
 ENGROSSED SUBSTITUTE SENATE BILL 5345

State of Washington 57th Legislature 2001 Regular Session

By Senate Committee on Ways & Means (originally sponsored by Senators Brown, Rossi and Constantine; by request of Governor Locke)

READ FIRST TIME 03/30/01.

AN ACT Relating to fiscal matters; amending RCW 43.320.130, 76.12.110, 49.70.170, 43.08.250, 82.14.310, 43.72.902, 46.10.040, 72.11.040, 69.50.520, and 72.36.035; creating new sections; making appropriations; and declaring an emergency.

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

PART I
GENERAL GOVERNMENT

{+ NEW SECTION. +} Sec. 101. FOR THE HOUSE OF REPRESENTATIVES

General Fund--State Appropriation (FY 2002). . . .	\$ 27,929,000
General Fund--State Appropriation (FY 2003). . . .	\$ 28,135,000
Department of Retirement Systems Expense Account--	
State Appropriation.	\$ 45,000
TOTAL APPROPRIATION	\$ 56,109,000

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

(1) \$25,000 of the general fund--state appropriation is provided solely for allocation to Project Citizen, a program of the national conference of state legislatures to promote student civic involvement.

(2) \$15,000 of the general fund--state appropriation for fiscal year 2002 is provided for the legislature to continue the services of expert counsel on legal and policy issues relating to services for persons with developmental disabilities.

(3) \$50,000 of the general fund--state appropriation for fiscal year 2002 and \$71,000 of the general fund--state appropriation for fiscal year 2003 are provided solely to participate in funding a contract for a uniform higher education facility condition assessment, managed by the higher education coordinating board, as described in section 610 of this act.

{+ NEW SECTION. +} Sec. 102. FOR THE SENATE

General Fund--State Appropriation (FY 2002). . . .	\$ 22,913,000
General Fund--State Appropriation (FY 2003). . . .	\$ 24,070,000
Department of Retirement Systems Expense Account--	
State Appropriation.	\$ 45,000
TOTAL APPROPRIATION	\$ 47,028,000

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

(1) \$25,000 of the general fund--state appropriation is provided solely for allocation to Project Citizen, a program of the national conference of state legislatures to promote student civic involvement.

(2) \$15,000 of the general fund--state appropriation for fiscal year 2002 is provided for the legislature to continue the services of expert counsel on legal and policy issues relating to services for persons with developmental disabilities.

(3) \$50,000 of the general fund--state appropriation for fiscal year 2002 and \$71,000 of the general fund--state appropriation for fiscal year 2003 are provided solely to participate in funding a contract for a uniform higher education facility condition assessment, managed by the higher education coordinating board, as described in section 610 of this act.

{+ NEW SECTION. +} Sec. 103. FOR THE JOINT LEGISLATIVE AUDIT AND REVIEW COMMITTEE	
General Fund--State Appropriation (FY 2002). . . . \$	2,000,000
General Fund--State Appropriation (FY 2003). . . . \$	1,806,000
TOTAL APPROPRIATION \$	3,806,000

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

(1) \$150,000 of the general fund--state appropriation for fiscal year 2002 and \$75,000 of the general fund--state appropriation for fiscal year 2003 are provided solely for the joint legislative audit and review committee to conduct an evaluation of the client outcomes of the high school transition program operated by the department of social and health services division of developmental disabilities. The study shall identify the different approaches that have been used in providing transition services and whether some approaches are more or less successful in helping young adults with developmental disabilities achieve greater levels of independence. The study shall evaluate how transition programs reduce the level of support provided to clients as they achieve greater levels of independence, and shall be submitted to the appropriate committees of the legislature by December 1, 2002.

(2) \$50,000 of the general fund--state appropriation for fiscal year 2002 is provided solely for the joint legislative audit and review committee to conduct a capacity planning study of the capital facilities of the state school for the deaf. The committee's study shall be carried out in conjunction with the study of educational service delivery models conducted by the state institute for public policy. The study shall be submitted to the fiscal committees of the legislature by September 30, 2002.

(3) \$35,000 of the general fund--state appropriation for fiscal year 2002 is provided solely for the joint legislative audit and review committee to conduct a review of water conservancy boards. The review shall include an assessment of the operating costs of existing boards; the sources of funding for board operations; the range of costs of processing water right transfer applications by the boards as well as by the department of ecology for applications filed directly with the department; the costs to the department of training, assistance, and review of board recommendations on applications; board membership and board recordkeeping; and public participation procedures for both the water conservancy boards and the department of ecology. The committee shall submit its review by January 1, 2002, to the appropriate policy and fiscal committees of the legislature.

{+ NEW SECTION. +} Sec. 104. FOR THE LEGISLATIVE EVALUATION AND ACCOUNTABILITY PROGRAM COMMITTEE	
General Fund--State Appropriation (FY 2002). . . . \$	1,325,000
General Fund--State Appropriation (FY 2003). . . . \$	1,457,000
Public Works Assistance Account--State Appropriation. \$	203,000
TOTAL APPROPRIATION \$	2,985,000

{+ NEW SECTION. +} Sec. 105. FOR THE OFFICE OF THE STATE ACTUARY Department of Retirement Systems Expense Account--	
State Appropriation. \$	1,923,000

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

The office of the state actuary shall update its 1999 review of the higher education retirement plans established pursuant to RCW 28B.10.400, and the actuarial study of the appropriate employer contribution rates under RCW 28B.10.423. All state institutions of higher education shall cooperate fully with the study. By June 1, 2002, the state actuary shall provide the updated report, including recommendations for adjusting contribution rates to meet the requirements of RCW 28B.10.423, to the office of financial management, the joint committee on pension policy, and the legislative fiscal committees.

{+ NEW SECTION. +} Sec. 106. FOR THE JOINT LEGISLATIVE SYSTEMS COMMITTEE	
General Fund--State Appropriation (FY 2002). . . . \$	6,236,000
General Fund--State Appropriation (FY 2003). . . . \$	6,954,000
TOTAL APPROPRIATION \$	13,190,000

{+ NEW SECTION. +} Sec. 107. FOR THE STATUTE LAW COMMITTEE	
General Fund--State Appropriation (FY 2002). . . . \$	3,926,000
General Fund--State Appropriation (FY 2003). . . . \$	4,057,000
TOTAL APPROPRIATION \$	7,983,000

{+ NEW SECTION. +} Sec. 108. LEGISLATIVE AGENCIES. In order to achieve operating efficiencies within the financial resources available to the legislative branch, the executive rules committee of the house of representatives and the facilities and operations committee of the senate by joint action may transfer funds among the house of representatives, senate, legislative budget committee, legislative evaluation and accountability program committee, legislative transportation committee, office of the state actuary, joint legislative systems committee, and statute law committee.

{+ NEW SECTION. +} Sec. 109. FOR THE SUPREME COURT	
General Fund--State Appropriation (FY 2002). . . . \$	5,423,000
General Fund--State Appropriation (FY 2003). . . . \$	5,511,000
TOTAL APPROPRIATION \$	10,934,000

{+ NEW SECTION. +} Sec. 110. FOR THE LAW LIBRARY	
General Fund--State Appropriation (FY 2002). . . . \$	1,982,000
General Fund--State Appropriation (FY 2003). . . . \$	1,983,000
TOTAL APPROPRIATION \$	3,965,000

{+ NEW SECTION. +} Sec. 111. FOR THE COURT OF APPEALS	
General Fund--State Appropriation (FY 2002). . . . \$	12,877,000
General Fund--State Appropriation (FY 2003). . . . \$	12,983,000
TOTAL APPROPRIATION \$	25,860,000

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

(1) \$505,000 of the general fund--state appropriation for fiscal year 2002 and \$606,000 of the general fund--state appropriation for fiscal year 2003 are provided solely for lease increases associated with the division I facility. Within the funds provided in this subsection, the court of appeals shall conduct a space planning study exploring options dealing with remodeling existing space to accommodate needs and evaluating the cost and benefits of moving to another location.

(2) \$168,000 of the general fund--state appropriation for fiscal

year 2002 and \$159,000 of the general fund--state appropriation for fiscal year 2003 are provided solely for providing compensation adjustments to nonjudicial staff of the court of appeals. Within the funds provided in this subsection, the court of appeals shall determine the specific positions to receive compensation adjustments based on recruitment and retention difficulties, new duties or responsibilities assigned, and salary inversion or compression within the court of appeals.

{+ NEW SECTION. +} Sec. 112. FOR THE COMMISSION ON JUDICIAL CONDUCT	
General Fund--State Appropriation (FY 2002). . . . \$	950,000
General Fund--State Appropriation (FY 2003). . . . \$	974,000
TOTAL APPROPRIATION \$	1,924,000

{+ NEW SECTION. +} Sec. 113. FOR THE ADMINISTRATOR FOR THE COURTS	
General Fund--State Appropriation (FY 2002). . . . \$	14,214,000
General Fund--State Appropriation (FY 2003). . . . \$	14,422,000
Public Safety and Education Account--State Appropriation. \$	29,498,000
Judicial Information Systems Account--State Appropriation. \$	27,759,000
TOTAL APPROPRIATION \$	85,893,000

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

(1) Funding provided in the judicial information systems account appropriation shall be used for the operations and maintenance of technology systems that improve services provided by the supreme court, the court of appeals, the office of public defense, and the administrator for the courts.

(2) No moneys appropriated in this section may be expended by the administrator for the courts for payments in excess of fifty percent of the employer contribution on behalf of superior court judges for insurance and health care plans and federal social security and medicare and medical aid benefits. As required by Article IV, section 13 of the state Constitution and 1996 Attorney General's Opinion No. 2, it is the intent of the legislature that the costs of these employer contributions shall be shared equally between the state and county or counties in which the judges serve. The administrator for the courts shall continue to implement procedures for the collection and disbursement of these employer contributions. During the 2001-03 biennium, the office of the administrator for the courts shall submit a quarterly report to the fiscal committee of the house of representatives and senate showing the counties not contributing to the employer contributions as specified in this subsection. This information shall be used in making allocations of county assistance in Part VII of this act.

(3) \$223,000 of the public safety and education account appropriation is provided solely for the gender and justice commission.

(4) \$308,000 of the public safety and education account appropriation is provided solely for the minority and justice commission.

(5) \$278,000 of the general fund--state appropriation for fiscal year 2002, \$285,000 of the general fund--state appropriation for fiscal year 2003, and \$263,000 of the public safety and education account appropriation are provided solely for the workload associated with tax warrants and other state cases filed in Thurston county.

(6) \$750,000 of the general fund--state appropriation for fiscal year 2002 and \$750,000 of the general fund--state appropriation for fiscal year 2003 are provided solely to increase the number of children served by court-appointed special advocates in dependency matters. The

administrator for the courts, after consulting with the association of juvenile court administrators and the association of court-appointed special advocate/guardian ad litem programs, shall distribute the funds to volunteer court-appointed special advocate/guardian ad litem programs. The distribution of funding shall be based on the number of children who need volunteer court-appointed special advocate representation and shall be equally accessible to all volunteer court-appointed special advocate/guardian ad litem programs. The administrator for the courts shall not retain more than six percent of total funding to cover administrative or any other agency costs.

(7) \$750,000 of the public safety and education account--state appropriation is provided solely for judicial program enhancements. Within the funding provided in this subsection, the administrator for the courts, in consultation with the supreme court, shall determine the program or programs to receive an enhancement.

(8) \$1,618,000 of the public safety and education account--state appropriation is provided solely for increases for juror pay. The office of the administrator for the courts may contract with local governments to provide additional juror pay. The contract shall provide that the local government is responsible for the first ten dollars of juror compensation for each day or partial day of jury service, and the state shall reimburse the local government for any additional compensation, excluding the first day, up to a maximum of fifteen dollars per day.

{+ NEW SECTION. +} Sec. 114. FOR THE OFFICE OF PUBLIC DEFENSE	
General Fund--State Appropriation (FY 2002). . . .	\$ 600,000
General Fund--State Appropriation (FY 2003). . . .	\$ 600,000
Public Safety and Education Account--State	
Appropriation.	\$ 13,036,000
TOTAL APPROPRIATION	\$ 14,236,000

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

(1) \$233,000 of the public safety and education account appropriation is provided solely to increase the reimbursement for private attorneys providing constitutionally mandated indigent defense in nondeath penalty cases.

(2) \$51,000 of the public safety and education account appropriation is provided solely for the implementation of chapter 303, Laws of 1999 (court funding).

(3) Amounts provided from the public safety and education account appropriation in this section include funding for investigative services in death penalty personal restraint petitions.

(4) The entire general fund--state appropriation is provided solely for the continuation of a dependency and termination legal representation funding pilot program.

(a) The goal of the pilot program shall be to enhance the quality of legal representation in dependency and termination hearings, thereby reducing the number of continuances requested by contract attorneys, including those based on the unavailability of defense counsel. To meet the goal, the pilot shall include the following components:

(i) A maximum caseload requirement of 90 dependency and termination cases per full-time attorney;

(ii) Implementation of enhanced defense attorney practice standards, including but not limited to those related to reasonable case preparation and the delivery of adequate client advice, as developed by Washington state public defense attorneys and included in the office of public defense December 1999 report Costs of Defense and Children's Representation in Dependency and Termination Hearings;

(iii) Use of investigative and expert services in appropriate

cases; and

(iv) Effective implementation of indigency screening of all dependency and termination parents, guardians, and legal custodians represented by appointed counsel.

(b) The pilot program shall be established in one eastern and one western Washington juvenile court.

(c) The director shall contract for an independent evaluation of the pilot program benefits and costs. A final evaluation shall be submitted to the governor and the fiscal committees of the legislature no later than October 1, 2001.

(5) \$50,000 of the public safety and education account--state appropriation is provided solely for the evaluation required in chapter 92, Laws of 2000 (DNA testing).

(6) \$235,000 of the public safety and education account--state appropriation is provided solely for the office of public defense to contract with an existing public defender association to establish a capital defense assistance center.

{+ NEW SECTION. +} Sec. 115. FOR THE OFFICE OF THE GOVERNOR	
General Fund--State Appropriation (FY 2002). . . . \$	3,965,000
General Fund--State Appropriation (FY 2003). . . . \$	4,168,000
General Fund--Federal Appropriation. \$	219,000
Water Quality Account--State	
Appropriation. \$	4,208,000
TOTAL APPROPRIATION \$	12,560,000

The appropriations in this section are subject to the following conditions and limitations: \$100,000 of the general fund--state appropriation for fiscal year 2002 and \$100,000 of the general fund--state appropriation for fiscal year 2003 are provided solely for the salmon recovery office to support the efforts of the independent science panel.

{+ NEW SECTION. +} Sec. 116. FOR THE LIEUTENANT GOVERNOR	
General Fund--State Appropriation (FY 2002). . . . \$	449,000
General Fund--State Appropriation (FY 2003). . . . \$	451,000
TOTAL APPROPRIATION \$	900,000

{+ NEW SECTION. +} Sec. 117. FOR THE PUBLIC DISCLOSURE COMMISSION	
General Fund--State Appropriation (FY 2002). . . . \$	1,912,000
General Fund--State Appropriation (FY 2003). . . . \$	1,905,000
TOTAL APPROPRIATION \$	3,817,000

{+ NEW SECTION. +} Sec. 118. FOR THE SECRETARY OF STATE	
General Fund--State Appropriation (FY 2002). \$	10,640,000
General Fund--State Appropriation (FY 2003). \$	8,833,000
Archives and Records Management Account--State	
Appropriation. \$	7,300,000
Archives and Records Management Account--Private/	
Local Appropriation. \$	3,860,000
Department of Personnel Service Account	
Appropriation. \$	719,000
TOTAL APPROPRIATION \$	31,352,000

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

(1) \$2,296,000 of the general fund--state appropriation for fiscal year 2002 is provided solely to reimburse counties for the state's share of primary and general election costs and the costs of conducting mandatory recounts on state measures. Counties shall be reimbursed only for those odd-year election costs that the secretary of state

validates as eligible for reimbursement.

(2) \$2,193,000 of the general fund--state appropriation for fiscal year 2002 and \$2,712,000 of the general fund--state appropriation for fiscal year 2003 are provided solely for the verification of initiative and referendum petitions, maintenance of related voter registration records, and the publication and distribution of the voters and candidates pamphlet.

(3) \$125,000 of the general fund--state appropriation for fiscal year 2002 and \$125,000 of the general fund--state appropriation for fiscal year 2003 are provided solely for legal advertising of state measures under RCW 29.27.072.

(4)(a) \$1,944,004 of the general fund--state appropriation for fiscal year 2002 and \$1,986,772 of the general fund--state appropriation for fiscal year 2003 are provided solely for contracting with a nonprofit organization to produce gavel-to-gavel television coverage of state government deliberations and other events of statewide significance during the 2001-2003 biennium. An eligible nonprofit organization must be formed solely for the purpose of, and be experienced in, providing gavel-to-gavel television coverage of state government deliberations and other events of statewide significance and must have received a determination of tax-exempt status under section 501(c)(3) of the federal internal revenue code. The funding level for each year of the contract shall be based on the amount provided in this subsection and adjusted to reflect the implicit price deflator for the previous year. The nonprofit organization shall be required to raise contributions or commitments to make contributions, in cash or in kind, in an amount equal to forty percent of the state contribution. The office of the secretary of state may make full or partial payment once all criteria in (a) and (b) of this subsection have been satisfactorily documented.

(b) The legislature finds that the commitment of on-going funding is necessary to ensure continuous, autonomous, and independent coverage of public affairs. For that purpose, the secretary of state shall enter into a four-year contract with the nonprofit organization to provide public affairs coverage through June 30, 2006.

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

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

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

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

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

(6) \$867,000 of the archives and records management account--state appropriation is provided solely for operation of the central microfilming bureau under RCW 40.14.020(8).

(7)(a) If the financing contract for construction of the eastern regional archives building authorized in section 907(1)(a) of the capital budget, and House Bill No. 1925 or Senate Bill No. 5892 (authorizing a revenue stream for retiring the debt) or substantially similar legislation, are not authorized by June 30, 2002, then \$149,316 of the archives and records management--state appropriation and \$597,266 of the archives and records management--private/local appropriation shall lapse.

(b) If the financing contract for acquisition of technology hardware and software for the electronic data archive authorized in section 907(1)(b) of the capital budget, and House Bill No. 1926 or Senate Bill No. 5893 (authorizing a revenue stream for retiring the debt) or substantially similar legislation, are not authorized by June 30, 2002, then \$613,879 of the archives and records management--state appropriation and \$463,102 of the archives and records management--private/local appropriation shall lapse.

(c) \$613,879 of the archives and records management--state appropriation and \$463,102 of the archives and records management--private/local appropriation are provided solely for costs associated with the design and establishment of an electronic data archive. Of these amounts, \$212,000 of the archives and records management--state appropriation and \$188,000 of the archives and records management--private/local appropriation are provided solely for costs associated with conducting an information technology feasibility study.

{+ NEW SECTION. +}	Sec. 119. FOR THE GOVERNOR'S OFFICE OF INDIAN AFFAIRS	
	General Fund--State Appropriation (FY 2002). . . .	\$ 269,000
	General Fund--State Appropriation (FY 2003). . . .	\$ 282,000
	TOTAL APPROPRIATION	\$ 551,000

{+ NEW SECTION. +}	Sec. 120. FOR THE COMMISSION ON ASIAN-AMERICAN AFFAIRS	
	General Fund--State Appropriation (FY 2002). . . .	\$ 281,000
	General Fund--State Appropriation (FY 2003). . . .	\$ 276,000
	TOTAL APPROPRIATION	\$ 557,000

{+ NEW SECTION. +}	Sec. 121. FOR THE STATE TREASURER	
	State Treasurer's Service Account--State	
	Appropriation.	\$ 12,873,000

{+ NEW SECTION. +}	Sec. 122. FOR THE REDISTRICTING COMMISSION	
	General Fund--State Appropriation (FY 2002). . . .	\$ 856,000
	General Fund--State Appropriation (FY 2003). . . .	\$ 20,000
	TOTAL APPROPRIATION	\$ 876,000

{+ NEW SECTION. +}	Sec. 123. FOR THE STATE AUDITOR	
	General Fund--State Appropriation (FY 2002). . . .	\$ 1,651,000
	General Fund--State Appropriation (FY 2003). . . .	\$ 1,876,000
	State Auditing Services Revolving Account--State	
	Appropriation.	\$ 13,545,000
	TOTAL APPROPRIATION	\$ 17,072,000

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

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

(2) \$1,651,000 of the general fund--state appropriation for fiscal year 2002 and \$1,876,000 of the general fund--state appropriation for fiscal year 2003 are provided solely for staff and related costs to verify the accuracy of reported school district data submitted for state funding purposes; conduct school district program audits of state funded public school programs; establish the specific amount of state funding adjustments whenever audit exceptions occur and the amount is not firmly established in the course of regular public school audits; and to assist the state special education safety net committee when

requested.

{+ NEW SECTION. +} Sec. 124. FOR THE CITIZENS' COMMISSION ON SALARIES FOR ELECTED OFFICIALS	
General Fund--State Appropriation (FY 2002). . . . \$	80,000
General Fund--State Appropriation (FY 2003). . . . \$	152,000
TOTAL APPROPRIATION \$	232,000

{+ NEW SECTION. +} Sec. 125. FOR THE ATTORNEY GENERAL	
General Fund--State Appropriation (FY 2002). . . . \$	4,811,000
General Fund--State Appropriation (FY 2003). . . . \$	4,806,000
General Fund--Federal Appropriation. \$	2,868,000
Public Safety and Education Account--State Appropriation. \$	1,789,000
New Motor Vehicle Arbitration Account--State Appropriation. \$	1,163,000
Legal Services Revolving Account--State Appropriation. \$	147,789,000
TOTAL APPROPRIATION \$	163,226,000

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

(1) The attorney general shall report each fiscal year on actual legal services expenditures and actual attorney staffing levels for each agency receiving legal services. The report shall be submitted to the office of financial management and the fiscal committees of the senate and house of representatives no later than ninety days after the end of each fiscal year.

(2) The attorney general and the office of financial management shall modify the attorney general billing system to meet the needs of user agencies for greater predictability, timeliness, and explanation of how legal services are being used by the agency. The attorney general shall provide the following information each month to agencies receiving legal services: (a) The full-time equivalent attorney services provided for the month; (b) the full-time equivalent investigator services provided for the month; (c) the full-time equivalent paralegal services provided for the month; and (d) direct legal costs, such as filing and docket fees, charged to the agency for the month.

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

{+ NEW SECTION. +} Sec. 126. FOR THE CASELOAD FORECAST COUNCIL	
General Fund--State Appropriation (FY 2002). . . . \$	716,000
General Fund--State Appropriation (FY 2003). . . . \$	704,000
TOTAL APPROPRIATION \$	1,420,000

{+ NEW SECTION. +} Sec. 127. FOR THE DEPARTMENT OF COMMUNITY, TRADE, AND ECONOMIC DEVELOPMENT	
General Fund--State Appropriation (FY 2002). . . . \$	71,936,000
General Fund--State Appropriation (FY 2003). . . . \$	72,166,000
General Fund--Federal Appropriation. \$	173,342,000
General Fund--Private/Local Appropriation. . . . \$	6,984,000
Public Safety and Education Account--State Appropriation. \$	10,300,000
Public Works Assistance Account--State Appropriation. \$	2,411,000
Film and Video Promotion Account--State	

Appropriation.	\$	25,000
Building Code Council Account--State		
Appropriation.	\$	1,385,000
Administrative Contingency Account--State		
Appropriation.	\$	1,777,000
Low-Income Weatherization Assistance Account--State		
Appropriation.	\$	3,292,000
Violence Reduction and Drug Enforcement Account--		
State Appropriation.	\$	6,081,000
Manufactured Home Installation Training Account--		
State Appropriation.	\$	256,000
Washington Housing Trust Account--State		
Appropriation.	\$	7,097,000
Public Facility Construction Loan Revolving		
Account--State Appropriation	\$	550,000
TOTAL APPROPRIATION	\$	357,602,000

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

(1) \$482,000 of the general fund--state appropriation for fiscal year 2002 and \$474,000 of the general fund--state appropriation for fiscal year 2003 are provided solely for the implementation of Senate Bill No. 5370 (splitting the department of community, trade, and economic development). Any appropriation made to the department of community, trade, and economic development for carrying out the powers, functions, and duties of either the department of community development or the department of trade and economic development shall be transferred and credited to the appropriate department, and the director of financial management shall make a determination as to the proper allocation and certify the same to the state agencies concerned.

(2) \$2,765,500 of the general fund--state appropriation for fiscal year 2002 and \$3,405,500 of the general fund--state appropriation for fiscal year 2003 are provided solely for a contract with the Washington technology center. For work essential to the mission of the Washington technology center and conducted in partnership with universities, the center shall not pay any increased indirect rate nor increases in other indirect charges above the absolute amount paid during the 1995-97 fiscal biennium.

(3) \$61,000 of the general fund--state appropriation for fiscal year 2002 and \$62,000 of the general fund--state appropriation for fiscal year 2003 are provided solely for the implementation of the Puget Sound work plan and agency action item OCD-01.

(4) \$10,403,445 of the general fund--federal appropriation is provided solely for the drug control and system improvement formula grant program, to be distributed in state fiscal year 2002 as follows:

(a) \$3,603,250 to local units of government to continue multijurisdictional narcotics task forces;

(b) \$620,000 to the department to continue the drug prosecution assistance program in support of multijurisdictional narcotics task forces;

(c) \$1,363,000 to the Washington state patrol for coordination, investigative, and supervisory support to the multijurisdictional narcotics task forces and for methamphetamine education and response;

(d) \$200,000 to the department for grants to support tribal law enforcement needs;

(e) \$991,000 to the department of social and health services, division of alcohol and substance abuse, for drug courts in eastern and western Washington;

(f) \$302,551 to the department for training and technical assistance of public defenders representing clients with special needs;

(g) \$88,000 to the department to continue a substance abuse

treatment in jails program, to test the effect of treatment on future criminal behavior;

(h) \$697,075 to the department to continue domestic violence legal advocacy;

(i) \$903,000 to the department of social and health services, juvenile rehabilitation administration, to continue youth violence prevention and intervention projects;

(j) \$60,000 to the Washington association of sheriffs and police chiefs to complete the state and local components of the national incident-based reporting system;

(k) \$60,000 to the department to expand integrated domestic violence training of law enforcement, prosecutors, and domestic violence advocates;

(l) \$91,000 to the department to continue the governor's council on substance abuse;

(m) \$99,000 to the department to continue evaluation of Byrne formula grant programs;

(n) \$500,469 to the office of financial management for criminal history records improvement; and

(o) \$825,100 to the department for required grant administration, monitoring, and reporting on Byrne formula grant programs.

These amounts represent the maximum Byrne grant expenditure authority for each program. No program may expend Byrne grant funds in excess of the amounts provided in this subsection. If moneys in excess of those appropriated in this subsection become available, whether from prior or current fiscal year Byrne grant distributions, the department shall hold these moneys in reserve and may not expend them without specific appropriation. These moneys shall be carried forward and applied to the pool of moneys available for appropriation for programs and projects in the succeeding fiscal year. As part of its budget request for the succeeding year, the department shall estimate and request authority to spend any funds remaining in reserve as a result of this subsection.

(5) \$500,000 of the general fund--state appropriation for fiscal year 2002 and \$500,000 of the general fund--state appropriation for fiscal year 2003 are provided solely for rural economic development activities including \$200,000 for the Washington manufacturing service, \$100,000 for business retention and expansion, and \$60,000 for the coop marketing program established by chapter 108, Laws of 1999.

(6) \$1,250,000 of the general fund--state appropriation for fiscal year 2002 and \$1,250,000 of the general fund--state appropriation for fiscal year 2003 are provided solely for grants to operate, repair, and staff shelters for homeless families with children.

(7) \$2,500,000 of the general fund--state appropriation for fiscal year 2002 and \$2,500,000 of the general fund--state appropriation for fiscal year 2003 are provided solely for grants to operate transitional housing for homeless families with children. The grants may also be used to make partial payments for rental assistance.

(8) \$1,250,000 of the general fund--state appropriation for fiscal year 2002 and \$1,250,000 of the general fund--state appropriation for fiscal year 2003 are provided solely for consolidated emergency assistance to homeless families with children.

(9) \$160,000 of the public works assistance account appropriation is solely for providing technical assistance to local communities that are developing the infrastructure needed to support the development of housing for farm workers.

(10) \$205,000 of the general fund--state appropriation for fiscal year 2002 and \$205,000 of the general fund--state appropriation for fiscal year 2003 are provided solely for grants to Washington Columbia river gorge counties to implement their responsibilities under the national scenic area management plan. Of this amount, \$390,000 is

provided for Skamania county and \$20,000 is provided for Clark county.

(11) \$768,000 of the general fund--state appropriation for fiscal year 2002, \$768,000 of the general fund--state appropriation for fiscal year 2003, and \$1,101,000 of the administrative contingency account appropriation are provided solely for contracting with associate development organizations to maintain existing programs.

(12) \$254,000 of the general fund--state appropriation for fiscal year 2002 and \$254,000 of the general fund--state appropriation for fiscal year 2003 are provided solely to increase the number of trained volunteer long-term care ombudsmen available to serve elderly or disabled residents living in licensed boarding homes and adult family homes.

(13) \$600,000 of the public safety and education account appropriation is provided solely for sexual assault prevention and treatment programs.

(14) \$680,000 of the Washington housing trust account appropriation is provided solely to conduct a pilot project designed to lower infrastructure costs for residential development.

(15) \$1,500,000 of the Washington housing trust account appropriation is provided solely to develop farm worker, transitional, emergency, and other housing projects; to provide one-time maintenance costs of local housing projects; and to provide on-going operating costs for farm worker housing. If Senate Bill No. 5936 (recording fees on real estate transactions) is not enacted by June 30, 2001, the amount provided in this subsection shall lapse.

(16) \$500,000 of the public works assistance account appropriation is provided solely for a task force to examine local jurisdictions' ability to pay for infrastructure needs and to develop recommendations for coordinated, comprehensive infrastructure funding strategies. A report shall be provided to the governor's office and the legislative fiscal committees no later than August 1, 2002.

(17) \$22,000 of the general fund--state appropriation for fiscal year 2002 and \$23,000 of the general fund--state appropriation for fiscal year 2003 are provided solely as a matching grant to support the Washington state senior games. State funding shall be matched with at least an equal amount of private or local governmental funds.

(18) \$500,000 of the general fund--state appropriation for fiscal year 2002 and \$500,000 of the general fund--state appropriation for fiscal year 2003 are provided solely for grants to food banks and food distribution centers to increase their ability to accept, store, and deliver perishable food.

(19) \$500,000 of the public safety education account--state appropriation is provided solely for methamphetamine awareness education in partnership with the military department.

(20) \$348,000 of the general fund--state appropriation for fiscal year 2002 and \$230,000 of the general fund--state appropriation for fiscal year 2003 are provided solely for support of the developmental disabilities endowment governing board and startup costs of the endowment program. Startup costs are a loan from the state general fund and will be repaid funds within the program as determined by the governing board. The governing board may use state appropriations to implement a sliding-scale fee waiver for families earning below 150 percent of the state median family income. The director of the department, or the director of the subsequent department of community development, may implement fees to support the program as provided under RCW 43.330.152.

(21) \$380,000 of the public safety and education account appropriation is provided solely for community-based legal advocates to assist sexual assault victims with both civil and criminal justice issues. If Senate Bill No. 5309 is not enacted by June 30, 2001, the amount provided in this subsection shall lapse.

(22) \$162,000 of the building code council account appropriation is provided contingent on the enactment of Senate Bill No. 5352 (building code council fees). If the bill is not enacted by June 30, 2001, the amount provided in this subsection shall lapse.

(23) \$65,000 of the general fund--state appropriation for fiscal year 2002 and \$65,000 of the general fund--state appropriation for fiscal year 2003 are provided solely for a contract with a food distribution program for communities in the southwestern portion of the state and for workers impacted by timber and salmon fishing closures and reductions. The department may not charge administrative overhead or expenses to the funds provided in this subsection.

(24) \$120,000 of the general fund--state appropriation for fiscal year 2002 and \$120,000 of the general fund--state appropriation for fiscal year 2003 are provided solely as pass-through funding to currently licensed overnight youth shelters.

{+ NEW SECTION. +} Sec. 128. FOR THE DEPARTMENT OF COMMUNITY, TRADE, AND ECONOMIC DEVELOPMENT

(1) Appropriations made in this act to the department of community, trade, and economic development shall initially be allotted as required by this act, except as provided in subsection (2) of this section. Subsequent allotment modifications shall not include transfers of moneys between sections of this act.

(2) Any appropriations made to the department of community, trade, and economic development for carrying out the powers, functions, and duties of either the department of community development or the department of trade and economic development shall be transferred and credited to the appropriate department to implement Engrossed Substitute Senate Bill No. 5370 (splitting the department of community, trade, and economic development). The director of financial management shall make a determination as to the proper allocation and certify the same to the state agencies concerned.

{+ NEW SECTION. +} Sec. 129. FOR THE ECONOMIC AND REVENUE FORECAST COUNCIL

General Fund--State Appropriation (FY 2002) \$	512,000
General Fund--State Appropriation (FY 2003) \$	514,000
TOTAL APPROPRIATION \$	1,026,000

{+ NEW SECTION. +} Sec. 130. FOR THE OFFICE OF FINANCIAL MANAGEMENT

General Fund--State Appropriation (FY 2002) \$	12,961,000
General Fund--State Appropriation (FY 2003) \$	12,558,000
General Fund--Federal Appropriation \$	23,657,000
Violence Reduction and Drug Enforcement	
Account--State Appropriation \$	229,000
State Auditing Services Revolving	
Account--State Appropriation \$	25,000
TOTAL APPROPRIATION \$	49,430,000

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

(1) The office of financial management shall review policies and procedures regarding purchasing of information technology upgrades by state agencies. Information technology upgrades include replacement workstations, network equipment, operating systems and application software. The review shall document existing policies and procedures, and shall compare alternative upgrade policies that reduce the overall cost to state government for maintaining adequate information technology to meet the existing business needs of state agencies. Information technology upgrades in agency budgets are deferred until

fiscal year 2003 pending completion of this review. Findings and recommendations from this review shall be reported to appropriate committees of the legislature by December 1, 2001.

(2) \$99,000 of the general fund--state appropriation for fiscal year 2002 and \$143,000 of the general fund--state appropriation for fiscal year 2003 are provided solely to participate in funding a contract for a uniform higher education facility condition assessment, managed by the higher education coordinating board, as described in section 610 of this act.

{+ NEW SECTION. +} Sec. 131. FOR THE OFFICE OF ADMINISTRATIVE HEARINGS
 Administrative Hearings Revolving Account--State
 Appropriation. \$ 21,915,000

{+ NEW SECTION. +} Sec. 132. FOR THE DEPARTMENT OF PERSONNEL
 Department of Personnel Service Account--State
 Appropriation. \$ 17,301,000
 Higher Education Personnel Services Account--State
 Appropriation. \$ 1,637,000
 TOTAL APPROPRIATION \$ 18,938,000

The appropriations in this section are subject to the following conditions and limitations: The department of personnel has the authority to charge agencies not more than \$1,390,000 for expenses associated with relocation of the human resources information services division, and to convert the payroll/personnel computer system to accommodate needed changes for employee participation in the new public employees' retirement system plan 3 pension system. Funding to cover these expenses shall be realized from the agency FICA savings associated with the pretax benefits contributions plan.

{+ NEW SECTION. +} Sec. 133. FOR THE WASHINGTON STATE LOTTERY
 Lottery Administrative Account--State
 Appropriation. \$ 22,138,000

{+ NEW SECTION. +} Sec. 134. FOR THE COMMISSION ON HISPANIC AFFAIRS
 General Fund--State Appropriation (FY 2002). . . . \$ 226,000
 General Fund--State Appropriation (FY 2003). . . . \$ 234,000
 TOTAL APPROPRIATION \$ 460,000

{+ NEW SECTION. +} Sec. 135. FOR THE COMMISSION ON AFRICAN-AMERICAN AFFAIRS
 General Fund--State Appropriation (FY 2002). . . . \$ 211,000
 General Fund--State Appropriation (FY 2003). . . . \$ 209,000
 TOTAL APPROPRIATION \$ 420,000

{+ NEW SECTION. +} Sec. 136. FOR THE PERSONNEL APPEALS BOARD
 Department of Personnel Service Account--State
 Appropriation. \$ 1,680,000

{+ NEW SECTION. +} Sec. 137. FOR THE DEPARTMENT OF RETIREMENT SYSTEMS--OPERATIONS
 Dependent Care Administrative Account--State
 Appropriation. \$ 379,000
 Department of Retirement Systems Expense Account--
 State Appropriation. \$ 48,614,000
 TOTAL APPROPRIATION \$ 48,993,000

The appropriations in this section are subject to the following

conditions and limitations:

(1) \$1,000,000 of the department of retirement systems expense account appropriation is provided solely for support of the information systems project known as the electronic document image management system.

(2) \$120,000 of the department of retirement systems expense account appropriation is provided solely for locating inactive members entitled to retirement benefits.

(3) \$117,000 of the department of retirement systems expense account appropriation is provided solely for modifications to the retirement information systems to accommodate tracking of postretirement employment on an hourly basis.

(4) \$440,000 of the department of retirement systems expense account is provided solely for the implementation of Engrossed Senate Bill No. 5143 (Washington state patrol retirement systems plan 2). If the bill is not enacted by June 30, 2001, the amount provided in this subsection shall lapse.

{+ NEW SECTION. +} Sec. 138. FOR THE STATE INVESTMENT BOARD	
State Investment Board Expense Account--State	
Appropriation.	\$ 12,775,000
{+ NEW SECTION. +} Sec. 139. FOR THE DEPARTMENT OF REVENUE	
General Fund--State Appropriation (FY 2002). . . .	\$ 73,378,000
General Fund--State Appropriation (FY 2003). . . .	\$ 73,146,000
Timber Tax Distribution Account--State	
Appropriation.	\$ 5,052,000
Waste Education/Recycling/Litter Control--State	
Appropriation.	\$ 101,000
State Toxics Control Account--State	
Appropriation.	\$ 67,000
Oil Spill Administration Account--State	
Appropriation.	\$ 14,000
TOTAL APPROPRIATION	\$ 151,758,000

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

\$269,000 of the general fund--state appropriation for fiscal year 2002 and \$49,000 of the general fund--state appropriation for fiscal year 2003 are provided solely to establish and provide staff support to a committee on taxation to study the elasticity, equity, and adequacy of the state's tax system.

(1) The committee shall consist of eleven members. The department shall appoint six academic scholars from the fields of economics, taxation, business administration, public administration, public policy, and other relevant disciplines as determined by the department, after consulting with the majority and minority leaders in the senate, the co-speakers in the house of representatives, the chair of the ways and means committee in the senate, and the co-chairs of the finance committee in the house of representatives. The governor and the chairs of the majority and minority caucuses in each house of the legislature shall each appoint one member to the committee. These appointments may be legislative members. The members of the committee shall either elect a voting chair from among their membership or a nonvoting chair who is not a member of the committee. Members of the committee shall serve without compensation but shall be reimbursed for travel expenses under RCW 43.03.050 and 43.03.060.

(2) The purpose of the study is to determine how well the current tax system functions and how it might be changed to better serve the citizens of the state in the twenty-first century. In reviewing options for changes to the tax system, the committee shall develop

multiple alternatives to the existing tax system. To the extent possible, the alternatives shall be designed to increase the harmony between the tax system of this state and the surrounding states, encourage commerce and business creation, and encourage home ownership. In developing alternatives, the committee shall examine and consider the effects of tax incentives, including exemptions, deferrals, and credits. The alternatives shall range from incremental improvements in the current tax structure to complete replacement of the tax structure. In conducting the study, the committee shall examine the tax structures of other states and review previous studies regarding tax reform in this state. In developing alternatives, the committee shall be guided by administrative simplicity, economic neutrality, fairness, stability, and transparency. Most of the alternatives presented by the committee to the legislature shall be revenue neutral and contain no income tax.

(3) The department shall create an advisory group to include, but not be limited to, representatives of business, state agencies, local governments, labor, taxpayers, and other advocacy groups. The group shall provide advice and assistance to the committee.

(4) The committee shall present a final report of its findings and alternatives to the ways and means committee in the senate and the finance committee in the house of representatives by November 30, 2002.

{+ NEW SECTION. +} Sec. 140. FOR THE BOARD OF TAX APPEALS	
General Fund--State Appropriation (FY 2002). . . . \$	1,163,000
General Fund--State Appropriation (FY 2003). . . . \$	1,008,000
TOTAL APPROPRIATION \$	2,171,000

{+ NEW SECTION. +} Sec. 141. FOR THE MUNICIPAL RESEARCH COUNCIL City and Town Research Services Account--	
State Appropriation. \$	3,814,000
County Research Services Account--State Appropriation. \$	761,000
TOTAL APPROPRIATION \$	4,575,000

{+ NEW SECTION. +} Sec. 142. FOR THE OFFICE OF MINORITY AND WOMEN'S BUSINESS ENTERPRISES	
OMWBE Enterprises Account--State Appropriation. \$	2,618,000

{+ NEW SECTION. +} Sec. 143. FOR THE DEPARTMENT OF GENERAL ADMINISTRATION	
General Fund--State Appropriation (FY 2002). . . . \$	549,000
General Fund--State Appropriation (FY 2003). . . . \$	630,000
General Fund--Federal Appropriation. \$	1,930,000
General Fund--Private/Local Appropriation. . . . \$	444,000
State Capitol Vehicle Parking Account-- State Appropriation. \$	154,000
General Administration Services Account--State Appropriation. \$	41,412,000
TOTAL APPROPRIATION \$	44,967,000

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

(1) The department shall conduct a review of the ultimate purchasing system to evaluate the following: (a) The degree to which program objectives and assumptions were achieved; (b) the degree to which planned schedule of phases, tasks, and activities were accomplished; (c) an assessment of estimated and actual costs of each phase; (d) an assessment of project cost recovery/cost avoidance, return on investment, and measurable outcomes as each relate to the agency's business functions and other agencies' business functions; and

(e) the degree to which integration with the agency and state information technology infrastructure was achieved. The department will receive written input from participating pilot agencies that describes measurable organizational benefits and cost avoidance opportunities derived from use of the ultimate purchasing system. The performance review shall be submitted to the office of financial management and the appropriate legislative fiscal committees by July 1, 2002.

(2) \$60,000 of the general administration services account appropriation is provided solely for costs associated with the development of the information technology architecture to link the risk management information system and the tort division's case management system, and the reconciliation of defense cost reimbursement information.

{+ NEW SECTION. +} Sec. 144. FOR THE DEPARTMENT OF INFORMATION SERVICES
Data Processing Revolving Account--State
Appropriation. \$ 3,706,000

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

(1) The department is authorized to connect private baccalaureate institutions to the K-20 educational telecommunication network under the plan approved by the K-20 board.

(2) The department shall implement the \$10,800,000 service rate reduction it proposed on August 14, 2000.

{+ NEW SECTION. +} Sec. 145. FOR THE INSURANCE COMMISSIONER
General Fund--Federal Appropriation. \$ 622,000
Insurance Commissioners Regulatory Account--State
Appropriation. \$ 28,373,000
TOTAL APPROPRIATION \$ 28,995,000

{+ NEW SECTION. +} Sec. 146. FOR THE BOARD OF ACCOUNTANCY
Certified Public Accountants' Account--State
Appropriation. \$ 1,676,000

{+ NEW SECTION. +} Sec. 147. FOR THE FORENSIC INVESTIGATION COUNCIL
Death Investigations Account--State
Appropriation. \$ 276,000

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

{+ NEW SECTION. +} Sec. 148. FOR THE HORSE RACING COMMISSION
Horse Racing Commission Account--State
Appropriation. \$ 4,506,000

{+ NEW SECTION. +} Sec. 149. FOR THE LIQUOR CONTROL BOARD
General Fund--State Appropriation (FY 2002). . . . \$ 1,485,000
General Fund--State Appropriation (FY 2003). . . . \$ 1,485,000
Liquor Control Board Construction and Maintenance
Account--State Appropriation \$ 8,114,000

Liquor Revolving Account--State Appropriation. . . \$	136,341,000
TOTAL APPROPRIATION \$	147,425,000

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

(1) \$988,000 of the liquor revolving account appropriation is provided solely for the agency information technology upgrade. This amount provided in this subsection is conditioned upon satisfying the requirements of section 902 of this act.

(2) \$505,000 of the liquor control board construction and maintenance account appropriation is provided solely for the operation of the temporary distribution center.

(3) \$1,350,000 of the liquor control board construction and maintenance account appropriation is provided solely to redeem targeted term certificates of participation for the new distribution center and material handling system.

(4) \$120,000 of the liquor revolving account appropriation is provided solely for a consultant to conduct a study to determine the full costs and savings of acquiring and implementing a new merchandising business system for both retail and contract agency vendor stores. The study shall also consider the alternative of upgrading the existing point of sale system. The study shall be reviewed by the information services board prior to submission to the fiscal committees of the legislature.

(5) \$556,000 of the liquor revolving account is provided solely for replacement of the board's vehicles.

(6) \$108,000 of the liquor revolving account appropriation is provided solely for costs associated with training board information technology staff in client/server and web-based information technology platforms.

(7) \$67,000 of the liquor revolving account appropriation is provided solely for costs associated with training all board enforcement staff in community-oriented policing concepts and techniques.

{+ NEW SECTION. +} Sec. 150. FOR THE UTILITIES AND TRANSPORTATION COMMISSION

Public Service Revolving Account--State	
Appropriation. \$	29,956,000
Public Service Revolving Account--Federal	
Appropriation. \$	652,000
TOTAL APPROPRIATION \$	30,608,000

The appropriation in this section is subject to the following conditions and limitations and specified amounts are provided solely for that activity: \$1,792,000 of the public service revolving account--state appropriation is provided solely for the implementation of Substitute Senate Bill No. 5182 (pipeline safety). If the bill is not enacted by July 1, 2001, the amount provided in this subsection shall lapse.

{+ NEW SECTION. +} Sec. 151. FOR THE BOARD FOR VOLUNTEER FIREFIGHTERS

Volunteer Firefighters' Relief and Pension	
Administrative Account--State	
Appropriation. \$	569,000

{+ NEW SECTION. +} Sec. 152. FOR THE MILITARY DEPARTMENT

General Fund--State Appropriation (FY 2002). . . . \$	9,361,000
General Fund--State Appropriation (FY 2003). . . . \$	9,077,000
General Fund--Federal Appropriation. \$	22,509,000

General Fund--Private/Local Appropriation.	\$ 234,000
Enhanced 911 Account--State Appropriation.	\$ 26,005,000
Disaster Response Account--State Appropriation	\$ 582,000
Disaster Response Account--Federal Appropriation	\$ 3,392,000
Worker and Community Right to Know Fund--State Appropriation.	\$ 283,000
TOTAL APPROPRIATION	\$ 71,443,000

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

(1) \$582,000 of the disaster response account--state appropriation is provided solely for the state share of response and recovery costs associated with federal emergency management agency (FEMA) disasters approved in the 1999-01 biennium budget. The military department may, upon approval of the director of financial management, use portions of the disaster response account--state appropriation to offset costs of new disasters occurring before June 30, 2003. The military department shall submit a report quarterly to the office of financial management and the legislative fiscal committees detailing disaster costs, including: (a) Estimates of total costs; (b) incremental changes from the previous estimate; (c) actual expenditures; (d) estimates of total remaining costs to be paid; and (d) estimates of future payments by biennium. This information shall be displayed by individual disaster, by fund, and by type of assistance. The military department shall also submit a report quarterly to the office of financial management and the legislative fiscal committees detailing information on the disaster response account, including: (a) The amount and type of deposits into the account; (b) the current available fund balance as of the reporting date; and (c) the projected fund balance at the end of the 2001-03 biennium based on current revenue and expenditure patterns.

(2) \$100,000 of the general fund--state fiscal year 2002 appropriation and \$100,000 of the general fund--state fiscal year 2003 appropriation are provided solely for implementation of the conditional scholarship program pursuant to chapter 28B.103 RCW.

(3) \$60,000 of the general fund--state appropriation for fiscal year 2002 and \$60,000 of the general fund--state appropriation for fiscal year 2003 are provided solely for the implementation of Senate Bill No. 5256 (emergency management compact). If the bill is not enacted by June 30, 2001, the amounts provided in this subsection shall lapse.

(4) \$9,461,000 of the enhanced 911 account--state appropriation is provided solely for the implementation of Substitute Senate Bill No. 6034 (enhanced 911 excise tax). If the bill is not enacted by June 30, 2001, the amount provided in this subsection shall lapse.

(5) \$35,000 of the general fund--state fiscal year 2002 appropriation and \$35,000 of the general fund--state fiscal year 2003 appropriation are provided solely for the north county emergency medical service.

{+ NEW SECTION. +} Sec. 153. FOR THE PUBLIC EMPLOYMENT RELATIONS COMMISSION

General Fund--State Appropriation (FY 2002).	\$ 2,155,000
General Fund--State Appropriation (FY 2003).	\$ 2,164,000
TOTAL APPROPRIATION	\$ 4,319,000

{+ NEW SECTION. +} Sec. 154. FOR THE GROWTH PLANNING HEARINGS BOARD

General Fund--State Appropriation (FY 2002).	\$ 1,498,000
General Fund--State Appropriation (FY 2003).	\$ 1,506,000
TOTAL APPROPRIATION	\$ 3,004,000

{+ NEW SECTION. +} Sec. 155. FOR THE STATE CONVENTION AND TRADE CENTER

State Convention and Trade Center Operating Account--State Appropriation	37,852,000
State Convention and Trade Center Account--State Appropriation.	29,886,000
TOTAL APPROPRIATION.	67,738,000

(End of part)

PART II
HUMAN SERVICES

{+ NEW SECTION. +} Sec. 201. FOR THE DEPARTMENT OF SOCIAL AND HEALTH SERVICES. (1) Appropriations made in this act to the department of social and health services shall initially be allotted as required by this act. Subsequent allotment modifications shall not include transfers of moneys between sections of this act except as expressly provided in this act, nor shall allotment modifications permit moneys that are provided solely for a specified purpose to be used for other than that purpose, except as expressly provided in subsection (3) of this section.

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

(3) The appropriations to the department of social and health services in this act shall be expended for the programs and in the amounts specified in this act.

{+ NEW SECTION. +} Sec. 202. FOR THE DEPARTMENT OF SOCIAL AND HEALTH SERVICES--CHILDREN AND FAMILY SERVICES PROGRAM

General Fund--State Appropriation (FY 2002).	227,442,000
General Fund--State Appropriation (FY 2003).	241,302,000
General Fund--Federal Appropriation.	357,314,000
General Fund--Private/Local Appropriation.	400,000
Violence Reduction and Drug Enforcement Account-- State Appropriation.	4,196,000
Public Safety and Education Account-- State Appropriation.	937,000
TOTAL APPROPRIATION	831,591,000

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

(1) \$2,237,000 of the fiscal year 2002 general fund--state appropriation, \$2,288,000 of the fiscal year 2003 general fund--state appropriation, and \$1,590,000 of the general fund--federal appropriation are provided solely for the category of services titled "intensive family preservation services."

(2) \$685,000 of the general fund--state fiscal year 2002 appropriation and \$701,000 of the general fund--state fiscal year 2003 appropriation are provided to contract for the operation of one pediatric interim care facility. The facility shall provide residential care for up to thirteen children through two years of age. Seventy-five percent of the children served by the facility must be in need of special care as a result of substance abuse by their mothers. The facility shall also provide on-site training to biological, adoptive, or foster parents. The facility shall provide at least three months of consultation and support to parents accepting placement of children from the facility. The facility may recruit new and current foster and adoptive parents for infants served by the facility. The department shall not require case management as a condition of the contract.

(3) \$524,000 of the general fund--state fiscal year 2002 appropriation and \$536,000 of the general fund--state fiscal year 2003 appropriation are provided for up to three nonfacility-based programs for the training, consultation, support, and recruitment of biological, foster, and adoptive parents of children through age three in need of special care as a result of substance abuse by their mothers, except that each program may serve up to three medically fragile nonsubstance-abuse-affected children. In selecting nonfacility-based programs, preference shall be given to programs whose federal or private funding sources have expired or that have successfully performed under the existing pediatric interim care program.

(4) \$1,260,000 of the fiscal year 2002 general fund--state appropriation, \$1,248,000 of the fiscal year 2003 general fund--state appropriation, and \$4,196,000 of the violence reduction and drug enforcement account appropriation are provided solely for the family policy council and community public health and safety networks. The funding level for the family policy council and community public health and safety networks represents a 25 percent reduction below the funding level for the 1999-2001 biennium. Funding levels shall be reduced 25 percent for both the family policy council and network grants. Reductions to network grants shall be allocated so as to maintain current funding levels, to the greatest extent possible, for projects with the strongest evidence of positive outcomes and for networks with substantial compliance with contracts for network grants.

(5) \$2,215,000 of the fiscal year 2002 general fund--state appropriation, \$4,394,000 of the fiscal year 2003 general fund--state appropriation, and \$5,604,000 of the general fund--federal appropriation are provided solely for reducing the average caseload level per case-carrying social worker. Average caseload reductions are intended to increase the amount of time social workers spend in direct contact with the children, families, and foster parents involved with their open cases. The department shall use some of the funds provided in several local offices to increase staff that support case-carrying social workers in ways that will allow social workers to increase direct contact time with children, families, and foster parents. To achieve the goal of reaching an average caseload ratio of 1:24 by the end of fiscal year 2003, the department shall develop a plan for redeploying 30 FTEs to case-carrying social worker and support positions from other areas in the children and family services budget. The FTE redeployment plan shall be submitted to the fiscal committees of the legislature by December 1, 2001.

(6) \$1,200,000 of the fiscal year 2002 general fund--state appropriation and \$1,200,000 of the fiscal year 2003 general fund--state appropriation are provided solely for increasing foster parent respite care services that improve the retention of foster parents and increase the stability of foster placements. The department shall report quarterly to the appropriate committees of the legislature

progress against appropriate baseline measures for foster parent retention and stability of foster placements.

(7) \$1,050,000 of the general fund--federal appropriation is provided solely for increasing kinship care placements for children who otherwise would likely be placed in foster care. These funds shall be used for extraordinary costs incurred by relatives at the time of placement, or for extraordinary costs incurred by relatives after placement if such costs would likely cause a disruption in the kinship care placement. \$50,000 of the funds provided shall be contracted to the Washington institute for public policy to conduct a study of kinship care placements. The study shall examine the prevalence and needs of families who are raising related children and shall compare services and policies of Washington state with other states that have a higher rate of kinship care placements in lieu of foster care placements. The study shall identify possible changes in services and policies that are likely to increase appropriate kinship care placements.

(8) \$3,033,000 of the fiscal year 2002 general fund--state appropriation, \$6,567,000 of the fiscal year 2003 general fund--state appropriation, and \$3,999,000 of the general fund--federal appropriation are provided solely for increases in the cost per case for foster care and adoption support. Within these amounts the department shall increase the basic rate for foster care to an average of \$415 per month on July 1, 2001, and to an average of \$425 per month on July 1, 2002. The department shall use the remaining funds provided in this subsection to pay for increases in the cost per case for foster care and adoption support. The department shall seek to control rate increases and reimbursement decisions for foster care and adoption support cases such that the cost per case for family foster care, group care, receiving homes, and adoption support does not exceed the amount assumed in the projected caseload expenditures plus the amounts provided in this subsection.

{+ NEW SECTION. +} Sec. 203. FOR THE DEPARTMENT OF SOCIAL AND HEALTH SERVICES--JUVENILE REHABILITATION PROGRAM

(1) COMMUNITY SERVICES

General Fund--State Appropriation (FY 2002). . . .	\$	35,887,000
General Fund--State Appropriation (FY 2003). . . .	\$	37,109,000
General Fund--Federal Appropriation.	\$	14,612,000
General Fund--Private/Local Appropriation.	\$	380,000
Juvenile Accountability Incentive		
Account--Federal Appropriation	\$	9,361,000
Public Safety and Education		
Account--State Appropriation	\$	6,196,000
Violence Reduction and Drug Enforcement Account--		
State Appropriation.	\$	21,972,000
TOTAL APPROPRIATION	\$	125,517,000

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

(a) \$686,000 of the violence reduction and drug enforcement account appropriation is provided solely for deposit in the county criminal justice assistance account for costs to the criminal justice system associated with the implementation of chapter 338, Laws of 1997 (juvenile code revisions). The amounts provided in this subsection are intended to provide funding for county adult court costs associated with the implementation of chapter 338, Laws of 1997 and shall be distributed in accordance with RCW 82.14.310.

(b) \$5,980,000 of the violence reduction and drug enforcement account appropriation is provided solely for the implementation of chapter 338, Laws of 1997 (juvenile code revisions). The amounts

provided in this subsection are intended to provide funding for county impacts associated with the implementation of chapter 338, Laws of 1997 and shall be distributed to counties as prescribed in the current consolidated juvenile services (CJS) formula.

(c) \$1,161,000 of the general fund--state appropriation for fiscal year 2002, \$1,162,000 of the general fund--state appropriation for fiscal year 2003, and \$5,190,000 of the violence reduction and drug enforcement account appropriation are provided solely to implement community juvenile accountability grants pursuant to chapter 338, Laws of 1997 (juvenile code revisions). Funds provided in this subsection may be used solely for community juvenile accountability grants, administration of the grants, and evaluations of programs funded by the grants.

(d) \$2,515,000 of the violence reduction and drug enforcement account appropriation is provided solely to implement alcohol and substance abuse treatment programs for locally committed offenders. The juvenile rehabilitation administration shall award these moneys on a competitive basis to counties that submitted a plan for the provision of services approved by the division of alcohol and substance abuse. The juvenile rehabilitation administration shall develop criteria for evaluation of plans submitted and a timeline for awarding funding and shall assist counties in creating and submitting plans for evaluation.

(e) \$100,000 of the general fund--state appropriation for fiscal year 2002 and \$100,000 of the general fund--state appropriation for fiscal year 2003 are provided solely for juvenile rehabilitation administration to contract with the institute for public policy for responsibilities assigned in chapter 338, Laws of 1997 (juvenile code revisions).

(f) \$100,000 of the general fund--state appropriation for fiscal year 2002 and \$100,000 of the general fund--state appropriation for fiscal year 2003 are provided solely for a contract for expanded services of the teamchild project.

(g) \$423,000 of the general fund--state appropriation for fiscal year 2002, \$924,000 of the general fund--state appropriation for fiscal year 2003, \$174,000 of the general fund--federal appropriation, \$196,000 of the public safety and education assistance account appropriation, and \$691,000 of the violence reduction and drug enforcement account appropriation are provided solely to increase payment rates for contracted service providers. It is the legislature's intent that these amounts be used primarily to increase compensation for persons employed in direct, front-line service delivery.

(h) \$16,000 of the general fund--state appropriation for fiscal year 2002 and \$16,000 of the general fund--state appropriation for fiscal year 2003 are provided solely for the implementation of chapter 167, Laws of 1999 (firearms on school property). The amounts provided in this subsection are intended to provide funding for county impacts associated with the implementation of chapter 167, Laws of 1999, and shall be distributed to counties as prescribed in the current consolidated juvenile services (CJS) formula.

(i) \$3,441,000 of the general fund--state appropriation for fiscal year 2002 and \$3,441,000 of the general fund--state appropriation for fiscal year 2003 are provided solely for distribution to county juvenile court administrators to fund the costs of processing truancy, children in need of services, and at-risk youth petitions. The department shall not retain any portion of these funds to cover administrative or any other departmental costs. The department, in conjunction with the juvenile court administrators, shall develop an equitable funding distribution formula. The formula shall neither reward counties with higher than average per-petition processing costs nor shall it penalize counties with lower than average per-petition

processing costs.

(j) \$6,000,000 of the public safety and education account--state appropriation is provided solely for distribution to county juvenile court administrators to fund the costs of processing truancy, children in need of services, and at-risk youth petitions. To the extent that distributions made under (i) and (j) of this subsection and pursuant to section 801 of this act exceed actual costs of processing truancy, children in need of services, and at-risk youth petitions, the department, in consultation with the respective juvenile court administrator and the county, may approve expenditure of funds provided in this subsection on other costs of the civil or criminal justice system. When this occurs, the department shall notify the office of financial management and the legislative fiscal committees. The department shall not retain any portion of these funds to cover administrative or any other departmental costs. The department, in conjunction with the juvenile court administrators, shall develop an equitable funding distribution formula. The formula shall neither reward counties with higher than average per-petition processing costs nor shall it penalize counties with lower than average per-petition processing costs.

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

(l) Each quarter during the 2001-03 fiscal biennium, each county shall report the number of petitions processed and the total actual costs of processing the petitions in each of the following categories: Truancy, children in need of services, and at-risk youth. Counties shall submit the reports to the department no later than 45 days after the end of the quarter. The department shall forward this information to the chair and ranking minority member of the house of representatives appropriations committee and the senate ways and means committee no later than 60 days after a quarter ends. These reports are deemed informational in nature and are not for the purpose of distributing funds.

(m) \$1,692,000 of the juvenile accountability incentive account--federal appropriation is provided solely for the continued implementation of a pilot program to provide for postrelease planning and treatment of juvenile offenders with co-occurring disorders.

(o) \$31,000 of the violence reduction and drug enforcement account appropriation is provided solely for the evaluation of the juvenile offender co-occurring disorder pilot program implemented pursuant to (m) of this subsection.

(p) \$900,000 of the general fund--state appropriation for fiscal year 2002 and \$900,000 of the general fund--state appropriation for fiscal year 2003 are provided solely for the continued implementation of the juvenile violence prevention grant program established in section 204, chapter 309, Laws of 1999.

(q) \$33,000 of the general fund--state appropriation for fiscal year 2002 and \$29,000 of the general fund--state appropriation for fiscal year 2003 are provided solely for the implementation of Senate Bill No. 5454 (juvenile offender basic training). If the bill is not enacted by June 30, 2001, the amounts provided in this subsection shall lapse.

(r) \$13,000 of the general fund--state appropriation for fiscal year 2002 and \$26,000 of the general fund--state appropriation for fiscal year 2003 are provided solely for the implementation of Senate Bill No. 5468 (chemical dependency). If the bill is not enacted by June 30, 2001, the amounts provided in this subsection shall lapse.

(2) INSTITUTIONAL SERVICES

General Fund--State Appropriation (FY 2002). . . .	\$ 48,309,000
General Fund--State Appropriation (FY 2003). . . .	\$ 50,383,000
General Fund--Federal Appropriation.	\$ 14,000
General Fund--Private/Local Appropriation. . . .	\$ 740,000
Violence Reduction and Drug Enforcement Account-- State Appropriation.	\$ 15,280,000
TOTAL APPROPRIATION	\$ 114,726,000

The appropriations in this subsection are subject to the following conditions and limitations: \$40,000 of the general fund--state appropriation for fiscal year 2002 and \$84,000 of the general fund--state appropriation for fiscal year 2003 are provided solely to increase payment rates for contracted service providers. It is the legislature's intent that these amounts be used primarily to increase compensation for persons employed in direct, front-line service delivery.

(3) PROGRAM SUPPORT

General Fund--State Appropriation (FY 2002). . . .	\$ 1,747,000
General Fund--State Appropriation (FY 2003). . . .	\$ 1,773,000
General Fund--Federal Appropriation.	\$ 314,000
Juvenile Accountability Incentive Account--Federal Appropriation.	\$ 1,100,000
Violence Reduction and Drug Enforcement Account-- State Appropriation.	\$ 421,000
TOTAL APPROPRIATION	\$ 5,355,000

{+ NEW SECTION. +} Sec. 204. FOR THE DEPARTMENT OF SOCIAL AND HEALTH SERVICES--MENTAL HEALTH PROGRAM

(1) COMMUNITY SERVICES/REGIONAL SUPPORT NETWORKS

General Fund--State Appropriation (FY 2002). . . .	\$ 190,789,000
General Fund--State Appropriation (FY 2003). . . .	\$ 195,184,000
General Fund--Federal Appropriation.	\$ 340,471,000
General Fund--Local Appropriation.	\$ 5,733,000
Health Services Account Appropriation.	\$ 2,450,000
TOTAL APPROPRIATION	\$ 734,627,000

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

(a) Regional support networks shall use portions of the general fund--state appropriation for implementation of working agreements with the vocational rehabilitation program which will maximize the use of federal funding for vocational programs.

(b) From the general fund--state appropriations in this subsection, the secretary of social and health services shall assure that regional support networks reimburse the aging and adult services program for the general fund--state cost of medicaid personal care services that enrolled regional support network consumers use because of their psychiatric disability.

(c) \$388,000 of the general fund--state appropriation for fiscal year 2002, \$1,927,000 of the general fund--state appropriation for fiscal year 2003, and \$2,349,000 of the general fund--federal appropriation are provided solely for development and operation of community residential and support services for persons who would otherwise be served in the state psychiatric hospitals. In the event that enough patients are not transitioned or diverted from the state hospitals to close at least two hospital wards by July 2002, and two additional wards by April 2003, a proportional share of these funds shall be transferred to the appropriations in subsection (2) of this section to support continued care of the patients in the state

hospitals. Primary responsibility and accountability for provision of appropriate community support for persons who would otherwise require long-term state hospital care shall reside with the mental health program and the regional support networks, with partnership and active support from the alcohol and substance abuse and from the aging and adult services programs. The department shall negotiate performance-based incentive contracts with those regional support networks which have the most viable plans for providing appropriate community support services for significant numbers of persons from their area who would otherwise be served in the state hospitals. The funds appropriated in this subsection shall be allocated to regional support networks in accordance with the incentive payment provisions of Substitute Senate Bill No. 5583, rather than according to the standard allocation formula applied in accordance with RCW 71.24.035(13)(a).

(d) At least \$1,000,000 of the federal block grant funding appropriated in this subsection shall be used for (i) initial development, training, and operation of the community support teams which will work with long-term state hospital residents prior and subsequent to their return to the community; and (ii) development of support strategies which will reduce the unnecessary and excessive use of state and local hospitals for short-term crisis stabilization services. Such strategies may include training and technical assistance to community long-term care and substance abuse providers; the development of diversion beds and stabilization support teams; examination of state hospital policies regarding admissions; and the development of new contractual standards to assure that the statutory requirement that 85 percent of short-term detentions be managed locally is being fulfilled. The department shall report to the fiscal and policy committees of the legislature on the results of these efforts by November 1, 2001, and again by November 1, 2002.

(e) The department is authorized to implement a new formula for allocating available resources among the regional support networks. The distribution formula shall use the number of persons eligible for the state medical programs funded under chapter 74.09 RCW as the primary measure of the population factors which are to be considered in accordance with RCW 71.24.035(13)(a). The new formula shall be phased in over a period of no less than four years. Furthermore, the department shall increase the medicaid capitation rates which a regional support network would otherwise receive under the formula by an amount sufficient to assure that total funding allocated to the regional support network in fiscal year 2002 increases by up to 2.1 percent over the amount actually paid to that regional support network in fiscal year 2001, and by up to an additional 2.3 percent in fiscal year 2003, if total funding to the regional support network would otherwise increase by less than those percentages under the new formula, and provided that the nonfederal share of the higher medicaid payment rate is provided by the regional support network from local funds.

(f) Within funds appropriated in this subsection, the department shall contract with the Clark county regional support network for development and operation of a project demonstrating collaborative methods for providing intensive mental health services in the school setting for severely emotionally disturbed children who are medicaid eligible. Project services are to be delivered by teachers and teaching assistants who qualify as, or who are under the supervision of, mental health professionals meeting the requirements of chapter 275-57 WAC. The department shall increase medicaid payments to the regional support network by the amount necessary to cover the necessary and allowable costs of the demonstration, not to exceed the upper payment limit specified for the regional support network in the department's medicaid waiver agreement with the federal government

after meeting all other medicaid spending requirements assumed in this subsection. The regional support network shall provide the department with (i) periodic reports on project service levels, methods, and outcomes; and (ii) an intergovernmental transfer equal to the state share of the increased medicaid payment provided for operation of this project.

(g) The health services account appropriation is provided solely for implementation of strategies which the department and the affected regional support networks conclude will best assure continued availability of community-based inpatient psychiatric services in all areas of the state. Such strategies may include, but are not limited to, emergency contracts for continued operation of inpatient facilities otherwise at risk of closure because of demonstrated uncompensated care; start-up grants for development of evaluation and treatment facilities; and increases in the rate paid for inpatient psychiatric services for medically indigent and/or general assistance for the unemployed patients. The funds provided in this subsection must be: (i) Prioritized for use in those areas of the state which are at greatest risk of lacking sufficient inpatient psychiatric treatment capacity, rather than being distributed on a formula basis; (ii) prioritized for use by those hospitals which do not receive low-income disproportionate share hospital payments as of the date of application for funding; and (iii) matched on a one-quarter local, three-quarters state basis by funding from the regional support network or networks in the area in which the funds are expended. The funds provided in this subsection shall not be considered "available resources" as defined in RCW 71.24.025 and are not subject to the distribution formula established pursuant to RCW 71.24.035.

(2) INSTITUTIONAL SERVICES

General Fund--State Appropriation (FY 2002). . . . \$	83,964,000
General Fund--State Appropriation (FY 2003). . . . \$	81,377,000
General Fund--Federal Appropriation. \$	138,694,000
General Fund--Private/Local Appropriation. \$	29,289,000
TOTAL APPROPRIATION \$	333,324,000

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

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

(b) The mental health program at Western state hospital shall continue to use labor provided by the Tacoma prerelease program of the department of corrections.

(c) The department shall seek to reduce the census of the two state psychiatric hospitals by 120 beds by April 2003 by arranging and providing community residential, mental health, and other support services for long-term state hospital patients whose treatment needs would be better served by a community placement. No such patient is to move from the hospital until a team of community professionals has become familiar with the person and their treatment plan; assessed their strengths, preferences, and needs; arranged a safe, clinically-appropriate, and stable place for them to live; assured that other needed medical, behavioral, and social services are in place; and is contracted to monitor the person's progress on an ongoing basis. The department and the regional support networks shall endeavor to assure that hospital patients are able to return to their area of origin, and that placements are not concentrated in proximity to the hospitals.

(d) The department shall develop and implement a transition plan for state employees dislocated by the reduction in state hospital population. The plan shall be tailored to the situations of individual

workers and shall include strategies such as individual employment counseling through the departments of personnel and employment security; retraining and placement into other state jobs; assignment of state employees to private contractors; and assistance establishing private community services programs.

(e) For each month subsequent to the month in which a state hospital bed has been closed in accordance with (c) of this subsection, the mental health program shall transfer to the medical assistance program state funds equal to the state share of the monthly per capita expenditure amount estimated for categorically needy-disabled persons in the most recent forecast of medical assistance expenditures.

(f) The department shall report to the appropriate committees of the legislature by November 1, 2001, and by November 1, 2002, on its plans for and progress toward achieving the objectives set forth in (c) and (d) of this subsection.

(3) CIVIL COMMITMENT

General Fund--State Appropriation (FY 2002). . . .	\$	17,586,000
General Fund--State Appropriation (FY 2003). . . .	\$	19,241,000
TOTAL APPROPRIATION	\$	36,827,000

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

(a) \$1,049,000 of the general fund--state appropriation for fiscal year 2002 and \$1,592,000 of the general fund--state appropriation for fiscal year 2003 are provided solely for operational costs associated with a less restrictive step-down placement facility on McNeil Island.

(b) By October 1, 2001, the department shall report to the office of financial management and the fiscal committees of the house of representatives and senate detailing information on plans for increasing the efficiency of staffing patterns at the new civil commitment center facility being constructed on McNeil Island.

(c) Funding provided in this subsection is sufficient to implement Senate Bill No. 6151 (high risk sex offenders in the civil commitment and criminal justice systems).

(4) SPECIAL PROJECTS

General Fund--State Appropriation (FY 2002). . . .	\$	444,000
General Fund--State Appropriation (FY 2003). . . .	\$	443,000
General Fund--Federal Appropriation.	\$	2,082,000
TOTAL APPROPRIATION	\$	2,969,000

(5) PROGRAM SUPPORT

General Fund--State Appropriation (FY 2002). . . .	\$	2,811,000
General Fund--State Appropriation (FY 2003). . . .	\$	2,855,000
General Fund--Federal Appropriation.	\$	5,110,000
TOTAL APPROPRIATION	\$	10,776,000

The appropriations in this subsection are subject to the following conditions and limitations: \$100,000 of the general fund--state appropriation for fiscal year 2002, \$100,000 of the general fund--state appropriation for fiscal year 2003, and \$126,000 of the general fund--federal appropriation are provided solely for the institute for public policy to evaluate the impacts of chapter 214, Laws of 1999 (mentally ill offenders) and chapter 297, Laws of 1998 (commitment of mentally ill persons).

{+ NEW SECTION. +} Sec. 205. FOR THE DEPARTMENT OF SOCIAL AND HEALTH SERVICES--DEVELOPMENTAL DISABILITIES PROGRAM

(1) COMMUNITY SERVICES

General Fund--State Appropriation (FY 2002). . . .	\$	231,750,000
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General Fund--State Appropriation (FY 2003). . . .	\$	243,151,000
General Fund--Federal Appropriation.	\$	397,095,000
Health Services Account--State Appropriation . . .	\$	741,000
TOTAL APPROPRIATION	\$	872,737,000

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

(a) The health services account appropriation and \$753,000 of the general fund--federal appropriation are provided solely for health care benefits for home care workers with family incomes below 200 percent of the federal poverty level who are employed through state contracts for twenty hours per week or more. Premium payments for individual provider home care workers shall be made only to the subsidized basic health plan. Home care agencies may obtain coverage either through the basic health plan or through an alternative plan with substantially equivalent benefits.

(b) \$902,000 of the general fund--state appropriation for fiscal year 2002, \$3,372,000 of the general fund--state appropriation for fiscal year 2003, and \$4,056,000 of the general fund--federal appropriation are provided solely for community services for residents of residential habilitation centers (RHCs) who are able to be adequately cared for in community settings and who choose to live in those community settings. The department shall ensure that the average cost per day for all program services other than start-up costs shall not exceed \$280. If the number and timing of residents choosing to move into community settings is not sufficient to achieve the RHC cottage consolidation plan assumed in the appropriations in subsection (2) of this section, the department shall transfer sufficient appropriations from this subsection to subsection (2) of this section to cover the added costs incurred in the RHCs. The department shall report to the appropriate committees of the legislature, within 45 days following each fiscal year quarter, the number of residents moving into community settings and the actual expenditures for all community services to support those residents.

(c) \$1,440,000 of the general fund--state appropriation for fiscal year 2002, \$3,041,000 of the general fund--state appropriation for fiscal year 2003, and \$4,311,000 of the general fund--federal appropriation are provided solely for expanded community services for persons with developmental disabilities who also have community protection issues or are diverted or discharged from state psychiatric hospitals. The department shall ensure that the average cost per day for all program services other than start-up costs shall not exceed \$275. The department shall report to the appropriate committees of the legislature, within 45 days following each fiscal year quarter, the number of persons served with these additional community services, where they were residing, what kinds of services they were receiving prior to placement, and the actual expenditures for all community services to support these clients.

(d) \$1,005,000 of the general fund--state appropriation for fiscal year 2002, \$2,262,000 of the general fund--state appropriation for fiscal year 2003, and \$2,588,000 of the general fund--federal appropriation are provided solely for increasing case/resource management resources to improve oversight and quality of care for persons enrolled in the medicaid home and community services waiver for persons with developmental disabilities. The department shall not increase enrollment in the waiver except for increases assumed in additional funding provided in subsections (b) and (c) of this section.

(e) \$1,000,000 of the general fund--state appropriation for fiscal year 2002 and \$1,000,000 of the general fund--state appropriation for fiscal year 2003 are provided solely for employment, or other day activities and training programs, for young adults with developmental

disabilities who complete their high school curriculum in 2001 or 2002. These services are intended to assist with the transition to work and more independent living. Funding shall be used to the greatest extent possible for vocational rehabilitation services matched with federal funding. In recent years, the state general fund appropriation for employment and day programs has been underspent. These surpluses, built into the carry forward level budget, shall be redeployed for high school transition services.

(f) \$500,000 of the general fund--state appropriation for fiscal year 2002 and \$500,000 of the general fund--state appropriation for fiscal year 2003 are provided solely to expand access to family support for families below 150 percent of state median family income. This amount will provide family support services to an additional 380 families per year. This expanded family support capacity shall not be funded through the medicaid waiver. The department shall report to the fiscal committees of the legislature by December 1, 2001, recommendations for the design of a family support waiver. Recommendations shall include ways to expand access to family support while clarifying and distinguishing eligibility criteria for the existing medicaid waiver.

(g) \$369,000 of the fiscal year 2002 general fund--state appropriation and \$369,000 of the fiscal year 2003 general fund--state appropriation are provided solely for continuation of the autism pilot project started in 1999.

(h) \$50,000 of the fiscal year 2002 general fund--state appropriation and \$50,000 of the fiscal year 2003 general fund--state appropriation are provided solely for increasing the contract amount for the southwest Washington deaf and hard of hearing services center due to increased workload.

(i) \$4,049,000 of the general fund--state appropriation for fiscal year 2002, \$1,734,000 of the general fund--state appropriation for fiscal year 2003, and \$5,369,000 of the general fund--federal appropriation are provided solely to increase compensation by an average of fifty cents per hour for low-wage workers providing state-funded services to persons with developmental disabilities. These funds, along with funding provided for vendor rate increases, are sufficient to raise wages an average of fifty cents and cover the employer share of unemployment and social security taxes on the amount of the wage increase. In consultation with the statewide associations representing such agencies, the department shall establish a mechanism for testing the extent to which funds have been used for this purpose, and report the results to the fiscal committees of the legislature by February 1, 2002.

(2) INSTITUTIONAL SERVICES

General Fund--State Appropriation (FY 2002). . . . \$	71,946,000
General Fund--State Appropriation (FY 2003). . . . \$	69,303,000
General Fund--Federal Appropriation. \$	145,610,000
General Fund--Private/Local Appropriation. \$	10,230,000
TOTAL APPROPRIATION \$	297,089,000

(3) PROGRAM SUPPORT

General Fund--State Appropriation (FY 2002). . . . \$	2,756,000
General Fund--State Appropriation (FY 2003). . . . \$	2,779,000
General Fund--Federal Appropriation. \$	2,077,000
TOTAL APPROPRIATION \$	7,612,000

(4) SPECIAL PROJECTS

General Fund--Federal Appropriation. \$	11,995,000
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{+ NEW SECTION. +} Sec. 206. FOR THE DEPARTMENT OF SOCIAL AND

HEALTH SERVICES--AGING AND ADULT SERVICES PROGRAM

General Fund--State Appropriation (FY 2002). . . .	.\$	518,037,000
General Fund--State Appropriation (FY 2003). . . .	.\$	529,342,000
General Fund--Federal Appropriation. . . . .	.\$	1,068,952,000
General Fund--Private/Local Appropriation. . . . .	.\$	4,324,000
Health Services Account--State Appropriation . . . .	.\$	4,523,000
TOTAL APPROPRIATION . . . . .	.\$	2,125,178,000

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

(1) The entire health services account appropriation, \$1,210,000 of the general fund--state appropriation for fiscal year 2002, \$1,423,000 of the general fund--state appropriation for fiscal year 2003, and \$6,794,000 of the general fund--federal appropriation are provided solely for health care benefits for home care workers who are employed through state contracts for at least twenty hours per week. Premium payments for individual provider home care workers shall be made only to the subsidized basic health plan, and only for persons with incomes below 200 percent of the federal poverty level. Home care agencies may obtain coverage either through the basic health plan or through an alternative plan with substantially equivalent benefits.

(2) \$1,710,000 of the general fund--state appropriation for fiscal year 2002 and \$1,752,000 of the general fund--state appropriation for fiscal year 2003, plus the associated vendor rate increase for each year, are provided solely for operation of the volunteer chore services program.

(3) For purposes of implementing chapter 74.46 RCW, the weighted average nursing facility payment rate for fiscal year 2002 shall be no more than \$12.23 for the capital portion of the rate and no more than \$115.29 for the noncapital portion of the rate. For fiscal year 2003, the weighted average nursing facility payment rate shall be no more than \$12.90 for the capital portion of the rate and no more than \$117.45 for the noncapital portion of the rate.

(4) Adult day health services shall not be considered a duplication of services for persons receiving care in long-term care settings licensed under chapter 18.20, 72.36, or 70.128 RCW.

(5) Within funds appropriated in this section, the aging and adult services program shall coordinate with and actively support the efforts of the mental health program and of the regional support networks to provide stable community living arrangements for persons with dementia and traumatic brain injuries who have been long-term residents of the state psychiatric hospitals. The aging and adult services program shall report to the health care and fiscal committees of the legislature by November 1, 2001, and by November 1, 2002, on the actions it has taken to achieve this objective.

(6) Within funds appropriated in this section, the aging and adult services program shall devise and implement strategies in partnership with the mental health program and the regional support networks to reduce the use of state and local psychiatric hospitals for the short-term stabilization of persons with dementia and traumatic brain injuries. Such strategies may include training and technical assistance to help long-term care providers avoid and manage behaviors which might otherwise result in psychiatric hospitalizations; monitoring long-term care facilities to assure residents are receiving appropriate mental health care and are not being inappropriately medicated or hospitalized; the development of diversion beds and stabilization support teams; and the establishment of systems to track the use of psychiatric hospitals by long-term care providers. The aging and adult services program shall report to the health care and fiscal committees of the legislature by November 1, 2001, and by November 1, 2002, on the actions it has taken to achieve this

objective.

(7) In accordance with Substitute House Bill No. 1341, the department may implement two medicaid waiver programs for persons who do not qualify for such services as categorically needy, subject to federal approval and the following conditions and limitations:

(a) One waiver program shall include coverage of home-based services, and the second shall include coverage of care in community residential facilities. Enrollment in the waiver covering home-based services shall not exceed 150 persons by the end of fiscal year 2002, nor 200 persons by the end of fiscal year 2003. Enrollment in the waiver covering community residential services shall not exceed 500 persons by the end of fiscal year 2002, nor 900 persons by the end of fiscal year 2003.

(b) For each month of waiver service delivered to a person who was not covered by medicaid prior to their enrollment in the waiver, the aging and adult services program shall transfer to the medical assistance program state and federal funds equal to the monthly per capita expenditure amount, net of drug rebates, estimated for medically needy-aged persons in the most recent forecast of medical assistance expenditures.

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

(d) The department shall track and report to health care and fiscal committees of the legislature by November 15, 2002, on the types of long-term care support a sample of waiver participants were receiving prior to their enrollment in the waiver, how those services were being paid for, and an assessment of their adequacy.

(8) \$50,000 of the general fund--state appropriation for fiscal year 2002 and \$50,000 of the general fund--state appropriation for fiscal year 2003 are provided solely for payments to any nursing facility licensed under chapter 18.51 RCW which meets all of the following criteria: (a) The nursing home entered into an arm's length agreement for a facility lease prior to January 1, 1980; (b) the lessee purchased the leased nursing home after January 1, 1980; and (c) the lessor defaulted on its loan or mortgage for the assets of the home after January 1, 1991, and prior to January 1, 1992. Payments provided pursuant to this subsection shall not be subject to the settlement, audit, or rate-setting requirements contained in chapter 74.46 RCW.

(9) \$364,000 of the general fund--state appropriation for fiscal year 2002, \$364,000 of the general fund--state appropriation for fiscal year 2003, and \$740,000 of the general fund--federal appropriation are provided solely for payment of exceptional care rates so that persons with Alzheimer's disease and related dementias who might otherwise require nursing home or state hospital care can instead be served in boarding home-licensed facilities which specialize in the care of such conditions.

(10) From funds appropriated in this section, the department shall increase compensation for individual and for agency home care providers. Payments to individual home care providers are to be increased from \$7.18 per hour to \$7.68 per hour on July 1, 2001. Payments to agency providers are to be increased to \$13.29 per hour on July 1, 2001, and to \$13.42 per hour on July 1, 2002. All but 17 cents per hour of the July 1, 2001, increase to agency providers is to be used to increase wages for direct care workers. The appropriations in this section also include the funds needed for the employer share of unemployment and social security taxes on the amount of the wage increase required by this subsection.

(11) \$2,507,000 of the general fund--state appropriation for fiscal year 2002, \$2,595,000 of the general fund--state appropriation for fiscal year 2003, and \$5,100,000 of the general fund--federal

appropriation are provided solely to increase compensation by an average of fifty cents per hour for low-wage workers in agencies which contract with the state to provide community residential services for persons with functional disabilities. In consultation with the statewide associations representing such agencies, the department shall establish a mechanism for testing the extent to which funds have been used for this purpose, and report the results to the fiscal committees of the legislature by February 1, 2002. The amounts in this subsection also include the funds needed for the employer share of unemployment and social security taxes on the amount of the wage increase.

(12) \$2,945,000 of the general fund--state appropriation for fiscal year 2002, \$2,948,000 of the general fund--state appropriation for fiscal year 2003, and \$5,915,000 of the general fund--federal appropriation are provided solely to increase compensation by an average of fifty cents per hour for low-wage workers in nursing homes which contract with the state. The department shall adjust the direct care rate which would otherwise be paid to each nursing facility in accordance with chapter 74.46 RCW by an amount sufficient to accomplish this purpose. In consultation with the statewide associations representing nursing facilities, the department shall establish a mechanism for testing the extent to which funds have been used for this purpose, and report the results to the fiscal committees of the legislature by February 1, 2002.

{+ NEW SECTION. +} Sec. 207. FOR THE DEPARTMENT OF SOCIAL AND HEALTH SERVICES--ECONOMIC SERVICES PROGRAM

General Fund--State Appropriation (FY 2002). . . . \$	436,768,000
General Fund--State Appropriation (FY 2003). . . . \$	425,584,000
General Fund--Federal Appropriation. \$	1,356,998,000
General Fund--Private/Local Appropriation. \$	31,788,000
TOTAL APPROPRIATION \$	2,251,138,000

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

(1) \$282,081,000 of the general fund--state appropriation for fiscal year 2002, \$278,277,000 of the general fund--state appropriation for fiscal year 2003, \$1,254,197,000 of the general fund--federal appropriation, and \$29,352,000 of the general fund--local appropriation are provided solely for the WorkFirst program and child support operations. WorkFirst expenditures include TANF grants, diversion services, subsidized child care, employment and training, other WorkFirst related services, allocated field services operating costs, and allocated economic services program administrative costs. Within the amounts provided in this subsection, the department shall:

(a) Continue to implement WorkFirst program improvements that are designed to achieve progress against outcome measures specified in RCW 74.08A.410. Valid outcome measures of job retention and wage progression shall be developed and reported quarterly to appropriate fiscal and policy committees of the legislature for families who leave assistance, measured after 12 months, 24 months, and 36 months. An increased attention to job retention and wage progression is necessary to emphasize the legislature's goal that the WorkFirst program succeed in helping recipients gain long-term economic independence and not cycle on and off public assistance. The wage progression measure shall report the median percentage increase in quarterly earnings and hourly wage after 12 months, 24 months, and 36 months. The wage progression report shall also report the percent with earnings above one hundred percent and two hundred percent of the federal poverty level. The report shall compare former WorkFirst participants with similar workers who did not participate in WorkFirst. The department shall also report the percentage of families who have returned to temporary assistance

for needy families after 12 months, 24 months, and 36 months.

(b) Develop informational materials that educate families about the difference between cash assistance and work support benefits. These materials must explain, among other facts, that the benefits are designed to support their employment, that there are no time limits on the receipt of work support benefits, and that immigration or residency status will not be affected by the receipt of benefits. These materials shall be posted in all community service offices and distributed to families. Materials must be available in multiple languages. When a family leaves the temporary assistance for needy families program, receives cash diversion assistance, or withdraws a temporary assistance for needy families application, the department of social and health services shall educate them about the difference between cash assistance and work support benefits and offer them the opportunity to begin or to continue receiving work support benefits, so long as they are eligible. The department shall provide this information through in-person interviews, over the telephone, and/or through the mail. Work support benefits include food stamps, medicaid for all family members, medicaid or state children's health insurance program for children, and child care assistance. The department shall report annually to the legislature the number of families who have had exit interviews, been reached successfully by phone, and been sent mail. The report shall also include the percentage of families who elect to continue each of the benefits and the percentage found ineligible by each substantive reason code. A substantive reason code shall not be "other." The report shall identify barriers to informing families about work support benefits and describe existing and future actions to overcome such barriers.

(c) From the amounts provided in this subsection, provide \$50,000 from the general fund--state appropriation for fiscal year 2002 and \$50,000 from the general fund--state appropriation for fiscal year 2003 to the Washington institute for public policy for continuation of the WorkFirst evaluation database.

(d) The department shall submit a report to the appropriate committees of the legislature, by December 1, 2001, showing a spending plan for the WorkFirst program that identifies how spending levels expected in the 2001-2003 biennium shall be adjusted by June 30, 2003, to be sustainable within available federal grant levels and the carry forward level of state funds.

(2) \$48,341,000 of the general fund--state appropriation for fiscal year 2002 and \$48,341,000 of the general fund--state appropriation for fiscal year 2003 are provided solely for cash assistance and other services to recipients in the general assistance--unemployable program. Within these amounts, the department may expend funds for services that assist recipients to reduce their dependence on public assistance, provided that expenditures for these services and cash assistance do not exceed the funds provided.

(3) \$5,632,000 of the general fund--state appropriation for fiscal year 2002 and \$5,632,000 of the general fund--state appropriation for fiscal year 2003 are provided solely for the food assistance program for legal immigrants. The level of benefits shall be equivalent to the benefits provided by the federal food stamp program.

{+ NEW SECTION. +} Sec. 208. FOR THE DEPARTMENT OF SOCIAL AND HEALTH SERVICES--ALCOHOL AND SUBSTANCE ABUSE PROGRAM	
General Fund--State Appropriation (FY 2002). . . .	\$ 38,131,000
General Fund--State Appropriation (FY 2003). . . .	\$ 39,023,000
General Fund--Federal Appropriation.	\$ 90,903,000
General Fund--Private/Local Appropriation.	\$ 723,000
Public Safety and Education Account--State Appropriation.	\$ 11,459,000

Violence Reduction and Drug Enforcement Account--	
State Appropriation	\$ 52,510,000
TOTAL APPROPRIATION	\$ 232,749,000

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

(1) \$1,610,000 of the general fund--state appropriation for fiscal year 2002 and \$1,622,000 of the general fund--state appropriation for fiscal year 2003 are provided solely for expansion of 35 drug and alcohol treatment beds for persons committed under RCW 70.96A.140. Patients meeting the commitment criteria of RCW 70.96A.140 but who voluntarily agree to treatment in lieu of commitment shall also be eligible for treatment in these additional treatment beds. The department shall develop specific placement criteria for these expanded treatment beds to ensure that this new treatment capacity is prioritized for persons incapacitated as a result of chemical dependency and who are also high utilizers of hospital services. These additional treatment beds shall be located in the eastern part of the state.

(2) \$802,000 of the public safety and education account--state appropriation is provided solely for drug courts that have a net loss of federal grant funding from fiscal year 2001 to fiscal year 2002. The legislature finds that drug courts reduce criminal justice costs for both state and local governments. As with prior appropriations for drug courts, this appropriation is intended to cover approximately one-half of the lost federal funding. It is the intent of the legislature to provide state assistance to counties to cover a part of lost federal funding for drug courts for a maximum of three years.

{+ NEW SECTION. +} Sec. 209. FOR THE DEPARTMENT OF SOCIAL AND HEALTH SERVICES--MEDICAL ASSISTANCE PROGRAM	
General Fund--State Appropriation (FY 2002)	\$ 1,034,350,000
General Fund--State Appropriation (FY 2003)	\$ 1,160,763,000
General Fund--Federal Appropriation	\$ 3,225,387,000
General Fund--Private/Local Appropriation	\$ 276,147,000
Emergency Medical Services and Trauma Care Systems	
Trust Account--State Appropriation	\$ 9,200,000
Health Services Account--State Appropriation	\$ 613,581,000
TOTAL APPROPRIATION	\$ 6,319,428,000

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

(1) The department shall continue to extend medicaid eligibility to children through age 18 residing in households with incomes below 200 percent of the federal poverty level.

(2) \$4,008,000 of the health services account appropriation in fiscal year 2002, \$4,009,000 of the health services account appropriation in fiscal year 2003, and \$15,032,000 of the general fund--federal appropriation are provided solely for health insurance coverage for children with family incomes between 200 percent and 250 percent of the federal poverty level.

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

(4) \$512,000 of the health services account appropriation, \$400,000 of the general fund--private/local appropriation, and \$1,676,000 of the general fund--federal appropriation are provided solely for implementation of Second Substitute Senate Bill No. 5820 (breast and cervical cancer treatment). If the bill is not enacted by June 30, 2001, or if private funding is not contributed equivalent to the

general fund--private/local appropriation, the funds appropriated in this subsection shall lapse.

(5) \$800,000 of the health services account appropriation for fiscal year 2002, \$1,600,000 of the health services account appropriation for fiscal year 2003, and \$2,400,000 of the general fund--federal appropriation are provided solely for implementation of a "ticket to work" medicaid buy-in program for working persons with disabilities, operated in accordance with the following conditions:

(a) To be eligible, a working person with a disability must have "countable" income which is less than 250 percent of poverty, after not counting the first \$20 per month of earned or unearned income and half of all earned income in excess of the next \$65 per month;

(b) Participants shall participate in the cost of the program by paying (i) a monthly enrollment fee equal to twenty-five percent of any unearned income in excess of the medicaid medically needy standard; (ii) a monthly premium equal to that charged enrollees in the basic health plan, if combined earned and unearned income is less than 125 percent of poverty; (iii) 2.5 percent of combined earned and unearned income if income is between 125 and 200 percent of poverty; and (iv) 5 percent of combined earned and unearned income if income is over 200 percent of poverty;

(c) The department shall establish more restrictive eligibility standards than specified in this subsection to the extent necessary to operate the program within appropriated funds;

(d) The department may require point-of-service copayments as appropriate, except that copayments shall not be so high as to discourage appropriate service utilization, particularly of prescription drugs needed for the treatment of psychiatric conditions; and

(e) The department shall establish systems for tracking and reporting enrollment and expenditures in this program, and the prior medical assistance eligibility status of new program enrollees. The department shall additionally survey the prior and current employment status and approximate hours worked of program enrollees, and report the results to the fiscal and health care committees of the legislature by January 15, 2003.

(6) From funds appropriated in this section, the department shall design, implement, and evaluate pilot projects to assist individuals with at least three different diseases to improve their health, while reducing total medical expenditures. The projects shall involve (a) identifying persons who are seriously or chronically ill due to a combination of medical, social, and functional problems; and (b) working with the individuals and their care providers to improve adherence to state-of-the-art treatment regimens. The department shall report to the health care and the fiscal committees of the legislature by January 1, 2002, on the particular disease states, intervention protocols, and delivery mechanisms it proposes to test.

(7) The department shall report to the fiscal committees of the legislature by October 1, 2001, on baseline cost recoveries and cost avoidance during fiscal years 2000 and 2001 from activities such as coordination of benefits with other third-party payers; utilization review and prior authorization of service delivery; contract monitoring; and provider audits. The report shall also detail the department's plans and quarterly targets for improving that performance during the 2001-03 biennium with the additional resources provided for that purpose under this act. The department shall report again to the fiscal committees by March 1 and September 1, 2002, and by March 1, 2003, on actual performance relative to the quarterly targets.

(8) Sufficient funds are appropriated in this section for the department to continue full-scope dental coverage and podiatry services for medicaid-eligible adults.

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

(10) \$80,000 of the general fund--state appropriation for fiscal year 2002, \$80,000 of the general fund--state appropriation for fiscal year 2003, and \$160,000 of the general fund--federal appropriation are provided solely for the newborn referral program to provide access and outreach to reduce infant mortality.

(11) \$30,000 of the general fund--state appropriation for fiscal year 2002, \$31,000 of the general fund--state appropriation for fiscal year 2003, and \$62,000 of the general fund--federal appropriation are provided solely for implementation of Substitute Senate Bill No. 6020 (dental sealants). If Substitute Senate Bill No. 6020 is not enacted by June 30, 2001, the amounts provided in this subsection shall lapse.

(12) \$630,000 of the general fund--state appropriation for fiscal year 2002, \$83,000 of the general fund--state appropriation for fiscal year 2003, and \$724,000 of the general fund--federal appropriation are provided solely for implementation of Senate Bill No. 5430 (children's hair prosthetics). If Senate Bill No. 5430 is not enacted by June 30, 2001, the amounts provided in this subsection shall lapse.

(13) In accordance with RCW 74.46.625, \$53,613,000 of the health services account appropriation for fiscal year 2002, \$40,399,000 of the health services account appropriation for fiscal year 2003, and \$95,588,000 of the general fund--federal appropriation are provided solely for supplemental payments to nursing homes operated by rural public hospital districts. The payments shall be conditioned upon (a) a contractual commitment by the association of public hospital districts and participating rural public hospital districts to make an intergovernmental transfer to the state treasurer, for deposit into the health services account, equal to at least 90 percent of the fiscal year 2002 supplemental payments and at least 87 percent of the fiscal year 2003 supplemental payments; and (b) a contractual commitment by the participating districts to not allow expenditures covered by the supplemental payments to be used for medicaid nursing home rate-setting. The participating districts shall retain no more than a total of \$20,000,000 for the 2001-03 biennium.

(14) \$38,690,000 of the health services account appropriation for fiscal year 2002, \$40,189,000 of the health services account appropriation for fiscal year 2003, and \$80,241,000 of the general fund--federal appropriation are provided solely for additional disproportionate share and medicare upper payment limit payments to public hospital districts. The payments shall be conditioned upon a contractual commitment by the participating public hospital districts to make an intergovernmental transfer to the health services account equal to at least 91 percent of the additional payments. At least 28 percent of the amounts retained by the participating hospital districts shall be allocated to the state's teaching hospitals.

(15) Upon approval from the federal health care financing administration, the department shall implement the section 1115 family planning waiver to provide family planning services to men and women with family incomes at or below two hundred percent of the federal poverty level.

{+ NEW SECTION. +} Sec. 210. FOR THE DEPARTMENT OF SOCIAL AND HEALTH SERVICES--VOCATIONAL REHABILITATION PROGRAM	
General Fund--State Appropriation (FY 2002). . . .	\$ 11,350,000
General Fund--State Appropriation (FY 2003). . . .	\$ 9,823,000
General Fund--Federal Appropriation.	\$ 83,804,000
General Fund--Private/Local Appropriation.	\$ 360,000
TOTAL APPROPRIATION	\$ 105,337,000

The appropriations in this section are subject to the following conditions and limitations: The division of vocational rehabilitation shall negotiate cooperative interagency agreements with state and local organizations to improve and expand employment opportunities for people with severe disabilities.

{+ NEW SECTION. +} Sec. 211. FOR THE DEPARTMENT OF SOCIAL AND HEALTH SERVICES--ADMINISTRATION AND SUPPORTING SERVICES PROGRAM

General Fund--State Appropriation (FY 2002). . . . \$	30,592,000
General Fund--State Appropriation (FY 2003). . . . \$	29,576,000
General Fund--Federal Appropriation. \$	50,742,000
General Fund--Private/Local Appropriation. \$	810,000
TOTAL APPROPRIATION \$	111,720,000

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

(1) By November 1, 2001, the secretary shall report to the fiscal committees of the legislature on the actions the secretary has taken, or proposes to take, within current funding levels to resolve the organizational problems identified in the department's February 2001 report to the legislature on current systems for billing third-party payers for services delivered by the state psychiatric hospitals. The secretary is authorized to transfer funds from this section to the mental health program to the extent necessary to achieve the organizational improvements recommended in that report.

(2) By November 1, 2001, the department shall report to the fiscal committees of the legislature with the least costly plan for assuring that billing and accounting technologies in the state psychiatric hospitals adequately and efficiently comply with standards set by third-party payers. The plan shall be developed with participation by and oversight from the office of financial management, the department's information systems services division, and the department of information services.

(3) By September 1, 2001, the department shall report to the fiscal committees of the legislature results from the payment integrity program. The report shall include actual costs recovered and estimated costs avoided for fiscal year 2001. The report shall document criteria and methodology used for determining avoided costs. The department shall provide annual updates to the report to the fiscal committees of the legislature by September 1st of each year for the preceding fiscal year.

{+ NEW SECTION. +} Sec. 212. FOR THE DEPARTMENT OF SOCIAL AND HEALTH SERVICES--PAYMENTS TO OTHER AGENCIES PROGRAM

General Fund--State Appropriation (FY 2002). . . . \$	43,369,000
General Fund--State Appropriation (FY 2003). . . . \$	43,369,000
General Fund--Federal Appropriation. \$	25,476,000
TOTAL APPROPRIATION \$	112,214,000

{+ NEW SECTION. +} Sec. 213. FOR THE STATE HEALTH CARE AUTHORITY

General Fund--State Appropriation (FY 2002). . . . \$	6,655,000
General Fund--State Appropriation (FY 2003). . . . \$	6,654,000
State Health Care Authority Administrative Account--State Appropriation \$	20,160,000
Health Services Account--State Appropriation \$	516,557,000
General Fund--Federal Appropriation. \$	47,214,000
TOTAL APPROPRIATION \$	597,240,000

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

(1) \$6,551,000 of the general fund--state appropriation for fiscal

year 2002 and \$6,550,000 of the general fund--state appropriation for fiscal year 2003 are provided solely for health care services provided through local community clinics.

(2) Within funds appropriated in this section and sections 205 and 206 of this 2001 act, the health care authority shall continue to provide an enhanced basic health plan subsidy option for foster parents licensed under chapter 74.15 RCW and workers in state-funded home care programs. Under this enhanced subsidy option, foster parents and home care workers with family incomes below 200 percent of the federal poverty level shall be allowed to enroll in the basic health plan at a cost of twelve dollars and fifty cents per covered worker per month.

(3) The health care authority shall require organizations and individuals which are paid to deliver basic health plan services and which choose to sponsor enrollment in the subsidized basic health plan to pay the following: (i) A minimum of twenty dollars per enrollee per month for persons below 100 percent of the federal poverty level; and (ii) a minimum of twenty-five dollars per enrollee per month for persons whose family income is 100 percent to 125 percent of the federal poverty level.

(4) \$43,603,000 of the general fund--federal appropriation is provided solely for basic health plan coverage in accordance with a federal waiver, subject to the following terms and conditions: (a) Upon approval of the waiver, the authority shall enter an interagency agreement transferring sufficient amounts of the health services account appropriation to the department of social and health services to support enrollment of all eligible applicants in the state children's health insurance program (SCHIP) without a waiting period; and (b) neither the authority nor the department of social and health services shall commit the state to a waiver agreement which requires the state to modify the basic health plan enrollee copay or copremium schedules in place during plan year 2001.

(5) The health care authority shall solicit information from the United States office of personnel management, health plans, and other relevant sources, regarding the cost of implementation of mental health parity by the federal employees health benefits program in 2001. A progress report shall be provided to the senate and house of representatives fiscal committees by July 1, 2002, and a final report shall be provided to the legislature by November 15, 2002, on the study findings.

{+ NEW SECTION. +} Sec. 214. FOR THE HUMAN RIGHTS COMMISSION	
General Fund--State Appropriation (FY 2002)	. . . . \$ 2,691,000
General Fund--State Appropriation (FY 2003)	. . . . \$ 2,702,000
General Fund--Federal Appropriation	. . . . \$ 1,544,000
General Fund--Private/Local Appropriation	. . . . \$ 100,000
TOTAL APPROPRIATION	. . . . \$ 7,037,000

{+ NEW SECTION. +} Sec. 215. FOR THE BOARD OF INDUSTRIAL INSURANCE APPEALS	
Worker and Community Right-to-Know Account--State Appropriation	. . . . \$ 20,000
Accident Account--State Appropriation	. . . . \$ 14,415,000
Medical Aid Account--State Appropriation	. . . . \$ 14,418,000
TOTAL APPROPRIATION	. . . . \$ 28,853,000

{+ NEW SECTION. +} Sec. 216. FOR THE CRIMINAL JUSTICE TRAINING COMMISSION	
Municipal Criminal Justice Assistance Account--Local Appropriation	. . . . \$ 460,000
Death Investigations Account--State Appropriation	. . . . \$ 148,000

Public Safety and Education Account--State	
Appropriation.	\$ 17,617,000
TOTAL APPROPRIATION	\$ 18,225,000

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

(1) \$124,000 of the public safety and education account appropriation is provided solely to allow the Washington association of sheriffs and police chiefs to increase the technical and training support provided to the local criminal justice agencies on the new incident-based reporting system and the national incident-based reporting system.

(2) \$136,000 of the public safety and education account appropriation is provided solely to allow the Washington association of prosecuting attorneys to enhance the training provided to criminal justice personnel.

(3) \$22,000 of the public safety and education account appropriation is provided solely to increase payment rates for the criminal justice training commission's contracted food service provider.

(4) \$31,000 of the public safety and education account appropriation is provided solely to increase payment rates for the criminal justice training commission's contract with the Washington association of sheriffs and police chiefs.

(5) \$65,000 of the public safety and education account appropriation is provided solely for regionalized training programs for school district and local law enforcement officials on school safety issues.

{+ NEW SECTION. +} Sec. 217. FOR THE DEPARTMENT OF LABOR AND INDUSTRIES	
General Fund--State Appropriation (FY 2002).	\$ 7,898,000
General Fund--State Appropriation (FY 2003).	\$ 7,827,000
General Fund--Federal Appropriation.	\$ 1,250,000
Public Safety and Education Account--State	
Appropriation.	\$ 19,497,000
Public Safety and Education Account--Federal	
Appropriation.	\$ 6,950,000
Public Safety and Education Account--Private/Local	
Appropriation.	\$ 4,200,000
Asbestos Account--State Appropriation.	\$ 688,000
Electrical License Account--State	
Appropriation.	\$ 28,412,000
Farm Labor Revolving Account--Private/Local	
Appropriation.	\$ 28,000
Worker and Community Right-to-Know Account--State	
Appropriation.	\$ 2,281,000
Public Works Administration Account--State	
Appropriation.	\$ 2,856,000
Accident Account--State Appropriation.	\$ 176,719,000
Accident Account--Federal Appropriation.	\$ 11,568,000
Medical Aid Account--State Appropriation	\$ 206,621,000
Medical Aid Account--Federal Appropriation	\$ 2,438,000
Plumbing Certificate Account--State	
Appropriation.	\$ 1,015,000
Pressure Systems Safety Account--State	
Appropriation.	\$ 2,274,000
TOTAL APPROPRIATION	\$ 482,522,000

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

(1) Pursuant to RCW 7.68.015, the department shall operate the crime victims compensation program within the public safety and education account funds appropriated in this section. In the event that cost containment measures are necessary, the department may (a) institute copayments for services; (b) develop preferred provider contracts; or (c) other cost containment measures. Cost containment measures shall not include holding invoices received in one fiscal period for payment from appropriations in subsequent fiscal periods. No more than \$4,835,000 of the public safety and education account appropriation shall be expended for department administration of the crime victims compensation program.

(2) \$2,157,000 of the accident account--state appropriation and \$2,157,000 of the medical aid account--state appropriation are provided for the one-time cost of implementing a recent state supreme court ruling regarding the calculation of workers' compensation benefits. This decision significantly increases the complexity of calculating benefits and therefore increases the administrative and legal costs of the workers' compensation program. The department shall develop and report to appropriate committees of the legislature alternatives for simplifying the calculation of benefits. The report shall be submitted by October 1, 2001.

(3) \$17,500,000 of the medical aid account--state appropriation is provided solely for the implementation of the provisions of Engrossed Senate Bill No. 5882 (musculoskeletal disorders). Within the amount provided, \$5,000,000 is provided solely to implement section 2, \$500,000 is provided solely to implement section 3, \$10,000,000 is provided solely to implement sections 5 through 7, and \$2,000,000 is provided solely to implement section 8 of the bill. If Engrossed Senate Bill No. 5882 is not enacted by June 30, 2001, the amounts provided in this subsection shall lapse.

{+ NEW SECTION. +} Sec. 218. FOR THE INDETERMINATE SENTENCE
REVIEW BOARD

General Fund--State Appropriation (FY 2002). . . .	\$	999,000
General Fund--State Appropriation (FY 2003). . . .	\$	1,000,000
TOTAL APPROPRIATION	\$	1,999,000

{+ NEW SECTION. +} Sec. 219. FOR THE DEPARTMENT OF VETERANS
AFFAIRS

(1) HEADQUARTERS

General Fund--State Appropriation (FY 2002). . . .	\$	1,573,000
General Fund--State Appropriation (FY 2003). . . .	\$	1,577,000
General Fund--Federal Appropriation.	\$	72,000
Charitable, Educational, Penal, and Reformatory Institutions Account--State Appropriation.	\$	7,000
TOTAL APPROPRIATION	\$	3,229,000

(2) FIELD SERVICES

General Fund--State Appropriation (FY 2002). . . .	\$	2,619,000
General Fund--State Appropriation (FY 2003). . . .	\$	2,643,000
General Fund--Federal Appropriation.	\$	155,000
General Fund--Private/Local Appropriation.	\$	1,663,000
TOTAL APPROPRIATION	\$	7,080,000

(3) INSTITUTIONAL SERVICES

General Fund--State Appropriation (FY 2002). . . .	\$	6,891,000
General Fund--State Appropriation (FY 2003). . . .	\$	4,999,000
General Fund--Federal Appropriation.	\$	28,699,000
General Fund--Private/Local Appropriation.	\$	25,366,000
TOTAL APPROPRIATION	\$	65,955,000

The appropriations in this subsection are subject to the following terms and conditions: \$400,000 of the general fund--state appropriation for fiscal year 2002, \$3,664,000 of the general fund--federal appropriation, and \$7,129,000 of the general fund--local appropriation are provided solely for the department to acquire, establish, and operate a nursing facility dedicated to serving men and women from eastern Washington who have served in the nation's armed forces.

{+ NEW SECTION. +} Sec. 220. FOR THE DEPARTMENT OF HEALTH	
General Fund--State Appropriation (FY 2002) \$	71,528,000
General Fund--State Appropriation (FY 2003) \$	71,474,000
General Fund--Federal Appropriation \$	276,844,000
General Fund--Private/Local Appropriation \$	81,530,000
Hospital Commission Account--State Appropriation \$	2,284,000
Health Professions Account--State Appropriation \$	38,216,000
Emergency Medical Services and Trauma Care Systems Trust Account--State Appropriation \$	14,858,000
Safe Drinking Water Account--State Appropriation \$	2,702,000
Drinking Water Assistance Account--Federal Appropriation \$	13,401,000
Waterworks Operator Certification--State Appropriation \$	622,000
Water Quality Account--State Appropriation \$	3,328,000
Accident Account--State Appropriation \$	257,000
Medical Aid Account--State Appropriation \$	45,000
State Toxics Control Account--State Appropriation \$	2,817,000
Health Services Account Appropriation \$	12,242,000
Medical Test Site Licensure Account--State Appropriation \$	1,369,000
Youth Tobacco Prevention Account--State Appropriation \$	1,797,000
Tobacco Prevention and Control Account--State Appropriation \$	34,992,000
TOTAL APPROPRIATION \$	630,306,000

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

(1) The department or any successor agency is authorized to raise existing fees charged to the drinking water operator certification, newborn screening, radioactive materials, x-ray compliance, drinking water plan review, midwifery, hearing and speech, veterinarians, psychologists, pharmacists, hospitals, podiatrists, and home health and home care programs, in excess of the fiscal growth factor established by Initiative Measure No. 601, if necessary, to meet the actual costs of conducting business and the appropriation levels in this section.

(2) \$339,000 of the general fund--state appropriation for fiscal year 2002 and \$339,000 of the general fund--state appropriation for fiscal year 2003 are provided solely for technical assistance to local governments and special districts on water conservation and reuse.

(3) \$1,657,000 of the general fund--state fiscal year 2002 appropriation and \$1,658,000 of the general fund--state fiscal year 2003 appropriation are provided solely for the implementation of the Puget Sound water work plan and agency action items, DOH-01, DOH-02, DOH-03, and DOH-04.

(4) The department of health shall not initiate any services that

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

(5) \$700,000 of the general fund--state appropriation for fiscal year 2002 and \$1,400,000 of the general fund--state appropriation for fiscal year 2003 are provided solely for performance-based contracts with local jurisdictions to assure the safety of drinking water provided by small "group B" water systems.

(6) \$5,865,000 of the general fund--state appropriation for fiscal year 2002 and \$4,745,000 of the general fund--state appropriation for fiscal year 2003 are provided solely for purchase and distribution of the pneumococcal conjugate vaccine as part of the state's program of universal access to essential childhood vaccines.

(7) \$124,000 of the general fund--state appropriation for fiscal year 2002 and \$130,000 of the general fund--state appropriation for fiscal year 2003 are provided solely to reduce the assessment which would otherwise need to be levied upon hospitals for operation of the comprehensive hospital abstracting and reporting system (CHARS). Total expenditures upon operation of the CHARS system shall not exceed \$1,238,000 in fiscal year 2002 and \$1,300,000 in fiscal year 2003, plus the allocated share of any employee compensation increases authorized in this act.

(8) From funds appropriated in this section, the state board of health shall convene a task force to study the potential risks and benefits to public and personal health and safety, and to individual privacy, of emerging technologies involving human deoxyribonucleic acid (DNA). The study shall include an analysis of the incidence of discriminatory actions based upon genetic information; recommended strategies to safeguard civil rights and privacy related to genetic information; remedies to compensate individuals for inappropriate use of their genetic information; and suggested policy incentives for further research and development on the use of DNA to promote public health, safety, and welfare. The task force shall provide an initial report of its findings and recommendations to appropriate committees of the legislature by July 1, 2002.

{+ NEW SECTION. +} Sec. 221. FOR THE DEPARTMENT OF CORRECTIONS

(1) ADMINISTRATION AND SUPPORT SERVICES	
General Fund--State Appropriation (FY 2002). . . . \$	31,813,000
General Fund--State Appropriation (FY 2003). . . . \$	31,772,000
Public Safety and Education Account--State Appropriation. \$	1,576,000
Violence Reduction and Drug Enforcement Account Appropriation. \$	3,254,000
TOTAL APPROPRIATION \$	68,415,000

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

(a) \$1,576,000 of the public safety and education account

appropriation and \$3,254,000 of the violence reduction drug enforcement account appropriation are provided solely for the replacement of the department's offender-based tracking system. These amounts are subject to section 902 of this act. Within the funds provided in this subsection, the department of corrections, in consultation with the department of information services, shall conduct further cost-benefit analysis based on the changes that have occurred in the scope and cost of the replacement project. Based on this analysis, the department of corrections shall prepare and submit a revised project management plan to the department of information services, the office of financial management, the fiscal committees of the house of representatives and senate, and the information services board. The plan shall include, but is not limited to the following elements: A statement of project objectives and assumptions; a description of the project components and contracted services; the estimated costs for each component in the 2001-03 and subsequent biennia; and a schedule that shows the time estimated to complete each component of the project.

(b) \$30,000 of the general fund--state appropriation for fiscal year 2002 and \$30,000 of the general fund--state appropriation for fiscal year 2003 are provided solely for the implementation of Substitute Senate Bill No. 5118 (interstate supervision offender compact). If the bill is not enacted by June 30, 2001, the amounts provided in this subsection shall lapse.

(c) \$250,000 of the general fund--state appropriation for fiscal year 2002 is provided solely for a feasibility study to determine the information system changes required by the federal health insurance portability and accountability act.

(2) CORRECTIONAL OPERATIONS

General Fund--State Appropriation (FY 2002). . . .	\$	396,071,000
General Fund--State Appropriation (FY 2003). . . .	\$	405,314,000
General Fund--Federal Appropriation.	\$	12,096,000
Violence Reduction and Drug Enforcement Account--		
State Appropriation.	\$	1,614,000
Public Health Services Account Appropriation . . .	\$	1,453,000
TOTAL APPROPRIATION	\$	816,548,000

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

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

(b) The department shall provide funding for the pet partnership program at the Washington corrections center for women at a level at least equal to that provided in the 1995-97 biennium.

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

(d) \$539,000 of the general fund--state appropriation for fiscal year 2002 and \$1,142,613 of the general fund--state appropriation for fiscal year 2003 are provided solely to increase payment rates for contracted education providers, contracted chemical dependency providers, and contracted work release facilities. It is the legislature's intent that these amounts be used primarily to increase compensation for persons employed in direct, front-line service delivery.

(e) During the 2001-03 biennium, when contracts are established or renewed for offender pay phone and other telephone services provided to inmates, the department shall select the contractor or contractors primarily based on the following factors: (i) The lowest rate charged to both the inmate and the person paying for the telephone call; and (ii) the lowest commission rates paid to the department, while providing reasonable compensation to cover the costs of the department to provide the telephone services to inmates and provide sufficient revenues for the activities funded from the institutional welfare betterment account as of January 1, 2000.

(f) For the acquisition of properties and facilities, the department of corrections is authorized to enter into financial contracts, paid for from operating resources, for the purposes indicated and in not more than the principal amounts indicated, plus financing expenses and required reserves pursuant to chapter 39.94 RCW. This authority applies to the following: Lease-develop with the option to purchase or lease-purchase approximately 50 work release beds in facilities throughout the state for \$3,500,000.

(3) COMMUNITY SUPERVISION	
General Fund--State Appropriation (FY 2002). . . .	\$ 62,855,000
General Fund--State Appropriation (FY 2003). . . .	\$ 64,203,000
General Fund--Federal Appropriation.	\$ 1,125,000
Public Safety and Education	
Account--State Appropriation	\$ 15,841,000
TOTAL APPROPRIATION	\$ 144,024,000

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

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

(b) \$75,000 of the general fund--state appropriation for fiscal year 2002 and \$75,000 of the general fund--state appropriation for fiscal year 2003 are provided solely for the department of corrections to contract with the institute for public policy for responsibilities assigned in chapter 196, Laws of 1999 (offender accountability act) and sections 7 through 12 of chapter 197, Laws of 1999 (drug offender sentencing).

(c) \$16,000 of the general fund--state appropriation for fiscal year 2002 and \$34,000 of the general fund--state appropriation for fiscal year 2003 are provided solely to increase payment rates for contracted chemical dependency providers. It is the legislature's intent that these amounts be used primarily to increase compensation for persons employed in direct, front-line service delivery.

(4) CORRECTIONAL INDUSTRIES	
General Fund--State Appropriation (FY 2002). . . .	\$ 647,000
General Fund--State Appropriation (FY 2003). . . .	\$ 1,573,000
TOTAL APPROPRIATION	\$ 2,220,000

The appropriations in this subsection are subject to the following conditions and limitations: \$110,000 of the general fund--state appropriation for fiscal year 2002 and \$110,000 of the general fund--state appropriation for fiscal year 2003 are provided solely for transfer to the jail industries board. The board shall use the amounts provided only for administrative expenses, equipment purchases, and technical assistance associated with advising cities and counties in developing, promoting, and implementing consistent, safe, and efficient

offender work programs.

(5) INTERAGENCY PAYMENTS	
General Fund--State Appropriation (FY 2002). . . .	\$ 18,566,000
General Fund--State Appropriation (FY 2003). . . .	\$ 18,566,000
TOTAL APPROPRIATION	\$ 37,132,000

{+ NEW SECTION. +} Sec. 222. FOR THE DEPARTMENT OF SERVICES FOR THE BLIND	
General Fund--State Appropriation (FY 2002). . . .	\$ 1,673,000
General Fund--State Appropriation (FY 2003). . . .	\$ 1,671,000
General Fund--Federal Appropriation.	\$ 11,142,000
General Fund--Private/Local Appropriation.	\$ 80,000
TOTAL APPROPRIATION	\$ 14,566,000

The appropriations in this section are subject to the following conditions and limitations: \$50,000 of the general fund--state appropriation for fiscal year 2002 and \$50,000 of the general fund--state appropriation for fiscal year 2003 are provided solely to increase state assistance for a comprehensive program of training and support services for persons who are both deaf and blind.

{+ NEW SECTION. +} Sec. 223. FOR THE SENTENCING GUIDELINES COMMISSION	
General Fund--State Appropriation (FY 2002). . . .	\$ 937,000
General Fund--State Appropriation (FY 2003). . . .	\$ 857,000
TOTAL APPROPRIATION	\$ 1,794,000

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

\$78,000 of the general fund--state appropriation for fiscal year 2002 is provided solely for the sentencing guidelines commission to conduct a comprehensive review and evaluation of state sentencing policy. The review and evaluation shall include an analysis of whether current sentencing ranges and standards, as well as existing mandatory minimum sentences, existing sentence enhancements, and special sentencing alternatives, are consistent with the purposes of the sentencing reform act as set out in RCW 9.94A.010, including the intent of the legislature to emphasize confinement for the violent offender and alternatives to confinement for the nonviolent offender. The review and evaluation shall also examine whether current sentencing ranges and standards are consistent with existing corrections capacity.

The review and evaluation shall consider studies on the cost-effectiveness of sentencing alternatives, as well as the fiscal impact of sentencing policies on state and local government. In conducting the review and evaluation, the commission shall consult with the superior court judges' association, the Washington association of prosecuting attorneys, the Washington defenders' association, the Washington association of criminal defense lawyers, the Washington association of sheriffs and police chiefs, organizations representing crime victims, and other organizations and individuals with expertise and interest in sentencing policy.

Not later than December 1, 2001, the commission shall present to the appropriate standing committees of the legislature the report of its comprehensive review and evaluation, together with any recommendations for revisions and modifications to state sentencing policy, including sentencing ranges and standards, mandatory minimum sentences, and sentence enhancements. If implementation of the recommendations of the commission would result in exceeding the capacity of correctional facilities, the commission shall at the same time present to the legislature a list of revised standard sentence

ranges which are consistent with currently authorized rated and operational corrections capacity, and consistent with the purposes of the sentencing reform act.

{+ NEW SECTION. +} Sec. 224. FOR THE EMPLOYMENT SECURITY
DEPARTMENT

General Fund--Federal Appropriation.	\$	180,647,000
General Fund--Private/Local Appropriation.	\$	30,103,000
Unemployment Compensation Administration Account-- Federal Appropriation.	\$	181,784,000
Administrative Contingency Account--State Appropriation.	\$	13,905,000
Employment Service Administrative Account--State Appropriation.	\$	19,996,000
TOTAL APPROPRIATION	\$	426,435,000

(End of part)

PART III
NATURAL RESOURCES

{+ NEW SECTION. +} Sec. 301. FOR THE COLUMBIA RIVER GORGE
COMMISSION

General Fund--State Appropriation (FY 2002).	\$	398,000
General Fund--State Appropriation (FY 2003).	\$	391,000
General Fund--Private/Local Appropriation.	\$	749,000
TOTAL APPROPRIATION	\$	1,538,000

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

(1) \$40,000 of the general fund--state appropriation for fiscal year 2002 and \$40,000 of the general fund--state appropriation for fiscal year 2003 are provided solely to implement the scenic area management plan for Klickitat county. If Klickitat county adopts an ordinance to implement the scenic area management plan in accordance with the national scenic area act, P.L. 99-663, then the amounts provided in this subsection shall be provided as a grant to Klickitat county to implement its responsibilities under the act.

(2) Within the funding provided, the commission shall make every effort to complete its review of the national scenic area management plan by the end of the 2001-03 biennium.

{+ NEW SECTION. +} Sec. 302. FOR THE DEPARTMENT OF ECOLOGY

General Fund--State Appropriation (FY 2002).	\$	46,975,000
General Fund--State Appropriation (FY 2003).	\$	46,880,000
General Fund--Federal Appropriation.	\$	56,805,000
General Fund--Private/Local Appropriation.	\$	4,351,000
Special Grass Seed Burning Research Account-- State Appropriation.	\$	14,000
Reclamation Revolving Account--State Appropriation.	\$	1,810,000
Flood Control Assistance Account-- State Appropriation.	\$	4,098,000
State Emergency Water Projects Revolving Account-- State Appropriation.	\$	314,000
Waste Reduction/Recycling/Litter Control Account-- State Appropriation.	\$	13,555,000
State Drought Preparedness Account--State Appropriation.	\$	325,000
Salmon Recovery Account--State Appropriation.	\$	3,536,000

State and Local Improvements Revolving Account (Water Supply Facilities)--State	
Appropriation.	\$ 587,000
Water Quality Account--State Appropriation	\$ 4,186,000
Wood Stove Education and Enforcement Account-- State Appropriation.	\$ 353,000
Worker and Community Right-to-Know Account-- State Appropriation.	\$ 3,304,000
State Toxics Control Account--State Appropriation.	\$ 62,127,000
State Toxics Control Account--Private/Local Appropriation.	\$ 350,000
Local Toxics Control Account--State Appropriation.	\$ 4,767,000
Water Quality Permit Account--State Appropriation.	\$ 23,886,000
Underground Storage Tank Account--State Appropriation.	\$ 2,678,000
Environmental Excellence Account--State Appropriation.	\$ 20,000
Biosolids Permit Account--State Appropriation.	\$ 589,000
Hazardous Waste Assistance Account--State Appropriation.	\$ 4,317,000
Air Pollution Control Account--State Appropriation.	\$ 955,000
Oil Spill Prevention Account--State Appropriation.	\$ 10,850,000
Air Operating Permit Account--State Appropriation.	\$ 3,620,000
Freshwater Aquatic Weeds Account--State Appropriation.	\$ 1,898,000
Oil Spill Response Account--State Appropriation.	\$ 7,078,000
Metals Mining Account--State Appropriation	\$ 5,000
Water Pollution Control Revolving Account-- State Appropriation.	\$ 467,000
Water Pollution Control Revolving Account-- Federal Appropriation.	\$ 2,316,000
TOTAL APPROPRIATION	\$ 313,016,000

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

(1) \$3,874,000 of the general fund--state appropriation for fiscal year 2002, \$3,874,000 of the general fund--state appropriation for fiscal year 2003, \$394,000 of the general fund--federal appropriation, \$2,070,000 of the oil spill prevention account--state appropriation, and \$3,686,000 of the water quality permit account--state appropriation are provided solely for the implementation of the Puget Sound work plan and agency action items DOE-01, DOE-02, DOE-03, DOE-05, DOE-06, DOE-07, DOE-08, and DOE-09.

(2) \$430,000 of the state toxics control account appropriation is provided for improving access to environmental management information via the internet.

(3) \$500,000 of the state toxics control account appropriation is provided for an assessment of the financial assurance requirements of hazardous waste management facilities. By September 30, 2002, the department shall provide to the governor and appropriate committees of the legislature a report that: (a) Evaluates current statutes and regulations governing hazardous waste management facilities; (b) analyzes and makes recommendations for improving financial assurance regulatory control; and (c) makes recommendations for funding financial

assurance regulatory control of hazardous waste management facilities.

(4) \$200,000 of the hazardous waste assistance account appropriation is provided for technical assistance on hazardous waste management and pollution prevention, including assisting businesses in developing pollution prevention plans, implementing pollution prevention opportunities, and integrating best management practices into business operations.

(5)(a) \$1,213,000 of the salmon recovery account appropriation is provided solely for stream flow monitoring in the Nooksack, Quilcene/Snow, Elwha/Dungeness, Wenatchee, and Walla Walla basins. The department shall purchase and loan equipment to local experts hired to conduct the monitoring.

(b) \$400,000 of the salmon recovery account appropriation is provided for the department to develop gauging plans, install and maintain gauges, and provide data management services including real-time data transmission and web base data access.

(6) \$3,525,000 of the general fund--state appropriation for fiscal year 2002 and \$3,525,000 of the general fund--state appropriation for fiscal year 2003 are provided solely for the update of local government shoreline master programs, consistent with the guidelines adopted by the department in November 2000. \$1,050,000 is provided to the department to provide technical assistance to local governments and \$6,000,000 in grants is provided for local government shoreline master program updates in King, Snohomish, Pierce, Clark, and Kitsap counties.

(7) \$775,000 of the salmon recovery account appropriation is provided for planning, designing, and implementing storm water management strategies and infrastructure to implement phase II storm water requirements in western Washington by March 2003.

(8) \$270,000 of the state toxics control account appropriation is provided solely to implement the economic analysis and rule-making requirements of Senate Bill No. 5909 (financial responsibility requirements for vessels). If the bill is not enacted by June 30, 2001, the amount provided in this subsection shall lapse.

(9) \$458,000 of the general fund--state appropriation for fiscal year 2002, \$461,000 of the general fund--state appropriation for fiscal year 2003, \$1,566,000 of the general fund--federal appropriation, and \$1,033,000 of the general fund--private/local appropriation are provided to employ residents of the state between eighteen and twenty-five years of age in activities to enhance Washington's natural, historic, environmental, and recreational resources.

(10) \$383,000 of the general fund--state appropriation for fiscal year 2002 and \$383,000 of the general fund--state appropriation for fiscal year 2003 are provided solely for water conservation plan review, technical assistance, and project review for water conservation and reuse projects. By December 1, 2003, the department in cooperation with the department of health shall report to the governor and appropriate committees of the legislature on the activities and achievements related to water conservation and reuse during the past two biennia. The report shall include an overview of technical assistance provided, reuse project development activities, and water conservation achievements.

(11) \$3,424,000 of the state toxics control account appropriation is provided solely for methamphetamine lab clean up activities.

(12) \$800,000 of the state toxics control account appropriation is provided solely to implement the department's persistent, bioaccumulative toxic chemical strategy. \$54,000 of this amount shall be allocated to the department of health to assist with this effort.

(13) Up to \$6,000,000 of the state toxics control account appropriation is provided for the remediation of contaminated sites. Of this amount, up to \$2,000,000 may be used to pay existing site remediation liabilities owed to the federal environmental protection

agency for clean-up work that has been completed. The department shall carefully monitor actual revenue collections into the state toxics control account, and is authorized to limit actual expenditures of the appropriation provided in this section consistent with available revenue.

(14) \$200,000 of the state toxics control account appropriation is provided to assess the effectiveness of the state's current toxic pollution prevention and dangerous waste programs and policies. The department shall work with affected stakeholder groups and the public to evaluate the performance of existing programs, and identify feasible methods of reducing the generation of these wastes. The department shall report its findings to the governor and the appropriate committees of the legislature by September 30, 2002.

(15) \$500,000 of the state toxics control account appropriation is provided solely for the department, in conjunction with affected local governments, to address emergent areawide soil contamination problems. The department's efforts will include public involvement processes and completing assessments of the geographical extent of toxic contamination including highly contaminated areas.

(16) \$170,000 of the oil spill administration account appropriation is provided solely for implementation of the Puget Sound work plan action item UW-02 through a contract with the University of Washington's sea grant program to develop an educational program targeted to small spills from commercial fishing vessels, ferries, cruise ships, ports, and marinas.

(17) \$591,000 of the general fund--state appropriation for fiscal year 2002 and \$1,131,000 of the general fund--state appropriation for fiscal year 2003 are provided solely to process water rights applications.

(18) \$1,852,000 of the general fund--state appropriation for fiscal year 2002 and \$2,392,000 of the general fund--state appropriation for fiscal year 2003 are provided solely to process applications for changes or transfers of water rights. For the biennium ending June 30, 2003, the department shall issue decisions on at least 730 applications for a change or transfer of a water right.

(19) \$3,525,000 of the general fund--state appropriation for fiscal year 2002 and \$3,525,000 of the general fund--state appropriation for fiscal year 2003 are provided solely for grants to local governments to conduct watershed planning.

(20) \$875,000 of the general fund--state appropriation for fiscal year 2002 and \$875,000 of the general fund--state appropriation for fiscal year 2003 are provided solely for administrative support grants to groups established for the purpose of protecting, enhancing, and restoring the biological, chemical, and physical processes of watersheds. These groups may include those involved in coordinated resource management, regional fisheries enhancement groups, conservation districts, watershed councils, private nonprofit organizations incorporated under Title 24 RCW, state agencies, and political subdivisions of the state. Administrative support grants may be up to fifty thousand dollars, may be renewed annually, and may be used to compensate full or part-time staff, such as a director, project manager, or volunteer coordinator; to obtain grants, matching funds, and in-kind donations and services; to recruit volunteers; to provide technical and safety training, safety equipment, and insurance; to maintain required records and issue required reports; and the like. In addition to any other requirements established by the department, applications for administrative support grants shall include a work plan for expenditure of the grant funds, a description of the planned activities for which the grant funds will provide administrative support, performance measures, and documentation of community involvement. Preference shall be given to organizations that have

completed projects successfully, have projects pending, and have established cooperative relationships with citizens, businesses, nonprofit organizations, tribes, local, state, and federal agencies, and state colleges and universities, as appropriate for the nature and scope of their activities.

(21) \$100,000 of the general fund--state appropriation for fiscal year 2002 and \$100,000 of the general fund--state appropriation for fiscal year 2003 are provided solely to provide coordination and assistance to groups established for the purpose of protecting, enhancing, and restoring the biological, chemical, and physical processes of watersheds.

(22) \$325,000 of the state drought preparedness account--state appropriation is provided solely for an environmental impact statement of the Pine Hollow reservoir project to be conducted in conjunction with the local irrigation district.

{+ NEW SECTION. +} Sec. 303. FOR THE STATE PARKS AND RECREATION COMMISSION	
General Fund--State Appropriation (FY 2002) \$	30,717,000
General Fund--State Appropriation (FY 2003) \$	31,169,000
General Fund--Federal Appropriation \$	2,690,000
General Fund--Private/Local Appropriation \$	60,000
Winter Recreation Program Account--State Appropriation \$	787,000
Off Road Vehicle Account--State Appropriation . . . \$	274,000
Snowmobile Account--State Appropriation \$	4,238,000
Aquatic Lands Enhancement Account--State Appropriation \$	337,000
Public Safety and Education Account--State Appropriation \$	48,000
Salmon Recovery Account--State Appropriation . . . \$	200,000
Water Trail Program Account--State Appropriation \$	24,000
Parks Renewal and Stewardship Account-- State Appropriation \$	26,420,000
TOTAL APPROPRIATION \$	96,964,000

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

(1) \$55,000 of the general fund--state appropriation for fiscal year 2002 and \$30,000 of the general fund--state appropriation for fiscal year 2003 are provided solely for the state parks and recreation commission to meet its responsibilities under the Native American graves protection and repatriation act (P.L. 101-601).

(2) \$772,000 of the general fund--state appropriation for fiscal year 2002 and \$849,000 of the general fund--state appropriation for fiscal year 2003 are provided to employ residents of the state between eighteen and twenty-five years of age in activities to enhance Washington's natural, historic, environmental, and recreational resources.

(3) Fees approved by the state parks and recreation commission in 2001 for camping, group camping, extra vehicles, and the sno-park daily permit are authorized to exceed the fiscal growth factor under RCW 43.135.055.

(4) The state parks and recreation commission, in collaboration with the office of financial management and legislative staff, shall develop a cost-effective and readily accessible approach for reporting revenues and expenditures at each state park. The reporting system shall be complete and operational by December 1, 2001.

(5) The appropriation in this section from the off-road vehicle account--state is provided under RCW 46.09.170(1)(c) and is provided

solely to bring off-road vehicle recreation facilities into compliance with the requirements, guidelines, spirit, and intent of the federal Americans with disabilities act.

(6) \$79,000 of the general fund--state appropriation for fiscal year 2002, \$79,000 of the general fund--state appropriation for fiscal year 2003, and \$8,000 of the winter recreation program account--state appropriation are provided solely for a grant for the operation of the Northwest avalanche center.

(7) \$432,000 of the parks renewal and stewardship account appropriation is provided for the operation of the Silver Lake visitor center. If a long-term management agreement is not reached with the U.S. forest service by September 30, 2001, the amount provided in this subsection shall lapse.

(8) \$914,000 of the general fund--state appropriation for fiscal year 2002 and \$586,000 of the general fund--state appropriation for fiscal year 2003 are provided for additional rangers at Spencer Spit, Jarrell Cove, Kopachuck, Sequest, Twin Harbors, Conconully, and Steamboat Rock state parks.

(9) \$200,000 of the salmon recovery account appropriation is provided to evaluate, survey, and map all forest roads on state parks lands to determine future actions needed to protect salmon and water quality.

(10) \$132,000 of the parks renewal and stewardship account appropriation--state, \$17,000 of the winter recreation program account appropriation--state, and \$17,000 of the snowmobile account--state appropriation are provided to develop a system to make permits and other materials available over the internet.

(11) \$556,000 of the snowmobile account--state appropriation is provided to open two new snow parks, increase the parking lot size of 15 snow parks, and increase grooming of 15 trails.

(12) \$189,000 of the aquatic lands enhancement account appropriation is provided solely for the implementation of the Puget Sound work plan and agency action item P&RC-02.

{+ NEW SECTION. +} Sec. 304. FOR THE INTERAGENCY COMMITTEE FOR OUTDOOR RECREATION

General Fund--State Appropriation (FY 2002)	\$	143,000
General Fund--State Appropriation (FY 2003)	\$	145,000
General Fund--Federal Appropriation	\$	9,811,000
Salmon Recovery Account--State Appropriation	\$	3,900,000
Firearms Range Account--State Appropriation	\$	13,000
Recreation Resources Account--State Appropriation	\$	2,585,000
Recreation Resources Account--Federal Appropriation	\$	481,000
NOVA Program Account--State Appropriation	\$	611,000
TOTAL APPROPRIATION	\$	17,689,000

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

(1) \$1,500,000 of the salmon recovery account appropriation is provided solely for the development of a comprehensive salmon recovery and watershed health monitoring strategy and action plan. The strategy and action plan shall address the monitoring recommendations of the independent science panel in its report, Recommendations for Monitoring Salmonid Recovery in Washington State (December 2000), and of the joint legislative audit and review committee in its report Investing in the Environment: Environmental Quality Grant and Loan Programs Performance Audit (January 2001). The action plan shall include an assessment of state agency operations related to monitoring, evaluation, and adaptive management of salmon recovery and watershed health; any operational or statutory changes necessary to implement the strategy and action plan; and funding recommendations.

(a) The chair of the salmon recovery funding board and the chair of the governor's salmon recovery office, or their designees, shall jointly chair a committee to oversee the development of the strategy and action plan. The cochairs shall invite the participation of other appropriate state, federal, and tribal agencies.

(b) The independent science panel established under RCW 77.85.040 shall act as an advisor to the oversight committee established in (a) of this subsection and shall review all work products developed under this section and make recommendations to the cochairs.

(c) The strategy and action plan shall be coordinated with other appropriate state, federal, and tribal monitoring efforts including those of the Northwest power planning council, the Northwest Indian fisheries commission, the U.S. fish and wildlife service, and the national marine fisheries service.

(d) The oversight committee shall consult with appropriate interests including watershed planning groups under chapter 90.82 RCW, lead entities under chapter 77.85 RCW, local governments, the academic community, and professional organizations.

(e) The cochairs shall provide an interim report to the governor and the appropriate legislative committees on progress in completing the strategy and action plan by June 30, 2002. A final report shall be provided by December 1, 2002.

(2) \$200,000 of the salmon recovery account is provided solely for the salmon recovery funding board technical panel to assist lead entities with project identification, evaluation, and prioritization.

(3) \$2,200,000 of the salmon recovery account is provided solely for the natural resources data pool and salmon and watershed information management project to coordinate salmon recovery data information. The project manager shall advise the salmon recovery funding board on policy and strategic issues related to information management on watershed scale, facilitate natural resource data management among state agencies and other participants in the state strategy to recover salmon, and oversee and allocate the natural resources data pool to appropriate state and local agencies.

{+ NEW SECTION. +} Sec. 305. FOR THE ENVIRONMENTAL HEARINGS OFFICE

General Fund--State Appropriation (FY 2002)	\$	847,000
General Fund--State Appropriation (FY 2003)	\$	847,000
TOTAL APPROPRIATION	\$	1,694,000

{+ NEW SECTION. +} Sec. 306. FOR THE CONSERVATION COMMISSION

General Fund--State Appropriation (FY 2002)	\$	2,187,000
General Fund--State Appropriation (FY 2003)	\$	2,176,000
Salmon Recovery Account--State Appropriation	\$	2,101,000
Water Quality Account--State Appropriation	\$	2,522,000
TOTAL APPROPRIATION	\$	8,986,000

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

(1) \$500,000 of the salmon recovery account appropriation is provided solely for the agriculture, fish, and water negotiations to develop best management practices that will protect and recover salmon. The commission shall make grants to allow interest groups to participate in the negotiations.

(2) \$1,800,000 of the water quality account--state appropriation is provided solely for grants to conservation districts to hire engineers to design salmon recovery and other projects that benefit salmon.

(3) \$1,601,000 of the salmon recovery account appropriation is provided solely for the completion of limiting factors analysis for the 22 remaining watersheds affected by listings of salmon and bull trout

under the federal endangered species act.

(4) \$128,000 of the water quality account appropriation is provided for conservation district audits.

(5) \$247,000 of the general fund--state appropriation for fiscal year 2002 and \$247,000 of the general fund--state appropriation for fiscal year 2003 are provided solely for the implementation of the Puget Sound work plan and agency action item CC-01.

{+ NEW SECTION. +} Sec. 307. FOR THE DEPARTMENT OF FISH AND WILDLIFE	
General Fund--State Appropriation (FY 2002) \$	45,986,000
General Fund--State Appropriation (FY 2003) \$	46,455,000
General Fund--Federal Appropriation \$	32,716,000
General Fund--Private/Local Appropriation \$	17,315,000
Off Road Vehicle Account--State Appropriation \$	475,000
Aquatic Lands Enhancement Account--State Appropriation \$	6,094,000
Public Safety and Education Account--State Appropriation \$	586,000
Recreational Fisheries Enhancement Account-- State Appropriation \$	3,032,000
Salmon Recovery Account--State Appropriation \$	10,332,000
Warm Water Game Fish Account--State Appropriation \$	2,567,000
Eastern Washington Pheasant Enhancement Account-- State Appropriation \$	750,000
Wildlife Account--State Appropriation \$	46,886,000
Wildlife Account--Federal Appropriation \$	38,182,000
Wildlife Account--Private/Local Appropriation \$	15,133,000
Game Special Wildlife Account--State Appropriation \$	1,941,000
Game Special Wildlife Account--Federal Appropriation \$	9,591,000
Game Special Wildlife Account--Private/Local Appropriation \$	350,000
Environmental Excellence Account--State Appropriation \$	15,000
Regional Fisheries Salmonid Recovery Account-- Federal Appropriation \$	1,750,000
Oil Spill Administration Account--State Appropriation \$	963,000
Oyster Reserve Land Account--State Appropriation \$	192,000
TOTAL APPROPRIATION \$	281,311,000

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

(1) \$1,682,000 of the general fund--state appropriation for fiscal year 2002 and \$1,682,000 of the general fund--state appropriation for fiscal year 2003 are provided solely for the implementation of the Puget Sound work plan and agency action items DFW-01 through DFW-07.

(2) \$457,000 of the general fund--state appropriation for fiscal year 2002 and \$435,000 of the general fund--state appropriation for fiscal year 2003 are provided solely to employ residents of the state between eighteen and twenty-five years of age in activities to enhance Washington's natural, historic, environmental, and recreational resources.

(3) Any indirect cost reimbursement received by the department from

federal grants must be spent on agency administrative activities and cannot be redirected to direct program activities.

(4) The department shall emphasize enforcement of laws related to protection of fish habitat and the illegal harvest of salmon and steelhead. Within the amount provided for the agency, the department shall provide support to the department of health to enforce state shellfish harvest laws.

(5) \$80,000 of the wildlife account--state appropriation is provided solely to develop point-of-sale licensing system data analysis reports.

(6) \$2,000,000 of the aquatic lands enhancement account appropriation is provided for cooperative volunteer projects.

(7) \$935,000 of the general fund--state appropriation for fiscal year 2002 and \$915,000 of the general fund--state appropriation for fiscal year 2003 are provided solely for enforcement and biological staff to respond and take appropriate action to public complaints regarding bear and cougar.

(8) The department shall evaluate the fish program to determine if activities are aligned with agency objectives. The report will include a core function analysis of all fish program activity to determine if specific activities support the agency's strategic plan. The department shall submit a report to the legislature and the office of financial management by September 1, 2002.

(9) The department shall implement a lands program manager consolidation program. The consolidation program shall target the department's south central region. The savings from this consolidation shall be used by the department for additional maintenance on agency lands within the south central region.

(10) The department shall implement a survey of all agency lands to evaluate whether agency lands support the agency's strategic plan and goals. The department shall submit a report to the governor and legislature by September 1, 2002, identifying those lands not conforming with the agency's strategic plan and which should be divested.

(11) \$2,450,000 of the salmon recovery account appropriation is provided solely to continue salmon-related inventory, monitoring, and science research, including the salmonid stock inventory and smolt production monitoring. Salmon recovery scientific research will be driven by identification of monitoring needs by the interagency process coordinated by the interagency committee for outdoor recreation.

(12) \$2,535,000 of the salmon recovery account is provided solely for technical assistance for local actions affecting salmon. These projects include the salmonid screening habitat enhancement and restoration program, the watershed steward team to provide technical assistance for engineering and design, and fish and habitat science support to project sponsors, lead entities, landowners, local governments, regional fisheries enhancement groups, and others involved in local salmon recovery projects.

(13) \$673,000 of the general fund--state appropriation for fiscal year 2003 and \$879,000 of the wildlife fund--state appropriation are provided solely to implement the department's information systems strategic plan. The authorized activities include: Upgrade of the network, personal computer leasing, migration to office suite software, end-user support training, and standardizing data administration. The department shall contract for the development of enhanced department internet sites to provide information on recreational opportunity, regulatory changes, scientific and monitoring data, and document libraries. The department shall contract for the development of enhanced geographic information systems and data management/accessibility consistent with direction from the salmon and water information management coordinator and allocation of the natural

resources data pool.

(14) \$776,000 of the salmon recovery account appropriation is provided solely to implement the forests and fish agreement and includes funding to continue statewide coordination and implementation of the forests and fish rules, integration of portions of the hydraulic code into the forest practices rules to provide permit streamlining, and sharing the responsibility of developing and implementing the required forests and fish agreement monitoring and adaptive management program.

(15) \$265,000 of the wildlife fund--state appropriation is provided solely to develop a statewide road plan and a geographic information system database for forest roads on department lands, consistent with the requirements of the forest and fish agreement.

(16) \$194,000 of the general fund--state appropriation for fiscal year 2002 and \$195,000 of the general fund--state appropriation for fiscal year 2003 are provided solely for staff to represent the state's fish and wildlife interests in hydroelectric project relicensing processes by the federal energy regulatory commission.

(17) \$456,000 of the salmon recovery account appropriation is provided solely for the conduct of a comprehensive review of the hydraulics project approval permit program to obtain agreement from the national marine fisheries service and United States fish and wildlife service that the program complies with the requirements of the endangered species act. The agreement shall provide landowners with timely review of projects by state and federal agencies, reduce liability under the endangered species act, and increase protection of salmon habitat.

(18) \$156,000 of the wildlife account--state appropriation is provided solely for a youth fishing coordinator to develop partnerships with local communities, and to identify, develop, fund, and promote youth fishing events and opportunities. Event coordination and promotion services shall be contracted to a private consultant.

(19) \$192,000 of the oyster reserve land account appropriation is provided solely to implement Senate Bill No. 5837 (state oyster reserve lands). If the bill is not enacted by June 30, 2001, the amount provided in this subsection shall lapse.

(20) \$43,000 of the general fund--state appropriation for fiscal year 2002 and \$42,000 of the general fund--state appropriation for fiscal year 2003 are provided solely for staffing and operation of the Tennant Lake interpretive center.

(21) \$32,000 of the general fund--state appropriation for fiscal year 2002 and \$33,000 of the general fund--state appropriation for fiscal year 2003 are provided solely to support the activities of the aquatic nuisance species coordination committee to foster state, federal, tribal, and private cooperation on aquatic nuisance species issues. The committee shall strive to prevent the introduction of nonnative aquatic species and to minimize the spread of species that are introduced.

(22) \$35,000 of the wildlife account--state appropriation is provided solely for the WildWatchCam program to provide internet transmission of live views of wildlife.

(23) \$2,600,000 of the salmon recovery account appropriation is provided solely for grants to lead entities established in accordance with RCW 75.46.060.

(24) \$19,000 of the general fund--state appropriation for fiscal year 2002 and \$19,000 of the general fund--state appropriation for fiscal year 2003 are provided solely for the payment of the department's share of approved lake management district assessments. By December 15, 2001, the department shall provide the legislature a summary of its activities related to lake management districts as well as recommendations for establishing equitable lake management district

assessments.

(25) \$250,000 of the general fund--state appropriation for fiscal year 2002 and \$250,000 of the general fund--state appropriation for fiscal year 2003 are provided solely for planning, scientific assessment, and development processes necessary to assist in completing the habitat conservation plan for the lower Skykomish river as proposed by the lower Skykomish river habitat conservation group.

{+ NEW SECTION. +} Sec. 308. FOR THE DEPARTMENT OF NATURAL RESOURCES	
General Fund--State Appropriation (FY 2002) \$	33,307,000
General Fund--State Appropriation (FY 2003) \$	33,125,000
General Fund--Federal Appropriation \$	3,440,000
General Fund--Private/Local Appropriation \$	1,865,000
Forest Development Account--State	
Appropriation \$	49,002,000
Off Road Vehicle Account--State	
Appropriation \$	3,684,000
Surveys and Maps Account--State	
Appropriation \$	2,689,000
Aquatic Lands Enhancement Account--State	
Appropriation \$	4,333,000
Resources Management Cost Account--State	
Appropriation \$	86,500,000
Surface Mining Reclamation Account--State	
Appropriation \$	2,550,000
Salmon Recovery Account--State	
Appropriation \$	6,400,000
Aquatic Land Dredged Material Disposal Site	
Account--State Appropriation \$	1,057,000
Natural Resource Conservation Areas Stewardship	
Account Appropriation \$	34,000
Air Pollution Control Account--State	
Appropriation \$	629,000
Metals Mining Account--State Appropriation \$	64,000
Agricultural College Trust Management Account	
Appropriation \$	3,363,000
TOTAL APPROPRIATION \$	230,042,000

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

(1) \$18,000 of the general fund--state appropriation for fiscal year 2002, \$18,000 of the general fund--state appropriation for fiscal year 2003, and \$998,000 of the aquatic lands enhancement account appropriation are provided solely for the implementation of the Puget Sound work plan and agency action items DNR-01, DNR-02, and DNR-04.

(2)(a) \$6,400,000 of the salmon recovery account appropriation, \$838,000 of the general fund--state appropriation for fiscal year 2002, and \$838,000 of the general fund--state appropriation for fiscal year 2003 are provided solely for implementation of chapter 4, Laws of 1999 sp. sess. (forest practices and salmon recovery).

(b) \$250,000 of the salmon recovery account appropriation is provided solely for and shall be expended to develop a small forest landowner data base in ten counties. \$150,000 of the amount in this subsection shall be used to purchase the data. \$100,000 of the amount in this subsection shall purchase contracted analysis of the data.

(3) \$2,000,000 of the forest development account appropriation is provided solely for road decommissioning, maintenance, and repair in the Lake Whatcom watershed.

(4) \$70,000 of the general fund--state appropriation for fiscal year 2002, \$27,000 of the general fund--state appropriation for fiscal

year 2003, \$447,000 of the forest fire protection assessment account appropriation, \$22,000 of the forest development account appropriation, and \$76,000 of the resource management cost account appropriation are provided solely to implement Senate Bill No. 5447 (modifying forest fire protection assessments). If the bill is not enacted by June 30, 2001, the amount provided in this subsection shall lapse.

(5) \$1,790,000 of the agricultural college trust land account appropriation is provided solely to manage approximately 70,700 acres of Washington State University's agricultural college trust lands.

(6) The entire appropriation from the access road revolving fund is provided solely for and shall be expended to survey, map, and evaluate and construct, improve, or abandon trust land roads to meet the requirements of the forests and fish agreement.

(7) \$4,000 of the general fund--state appropriation for fiscal year 2002 and \$4,000 of the general fund--state appropriation for fiscal year 2003 are provided solely to compensate the forest board trust for a portion of the lease to the Crescent television improvement district consistent with RCW 79.12.055.

(8) The appropriation from the off-road vehicle account--state is provided under RCW 46.09.170(1)(a)(ii) and is provided solely for projects that bring off-road vehicle recreation facilities into compliance with the requirements, guidelines, spirit, and intent of the federal Americans with disabilities act and do not compromise or impair sensitive natural resources.

(9) \$828,000 of the surface mine reclamation account appropriation is provided to implement Senate Bill No. 5860 (surface mining fees). If the bill is not enacted by June 30, 2001, the amount provided in this subsection shall lapse.

(10) \$1,600,000 of the aquatic lands enhancement account appropriation and \$400,000 of the resources management cost account appropriation are provided solely to improve asset management on state-owned aquatic lands. The department shall streamline the use authorization process for businesses operating on state-owned aquatic lands and issue decisions on 325 pending lease applications by June 30, 2002. The department, in consultation with the attorney general, shall develop a strategic program to resolve claims related to contaminated sediments on state-owned aquatic lands.

(11) \$246,000 of the resource management cost account appropriation is provided to the department for continuing control of spruce budworm.

(12) \$187,000 of the general fund--state appropriation for fiscal year 2002 and \$187,000 of the general fund--state appropriation for fiscal year 2003 are provided solely to administer the federal forest legacy program.

(13) \$213,000 of the forest development account appropriation and \$320,000 of the resource management cost account appropriation are provided to implement Senate Bill No. 5862 (marketing valuable materials). If the bill is not enacted by June 30, 2001, the amount provided in this subsection shall lapse.

(14) \$100,000 of the aquatic lands enhancement account is provided solely for the development and initial implementation of a statewide management plan for the following marine reserves: Cherry Point marine reserve, Fidalgo Bay marine reserve, Commencement Bay marine reserve, Cypress Island marine reserve, and Maury Island marine reserve.

(15) \$7,657,859 of the general fund--state appropriation for fiscal year 2002 and \$7,657,859 of the general fund--state appropriation for fiscal year 2003 are provided solely for emergency fire suppression.

(16) \$663,000 of the general fund--state appropriation for fiscal year 2002 and \$689,000 of the general fund--state appropriation for fiscal year 2003 are provided to employ residents of the state between eighteen and twenty-five years of age in activities to enhance Washington's natural, historic, environmental, and recreational

resources.

(17) \$4,750,000 of the general fund--state appropriation for fiscal year 2002 and \$4,750,000 of the general fund--state appropriation for fiscal year 2003 are provided solely for fire protection activities. \$2,500,000 of this amount is provided solely to the department for adding one extra crew person per fire engine.

(18) \$550,000 of the general fund--state appropriation for fiscal year 2002 and \$550,000 of the general fund--state appropriation for fiscal year 2003 are provided solely to the department for planning, management, and stewardship of natural area preserves and natural resources conservation areas.

{+ NEW SECTION. +} Sec. 309. FOR THE DEPARTMENT OF AGRICULTURE	
General Fund--State Appropriation (FY 2002). . . . \$	7,857,000
General Fund--State Appropriation (FY 2003). . . . \$	7,714,000
General Fund--Federal Appropriation. \$	4,711,000
General fund--Private/Local Appropriation. \$	410,000
Aquatic Lands Enhancement Account--State	
Appropriation. \$	2,305,000
Water Quality Account--State Appropriation \$	832,000
State Toxics Control Account--State	
Appropriation. \$	1,391,000
TOTAL APPROPRIATION \$	25,220,000

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

(1) \$36,000 of the general fund--state appropriation for fiscal year 2002 and \$37,000 of the general fund--state appropriation for fiscal year 2003 are provided solely for implementation of the Puget Sound work plan and agency action item DOA-01.

(2) \$832,000 of the water quality account appropriation and \$298,000 of the agricultural local account are provided solely to establish a program to monitor pesticides in surface water, evaluate pesticide exposure on salmon species listed under the provisions of the endangered species act, and implement actions needed to protect salmonids.

(3) \$1,480,000 of the aquatic lands enhancement account appropriation is provided solely to initiate a four-year plan to eradicate infestations of spartina in Puget Sound, Hood Canal, and Grays Harbor and begin the reduction in spartina infestations in Willapa Bay, eradicating 25 percent of the 4,000-plus acres of spartina in Willapa Bay by June 30, 2003.

(4) \$112,000 of the general fund--state appropriation for fiscal year 2002, \$113,000 of the general fund--state appropriation for fiscal year 2003, and \$225,000 of the general fund--federal appropriation are provided solely to the small farm and direct marketing program to support small farms in complying with federal, state, and local regulations, facilitating access to food processing centers, and assisting with grant funding requests.

(5) \$31,000 of the agricultural local account is provided solely to implement Senate Bill No. 5534 (pesticide use in schools). If the bill is not enacted by June 30, 2001, the amount provided in this subsection shall lapse.

{+ NEW SECTION. +} Sec. 310. FOR THE WASHINGTON POLLUTION LIABILITY REINSURANCE PROGRAM	
Pollution Liability Insurance Program Trust Account--	
State Appropriation. \$	984,000

(End of part)

PART IV
TRANSPORTATION

{+ NEW SECTION. +} Sec. 401. FOR THE DEPARTMENT OF LICENSING	
General Fund--State Appropriation (FY 2002). . . .	\$ 5,735,000
General Fund--State Appropriation (FY 2003). . . .	\$ 5,541,000
Architects' License Account--State	
Appropriation.	\$ 707,000
Cemetery Account--State Appropriation.	\$ 214,000
Profession Engineers' Account--State	
Appropriation.	\$ 3,037,000
Real Estate Commission--State Appropriation. . . .	\$ 6,785,000
Master License Account--State Appropriation. . . .	\$ 8,418,000
Uniform Commercial Code Account--State	
Appropriation.	\$ 3,108,000
Real Estate Education Account--State	
Appropriation.	\$ 303,000
Funeral Directors and Embalmers Account--State	
Appropriation.	\$ 490,000
Washington Real Estate Research Account	
Appropriation.	\$ 316,000
Data Processing Revolving Account--State	
Appropriation.	\$ 23,000
TOTAL APPROPRIATION	\$ 34,677,000

The appropriations in this section are subject to the following conditions and limitations: During fiscal years 2002 and 2003, the department is authorized to increase fees in the real estate program in excess of the fiscal growth factor, established under chapter 43.135 RCW.

{+ NEW SECTION. +} Sec. 402. FOR THE STATE PATROL	
General Fund--State Appropriation (FY 2002). . . .	\$ 22,972,000
General Fund--State Appropriation (FY 2003). . . .	\$ 9,149,000
General Fund--Federal Appropriation.	\$ 4,178,000
General Fund--Private/Local Appropriation.	\$ 369,000
Death Investigations Account--State	
Appropriation.	\$ 3,899,000
Public Safety and Education Account--State	
Appropriation.	\$ 13,970,000
County Criminal Justice Assistance Account--State	
Appropriation.	\$ 2,490,000
Municipal Criminal Justice Assistance Account--	
State Appropriation.	\$ 987,000
Fire Service Trust Account--State	
Appropriation.	\$ 125,000
Fire Service Training Account--State	
Appropriation.	\$ 6,328,000
State Toxics Control Account--State	
Appropriation.	\$ 461,000
Violence Reduction and Drug Enforcement Account--	
State Appropriation.	\$ 277,000
Fingerprint Identification Account--State	
Appropriation.	\$ 3,684,000
TOTAL APPROPRIATION	\$ 68,889,000

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

(1) \$354,000 of the public safety and education account appropriation is provided solely for additional law enforcement and security coverage on the west capitol campus.

(2) When a program within the agency is supported by more than one fund and one of the funds is the state general fund, the agency shall charge its expenditures in such a manner as to ensure that each fund is charged in proportion to its support of the program. The agency may adopt guidelines for the implementation of this subsection. The guidelines may account for federal matching requirements, budget provisos, or other requirements to spend other moneys in a particular manner.

(3) \$100,000 of the public safety and education account appropriation is provided solely for the implementation of Substitute Senate Bill No. 5896 (DNA testing of evidence). If the bill is not enacted by June 30, 2001, the amount provided in this subsection shall lapse.

(End of part)

PART V
EDUCATION

{+ NEW SECTION. +} Sec. 501. FOR THE SUPERINTENDENT OF PUBLIC INSTRUCTION

(1) STATE AGENCY OPERATIONS

General Fund--State Appropriation (FY 2002). . . . \$	11,938,000
General Fund--State Appropriation (FY 2003). . . . \$	11,847,000
General Fund--Federal Appropriation. \$	23,668,000
TOTAL APPROPRIATION \$	47,453,000

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

(a) \$10,966,000 of the general fund--state appropriation for fiscal year 2002 and \$10,975,000 of the general fund--state appropriation for fiscal year 2003 are provided solely for the operation and expenses of the office of the superintendent of public instruction.

(b) \$541,000 of the general fund--state appropriation for fiscal year 2002 and \$441,000 of the general fund--state appropriation for fiscal year 2003 are provided solely for the operation and expenses of the state board of education, including basic education assistance activities. Of the general fund--state appropriation for fiscal year 2002, \$100,000 is provided solely for certificate of mastery development and validation.

(c) \$431,000 of the general fund--state appropriation for fiscal year 2002 and \$431,000 of the general fund--state appropriation for fiscal year 2003 are provided solely for the operation and expenses of the Washington professional educator standards board.

(2) STATEWIDE PROGRAMS

General Fund--State Appropriation (FY 2002). . . . \$	15,214,000
General Fund--State Appropriation (FY 2003). . . . \$	17,603,000
General Fund--Federal Appropriation. \$	213,016,000
TOTAL APPROPRIATION \$	245,833,000

The appropriations in this subsection are provided solely for the statewide programs specified in this subsection and are subject to the following conditions and limitations:

(a) The superintendent shall select which items in this subsection to fund at the maximum general fund--state authorized level. The superintendent may choose not to fund one or more items in this subsection.

(b) HEALTH AND SAFETY

(i) A maximum of \$150,000 of the general fund--state appropriation

for fiscal year 2002 and a maximum of \$150,000 of the fiscal year 2003 appropriation are provided for alcohol and drug prevention programs pursuant to RCW 66.08.180.

(ii) A maximum \$2,621,000 of the general fund--state appropriation for fiscal year 2002 and a maximum of \$2,621,000 of the general fund--state appropriation for fiscal year 2003 are provided for a corps of nurses located at educational service districts, as determined by the superintendent of public instruction, to be dispatched to the most needy schools to provide direct care to students, health education, and training for school staff.

(iii) A maximum of \$100,000 of the general fund--state appropriation for fiscal year 2002 and a maximum of \$100,000 of the general fund--state appropriation for fiscal year 2003 are provided to create a school safety center subject to the following conditions and limitations.

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

(B) The school safety center shall be established in the office of the superintendent of public instruction. The superintendent of public instruction shall participate in a school safety center advisory committee that includes representatives of educators, classified staff, principals, superintendents, administrators, the American society for industrial security, the state criminal justice training commission, and others deemed appropriate and approved by the school safety center advisory committee. Members of the committee shall be chosen by the groups they represent. In addition, the Washington association of sheriffs and police chiefs shall appoint representatives of law enforcement to participate on the school safety center advisory committee. The advisory committee shall select a chair.

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

(iv) A maximum of \$113,000 of the general fund--state appropriation for fiscal year 2002 and a maximum of \$103,000 of the general fund--state appropriation for fiscal year 2003 are provided for a school safety training program provided by the criminal justice training commission subject to the following conditions and limitations:

(A) The criminal justice training commission with assistance of the school safety center advisory committee established in section 2(b)(iii) of this section shall develop manuals and curricula for a training program for all school safety personnel.

(B) The Washington state criminal justice training commission, in collaboration with the advisory committee, shall provide the school safety training for all school administrators and school safety personnel, including school safety personnel hired after the effective date of this section.

(v) A maximum of \$238,000 of the general fund--state appropriation for fiscal year 2002 and a maximum of \$237,000 of the general fund--state appropriation for fiscal year 2003 are provided to implement the anti-bullying and harassment training as specified in Engrossed Substitute Senate Bill No. 5528.

(vi) A maximum of \$4,750,000 of the general fund--state appropriation for fiscal year 2002 and a maximum of \$4,739,000 of the general fund--state appropriation for fiscal year 2003 are provided for

a safety allocation to districts subject to the following conditions and limitations:

(A) The funds shall be allocated at a maximum rate of \$5.00 per year per full-time equivalent K-12 student enrolled in each school district in the prior school year.

(B) The funds may be used by school districts: To implement Senate Bill No. 5543 (student safety) concerning safe school plans in each school building and to implement the plans; to provide anti-bullying and harassment training; to implement and contribute to a school safety hotline; and to provide and train school safety personnel.

(vii) A maximum of \$200,000 of the general fund--state appropriation for fiscal year 2002, a maximum of \$200,000 of the general fund--state appropriation for fiscal year 2003, and \$400,000 of the general fund--federal appropriation transferred from the department of health are provided for a program that provides grants to school districts for media campaigns promoting sexual abstinence and addressing the importance of delaying sexual activity, pregnancy, and childbearing until individuals are ready to nurture and support their children. Grants to the school districts shall be for projects that are substantially designed and produced by students. The grants shall require a local private sector match equal to one-half of the state grant, which may include in-kind contribution of technical or other assistance from consultants or firms involved in public relations, advertising, broadcasting, and graphics or video production or other related fields.

(viii) A maximum of \$300,000 of the general fund--state appropriation for fiscal year 2002 and a maximum of \$300,000 of the general fund--state appropriation for fiscal year 2003 are provided for a nonviolence and leadership training program provided by the institute for community leadership. The program shall provide the following:

(A) Statewide nonviolence leadership coaches training program for certification of teachers and community members in nonviolence leadership workshops;

(B) Statewide leadership nonviolence student exchanges, training, and speaking opportunities for student workshop participants; and

(C) A request for proposal process, with up to 80 percent funding, for nonviolence leadership workshops serving at least 24 school districts with direct programming in 72 elementary, middle, and high schools throughout Washington state.

(ix) A maximum of \$1,500,000 of the general fund--state appropriation for fiscal year 2002 and a maximum of \$1,500,000 of the general fund--state appropriation for fiscal year 2003 are provided for school district petitions to juvenile court for truant students as provided in RCW 28A.225.030 and 28A.225.035. Allocation of this money to school districts shall be based on the number of petitions filed.

(c) TECHNOLOGY

(i) A maximum of \$2,000,000 of the general fund--state appropriation for fiscal year 2002 and a maximum of \$2,000,000 of the general fund--state appropriation for fiscal year 2003 are provided for K-20 telecommunications network technical support in the K-12 sector to prevent system failures and avoid interruptions in school utilization of the data processing and video-conferencing capabilities of the network. These funds may be used to purchase engineering and advanced technical support for the network. A maximum of \$650,000 of this amount may be expended for state-level administration and staff training on the K-20 network.

(d) GRANTS AND ALLOCATIONS

(i) A maximum of \$74,000 of the general fund--state appropriation for fiscal year 2002 and a maximum of \$2,915,000 of the general fund--state appropriation for fiscal year 2003 are provided for Senate Bill No. 5695 (alternative certification routes). If the bill is not

enacted by June 30, 2001, the amount provided in this subsection shall lapse. The stipend allocation per teacher candidate and mentor pair shall not exceed \$28,318.

(ii) A maximum of \$31,500 of the general fund--state appropriation for fiscal year 2002 and a maximum of \$31,500 of the general fund--state appropriation for fiscal year 2003 are provided for operation of the Cispus environmental learning center.

(iii) A maximum of \$2,150,000 of the general fund--state appropriation for fiscal year 2002 and a maximum of \$2,150,000 of the general fund--state appropriation for fiscal year 2003 are provided for complex need grants. The maximum grants for eligible districts are specified in LEAP Document 30C as developed on April 27, 1997, at 03:00 hours.

(iv) A maximum of \$1,377,000 of the general fund--state appropriation for fiscal year 2002 and a maximum of \$1,377,000 of the general fund--state appropriation for fiscal year 2003 are provided for educational centers, including state support activities. \$100,000 of this amount is provided to help stabilize funding through distribution among existing education centers that are currently funded by the state at an amount less than \$100,000 a biennium.

(v) A maximum of \$50,000 of the general fund--state appropriation for fiscal year 2002 and a maximum of \$50,000 of the general fund--state appropriation for fiscal year 2003 are provided for an organization in southwest Washington that received funding from the Spokane educational center in the 1995-97 biennium and provides educational services to students who have dropped out of school.

(vi) A maximum of \$50,000 of the general fund--state appropriation for fiscal year 2002 and a maximum of \$50,000 of the general fund--state appropriation for fiscal year 2003 are provided for allocation to the primary coordinators of the state geographic alliance to improve the teaching of geography in schools.

(vii) A maximum of \$800,000 of the general fund--state appropriation for fiscal year 2002 and a maximum of \$800,000 of the general fund--state appropriation for fiscal year 2003 are provided for grants for magnet schools.

(viii) A maximum of \$1,262,000 of the general fund--state appropriation for fiscal year 2002 and a maximum of \$1,262,000 of the general fund--state appropriation for fiscal year 2003 are provided for in-service training and educational programs conducted by the Pacific Science Center.

(ix) A maximum of \$100,000 of the general fund--state appropriation for fiscal year 2002 and a maximum of \$100,000 of the general fund--state appropriation for fiscal year 2003 are provided to support vocational student leadership organizations.

(x) \$9,900,000 of the general fund--federal appropriation is provided for the Washington Reads project to enhance high quality reading instruction and school programs.

(xi) \$30,700,000 of the general fund--federal appropriation is provided for school renovation grants for school districts with urgent school renovation needs, special education-related renovations, and technology related renovations.

(xii) \$1,952,000 of the general fund--federal appropriation is provided for LINKS technology challenge grants to integrate educational reform with state technology systems and development of technology products that enhance professional development and classroom instruction.

(xiii) \$423,000 of the general fund--federal appropriation is provided for the advanced placement fee program to increase opportunities for low-income students and under-represented populations to participate in advanced placement courses and to increase the capacity of schools to provide advanced placement courses to students.

(xiv) \$12,318,000 of the general fund--federal appropriation is provided for comprehensive school reform demonstration projects to provide grants to low-income schools for improving student achievement through adoption and implementation of research-based curricula and instructional programs.

(xv) \$4,228,000 of the general fund--federal appropriation is provided for teacher quality enhancement through provision of consortia grants to school districts and higher education institutions to improve teacher preparation and professional development.

{+ NEW SECTION. +} Sec. 502. FOR THE SUPERINTENDENT OF PUBLIC INSTRUCTION--FOR GENERAL APPORTIONMENT	
General Fund--State Appropriation (FY 2002). . . .	\$ 3,762,126,000
General Fund--State Appropriation (FY 2003). . . .	\$ 3,752,921,000
TOTAL APPROPRIATION	\$ 7,515,047,000

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

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

(2) Allocations for certificated staff salaries for the 2001-02 and 2002-03 school years shall be determined using formula-generated staff units calculated pursuant to this subsection. Staff allocations for small school enrollments in (d) through (f) of this subsection shall be reduced for vocational full-time equivalent enrollments. Staff allocations for small school enrollments in grades K-6 shall be the greater of that generated under (a) of this subsection, or under (d) and (e) of this subsection. Certificated staffing allocations shall be as follows:

(a) On the basis of each 1,000 average annual full-time equivalent enrollments, excluding full-time equivalent enrollment otherwise recognized for certificated staff unit allocations under (c) through (f) of this subsection:

(i) Four certificated administrative staff units per thousand full-time equivalent students in grades K-12;

(ii) 49 certificated instructional staff units per thousand full-time equivalent students in grades K-3;

(iii) Forty-six certificated instructional staff units per thousand full-time equivalent students in grades 4-12; and

(iv) An additional 6.4 certificated instructional staff units for grades K-3 and an additional 9.4 certificated instructional staff units for grade 4. This includes 2.2 certificated instructional staff transferred from the 2000-2001 school year better schools program. Any funds allocated for the additional certificated units provided in this subsection (iv) shall not be considered as basic education funding;

(A) Funds provided under this subsection (2)(a)(iv) in excess of the amount required to maintain the statutory minimum ratio established under RCW 28A.150.260(2)(b) shall be allocated only if the district documents an actual ratio equal to or greater than 55.4 certificated instructional staff per thousand full-time equivalent students in grades K-4. For any school district documenting a lower certificated instructional staff ratio, the allocation shall be based on the district's actual grades K-4 certificated instructional staff ratio achieved in that school year, or the statutory minimum ratio established under RCW 28A.150.260(2)(b), if greater;

(B) Districts at or above 51.0 certificated instructional staff per one thousand full-time equivalent students in grades K-4 may dedicate up to 1.3 of the 55.4 funding ratio to employ additional classified instructional assistants assigned to basic education classrooms in grades K-4. For purposes of documenting a district's staff ratio under

this section, funds used by the district to employ additional classified instructional assistants shall be converted to a certificated staff equivalent and added to the district's actual certificated instructional staff ratio. Additional classified instructional assistants, for the purposes of this subsection, shall be determined using the 1989-90 school year as the base year;

(C) Any district maintaining a ratio equal to or greater than 55.4 certificated instructional staff per thousand full-time equivalent students in grades K-4 may use allocations generated under this subsection (2)(a)(iv) in excess of that required to maintain the minimum ratio established under RCW 28A.150.260(2)(b) to employ additional basic education certificated instructional staff or classified instructional assistants in grades 5-6. Funds allocated under this subsection (2)(a)(iv) shall only be expended to reduce class size in grades K-6. No more than 1.3 of the certificated instructional funding ratio amount may be expended for provision of classified instructional assistants;

(b) For school districts with a minimum enrollment of 250 full-time equivalent students whose full-time equivalent student enrollment count in a given month exceeds the first of the month full-time equivalent enrollment count by 5 percent, an additional state allocation of 110 percent of the share that such increased enrollment would have generated had such additional full-time equivalent students been included in the normal enrollment count for that particular month;

(c)(i) On the basis of full-time equivalent enrollment in:

(A) Vocational education programs approved by the superintendent of public instruction, a maximum of 0.92 certificated instructional staff units and 0.08 certificated administrative staff units for each 19.5 full-time equivalent vocational students; and

(B) Skills center programs meeting the standards for skills center funding established in January 1999 by the superintendent of public instruction, 0.92 certificated instructional staff units and 0.08 certificated administrative units for each 16.67 full-time equivalent vocational students; and

(ii) Vocational full-time equivalent enrollment shall be reported on the same monthly basis as the enrollment for students eligible for basic support, and payments shall be adjusted for reported vocational enrollments on the same monthly basis as those adjustments for enrollment for students eligible for basic support;

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

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

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

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

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

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

(f) For districts operating no more than two high schools with enrollments of less than three hundred average annual full-time equivalent students, for enrollment in grades 9-12 in each such school, other than alternative schools:

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

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

Units calculated under (f)(ii) of this subsection shall be reduced by certificated staff units at the rate of forty-six certificated instructional staff units and four certificated administrative staff units per thousand vocational full-time equivalent students.

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

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

(3) Allocations for classified salaries for the 2001-02 and 2002-03 school years shall be calculated using formula-generated classified staff units determined as follows:

(a) For enrollments generating certificated staff unit allocations under subsection (2)(d) through (h) of this section, one classified staff unit for each three certificated staff units allocated under such subsections;

(b) For all other enrollment in grades K-12, including vocational full-time equivalent enrollments, one classified staff unit for each sixty average annual full-time equivalent students; and

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

(4) Fringe benefit allocations shall be calculated at a rate of 11.37 percent in the 2001-02 school year and 11.37 percent in the 2002-03 school year for certificated salary allocations provided under subsection (2) of this section, and a rate of 12.96 percent in the 2001-02 school year and 12.96 percent in the 2002-03 school year for classified salary allocations provided under subsection (3) of this section.

(5) Insurance benefit allocations shall be calculated at the maintenance rate specified in section 504(3) of this act, based on the number of benefit units determined as follows:

(a) The number of certificated staff units determined in subsection

(2) of this section; and

(b) The number of classified staff units determined in subsection (3) of this section multiplied by 1.152. This factor is intended to adjust allocations so that, for the purposes of distributing insurance benefits, full-time equivalent classified employees may be calculated on the basis of 1440 hours of work per year, with no individual employee counted as more than one full-time equivalent.

(6)(a) For nonemployee-related costs associated with each certificated staff unit allocated under subsection (2)(a), (b), and (d) through (h) of this section, there shall be provided a maximum of \$8,519 per certificated staff unit in the 2001-02 school year and a maximum of \$8,715 per certificated staff unit in the 2002-03 school year.

(b) For nonemployee-related costs associated with each vocational certificated staff unit allocated under subsection (2)(c)(i)(A) of this section, there shall be provided a maximum of \$20,920 per certificated staff unit in the 2001-02 school year and a maximum of \$21,401 per certificated staff unit in the 2002-03 school year.

(c) For nonemployee-related costs associated with each vocational certificated staff unit allocated under subsection (2)(c)(i)(B) of this section, there shall be provided a maximum of \$16,233 per certificated staff unit in the 2001-02 school year and a maximum of \$16,606 per certificated staff unit in the 2002-03 school year.

(7) Allocations for substitute costs for classroom teachers shall be distributed at a maintenance rate of \$494.34 for the 2001-02 and 2002-03 school years per allocated classroom teachers exclusive of salary increase amounts provided in section 504 of this act. Solely for the purposes of this subsection, allocated classroom teachers shall be equal to the number of certificated instructional staff units allocated under subsection (2) of this section, multiplied by the ratio between the number of actual basic education certificated teachers and the number of actual basic education certificated instructional staff reported statewide for the prior school year.

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

(9) The superintendent may distribute a maximum of \$6,510,000 outside the basic education formula during fiscal years 2002 and 2003 as follows:

(a) For fire protection for school districts located in a fire protection district as now or hereafter established pursuant to chapter 52.04 RCW, a maximum of \$480,000 may be expended in fiscal year 2002 and a maximum of \$491,000 may be expended in fiscal year 2003;

(b) For summer vocational programs at skills centers, a maximum of \$2,098,000 may be expended each fiscal year;

(c) A maximum of \$343,000 may be expended for school district emergencies; and

(d) A maximum of \$500,000 per fiscal year may be expended for programs providing skills training for secondary students who are enrolled in extended day school-to-work programs, as approved by the superintendent of public instruction. The funds shall be allocated at a rate not to exceed \$500 per full-time equivalent student enrolled in those programs.

(10) For purposes of RCW 84.52.0531, the increase per full-time equivalent student in state basic education appropriations provided

under this act, including appropriations for salary and benefits increases, is 2.5 percent from the 2000-01 school year to the 2001-02 school year, and 3.3 percent from the 2000-01 school year to the 2002-03 school year.

(11) If two or more school districts consolidate and each district was receiving additional basic education formula staff units pursuant to subsection (2)(b) through (h) of this section, the following shall apply:

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

(b) For the fourth through eighth school years following consolidation, the difference between the basic education formula staff units received by the districts for the school year prior to consolidation and the basic education formula staff units after consolidation pursuant to subsection (2)(a) through (h) of this section shall be reduced in increments of twenty percent per year.

{+ NEW SECTION. +} Sec. 503. FOR THE SUPERINTENDENT OF PUBLIC INSTRUCTION--BASIC EDUCATION EMPLOYEE COMPENSATION. (1) The following calculations determine the salaries used in the general fund allocations for certificated instructional, certificated administrative, and classified staff units under section 502 of this act:

(a) Salary allocations for certificated instructional staff units shall be determined for each district by multiplying the district's certificated instructional total base salary shown on LEAP Document 12E for the appropriate year, by the district's average staff mix factor for basic education and special education certificated instructional staff in that school year, computed using LEAP Document 1S; and

(b) Salary allocations for certificated administrative staff units and classified staff units for each district shall be based on the district's certificated administrative and classified salary allocation amounts shown on LEAP Document 12E for the appropriate year.

(2) For the purposes of this section:

(a) "Basic education certificated instructional staff" is defined as provided in RCW 28A.150.100 and "special education certificated staff" means staff assigned to the state-supported special education program pursuant to chapter 28A.155 RCW in positions requiring a certificate;

(b) "LEAP Document 1S" means the computerized tabulation establishing staff mix factors for certificated instructional staff according to education and years of experience, as developed by the legislative evaluation and accountability program committee on March 25, 1999, at 16:55 hours; and

(c) "LEAP Document 12E" means the computerized tabulation of 2001-02 and 2002-03 school year salary allocations for certificated administrative staff and classified staff and derived and total base salaries for certificated instructional staff as developed by the legislative evaluation and accountability program committee on March 13, 2001, at 16:32 hours.

(3) Incremental fringe benefit factors shall be applied to salary adjustments at a rate of 10.73 percent for school years 2001-02 and 2002-03 for certificated staff and 9.46 percent for school years 2001-02 and 2002-03 for classified staff.

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

K-12 Salary Schedule for Certificated Instructional Staff

2001-02 School Year

Years of Service	BA	BA+15	BA+30	BA+45	BA+90
0	27,467	28,209	28,977	29,746	32,219
1	27,836	28,588	29,366	30,171	32,668
2	28,464	29,231	30,025	30,900	33,414
3	29,401	30,192	31,009	31,931	34,490
4	30,063	30,896	31,727	32,689	35,290
5	30,750	31,595	32,443	33,468	36,085
6	31,147	31,974	32,850	33,928	36,531
7	32,164	33,010	33,909	35,055	37,724
8	33,195	34,088	35,008	36,248	38,954
9		35,205	36,169	37,455	40,223
10			37,344	38,724	41,529
11				40,029	42,895
12				41,293	44,298
13					45,736
14					47,181
15					48,408
16 or more					49,376

Years of Service	BA+135	MA	MA+45	MA+90 or PHD
0	33,811	32,931	35,403	36,996
1	34,252	33,297	35,793	37,377
2	35,030	33,995	36,509	38,124
3	36,177	35,027	37,585	39,273
4	37,007	35,755	38,355	40,072
5	37,853	36,503	39,121	40,889
6	38,308	36,904	39,508	41,285
7	39,569	38,031	40,700	42,546
8	40,867	39,225	41,930	43,843
9	42,201	40,430	43,200	45,177
10	43,572	41,700	44,505	46,549
11	44,979	43,005	45,872	47,956
12	46,446	44,362	47,275	49,422
13	47,947	45,766	48,712	50,923
14	49,505	47,212	50,251	52,481
15	50,792	48,439	51,557	53,846
16 or more	51,808	49,407	52,589	54,923

K-12 Allocation Salary Schedule For Certificated Instructional Staff
2002-03 School Year

Years of Service	BA	BA+15	BA+30	BA+45	BA+90
0	28,318	29,083	29,875	30,668	33,217
1	28,699	29,473	30,276	31,106	33,680
2	29,345	30,137	30,955	31,857	34,449
3	30,312	31,127	31,970	32,920	35,559
4	30,994	31,854	32,710	33,702	36,383
5	31,703	32,574	33,448	34,505	37,203
6	32,112	32,964	33,868	34,979	37,663
7	33,160	34,033	34,959	36,141	38,893
8	34,223	35,145	36,092	37,372	40,161
9		36,295	37,289	38,616	41,470
10			38,501	39,923	42,815

11	41,269	44,225
12	42,572	45,671
13		47,153
14		48,642
15		49,907
16 or more		50,906

Years of Service	BA+135	MA	MA+45	MA+90 or PHD
0	34,859	33,951	36,500	38,142
1	35,313	34,328	36,902	38,535
2	36,116	35,048	37,640	39,305
3	37,298	36,112	38,750	40,490
4	38,153	36,863	39,544	41,314
5	39,026	37,634	40,333	42,156
6	39,495	38,047	40,732	42,564
7	40,795	39,210	41,961	43,864
8	42,133	40,440	43,229	45,201
9	43,509	41,683	44,538	46,577
10	44,922	42,992	45,884	47,991
11	46,373	44,337	47,293	49,442
12	47,885	45,736	48,739	50,953
13	49,432	47,184	50,221	52,501
14	51,039	48,675	51,808	54,107
15	52,366	49,940	53,155	55,514
16 or more	53,413	50,938	54,218	56,624

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

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

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

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

(5) For the purposes of this section:

(a) "BA" means a baccalaureate degree.

(b) "MA" means a masters degree.

(c) "PHD" means a doctorate degree.

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

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

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

(a) The employee has a masters degree; or

(b) The credits were used in generating state salary allocations before January 1, 1992.

(7) The certificated instructional staff base salary specified for each district in LEAP Document 12E and the salary schedules in subsection (4)(a) of this section include three learning improvement days originally added in the 1999-00 school year. A school district is eligible for the learning improvement day funds for school years 2001-02 and 2002-03, only if three days have been added to the base contract

in effect for the 1998-99 school year. If fewer than three days are added, the additional learning improvement allocation shall be adjusted accordingly. The additional days shall be for activities related to improving student learning consistent with education reform implementation. The length of a learning improvement day shall not be less than the length of a full day under the base contract. The superintendent of public instruction shall ensure that school districts adhere to the intent and purposes of this subsection.

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

{+ NEW SECTION. +} Sec. 504. FOR THE SUPERINTENDENT OF PUBLIC INSTRUCTION--FOR SCHOOL EMPLOYEE COMPENSATION ADJUSTMENTS	
General Fund--State Appropriation (FY 2002). . . .	\$ 123,141,000
General Fund--State Appropriation (FY 2003). . . .	\$ 271,694,000
TOTAL APPROPRIATION	\$ 394,835,000

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

(1) \$318,422,000 is provided for a cost of living adjustment of 3.7 percent effective September 1, 2001, and another 3.1 percent effective September 1, 2002, for state formula staff units, in accordance with chapter 4, Laws of 2001 (Initiative Measure No. 732). The appropriations include associated incremental fringe benefit allocations at rates of 10.73 percent for school years 2001-02 and 2002-03 for certificated staff and 9.46 percent for school years 2001-02 and 2002-03 for classified staff.

(a) The appropriations in this section include the increased portion of salaries and incremental fringe benefits for all relevant state-funded school programs in part V of this act, in accordance with chapter 4, Laws of 2001 (Initiative Measure No. 732). Salary adjustments for state employees in the office of superintendent of public instruction and the education reform program are provided in part VII of this act. Increases for general apportionment (basic education) are based on the salary allocation schedules and methodology in section 502 of this act. Increases for special education result from increases in each district's basic education allocation per student. Increases for educational service districts and institutional education programs are determined by the superintendent of public instruction using the methodology for general apportionment salaries and benefits in section 502 of this act.

(b) The appropriations in this section provide cost-of-living and incremental fringe benefit allocations based on formula adjustments as follows:

	School Year	
	2001-02	2002-03
Pupil Transportation (per weighted pupil mile)	\$ 0.77	\$ 1.44
Highly Capable (per formula student)	\$ 8.76	\$ 16.37
Transitional Bilingual Education (per eligible bilingual student)	\$ 22.75	\$ 42.52
Learning Assistance (per entitlement unit)	\$ 11.24	\$ 21.00
Substitute Teacher (allocation per teacher, section 502(7))	\$ 18.29	\$ 34.18

(2) This act appropriates general fund--state funds for the purpose of providing the annual salary cost-of-living increase required by section 2, chapter 4, Laws of 2001 (Initiative Measure No. 732) for teachers and other school district employees in the state-funded salary base. For employees not included in the state-funded salary base, the

annual salary cost-of-living increase may be provided by school districts from the federal funds appropriated in this act and local revenues, including the adjusted levy base as provided in RCW 84.52.053 and section 502 of this act, and state discretionary funds provided under this act.

(3) \$76,413,000 is provided for adjustments to insurance benefit allocations. The maintenance rate for insurance benefit allocations is \$427.73 per month for the 2001-02 and 2002-03 school years. The appropriations in this section provide for a rate increase to \$453.77 per month for the 2001-02 school year and \$490.18 per month for the 2002-03 school year at the following rates:

	School Year	
	2001-02	2002-03
Pupil Transportation (per weighted pupil mile)	\$ 0.24	\$ 0.57
Highly Capable (per formula student)	\$ 1.67	\$ 3.97
Transitional Bilingual Education (per eligible bilingual student)	\$ 4.22	\$ 10.11
Learning Assistance (per entitlement unit)	\$ 3.32	\$ 7.95

(4) The rates specified in this section are subject to revision each year by the legislature.

{+ NEW SECTION. +} Sec. 505. FOR THE SUPERINTENDENT OF PUBLIC INSTRUCTION--FOR PUPIL TRANSPORTATION	
General Fund--State Appropriation (FY 2002)	\$ 193,226,000
General Fund--State Appropriation (FY 2003)	\$ 194,328,000
TOTAL APPROPRIATION	\$ 387,554,000

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

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

(2) A maximum of \$767,000 of this fiscal year 2002 appropriation and a maximum of \$785,000 of the fiscal year 2003 appropriation may be expended for regional transportation coordinators and related activities. The transportation coordinators shall ensure that data submitted by school districts for state transportation funding shall, to the greatest extent practical, reflect the actual transportation activity of each district.

(3) \$15,000 of the fiscal year 2002 appropriation and \$20,000 of the fiscal year 2003 appropriation are provided solely for the transportation of students enrolled in "choice" programs. Transportation shall be limited to low-income students who are transferring to "choice" programs solely for educational reasons.

(4) Allocations for transportation of students shall be based on reimbursement rates of \$37.12 per weighted mile in the 2001-02 school year and \$37.39 per weighted mile in the 2002-03 school year exclusive of salary and benefit adjustments provided in section 504 of this act. Allocations for transportation of students transported more than one radius mile shall be based on weighted miles as determined by superintendent of public instruction multiplied by the per mile reimbursement rates for the school year pursuant to the formulas adopted by the superintendent of public instruction. Allocations for transportation of students living within one radius mile shall be based on the number of enrolled students in grades kindergarten through five living within one radius mile of their assigned school multiplied by the per mile reimbursement rate for the school year multiplied by 1.29.

{+ NEW SECTION. +} Sec. 506. FOR THE SUPERINTENDENT OF PUBLIC INSTRUCTION--FOR SCHOOL FOOD SERVICE PROGRAMS

General Fund--State Appropriation (FY 2002). . . . \$	3,100,000
General Fund--State Appropriation (FY 2003). . . . \$	3,100,000
General Fund--Federal Appropriation. \$	225,630,000
TOTAL APPROPRIATION \$	231,830,000

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

(1) \$3,000,000 of the general fund--state appropriation for fiscal year 2002 and \$3,000,000 of the general fund--state appropriation for fiscal year 2003 are provided for state matching money for federal child nutrition programs.

(2) \$100,000 of the general fund--state appropriation for fiscal year 2002 and \$100,000 of the 2003 fiscal year appropriation are provided for summer food programs for children in low-income areas.

{+ NEW SECTION. +} Sec. 507. FOR THE SUPERINTENDENT OF PUBLIC INSTRUCTION--FOR SPECIAL EDUCATION PROGRAMS

General Fund--State Appropriation (FY 2002). . . . \$	421,040,000
General Fund--State Appropriation (FY 2003). . . . \$	420,665,000
General Fund--Federal Appropriation. \$	256,092,000
TOTAL APPROPRIATION \$	1,097,797,000

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

(1) Funding for special education programs is provided on an excess cost basis, pursuant to RCW 28A.150.390. School districts shall ensure that special education students as a class receive their full share of the general apportionment allocation accruing through sections 502 and 504 of this act. To the extent a school district cannot provide an appropriate education for special education students under chapter 28A.155 RCW through the general apportionment allocation, it shall provide services through the special education excess cost allocation funded in this section.

(2) Effective with the 2001-02 school year, the superintendent shall change the S-275 personnel reporting system to ensure that: Special education students are basic education students first and as a class are entitled to the full basic education allocation; and that they are basic education students for the entire school day.

(3) Each general fund--state fiscal year appropriation includes such funds as are necessary to complete the school year ending in the fiscal year and for prior fiscal year adjustments.

(4) The superintendent of public instruction shall distribute state funds to school districts based on two categories: The optional birth through age two program for special education eligible developmentally delayed infants and toddlers, and the mandatory special education program for special education eligible students ages three to twenty-one. A "special education eligible student" means a student receiving specially designed instruction in accordance with a properly formulated individualized education program.

(5)(a) For the 2001-02 and 2002-03 school years, the superintendent shall distribute state funds to each district based on the sum of:

(i) A district's annual average headcount enrollment of developmentally delayed infants and toddlers ages birth through two, multiplied by the district's average basic education allocation per full-time equivalent student, multiplied by 1.15; and

(ii) A district's annual average full-time equivalent basic education enrollment multiplied by the funded enrollment percent determined pursuant to subsection (6)(c) of this section, multiplied by the district's average basic education allocation per full-time

equivalent student multiplied by 0.9309.

(b) For purposes of this subsection, "average basic education allocation per full-time equivalent student" for a district shall be based on the staffing ratios required by RCW 28A.150.260 and shall not include enhancements, secondary vocational education, or small schools.

(6) The definitions in this subsection apply throughout this section.

(a) "Annual average full-time equivalent basic education enrollment" means the resident enrollment including students enrolled through choice (RCW 28A.225.225) and students from nonhigh districts (RCW 28A.225.210) and excluding students residing in another district enrolled as part of an interdistrict cooperative program (RCW 28A.225.250).

(b) "Enrollment percent" means the district's resident special education annual average enrollment, excluding the birth through age two enrollment, as a percent of the district's annual average full-time equivalent basic education enrollment. For the 2001-02 and the 2002-03 school years, each district's funded enrollment percent shall be the lesser of the district's actual enrollment percent for the school year for which the allocation is being determined or 13.0 percent.

(7) At the request of any interdistrict cooperative of at least 15 districts in which all excess cost services for special education students of the districts are provided by the cooperative, the maximum enrollment percent shall be 13.0, and shall be calculated in the aggregate rather than individual district units. For purposes of this subsection, the average basic education allocation per full-time equivalent student shall be calculated in the aggregate rather than individual district units.

(8) A maximum of \$10,784,000 of the general fund--state appropriation for fiscal year 2002 and a maximum of \$10,623,000 of the general fund--state appropriation for fiscal year 2003 are provided as safety net funding for districts with demonstrated needs for state special education funding beyond the amounts provided in subsection (5) of this section. Safety net funding shall be awarded by the state safety net oversight committee.

(a) The safety net oversight committee shall first consider the needs of districts adversely affected by the 1995 change in the special education funding formula. Awards shall be based on the lesser of the amount required to maintain the 1994-95 state special education excess cost allocation to the school district in aggregate or on a dollar per funded student basis.

(b) The committee shall then consider unmet needs for districts that can convincingly demonstrate that all legitimate expenditures for special education exceed all available revenues from state funding formulas. In the determination of need, the committee shall also consider additional available revenues from federal and local sources. Differences in program costs attributable to district philosophy, service delivery choice, or accounting practices are not a legitimate basis for safety net awards.

(c) The maximum allowable indirect cost for calculating safety net eligibility may not exceed the federal restricted indirect cost rate for the district plus one percent.

(d) Safety net awards shall be adjusted based on the percent of potential medicaid eligible students billed as calculated by the superintendent in accordance with chapter 318, Laws of 1999.

(e) Safety net awards must be adjusted for any audit findings or exceptions related to special education funding.

(f) The superintendent may expend up to \$120,000 per year of the amounts provided in this subsection to provide staff assistance to the committee in analyzing applications for safety net funds received by the committee.

(9) The superintendent of public instruction may adopt such rules and procedures as are necessary to administer the special education funding and safety net award process. Prior to revising any standards, procedures, or rules, the superintendent shall consult with the office of financial management and the fiscal committees of the legislature.

(10) The safety net oversight committee appointed by the superintendent of public instruction shall consist of:

- (a) One staff from the office of superintendent of public instruction;
- (b) Staff of the office of the state auditor;
- (c) Staff of the office of the financial management; and
- (d) One or more representatives from school districts or educational service districts knowledgeable of special education programs and funding.

(11) To the extent necessary, \$5,500,000 of the general fund--federal appropriation shall be expended for safety net funding to meet the extraordinary needs of one or more individual special education students. If safety net awards to meet the extraordinary needs exceed \$5,500,000 of the general fund--federal appropriation, the superintendent shall expend all available federal discretionary funds necessary to meet this need. General fund--state funds shall not be expended for this purpose.

(12) A maximum of \$678,000 may be expended from the general fund--state appropriations to fund 5.43 full-time equivalent teachers and 2.1 full-time equivalent aides at children's orthopedic hospital and medical center. This amount is in lieu of money provided through the home and hospital allocation and the special education program.

(13) \$1,000,000 of the general fund--federal appropriation is provided for projects to provide special education students with appropriate job and independent living skills, including work experience where possible, to facilitate their successful transition out of the public school system. The funds provided by this subsection shall be from federal discretionary grants.

(14) The superintendent shall maintain the percentage of federal flow-through to school districts at 85 percent. In addition to other purposes, school districts may use increased federal funds for high-cost students, for purchasing regional special education services from educational service districts, and for staff development activities particularly relating to inclusion issues.

(15) A maximum of \$1,200,000 of the general fund--federal appropriation may be expended by the superintendent for projects related to use of inclusion strategies by school districts for provision of special education services. The superintendent shall prepare an information database on laws, best practices, examples of programs, and recommended resources. The information may be disseminated in a variety of ways, including workshops and other staff development activities.

(16) A school district may carry over from one year to the next year up to 10 percent of general fund--state funds allocated under this program; however, carry over funds shall be expended in the special education program.

{+ NEW SECTION. +} Sec. 508. FOR THE SUPERINTENDENT OF PUBLIC INSTRUCTION--FOR TRAFFIC SAFETY EDUCATION PROGRAMS	
General Fund--State Appropriation (FY 2002). . . . \$	3,779,000
General Fund--State Appropriation (FY 2003). . . . \$	2,788,000
TOTAL APPROPRIATION \$	6,567,000

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

- (1) The appropriations include such funds as are necessary to

complete the school year ending in each fiscal year and for prior fiscal year adjustments.

(2) A maximum of \$437,000 of the fiscal year 2002 general fund appropriation and a maximum of \$453,000 of the fiscal year 2003 general fund appropriation may be expended for regional traffic safety education coordinators.

(3) Allocations to provide tuition assistance for students eligible for free and reduced price lunch who complete the program shall be a maximum of \$203.97 per eligible student in the 2001-02 and 2002-03 school years.

{+ NEW SECTION. +} Sec. 509. FOR THE SUPERINTENDENT OF PUBLIC INSTRUCTION--FOR EDUCATIONAL SERVICE DISTRICTS	
General Fund--State Appropriation (FY 2002). . . .	\$ 4,771,000
General Fund--State Appropriation (FY 2003). . . .	\$ 4,771,000
TOTAL APPROPRIATION	\$ 9,542,000

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

(1) The educational service districts shall continue to furnish financial services required by the superintendent of public instruction and RCW 28A.310.190 (3) and (4).

(2) \$250,000 of the general fund appropriation for fiscal year 2000 and \$250,000 of the general fund appropriation for fiscal year 2001 are provided solely for student teaching centers as provided in RCW 28A.415.100.

(3) A maximum of \$250,000 of the fiscal year 2002 general fund appropriation and a maximum of \$250,000 of the fiscal year 2003 general fund appropriation are provided for centers for the improvement of teaching pursuant to RCW 28A.415.010.

{+ NEW SECTION. +} Sec. 510. FOR THE SUPERINTENDENT OF PUBLIC INSTRUCTION--FOR LOCAL EFFORT ASSISTANCE	
General Fund--State Appropriation (FY 2002). . . .	\$ 136,315,000
General Fund--State Appropriation (FY 2003). . . .	\$ 148,329,000
TOTAL APPROPRIATION	\$ 284,644,000

{+ NEW SECTION. +} Sec. 511. FOR THE SUPERINTENDENT OF PUBLIC INSTRUCTION--FOR INSTITUTIONAL EDUCATION PROGRAMS	
General Fund--State Appropriation (FY 2002). . . .	\$ 19,143,000
General Fund--State Appropriation (FY 2003). . . .	\$ 19,129,000
General Fund--Federal Appropriation.	\$ 8,548,000
TOTAL APPROPRIATION	\$ 46,820,000

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

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

(2) State funding provided under this section is based on salaries and other expenditures for a 220-day school year. The superintendent of public instruction shall monitor school district expenditure plans for institutional education programs to ensure that districts plan for a full-time summer program.

(3) State funding for each institutional education program shall be based on the institution's annual average full-time equivalent student enrollment. Staffing ratios for each category of institution shall remain the same as those funded in the 1995-97 biennium.

(4) The funded staffing ratios for education programs for juveniles age 18 or less in department of corrections facilities shall be the same as those provided in the 1997-99 biennium.

(5) \$141,000 of the general fund--state appropriation for fiscal year 2002 and \$139,000 of the general fund--state appropriation for fiscal year 2003 are provided solely to maintain at least one certificated instructional staff and related support services at an institution whenever the K-12 enrollment is not sufficient to support one full-time equivalent certificated instructional staff to furnish the educational program. The following types of institutions are included: Residential programs under the department of social and health services for developmentally disabled juveniles, programs for juveniles under the department of corrections, and programs for juveniles under the juvenile rehabilitation administration.

(6) Ten percent of the funds allocated for each institution may be carried over from one year to the next.

{+ NEW SECTION. +} Sec. 512. FOR THE SUPERINTENDENT OF PUBLIC INSTRUCTION--FOR PROGRAMS FOR HIGHLY CAPABLE STUDENTS	
General Fund--State Appropriation (FY 2002). . . .	\$ 6,447,000
General Fund--State Appropriation (FY 2003). . . .	\$ 6,401,000
TOTAL APPROPRIATION	\$ 12,848,000

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

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

(2) Allocations for school district programs for highly capable students shall be distributed at a maximum rate of \$328.31 per funded student for the 2001-02 school year and \$328.26 per funded student for the 2002-03 school year, exclusive of salary and benefit adjustments pursuant to section 504 of this act. The number of funded students shall be a maximum of two percent of each district's full-time equivalent basic education enrollment.

(3) \$175,000 of the fiscal year 2002 appropriation and \$175,000 of the fiscal year 2003 appropriation are provided for the centrum program at Fort Worden state park.

(4) \$93,000 of the fiscal year 2002 appropriation and \$93,000 of the fiscal year 2003 appropriation are provided for the Washington imagination network and future problem-solving programs.

{+ NEW SECTION. +} Sec. 513. FOR THE SUPERINTENDENT OF PUBLIC INSTRUCTION--FOR THE ELEMENTARY AND SECONDARY SCHOOL IMPROVEMENT ACT	
General Fund--Federal Appropriation.	\$ 288,166,000

{+ NEW SECTION. +} Sec. 514. FOR THE SUPERINTENDENT OF PUBLIC INSTRUCTION--EDUCATION REFORM PROGRAMS	
General Fund--State Appropriation (FY 2002). . . .	\$ 28,643,000
General Fund--State Appropriation (FY 2003). . . .	\$ 28,563,000
General Fund--Federal Appropriation.	\$ 3,000,000
TOTAL APPROPRIATION	\$ 60,206,000

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

(1) \$322,000 of the general fund--state appropriation for fiscal year 2002 and \$322,000 of the general fund--state appropriation for fiscal year 2003 are provided solely for the academic achievement and accountability commission.

(2) \$11,512,000 of the general fund--state appropriation for fiscal year 2002, \$11,214,000 of the general fund--state appropriation for fiscal year 2003, and \$3,000,000 of the general fund--federal appropriation are provided for development and implementation of the Washington assessments of student learning. Up to \$689,000 of the

appropriation may be expended for data analysis and data management of test results.

(3) \$1,095,000 of the fiscal year 2002 general fund--state appropriation and \$1,095,000 of the fiscal year 2003 general fund--state appropriation are provided solely for training of paraprofessional classroom assistants and certificated staff who work with classroom assistants as provided in RCW 28A.415.310.

(4) \$3,445,000 of the general fund--state appropriation for fiscal year 2002 and \$3,445,000 of the general fund--state appropriation for fiscal year 2003 are provided for mentor teacher assistance, including state support activities, under RCW 28A.415.250 and 28A.415.260. Funds for the teacher assistance program shall be allocated to school districts based on the number of beginning teachers.

(5) \$2,025,000 of the general fund--state appropriation for fiscal year 2002 and \$2,025,000 of the general fund--state appropriation for fiscal year 2003 are provided for improving technology infrastructure, monitoring and reporting on school district technology development, promoting standards for school district technology, promoting statewide coordination and planning for technology development, and providing regional educational technology support centers, including state support activities, under chapter 28A.650 RCW. The superintendent of public instruction shall coordinate a process to facilitate the evaluation and provision of online curriculum courses to school districts which includes the following: Creation of a general listing of the types of available online curriculum courses; a survey conducted by each regional educational technology support center of school districts in its region regarding the types of online curriculum courses desired by school districts; a process to evaluate and recommend to school districts the best online courses in terms of curriculum, student performance, and cost; and assistance to school districts in procuring and providing the courses to students.

(6) \$3,600,000 of the general fund--state appropriation for fiscal year 2002 and \$3,600,000 of the general fund--state appropriation for fiscal year 2003 are provided for grants to school districts to provide a continuum of care for children and families to help children become ready to learn. Grant proposals from school districts shall contain local plans designed collaboratively with community service providers. If a continuum of care program exists in the area in which the school district is located, the local plan shall provide for coordination with existing programs to the greatest extent possible. Grant funds shall be allocated pursuant to RCW 70.190.040.

(7) \$2,500,000 of the general fund--state appropriation for fiscal year 2002 and \$2,500,000 of the general fund--state appropriation for fiscal year 2003 are provided solely for the meals for kids program under RCW 28A.235.145 through 28A.235.155.

(8) \$1,409,000 of the general fund--state appropriation for fiscal year 2002 and \$1,409,000 of the general fund--state appropriation for fiscal year 2003 are provided solely for the leadership internship program for superintendents, principals, and program administrators.

(9) \$1,750,000 of the general fund--state appropriation for fiscal year 2002 and \$1,750,000 of the general fund--state appropriation for fiscal year 2003 are provided solely for a reading and mathematics helping corps subject to the following conditions and limitations:

(a) In order to increase the availability and quality of technical assistance statewide, the superintendent of public instruction, shall employ regional school improvement coordinators and reading and mathematics school improvement specialists to provide assistance to schools and districts. The regional coordinators and specialists shall be hired by and work under the direction of a statewide school improvement coordinator. The improvement specialists shall serve on a rotating basis from one to three years and shall not be permanent

employees of the superintendent of public instruction.

(b) The school improvement coordinators and specialists shall provide the following to help local school districts design and implement their own school improvement plans under Second Substitute Senate Bill No. 5625 to improve student learning in mathematics and reading:

(i) Assistance to schools to disaggregate student performance data and develop improvement plans based on those data;

(ii) Consultation with schools and districts concerning their performance on the Washington assessment of student learning and other assessments emphasizing the performance on the reading and mathematics assessments;

(iii) Consultation concerning curricula that aligns with the essential academic learning requirements emphasizing the academic learning requirements for reading and mathematics, the Washington assessment of student learning, and meets the needs of diverse learners;

(iv) Assistance in the identification and implementation of research-based instructional practices in reading and mathematics;

(v) Staff training that emphasizes effective instructional strategies and classroom-based assessment for reading and mathematics;

(vi) Assistance in developing and implementing family and community involvement programs emphasizing reading and mathematics; and

(vii) Other assistance to schools and school districts intended to improve student reading and mathematics learning.

(10) A maximum of \$500,000 of the general fund--state appropriation for fiscal year 2002 and a maximum of \$500,000 of the general fund--state appropriation for fiscal year 2003 are provided for summer accountability institutes offered by the superintendent of public instruction and the academic achievement and accountability commission. The institutes shall provide school district staff with training in the analysis of student assessment data, information regarding successful district and school teaching models, research on curriculum and instruction, and planning tools for districts to improve instruction in reading, mathematics, language arts, and guidance and counseling.

(11) \$307,000 of the general fund--state appropriation for fiscal year 2002 and \$530,000 of the general fund--state appropriation for fiscal year 2003 are provided solely for salary bonuses for teachers who attain certification by the national board for professional teaching standards.

(a) In the 2001-02 school year, teachers who have attained certification by the national board in the 2000-01 school year or the 2001-02 school year shall receive an annual bonus not to exceed \$3,500.

(b) In the 2002-03 school year, teachers who have attained certification by the national board in the 2001-02 school year or the 2002-03 school year shall receive an annual bonus not to exceed \$3,500.

(c) The annual bonus shall be paid in a lump sum amount and shall not be included in the definition of "earnable compensation" under RCW 41.32.010(10).

(d) It is the intent of the legislature that teachers achieving certification by the national board of professional teaching standards will receive no more than two bonus payments under this subsection.

(12) \$125,000 of the general fund--state appropriation for fiscal year 2002 and \$125,000 of the general fund--state appropriation for fiscal year 2003 are provided for a principal support program. The office of the superintendent of public instruction may contract with an independent organization to administer the program. The program shall include: (a) Development of an individualized professional growth plan for a new principal or principal candidate; and (b) participation of a mentor principal who works over a period of between one and three years with the new principal or principal candidate to help him or her build

the skills identified as critical to the success of the professional growth plan.

(13) \$71,000 of the general fund--state appropriation for fiscal year 2002 and \$71,000 of the general fund--state appropriation for fiscal year 2003 are provided solely for the second grade reading test. The funds shall be expended for assessment training for new second grade teachers and replacement of assessment materials.

{+ NEW SECTION. +} Sec. 515. FOR THE SUPERINTENDENT OF PUBLIC INSTRUCTION--FOR TRANSITIONAL BILINGUAL PROGRAMS	
General Fund--State Appropriation (FY 2002). . . .	\$ 43,037,000
General Fund--State Appropriation (FY 2003). . . .	\$ 45,173,000
TOTAL APPROPRIATION	\$ 88,210,000

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

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

(2) The superintendent shall distribute a maximum of \$687.74 per eligible bilingual student in the 2001-02 school year and \$687.74 in the 2002-03 school year, exclusive of salary and benefit adjustments provided in section 504 of this act.

{+ NEW SECTION. +} Sec. 516. FOR THE SUPERINTENDENT OF PUBLIC INSTRUCTION--FOR THE LEARNING ASSISTANCE PROGRAM	
General Fund--State Appropriation (FY 2002). . . .	\$ 70,620,000
General Fund--State Appropriation (FY 2003). . . .	\$ 68,850,000
TOTAL APPROPRIATION	\$ 139,470,000

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

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

(2) Funding for school district learning assistance programs shall be allocated at maximum rates of \$408.58 per funded unit for the 2001-02 school year and \$409.61 per funded unit for the 2002-03 school year exclusive of salary and benefit adjustments provided under section 504 of this act.

(3) For purposes of this section, "test results" refers to the district results from the norm-referenced test administered in the specified grade level. The norm-referenced test results used for the third and sixth grade calculations shall be consistent with the third and sixth grade tests required under RCW 28A.230.190 and 28A.230.193.

(4) A school district's funded units for the 2001-02 and 2002-03 school years shall be the sum of the following:

(a) The district's full-time equivalent enrollment in grades K-6, multiplied by the 5-year average 4th grade lowest quartile test results as adjusted for funding purposes in the school years prior to 1999-2000, multiplied by 0.92. As the 3rd grade test becomes available, it shall be phased into the 5-year average on a 1-year lag; and

(b) The district's full-time equivalent enrollment in grades 7-9, multiplied by the 5-year average 8th grade lowest quartile test results as adjusted for funding purposes in the school years prior to 1999-2000, multiplied by 0.92. As the 6th grade test becomes available, it shall be phased into the 5-year average for these grades on a 1-year lag; and

(c) The district's full-time equivalent enrollment in grades 10-11 multiplied by the 5-year average 11th grade lowest quartile test results, multiplied by 0.92. As the 9th grade test becomes available,

it shall be phased into the 5-year average for these grades on a 1-year lag; and

(d) If, in the prior school year, the district's percentage of October headcount enrollment in grades K-12 eligible for free and reduced price lunch exceeded the state average, subtract the state average percentage of students eligible for free and reduced price lunch from the district's percentage and multiply the result by the district's K-12 annual average full-time equivalent enrollment for the current school year multiplied by 22.3 percent.

(5) School districts may carry over from one year to the next up to 10 percent of funds allocated under this program; however, carryover funds shall be expended for the learning assistance program.

{+ NEW SECTION. +} Sec. 517. FOR THE SUPERINTENDENT OF PUBLIC INSTRUCTION--LOCAL ENHANCEMENT FUNDS	
General Fund--State Appropriation (FY 2002). . . .	\$ 19,515,000
General Fund--State Appropriation (FY 2003). . . .	\$ 17,516,000
TOTAL APPROPRIATION	\$ 37,031,000

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

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

(2) Funds are provided for local education program enhancements to meet educational needs as identified by the school district, including alternative education programs.

(3) Allocations for the 2001-02 school year shall be at a maximum annual rate of \$18.48 per full-time equivalent student and \$18.48 per full-time equivalent student for the 2002-03 school year. Allocations shall be made on the monthly apportionment payment schedule provided in RCW 28A.510.250 and shall be based on school district annual average full-time equivalent enrollment in grades kindergarten through twelve: PROVIDED, That for school districts enrolling not more than one hundred average annual full-time equivalent students, and for small school plants within any school district designated as remote and necessary schools, the allocations shall be as follows:

(a) Enrollment of not more than sixty average annual full-time equivalent students in grades kindergarten through six shall generate funding based on sixty full-time equivalent students;

(b) Enrollment of not more than twenty average annual full-time equivalent students in grades seven and eight shall generate funding based on twenty full-time equivalent students; and

(c) Enrollment of not more than sixty average annual full-time equivalent students in grades nine through twelve shall generate funding based on sixty full-time equivalent students.

(4) Funding provided pursuant to this section does not fall within the definition of basic education for purposes of Article IX of the state Constitution and the state's funding duty thereunder.

{+ NEW SECTION. +} Sec. 518. FOR THE SUPERINTENDENT OF PUBLIC INSTRUCTION--BETTER SCHOOLS PROGRAM	
General Fund--State Appropriation (FY 2002). . . .	\$ 8,996,000

The appropriation in this section is subject to the following conditions and limitations: \$8,996,000 is provided solely to complete the 2000-01 school year allocation for class size reduction and expanded learning opportunities pursuant to section 518, chapter 1, Laws of 2000 2nd sp. sess.

{+ NEW SECTION. +} Sec. 519. FOR THE SUPERINTENDENT OF PUBLIC

INSTRUCTION--FOR STUDENT ACHIEVEMENT PROGRAM

Student Achievement Fund--State		
Appropriation (FY 2002). . . . .	.\$	184,232,000
Student Achievement Fund--State		
Appropriation (FY 2003). . . . .	.\$	209,068,000
TOTAL APPROPRIATION . . . . .	.\$	393,300,000

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

(1) The appropriation is allocated for the following uses as specified in chapter 28A.505 RCW as amended by chapter 3, Laws of 2001 (Initiative Measure No. 728):

(a) To reduce class size by hiring certificated elementary classroom teachers in grades K-4 and paying nonemployee-related costs associated with those new teachers;

(b) To make selected reductions in class size in grades 5-12, such as small high school writing classes;

(c) To provide extended learning opportunities to improve student academic achievement in grades K-12, including, but not limited to, extended school year, extended school day, before-and-after-school programs, special tutoring programs, weekend school programs, summer school, and all-day kindergarten;

(d) To provide additional professional development for educators including additional paid time for curriculum and lesson redesign and alignment, training to ensure that instruction is aligned with state standards and student needs, reimbursement for higher education costs related to enhancing teaching skills and knowledge, and mentoring programs to match teachers with skilled, master teachers. The funding shall not be used for salary increases or additional compensation for existing teaching duties, but may be used for extended year and extend day teaching contracts;

(e) To provide early assistance for children who need prekindergarten support in order to be successful in school; or

(f) To provide improvements or additions to school building facilities which are directly related to the class size reductions and extended learning opportunities under (a) through (c) of this subsection.

(2) Funding for school district student achievement programs shall be allocated at a maximum rate of \$193.92 per FTE student for the 2001-02 school year and \$220.59 per FTE student for the 2002-03 school year. For the purposes of this section and in accordance with RCW 84.52.--- (section 5 of Initiative Measure No. 728), FTE student refers to the annual average full-time equivalent enrollment of the school district in grades kindergarten through twelve for the prior school year.

(3) The office of the superintendent of public instruction shall distribute ten percent of the annual allocation to districts each month for the months of September through June.

{+ NEW SECTION. +} Sec. 520. K-12 CARRYFORWARD AND PRIOR SCHOOL YEAR ADJUSTMENTS. State general fund appropriations provided to the superintendent of public instruction for state entitlement programs in the public schools in this part V of this act may be expended as needed by the superintendent for adjustments to apportionment for prior fiscal periods. Recoveries of state general fund moneys from school districts and educational service districts for a prior fiscal period shall be made as reductions in apportionment payments for the current fiscal period and shall be shown as prior year adjustments on apportionment reports for the current period. Such recoveries shall not be treated as revenues to the state, but as a reduction in the amount expended against the appropriation for the current fiscal period.

{+ NEW SECTION. +} Sec. 521. FOR THE STATE BOARD OF EDUCATION	
Education Savings Account--State	
Appropriation.	\$ 36,720,000
Education Construction Account--State	
Appropriation.	\$ 154,500,000
TOTAL APPROPRIATION	\$ 191,220,000

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

(1) \$18,000,000 in fiscal year 2002 and \$18,720,000 in fiscal year 2003 of the education savings account appropriation shall be deposited in the common school construction account.

(2) \$154,500,000 of the education construction account appropriation shall be deposited in the common school construction account.

(End of part)

PART VI
HIGHER EDUCATION

{+ NEW SECTION. +} Sec. 601. The appropriations in sections 603 through 609 of this act are subject to the following conditions and limitations:

(1) "Institutions" means the institutions of higher education receiving appropriations under sections 603 through 609 of this act.

(2)(a) The salary increases provided or referenced in this subsection shall be the only allowable salary increases provided at institutions of higher education, excluding increases associated with normally occurring promotions and increases related to faculty and professional staff retention, and excluding increases associated with employees under the jurisdiction of chapter 41.56 RCW pursuant to the provisions of RCW 28B.16.015 and 28B.50.874(1).

(b) Each institution of higher education shall provide to each classified staff employee as defined by the office of financial management a salary increase of 3.7 percent on July 1, 2001, and a salary increase of 3.1 percent on July 1, 2002.

(c) Each institution of higher education shall provide to state-funded instructional and research faculty, exempt professional staff, academic administrators, academic librarians, counselors, teaching and research assistants as classified by the office of financial management, and all other state-funded nonclassified staff, including those employees under RCW 28B.16.015, an average salary increase of 3.7 percent on July 1, 2001, and an average salary increase of 3.1 percent on July 1, 2002. Each institution may provide the same average increases to similar positions that are not state-funded.

(d) For employees under the jurisdiction of chapter 41.56 RCW pursuant to the provisions of RCW 28B.16.015, distribution of the salary increases will be in accordance with the applicable collective bargaining agreement. However, an increase shall not be provided to any classified employee whose salary is above the approved salary range maximum for the class to which the employee's position is allocated.

(e) Each institution of higher education receiving appropriations under sections 604 through 609 of this act may provide additional salary increases to instructional and research faculty, exempt professional staff, academic administrators, academic librarians, counselors, teaching and research assistants, as classified by the office of financial management, and all other nonclassified staff, but not including employees under RCW 28B.16.015. Any salary increase granted under the authority of this subsection (2)(e) shall not be included in an institution's salary base. It is the intent of the

legislature that general fund--state support for an institution shall not increase during the current or any future biennium as a result of any salary increases authorized under this subsection (2)(e).

(f) Each institution of higher education shall review the option of adopting a five percent maximum employer contribution rate for its retirement plan established pursuant to RCW 28B.10.400, and for using the flexible compensation funding provided in sections 603 through 609 of this act for salary increases. Each institution may provide additional salary increases to instructional and research faculty, and to positions included in the retirement plan, provided the increases are funded solely from the savings resulting from reducing retirement plan contributions. No later than December 1, 2001, each institution shall report to the office of financial management, and to the chairs of the fiscal committees of the house of representatives and the senate, regarding the salary increase options it has reviewed, and its plan for the use of the flexible compensation funding. Each institution shall fully cooperate with the state actuary's review of contribution levels for the higher education retirement plans, which shall be conducted in fiscal year 2002 pursuant to the requirements of RCW 28B.10.413. Each institution shall promptly provide the state actuary with such data as the state actuary determines is needed to conduct the review under RCW 28B.10.423.

(g) To collect consistent data for use by the legislature, the office of financial management, and other state agencies for policy and planning purposes, institutions of higher education shall report personnel data to be used in the department of personnel's human resource data warehouse in compliance with uniform reporting procedures established by the department of personnel.

(h) Specific salary increases authorized in sections 603 through 609 of this act are in addition to any salary increase provided in this subsection.

(3) The tuition fees, as defined in chapter 28B.15 RCW, charged to full-time resident students at the state's institutions of higher education for the 2001-02 and 2002-03 academic years, other than summer term, may be adjusted by governing boards of the state universities, regional universities, The Evergreen State College, and the state board for community and technical colleges by a percentage increase, from the prior academic year, not to exceed the applicable percentage specified in this section.

(a) For the 2001-02 academic year:

(i) For the state universities, six and seven-tenths percent;

(ii) For the regional universities, five and two-tenths percent;

and

(iii) For the community and technical college system, three and seven-tenths percent.

(b) For the 2002-03 academic year:

(i) For the state universities, six and one-tenths percent;

(ii) For the regional universities, four and six-tenths percent;

and

(iii) For the community and technical college system, three and one-tenths percent.

(c) Tuition fees for law, first-professional programs of medicine, dentistry, pharmacy, nursing, veterinary, and graduate programs of business may exceed the limits specified in subsections (3)(a) and (b) of this section, as may the tuition fee for undergraduates at The Evergreen State College.

(4) The tuition fees, as defined in chapter 28B.15 RCW, charged to full-time nonresident students at the state's institutions of higher education for the 2001-02 and 2002-03 academic years, other than summer term, may be adjusted by governing boards of the state universities, regional universities, The Evergreen State College, and the state board

for community and technical colleges. In no case, however, may tuition fees be set at an amount less than the cost of instruction for that institution as disclosed annually by the higher education coordinating board under RCW 28B.10.044.

(5) For the 2001-03 biennium, the governing boards and the state board may adjust full-time operating fees for factors that may include time of day and day of week, as well as delivery method and campus, to encourage full use of the state's educational facilities and resources.

(6) The tuition increases adopted under (3), (4), and (5) of this subsection need not apply uniformly across student categories as defined in chapter 28B.15 RCW so long as the increase for each student category does not exceed the applicable percentage limits specified in this section.

(7) In addition to waivers granted under the authority of RCW 28B.15.910, the governing boards and the state board may waive all or a portion of the operating fees for any student. State general fund appropriations shall not be provided to replace tuition and fee revenue foregone as a result of waivers granted under this subsection.

(8) Pursuant to RCW 43.15.055, institutions of higher education receiving appropriations under sections 603 through 609 of this act are authorized to increase summer term tuition in excess of the fiscal growth factor during the 2001-03 biennium. Tuition levels increased pursuant to this subsection shall not exceed the per credit hour rate calculated from the academic year tuition levels adopted under this act.

(9) Community colleges may increase services and activities fee charges in excess of the fiscal growth factor up to the maximum level authorized in RCW 28B.15.069.

(10) The senate higher education committee and the house of representatives higher education committee shall convene a task force that includes but is not limited to representatives from the public four-year institutions of higher education, the state board for community and technical colleges, the office of financial management, and the higher education coordinating board to identify options for long-term funding of public higher education, including options to address increases in the state need grant program related to operating fee increases, and to make agreed upon recommendations by November 1, 2001, to the 2002 legislature.

{+ NEW SECTION. +} Sec. 602. The appropriations in sections 603 through 609 of this act provide state general fund support for full-time equivalent student enrollments at each institution of higher education. Listed below are the annual full-time equivalent student enrollments by institutions assumed in this act.

	2001-2002 Annual Average	2002-2003 Annual Average
University of Washington	34,936	35,111
Washington State University	19,674	19,778
Central Washington University	7,470	7,470
Eastern Washington University	7,914	7,964
The Evergreen State College	3,751	3,808
Western Washington University	11,279	11,279
State Board for Community and Technical Colleges	124,821	126,415
Higher Education Coordinating Board	0	250

{+ NEW SECTION. +} Sec. 603. FOR THE STATE BOARD FOR COMMUNITY

AND TECHNICAL COLLEGES

General Fund--State Appropriation (FY 2002). . . .	\$ 513,055,000
General Fund--State Appropriation (FY 2003). . . .	\$ 539,668,000
General Fund--Federal Appropriation.	\$ 11,404,000
TOTAL APPROPRIATION	\$ 1,064,127,000

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

(1) The technical colleges may increase tuition and fees in excess of the fiscal growth factor to conform with the percentage increase in community college operating fees.

(2) \$2,475,000 of the general fund--state appropriation for fiscal year 2002 and \$5,025,000 of the general fund--state appropriation for fiscal year 2003 are provided solely to increase salaries and related benefits for part-time faculty. The board shall report by November 15 of each fiscal year to the office of financial management and legislative fiscal and higher education committees on (a) the distribution of state funds; (b) wage adjustments for part-time faculty; and (c) progress to achieve the long-term performance targets for each district, with respect to use of part-time faculty, pursuant to the faculty mix study conducted under section 603, chapter 309, Laws of 1999.

(3) \$1,500,000 of the general fund--state appropriation for fiscal year 2002 and \$1,500,000 of the general fund--state appropriation for fiscal year 2003 are provided solely for competitively offered recruitment and retention salary adjustments for faculty, exempt professional staff, academic administrators, librarians, counselors, and student assistants as classified by the office of financial management, and all other nonclassified staff. Amounts provided in this subsection may be used in combination with salary and benefit turnover savings to further provide recruitment and retention salary adjustments. The board shall provide a report in their 2003-05 biennial operating budget request submittal on the effective expenditure of funds by districts for the purposes of this subsection.

(4) \$17,417,000 of the general fund--state appropriations is provided for flexible compensation increases as provided in section 601(2)(f) of this act. The institution may provide salary increases, or employer retirement plan contributions in excess of five percent of salary, from the funds provided in this subsection, subject to the requirements of section 601 of this act and this subsection. The appropriation in this subsection shall lapse if the office of financial management determines that the institution has not fully cooperated with the review by the state actuary under RCW 28B.10.423, as required by section 601 of this act.

(5) \$550,000 of the general fund--state appropriation for fiscal year 2002 and \$974,000 of the general fund--state appropriation for fiscal year 2003 are provided solely for allocation to twelve college districts identified in (a) through (l) of this subsection to prepare students for transfer to the state technology institute at the Tacoma branch campus of the University of Washington. The appropriations in this section are intended to supplement, not supplant, general enrollment allocations by the board to the districts under (a) through (l) of this subsection:

- (a) Bates Technical College;
- (b) Bellevue Community College;
- (c) Centralia Community College;
- (d) Clover Park Community College;
- (e) Grays Harbor Community College;
- (f) Green River Community College;
- (g) Highline Community College;
- (h) Tacoma Community College;

- (i) Olympic Community College;
- (j) Pierce District;
- (k) Seattle District; and
- (l) South Puget Sound Community College.

(6) \$29,191,000 of the general fund--state appropriation for fiscal year 2002 and \$29,191,000 of the general fund--state appropriation for fiscal year 2003 are provided solely as special funds for training and related support services, including financial aid, child care, and transportation, as specified in chapter 226, Laws of 1993 (employment and training for unemployed workers).

(a) Funding is provided to support up to 7,200 full-time equivalent students in each fiscal year.

(b) The state board for community and technical colleges shall submit a plan for allocation of the amounts provided in this subsection to the workforce training and education coordinating board for review and approval. For the duration of the 2001-03 biennium, the plan should give considerable attention to the permanent dislocation of workers from industries facing rapidly rising energy costs, such as direct service industries.

(7) \$1,000,000 of the general fund--state appropriation for fiscal year 2002 and \$1,000,000 of the general fund--state appropriation for fiscal year 2003 are provided solely for tuition support for students enrolled in work-based learning programs.

(8) \$567,000 of the general fund--state appropriation for fiscal year 2002 and \$568,000 of the general fund--state appropriation for fiscal year 2003 are provided solely for administration and customized training contracts through the job skills program.

(9) \$50,000 of the general fund--state appropriation for fiscal year 2002 and \$50,000 of the general fund--state appropriation for fiscal year 2003 are solely for higher education student child care matching grants under chapter 28B.135 RCW.

(10) \$212,000 of the general fund--state appropriation for fiscal year 2002 and \$212,000 of the general fund--state appropriation for fiscal year 2003 are provided for allocation to Olympic college. The college shall contract with accredited baccalaureate institution(s) to bring a program of upper-division courses to Bremerton. Funds provided are sufficient to support at least 30 additional annual full-time equivalent students. The state board for community and technical colleges shall report to the office of financial management and the fiscal and higher education committees of the legislature on the implementation of this subsection by December 1st of each fiscal year.

(11) The appropriations in this section assume that \$4,200,000 of the colleges' operating fee accounts will be used to deliver adult basic education courses including English-as-a-Second Language and general education development exam preparation. The legislature intends that colleges stop waiving fees universally and charge \$5.00 a credit hour for adult basic education to help defray state expense and increase positive educational outcomes for enrolled students. Fees may be waived for students with limited income.

{+ NEW SECTION. +} Sec. 604. FOR UNIVERSITY OF WASHINGTON	
General Fund--State Appropriation (FY 2002)	\$ 344,890,000
General Fund--State Appropriation (FY 2003)	\$ 356,426,000
Death Investigations Account--State	
Appropriation	\$ 271,000
Accident Account--State Appropriation	\$ 5,917,000
Medical Aid Account--State Appropriation	\$ 5,959,000
University of Washington Building Account--	
State Appropriation	\$ 163,000
TOTAL APPROPRIATION	\$ 713,626,000

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

(1) The appropriations in this section reflect reduced state general fund support in an amount equal to \$1,488,000 from public service and \$1,940,000 from university research. The institution may determine and take alternative steps to bring general fund expenditures into balance with state appropriations for the 2001-03 biennium.

(2) \$924,000 of the general fund--state appropriation for fiscal year 2002 and \$924,000 of the general fund--state appropriation for fiscal year 2003 are provided solely for competitively offered recruitment and retention salary adjustments for instructional and research faculty, exempt professional staff, academic administrators, academic librarians, counselors, teaching and research assistants, as classified by the office of financial management, and all other nonclassified staff, but not including employees under RCW 28B.16.015. Tuition revenues may be expended in addition to those required by this section to further provide recruitment and retention salary adjustments. The university shall provide a report in their 2003-05 biennial operating budget request submittal on the effective expenditure of funds for the purposes of this section.

(3) \$14,767,000 of the general fund--state appropriations is provided for flexible compensation increases as provided in section 601(2)(f) of this act. The institution may provide salary increases, or employer retirement plan contributions in excess of five percent of salary, from the funds provided in this subsection, subject to the requirements of section 601 of this act and this subsection. The appropriation in this subsection shall lapse if the office of financial management determines that the institution has not fully cooperated with the review by the state actuary under RCW 28B.10.423, as required by section 601 of this act.

(4) \$1,195,000 of the general fund--state appropriation for fiscal year 2002 and \$1,381,000 of the general fund--state appropriation for fiscal year 2003 are provided solely to create a state resource for technology education in the form of an institute located at the University of Washington, Tacoma. The university will expand undergraduate and graduate degree programs meeting regional technology needs including, but not limited to, computing and software systems. As a condition of these appropriations:

(a) The university will work with the state board for community and technical colleges, or individual colleges where necessary, to establish articulation agreements in addition to the existing associate of arts and associate of science transfer degrees. Such agreements shall improve the transferability of students and in particular, students with substantial applied information technology credits.

(b) The university will establish performance measures for recruiting, retaining and graduating students, including nontraditional students, and report back to the governor and legislature by September 2002 as to its progress and future steps.

(5) \$163,000 of the University of Washington building account--state appropriation is provided solely to participate in funding a contract for a uniform higher education facility condition assessment, managed by the higher education coordinating board, as described in section 610 of this act.

(6) \$271,000 of the death investigations account appropriation is provided solely for the forensic pathologist fellowship program.

(7) \$150,000 of the general fund--state appropriation for fiscal year 2002 and \$150,000 of the general fund--state appropriation for fiscal year 2003 are provided solely for the implementation of the Puget Sound work plan and agency action item UW-01.

(8) \$75,000 of the general fund--state appropriation for fiscal year 2002 and \$75,000 of the general fund--state appropriation for

fiscal year 2003 are provided solely for the Olympic natural resource center.

(9) \$50,000 of the general fund--state appropriations are provided solely for the school of medicine to conduct a survey designed to evaluate characteristics, factors and probable causes for the high incidence of multiple sclerosis cases in Washington state.

{+ NEW SECTION. +} Sec. 605. FOR WASHINGTON STATE UNIVERSITY	
General Fund--State Appropriation (FY 2002). . . .	\$ 202,039,000
General Fund--State Appropriation (FY 2003). . . .	\$ 210,101,000
Washington State University Building Account--	
State Appropriation.	\$ 163,000
TOTAL APPROPRIATION	\$ 412,303,000

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

(1) The appropriations in this section reflect reduced state general fund support in an amount equal to \$290,000 from public service and \$3,002,000 from university research. The institution may determine and take alternative steps to bring general fund expenditures into balance with state appropriations for the 2001-03 biennium.

(2) \$576,000 of the general fund--state appropriation for fiscal year 2002 and \$576,000 of the general fund--state appropriation for fiscal year 2003 are provided solely for competitively offered recruitment and retention salary adjustments for instructional and research faculty, exempt professional staff, academic administrators, academic librarians, counselors, teaching and research assistants, as classified by the office of financial management, and all other nonclassified staff, but not including employees under RCW 28B.16.015. Tuition revenues may be expended in addition to those required by this section to further provide recruitment and retention salary adjustments. The university shall provide a report in their 2003-05 biennial operating budget request submittal on the effective expenditure of funds for the purposes of this section.

(3) \$6,875,000 of the general fund--state appropriations is provided for flexible compensation increases as provided in section 601(2)(f) of this act. The institution may provide salary increases, or employer retirement plan contributions in excess of five percent of salary, from the funds provided in this subsection, subject to the requirements of section 601 of this act and this subsection. The appropriation in this subsection shall lapse if the office of financial management determines that the institution has not fully cooperated with the review by the state actuary under RCW 28B.10.423, as required by section 601 of this act.

(4) \$163,000 of the Washington State University building account--state appropriation is provided solely to participate in funding a contract for a uniform higher education facility condition assessment, managed by the higher education coordinating board, as described in section 610 of this act.

(5) \$165,000 of the general fund--state appropriation for fiscal year 2002 and \$166,000 of the general fund--state appropriation for fiscal year 2003 are provided solely for the implementation of the Puget Sound work plan and agency action item WSU-01.

{+ NEW SECTION. +} Sec. 606. FOR EASTERN WASHINGTON UNIVERSITY	
General Fund--State Appropriation (FY 2002). . . .	\$ 45,801,000
General Fund--State Appropriation (FY 2003). . . .	\$ 47,482,000
Eastern Washington University Capital Projects	
Account--State Appropriation	\$ 100,000
TOTAL APPROPRIATION	\$ 93,383,000

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

(1) \$150,000 of the general fund--state appropriation for fiscal year 2002 and \$150,000 of the general fund--state appropriation for fiscal year 2003 are provided solely for competitively offered recruitment and retention salary adjustments for instructional and research faculty, exempt professional staff, academic administrators, academic librarians, counselors, teaching and research assistants, as classified by the office of financial management, and all other nonclassified staff, but not including employees under RCW 28B.16.015. Tuition revenues may be expended in addition to those required by this section to further provide recruitment and retention salary adjustments. The university shall provide a report in their 2003-05 biennial operating budget request submittal on the effective expenditure of funds for the purposes of this section.

(2) \$1,700,000 of the general fund--state appropriations is provided for flexible compensation increases, as provided in section 601(2)(f) of this act. The institution may provide salary increases, or employer retirement plan contributions in excess of five percent of salary, from the funds provided in this subsection, subject to the requirements of section 601 of this act and this subsection. The appropriation in this subsection shall lapse if the office of financial management determines that the institution has not fully cooperated with the review by the state actuary under RCW 28B.10.423, as required by section 601 of this act.

(3) \$100,000 of the Eastern Washington University capital projects account--state appropriation is provided solely to participate in funding a contract for a uniform higher education facility condition assessment, managed by the higher education coordinating board, as described in section 610 of this act.

{+ NEW SECTION. +} Sec. 607. FOR CENTRAL WASHINGTON UNIVERSITY	
General Fund--State Appropriation (FY 2002). . . .	\$ 44,191,000
General Fund--State Appropriation (FY 2003). . . .	\$ 45,343,000
Central Washington University Capital Projects	
Account--State Appropriation	\$ 100,000
TOTAL APPROPRIATION	\$ 89,634,000

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

(1) \$124,000 of the general fund--state appropriation for fiscal year 2002 and \$124,000 of the general fund--state appropriation for fiscal year 2003 are provided solely for competitively offered recruitment, retention, and equity salary adjustments for instructional and research faculty, exempt professional staff, academic administrators, academic librarians, counselors, teaching and research assistants, as classified by the office of financial management, and all other nonclassified staff, but not including employees under RCW 28B.16.015. Tuition revenues may be expended in addition to those required by this section to further provide recruitment and retention salary adjustments. The university shall provide a report in their 2003-05 biennial operating budget request submittal on the effective expenditure of funds for the purposes of this section.

(2) \$1,902,000 of the general fund--state appropriations is provided for flexible compensation increases, as provided in section 601(2)(f) of this act. The institution may provide salary increases, or employer retirement plan contributions in excess of five percent of salary, from the funds provided in this subsection, subject to the requirements of section 601 of this act and this subsection. The appropriation in this subsection shall lapse if the office of financial management determines that the institution has not fully cooperated

with the review by the state actuary under RCW 28B.10.423, as required by section 601 of this act.

(3) \$100,000 of the Central Washington University capital projects account--state appropriation is provided solely to participate in funding a contract for a uniform higher education facility condition assessment, managed by the higher education coordinating board, as described in section 610 of this act.

{+ NEW SECTION. +} Sec. 608. FOR THE EVERGREEN STATE COLLEGE	
General Fund--State Appropriation (FY 2002). . . .	\$ 25,489,000
General Fund--State Appropriation (FY 2003). . . .	\$ 26,401,000
The Evergreen State College Capital Projects	
Account--State Appropriation	\$ 100,000
TOTAL APPROPRIATION	\$ 51,990,000

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

(1) \$76,000 of the general fund--state appropriation for fiscal year 2002 and \$76,000 of the general fund--state appropriation for fiscal year 2003 are provided solely for competitively offered recruitment and retention salary adjustments for instructional and research faculty, exempt professional staff, academic administrators, academic librarians, counselors, teaching and research assistants, as classified by the office of financial management, and all other nonclassified staff, but not including employees under RCW 28B.16.015. Tuition revenues may be expended in addition to those required by this section to further provide recruitment and retention salary adjustments. The college shall provide a report in their 2003-05 biennial operating budget request submittal on the effective expenditure of funds for the purposes of this section.

(2) \$1,136,000 of the general fund--state appropriations is provided for flexible compensation increases, as provided in section 601(2)(f) of this act. The institution may provide salary increases, or employer retirement plan contributions in excess of five percent of salary, from the funds provided in this subsection, subject to the requirements of section 601 of this act and this subsection. The appropriation in this subsection shall lapse if the office of financial management determines that the institution has not fully cooperated with the review by the state actuary under RCW 28B.10.423, as required by section 601 of this act.

(3) \$100,000 of The Evergreen State College capital projects account--state appropriation is provided solely to participate in funding a contract for a uniform higher education facility condition assessment, managed by the higher education coordinating board, as described in section 610 of this act.

(4) \$75,000 of the general fund--state appropriation for fiscal year 2002 is provided solely for the institute for public policy to complete studies of services described in section 202(1), chapter 1, Laws of 2000 2nd sp. sess.

(5) \$11,000 of the general fund--state appropriation for fiscal year 2002 and \$54,000 of the general fund--state appropriation for fiscal year 2003 are provided solely for the institute for public policy to conduct an outcome evaluation pursuant to Substitute Senate Bill No. 5416 (drug-affected infants). The institute shall provide a report to the fiscal, health, and human services committees of the legislature by December 1, 2003. If the bill is not enacted by June 30, 2001, the amounts provided in this subsection shall be used to evaluate outcomes across state health and social service pilot projects and other national models involving women who have given birth to a drug-affected infant, comparing gains in positive birth outcomes for resources invested, in which case the institute's findings and

recommendations will be provided by November 15, 2002.

(6) \$11,000 of the general fund--state appropriation for fiscal year 2002 and \$33,000 of the general fund--state appropriation for fiscal year 2003 are provided solely for the institute for public policy to evaluate partnership grant programs for alternative teacher certification pursuant to Second Substitute Senate Bill No. 5645 or Second Substitute House Bill No. 1607. An interim report shall be provided to the fiscal and education committees of the legislature by December 1, 2002, and a final report by December 1, 2004. If neither of these bills are enacted by June 30, 2001, the amounts provided in this subsection shall lapse.

(7) \$50,000 of the general fund--state appropriation for fiscal year 2002 is provided solely for the institute for public policy to study the prevalence and needs of families who are raising related children. The study shall compare services and policies of Washington state with other states that have a high rate of kinship care placements in lieu of foster care placements. The study shall identify possible changes in services and policies that are likely to increase appropriate kinship care placements. A report shall be provided to the fiscal and human services committees of the legislature by June 1, 2002.

(8) \$35,000 of the general fund--state appropriation for fiscal year 2002 and \$15,000 of the general fund--state appropriation for fiscal year 2003 are provided solely for the institute for public policy to examine various educational delivery models for providing services and education for students through the Washington state school for the deaf. The institute's report, in conjunction with the capacity planning study from the joint legislative audit and review committee, shall be submitted to the fiscal committees of the legislature by September 30, 2002.

(9) \$30,000 of the general fund--state appropriation for fiscal year 2002 is provided solely for the institute for public policy to examine the structure, policies, and recent experience in states where welfare recipients may attend college full-time as their required TANF work activity. The institute will provide findings and recommend how Washington could consider adding this feature in a targeted, cost-neutral manner that would complement the present-day WorkFirst efforts and caseload. The institute shall provide a report to the human services, higher education, and fiscal committees of the legislature by November 15, 2001.

(10) \$75,000 of the general fund--state appropriation for fiscal year 2002 and \$75,000 of the general fund--state appropriation for fiscal year 2003 are provided solely for the institute for public policy to research and evaluate strategies for constraining the growth in state health expenditures. Specific research topics, approaches, and timelines shall be identified in consultation with the fiscal committees of the legislature.

(11) \$100,000 of the general fund--state appropriation for fiscal year 2002 is provided solely for the institute for public policy to conduct a comprehensive review of the costs and benefits of existing juvenile crime prevention and intervention programs. This evaluation shall also consider what changes could result in more cost-effective and efficient funding for juvenile crime prevention and intervention programs presently supported with state funds. The institute for public policy shall report its findings and recommendations to the appropriate legislative fiscal and policy committees by October 1, 2002.

{+ NEW SECTION. +}	Sec. 609. FOR WESTERN WASHINGTON UNIVERSITY	
General Fund--State Appropriation (FY 2002).	. . . . \$	61,539,000
General Fund--State Appropriation (FY 2003).	. . . . \$	63,675,000

Western Washington University Capital Projects

Account--State Appropriation . . . . .	.\$	100,000
TOTAL APPROPRIATION . . . . .	.\$	125,314,000

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

(1) \$150,000 of the general fund--state appropriation for fiscal year 2002 and \$150,000 of the general fund--state appropriation for fiscal year 2003 are provided solely for competitively offered recruitment and retention salary adjustments for instructional and research faculty, exempt professional staff, academic administrators, academic librarians, counselors, teaching and research assistants, as classified by the office of financial management, and all other nonclassified staff, but not including employees under RCW 28B.16.015. Tuition revenues may be expended in addition to those required by this section to further provide recruitment and retention salary adjustments. The university shall provide a report in their 2003-05 biennial operating budget request submittal on the effective expenditure of funds for the purposes of this section.

(2) \$2,496,000 of the general fund--state appropriations is provided for flexible compensation increases, as provided in section 601(2)(f) of this act. The institution may provide salary increases, or employer retirement plan contributions in excess of five percent of salary, from the funds provided in this subsection, subject to the requirements of section 601 of this act and this subsection. The appropriation in this subsection shall lapse if the office of financial management determines that the institution has not fully cooperated with the review by the state actuary under RCW 28B.10.423, as required by section 601 of this act.

(3) \$100,000 of the Western Washington University capital projects account--state appropriation is provided solely to participate in funding a contract for a uniform higher education facility condition assessment, managed by the higher education coordinating board, as described in section 610 of this act.

{+ NEW SECTION. +} Sec. 610. FOR THE HIGHER EDUCATION		
COORDINATING BOARD--POLICY COORDINATION AND ADMINISTRATION		
General Fund--State Appropriation (FY 2002). . . . .	.\$	3,557,000
General Fund--State Appropriation (FY 2003). . . . .	.\$	5,231,000
General Fund--Federal Appropriation. . . . .	.\$	649,000
Advanced College Tuition Program--State		
Appropriation. . . . .	.\$	2,000
TOTAL APPROPRIATION . . . . .	.\$	9,439,000

The appropriations in this section are provided to carry out the policy coordination, planning, studies and administrative functions of the board and are subject to the following conditions and limitations:

(1) \$50,000 of the general fund--state appropriation for fiscal year 2002 and \$2,300,000 of the general fund--state appropriation for fiscal year 2003 are provided solely to contract for 250 undergraduate students in high-demand fields and programs as evidenced by current limited access, despite graduates who are highly sought after by employers of this state. The amounts provided in this subsection are subject to the following conditions and limitations:

(a) The board may accept applications for an enrollment contract from an in-state or border-state, private nonprofit institution but only where such entities have agreed to partner with a public, Washington state college or university to deliver the educational program in high demand. Where a successful bid comes from such partnerships, in all cases the Washington state college or university must be the fiscal agent, grant-recipient-of-record, and an active

partner in the instruction of participating Washington students.

(b) With respect to the review and selection among competing proposals for these fiscal year 2003 new enrollments, the board or its designees shall give greater weight to proposals from applicants that (i) create opportunities for under-represented students in the field of study, (ii) address health and education professional shortages, or (iii) spread the benefit of the state's high-technology economy geographically. The greatest weight among otherwise equal proposals shall be given to proposals that include an articulation agreement to ease the transfer of applicable, lower division credit earned by participating Washington students.

(c) Participating institutions shall cooperate with the board to collect the data necessary to report to the governor and the legislature on the impact of this subsection, particularly the degree of improved access to high-demand fields and programs for students and successful job placements for graduates. The board shall profile enrollment contracts let to date, and review impacts as part of its 2003-05 biennial operating budget request submission.

(2) \$600,000 of the general fund--state appropriation for fiscal year 2002 is provided solely for the higher education coordinating board fund for innovation and quality under RCW 28B.120.040.

(3) \$150,000 of the general fund--state appropriation for fiscal year 2002 and \$150,000 of the general fund--state appropriation for fiscal year 2003 are provided solely to continue the teacher training pilot program pursuant to chapter 177, Laws of 1999.

(4) \$100,000 of the general fund--state appropriation for fiscal year 2002, \$143,000 of the general fund--state appropriation for fiscal year 2003, and other funds appropriated in this act to the house of representatives, senate, office of financial management, and baccalaureate institutions, are provided solely for the higher education coordinating board to contract for a uniform condition assessment of state university facilities. The scope of this assessment, contract deliverables, and its execution and management shall be jointly determined by the board, the ways and means committee of the senate, the capital budget committee of the house of representatives, and the office of financial management. These parties or their respective designees shall implement the provisions of this subsection in collaboration with affected universities through the council of presidents' office and may, as necessary, consult with the state board for community and technical colleges to ensure condition information collected reasonably allows for cross-sector comparisons with their systemwide condition assessment. The board will serve as the fiscal agent for this biennial survey and will convene involved groups as necessary to implement this project. The legislature intends that such an assessment be accomplished biennially, during even-numbered years, with the first survey report expected by October 2002.

(5) \$120,000 of the general fund--state appropriation for fiscal year 2002 and \$280,000 of the general fund--state appropriation for fiscal year 2003 are provided solely for a demonstration project to improve rural access to post-secondary education by bringing distance learning technologies into Jefferson county.

(6) \$122,000 of the general fund--state appropriation for fiscal year 2002 and \$108,000 of the general fund--state appropriation for fiscal year 2003 are provided solely for the competency-based admissions standards project.

{+ NEW SECTION. +} Sec. 611. FOR THE HIGHER EDUCATION
COORDINATING BOARD--FINANCIAL AID AND GRANT PROGRAMS

General Fund--State Appropriation (FY 2002). . . .	\$	126,572,000
General Fund--State Appropriation (FY 2003). . . .	\$	131,434,000
General Fund--Federal Appropriation.	\$	7,511,000

Advanced College Tuition Payment Program Account--	
State Appropriation	\$ 3,602,000
TOTAL APPROPRIATION	\$ 269,119,000

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

(1) \$534,000 of the general fund--state appropriation for fiscal year 2002 and \$529,000 of the general fund--state appropriation for fiscal year 2003 are provided solely for the displaced homemakers program.

(2) \$234,000 of the general fund--state appropriation for fiscal year 2002 and \$254,000 of the general fund--state appropriation for fiscal year 2003 are provided solely for the western interstate commission for higher education.

(3) \$1,000,000 of the general fund--state appropriation for fiscal year 2002 and \$1,000,000 of the general fund--state appropriation for fiscal year 2003 are provided solely for the health professional conditional scholarship and loan program under chapter 28B.115 RCW. This amount shall be deposited to the health professional loan repayment and scholarship trust fund to carry out the purposes of the program.

(4) \$1,000,000 of the general fund--state appropriations is provided solely to continue a demonstration project that enables classified public K-12 employees to become future teachers, subject to the following conditions and limitations:

(a) Within available funds, the board may renew and offer conditional scholarships of up to \$4,000 per year for full or part-time studies that may be forgiven in exchange for teaching service in Washington's public K-12 schools. In selecting loan recipients, the board shall take into account the applicant's demonstrated academic ability and commitment to serve as a teacher within the state of Washington.

(b) Loans shall be forgiven at the rate of one year of loan for two years of teaching service. Recipients who teach in geographic or subject-matter shortage areas, as specified by the office of the superintendent for public instruction, may have their loans forgiven at the rate of one year of loan for one year of teaching service;

(c) Recipients who fail to fulfill the required teaching service shall be required to repay the conditional loan with interest. The board shall define the terms for repayment, including applicable interest rates, fees and deferments, and may adopt other rules as necessary to implement this demonstration project.

(d) The board may deposit this appropriation and all collections into the student loan account authorized in RCW 28B.102.060.

(e) The board will provide the legislature and governor with findings about the impact of this demonstration project on persons entering the teaching profession in shortage areas by no later than January of 2002.

(5) \$75,000 of the general fund--state appropriation for fiscal year 2002 and \$75,000 of the general fund--state appropriation for fiscal year 2003 are provided solely for higher education student child care matching grants under chapter 28B.135 RCW.

(6) \$123,105,000 of the general fund--state appropriation for fiscal year 2002 and \$129,198,000 of the general fund--state appropriation for fiscal year 2003 are provided solely for student financial aid, including all administrative costs. Of these amounts:

(a) \$93,469,000 of the general fund--state appropriation for fiscal year 2002 and \$99,328,000 of the general fund--state appropriation for fiscal year 2003 are provided solely for the state need grant program. After April 1 of each fiscal year, up to one percent of the annual appropriation for the state need grant program may be transferred to

the state work study program;

(b) \$16,406,000 of the general fund--state appropriation for fiscal year 2002 and \$17,494,000 of the general fund--state appropriation for fiscal year 2003 are provided solely for the state work study program. After April 1 of each fiscal year, up to one percent of the annual appropriation for the state work study program may be transferred to the state need grant program;

(c) \$2,920,000 of the general fund--state appropriation for fiscal year 2002 and \$2,920,000 of the general fund--state appropriation for fiscal year 2003 are provided solely for educational opportunity grants. The board may deposit sufficient funds from its appropriation into the state education trust fund as established in RCW 28B.10.821 to provide a one-year renewal of the grant for each new recipient of the educational opportunity grant award. For the purpose of establishing eligibility for the equal opportunity grant program for placebound students under RCW 28B.101.020, Thurston county lies within the branch campus service area of the Tacoma branch campus of the University of Washington;

(d) A maximum of 2.1 percent of the general fund--state appropriation for fiscal year 2002 and 2.1 percent of the general fund--state appropriation for fiscal year 2003 may be expended for financial aid administration, excluding the 4 percent state work study program administrative allowance provision;

(e) \$1,469,000 of the general fund--state appropriation for fiscal year 2002 and \$1,744,000 of the general fund--state appropriation for fiscal year 2003 are provided solely to implement the Washington scholars program. Any Washington scholars program moneys not awarded by April 1st of each year may be transferred by the board to the Washington award for vocational excellence;

(f) \$605,000 of the general fund--state appropriation for fiscal year 2002 and \$646,000 of the general fund--state appropriation for fiscal year 2003 are provided solely to implement Washington award for vocational excellence program. Any Washington award for vocational program moneys not awarded by April 1st of each year may be transferred by the board to the Washington scholars program;

(g) \$251,000 of the general fund--state appropriation for fiscal year 2002 and \$251,000 of the general fund--state appropriation for fiscal year 2003 are provided solely for community scholarship matching grants of \$2,000 each. Of the amounts provided, no more than \$5,200 each year is for the administration of the community scholarship matching grant program. To be eligible for the matching grant, a nonprofit community organization organized under section 501(c)(3) of the internal revenue code must demonstrate that it has raised \$2,000 in new moneys for college scholarships after the effective date of this act. An organization may receive more than one \$2,000 matching grant and preference shall be given to organizations affiliated with the citizens' scholarship foundation; and

(h) \$7,985,000 of the general fund--state appropriation for fiscal year 2002 and \$6,815,000 of the general fund--state appropriation for fiscal year 2003 are provided solely for the Washington promise scholarship program subject to the following conditions and limitations:

(i) Within available funds, the higher education coordinating board shall award scholarships for use at accredited institutions of higher education in the state of Washington to as many students as possible from among those qualifying under (iv) of this subsection. Each qualifying student will receive two consecutive annual installments, the value of each not to exceed the full-time annual resident tuition rates charged by community colleges.

(ii) Of the amounts provided, no more than \$325,000 each year is for administration of the Washington promise scholarship program.

(iii) Other than funds provided for program administration, the higher education coordinating board shall deposit all money received for the program in the Washington promise scholarship account, a nonappropriated fund in the custody of the state treasurer. The account shall be self-sustaining and consist of funds appropriated by the legislature for these scholarships, private contributions, and receipts from refunds of tuition and fees.

(iv) Scholarships shall be awarded to students who graduate from high school or its equivalent whose family income does not exceed one hundred thirty-five percent of the state's median family income, adjusted for family size, if they meet any of the following academic criteria:

(A) Students graduating from public and approved private high schools under chapter 28A.195 RCW in 2001 and 2002 must be in the top ten percent of their graduating class;

(B) Students graduating from public high schools, approved private high schools under chapter 28A.195 RCW, and students participating in home-based instruction as provided in chapter 28A.200 RCW must equal or exceed a cumulative scholastic aptitude test score of 1200 on their first attempt.

(v) For students eligible under (iv) of this subsection, the superintendent of public instruction shall provide the higher education coordinating board with the names, addresses, and unique numeric identifiers by no later than October 1 of each year.

(vi) Scholarships awarded under this section may only be used at accredited institutions of higher education in the state of Washington for college-related expenses, including but not limited to, tuition, room and board, books, materials, and transportation. The Washington promise scholarship award shall not supplant other scholarship awards, financial aid, or tax programs related to postsecondary education. Scholarships may not be transferred or refunded to students.

(vii) The higher education coordinating board shall evaluate the impact and effectiveness of the Washington promise scholarship program. The evaluation shall include, but not be limited to: (A) An analysis of other financial assistance promise scholarship recipients are receiving through other federal, state, and institutional programs, including grants, work study, tuition waivers, tax credits, and loan programs; (B) an analysis of whether the implementation of the promise scholarship program has had an impact on student indebtedness; and (C) an evaluation of what types of students are successfully completing high school but do not have the financial ability to attend college because they cannot obtain financial aid or the financial aid is insufficient. The board shall report its findings to the governor and the legislature by November 1, 2001.

(viii) The higher education coordinating board may adopt rules as necessary to implement this program.

{+ NEW SECTION. +} Sec. 612. FOR THE WORK FORCE TRAINING AND EDUCATION COORDINATING BOARD	
General Fund--State Appropriation (FY 2002). . . . \$	1,773,000
General Fund--State Appropriation (FY 2003). . . . \$	1,731,000
General Fund--Federal Appropriation. \$	45,496,000
TOTAL APPROPRIATION \$	49,000,000

The appropriations in this section are subject to the following conditions and limitations: \$500,000 of the general fund--state appropriation for fiscal year 2002 and \$500,000 of the general fund--state appropriation for fiscal year 2003 are provided solely for the operations and development of the inland northwest technology education center (INTEC) as a regional resource and model for the rapid deployment of skilled workers trained in the latest technologies for

Washington. The board shall serve as an advisor to and fiscal agent for INTEC, and will report back to the governor and legislature by September 2002 as to the progress and future steps for INTEC as this new public-private partnership evolves.

{+ NEW SECTION. +} Sec. 613. FOR THE SPOKANE INTERCOLLEGIATE RESEARCH AND TECHNOLOGY INSTITUTE

General Fund--State Appropriation (FY 2002). . . . \$	1,747,000
General Fund--State Appropriation (FY 2003). . . . \$	1,749,000
TOTAL APPROPRIATION \$	3,496,000

{+ NEW SECTION. +} Sec. 614. FOR WASHINGTON STATE LIBRARY

General Fund--State Appropriation (FY 2002). . . . \$	8,793,000
General Fund--State Appropriation (FY 2003). . . . \$	8,788,000
General Fund--Federal Appropriation. \$	6,976,000
TOTAL APPROPRIATION \$	24,557,000

The appropriations in this section are subject to the following conditions and limitations: At least \$2,700,000 shall be expended for a contract with the Seattle public library for library services for the Washington book and braille library.

{+ NEW SECTION. +} Sec. 615. FOR THE WASHINGTON STATE ARTS COMMISSION

General Fund--State Appropriation (FY 2002). \$	2,999,000
General Fund--State Appropriation (FY 2003). \$	2,999,000
General Fund--Federal Appropriation. \$	1,000,000
TOTAL APPROPRIATION \$	6,998,000

The appropriations in this section are subject to the following conditions and limitations: \$375,000 of the general fund--state appropriation for fiscal year 2002 and \$375,000 of the general fund--state appropriation for fiscal year 2003 are provided to increase grant awards for the art in communities and arts in education programs.

{+ NEW SECTION. +} Sec. 616. FOR THE WASHINGTON STATE HISTORICAL SOCIETY

General Fund--State Appropriation (FY 2002). \$	2,900,000
General Fund--State Appropriation (FY 2003). \$	3,130,000
TOTAL APPROPRIATION \$	6,030,000

The appropriations in this section are subject to the following conditions and limitations: \$90,000 of the general fund--state appropriation for fiscal year 2002 and \$285,000 of the general fund--state appropriation for fiscal year 2003 are provided solely for activities related to the Lewis and Clark Bicentennial.

{+ NEW SECTION. +} Sec. 617. FOR THE EASTERN WASHINGTON STATE HISTORICAL SOCIETY

General Fund--State Appropriation (FY 2002). \$	1,709,000
General Fund--State Appropriation (FY 2003). \$	1,563,000
TOTAL APPROPRIATION \$	3,272,000

The appropriations in this section are subject to the following conditions and limitations: \$257,000 of the general fund--state appropriation for fiscal year 2002 and \$252,000 of the general fund--state appropriation for fiscal year 2003 are provided for additional staff in order to improve services to visitors and researchers at the newly expanded Cheney Cowles Museum.

{+ NEW SECTION. +} Sec. 618. FOR THE STATE SCHOOL FOR THE BLIND

General Fund--State Appropriation (FY 2002).	\$	4,522,000
General Fund--State Appropriation (FY 2003).	\$	4,593,000
General Fund--Private/Local Appropriation.	\$	1,173,000
TOTAL APPROPRIATION	\$	10,288,000

{+ NEW SECTION. +} Sec. 619. FOR THE STATE SCHOOL FOR THE DEAF

General Fund--State Appropriation (FY 2002).	\$	7,467,000
General Fund--State Appropriation (FY 2003).	\$	7,562,000
General Fund--Private/Local Appropriation.	\$	232,000
TOTAL APPROPRIATION	\$	15,261,000

(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 2002).	\$	651,097,000
General Fund--State Appropriation (FY 2003).	\$	545,290,000
State Building Construction Account--State Appropriation.	\$	11,351,000
Debt-Limit Reimbursable Bond Retire Account-- State Appropriation.	\$	2,591,000
TOTAL APPROPRIATION	\$	1,210,329,000

The appropriations in this section are subject to the following conditions and limitations: The general fund appropriations are for deposit into the debt-limit general fund bond retirement account. The appropriation for fiscal year 2000 shall be deposited in the debt-limit general fund bond retirement account by June 30, 2000.

{+ NEW SECTION. +} Sec. 702. FOR THE STATE TREASURER--BOND RETIREMENT AND INTEREST, AND ONGOING BOND REGISTRATION AND TRANSFER CHARGES: FOR GENERAL OBLIGATION DEBT TO BE REIMBURSED BY ENTERPRISE ACTIVITIES

State Convention and Trade Center Account-- State Appropriation.	\$	39,950,000
Accident Account--State Appropriation.	\$	5,590,000
Medical Aid Account--State Appropriation	\$	5,590,000
TOTAL APPROPRIATION	\$	51,130,000

{+ NEW SECTION. +} Sec. 703. FOR THE STATE TREASURER--BOND RETIREMENT AND INTEREST, AND ONGOING BOND REGISTRATION AND TRANSFER CHARGES: FOR GENERAL OBLIGATION DEBT TO BE REIMBURSED AS PRESCRIBED BY STATUTE

General Fund--State Appropriation (FY 2002).	\$	24,542,000
General Fund--State Appropriation (FY 2003).	\$	26,706,000
Capitol Historic District Construction Account--State Appropriation	\$	454,000
Higher Education Construction Account--State Appropriation.	\$	815,000
State Higher Education Construction Account-- State Appropriation.	\$	348,000
State Vehicle Parking Account--State Appropriation.	\$	35,000
Nondebt-Limit Reimbursable Bond Retirement Account-- State Appropriation.	\$	128,043,000
TOTAL APPROPRIATION	\$	180,943,000

The appropriations in this section are subject to the following conditions and limitations: The general fund appropriation is for deposit into the nondebt-limit general fund bond retirement account.

{+ NEW SECTION. +} Sec. 704. FOR THE STATE TREASURER--BOND RETIREMENT AND INTEREST, AND ONGOING BOND REGISTRATION AND TRANSFER CHARGES: FOR BOND SALE EXPENSES

General Fund--State Appropriation (FY 2002). . . .	\$	567,000
General Fund--State Appropriation (FY 2003). . . .	\$	568,000
Higher Education Construction Account--State Appropriation.	\$	77,000
State Higher Education Construction Account-- State Appropriation.	\$	42,000
State Building Construction Account--State Appropriation.	\$	1,488,000
State Vehicle Parking Account--State Appropriation.	\$	5,000
Capitol Historic District Construction Account--State Appropriation	\$	130,000
TOTAL APPROPRIATION	\$	2,877,000

{+ NEW SECTION. +} Sec. 705. FOR THE OFFICE OF FINANCIAL MANAGEMENT--EMERGENCY FUND

General Fund--State Appropriation (FY 2002). . . .	\$	850,000
General Fund--State Appropriation (FY 2003). . . .	\$	850,000
TOTAL APPROPRIATION	\$	1,700,000

The appropriations in this section are subject to the following conditions and limitations: The appropriations in this section are for the governor's emergency fund for the critically necessary work of any agency.

{+ NEW SECTION. +} Sec. 706. FOR THE OFFICE OF FINANCIAL MANAGEMENT--FIRE CONTINGENCY POOL. The sum of three million dollars, or so much thereof as may be available on June 30, 2001, from the total amount of unspent fiscal year 2001 fire contingency funding in the disaster response account and the moneys appropriated to the disaster response account in section 707 of this act, is appropriated for the purpose of making allocations to the military department for fire mobilizations costs or to the department of natural resources for fire suppression costs.

{+ NEW SECTION. +} Sec. 707. FOR THE OFFICE OF FINANCIAL MANAGEMENT--FIRE CONTINGENCY INITIATIVE.

General Fund--State Appropriation (FY 2002). . . .	\$	2,000,000
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The appropriation in this section is subject to the following conditions and limitations: The entire amount is appropriated to the disaster response account for the purposes specified in section 706 of this act.

{+ NEW SECTION. +} Sec. 708. FOR THE AGRICULTURAL COLLEGE TRUST MANAGEMENT ACCOUNT. The sum of one million, seven hundred ninety thousand dollars is appropriated for the fiscal year ending June 30, 2002, from the general fund to the agricultural college trust management account for the purpose of managing agricultural school trust lands during the biennium ending June 30, 2003.

{+ NEW SECTION. +} Sec. 709. FOR THE OFFICE OF FINANCIAL MANAGEMENT--EXTRAORDINARY CRIMINAL JUSTICE COSTS
Public Safety and Education--State

Appropriation. \$ 975,000

The appropriation in this section is subject to the following conditions and limitations: The director of financial management shall distribute the appropriation to the following counties in the amounts designated for extraordinary criminal justice costs:

Cowlitz.	89,000
Franklin	303,000
Klickitat.	45,000
Skagit	102,000
Spokane.	192,000
Thurston	122,000
Yakima	121,000

TOTAL	975,000

{+ NEW SECTION. +} Sec. 710. BELATED CLAIMS. The agencies and institutions of the state may expend moneys appropriated in this act, upon approval of the office of financial management, for the payment of supplies and services furnished to the agency or institution in prior fiscal biennia.

{+ NEW SECTION. +} Sec. 711. FOR THE DEPARTMENT OF NATURAL RESOURCES--DISTRIBUTION OF EXCESS FUNDS FROM THE FOREST DEVELOPMENT ACCOUNT

Forest Development Account--State

Appropriation. \$ 10,000,000

The appropriation in this section is provided solely for distribution of state forest land revenues to taxing authorities that received such revenue from fiscal year 1996 through fiscal year 2000.

(1) Within fifteen days of the effective date of this section, the department shall transmit funds in the amounts specified in subsection (3) of this section to the county treasurers of the counties receiving the funds.

(2) The county treasurers of the counties listed in this section shall distribute funds received from this appropriation to taxing authorities in proportion to the state forest board land funds distributed to the taxing authorities based on information available for the fiscal years 1996 through 2000. Funds to be credited to the state of Washington and funds credited to school district general levies shall be remitted to the state of Washington within thirty days after the effective date of this section for deposit into the salmon recovery account.

(3) Funds shall be distributed in the following amounts:

Clallam.	1,488,192
Clark.	510,515
Cowlitz.	339,189
Grays Harbor	310,945
Jefferson.	212,812
King	212,433
Kitsap	127,301
Klickitat.	74,728
Lewis.	1,533,114
Mason.	222,237
Pacific.	354,315
Pierce	100,930
Skagit	1,161,074
Skamania	213,433

Snohomish. . . . .	.\$	1,263,596
Stevens. . . . .	.\$	3,793
Thurston . . . . .	.\$	850,395
Wahkiakum. . . . .	.\$	292,346
Whatcom. . . . .	.\$	728,653

TOTAL . . . . .	.\$	10,000,000

{+ NEW SECTION. +} Sec. 712. FOR THE SALMON RECOVERY ACCOUNT		
General Fund--State Appropriation (FY 2002). . . . .	.\$	8,000,000
General Fund--State Appropriation (FY 2003). . . . .	.\$	13,469,000
TOTAL APPROPRIATION . . . . .	.\$	21,469,000

The appropriations in this section are subject to the following conditions and limitations: The appropriations shall be deposited in the salmon recovery account.

{+ NEW SECTION. +} Sec. 713. FOR THE OFFICE OF FINANCIAL MANAGEMENT--DIGITAL GOVERNMENT POOL		
Digital Government Revolving Account		
Appropriation. . . . .	.\$	5,000,000

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

(1) The digital government revolving account appropriation is provided solely to provide digital services of government to citizens, businesses, and to state and other governments. The office of financial management, in consultation with the department of information services, shall allocate these funds as needed for digital government projects.

(2) To facilitate the transfer of moneys from dedicated funds and accounts, the state treasurer is directed to transfer sufficient moneys from each dedicated fund or account to the digital government revolving account, hereby created in the state treasury, in accordance with schedules provided by the office of financial management for digital government projects.

(3) Agencies receiving these allocations shall report at a minimum to the information services board and to the office of financial management on the progress of digital government projects and efforts.

{+ NEW SECTION. +} Sec. 714. DEATH BENEFIT--COMMON SCHOOLS. For the period from July 1, 2001, through June 30, 2003, a one hundred fifty thousand dollar death benefit shall be paid as a sundry claim to the estate of an employee in the common school system of the state who is killed in the course of employment. The determination of eligibility for the benefit shall be made consistent with Title 51 RCW by the department of labor and industries. The department of labor and industries shall notify the director of the department of general administration by order under RCW 51.52.050.

{+ NEW SECTION. +} Sec. 715. DEATH BENEFIT--STATE AGENCIES. For the period from July 1, 2001, through June 30, 2003, a one hundred fifty thousand dollar death benefit shall be paid as a sundry claim to the estate of an employee of any state agency or higher education institution not otherwise provided a death benefit through coverage under their enrolled retirement system. The determination of eligibility for the benefit shall be made consistent with Title 51 RCW by the department of labor and industries. The department of labor and industries shall notify the director of the department of general administration by order under RCW 51.52.050.

{+ NEW SECTION. +} Sec. 716. FOR THE GOVERNOR--COMPENSATION--
INSURANCE BENEFITS

General Fund--State Appropriation (FY 2002). . . .	6,736,000
General Fund--State Appropriation (FY 2003). . . .	18,847,000
General Fund--Federal Appropriation.	8,186,000
General Fund--Private/Local Appropriation. . . .	429,000
Salary and Insurance Increase Revolving Account Appropriation.	18,334,000
TOTAL APPROPRIATION	52,532,000

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

(1)(a) The monthly employer funding rate for insurance benefit premiums, public employees' benefits board administration, and the uniform medical plan, shall not exceed \$455.79 per eligible employee for fiscal year 2002, and \$494.28 for fiscal year 2003.

(b) Within the rates in (a) of this subsection, \$2.02 per eligible employee shall be included in the employer funding rate for fiscal year 2002, and \$4.10 per eligible employee shall be included in the employer funding rate for fiscal year 2003, solely to increase life insurance coverage in accordance with a court approved settlement in Burbage et al. v. State of Washington (Thurston county superior court cause no. 94-2-02560-8).

(c) In order to achieve the level of funding provided for health benefits, the public employees' benefits board may require employee premium copayments, increase point-of-service cost sharing, and/or implement managed competition.

(d) The health care authority shall deposit any moneys received on behalf of the uniform medical plan as a result of rebates on prescription drugs, audits of hospitals, subrogation payments, or any other moneys recovered as a result of prior uniform medical plan claims payments, into the public employees' and retirees' insurance account to be used for insurance benefits. Such receipts shall not be used for administrative expenditures.

(2) To facilitate the transfer of moneys from dedicated funds and accounts, the state treasurer is directed to transfer sufficient moneys from each dedicated fund or account to the special fund salary and insurance contribution increase revolving fund in accordance with schedules provided by the office of financial management.

(3) The health care authority, subject to the approval of the public employees' benefits board, shall provide subsidies for health benefit premiums to eligible retired or disabled public employees and school district employees who are eligible for parts A and B of medicare, pursuant to RCW 41.05.085. From January 1, 2002, through December 31, 2002, the subsidy shall be \$83.98. Starting January 1, 2003, the subsidy shall be \$100.77 per month.

(4) Technical colleges, school districts, and educational service districts shall remit to the health care authority for deposit into the public employees' and retirees' insurance account established in RCW 41.05.120 the following amounts:

(a) For each full-time employee, \$32.49 per month beginning September 1, 2001, and \$37.69 beginning September 1, 2002;

(b) For each part-time employee who, at the time of the remittance, is employed in an eligible position as defined in RCW 41.32.010 or 41.40.010 and is eligible for employer fringe benefit contributions for basic benefits, \$32.49 each month beginning September 1, 2001, and \$37.69 beginning September 1, 2002, prorated by the proportion of employer fringe benefit contributions for a full-time employee that the part-time employee receives.

The remittance requirements specified in this subsection shall not apply to employees of a technical college, school district, or

educational service district who purchase insurance benefits through contracts with the health care authority.

(5) The salary and insurance increase revolving account appropriation includes amounts sufficient to fund health benefits for ferry workers at the premium levels specified in subsection (1) of this section, consistent with the 1999-01 transportation appropriations act.

{+ NEW SECTION. +} Sec. 717. FOR THE DEPARTMENT OF RETIREMENT SYSTEMS--CONTRIBUTIONS TO RETIREMENT SYSTEMS. The appropriations in this section are subject to the following conditions and limitations: The appropriations for the law enforcement officers' and firefighters' retirement system shall be made on a monthly basis beginning July 1, 2001, consistent with chapter 41.45 RCW as amended by this act, and the appropriations for the judges and judicial retirement systems shall be made on a quarterly basis consistent with chapters 2.10 and 2.12 RCW.

(1) There is appropriated for state contributions to the law enforcement officers' and fire fighters' retirement system:

General Fund--State Appropriation (FY 2002). . . .	\$	15,552,000
General Fund--State Appropriation (FY 2003). . . .	\$	16,668,000

The appropriations in this subsection are subject to the following conditions and limitations: The appropriations include reductions of \$3,848,000 general fund--state for fiscal year 2002 and \$4,132,000 general fund--state for fiscal year 2003, to reflect savings resulting from the implementation of state pension contribution rates effective July 1, 2001, as provided in Senate Bill No. 6167.

(2) There is appropriated for contributions to the judicial retirement system:

General Fund--State Appropriation (FY 2002). . . .	\$	6,000,000
General Fund--State Appropriation (FY 2003). . . .	\$	6,000,000

(3) There is appropriated for contributions to the judges retirement system:

General Fund--State Appropriation (FY 2002). . . .	\$	250,000
General Fund--State Appropriation (FY 2003). . . .	\$	250,000
TOTAL APPROPRIATION	\$	44,720,000

{+ NEW SECTION. +} Sec. 718. FOR THE OFFICE OF FINANCIAL MANAGEMENT--CONTRIBUTIONS TO RETIREMENT SYSTEMS

General Fund--State Appropriation (FY 2002). . . .	\$	(-16,831,000)
General Fund--State Appropriation (FY 2003). . . .	\$	(-17,078,000)
General Fund--Federal Appropriation.	\$	(-11,193,000)
General Fund--Private/Local Appropriation. . . .	\$	(-667,000)
Special Account Retirement Contribution Increase		
Revolving Account Appropriation.	\$	(-25,476,000)
TOTAL APPROPRIATION	\$	(-71,245,000)

The appropriations in this section are provided solely to reduce agency appropriations to reflect savings resulting from the implementation of employer pension contribution rates, effective July 1, 2001, for the public employees' retirement system, and effective September 1, 2001, for the teachers' retirement system, as provided in Senate Bill No. 6167.

{+ NEW SECTION. +} Sec. 719. SALARY COST OF LIVING ADJUSTMENT

General Fund--State Appropriation (FY 2002). . . .	\$	42,958,000
General Fund--State Appropriation (FY 2003). . . .	\$	81,362,000
General Fund--Federal Appropriation.	\$	41,003,000
General Fund--Private/Local Appropriation. . . .	\$	2,512,000

Salary and Insurance Increase Revolving Account

Appropriation. . . . .	.\$	99,402,000
TOTAL APPROPRIATION . . . . .	.\$	267,237,000

The appropriations in this section shall be expended solely for the purposes designated in this section and are subject to the following conditions and limitations:

(1) In addition to the purposes set forth in subsections (2) and (3) of this section, appropriations in this section are provided solely for a 3.7 percent salary increase effective July 1, 2001, and a 3.1 percent salary increase effective July 1, 2002, for all classified employees, except the certificated employees of the state schools for the deaf and blind, and including those employees in the Washington management service, and exempt employees under the jurisdiction of the personnel resources board.

(2) The appropriations in this section are sufficient to fund a 3.7 percent salary increase effective July 1, 2001, and a 3.1 percent increase effective July 1, 2002, for general government, legislative, and judicial employees exempt from merit system rules whose maximum salaries are not set by the commission on salaries for elected officials.

(3) The salary and insurance increase revolving account appropriation in this section includes funds sufficient to fund a 3.7 percent salary increase effective July 1, 2001, and a 3.1 percent salary increase effective July 1, 2002, for ferry workers consistent with the 2001-03 transportation appropriations act.

(4)(a) No salary increase may be paid under this section to any person whose salary has been Y-rated pursuant to rules adopted by the personnel resources board.

(b) The average salary increases paid under this section to agency officials whose maximum salaries are established by the committee on agency official salaries shall not exceed the average increases provided by subsection (2) of this section.

{+ NEW SECTION. +} Sec. 720. FOR THE OFFICE OF FINANCIAL MANAGEMENT--EDUCATION TECHNOLOGY REVOLVING ACCOUNT		
General Fund--State Appropriation (FY 2002). . . . .	.\$	11,264,000
General Fund--State Appropriation (FY 2003). . . . .	.\$	11,264,000
TOTAL APPROPRIATION. . . . .	.\$	22,528,000

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

(1) The appropriations in this section are for appropriation to the education technology revolving account for the purpose of covering operational and transport costs incurred by the K-20 educational network program in providing telecommunication services to network participants.

(2) Use of these moneys to connect public libraries are limited to public libraries which have in place a policy of internet safety applied to publicly available computers with internet access via the K-20 educational network that protects against access to visual depictions that are (a) obscene under chapter 9.68 RCW; or (b) sexual exploitation of children under chapter 9.68A RCW.

{+ NEW SECTION. +} Sec. 721. FOR THE ATTORNEY GENERAL--SALARY ADJUSTMENTS		
General Fund--State Appropriation (FY 2002). . . . .	.\$	989,000
General Fund--State Appropriation (FY 2003). . . . .	.\$	2,082,000
Legal Services Revolving Account--State		
Appropriation. . . . .	.\$	3,071,000
TOTAL APPROPRIATION . . . . .	.\$	6,142,000

The appropriations in this section are subject to the following conditions and limitations: The appropriations are provided solely for increases in salaries and related benefits of assistant attorneys general effective July 1, 2001, and another increase effective July 1, 2002. This funding is provided solely for: (1) Increases in beginning salaries; (2) merit-based increases to recognize outstanding performance; and (3) increases to address critical recruitment and retention problems in specialty practice areas.

{+ NEW SECTION. +} Sec. 722. FOR THE OFFICE OF FINANCIAL MANAGEMENT--COMPENSATION ACTIONS OF PERSONNEL RESOURCES BOARD	
General Fund--State Appropriation (FY 2002) \$	8,500,000
General Fund--State Appropriation (FY 2003) \$	8,500,000
General Fund--Federal Appropriation \$	10,000,000
General Fund--Local Appropriation \$	300,000
Salary and Insurance Increase Revolving Account Appropriation \$	7,000,000
TOTAL APPROPRIATION \$	34,300,000

The appropriations in this section shall be expended solely for the purposes designated in this section and are subject to the conditions and limitations specified in this section. The office of financial management shall use the funding provided in this section for the following purposes:

(1) Not more than \$350,000 of the general fund--state appropriation for fiscal year 2002, \$350,000 of the general fund--state appropriation for fiscal year 2003, and \$700,000 of the general fund--federal appropriation may be allocated to the department of corrections and the department of social and health services to fund the cost of increases in evening shift and night shift pay for registered nurses working in department of corrections facilities, western state hospital, eastern state hospital, and other similar hospital settings.

(2) Not more than \$300,000 of the general fund--state appropriation for fiscal year 2002, \$300,000 of the general fund--state appropriation for fiscal year 2003, and \$600,000 of the general fund--federal appropriation may be allocated to the department of corrections and the department of social and health services to fund the cost of increases in evening shift and night shift pay for other direct patient care health care providers working in department of corrections facilities, western state hospital, eastern state hospital, and other similar hospital settings.

(3) The office of financial management may provide funding to state agencies for assignment pay increases approved by the department of personnel for recruitment and retention in areas impacted by the cost of living. To be eligible for funding under this subsection, agencies must submit fiscal impact statements to the office of financial management. Priority shall be given to agencies that are located very close to another agency that has been previously approved for such an assignment pay increase for job classes used by both agencies. Funding may be provided to an agency only after approval of the department of personnel of the proposed assignment pay increase.

(4) The office of financial management may provide funding to state agencies seeking reclassifications or salary adjustments to address recruitment and retention problems pursuant to RCW 41.06.152(2), so as to enable the agency to meet the requirement that it be able to absorb the biennialized cost of the salary adjustments. In reviewing proposals for funding under this subsection, the following job classes and programs shall be given priority for funding:

(a) Those psychiatrist 1 and 2 positions that provide direct patient care in a department of social and health services or a

department of corrections institution.

(b) Those psychologist 3 - 5 positions that provide direct services to offenders in department of corrections institutions.

(c) Those forensic scientist 3 positions employed by the Washington state patrol.

(d) Those corrections mental health counselor 1 - 3 positions that provide direct services to offenders at the sex offender treatment program at the Monroe correctional complex.

(e) Those social worker 2 - 4 positions that provide direct client services with the division of children and family services in the department of social and health services.

(f) Those financial analyst 1 - 5 positions and related higher education fiscal and accounting positions that have a documented recruitment and retention problem.

(g) The insurance examiner 1 - 4 positions employed by the office of the insurance commissioner.

(h) Registered nurse 1 - 4 positions employed by the department of social and health services at western state hospital and eastern state hospital and by the department of corrections.

(i) Licensed practical nurse 1 - 3 positions employed by the department of social and health services at western state hospital and eastern state hospital and by the department of corrections.

(j) Pressure vessel inspector 1 - 3 positions employed by the department of labor and industries.

(k) Elevator inspector related positions employed by the department of labor and industries.

(l) Property tax auditor and property tax appraiser related positions employed by the department of revenue.

(m) Natural resources engineer 1 - 4 positions employed by the department of natural resources.

(n) Forest cruiser positions with the department of natural resources.

(o) Curator 1 - 3 positions with the Washington state historical society.

(p) Those library information assistant and specialist positions that work directly with residents in developmental disability institutions, mental hospitals, and prisons.

(q) Civil engineer 1 - 5 and engineering aide 1 - 4 positions.

{+ NEW SECTION. +} Sec. 723. INCENTIVE SAVINGS--FY 2002. The sum of one hundred million dollars or so much thereof as may be available on June 30, 2002, from the total amount of unspent fiscal year 2002 state general fund appropriations is appropriated for the purposes of RCW 43.79.460 in the manner provided in this section.

(1) Of the total appropriated amount, one-half of that portion that is attributable to incentive savings, not to exceed twenty-five million dollars, is appropriated to the savings incentive account for the purpose of improving the quality, efficiency, and effectiveness of agency services, and credited to the agency that generated the savings.

(2) The remainder of the total amount, not to exceed seventy-five million dollars, is appropriated to the education savings account.

(3) For purposes of this section, the total amount of unspent state general fund appropriations does not include the appropriations made in this section or any amounts included in across-the-board allotment reductions under RCW 43.88.110.

{+ NEW SECTION. +} Sec. 724. INCENTIVE SAVINGS--FY 2003. The sum of one hundred million dollars or so much thereof as may be available on June 30, 2003, from the total amount of unspent fiscal year 2003 state general fund appropriations is appropriated for the purposes of RCW 43.79.460 in the manner provided in this section.

(1) Of the total appropriated amount, one-half of that portion that is attributable to incentive savings, not to exceed twenty-five million dollars, is appropriated to the savings incentive account for the purpose of improving the quality, efficiency, and effectiveness of agency services, and credited to the agency that generated the savings.

(2) The remainder of the total amount, not to exceed seventy-five million dollars, is appropriated to the education savings account.

(3) For purposes of this section, the total amount of unspent state general fund appropriations does not include the appropriations made in this section or any amounts included in across-the-board allotment reductions under RCW 43.88.110.

{+ NEW SECTION. +} Sec. 725. PUGET SOUND FERRY OPERATIONS ACCOUNT
General Fund--State Appropriation (FY 2002). . . . \$ 20,000,000

The appropriation in this section is subject to the following conditions and limitations: The appropriations in this section are for appropriation to the Puget Sound ferry operations account to carry out the purposes of the account.

{+ NEW SECTION. +} Sec. 726. LOCAL GOVERNMENT FINANCIAL ASSISTANCE

(1) The legislature recognizes the need for ongoing financial assistance to local governments for the purposes of public safety, criminal justice, public health, and other operations. Therefore, it is the intent of the legislature that the state provide funding for the current and future fiscal biennia for a portion of local governments' costs for these programs and services that are the ongoing responsibility of the recipient local government.

(2) Moneys appropriated in sections 727, 728, and 729 of this act shall be used to supplant a portion of the costs of existing local programs.

(3) Moneys appropriated in sections 727, 728, and 729 of this act constitute a transfer to the state of local government costs under RCW 43.135.060(2).

{+ NEW SECTION. +} Sec. 727. FOR THE DEPARTMENT OF COMMUNITY, TRADE, AND ECONOMIC DEVELOPMENT--COUNTY CORPORATION ASSISTANCE
General Fund--State Appropriation (FY 2002). . . . \$ 24,318,178
General Fund--State Appropriation (FY 2003). . . . \$ 25,045,614
TOTAL APPROPRIATION \$ 49,363,791

The appropriations in this section are subject to section 726 of this act and to the following conditions and limitations:

(1) The amounts distributed to Benton, Franklin, Klickitat, Skamania, Mason, Okanogan, Stevens, Ferry, Pend Oreille, and Thurston counties have been adjusted to account for a portion of delinquent amounts resulting from these counties not paying the portion of the employer contributions for superior court judges as required by Article IV, section 13 of the state Constitution and 1996 Attorney General's Opinion No. 2.

(2) The director of community, trade, and economic development shall distribute the appropriations to the following counties in the amounts designated:

County	FY 2002	FY 2003	2001-03 Biennium	
Adams	290,303	295,993		586,296
Asotin	422,074	434,598		856,672
Benton	946,475	979,158		1,925,632
Chelan	637,688	651,982		1,289,670

Clallam	444,419	454,391	898,810
Clark	641,571	678,997	1,320,568
Columbia	561,888	572,901	1,134,789
Cowlitz	771,879	795,808	1,567,687
Douglas	505,585	528,184	1,033,769
Ferry	386,842	394,484	781,325
Franklin	433,373	454,767	888,141
Garfield	571,303	582,501	1,153,804
Grant	579,631	604,072	1,183,703
Grays Harbor	540,315	550,905	1,091,220
Island	483,589	503,205	986,794
Jefferson	239,914	249,924	489,838
King	2,661,862	2,720,716	5,382,578
Kitsap	469,992	480,178	950,170
Kittitas	366,971	383,027	749,998
Klickitat	201,512	214,341	415,852
Lewis	583,702	598,004	1,181,706
Lincoln	290,754	302,151	592,905
Mason	903,421	929,320	1,832,741
Okanogan	545,895	557,379	1,103,274
Pacific	344,047	350,790	694,837
Pend Oreille	278,137	283,632	561,768
Pierce	1,246,530	1,284,087	2,530,617
San Juan	85,712	91,859	177,571
Skagit	911,491	944,914	1,856,405
Skamania	170,202	173,590	343,793
Snohomish	1,017,209	1,058,571	2,075,780
Spokane	804,124	823,359	1,627,483
Stevens	805,055	829,171	1,634,226
Thurston	990,932	1,020,623	2,011,555
Wahkiakum	507,528	517,476	1,025,004
Walla Walla	241,341	247,105	488,446
Whatcom	408,025	429,069	837,094
Whitman	134,870	138,191	273,061
Yakima	1,892,018	1,936,192	3,828,210
TOTAL APPROPRIATIONS	24,318,178	25,045,614	49,363,7

{+ NEW SECTION. +} Sec. 728. FOR THE DEPARTMENT OF COMMUNITY, TRADE, AND ECONOMIC DEVELOPMENT--MUNICIPAL CORPORATION ASSISTANCE

General Fund--State Appropriation (FY 2002). . . .	\$ 45,884,610
General Fund--State Appropriation (FY 2003). . . .	\$ 47,251,839
TOTAL APPROPRIATION	\$ 93,136,449

The appropriations in this section are subject to section 728 of this act and the following conditions and limitations:

(1) The director of community, trade, and economic development shall distribute \$45,545,942 of the fiscal year 2002 appropriation and \$46,903,217 of the fiscal year 2003 appropriation to the following cities and municipalities in the amounts designated:

City	FY 2002	FY 2003	2001-03 Biennium
Aberdeen	119,986	123,562	243,548
Airway Heights	111,259	114,575	225,834
Albion	66,339	68,316	134,655
Algona	32,672	33,646	66,318
Almira	12,519	12,892	25,411
Anacortes	70,930	73,044	143,974
Arlington	42,344	43,606	85,950
Asotin	57,623	59,340	116,963
Auburn	192,405	198,139	390,544

Bainbridge Island	293,851	302,608	596,459
Battle Ground	118,303	121,828	240,131
Beaux Arts	1,784	1,837	3,621
Bellevue	524,203	539,824	1,064,027
Bellingham	369,121	380,121	749,242
Benton City	111,380	114,699	226,079
Bingen	6,602	6,799	13,401
Black Diamond	254,698	262,288	516,986
Blaine	20,853	21,474	42,327
Bonney Lake	158,738	163,468	322,206
Bothell	137,270	141,361	278,631
Bremerton	214,020	220,398	434,418
Brewster	11,250	11,585	22,835
Bridgeport	188,216	193,825	382,041
Brier	532,011	547,865	1,079,876
Buckley	68,227	70,260	138,487
Bucoda	52,876	54,452	107,328
Burien	284,265	292,736	577,001
Burlington	27,407	28,224	55,631
Camas	53,654	55,253	108,907
Carbonado	56,785	58,477	115,262
Carnation	9,593	9,879	19,472
Cashmere	120,801	124,401	245,202
Castle Rock	29,980	30,873	60,853
Cathlamet	6,265	6,452	12,717
Centralia	101,426	104,448	205,874
Chehalis	34,601	35,632	70,233
Chelan	19,515	20,097	39,612
Cheney	314,316	323,683	637,999
Chewelah	66,731	68,720	135,451
Clarkston	83,910	86,411	170,321
Cle Elum	8,692	8,951	17,643
Clyde Hill	136,778	140,854	277,632
Colfax	74,672	76,897	151,569
College Place	526,480	542,169	1,068,649
Colton	27,473	28,292	55,765
Colville	23,389	24,086	47,475
Conconully	13,675	14,083	27,758
Concrete	27,006	27,811	54,817
Connell	164,950	169,866	334,816
Cosmopolis	15,395	15,854	31,249
Coulee City	2,804	2,888	5,692
Coulee Dam	61,408	63,238	124,646
Coupeville	7,708	7,938	15,646
Covington	690,851	711,438	1,402,289
Creston	12,905	13,290	26,195
Cusick	9,341	9,619	18,960
Darrington	59,838	61,621	121,459
Davenport	66,350	68,327	134,677
Dayton	92,685	95,447	188,132
Deer Park	16,059	16,538	32,597
Des Moines	1,482,120	1,526,287	3,008,407
Dupont	8,109	8,351	16,460
Duvall	66,128	68,099	134,227
East Wenatchee	30,678	31,592	62,270
Eatonville	8,848	9,112	17,960
Edgewood	901,766	928,639	1,830,405
Edmonds	456,336	469,935	926,271
Electric City	87,243	89,843	177,086
Ellensburg	81,982	84,425	166,407
Elma	84,676	87,199	171,875

Elmer City	29,811	30,699	60,510
Endicott	28,758	29,615	58,373
Entiat	58,244	59,980	118,224
Enumclaw	53,013	54,593	107,606
Ephrata	59,987	61,775	121,762
Everett	495,428	510,192	1,005,620
Everson	67,517	69,529	137,046
Fairfield	18,540	19,092	37,632
Farmington	12,072	12,432	24,504
Federal Way	470,179	484,190	954,369
Ferndale	74,669	76,894	151,563
Fife	25,411	26,168	51,579
Fircrest	386,146	397,653	783,799
Forks	110,712	114,011	224,723
Friday Harbor	9,791	10,083	19,874
Garfield	45,263	46,612	91,875
George	19,319	19,895	39,214
Gig Harbor	31,615	32,557	64,172
Gold Bar	134,531	138,540	273,071
Goldendale	49,519	50,995	100,514
Grand Coulee	5,805	5,978	11,783
Grandview	256,347	263,986	520,333
Granger	173,094	178,252	351,346
Granite Falls	10,946	11,272	22,218
Hamilton	17,437	17,957	35,394
Harrah	46,947	48,346	95,293
Harrington	18,107	18,647	36,754
Hartline	11,392	11,731	23,123
Hatton	12,176	12,539	24,715
Hoquiam	374,903	386,075	760,978
Hunts Point	2,432	2,504	4,936
Ilwaco	13,150	13,542	26,692
Index	4,181	4,306	8,487
Ione	17,566	18,089	35,655
Issaquah	50,002	51,492	101,494
Kahlotus	20,210	20,812	41,022
Kalama	7,892	8,127	16,019
Kelso	68,904	70,957	139,861
Kenmore	1,099,395	1,132,157	2,231,552
Kennewick	293,534	302,281	595,815
Kent	360,624	371,371	731,995
Kettle Falls	64,422	66,342	130,764
Kirkland	221,429	228,028	449,457
Kittitas	72,698	74,864	147,562
Krupp	4,445	4,577	9,022
La Center	34,415	35,441	69,856
La Conner	3,817	3,931	7,748
La Crosse	20,141	20,741	40,882
Lacey	143,243	147,512	290,755
Lake Forest Park	897,932	924,690	1,822,622
Lake Stevens	142,295	146,535	288,830
Lakewood	2,955,109	3,043,171	5,998,280
Lamont	7,492	7,715	15,207
Langley	5,303	5,461	10,764
Latah	11,962	12,318	24,280
Leavenworth	12,189	12,552	24,741
Lind	2,217	2,283	4,500
Long Beach	10,269	10,575	20,844
Longview	249,836	257,281	507,117
Lyman	16,741	17,240	33,981
Lynden	42,717	43,990	86,707

Lynnwood	163,579	168,454	332,033
Mabton	142,491	146,737	289,228
Malden	21,588	22,231	43,819
Mansfield	26,744	27,541	54,285
Maple Valley	359,478	370,190	729,668
Marcus	14,126	14,547	28,673
Marysville	102,028	105,068	207,096
Mattawa	100,064	103,046	203,110
McCleary	105,807	108,960	214,767
Medical Lake	114,323	117,730	232,053
Medina	14,355	14,783	29,138
Mercer Island	383,527	394,956	778,483
Mesa	16,835	17,337	34,172
Metaline	14,150	14,572	28,722
Metaline Falls	7,718	7,948	15,666
Mill Creek	174,495	179,695	354,190
Millwood	22,619	23,293	45,912
Milton	28,030	28,865	56,895
Monroe	56,517	58,201	114,718
Montesano	60,229	62,024	122,253
Morton	5,891	6,067	11,958
Moses Lake	105,670	108,819	214,489
Mossyrock	16,545	17,038	33,583
Mount Vernon	130,780	134,677	265,457
Mountlake Terrace	711,188	732,381	1,443,569
Moxee	40,448	41,653	82,101
Mukilteo	274,482	282,662	557,144
Naches	7,632	7,859	15,491
Napavine	96,030	98,892	194,922
Nespelem	17,614	18,139	35,753
Newcastle	290,801	299,467	590,268
Newport	13,223	13,617	26,840
Nooksack	58,178	59,912	118,090
Normandy Park	489,113	503,689	992,802
North Bend	20,754	21,372	42,126
North Bonneville	30,574	31,485	62,059
Northport	23,489	24,189	47,678
Oak Harbor	278,157	286,446	564,603
Oakesdale	31,060	31,986	63,046
Oakville	43,411	44,705	88,116
Ocean Shores	64,837	66,769	131,606
Odessa	4,721	4,862	9,583
Okanogan	12,323	12,690	25,013
Olympia	198,476	204,391	402,867
Omak	26,117	26,895	53,012
Oroville	12,506	12,879	25,385
Orting	191,211	196,909	388,120
Othello	26,808	27,607	54,415
Pacific	69,124	71,184	140,308
Palouse	55,067	56,708	111,775
Pasco	131,298	135,211	266,509
Pateros	28,021	28,856	56,877
Pe Ell	54,800	56,433	111,233
Pomeroy	52,485	54,049	106,534
Port Angeles	124,595	128,308	252,903
Port Orchard	41,797	43,043	84,840
Port Townsend	47,126	48,530	95,656
Poulsbo	31,812	32,760	64,572
Prescott	12,349	12,717	25,066
Prosser	24,137	24,856	48,993
Pullman	584,659	602,082	1,186,741

Puyallup	151,732	156,254	307,986
Quincy	20,244	20,847	41,091
Rainier	111,521	114,844	226,365
Raymond	85,311	87,853	173,164
Reardan	38,184	39,322	77,506
Redmond	215,259	221,674	436,933
Renton	235,053	242,058	477,111
Republic	25,085	25,833	50,918
Richland	441,733	454,897	896,630
Ridgefield	55,637	57,295	112,932
Ritzville	8,498	8,751	17,249
Riverside	27,204	28,015	55,219
Rock Island	36,527	37,616	74,143
Rockford	18,965	19,530	38,495
Rosalia	36,719	37,813	74,532
Roslyn	64,571	66,495	131,066
Roy	1,709	1,760	3,469
Royal City	66,657	68,643	135,300
Ruston	50,309	51,808	102,117
Sammamish	2,361,433	2,431,804	4,793,237
Seatac	132,183	136,122	268,305
Seattle	3,189,346	3,284,389	6,473,735
Sedro-Woolley	54,896	56,532	111,428
Selah	80,704	83,109	163,813
Sequim	21,867	22,519	44,386
Shelton	58,160	59,893	118,053
Shoreline	1,485,138	1,529,395	3,014,533
Skykomish	1,417	1,459	2,876
Snohomish	40,722	41,936	82,658
Snoqualmie	9,587	9,873	19,460
Soap Lake	102,783	105,846	208,629
South Bend	75,826	78,086	153,912
South Cle Elum	46,847	48,243	95,090
South Prairie	18,788	19,348	38,136
Spangle	1,397	1,439	2,836
Spokane	1,116,419	1,149,688	2,266,107
Sprague	22,930	23,613	46,543
Springdale	11,080	11,410	22,490
St. John	4,245	4,372	8,617
Stanwood	21,141	21,771	42,912
Starbuck	8,949	9,216	18,165
Steilacoom	285,807	294,324	580,131
Stevenson	11,673	12,021	23,694
Sultan	63,199	65,082	128,281
Sumas	7,885	8,120	16,005
Sumner	41,931	43,181	85,112
Sunnyside	70,805	72,915	143,720
Tacoma	1,384,646	1,425,908	2,810,554
Tekoa	49,373	50,844	100,217
Tenino	68,820	70,871	139,691
Tieton	74,506	76,726	151,232
Toledo	8,084	8,325	16,409
Tonasket	5,500	5,664	11,164
Toppenish	443,488	456,704	900,192
Tukwila	75,320	77,565	152,885
Tumwater	61,848	63,691	125,539
Twisp	4,793	4,936	9,729
Union Gap	27,129	27,937	55,066
Uniontown	19,805	20,395	40,200
University Place	1,889,912	1,946,231	3,836,143
Vader	40,643	41,854	82,497

Vancouver	1,177,584	1,212,676	2,390,260
Waitsburg	81,097	83,514	164,611
Walla Walla	318,679	328,176	646,855
Wapato	230,783	237,660	468,443
Warden	105,612	108,759	214,371
Washougal	177,022	182,297	359,319
Washtucna	20,654	21,269	41,923
Waterville	72,880	75,052	147,932
Waverly	10,256	10,562	20,818
Wenatchee	147,602	152,001	299,603
West Richland	489,752	504,347	994,099
Westport	13,715	14,124	27,839
White Salmon	53,746	55,348	109,094
Wilbur	23,614	24,318	47,932
Wilkeson	18,762	19,321	38,083
Wilson Creek	18,403	18,951	37,354
Winlock	35,212	36,261	71,473
Winthrop	1,756	1,808	3,564
Woodinville	56,052	57,722	113,774
Woodland	17,960	18,495	36,455
Woodway	12,513	12,886	25,399
Yacolt	36,636	37,728	74,364
Yakima	487,766	502,301	990,067
Yarrow Point	32,121	33,078	65,199
Yelm	15,677	16,144	31,821
Zillah	100,818	103,822	204,640
TOTAL APPROPRIATIONS	45,545,942	46,903,217	92,449,159

(2) \$338,668 of the fiscal year 2002 appropriation and \$348,622 of the fiscal year 2003 appropriation are provided solely to address the contingencies listed in this subsection. The department shall distribute the moneys no later than March 31, 2002, and March 31, 2003, for the respective appropriations. Moneys shall be distributed for the following purposes, ranked in order of priority:

(a) To correct for data errors in the determination of distributions in subsection (1) of this section;

(b) To distribute to newly qualifying jurisdictions as if the jurisdiction had been in existence prior to November 1999;

(c) To allocate under emergency situations as determined by the director of the department of community, trade, and economic development in consultation with the association of Washington cities; and

(d) After April 1st of each year in the fiscal biennium ending June 30, 2003, any moneys remaining from the amounts provided in this subsection shall be prorated and distributed to cities and towns on the basis of the amounts distributed for emergency considerations in November 2000 as provided in section 729, chapter 1, Laws of 2000, 2nd sp. sess.

{+ NEW SECTION. +} Sec. 729. FOR THE DEPARTMENT OF COMMUNITY, TRADE, AND ECONOMIC DEVELOPMENT--COUNTY PUBLIC HEALTH ASSISTANCE	
Health Services Account (FY 2002).	23,780,499
Health Services Account (FY 2003).	24,490,303
TOTAL APPROPRIATION	48,270,802

The appropriations in this section are subject to section 726 of this act and to the following conditions and limitations: The director of the department of community, trade, and economic development shall distribute the appropriations to the following counties and health districts in the amounts designated:

	FY 2002	FY 2003	2001-03 Biennium
Health District			
Adams County Health District	30,824	31,428	62,252
Asotin County Health District	65,375	70,818	136,193
Benton-Franklin Health District	1,147,987	1,196,390	2,344,377
Chelan-Douglas Health District	176,979	194,628	371,607
Clallam County Health and Human Services Department	140,557	144,547	285,104
Southwest Washington Health District	1,067,962	1,113,221	2,181,183
Columbia County Health District	40,362	41,153	81,515
Cowlitz County Health Department	273,147	287,116	560,263
Garfield County Health District	14,966	15,259	30,225
Grant County Health District	111,767	126,762	238,529
Grays Harbor Health Department	183,113	186,702	369,815
Island County Health Department	86,600	98,221	184,821
Jefferson County Health and Human Services	82,856	89,676	172,532
Seattle-King County Department of Public Health	9,489,273	9,681,772	19,171,045
Bremerton-Kitsap County Health District	551,913	563,683	1,115,596
Kittitas County Health Department	87,822	98,219	186,041
Klickitat County Health Department	57,872	67,636	125,508
Lewis County Health Department	103,978	108,817	212,795
Lincoln County Health Department	26,821	32,924	59,745
Mason County Department of Health Services	91,638	101,422	193,060
Okanogan County Health District	62,844	64,788	127,632
Pacific County Health Department	77,108	78,619	155,727
Tacoma-Pierce County Health Department	2,802,613	2,870,392	5,673,005
San Juan County Health and Community Services	35,211	40,274	75,485
Skagit County Health Department	215,464	234,917	450,381
Snohomish Health District	2,238,523	2,303,371	4,541,894
Spokane County Health District	2,091,092	2,135,477	4,226,569
Northeast Tri-County Health District	106,019	116,135	222,154
Thurston County Health Department	593,358	614,255	1,207,613
Wahkiakum County Health Department	13,715	13,984	27,699
Walla Walla County-City Health Department	170,852	175,213	346,065
Whatcom County Health Department	846,015	875,369	1,721,384
Whitman County Health Department	78,081	80,274	158,355
Yakima Health District	617,792	636,841	1,254,633
TOTAL APPROPRIATIONS	\$23,780,499	\$24,490,303	\$48,270,802

{+ NEW SECTION. +} Sec. 730. FOR THE LIABILITY ACCOUNT

General Fund--State Appropriation (FY 2002)	\$ 15,750,000
General Fund--State Appropriation (FY 2003)	\$ 15,750,000
TOTAL APPROPRIATION	\$ 31,500,000

The appropriations in this section are provided solely for deposit in the liability account.

(End of part)

PART VIII
OTHER TRANSFERS AND APPROPRIATIONS

{+ NEW SECTION. +} Sec. 801. FOR THE STATE TREASURER--STATE

REVENUES FOR DISTRIBUTION	
General Fund Appropriation for fire insurance premium distributions	\$ 6,528,600
General Fund Appropriation for public utility district excise tax distributions	\$ 36,427,306
General Fund Appropriation for prosecuting attorney distributions	\$ 3,090,000
General Fund Appropriation for boating safety/education and law enforcement	

distributions. . . . .	.\$	3,780,000
General Fund Appropriation for other tax distributions. . . . .	.\$	39,566
Death Investigations Account Appropriation for distribution to counties for publicly funded autopsies . . . . .	.\$	1,587,537
Aquatic Lands Enhancement Account Appropriation for harbor improvement revenue distribution . . . . .	.\$	147,500
Timber Tax Distribution Account Appropriation for distribution to "timber" counties. . . . .	.\$	68,562,000
County Criminal Justice Assistance Appropriation. . . . .	.\$	50,016,213
Municipal Criminal Justice Assistance Appropriation. . . . .	.\$	19,988,097
Liquor Excise Tax Account Appropriation for liquor excise tax distribution . . . . .	.\$	28,659,331
Liquor Revolving Account Appropriation for liquor profits distribution. . . . .	.\$	55,344,817
TOTAL APPROPRIATION . . . . .	.\$	274,170,967

The total expenditures from the state treasury under the appropriations in this section shall not exceed the funds available under statutory distributions for the stated purposes.

{+ NEW SECTION. +} Sec. 802. FOR THE STATE TREASURER--FOR THE COUNTY CRIMINAL JUSTICE ASSISTANCE ACCOUNT
Impaired Driving Safety Account Appropriation. . . \$ 1,843,260

The appropriation in this section is subject to the following conditions and limitations: The amount appropriated in this section shall be distributed quarterly during the 2001-03 biennium in accordance with RCW 82.14.310. This funding is provided to counties for the costs of implementing criminal justice legislation including, but not limited to: Chapter 206, Laws of 1998 (drunk driving penalties); chapter 207, Laws of 1998 (DUI penalties); chapter 208, Laws of 1998 (deferred prosecution); chapter 209, Laws of 1998 (DUI/license suspension); chapter 210, Laws of 1998 (ignition interlock violations); chapter 211, Laws of 1998 (DUI penalties); chapter 212, Laws of 1998 (DUI penalties); chapter 213, Laws of 1998 (intoxication levels lowered); chapter 214, Laws of 1998 (DUI penalties); and chapter 215, Laws of 1998 (DUI provisions).

{+ NEW SECTION. +} Sec. 803. FOR THE STATE TREASURER--FOR THE MUNICIPAL CRIMINAL JUSTICE ASSISTANCE ACCOUNT
Impaired Driving Safety Account Appropriation. . . \$ 1,228,840

The appropriation in this section is subject to the following conditions and limitations: The amount appropriated in this section shall be distributed quarterly during the 2001-03 biennium to all cities ratably based on population as last determined by the office of financial management. The distributions to any city that substantially decriminalizes or repeals its criminal code after July 1, 1990, and that does not reimburse the county for costs associated with criminal cases under RCW 3.50.800 or 3.50.805(2), shall be made to the county in which the city is located. This funding is provided to cities for the costs of implementing criminal justice legislation including, but not limited to: Chapter 206, Laws of 1998 (drunk driving penalties); chapter 207, Laws of 1998 (DUI penalties); chapter 208, Laws of 1998 (deferred prosecution); chapter 209, Laws of 1998 (DUI/license suspension); chapter 210, Laws of 1998 (ignition interlock violations);

chapter 211, Laws of 1998 (DUI penalties); chapter 212, Laws of 1998 (DUI penalties); chapter 213, Laws of 1998 (intoxication levels lowered); chapter 214, Laws of 1998 (DUI penalties); and chapter 215, Laws of 1998 (DUI provisions).

{+ NEW SECTION. +} Sec. 804. FOR THE STATE TREASURER--FEDERAL REVENUES FOR DISTRIBUTION	
General Fund Appropriation for federal grazing fees distribution	\$ 2,050,334
General Fund Appropriation for federal flood control funds distribution	26,524
Forest Reserve Fund Appropriation for federal forest reserve fund distribution	\$ 47,689,181
TOTAL APPROPRIATION	\$ 49,766,039

The total expenditures from the state treasury under the appropriations in this section shall not exceed the funds available under statutory distributions for the stated purposes.

{+ NEW SECTION. +} Sec. 805. FOR THE STATE TREASURER--TRANSFERS	
Public Facilities Construction Loan and Grant Revolving Account: For transfer to the state general fund on or before December 31, 2001.	\$ 1,418,456
Securities Regulation Account: To be transferred from the securities regulation fund to the state general fund during the period between July 1, 2001, and December 31, 2001.	\$ 2,000,000
Public Works Assistance Account: For transfer to the parks renewal/stewardship account during the period on or before December 31, 2001, for the purpose of providing funds for the coastal facility relocation project.	\$ 5,700,000
Local Toxics Control Account: For transfer to the state toxics control account. Transferred funds will be utilized for methamphetamine lab cleanup, to address areawide soil contamination problems, and clean up contaminated sites as part of the clean sites initiative	\$ 11,000,000
Local Toxics Control Account: For transfer to the oil spill prevention account. Transferred funds will be utilized to partially fund a rescue tug.	\$ 3,180,000
General Fund: For transfer to the flood control assistance account	\$ 4,000,000
Water Quality Account: For transfer to the water pollution control account. Transfers shall be made at intervals coinciding with deposits of federal capitalization grant money into the account. The amounts transferred shall not exceed the match required for each federal deposit.	\$ 12,564,487
State Treasurer's Service Account: For transfer to the general fund on or before June 30, 2003, an amount in excess of the cash requirements of the state treasurer's service account.	\$ 8,000,000

Public Works Assistance Account: For transfer to the drinking water assistance account	7,700,000
Public Works Assistance Account: For transfer to the public facility construction loan revolving account on July 1, 2001. Transferred funds will be utilized for loans to local jurisdictions for rural infrastructure improvements	5,000,000
Tobacco Settlement Account: For transfer to the health services account, in an amount not to exceed the actual balance of the tobacco settlement account.	310,000,000
General Fund: For transfer to the water quality account.	69,796,000
State Surplus Assets Reserve Account: For transfer to the state general fund by June 30, 2002. Pursuant to RCW 43.135.035(5), the state expenditure limit shall be increased in fiscal year 2002 to reflect this transfer	250,000,000

{+ NEW SECTION. +} Sec. 806. FOR THE DEPARTMENT OF RETIREMENT SYSTEMS--TRANSFERS

General Fund--State Appropriation: For transfer to the department of retirement systems expense account: For the administrative expenses of the judicial retirement system.	26,605
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(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 1999-01 biennium.

{+ NEW SECTION. +} Sec. 902. INFORMATION SYSTEMS PROJECTS. Agencies shall comply with the following requirements regarding information systems projects when specifically directed to do so by this act.

(1) Agency planning and decisions concerning information technology shall be made in the context of its information technology portfolio. "Information technology portfolio" means a strategic management approach in which the relationships between agency missions and information technology investments can be seen and understood, such that: Technology efforts are linked to agency objectives and business plans; the impact of new investments on existing infrastructure and business functions are assessed and understood before implementation; and agency activities are consistent with the development of an integrated, nonduplicative statewide infrastructure.

(2) Agencies shall use their information technology portfolios in making decisions on matters related to the following:

- (a) System refurbishment, acquisitions, and development efforts;
- (b) Setting goals and objectives for using information technology in meeting legislatively-mandated missions and business needs;
- (c) Assessment of overall information processing performance, resources, and capabilities;
- (d) Ensuring appropriate transfer of technological expertise for the operation of any new systems developed using external resources; and
- (e) Progress toward enabling electronic access to public information.

(3) Each project will be planned and designed to take optimal advantage of Internet technologies and protocols. Agencies shall ensure that the project is in compliance with the architecture, infrastructure, principles, policies, and standards of digital government as maintained by the information services board.

(4) The agency shall produce a feasibility study for information technology projects at the direction of the information services board and in accordance with published department of information services policies and guidelines. At a minimum, such studies shall include a statement of: (a) The purpose or impetus for change; (b) the business value to the agency, including an examination and evaluation of benefits, advantages, and cost; (c) a comprehensive risk assessment based on the proposed project's impact on both citizens and state operations, its visibility, and the consequences of doing nothing; (d) the impact on agency and statewide information infrastructure; and (e) the impact of the proposed enhancements to an agency's information technology capabilities on meeting service delivery demands.

(5) The agency shall produce a comprehensive management plan for each project. The plan or plans shall address all factors critical to successful completion of each project. The plan(s) shall include, but is not limited to, the following elements: A description of the problem or opportunity that the information technology project is intended to address; a statement of project objectives and assumptions; a definition and schedule of phases, tasks, and activities to be accomplished; and the estimated cost of each phase. The planning for the phased approach shall be such that the business case justification for a project needs to demonstrate how the project recovers cost or adds measurable value or positive cost benefit to the agency's business functions within each development cycle.

(6) The agency shall produce quality assurance plans for information technology projects. Consistent with the direction of the information services board and the published policies and guidelines of the department of information services, the quality assurance plan shall address all factors critical to successful completion of the project and successful integration with the agency and state information technology infrastructure. At a minimum, quality assurance plans shall provide time and budget benchmarks against which project progress can be measured, a specification of quality assurance responsibilities, and a statement of reporting requirements. The quality assurance plans shall set out the functionality requirements for each phase of a project.

(7) A copy of each feasibility study, project management plan, and quality assurance plan shall be provided to the department of information services, the office of financial management, and legislative fiscal committees. The plans and studies shall demonstrate a sound business case that justifies the investment of taxpayer funds on any new project, an assessment of the impact of the proposed system on the existing information technology infrastructure, the disciplined use of preventative measures to mitigate risk, and the leveraging of private-sector expertise as needed. Authority to expend any funds for individual information systems projects is conditioned on the approval

of the relevant feasibility study, project management plan, and quality assurance plan by the department of information services and the office of financial management.

(8) Quality assurance status reports shall be submitted to the department of information services, the office of financial management, and legislative fiscal committees at intervals specified in the project's quality assurance plan.

{+ NEW SECTION. +} Sec. 903. VIDEO TELECOMMUNICATIONS. The department of information services shall act as lead agency in coordinating video telecommunications services for state agencies. As lead agency, the department shall develop standards and common specifications for leased and purchased telecommunications equipment and assist state agencies in developing a video telecommunications expenditure plan. No agency may spend any portion of any appropriation in this act for new video telecommunication equipment, new video telecommunication transmission, or new video telecommunication programming, or for expanding current video telecommunication systems without first complying with chapter 43.105 RCW, including but not limited to, RCW 43.105.041(2), and without first submitting a video telecommunications expenditure plan, in accordance with the policies of the department of information services, for review and assessment by the department of information services under RCW 43.105.052. Prior to any such expenditure by a public school, a video telecommunications expenditure plan shall be approved by the superintendent of public instruction. The office of the superintendent of public instruction shall submit the plans to the department of information services in a form prescribed by the department. The office of the superintendent of public instruction shall coordinate the use of video telecommunications in public schools by providing educational information to local school districts and shall assist local school districts and educational service districts in telecommunications planning and curriculum development. Prior to any such expenditure by a public institution of postsecondary education, a telecommunications expenditure plan shall be approved by the higher education coordinating board. The higher education coordinating board shall coordinate the use of video telecommunications for instruction and instructional support in postsecondary education, including the review and approval of instructional telecommunications course offerings.

{+ NEW SECTION. +} Sec. 904. PROGRAM COST SHIFTS. Any program costs or moneys in this act that are shifted to the general fund from another fund or account require an adjustment to the expenditure limit under RCW 43.135.035(5).

{+ NEW SECTION. +} Sec. 905. EMERGENCY FUND ALLOCATIONS. Whenever allocations are made from the governor's emergency fund appropriation to an agency that is financed in whole or in part by other than general fund moneys, the director of financial management may direct the repayment of such allocated amount to the general fund from any balance in the fund or funds which finance the agency. No appropriation shall be necessary to effect such repayment.

{+ NEW SECTION. +} Sec. 906. STATUTORY APPROPRIATIONS. In addition to the amounts appropriated in this act for revenues for distribution, state contributions to the law enforcement officers' and fire fighters' retirement system plan 2, and bond retirement and interest including ongoing bond registration and transfer charges, transfers, interest on registered warrants, and certificates of indebtedness, there is also appropriated such further amounts as may be required or available for these purposes under any statutory formula or

under chapters 39.94 and 39.96 RCW or any proper bond covenant made under law.

{+ NEW SECTION. +} Sec. 907. 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. 908. VOLUNTARY SEPARATION INCENTIVES. As a management tool to reduce costs and make more effective use of resources, while improving employee productivity and morale, agencies may offer voluntary separation and/or downshifting incentives and options according to procedures and guidelines established by the department of personnel and the department of retirement systems in consultation with the office of financial management. The options may include, but are not limited to, financial incentives for: Voluntary resignation and retirement, voluntary leave-without-pay, voluntary workweek or work hour reduction, voluntary downward movement, or temporary separation for development purposes. No employee shall have a contractual right to a financial incentive offered pursuant to this section.

Agencies shall report on the outcomes of their plans, and offers shall be reviewed and monitored jointly by the department of personnel, the department of retirement systems, and the office of human resources for reporting to the office of financial management by December 1, 2002.

{+ NEW SECTION. +} Sec. 909. VOLUNTARY RETIREMENT INCENTIVES. It is the intent of the legislature that agencies may implement a voluntary retirement incentive program that is cost neutral or results in cost savings provided that such a program is approved by the directors of retirement systems, the office of human resources, and the office of financial management. Agencies participating in this authorization are required to submit a report by June 30, 2003, to the legislature and the office of financial management on the outcome of their approved retirement incentive program. The report should include information on the details of the program including resulting service delivery changes, agency efficiencies, the cost of the retirement incentive per participant, the total cost to the state, and the projected or actual net dollar savings over the 2001-03 biennium.

Sec. 910. RCW 43.320.130 and 1993 c 472 s 27 are each amended to read as follows:

{+ (1) +} There is created in the state treasury a fund known as the "securities regulation fund" that shall consist of thirteen percent of all moneys received by the division of securities of the department of financial institutions. {+ Except under subsection (2) of this section, e +} expenditures from the account may be used only for the purchase of supplies and necessary equipment and the payment of salaries, wages, utilities, and other incidental costs required for the regulation of securities, franchises, business opportunities, commodities, and other similar areas regulated by the division. Moneys in the account may be spent only after appropriation.

{+ (2) +} Up to two million dollars may be transferred to the state general fund during the period between July 1, 2001, and December 31, 2001. +}

Sec. 911. RCW 76.12.110 and 2000 2nd sp.s. c 1 s 915 are each amended to read as follows:

There is created a forest development account in the state treasury. The state treasurer shall keep an account of all sums deposited therein and expended or withdrawn therefrom. Any sums placed in the account shall be pledged for the purpose of paying interest and principal on the bonds issued by the department, and for the purchase of land for growing timber. Any bonds issued shall constitute a first and prior claim and lien against the account for the payment of principal and interest. No sums for the above purposes shall be withdrawn or paid out of the account except upon approval of the department.

Appropriations may be made by the legislature from the forest development account to the department for the purpose of carrying on the activities of the department on state forest lands, lands managed on a sustained yield basis as provided for in RCW 79.68.040, and for reimbursement of expenditures that have been made or may be made from the resource management cost account in the management of state forest lands. For the (({- 1999-2001 -})) {+ 2001-2003 +} fiscal biennium, moneys from the account shall be distributed as directed in the omnibus appropriations act to the beneficiaries of the revenues derived from state forest lands. Funds that accrue to the state from such a distribution shall be deposited into the salmon recovery account. These funds shall be used for a grant program for cities and counties for the preservation and restoration of riparian, marine, and estuarine areas.

Sec. 912. RCW 49.70.170 and 1999 c 309 s 917 are each amended to read as follows:

(1) The worker and community right to know fund is hereby established in the custody of the state treasurer. The department shall deposit all moneys received under this chapter in the fund. Moneys in the fund may be spent only for the purposes of this chapter following legislative appropriation. Disbursements from the fund shall be on authorization of the director or the director's designee. During the (({- 1999-2001 -})) {+ 2001-2003 +} fiscal biennium, moneys in the fund may also be used by the military department for the purpose of assisting the state emergency response commission and coordinating local emergency planning activities. The fund is subject to the allotment procedure provided under chapter 43.88 RCW.

(2) The department shall assess each employer who reported ten thousand four hundred or more worker hours in the prior calendar year an annual fee to provide for the implementation of this chapter. The department shall promulgate rules establishing a fee schedule for all employers who reported ten thousand four hundred or more worker hours in the prior calendar year and are engaged in business operations having a standard industrial classification, as designated in the standard industrial classification manual prepared by the federal office of management and budget, within major group numbers 01 through 08 (agriculture and forestry industries), numbers 10 through 14 (mining industries), numbers 15 through 17 (construction industries), numbers 20 through 39 (manufacturing industries), numbers 41, 42, and 44 through 49 (transportation, communications, electric, gas, and sanitary services), number 75 (automotive repair, services, and garages), number 76 (miscellaneous repair services), number 80 (health services), and number 82 (educational services). The department shall establish the annual fee for each employer who reported ten thousand four hundred or more worker hours in the prior calendar year in industries identified by this section, provided that fees assessed shall not be more than two dollars and fifty cents per full time equivalent employee. The annual fee shall not exceed fifty thousand dollars. The fees shall be collected solely from employers whose industries have been identified by rule under this chapter. The department shall promulgate rules

allowing employers who do not have hazardous substances at their workplace to request an exemption from the assessment and shall establish penalties for fraudulent exemption requests. All fees collected by the department pursuant to this section shall be collected in a cost-efficient manner and shall be deposited in the fund.

(3) Records required by this chapter shall at all times be open to the inspection of the director, or his designee including, the traveling auditors, agents or assistants of the department provided for in RCW 51.16.070 and 51.48.040. The information obtained from employer records under the provisions of this section shall be subject to the same confidentiality requirements as set forth in RCW 51.16.070.

(4) An employer may appeal the assessment of the fee or penalties pursuant to the procedures set forth in Title 51 RCW and accompanying rules except that the employer shall not have the right of appeal to superior court as provided in Title 51 RCW. The employer from whom the fee or penalty is demanded or enforced, may however, within thirty days of the board of industrial insurance appeal's final order, pay the fee or penalty under written protest setting forth all the grounds upon which such fee or penalty is claimed to be unlawful, excessive or otherwise improper and thereafter bring an action in superior court against the department to recover such fee or penalty or any portion of the fee or penalty which was paid under protest.

(5) Repayment shall be made to the general fund of any moneys appropriated by law in order to implement this chapter.

Sec. 913. RCW 43.08.250 and 2000 2nd sp.s. c 1 s 911 are each amended to read as follows:

The money received by the state treasurer from fees, fines, forfeitures, penalties, reimbursements or assessments by any court organized under Title 3 or 35 RCW, or chapter 2.08 RCW, shall be deposited in the public safety and education account which is hereby created in the state treasury. The legislature shall appropriate the funds in the account to promote traffic safety education, highway safety, criminal justice training, crime victims' compensation, judicial education, the judicial information system, civil representation of indigent persons, winter recreation parking, and state game programs. During the fiscal biennium ending June 30, (({- 2001 -})) {+ 2003 +}, the legislature may appropriate moneys from the public safety and education account for purposes of appellate indigent defense and other operations of the office of public defense, the criminal litigation unit of the attorney general's office, the treatment alternatives to street crimes program, crime victims advocacy programs, justice information network telecommunication planning, sexual assault treatment, operations of the office of administrator for the courts, security in the common schools, alternative school start-up grants, programs for disruptive students, criminal justice data collection, Washington state patrol criminal justice activities, drug court operations, (({- department of ecology -})) methamphetamine-related {+ enforcement, drug, and alcohol treatment +} activities, financial assistance to local jurisdictions for extraordinary costs incurred in the adjudication of criminal cases, domestic violence treatment and related services, the department of corrections' costs in implementing chapter 196, Laws of 1999, reimbursement of local governments for costs associated with implementing criminal and civil justice legislation, and the replacement of the department of corrections' offender-based tracking system.

Sec. 914. RCW 82.14.310 and 1999 c 309 s 920 are each amended to read as follows:

(1) The county criminal justice assistance account is created in the state treasury. Beginning in fiscal year 2000, the state treasurer

shall transfer into the county criminal justice assistance account from the general fund the sum of twenty-three million two hundred thousand dollars divided into four equal deposits occurring on July 1, October 1, January 1, and April 1. For each fiscal year thereafter, the state treasurer shall increase the total transfer by the fiscal growth factor, as defined in RCW 43.135.025, forecast for that fiscal year by the office of financial management in November of the preceding year.

(2) The moneys deposited in the county criminal justice assistance account for distribution under this section, less any moneys appropriated for purposes under subsection (4) of this section, shall be distributed at such times as distributions are made under RCW 82.44.150 and on the relative basis of each county's funding factor as determined under this subsection.

(a) A county's funding factor is the sum of:

(i) The population of the county, divided by one thousand, and multiplied by two-tenths;

(ii) The crime rate of the county, multiplied by three-tenths; and

(iii) The annual number of criminal cases filed in the county superior court, for each one thousand in population, multiplied by five-tenths.

(b) Under this section and RCW 82.14.320 and 82.14.330:

(i) The population of the county or city shall be as last determined by the office of financial management;

(ii) The crime rate of the county or city is the annual occurrence of specified criminal offenses, as calculated in the most recent annual report on crime in Washington state as published by the Washington association of sheriffs and police chiefs, for each one thousand in population;

(iii) The annual number of criminal cases filed in the county superior court shall be determined by the most recent annual report of the courts of Washington, as published by the office of the administrator for the courts;

(iv) Distributions and eligibility for distributions in the 1989-91 biennium shall be based on 1988 figures for both the crime rate as described under (ii) of this subsection and the annual number of criminal cases that are filed as described under (iii) of this subsection. Future distributions shall be based on the most recent figures for both the crime rate as described under (ii) of this subsection and the annual number of criminal cases that are filed as described under (iii) of this subsection.

(3) Moneys distributed under this section shall be expended exclusively for criminal justice purposes and shall not be used to replace or supplant existing funding. Criminal justice purposes are defined as activities that substantially assist the criminal justice system, which may include circumstances where ancillary benefit to the civil or juvenile justice system occurs, and which includes (a) domestic violence services such as those provided by domestic violence programs, community advocates, and legal advocates, as defined in RCW 70.123.020, and (b) during the (({- 1999-2001 -})) {+ 2001-2003 +} fiscal biennium, juvenile dispositional hearings relating to petitions for at-risk youth, truancy, and children in need of services. Existing funding for purposes of this subsection is defined as calendar year 1989 actual operating expenditures for criminal justice purposes. Calendar year 1989 actual operating expenditures for criminal justice purposes exclude the following: Expenditures for extraordinary events not likely to reoccur, changes in contract provisions for criminal justice services, beyond the control of the local jurisdiction receiving the services, and major nonrecurring capital expenditures.

(4) Not more than five percent of the funds deposited to the county criminal justice assistance account shall be available for appropriations for enhancements to the state patrol crime laboratory

system and the continuing costs related to these enhancements. Funds appropriated from this account for such enhancements shall not supplant existing funds from the state general fund.

Sec. 915. RCW 43.72.902 and 2000 2nd sp.s. c 1 s 913 are each amended to read as follows:

The public health services account is created in the state treasury. Moneys in the account may be spent only after appropriation. Moneys in the account may be expended only for maintaining and improving the health of Washington residents through the public health system. For purposes of this section, the public health system shall consist of the state board of health, the state department of health, and local health departments and districts. During the (({- 1999-2001 -})) {+ 2001-2003 +} biennium, moneys in the fund may also be used for costs associated with hepatitis C testing and treatment in correctional facilities.

Sec. 916. RCW 46.10.040 and 1997 c 241 s 2 are each amended to read as follows:

Application for registration shall be made to the department in the manner and upon forms the department prescribes, and shall state the name and address of each owner of the snowmobile to be registered, and shall be signed by at least one such owner, and shall be accompanied by an annual registration fee to be established by the commission, after consultation with the committee and any state-wide snowmobile user groups. (({- The fee shall be fifteen dollars pending action by the commission to increase the fee. -})) The commission shall increase the {+ current +} fee {+ of twenty dollars +} by (({- two -})) {+ five +} dollars (({- and fifty cents -})) effective September 30, (({- 1996 -})) {+ 2001 +}, and the commission shall increase the fee by another (({- two -})) {+ five +} dollars (({- and fifty cents -})) effective September 30, (({- 1997 -})) {+ 2002 +}. After the fee increase effective September 30, (({- 1997 -})) {+ 2002 +}, the commission shall not increase the fee. Upon receipt of the application and the application fee, the snowmobile shall be registered and a registration number assigned, which shall be affixed to the snowmobile in a manner provided in RCW 46.10.070.

The registration provided in this section shall be valid for a period of one year. At the end of the period of registration, every owner of a snowmobile in this state shall renew his or her registration in the manner the department prescribes, for an additional period of one year, upon payment of the annual registration fee as determined by the commission.

Any person acquiring a snowmobile already validly registered under the provisions of this chapter must, within ten days of the acquisition or purchase of the snowmobile, make application to the department for transfer of the registration, and the application shall be accompanied by a transfer fee of one dollar and twenty-five cents.

A snowmobile owned by a resident of another state or Canadian province where registration is not required by law may be issued a nonresident registration permit valid for not more than sixty days. Application for the permit shall state the name and address of each owner of the snowmobile to be registered and shall be signed by at least one owner and shall be accompanied by a registration fee of five dollars. The registration permit shall be carried on the vehicle at all times during its operation in this state.

The registration fees provided in this section shall be in lieu of any personal property or excise tax heretofore imposed on snowmobiles by this state or any political subdivision thereof, and no city, county, or other municipality, and no state agency shall hereafter impose any other registration or license fee on any snowmobile in this

state.

The department shall make available a pair of uniform decals consistent with the provisions of RCW 46.10.070. In addition to the registration fee provided in this section the department shall charge each applicant for registration the actual cost of the decal. The department shall make available replacement decals for a fee equivalent to the actual cost of the decals.

Sec. 917. RCW 72.11.040 and 2000 2nd sp.s. c 1 s 914 are each amended to read as follows:

The cost of supervision fund is created in the custody of the state treasurer. All receipts from assessments made under RCW 9.94A.270 and 72.04A.120 shall be deposited into the fund. Expenditures from the fund may be used only to support the collection of legal financial obligations. During the (({- 1999-2001 -})) {+ 2001-2003 +} biennium, funds from the account may also be used for costs associated with the department's supervision of the offenders in the community((- , and the replacement of the department of corrections' offender-based tracking system -))). Only the secretary of the department of corrections or the secretary's designee may authorize expenditures from the fund. The fund is subject to allotment procedures under chapter 43.88 RCW, but no appropriation is required for expenditures.

Sec. 918. RCW 69.50.520 and 2000 2nd sp.s. c 1 s 917 are each amended to read as follows:

The violence reduction and drug enforcement account is created in the state treasury. All designated receipts from RCW 9.41.110(8), 66.24.210(4), 66.24.290(2), 69.50.505(h)(1), 82.08.150(5), 82.24.020(2), 82.64.020, and section 420, chapter 271, Laws of 1989 shall be deposited into the account. Expenditures from the account may be used only for funding services and programs under chapter 271, Laws of 1989 and chapter 7, Laws of 1994 sp. sess., including state incarceration costs. Funds from the account may also be appropriated to reimburse local governments for costs associated with implementing criminal justice legislation including chapter 338, Laws of 1997. During the (({- 1999-2001 -})) {+ 2001-2003 +} biennium, funds from the account may also be used for costs associated with providing grants to local governments in accordance with chapter 338, Laws of 1997, (({- the design, sitework, and construction of the special commitment center, -})) the replacement of the department of corrections' offender-based tracking system, {+ maintenance and operating costs of the Washington association of sheriffs and police chiefs jail reporting system, +} and for multijurisdictional narcotics task forces. After July 1, (({- 2001 -})) {+ 2003 +}, at least seven and one-half percent of expenditures from the account shall be used for providing grants to community networks under chapter 70.190 RCW by the family policy council.

Sec. 919. RCW 72.36.035 and 1993 sp.s. c 3 s 6 are each amended to read as follows:

For purposes of this chapter, unless the context clearly indicates otherwise:

(1) "Actual bona fide residents of this state" means persons who have a domicile in the state of Washington immediately prior to application for admission to a state veterans' home.

(2) "Department" means the Washington state department of veterans affairs.

(3) "Domicile" means a person's true, fixed, and permanent home and place of habitation, and shall be the place where the person intends to remain, and to which the person expects to return when the person leaves without intending to establish a new domicile elsewhere.

(4) "State veterans' home" means either the Washington soldiers' home and colony in Orting, or the Washington veterans' home in Retsil, or both. {+ During the 2001-2003 fiscal biennium, the department may lease and operate an additional facility in eastern Washington, which shall be deemed a state veterans' home for the purposes of this chapter. +}

(5) "Veteran" has the same meaning established in RCW 41.04.005.

{+ NEW SECTION. +} Sec. 920. If any provision of this act or its application to any person or circumstance is held invalid, the remainder of the act or the application of the provision to other persons or circumstances is not affected.

{+ NEW SECTION. +} Sec. 921. This act is necessary for the immediate preservation of the public peace, health, or safety, or support of the state government and its existing public institutions, and takes effect immediately.

(End of part)

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