$212,034,000</u>
7	General Fund--Federal Appropriation	\$5,812,000
8	Washington Opportunity Pathways Account--State	
9	Appropriation	((\$73,500,000))
10		<u>\$108,500,000</u>
11	<u>Aerospace Training Student Loan Account--State</u>	
12	<u>Appropriation</u>	<u>\$12,000</u>
13	TOTAL APPROPRIATION	((\$326,346,000))
14		<u>\$326,358,000</u>

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

17 (1) ((~~\$237,018,000~~)) \$202,018,000 of the general fund--state
18 appropriation for fiscal year 2013, and ((~~\$73,500,000~~)) \$108,500,000 of
19 the opportunity pathways account--state appropriation are provided
20 solely for student financial aid payments under the state need grant
21 and the state work study programs including up to a four percent
22 administrative allowance for the state work study program.

23 (2) Within the funds appropriated in this section, eligibility for
24 the state need grant shall include students with family incomes at or
25 below 70 percent of the state median family income (MFI), adjusted for
26 family size, and shall include students enrolled in three to five
27 credit-bearing quarter credits, or the equivalent semester credits.
28 The higher education coordinating board shall report to the legislature
29 by December 1, 2013, regarding the number of students enrolled in three
30 to five credit-bearing quarter credits, or the equivalent semester
31 credits, and their academic progress including degree completion.
32 Awards for all students shall be adjusted by the estimated amount by
33 which Pell grant increases exceed projected increases in the
34 noninstructional costs of attendance. Awards for students with incomes
35 between 51 and 70 percent of the state median shall be prorated at the
36 following percentages of the award amount granted to those with incomes
37 below 51 percent of the MFI: 70 percent for students with family
38 incomes between 51 and 55 percent MFI; 65 percent for students with

1 family incomes between 56 and 60 percent MFI; 60 percent for students
2 with family incomes between 61 and 65 percent MFI; and 50 percent for
3 students with family incomes between 66 and 70 percent MFI.

4 (3) \$1,250,000 of the general fund--state appropriation for fiscal
5 year 2013 is provided solely for implementation of the aerospace
6 training scholarship and student loan program as specified in Engrossed
7 Substitute House Bill No. 1846 (aerospace student loans). If the bill
8 is not enacted by June 30, 2012, the amount provided in this subsection
9 shall lapse.

10 (4) For fiscal year 2013, the board shall defer loan or conditional
11 scholarship repayments to the future teachers conditional scholarship
12 and loan repayment program for up to one year for each participant if
13 the participant has shown evidence of efforts to find a teaching job
14 but has been unable to secure a teaching job per the requirements of
15 the program.

16 (5) \$1,000,000 of the education legacy trust account--state
17 appropriation is provided solely for the gaining early awareness and
18 readiness for undergraduate programs project.

19 (6) \$1,500,000 of the general fund--state appropriation for fiscal
20 year 2013 is provided solely for the leadership 1000 program.

21 (7) \$2,436,000 of the general fund--state appropriation for fiscal
22 year 2013 is provided solely for the passport to college program. The
23 maximum scholarship award shall be \$5,000. The board shall contract
24 with a nonprofit organization to provide support services to increase
25 student completion in their postsecondary program and shall, under this
26 contract, provide a minimum of \$500,000 in fiscal year 2013 for this
27 purpose.

28 (8) In addition to the entities listed in RCW 28B.122.010, the
29 aerospace student loan program may provide loans to students attending
30 an aerospace training program at Renton technical college.

31 (9) The office of student financial assistance and the department
32 of health shall prioritize a portion of any nonfederal balances in the
33 health professional loan repayment and scholarship fund for conditional
34 loan repayment contracts with psychiatrists and with advanced
35 registered nurse practitioners for work at one of the state-operated
36 psychiatric hospitals. The office and department shall designate the
37 state hospitals as health professional shortage areas if necessary for
38 this purpose. The office of student financial assistance shall

1 coordinate with the department of social and health services to
2 effectively incorporate these conditional loan repayments into the
3 department's advanced psychiatric professional recruitment and
4 retention strategies.

5 (10) \$50,000 of the amount provided in this section shall be used
6 to convene the higher education loan program work group. The work
7 group shall develop methods for funding the loan program in the future,
8 as well as recommendations regarding the best loan program structure
9 for providing financial aid to underserved populations. The work group
10 shall seek out technical advice from the housing finance commission.
11 At a minimum, the recommendations regarding the proposed loan program
12 must take into account the following: Whether students could benefit
13 from the creation of a new student loan program; the relationship
14 between the student loan program and the state need grant program and
15 the state need grant qualified student population; mechanisms to
16 achieve interest rates that are below those offered in federally
17 guaranteed and private bank student loans; sources of initial and
18 on-going funding for loans and program operation; and default risks,
19 reserve requirements, and other conditions required for the student
20 loan program. The work group shall provide a report to the legislature
21 no later than December 1, 2012.

22 **Sec. 1603.** 2012 2nd sp.s. c 7 s 615 (uncodified) is amended to
23 read as follows:

24 **FOR THE DEPARTMENT OF EARLY LEARNING**

25	General Fund--State Appropriation (FY 2012)	\$25,497,000
26	General Fund--State Appropriation (FY 2013)	(\$27,190,000)
27		<u>\$26,658,000</u>
28	General Fund--Federal Appropriation	\$280,619,000
29	<u>Children's Trust Account--State Appropriation</u>	<u>\$142,000</u>
30	Opportunity Pathways Account--State Appropriation	\$78,000,000
31	Home Visiting Services Account--Federal Appropriation	\$300,000
32	TOTAL APPROPRIATION	(\$411,606,000)
33		<u>\$411,216,000</u>

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

36 (1) \$16,028,000 of the general fund--state appropriation for fiscal
37 year 2012, \$18,028,000 of the general fund--state appropriation of

1 fiscal year 2013, \$78,000,000 of the opportunity pathways account
2 appropriation, and \$2,256,000 of the general fund--federal
3 appropriation are provided solely for the early childhood education
4 assistance program services. Of these amounts, \$10,284,000 is a
5 portion of the biennial amount of state maintenance of effort dollars
6 required to receive federal child care and development fund grant
7 dollars.

8 (2) In accordance to RCW 43.215.255(2) and 43.135.055, the
9 department is authorized to increase child care center and child care
10 family home licensure fees in fiscal years 2012 and 2013 for costs to
11 the department for the licensure activity, including costs of necessary
12 inspection. These increases are necessary to support expenditures
13 authorized in this section.

14 (3) \$64,000 of the general fund--state appropriation for fiscal
15 year 2012, \$638,000 of the general fund--state appropriation for fiscal
16 year 2013, and \$574,000 of the general fund--federal appropriation are
17 provided solely for child care resource and referral network services.

18 (4) \$200,000 of the general fund--state appropriation for fiscal
19 year 2012 and \$200,000 of the general fund--state appropriation for
20 fiscal year 2013 are provided solely to develop and provide culturally
21 relevant supports for parents, family, and other caregivers.

22 (5) The department is the lead agency for and recipient of the
23 federal child care and development fund grant. Amounts within this
24 grant shall be used to fund child care licensing, quality initiatives,
25 agency administration, and other costs associated with child care
26 subsidies. The department shall transfer a portion of this grant to
27 the department of social and health services to fund the child care
28 subsidies paid by the department of social and health services on
29 behalf of the department of early learning.

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

36 (7) \$934,000 of the general fund--state appropriation for fiscal
37 year 2012, \$934,000 of the general fund--state appropriation for fiscal
38 year 2013, and \$2,400,000 of the general fund--federal appropriation

1 are provided solely for expenditure into the home visiting services
2 account. This funding is intended to meet federal maintenance of
3 effort requirements and to secure private matching funds.

4 (a) All federal funds received by the department for home visiting
5 activities must be deposited into the home visiting services account.

6 (b) The department must consult with stakeholders during the
7 development of the Washington home visiting plan and any future
8 proposals for federal funding.

9 (c) No more than \$300,000 of the home visiting services account--
10 federal appropriation may be expended for program administration for
11 fiscal year 2013 pursuant to RCW 43.215.130. No other funds may be
12 expended for that purpose.

13 (8)(a) \$153,558,000 of the general fund--federal appropriation is
14 provided solely for the working connections child care program under
15 RCW 43.215.135.

16 (b) In addition to groups that were given prioritized access to the
17 working connections child care program effective March 1, 2011, the
18 department shall also give prioritized access into the program to
19 families in which a parent of a child in care is a minor who is not
20 living with a parent or guardian and who is a full-time student in a
21 high school that has a school-sponsored on-site child care center.

22 (9)(a) \$50,000 of the general fund--state appropriation for fiscal
23 year 2012 and (~~(\$1,050,000)~~) \$329,000 of the general fund--state
24 appropriation for fiscal year 2013 are provided solely for
25 implementation and administration of an electronic benefit transfer
26 system. The system shall include electronic time keeping, integrated
27 with an eligibility information technology system, and an electronic
28 payment system. The department shall coordinate implementation of this
29 system with the department of social and health services.

30 (b) \$100,000 of the general fund--state appropriation in this
31 subsection is provided solely for the department to contract for an
32 independent consultant to evaluate and recommend the optimum system for
33 the eligibility determination process. The evaluation must include an
34 analysis of lean management processes that, if adopted, could improve
35 the cost effectiveness and delivery of eligibility determination. The
36 department shall coordinate with the department of social and health
37 services for this evaluation. The department must report to the office

1 of financial management and the appropriate fiscal and policy
2 committees of the legislature by December 1, 2012.

3 (10) Within available amounts, the department in consultation with
4 the office of financial management and the department of social and
5 health services shall report quarterly enrollments and active caseload
6 for the working connections child care program to the legislative
7 fiscal committees and the legislative-executive WorkFirst oversight
8 task force. The report shall also identify the number of cases
9 participating in both temporary assistance for needy families and
10 working connections child care.

11 (11) \$1,025,000 of the general fund--state appropriation for fiscal
12 year 2013 and \$6,712,000 of the general fund--federal appropriation are
13 provided solely for the seasonal child care program in fiscal year
14 2013.

15 (12) \$2,522,000 of the general fund--state appropriation for fiscal
16 year 2012, \$2,522,000 of the general fund--state appropriation for
17 fiscal year 2013, and \$4,304,000 of the general fund--federal
18 appropriation are provided solely for the medicaid treatment child care
19 (MTCC) program. The department shall contract for MTCC services to
20 provide therapeutic child care and other specialized treatment services
21 to abused, neglected, at-risk, and/or drug-affected children. Priority
22 for services shall be given to children referred from the department of
23 social and health services children's administration. In addition to
24 referrals made by children's administration, the department shall
25 authorize services for children referred to the MTCC program, as long
26 as the children meet the eligibility requirements as outlined in the
27 Washington state plan for the MTCC program. Of the amounts
28 appropriated in this subsection, \$60,000 per fiscal year may be used by
29 the department for administering the MTCC program, if needed.

30 (13)(a) The department shall establish a birth-to-three
31 subcommittee of the early learning advisory council. The subcommittee
32 will be cochaired by the department and nongovernmental private-public
33 partnership created in RCW 43.215.070. The subcommittee shall include
34 at least one representative from each of the following:

- 35 (i) The early learning advisory council;
- 36 (ii) The office of the superintendent of public instruction;
- 37 (iii) The department of social and health services;
- 38 (iv) The department of early learning;

1 (v) The nongovernmental private-public partnership created in RCW
2 43.215.070;

3 (vi) The early learning action alliance; and

4 (vii) Additional stakeholders with expertise in birth-to-three
5 policy and programs and quality child care, as designated by the early
6 learning advisory council.

7 (b) The subcommittee may convene advisory subgroups on specific
8 topics as necessary to assure participation and input from a broad
9 array of diverse stakeholders.

10 (c) The subcommittee shall be monitored and overseen by the early
11 learning advisory council created in RCW 43.215.090.

12 (d) The subcommittee shall develop a birth-to-three implementation
13 proposal, which shall include further development of the Washington
14 state birth-to-three plan.

15 (e) The subcommittee must include recommendations on the following
16 in its birth-to-three proposal:

17 (i) Eligibility criteria for providers and programs;

18 (ii) The level of funding necessary to implement birth-to-three
19 programs, including an option which makes available funding equivalent
20 to thirty percent of the funding provided for the program of early
21 learning established in RCW 43.215.141;

22 (iii) Options for funding sources for birth-to-three programs;

23 (iv) Governance responsibilities for the department of early
24 learning; and

25 (v) A timeline for implementation that is concurrent with the
26 expansion to the early learning program outlined in RCW 43.215.142.

27 The subcommittee must present its recommendations to the early
28 learning advisory council and the appropriate committees of the
29 legislature by December 1, 2012.

30 (14) \$300,000 of the general fund--federal appropriation is
31 provided solely for a contract with a nonprofit entity experienced in
32 the provision of promoting early literacy for children through
33 pediatric office visits.

34 **Sec. 1604.** 2012 2nd sp.s. c 7 s 616 (uncodified) is amended to
35 read as follows:

36 **FOR THE STATE SCHOOL FOR THE BLIND**

37 General Fund--State Appropriation (FY 2012) \$5,776,000

1 General Fund--State Appropriation (FY 2013) (~~(\$5,671,000)~~)
2 \$5,691,000
3 TOTAL APPROPRIATION (~~(\$11,447,000)~~)
4 \$11,467,000

5 **Sec. 1605.** 2012 2nd sp.s. c 7 s 617 (uncodified) is amended to
6 read as follows:

7 **FOR THE WASHINGTON STATE CENTER FOR CHILDHOOD DEAFNESS AND HEARING**
8 **LOSS**

9 General Fund--State Appropriation (FY 2012) \$8,439,000
10 General Fund--State Appropriation (FY 2013) (~~(\$8,335,000)~~)
11 \$8,431,000
12 TOTAL APPROPRIATION (~~(\$16,774,000)~~)
13 \$16,870,000

(End of part)

PART XVII

SPECIAL APPROPRIATIONS

Sec. 1701. 2012 2nd sp.s. c 7 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 2012)	. . . . .	\$911,643,000
General Fund--State Appropriation (FY 2013)	. . . . .	(\$949,349,000)
		<u>\$1,171,965,000</u>
State Building Construction Account--State		
Appropriation	. . . . .	(\$3,866,000)
		<u>\$5,016,000</u>
Columbia River Basin Water Supply Development		
Account--State Appropriation	. . . . .	(\$121,000)
		<u>\$220,000</u>
Hood Canal Aquatic Rehabilitation Bond Account--State		
Appropriation	. . . . .	(\$4,000)
		<u>\$5,000</u>
State Taxable Building Construction Account--State		
Appropriation	. . . . .	(\$90,000)
		<u>\$71,000</u>
Gardner-Evans Higher Education Construction		
Account--State Appropriation	. . . . .	(\$13,000)
		<u>\$23,000</u>
Debt-Limit Reimbursable Bond Retire Account--State		
Appropriation	. . . . .	\$2,300,000
TOTAL APPROPRIATION	. . . . .	(\$1,867,386,000)
		<u>\$2,091,243,000</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 2012 shall be expended into the debt-limit general fund bond retirement account by June 30, 2012.

1 \$3,000
 2 TOTAL APPROPRIATION ((\$3,119,000))
 3 \$2,790,000

4 NEW SECTION. **Sec. 1704.** A new section is added to 2011 1st sp.s.
 5 c 50 (uncodified) to read as follows:

6 **FOR THE OFFICE OF FINANCIAL MANAGEMENT--EXTRAORDINARY CRIMINAL JUSTICE**
 7 **COSTS**

8 General Fund--State Appropriation (FY 2013) \$728,000

9 The appropriation in this section is subject to the following
 10 conditions and limitations: The director of financial management shall
 11 distribute \$545,000 to Grant county and \$183,000 to Yakima county for
 12 extraordinary criminal justice costs.

13 **Sec. 1705.** 2012 2nd sp.s. c 7 s 707 (uncodified) is amended to
 14 read as follows:

15 **FOR SUNDRY CLAIMS**

16 The following sums, or so much thereof as may be necessary, are
 17 appropriated from the general fund for fiscal year 2012 or fiscal year
 18 2013, unless otherwise indicated, for relief of various individuals,
 19 firms, and corporations for sundry claims. These appropriations are to
 20 be disbursed on vouchers approved by the director of financial
 21 management, except as otherwise provided, for reimbursement of criminal
 22 defendants acquitted on the basis of self-defense, pursuant to RCW
 23 9A.16.110, as follows:

- 24 (1) Clint L. Powell, Jr., claim number 99970048 \$58,155.10
- 25 (2) Chance L. Hawkins, claim number 99970049 \$28,838.95
- 26 (3) Edgar L. Hawkins, claim number 99970050 \$25,507.00
- 27 (4) James Abbott, claim number 99970051 \$9,880.00
- 28 (5) Richard Frisk, claim number 99970052 \$32,788.50
- 29 (6) Brian Barnd-Spjut, claim number 99970053 \$122,821.79
- 30 (7) Dwijen Buckendorf, claim number 99970059 \$2,100.00
- 31 (8) Todd Chism, claim number 99970061 \$56,183.26
- 32 (9) James Glasco, claim number 99970062 \$18,800.00
- 33 (10) David Holtzclaw, claim number 99970057 \$15,154.52
- 34 (11) Gary Richey, claim number 99970063 \$9,020.00
- 35 (12) Shelly Porter, claim number 99970054 \$12,525.72
- 36 (13) Yakov Topik, claim number 99970047 \$28,500.00

1	<u>(14) Luther Wallace, claim number 99970060</u>	<u>\$76,256.93</u>
2	<u>(15) Mark Fenton, claim number 99970064</u>	<u>\$27,637.50</u>
3	<u>(16) Reid Woods, claim number 99970065</u>	<u>\$7,296.38</u>
4	<u>(17) James Daniel Emmett, claim number 99970067</u>	<u>\$9,000.00</u>
5	<u>(18) Matthew Collet, claim number 99970068</u>	<u>\$55,000.00</u>
6	<u>(19) Michael Otto, claim number SCJ-2008-12</u>	<u>\$4,250.00</u>

(End of part)

PART XVIII

OTHER TRANSFERS AND APPROPRIATIONS

Sec. 1801. 2012 2nd sp.s. c 7 s 801 (uncodified) is amended to read as follows:

FOR THE STATE TREASURER--STATE REVENUES FOR DISTRIBUTION

General Fund Appropriation for fire insurance premium distributions ((~~\$8,289,000~~)) \$7,773,000

General Fund Appropriation for public utility district excise tax distributions ((~~\$44,078,000~~)) \$49,883,000

General Fund Appropriation for prosecuting attorney distributions ((~~\$6,281,000~~)) \$5,804,000

General Fund Appropriation for boating safety and education distributions \$4,000,000

General Fund Appropriation for other tax distributions ((~~\$58,000~~)) \$63,000

General Fund Appropriation for habitat conservation program distributions \$3,000,000

Death Investigations Account Appropriation for distribution to counties for publicly funded autopsies \$2,960,000

Aquatic Lands Enhancement Account Appropriation for harbor improvement revenue distribution \$160,000

Timber Tax Distribution Account Appropriation for distribution to "timber" counties ((~~\$58,229,000~~)) \$61,983,000

County Criminal Justice Assistance Appropriation ((~~\$69,566,000~~)) \$69,532,000

Municipal Criminal Justice Assistance Appropriation ((~~\$26,843,000~~)) \$26,833,000

City-County Assistance Account Appropriation for local government financial assistance distribution ((~~\$12,159,000~~)) \$14,922,000

1	Liquor Excise Tax Account Appropriation for liquor	
2	excise tax distribution	((\$25,617,000))
3		<u>\$25,889,000</u>
4	Streamlined Sales and Use Tax Mitigation Account	
5	Appropriation for distribution to local taxing	
6	jurisdictions to mitigate the unintended revenue	
7	redistribution effect of the sourcing law	
8	changes	\$49,309,000
9	Columbia River Water Delivery Account Appropriation for	
10	the Confederated Tribes of the Colville	
11	Reservation	((\$7,478,000))
12		<u>\$7,481,000</u>
13	Columbia River Water Delivery Account Appropriation for	
14	the Spokane Tribe of Indians	((\$4,794,000))
15		<u>\$4,795,000</u>
16	Liquor Revolving Account Appropriation for liquor	
17	profits distribution	((\$85,132,000))
18		<u>\$96,456,000</u>
19	TOTAL APPROPRIATION	((\$407,953,000))
20		<u>\$426,843,000</u>

21 The total expenditures from the state treasury under the
22 appropriations in this section shall not exceed the funds available
23 under statutory distributions for the stated purposes.

24 **Sec. 1802.** 2012 2nd sp.s. c 7 s 802 (uncodified) is amended to
25 read as follows:

26 **FOR THE STATE TREASURER--FOR THE COUNTY CRIMINAL JUSTICE ASSISTANCE**
27 **ACCOUNT**

28	Impaired Driver Safety Account Appropriation	((\$2,439,000))
29		<u>\$2,422,000</u>

30 The appropriation in this section is subject to the following
31 conditions and limitations: The amount appropriated in this section
32 shall be distributed quarterly during the 2011-2013 fiscal biennium in
33 accordance with RCW 82.14.310. This funding is provided to counties
34 for the costs of implementing criminal justice legislation including,
35 but not limited to: Chapter 206, Laws of 1998 (drunk driving
36 penalties); chapter 207, Laws of 1998 (DUI penalties); chapter 208,
37 Laws of 1998 (deferred prosecution); chapter 209, Laws of 1998

1 (DUI/license suspension); chapter 210, Laws of 1998 (ignition interlock
2 violations); chapter 211, Laws of 1998 (DUI penalties); chapter 212,
3 Laws of 1998 (DUI penalties); chapter 213, Laws of 1998 (intoxication
4 levels lowered); chapter 214, Laws of 1998 (DUI penalties); and chapter
5 215, Laws of 1998 (DUI provisions).

6 **Sec. 1803.** 2012 2nd sp.s. c 7 s 803 (uncodified) is amended to
7 read as follows:

8 **FOR THE STATE TREASURER--MUNICIPAL CRIMINAL JUSTICE ASSISTANCE ACCOUNT**
9 Impaired Driver Safety Account Appropriation ((~~\$1,626,000~~))
10 \$1,615,000

11 The appropriation in this section is subject to the following
12 conditions and limitations: The amount appropriated in this section
13 shall be distributed quarterly during the 2011-2013 biennium to all
14 cities ratably based on population as last determined by the office of
15 financial management. The distributions to any city that substantially
16 decriminalizes or repeals its criminal code after July 1, 1990, and
17 that does not reimburse the county for costs associated with criminal
18 cases under RCW 3.50.800 or 3.50.805(2), shall be made to the county in
19 which the city is located. This funding is provided to cities for the
20 costs of implementing criminal justice legislation including, but not
21 limited to: Chapter 206, Laws of 1998 (drunk driving penalties);
22 chapter 207, Laws of 1998 (DUI penalties); chapter 208, Laws of 1998
23 (deferred prosecution); chapter 209, Laws of 1998 (DUI/license
24 suspension); chapter 210, Laws of 1998 (ignition interlock violations);
25 chapter 211, Laws of 1998 (DUI penalties); chapter 212, Laws of 1998
26 (DUI penalties); chapter 213, Laws of 1998 (intoxication levels
27 lowered); chapter 214, Laws of 1998 (DUI penalties); and chapter 215,
28 Laws of 1998 (DUI provisions).

29 **Sec. 1804.** 2011 1st sp.s. c 50 s 804 (uncodified) is amended to
30 read as follows:

31 **FOR THE STATE TREASURER--FEDERAL REVENUES FOR DISTRIBUTION**
32 General Fund Appropriation for federal flood control
33 funds distribution ((~~\$74,000~~))
34 \$52,000
35 General Fund Appropriation for federal grazing fees
36 distribution ((~~\$2,430,000~~))

1		<u>\$1,747,000</u>
2	Forest Reserve Fund Appropriation for federal forest	
3	reserve fund distribution	((\$29,175,000))
4		<u>\$39,776,000</u>
5	TOTAL APPROPRIATION	((\$31,679,000))
6		<u>\$41,575,000</u>

7 The total expenditures from the state treasury under the
8 appropriations in this section shall not exceed the funds available
9 under statutory distributions for the stated purposes.

10 **Sec. 1805.** 2012 2nd sp.s. c 7 s 804 (uncodified) is amended to
11 read as follows:

12 **FOR THE STATE TREASURER--TRANSFERS**

13 State Treasurer's Service Account: For transfer to
14 the state general fund, \$16,300,000
15 for fiscal year 2012 and
16 ((~~\$24,800,000~~)) \$26,600,000 for fiscal
17 year 2013 ((~~\$41,100,000~~))
18 \$42,900,000

19 Waste Reduction, Recycling, and Litter Control
20 Account: For transfer to the state general
21 fund, \$4,847,000 for fiscal year
22 2012 and \$4,847,000 for fiscal year
23 2013 \$9,694,000

24 Aquatics Lands Enhancement Account: For transfer to
25 the state general fund, \$3,500,000 for fiscal
26 year 2012 and \$3,500,000 for fiscal year 2013 \$7,000,000

27 Savings Incentive Account: For transfer to the state
28 general fund, \$44,618,000 for fiscal year 2012 \$44,618,000

29 Distinguished Professorship Trust Fund: For transfer to
30 the state general fund for fiscal year 2012, an amount
31 not to exceed the actual cash balance of the fund \$3,024,000

32 Washington Graduate Fellowship Trust Fund: For transfer
33 to the state general fund for fiscal year 2012, an
34 amount not to exceed the actual cash balance of
35 the fund \$1,028,000

36 College Faculty Awards Trust Fund: For transfer
37 to the state general fund for fiscal year 2012, an amount

1 not to exceed the actual cash balance of the fund \$1,996,000
2 Data Processing Revolving Account: For transfer
3 to the state general fund, \$5,960,000 for fiscal
4 year 2012 \$5,960,000
5 Drinking Water Assistance Account: For transfer to
6 the drinking water assistance repayment account \$38,000,000
7 Economic Development Strategic Reserve Account: For
8 transfer to the state general fund, \$2,100,000
9 for fiscal year 2012 and \$2,100,000 for fiscal
10 year 2013 \$4,200,000
11 General Fund: For transfer to the streamlined sales
12 and use tax account, \$24,520,000
13 for fiscal year 2012 and \$24,789,000 for fiscal
14 year 2013 \$49,309,000
15 Public Works Assistance Account: For transfer to the
16 water pollution control revolving account,
17 \$7,750,000 for fiscal year 2012 and \$7,750,000 for
18 fiscal year 2013 \$15,500,000
19 The Charitable, Educational, Penal, and Reformatory
20 Institutions Account: For transfer to the state
21 general fund, \$4,500,000 for fiscal year 2012 and
22 \$4,500,000 for fiscal year 2013 \$9,000,000
23 Thurston County Capital Facilities Account: For
24 transfer to the state general fund, \$4,000,000
25 for fiscal year 2012 and \$4,000,000 for fiscal
26 year 2013 \$8,000,000
27 Public Works Assistance Account: For transfer to the
28 drinking water assistance account, \$10,000,000 for
29 fiscal year 2012 and \$5,000,000 for fiscal year
30 2013 \$15,000,000
31 Liquor Control Board Construction and Maintenance
32 Account: For transfer to the state general fund,
33 \$500,000 for fiscal year 2012 \$500,000
34 Education Savings Account: For transfer to the state
35 general fund, \$54,431,000 for fiscal
36 year 2012 \$54,431,000
37 Department of Retirement Systems Expense Account:
38 For transfer to the state general fund,

1 \$2,330,000 for fiscal year 2012 and
2 \$4,330,000 for fiscal year 2013 \$6,660,000
3 Education Construction Account: For transfer to the
4 state general fund, \$102,000,000 for fiscal year
5 2012 and \$102,000,000 for fiscal year 2013 \$204,000,000
6 Public Works Assistance Account: For transfer to the
7 state general fund, \$40,000,000
8 for fiscal year 2012 and \$40,000,000
9 for fiscal year 2013 \$80,000,000
10 Foster Care Endowed Scholarship Trust Fund: For transfer
11 to the state general fund, \$200,000 for fiscal year
12 2012 and \$200,000 for fiscal year 2013 \$400,000
13 Affordable Housing For All Account: For transfer to
14 the home security fund, \$1,000,000 for fiscal year
15 2012 and \$1,000,000 for fiscal year 2013 \$2,000,000
16 Tobacco Settlement Account: For transfer to the state
17 general fund, in an amount not to exceed the actual
18 amount of the annual base payment to the tobacco
19 settlement account \$158,205,000
20 Tobacco Settlement Account: For transfer to the basic
21 health plan stabilization account from the amounts
22 deposited in the account that are attributable to the
23 annual strategic contribution payment received in
24 fiscal year 2012 \$22,000,000
25 Tobacco Settlement Account: For transfer to the basic
26 health plan stabilization account from the amounts
27 deposited in the account that are attributable to the
28 annual strategic contribution payment received in
29 fiscal year 2013 \$22,000,000
30 Tobacco Settlement Account: For transfer to the life
31 sciences discovery fund, in an amount not to exceed
32 the actual remaining amount of the annual strategic
33 contribution payment to the tobacco settlement account
34 for fiscal year 2012 \$6,000,000
35 Tobacco Settlement Account: For transfer to the life
36 sciences discovery fund, in an amount not to exceed
37 the actual remaining amount of the annual strategic
38 contribution payment to the tobacco settlement account

1 for fiscal year 2013 \$6,000,000

2 The transfer to the life sciences discovery fund is subject to the

3 following conditions: All new grants awarded during the 2011-2013

4 fiscal biennium shall support and accelerate the commercialization of

5 an identifiable product.

6 Financial Services Regulation Fund: For transfer to

7 the state general fund, \$4,000,000 for fiscal

8 year 2012 \$4,000,000

9 State Nursery Revolving Account: For transfer to the

10 state general fund, \$250,000 for fiscal year 2012 and

11 \$250,000 for fiscal year 2013 \$500,000

12 Washington State Heritage Center Account: For transfer

13 to the state general fund, \$2,000,000 for fiscal

14 year 2013 \$2,000,000

15 Local Toxics Control Account: For transfer to the state

16 toxics control account, \$15,000,000 for fiscal

17 year 2012 and \$16,000,000 for fiscal year 2013 \$31,000,000

18 Coastal Protection Account: For transfer to the state

19 general fund, \$500,000 for fiscal year 2012 and

20 \$500,000 for fiscal year 2013 \$1,000,000

21 Multimodal Transportation Account--State: For transfer

22 to the Public Transportation Grant Program Account

23 for the purposes of distributions of \$3,000,000 on

24 each of the last working days of December, March,

25 and June in fiscal year 2013 \$9,000,000

26 Aquatic Lands Enhancement Account: For transfer to

27 the marine resources stewardship trust account,

28 \$2,100,000 for fiscal year 2013 \$2,100,000

(End of part)

1 August 1, 2013, section 968 of this act which takes effect June 30,
2 2013; sections 978 and 996 of this act which take effect July 28, 2013;
3 and sections 991 and 992 of this act which take effect July 1, 2013.

4 NEW SECTION. **Sec. 1905.** Section 957 of this act expires August 1,
5 2018.

6 NEW SECTION. **Sec. 1906.** Section 984 of this act expires June 30,
7 2016.

(End of Bill)

INDEX	PAGE #
ACQUISITION OF INFORMATION TECHNOLOGY PROJECTS THROUGH FINANCIAL CONTRACTS . . .	235
ADMINISTRATOR FOR THE COURTS	8, 308
ATTORNEY GENERAL	17, 313
BELATED CLAIMS	206
BOARD FOR VOLUNTEER FIREFIGHTERS	37
BOARD OF ACCOUNTANCY	34
BOARD OF INDUSTRIAL INSURANCE APPEALS	93
BOARD OF TAX APPEALS	30
BOND EXPENSES	220
CASELOAD FORECAST COUNCIL	19
CENTRAL WASHINGTON UNIVERSITY	189
CITIZENS' COMMISSION ON SALARIES FOR ELECTED OFFICIALS	17
COLLECTIVE BARGAINING AGREEMENT FOR NONSTATE EMPLOYEES	
LANGUAGE ACCESS PROVIDERS WFSE	231
SEIU HEALTHCARE 775NW HOMECARE WORKERS	231
SEIU LOCAL 925 CHILDCARE WORKERS	232
WSRCC ADULT FAMILY HOMES	232
COLLECTIVE BARGAINING AGREEMENT	
CENTRAL WASHINGTON UNIVERSITY--PSE	227
CENTRAL WASHINGTON UNIVERSITY--WFSE	226
COALITION OF UNIONS	222
EASTERN WASHINGTON UNIVERSITY--WFSE	226
PTE LOCAL 17	223
SEIU 1199NW	223
TEAMSTERS LOCAL 117	224
THE EVERGREEN STATE COLLEGE--WFSE	225
UNIVERSITY OF WASHINGTON--SEIU 925	227
UNIVERSITY OF WASHINGTON--TEAMSTERS 117 (UW POLICE OFFICERS)	228
UNIVERSITY OF WASHINGTON--WFSE	227
WAFWP	223
WASHINGTON STATE UNIVERSITY--PSE	228
WASHINGTON STATE UNIVERSITY--WFSE	228
WASHINGTON STATE UNIVERSITY--WSU POLICE GUILD	229
WESTERN WASHINGTON UNIVERSITY--WFSE	225
WESTERN WASHINGTON UNIVERSITY--PSE	226
WFSE	222

WFSE HIGHER EDUCATION COMMUNITY COLLEGE COALITION	224
WPEA	222
WPEA HIGHER EDUCATION COMMUNITY COLLEGE COALITION	224
WSP LIEUTENANTS ASSOCIATION	225
WSP TROOPERS ASSOCIATION	224
YAKIMA VALLEY COMMUNITY COLLEGE--WPEA	225
COLLECTIVE BARGAINING AGREEMENTS	221, 231
COLLECTIVE BARGAINING AGREEMENTS NOT IMPAIRED	221
COLUMBIA RIVER GORGE COMMISSION	117
COMMISSION ON AFRICAN-AMERICAN AFFAIRS	29
COMMISSION ON ASIAN PACIFIC AMERICAN AFFAIRS	15
COMMISSION ON HISPANIC AFFAIRS	29
COMMISSION ON JUDICIAL CONDUCT	8
COMPENSATION	
CONTINGENT INCREASE IN SALARIES AND WAGES	234
NONREPRESENTED EMPLOYEES--INSURANCE BENEFITS	232, 241
REPRESENTED EMPLOYEES OUTSIDE SUPER COALITION--INSURANCE BENEFITS	230, 240
REPRESENTED EMPLOYEES--SUPER COALITION--INSURANCE BENEFITS	229, 239
REVISE PENSION CONTRIBUTION RATES	234
CONSERVATION COMMISSION	122
COURT OF APPEALS	8, 307
CRIMINAL JUSTICE TRAINING COMMISSION	93, 387
DEPARTMENT OF AGRICULTURE	129
DEPARTMENT OF ARCHAEOLOGY AND HISTORIC PRESERVATION	37
DEPARTMENT OF COMMERCE	19, 316
DEPARTMENT OF CORRECTIONS	105, 396
DEPARTMENT OF EARLY LEARNING	196, 458
DEPARTMENT OF ECOLOGY	117
DEPARTMENT OF ENTERPRISE SERVICES	35, 330
DEPARTMENT OF FISH AND WILDLIFE	123, 406
DEPARTMENT OF HEALTH	98, 390
DEPARTMENT OF LABOR AND INDUSTRIES	95
DEPARTMENT OF LICENSING	132
DEPARTMENT OF NATURAL RESOURCES	127, 409
DEPARTMENT OF RETIREMENT SYSTEMS	
CONTRIBUTIONS TO RETIREMENT SYSTEMS	206
DEPARTMENT OF RETIREMENT SYSTEMS--OPERATIONS	29, 326
DEPARTMENT OF REVENUE	29
DEPARTMENT OF SERVICES FOR THE BLIND	114, 401

DEPARTMENT OF SOCIAL AND HEALTH SERVICES	39, 332
ADMINISTRATION AND SUPPORTING SERVICES PROGRAM	75, 367
AGING AND ADULT SERVICES PROGRAM	62, 356
ALCOHOL AND SUBSTANCE ABUSE PROGRAM	72, 364
CHILDREN AND FAMILY SERVICES PROGRAM	41, 335
DEVELOPMENTAL DISABILITIES PROGRAM	59, 350
ECONOMIC SERVICES PROGRAM	68, 362
JUVENILE REHABILITATION PROGRAM	46, 338
MENTAL HEALTH PROGRAM	51, 343
PAYMENTS TO OTHER AGENCIES PROGRAM	77, 369
SPECIAL COMMITMENT PROGRAM	74, 367
VOCATIONAL REHABILITATION PROGRAM	73, 366
DEPARTMENT OF VETERANS AFFAIRS	97, 389
EASTERN WASHINGTON STATE HISTORICAL SOCIETY	200
EASTERN WASHINGTON UNIVERSITY	189
ECONOMIC AND REVENUE FORECAST COUNCIL	25
EMERGENCY FUND ALLOCATIONS	220
EMPLOYMENT SECURITY DEPARTMENT	115, 402
ENVIRONMENTAL AND LAND USE HEARINGS OFFICE	122
EVERGREEN STATE COLLEGE	190
EXPENDITURE AUTHORIZATIONS	220
FORENSIC INVESTIGATION COUNCIL	34
GOVERNOR ' S OFFICE OF INDIAN AFFAIRS	15
HORSE RACING COMMISSION	35
HOUSE OF REPRESENTATIVES	2
HUMAN RIGHTS COMMISSION	93
INFORMATION TECHNOLOGY PROJECTS	237
INFORMATION TECHNOLOGY SECURITY PROGRAMS AND TRAINING	238
INSURANCE COMMISSIONER	31
JOINT LEGISLATIVE AUDIT AND REVIEW COMMITTEE	3
JOINT LEGISLATIVE SYSTEMS COMMITTEE	7
LAW LIBRARY	8, 307
LEGISLATIVE AGENCIES	7
LEGISLATIVE EVALUATION AND ACCOUNTABILITY PROGRAM COMMITTEE	7
LEGISLATIVE TASK FORCE ON CAREER EDUCATION OPPORTUNITIES	210
LIEUTENANT GOVERNOR	12
LIQUOR CONTROL BOARD	31, 327
MILITARY DEPARTMENT	33, 328
NONREPRESENTED EMPLOYEE LONGEVITY STEP	234

OFFICE OF ADMINISTRATIVE HEARINGS	28, 325
OFFICE OF CIVIL LEGAL AID	11
OFFICE OF FINANCIAL MANAGEMENT	25, 322
AGENCY EFFICIENCIES	209
COMMUNICATION SERVICES REFORM	209
DISASTER RESPONSE ACCOUNT	203
EDUCATION TECHNOLOGY REVOLVING ACCOUNT	204
EMERGENCY FUND	204
EXTRAORDINARY CRIMINAL JUSTICE COSTS	466
FIRE CONTINGENCY	203
INFORMATION TECHNOLOGY EXPENDITURES	208
LEAN MANAGEMENT STRATEGIES EFFICIENCY SAVINGS	207
O'BRIEN BUILDING IMPROVEMENT	204
STATE EFFICIENCY AND RESTRUCTURING REPAYMENT	207
OFFICE OF FINANCIAL MANAGEMENT--FEDERAL PATIENT PROTECTION AND AFFORDABLE CARE ACT SAVIN	
OFFICE OF LEGISLATIVE SUPPORT SERVICES	7
OFFICE OF MINORITY AND WOMEN'S BUSINESS ENTERPRISES	30, 326
OFFICE OF PUBLIC DEFENSE	11
OFFICE OF THE GOVERNOR	12, 310
OFFICE OF THE INSURANCE COMMISSIONER	
HEALTH BENEFIT EXCHANGE ACCOUNT	209
OFFICE OF THE STATE ACTUARY	7
PERSONAL COMPUTER ACQUISITION AND REPLACEMENT	237
PROGRAMS FOR HIGHLY CAPABLE STUDENTS	166, 442
PUBLIC BACCALAUREATE INSTITUTIONS	180
PUBLIC DISCLOSURE COMMISSION	13
PUBLIC EMPLOYMENT RELATIONS COMMISSION	34
PUGET SOUND PARTNERSHIP	131
RECREATION AND CONSERVATION FUNDING BOARD	122
SECRETARY OF STATE	13, 311
SENATE	3
STATE AUDITOR	15
STATE BOARD FOR COMMUNITY AND TECHNICAL COLLEGES	182, 183
STATE HEALTH CARE AUTHORITY	77, 369
STATE INVESTMENT BOARD	31
STATE PARKS AND RECREATION COMMISSION	121
STATE PARKS AND RECREATION COMMISSION	404
STATE PATROL	133, 414
STATE SCHOOL FOR THE BLIND	200, 462

STATE TREASURER	15, 213
BOND RETIREMENT AND INTEREST, AND ONGOING BOND REGISTRATION	202, 203
BOND RETIREMENT AND INTEREST: DEBT REIMBURSED AS PRESCRIBED BY STATUTE	465
BOND RETIREMENT AND INTEREST: DEBT SUBJECT TO THE DEBT LIMIT	464
BOND RETIREMENT AND INTEREST: FOR BOND SALE EXPENSES	465
COUNTY CRIMINAL JUSTICE ASSISTANCE ACCOUNT	469
COUNTY PUBLIC HEALTH ASSISTANCE	205
FEDERAL REVENUES FOR DISTRIBUTION	215, 470
FOR THE COUNTY CRIMINAL JUSTICE ASSISTANCE ACCOUNT	214
MUNICIPAL CRIMINAL JUSTICE ASSISTANCE ACCOUNT	214, 470
STATE REVENUES FOR DISTRIBUTION	468
TRANSFERS	215, 471
STATUTE LAW COMMITTEE	7
STATUTORY APPROPRIATIONS	220
STUDENT ACHIEVEMENT COUNCIL	
OFFICE OF STUDENT FINANCIAL ASSISTANCE	194, 456
POLICY COORDINATION AND ADMINISTRATION	193
SUNDRY CLAIMS	466
SUPERINTENDENT OF PUBLIC INSTRUCTION	135, 176, 416, 452
BASIC EDUCATION EMPLOYEE COMPENSATION	155
EDUCATION REFORM PROGRAMS	167, 443
EDUCATIONAL SERVICE DISTRICTS	164, 440
GENERAL APPORTIONMENT	143, 423
INSTITUTIONAL EDUCATION PROGRAMS	165, 441
LEARNING ASSISTANCE PROGRAM	175, 450
LOCAL EFFORT ASSISTANCE	165, 440
MISCELLANEOUS--NO CHILD LEFT BEHIND ACT	167
PUPIL TRANSPORTATION	159, 434
SCHOOL EMPLOYEE COMPENSATION ADJUSTMENTS	158
SCHOOL FOOD SERVICE PROGRAMS	161, 436
SPECIAL EDUCATION PROGRAMS	161, 437
TRANSITIONAL BILINGUAL PROGRAMS	174, 449
SUPREME COURT	8, 307
UNIVERSITY OF WASHINGTON	185, 454
UTILITIES AND TRANSPORTATION COMMISSION	32
VOLUNTARY RETIREMENT, SEPARATION, AND DOWNSHIFTING INCENTIVES	220
WASHINGTON POLLUTION LIABILITY INSURANCE PROGRAM	130
WASHINGTON STATE ARTS COMMISSION	200
WASHINGTON STATE CENTER FOR CHILDHOOD DEAFNESS AND HEARING LOSS	200, 463

WASHINGTON STATE HISTORICAL SOCIETY200
WASHINGTON STATE LOTTERY29
WASHINGTON STATE UNIVERSITY187
WESTERN WASHINGTON UNIVERSITY 193
WORK FORCE TRAINING AND EDUCATION COORDINATING BOARD 196

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