
ENGROSSED SUBSTITUTE SENATE BILL 6233

State of Washington 58th Legislature 2004 Regular Session

By Senate Committee on Ways & Means (originally sponsored by Senators Hewitt and Fairley; by request of Governor Locke)

READ FIRST TIME 03/02/04.

AN ACT Relating to the capital budget; making appropriations and authorizing expenditures for capital improvements; amending RCW 43.99E.025, 70.146.030, and 43.82.010; amending 2003 1st sp.s. c 26 ss 101, 104, 105, 107, 110, 159, 169, 234, 313, 312, 317, 340, 367, 369, 354, 394, 397, 406, 501, 743, 678, 738, 130, 135, 267, 273, 304, 310, 315, 356, 379, 389, 390, 412, 426, 601, 603, 606, 615, 633, 659, 702, 786, 798, 801, 695, 784, 787, 795, 628, 905, 907, and 915 (uncodified); adding new sections to 2003 1st sp.s. c 26 (uncodified); adding a new section to chapter 89.08 RCW; adding a new section to chapter 39.33 RCW; creating a new section; and declaring an emergency.

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

NEW SECTION. **Sec. 1.** A supplemental capital budget is hereby adopted making changes to existing appropriations and making new appropriations which, subject to the provisions set forth in this act, the several dollar amounts hereinafter specified, or so much thereof as shall be necessary to accomplish the purposes designated, are hereby appropriated and authorized to be incurred for capital purposes for the biennium ending June 30, 2005, out of the several funds specified in this act.

PART 1

CORRECTIONS TO 2003-2005 CAPITAL BUDGET

Sec. 101. 2003 1st sp.s. c 26 s 101 (uncodified) is amended to read as follows:

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

Capital Budget Studies (04-1-950)

(1) The ((appropriations)) appropriation in this section ((are)) is provided solely for capital studies, projects, and tasks pursuant to sections 923 and 924 of this act.

(2) The reappropriation in this section is from 2001 2nd sp.s. c 8 s 149 for the office of financial management.

Reappropriation:

State Building Construction Account--State \$164,000

Appropriation:

State Building Construction Account--State \$500,000

Prior Biennia (Expenditures) \$0

Future Biennia (Projected Costs) \$0

TOTAL \$664,000

Sec. 102. 2003 1st sp.s. c 26 s 104 (uncodified) is amended to read as follows:

FOR THE DEPARTMENT OF COMMUNITY, TRADE, AND ECONOMIC DEVELOPMENT COMMUNITY, TRADE, AND ECONOMIC DEVELOPMENT

Rural Washington Loan Fund (88-2-002)

Reappropriation:

State Building Construction Account--State \$558,000

~~((Rural Washington Loan Account--Federal \$4,739,295~~

~~Subtotal Reappropriation \$5,297,295))~~

Appropriation:

Rural Washington Loan Account--State \$4,542,969

Prior Biennia (Expenditures) ~~((2,353,072))~~

\$2,549,398

Future Biennia (Projected Costs) \$0

TOTAL \$7,650,367

Sec. 103. 2003 1st sp.s. c 26 s 105 (uncodified) is amended to read as follows:

FOR THE DEPARTMENT OF COMMUNITY, TRADE, AND ECONOMIC DEVELOPMENT

Rural Washington Loan Fund (RWLF) (04-4-009)

Appropriation:

General Fund--Federal	\$1,900,000
Rural Washington Loan Account--(Federal) <u>State</u>	\$1,581,000
Subtotal Appropriation	\$3,481,000
Prior Biennia (Expenditures)	\$0
Future Biennia (Projected Costs)	\$24,132,000
TOTAL	\$27,613,000

Sec. 104. 2003 1st sp.s. c 26 s 107 (uncodified) is amended to read as follows:

FOR THE DEPARTMENT OF COMMUNITY, TRADE, AND ECONOMIC DEVELOPMENT

Building for the Arts (04-4-007)

The appropriation in this section is subject to the following conditions and limitations: The appropriation is subject to the provisions of RCW 43.63A.750. The following projects are eligible for funding:

Projects	Location	Recommendation
Artspace (Tashiro Kaplan)	Seattle	\$300,000
Broadway center	Tacoma	\$400,000
Children's museum	Everett	\$200,000
Columbia city gallery	Seattle	\$110,000
Cornish College	Seattle	\$700,000
Friends of Gladish	Pullman	\$37,000
Historic cooper school	Seattle	\$32,000
Lincoln theatre	Mt. Vernon	\$110,000
Olympic theatre arts	Sequim	\$265,000
Orcas sculpture park	Eastsound	\$15,000
Pacific Northwest ballet	Bellevue	\$268,000
Pratt fine arts center	Seattle	\$700,000
Richland players theatre	Richland	\$51,000
S'Klallam longhouse	Kingston	\$200,000
Seattle art museum	Seattle	\$700,000
Squaxin Island museum	Shelton	\$100,000
Vashon allied arts	Vashon	\$80,000
Velocity dance center	Seattle	\$35,000
Western Washington center for the arts	Port Orchard	\$165,000
(World kite museum)	Long Beach	(\$32,000)
TOTAL		(\$4,500,000) <u>\$4,468,000</u>

Appropriation:

State Building Construction Account--State	((\$4,500,000))
	<u>\$4,468,000</u>
Prior Biennia (Expenditures)	\$0
Future Biennia (Projected Costs)	\$16,000,000
TOTAL	((\$20,500,000))
	<u>\$20,468,000</u>

Sec. 105. 2003 1st sp.s. c 26 s 110 (uncodified) is amended to read as follows:

FOR THE DEPARTMENT OF COMMUNITY, TRADE, AND ECONOMIC DEVELOPMENT

Community Economic Revitalization Board (CERB) (04-4-008)

The appropriation in this section is subject to the following conditions and limitations: ~~((The))~~ A maximum of twenty-five percent of the appropriation in this section ~~((is provided solely for loans to local governments))~~ may be used for grants.

Appropriation:

Public Facility Construction Loan Revolving Account--State	\$11,491,000
Prior Biennia (Expenditures)	\$0
Future Biennia (Projected Costs)	\$36,718,769
TOTAL	\$48,209,769

NEW SECTION. **Sec. 106.** A new section is added to 2003 1st sp.s. c 26 (uncodified) to read as follows:

FOR THE DEPARTMENT OF COMMUNITY, TRADE, AND ECONOMIC DEVELOPMENT

Drinking Water Assistance Program (00-2-007)

The reappropriation in this section is subject to the following conditions and limitations: Funding from the state public works trust fund shall be matched with new federal sources to improve the quality of drinking water in the state, and shall be used solely for projects that achieve the goals of the federal safe drinking water act.

Reappropriation:

Drinking Water Assistance Account--State	\$3,983,356
Prior Biennia (Expenditures)	\$3,716,644
Future Biennia (Projected Costs)	\$0
TOTAL	\$7,700,000

NEW SECTION. **Sec. 107.** A new section is added to 2003 1st sp.s. c 26

(uncodified) to read as follows:

FOR THE DEPARTMENT OF GENERAL ADMINISTRATION DEPARTMENT OF GENERAL ADMINISTRATION

Heritage Park (2001-H-004)

Reappropriation:

Capitol Building Construction Account--State	\$270,869
Prior Biennia (Expenditures)	14,559,774
Future Biennia (Projected Costs)	0
TOTAL	14,830,643

Sec. 108. 2003 1st sp.s. c 26 s 159 (uncodified) is amended to read as follows:

FOR THE DEPARTMENT OF GENERAL ADMINISTRATION

Transportation Building Preservation (~~((+98-1-008))~~) (02-1-008)

Reappropriation:

Thurston County Capital Facilities Account--State .	\$1,001,000
Prior Biennia (Expenditures)	\$1,964,065
Future Biennia (Projected Costs)	\$19,090,000
TOTAL	\$22,055,065

Sec. 109. 2003 1st sp.s. c 26 s 169 (uncodified) is amended to read as follows:

FOR THE DEPARTMENT OF GENERAL ADMINISTRATION

Engineering and Architectural Services (04-2-014)

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

(1) The appropriation in this section shall be used to provide project management services to state agencies as required by RCW 43.19.450 that are essential and mandated activities defined as core services and are included in the engineering and architectural services' responsibilities and task list for general public works projects of normal complexity. The general public works projects included are all those financed by the state capital budget for the biennium ending June 30, 2005, with individual total project values up to \$20 million.

(2) The department may negotiate agreements with agencies for additional fees to manage projects financed by financial contracts, other alternative financing, projects with a total value greater than \$20 million, or for the nonstate funded portion of projects with mixed funding sources.

(3) The department shall review each community and technical college

request and the requests of other client agencies for funding any project over \$2.5 million for inclusion in the 2004 supplemental capital budget and the 2005-07 capital budget to ensure that the amount requested by the agency is appropriate for predesign, design, and construction, depending on the phase of the project being requested. The department shall pay particular attention: (a) That the budgeted amount requested is at an appropriate level for the various components that make up the cost of the project such as project management; and (b) that standard measurements such as cost per square foot are reasonable. The department shall also assist the office of financial management with review of other agency projects as requested.

Appropriation:

Charitable, Educational, Penal, and Reformatory

Institutions Account--State	\$140,000
State Building Construction Account--State	(\$6,009,000)
	<u>\$6,959,000</u>

Community and Technical College Capital Projects

<u>Account--State</u>	<u>1,513,000</u>
Thurston County Capital Facilities Account--State	(\$3,437,000)
	<u>\$974,000</u>

Subtotal Appropriation	\$9,586,000
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Prior Biennia (Expenditures)	\$0
Future Biennia (Projected Costs)	(\$0)
	<u>\$41,308,400</u>

TOTAL	(\$9,586,000)
	<u>\$50,894,400</u>

NEW SECTION. Sec. 110. A new section is added to 2003 1st sp.s. c 26 (uncodified) to read as follows:

FOR THE DEPARTMENT OF SOCIAL AND HEALTH SERVICES SOCIAL AND HEALTH SERVICES

Eastern State Hospital: Legal Offender Unit (98-2-002)

Reappropriation:

State Building Construction Account--State	\$250,000
Prior Biennia (Expenditures)	\$15,330,537
Future Biennia (Projected Costs)	\$0
TOTAL	\$15,580,537

Sec. 111. 2003 1st sp.s. c 26 s 234 (uncodified) is amended to read as follows:

FOR THE DEPARTMENT OF HEALTH HEALTH

Drinking Water Assistance Program (04-4-003)

The appropriation in this section is subject to the following conditions and limitations: This appropriation is provided solely for an interagency agreement with the department of community, trade, and economic development to make, in cooperation with the public works board, loans to local governments and public water systems for projects and activities to protect and improve the state's drinking water facilities and resources

Appropriation:

Drinking Water Assistance Account--Federal	. . . . .	((\$28,122,000))
		<u>\$46,222,000</u>
Prior Biennia (Expenditures)	. . . . .	\$0
Future Biennia (Projected Costs)	. . . . .	\$0
TOTAL	. . . . .	((\$28,122,000))
		<u>\$46,222,000</u>

Sec. 112. 2003 1st sp.s. c 26 s 313 (uncodified) is amended to read as follows:

FOR THE DEPARTMENT OF ECOLOGY ECOLOGY

Centennial Clean Water Program (04-4-007)

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

(1) Up to \$7,547,044 of the water quality account appropriation is provided for the extended grant payment to Metro/King county.

(2) Up to \$10,000,000 of the state building construction account--state appropriation is provided for the extended grant payment to Spokane for the Spokane-Rathdrum Prairie aquifer.

(3) \$2,000,000 of the state building construction account--state appropriation is provided solely for water quality facility grants for communities with a population of less than 5,000. The department shall give priority consideration to: (a) Communities subject to a regulatory order from the department of ecology for noncompliance with water quality regulations; (b) projects for which design work has been completed; and (c) projects with a local match from reasonable water quality rates and charges.

~~(4) ((\$1,500,000 of the state building construction--state appropriation is provided solely for water conveyance facilities to implement the 1996 memorandum of agreement regarding utilization of Skagit river basin water resources for in-stream and out-of-stream purposes.~~

~~(5))~~ (5) \$4,000,000 of the state building construction account--state appropriation is provided solely for a grant to the city of Duvall for

construction of a sewage treatment plant.

((+6)) (5) \$1,000,000 of the state building construction account--state appropriation is provided solely for the Klickitat wastewater treatment project.

((+7)) (6) The remaining appropriation in this section is provided for statewide water quality implementation and planning grants and loans. The department shall give priority consideration to projects located in basins with critical or depressed salmonid stocks.

((+8)) (7) In addition to the annual project progress reporting requirement of RCW 43.88.160(3), the department shall file quarterly project progress reports with the office of financial management.

(8) \$1,000,000 of the appropriations is to assist the city of Enumclaw with waste water treatment upgrades to address phosphorus loading in the White river.

Appropriation:

State Building Construction Account--State	. . . . .	((\$30,452,000))	
			<u>\$29,952,000</u>
Water Quality Account--State	. . . . .	\$15,948,000	
Subtotal Appropriation	. . . . .	((\$46,400,000))	
			<u>\$45,900,000</u>
Prior Biennia (Expenditures)	. . . . .	\$0	
Future Biennia (Projected Costs)	. . . . .	\$200,000,000	
TOTAL	. . . . .	((\$246,400,000))	
			<u>\$245,900,000</u>

Sec. 113. 2003 1st sp.s. c 26 s 312 (uncodified) is amended to read as follows:

FOR THE DEPARTMENT OF ECOLOGY

Centennial Clean Water Fund (02-4-007) and (86-2-007)

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

(1) The reappropriation is subject to the conditions and limitations of section 315, chapter 8, Laws of 2001 2nd sp. sess.

(2) The reappropriation for project number 86-2-007 is \$793,214 for the public works assistance account and \$4,600,505 for the water quality account. The remainder, \$13,702,946 for the water quality account, is for project number 02-4-007.

Reappropriation:

<u>Public Works Assistance Account--State</u>	<u>\$793,214</u>
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Water Quality Account--State	((\$20,210,510))	
		<u>\$18,303,451</u>
<u>Subtotal Reappropriation</u>		<u>\$19,096,665</u>
Prior Biennia (Expenditures)	((\$115,983,563))	
		<u>\$117,890,622</u>
Future Biennia (Projected Costs)	\$0	
TOTAL	((\$136,194,073))	
		<u>\$136,987,287</u>

Sec. 114. 2003 1st sp.s. c 26 s 317 (uncodified) is amended to read as follows:

FOR THE DEPARTMENT OF ECOLOGY

Padilla Bay Expansion (02-2-006)

Reappropriation:

General Fund--Federal	((\$1,472,891))	
		<u>\$1,374,553</u>
State Building Construction Account--State	((\$693,353))	
		<u>\$651,208</u>
Subtotal Reappropriation	((\$2,166,244))	
		<u>\$2,025,761</u>

Appropriation:

General Fund--Federal	((\$2,417,196))	
		<u>\$2,562,128</u>
State Building Construction Account--State	\$568,804	
Subtotal Appropriation	((\$2,986,000))	
		<u>\$3,130,932</u>
Prior Biennia (Expenditures)	((\$527,756))	
		<u>\$668,239</u>
Future Biennia (Projected Costs)	\$0	
TOTAL	((\$5,680,000))	
		<u>\$5,824,932</u>

Sec. 115. 2003 1st sp.s. c 26 s 340 (uncodified) is amended to read as follows:

FOR THE STATE PARKS AND RECREATION COMMISSION STATE PARKS AND RECREATION COMMISSION

Iron Horse Trail (04-2-016)

((The appropriation in this section is subject to the following

~~conditions and limitations:~~

~~(1) In addition to the annual project progress reporting requirement of RCW 43.88.160(3), the commission shall file quarterly project progress reports with the office of financial management.~~

~~(2) The commission shall submit a study of potential user fees that could support maintenance, operation, and capital renewal costs of the agency's three cross-state trails. This study must be submitted to the office of financial management by June 30, 2004.)~~

The appropriation in this section is subject to the following conditions and limitations: The commission shall submit a study of potential user fees that could support maintenance, operation, and capital renewal costs of the commission's three cross-state trails. This study must be submitted to the office of financial management by June 30, 2004.

Appropriation:

~~((State Building Construction Account--State))~~

<u>Parks Renewal and Stewardship Account--State</u>	. \$262,500
Prior Biennia (Expenditures)	. . . . . \$0
Future Biennia (Projected Costs)	. . . . . \$0
TOTAL	. . . . . \$262,500

Sec. 116. 2003 1st sp.s. c 26 s 367 (uncodified) is amended to read as follows:

FOR THE INTERAGENCY COMMITTEE FOR OUTDOOR RECREATION INTERAGENCY COMMITTEE FOR OUTDOOR RECREATION
Salmon Recovery (00-2-001)

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

(1) The agency shall report to the legislature by December 1, 2003, on the reason for funds in this section not being expended.

(2) \$974,000 of this 2004 amendment is for a fund balance adjustment

Reappropriation:

General Fund--Federal	. . . . . \$35,263,219
Salmon Recovery Account--State	. . . . . ((\$11,076,017))
	<u>\$8,457,819</u>
Subtotal Reappropriation	. . . . . ((\$46,339,236))
	<u>\$43,721,038</u>
Prior Biennia (Expenditures)	. . . . . ((\$53,566,576))
	<u>\$55,210,774</u>
Future Biennia (Projected Costs)	. . . . . \$0

TOTAL ((~~\$101,569,389~~))
\$98,931,812

Sec. 117. 2003 1st sp.s. c 26 s 369 (uncodified) is amended to read as follows:

FOR THE INTERAGENCY COMMITTEE FOR OUTDOOR RECREATION

Salmon Recovery Fund Board Programs (SRFB) (04-4-001)

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

(1) (~~(\$23,187,500 of the appropriation is provided for grants for restoration projects.)~~) At least one-half of the total actual expenditures provided in this section shall be for restoration projects. Total actual expenditures shall mean the sum of the state building construction account--state appropriation and the actual federal grant awards received for the purposes of this section.

(2) The remainder of the appropriation is provided solely for grants for other salmon recovery efforts. These grants shall include a grant to any regional recovery board established in the Revised Code of Washington and may include grants for additional restoration projects.

(3) By December 1, 2003, the salmon recovery funding board shall provide a report to the house of representatives capital budget committee and the senate ways and means committee that enumerates board expenditures for salmon recovery projects and activities. The report shall include a list of each project that has been approved for funding by the board, and each project that was submitted on a lead entity habitat project schedule and not funded by the board. Each list shall include the project, project description, project sponsor, status of the project including expenditures to date and completion date, and matching funds that were available for the project. The report shall also include a list and description of all other activities funded by the board including consulting contracts, lead entity and regional recovery board contracts, a description of each of these activities, and the timeline for their completion.

Appropriation:

General Fund--Federal	\$34,375,000
State Building Construction Account--State	\$12,000,000
Subtotal Appropriation	\$46,375,000
 Prior Biennia (Expenditures)	 \$0
Future Biennia (Projected Costs)	\$0
 TOTAL	 \$46,375,000

Sec. 118. 2003 1st sp.s. c 26 s 354 (uncodified) is amended to read as follows:

FOR THE INTERAGENCY COMMITTEE FOR OUTDOOR RECREATION

Washington Wildlife and Recreation Program (WWRP) (04-4-002)

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

(1) The appropriation is provided for the approved list of projects in LEAP capital document No. 2003-45, as developed on June 4, 2003, and LEAP capital document No. 2004-17, as developed on February 25, 2004. In addition to the annual project progress reporting requirement of RCW 43.88.160(3), the committee shall file quarterly project progress reports with the office of financial management.

(2) It is the intent of the legislature that any moneys remaining unexpended shall be reappropriated in the 2005-07 biennium, but no reappropriations shall be made in subsequent biennia.

(3) The department of natural resources shall manage lands acquired through project No. 02-1090, "Bone river and Niawiakum river natural area preserves," as natural resources conservation areas under chapter 79.71 RCW.

Appropriation:

Outdoor Recreation Account--State	\$22,500,000
Habitat Conservation Account--State	\$22,500,000
Subtotal Appropriation	\$45,000,000
Prior Biennia (Expenditures)	\$0
Future Biennia (Projected Costs)	\$120,000,000
TOTAL	\$165,000,000

Sec. 119. 2003 1st sp.s. c 26 s 394 (uncodified) is amended to read as follows:

FOR THE DEPARTMENT OF FISH AND WILDLIFE FISH AND WILDLIFE

Job Creation and Infrastructure Projects (03-1-001)

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

(1) The reappropriation shall support the projects as listed in section 212, chapter 238, Laws of 2002.

(2) The legislature does not intend to reappropriate amounts not expended by June 30, 2005.

Reappropriation:

State Building Construction Account--State	(\$970,000)
	<u>\$1,285,000</u>

Prior Biennia (Expenditures)	(\$2,070,000)
	<u>\$1,755,000</u>
Future Biennia (Projected Costs)	\$0
TOTAL	\$3,040,000

Sec. 120. 2003 1st sp.s. c 26 s 397 (uncodified) is amended to read as follows:

FOR THE DEPARTMENT OF FISH AND WILDLIFE

Fish and Wildlife Population and Habitat Protection (04-1-002)

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

~~((1))~~ \$400,000 of the wildlife account--state appropriation is provided solely for upland wildlife habitat.

~~((2) \$500,000 of the wildlife account--state appropriation is provided solely to maintain existing mitigation agreements in the Snake river region for upland habitat and additional agreements with landowners.)~~

Appropriation:

General Fund--Federal	\$2,830,000
General Fund--Private/Local	\$3,500,000
State Building Construction Account--State	\$2,400,000
Wildlife Account--State	(\$1,700,000)
	<u>\$1,200,000</u>
Subtotal Appropriation	(\$10,430,000)
	<u>\$9,930,000</u>
Prior Biennia (Expenditures)	\$0
Future Biennia (Projected Costs)	\$0
TOTAL	(\$10,430,000)
	<u>\$9,930,000</u>

Sec. 121. 2003 1st sp.s. c 26 s 406 (uncodified) is amended to read as follows:

FOR THE DEPARTMENT OF NATURAL RESOURCES NATURAL RESOURCES

Minor Works (02-2-001) and (00-2-011)

Reappropriation:

Forest Development Account--State	\$256,230
Resources Management Cost Account--State	\$482,466
State Building Construction Account--State	\$455,575
Agricultural College Trust Management Account--State	\$68,950
Subtotal Reappropriation	\$1,263,221

Prior Biennia (Expenditures)	. . . . .	\$6,006,779
Future Biennia (Projected Costs)	. . . . .	\$0
TOTAL	. . . . .	\$7,270,000

Sec. 122. 2003 1st sp.s. c 26 s 501 (uncodified) is amended to read as follows:

FOR THE WASHINGTON STATE PATROL WASHINGTON STATE PATROL

Seattle Toxicology Lab (~~((00-2-009))~~) (00-2-008)

Appropriation:

State Building Construction Account--State	. . . . .	\$800,000
Prior Biennia (Expenditures)	. . . . .	\$12,059,864
Future Biennia (Projected Costs)	. . . . .	\$1,655,000
TOTAL	. . . . .	\$14,514,864

Sec. 123. 2003 1st sp.s. c 26 s 743 (uncodified) is amended to read as follows:

FOR THE COMMUNITY AND TECHNICAL COLLEGE SYSTEM COMMUNITY AND TECHNICAL COLLEGE SYSTEM

South Puget Sound Community College: Humanities/General Education Complex (00-2-679)

Reappropriation:

~~((Education Construction Account--State))~~

State Building Construction Account--State \$1,092,690

Appropriation:

State Building Construction Account--State	. . . . .	\$17,350,248
Prior Biennia (Expenditures)	. . . . .	\$812,310
Future Biennia (Projected Costs)	. . . . .	\$0
TOTAL	. . . . .	\$19,255,248

NEW SECTION. **Sec. 124.** A new section is added to 2003 1st sp.s. c 26 (uncodified) to read as follows:

FOR THE STATE PARKS AND RECREATION COMMISSION STATE PARKS AND RECREATION COMMISSION

Leadbetter Point Restoration (04-1-026)

Reappropriation:

General Fund--Federal	. . . . .	\$107,933
Prior Biennia (Expenditures)	. . . . .	\$886,067
Future Biennia (Projected Costs)	. . . . .	\$0

TOTAL \$994,000

Sec. 125. 2003 1st sp.s. c 26 s 678 (uncodified) is amended to read as follows:

**FOR CENTRAL WASHINGTON UNIVERSITY CENTRAL WASHINGTON UNIVERSITY
CWU/Des Moines Higher Education Center (02-2-101)**

Reappropriation:

State Building Construction Account--State ~~(\$2,500,000)~~
\$2,200,000

Appropriation:

State Building Construction Account--State \$1,438,000
~~((Community and Technical College Capital Projects
Account--State))~~ Gardner-Evans Higher Education
Construction Account--State \$2,962,000
Central Washington University Capital Projects
Account--State \$3,600,000
Subtotal Appropriation \$8,000,000
Prior Biennia (Expenditures) \$75,000
Future Biennia (Projected Costs) \$0
TOTAL ~~(\$10,575,000)~~
\$10,275,000

Sec. 126. 2003 1st sp.s. c 26 s 738 (uncodified) is amended to read as follows:

**FOR THE COMMUNITY AND TECHNICAL COLLEGE SYSTEM COMMUNITY AND TECHNICAL
COLLEGE SYSTEM**

Highline Community College: Higher Ed Center/Childcare (00-2-678)

Reappropriation:

State Building Construction Account--State \$985,949

Appropriation:

Gardner-Evans Higher Education Construction
Account--State ~~(\$14,654,000)~~
\$11,692,000
Community and Technical College Capital Projects
Account--State ~~(\$3,898,000)~~
\$6,860,000
Subtotal Appropriation \$18,552,000
Prior Biennia (Expenditures) \$1,359,051
Future Biennia (Projected Costs) \$0

TOTAL \$20,897,000

(End of part)

PART 2

CAPITAL PROJECTS/PROGRAMS

Sec. 201. 2003 1st sp.s. c 26 s 130 (uncodified) is amended to read as follows:

FOR THE DEPARTMENT OF COMMUNITY, TRADE, AND ECONOMIC DEVELOPMENT COMMUNITY, TRADE, AND ECONOMIC DEVELOPMENT

Drinking Water Assistance Account (04-4-002)

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

(1) Expenditures of the appropriation shall comply with RCW 70.119A.170.

(2)(a) The state building construction account appropriation is provided solely to provide assistance to counties, cities, and special purpose districts to identify, acquire, and rehabilitate public water systems that have water quality problems or have been allowed to deteriorate to a point where public health is an issue. Eligibility is confined to applicants that already own at least one group A public water system and that demonstrate a track record of sound drinking water utility management. Funds may be used for: Planning, design, and other preconstruction activities; system acquisition; and capital construction costs.

(b) The state building construction account appropriation must be jointly administered by the department of health, the public works board, and the department of community, trade, and economic development using the drinking water state revolving fund loan program as an administrative model. In order to expedite the use of these funds and minimize administration costs, this appropriation must be administered by guidance, rather than rule. Projects must generally be prioritized using the drinking water state revolving fund loan program criteria. All financing provided through this program must be in the form of grants that must partially cover project costs. The maximum grant to any eligible entity may not exceed twenty-five percent of the funds allocated to this appropriation.

Appropriation:

Drinking Water Assistance Account--State . . . (~~(\$8,500,000)~~)
\$12,700,000

State Building Construction Account--State	\$4,000,000
Subtotal Appropriation	((\$12,500,000))
	<u>\$16,700,000</u>
Prior Biennia (Expenditures)	\$0
Future Biennia (Projected Costs)	\$32,400,000
TOTAL	((\$44,900,000))
	<u>\$49,100,000</u>

Sec. 202. 2003 1st sp.s. c 26 s 135 (uncodified) is amended to read as follows:

FOR THE DEPARTMENT OF COMMUNITY, TRADE, AND ECONOMIC DEVELOPMENT

Lewis and Clark Confluence Project (04-2-954)

The appropriation in this section is subject to the following conditions and limitations: The appropriation in this section shall meet the requirements of section 151(1) of this act.

Appropriation:

State Building Construction Account--State	((\$3,000,000))
	<u>\$5,000,000</u>
Prior Biennia (Expenditures)	\$0
Future Biennia (Projected Costs)	\$0
TOTAL	((\$3,000,000))
	<u>\$5,000,000</u>

NEW SECTION. **Sec. 203.** A new section is added to 2003 1st sp.s. c 26 (uncodified) to read as follows:

FOR THE DEPARTMENT OF COMMUNITY, TRADE, AND ECONOMIC DEVELOPMENT

Port of Walla Walla Land Acquisition (2004-4-961)

Appropriation:

State Building Construction Account--State	\$2,000,000
Prior Biennia (Expenditures)	\$0
Future Biennia (Projected Costs)	\$0
TOTAL	\$2,000,000

NEW SECTION. **Sec. 204.** A new section is added to 2003 1st sp.s. c 26 (uncodified) to read as follows:

FOR THE OFFICE OF FINANCIAL MANAGEMENT OFFICE OF FINANCIAL MANAGEMENT

Capital Budget and Facilities Management Enhancement (05-2-850)

The appropriation in this section is subject to the following

conditions and limitations: The purpose of this appropriation is to implement the recommendations of the higher education facilities preservation study and other related budget and financial management system improvements. These improvements should also be applicable to nonhigher education institutions.

Appropriation:

Education Construction Account--State	\$150,000
Charitable, Educational, Reformatory, and Penal Institutions Account--State	\$15,000
Subtotal Appropriation	\$165,000
Prior Biennia (Expenditures)	\$0
Future Biennia (Projected Costs)	\$0
TOTAL	\$165,000

NEW SECTION. Sec. 205. A new section is added to 2003 1st sp.s. c 26 (uncodified) to read as follows:

FOR THE DEPARTMENT OF GENERAL ADMINISTRATION

Legislative Building: Rehabilitation and Capital Addition (2001-1-008)

The appropriations in this section are subject to the following conditions and limitations: \$1,400,000 of the state building construction account--state appropriation is provided for the costs of equipping the Legislative building for technology infrastructure, including computer wiring closets, audio and video connections, and wireless computer capabilities.

Reappropriation:

State Building Construction Account--State	\$6,000,000
Capitol Historic District Construction Account--State	\$68,450,000
Subtotal Appropriation	\$74,450,000

Appropriation:

State Building Construction Account--State	\$2,500,000
Thurston County Capital Facilities Account--State	\$2,300,000
Subtotal Appropriation	\$4,800,000
Prior Biennia (Expenditures)	\$26,031,000
Future Biennia (Projected Costs)	\$0
TOTAL	\$107,281,000

NEW SECTION. Sec. 206. A new section is added to 2003 1st sp.s. c 26

(uncodified) to read as follows:

FOR THE DEPARTMENT OF GENERAL ADMINISTRATION

Cherberg Building: Rehabilitation (2002-1-005)

The appropriation in this section is subject to the following conditions and limitations: The appropriation is for the purpose of furthering the John A. Cherberg building rehabilitation project, including but not limited to the following: Project final design and initial phase of reconstruction; purchase and remodel of the two modular buildings currently owned by the Legislative building rehabilitation project; and remodel of a portion of the Joel M. Pritchard building for use as swing space during reconstruction.

Appropriation:

State Building Construction Account--State	\$5,000,000
Prior Biennia (Expenditures)	\$695,000
Future Biennia (Projected Costs)	\$15,429,000
TOTAL	\$21,124,000

NEW SECTION. Sec. 207. A new section is added to 2003 1st sp.s. c 26 (uncodified) to read as follows:

FOR THE DEPARTMENT OF CORRECTIONS CORRECTIONS

Washington Corrections Center for Women: Sewer Connection Fee (05-2-002)

Appropriation:

State Building Construction Account--State	\$140,000
Prior Biennia (Expenditures)	\$0
Future Biennia (Projected Costs)	\$0
TOTAL	\$140,000

NEW SECTION. Sec. 208. A new section is added to 2003 1st sp.s. c 26 (uncodified) to read as follows:

FOR THE DEPARTMENT OF CORRECTIONS

Statewide: Water system Plans (05-1-003)

Appropriation:

State Building Construction Account--State	\$110,000
Prior Biennia (Expenditures)	\$0
Future Biennia (Projected Costs)	\$0
TOTAL	\$110,000

Sec. 209. 2003 1st sp.s. c 26 s 267 (uncodified) is amended to read as follows:

FOR THE DEPARTMENT OF CORRECTIONS

Minor Works - Health, Safety, and Code (04-1-021)

Appropriation:

State Building Construction Account--State	((\$4,000,000))
	<u>\$3,750,000</u>
Prior Biennia (Expenditures)	\$0
Future Biennia (Projected Costs)	\$0
TOTAL	((\$4,000,000))
	<u>3,750,000</u>

Sec. 210. 2003 1st sp.s. c 26 s 273 (uncodified) is amended to read as follows:

FOR THE DEPARTMENT OF CORRECTIONS

Master Planning (04-4-950)

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

(1) The appropriation is provided solely for the department to contract for master planning services.

(2) The department shall incorporate the integration of operating and capital in the scope of work and master planning effort to include a minimum six-year planning horizon.

(3) The master plan shall include an analysis of forecasted offender population growth, gender, custody level, population and medical needs, infrastructure needs, and a system-wide view of facility needs. Alternatives should be generated that include the management of excess capacity, such as rental beds, regional jails, and other options to add capacity to the existing system at the same or a lower cost than new construction of prison beds and eventual operating costs. These alternatives shall include an exploration of using other state facilities that are currently being reviewed as part of a master planning process.

(4) The plan shall consider strategies to integrate capital and operating planning and improve efficiencies in both areas.

((+6+)) (5) The department shall not deduct any portion of this amount for administrative costs related to new staffing.

Appropriation:

State Building Construction Account--State	\$500,000
Prior Biennia (Expenditures)	\$0

Future Biennia (Projected Costs)	\$0
TOTAL	\$500,000

Sec. 211. 2003 1st sp.s. c 26 s 304 (uncodified) is amended to read as follows:

FOR THE DEPARTMENT OF ECOLOGY ECOLOGY

Local Toxics Grants to Locals for Cleanup and Prevention (04-4-008)

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

(1) \$8,000,000 of the appropriation is provided solely for a grant to the port of Ridgefield to continue clean-up actions on port-owned property.

(2) \$1,200,000 of the appropriation is provided solely to assist the city of Spokane with a brownfield clean-up at the "Summit Properties."

(3) \$1,800,000, or as much thereof as may be necessary, of the appropriation is provided solely for a grant to Klickitat county for removal and disposal or recycling of vehicle tires. The grant shall include conditions that require Klickitat county to contract for the vehicle tire removal following a competitive bidding process. No funds from the grant may be expended for any remediation activities other than vehicle tire removal, disposal, and recycling.

Appropriation:

Local Toxics Control Account--State	((\$45,000,000))	\$48,250,000
Prior Biennia (Expenditures)		\$0
Future Biennia (Projected Costs)		\$0
TOTAL	((\$45,000,000))	\$48,250,000

NEW SECTION. **Sec. 212.** A new section is added to 2003 1st sp.s. c 26 (uncodified) to read as follows:

FOR THE CRIMINAL JUSTICE TRAINING COMMISSION CRIMINAL JUSTICE TRAINING COMMISSION

Agency Omnibus Minor Works (2004-1-002)

Appropriation:

State Building Construction Account--State	\$50,000
Prior Biennia (Expenditures)	\$0
Future Biennia (Projected Costs)	\$0
TOTAL	\$50,000

NEW SECTION. Sec. 213. A new section is added to 2003 1st sp.s. c 26 (uncodified) to read as follows:

FOR THE DEPARTMENT OF ECOLOGY ECOLOGY

Water Conveyance Infrastructure Projects (04-2-001)

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

(1) \$1,500,000 of the state and local improvement revolving account--state appropriation is provided solely for water conveyance facilities to implement the 1996 memorandum of agreement regarding utilization of Skagit river basin water resources for in-stream and out-of-stream purposes.

(2) \$300,000 of the state and local improvement revolving account--state is provided solely for the Bertrand watershed improvement district to address unpermitted water use and environmental compliance and fund early action planning, feasibility studies, and construction of early action projects.

(3) \$1,600,000 of the state and local improvement revolving account--state is provided solely for the Middle Fork Nooksack river water diversion system.

(4) First priority for funding from the remaining appropriation shall be the following projects: Piping and the removal of two irrigation diversions from Parke creek; piping in the upper Yakima river; piping for Bull canal; piping for the Buena irrigation district; piping for the Lowden number 2 and number 7 ditch; and piping for the Quincy-Columbia Basin irrigation district.

(5) \$50,000 of the state and local improvement revolving account--state is provided solely for the Ahtanam creek watershed restoration and Pine Hollow reservoir.

Appropriation:

State and Local Improvement Revolving	
Account (Water Supply Facilities)--State . . .	\$6,400,000
Prior Biennia (Expenditures)	\$0
Future Biennia (Projected Costs)	\$0
TOTAL	\$6,400,000

NEW SECTION. Sec. 214. A new section is added to 2003 1st sp.s. c 26 (uncodified) to read as follows:

FOR THE DEPARTMENT OF ECOLOGY

Sunnyside Valley Irrigation District Water Conservation (04-4-004)

Appropriation:

Water Quality Account--State	\$525,000
Prior Biennia (Expenditures)	\$0
Future Biennia (Projected Costs)	\$8,705,000
TOTAL	\$9,230,000

Sec. 215. 2003 1st sp.s. c 26 s 310 (uncodified) is amended to read as follows:

FOR THE DEPARTMENT OF ECOLOGY ECOLOGY

Water Irrigation Efficiencies (01-H-010)

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

(1) The appropriation and reappropriation are provided solely to provide grants to conservation districts to assist the agricultural community to implement water conservation measures and irrigation efficiencies in the 16 critical basins. A conservation district receiving funds shall manage each grant to ensure that a portion of the water saved by the water conservation measure or irrigation efficiency will be placed as a purchase or a lease in the trust water rights program to enhance instream flows. The proportion of saved water placed in the trust water rights program must be equal to the percentage of the public investment in the conservation measure or irrigation efficiency. The percentage of the public investment may not exceed 85 percent of the total cost of the conservation measure or irrigation efficiency. In awarding grants, a conservation district shall give first priority to family farms.

(2) By February 1, (~~2003~~) 2004, the state conservation commission shall submit a progress report to the appropriate standing committees of the legislature on: (a) The amount of public funds expended from this section; and (b) the location and amount of water placed in the trust water rights program pursuant to this section.

(3) \$344,000 of the water quality account reappropriation is provided for water leases or projects in the Yakima river basin for aquifer recharge necessary to allow the use of drought wells to meet essential irrigation needs. Essential irrigation needs is defined as eighty percent of the water a farmer would ordinarily receive from the irrigation district, less the water that is actually delivered and regardless of crops grown.

Reappropriation:

State and Local Improvements Revolving Account (Water Supply Facilities)--State	\$2,650,000
Water Quality Account--State	(\$3,117,000)

	<u>\$2,148,708</u>
Subtotal Reappropriation	((\$5,767,000))
	<u>\$4,798,708</u>

Appropriation:

State Building Construction Account--State	\$1,000,000
<u>State and Local Improvement Revolving</u>	
<u>Account (Water Supply Facilities)--State</u>	<u>\$1,500,000</u>
Prior Biennia (Expenditures)	\$3,233,000
Future Biennia (Projected Costs)	\$0
TOTAL	((\$10,000,000))
	<u>\$10,531,708</u>

NEW SECTION. Sec. 216. A new section is added to 2003 1st sp.s. c 26 (uncodified) to read as follows:

FOR THE DEPARTMENT OF ECOLOGY

Quad City Water Right Mitigation (04-2-003)

Appropriation:

Water Quality Account--State	\$2,750,000
Prior Biennia (Expenditures)	\$0
Future Biennia (Projected Costs)	\$0
TOTAL	\$2,750,000

Sec. 217. 2003 1st sp.s. c 26 s 315 (uncodified) is amended to read as follows:

FOR THE DEPARTMENT OF ECOLOGY

Water Pollution Control Program (04-4-002)

Appropriation:

Water Pollution Control Revolving	
Account--State	((\$66,663,333))
	<u>\$68,254,224</u>
Water Pollution Control Revolving	
Account--Federal	\$44,466,666
Subtotal Appropriation	((\$111,129,999))
	<u>\$112,720,890</u>
Prior Biennia (Expenditures)	\$0
Future Biennia (Projected Costs)	\$462,000,000
TOTAL	((\$573,129,999))
	<u>\$574,720,890</u>

NEW SECTION. **Sec. 218.** A new section is added to 2003 1st sp.s. c 26 (uncodified) to read as follows:

FOR THE STATE PARKS AND RECREATION COMMISSION STATE PARKS AND RECREATION COMMISSION

Unforeseen Needs - Special Federal and Local Projects (04-2-024)

Appropriation:

General Fund--Federal	\$250,000
General Fund--Local	\$250,000
Subtotal Appropriation	\$500,000
Prior Biennia (Expenditures)	\$0
Future Biennia (Projected Costs)	\$2,000,000
TOTAL	\$2,500,000

Sec. 219. 2003 1st sp.s. c 26 s 356 (uncodified) is amended to read as follows:

FOR THE INTERAGENCY COMMITTEE FOR OUTDOOR RECREATION INTERAGENCY COMMITTEE FOR OUTDOOR RECREATION

Firearms and Archery Range Recreation Program (FARR) (04-4-006)

Appropriation:

Firearms Range Account--State	(\$150,000)	<u>\$250,000</u>
Prior Biennia (Expenditures)	\$0	
Future Biennia (Projected Costs)	\$0	
TOTAL	(\$150,000)	<u>\$250,000</u>

Sec. 220. 2003 1st sp.s. c 26 s 379 (uncodified) is amended to read as follows:

FOR THE STATE CONSERVATION COMMISSION STATE CONSERVATION COMMISSION
Conservation Reserve Enhancement Program (00-2-004 and 04-4-004)

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

(1) The reappropriation in this section is for project number 00-2-004. The appropriation is for project number 04-4-004.

(2) The total cumulative dollar value of state conservation reserve enhancement program grant obligations incurred by the conservation commission and conservation districts shall not exceed \$20,000,000, as provided in the conservation reserve enhancement program agreement between

the United States department of agriculture, commodity credit corporation, and the state of Washington executed on October 19, 1998, and subsequent amendments.

Reappropriation:

State Building Construction Account--State \$1,000,000

Appropriation:

State Building Construction Account--State (~~(\$2,000,000)~~)
\$6,000,000

Prior Biennia (Expenditures) (~~(\$0)~~)
\$4,500,000

Future Biennia (Projected Costs) (~~(\$0)~~)
\$8,500,000

TOTAL (~~(\$4,000,000)~~)
\$20,000,000

NEW SECTION. Sec. 221. A new section is added to 2003 1st sp.s. c 26 (uncodified) to read as follows:

FOR THE STATE CONSERVATION COMMISSION

Conservation Reserve Enhancement Program - Loans (05-4-003)

The appropriation in this section is subject to the following conditions and limitations: The conservation assistance revolving account appropriation is provided solely for loans under the conservation reserve enhancement program.

Appropriation:

Conservation Assistance Revolving Account--State . . \$500,000

Prior Biennia (Expenditures) \$0

Future Biennia (Projected Costs) \$0

TOTAL \$500,000

Sec. 222. 2003 1st sp.s. c 26 s 389 (uncodified) is amended to read as follows:

FOR THE DEPARTMENT OF FISH AND WILDLIFE

Facility, Infrastructure, Lands, and Access Condition Improvement (04-1-003)

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

(1) \$301,000 of the state building construction account appropriation is provided solely for improvements at the Centralia game farm, to include:

(1) \$175,000 for a brooder barn to replace numerous houses; (2) \$50,000 to replace flight pens; and (3) \$76,000 to replace to the roofs on several buildings.

(2) \$100,000 of the state building construction account--state appropriation is provided solely for fishing and hunting access improvements in Snohomish county, preferably the Snohomish county diking district number 6. The department is directed to take all appropriate and necessary steps to rename a portion of Snohomish county diking district number 6 as "William E. O'Neil Jr. wildlife area." The department shall consult with the interagency committee for outdoor recreation to determine the feasibility of universal access for hunting at this site or at other locations in Snohomish county. These funds are to be used solely for fishing and hunting access purposes, including signage, permanent structures, and improvements to existing access features. The department is directed to work with interested parties to accomplish the foregoing objectives, and to provide a report to the legislature by December 31, 2004, regarding these provisions.

Appropriation:

General Fund--Federal	\$600,000
State Building Construction Account--State	\$3,875,000
Subtotal Appropriation	\$4,475,000
Prior Biennia (Expenditures)	\$0
Future Biennia (Projected Costs)	\$0
TOTAL	\$4,475,000

Sec. 223. 2003 1st sp.s. c 26 s 390 (uncodified) is amended to read as follows:

FOR THE DEPARTMENT OF FISH AND WILDLIFE FISH AND WILDLIFE

Fish and Wildlife Opportunity Improvements (04-2-006)

Appropriation:

<u>Aquatic Lands Enhancement Account--State</u>	<u>\$300,000</u>
Warm Water Game Fish Account--State	\$550,000
Wildlife Account--State	\$1,500,000
Subtotal Appropriation	((\$2,050,000))
	<u>\$2,350,000</u>
Prior Biennia (Expenditures)	\$0
Future Biennia (Projected Costs)	\$0
TOTAL	((\$2,050,000))
	<u>\$2,350,000</u>

NEW SECTION. **Sec. 224.** A new section is added to 2003 1st sp.s. c 26 (uncodified) to read as follows:

FOR THE DEPARTMENT OF AGRICULTURE DEPARTMENT OF AGRICULTURE
Asparagus Commission Assistance (04-4-950)

Appropriation:

State Building Construction Account--State	\$1,500,000
Prior Biennia (Expenditures)	\$0
Future Biennia (Projected Costs)	\$0
TOTAL	\$1,500,000

Sec. 225. 2003 1st sp.s. c 26 s 412 (uncodified) is amended to read as follows:

FOR THE DEPARTMENT OF NATURAL RESOURCES NATURAL RESOURCES
Community and Technical College Trust Land Acquisition (04-2-014)

Appropriation:

Community and Technical College Forest Reserve Account--State	(\$96,000) <u>\$365,000</u>
Prior Biennia (Expenditures)	\$0
Future Biennia (Projected Costs)	\$0
TOTAL	(\$96,000) <u>\$365,000</u>

Sec. 226. 2003 1st sp.s. c 26 s 426 (uncodified) is amended to read as follows:

FOR THE DEPARTMENT OF NATURAL RESOURCES
Small Timber Landowner Program (04-2-003)

Appropriation:

State Building Construction Account--State	(\$2,000,000) <u>\$4,000,000</u>
Prior Biennia (Expenditures)	\$0
Future Biennia (Projected Costs)	\$0
TOTAL	(\$2,000,000) <u>\$4,000,000</u>

Sec. 227. 2003 1st sp.s. c 26 s 601 (uncodified) is amended to read as follows:

FOR THE STATE BOARD OF EDUCATION STATE BOARD OF EDUCATION

Common School Construction Account Deposits

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

(1) (~~(\$13,500,000)~~) \$27,000,000 in fiscal year 2004 and \$13,500,000 in fiscal year 2005 of the education savings account appropriation shall be deposited in the common school construction account.

(2) \$67,415,000 of the education construction account appropriation shall be deposited in the common school construction account.

Appropriation:

Education Savings Account--State	((\$27,000,000))
	<u>\$40,500,000</u>
Education Construction Account--State	\$67,415,000
Subtotal Appropriation	((\$94,415,000))
	<u>\$107,915,000</u>
Prior Biennia (Expenditures)	\$0
Future Biennia (Projected Costs)	\$0
TOTAL	((\$94,415,000))
	<u>\$107,915,000</u>

Sec. 228. 2003 1st sp.s. c 26 s 603 (uncodified) is amended to read as follows:

FOR THE STATE BOARD OF EDUCATION

State Bonds for Common School Construction (04-4-950)

The appropriation in this section is subject to the following conditions and limitations: The appropriation is provided solely for deposit in the common school construction account.

Appropriation:

State Building (and) Construction	
Account--State	((\$118,050,000))
	<u>\$109,050,000</u>

Sec. 229. 2003 1st sp.s. c 26 s 606 (uncodified) is amended to read as follows:

FOR THE STATE BOARD OF EDUCATION

School Construction Assistance Grants (04-4-001)

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

(1) For state assistance grants for purposes of calculating square foot

eligibility, kindergarten student headcount shall not be reduced by fifty percent.

(2) \$2,000,000 from this appropriation is provided for skills centers capital improvements. Skills centers shall submit a budget plan to the state board of education and the appropriate fiscal committees of the legislature for proposed expenditures and the proposed expenditures shall conform with state board of education rules and procedures for reimbursement of capital items. Funds not expended by June 30, 2005, shall lapse.

(3) \$32,868,105 of this appropriation is provided solely to increase the area cost allowance by \$15.00 per square foot for grades K-12 for fiscal year 2004 and an additional \$4.49 per square foot for grades K-12 for fiscal year 2005.

(4) The appropriation in this section includes the amounts deposited in the common school construction account under section 603 of this act.

(5) \$4,000,000 of this appropriation is provided solely for design and construction of additional space at the new market vocational skills center.

(6) Beginning in their 2005-07 capital budget submittal to the governor, the state board of education, in consultation with the Washington state skills centers, shall develop and submit a prioritized list of capital preservation, equipment with long life-cycles, and space expansion and improvement projects. The list shall be developed based on, but not limited to, the following factors: Projected enrollment growth; local school district participation and financial support; changes in the business and industry needs in the state; and efficiency in program delivery and operations.

(7) Within the amounts appropriated in this section, in addition to the projects authorized in RCW 39.10.051, during the 2003-05 biennium, three second class school districts may each use the design-build procedure for a demonstration project valued between five million dollars and twelve million dollars for the purpose of constructing an integrated kindergarten through grade twelve single structure school building. The project must receive approval from the school district project review board established under RCW 39.10.115. Second class school districts shall give weight to proposers' experience working on projects valued between five million dollars and twelve million dollars in the evaluation process for the selection of a design-build firm for demonstration projects authorized in this subsection. The superintendent of public instruction shall notify all second class school districts when contracts for three demonstration projects under this section have been entered into.

Appropriation:

Common School Construction Account--State	((\$399,768,513))
	<u>\$403,768,513</u>
Prior Biennia (Expenditures)	\$0
Future Biennia (Projected Costs)	((\$1,258,456,614))
	<u>\$1,858,456,614</u>
TOTAL	((\$2,258,225,127))
	<u>\$2,262,225,127</u>

Sec. 230. 2003 1st sp.s. c 26 s 615 (uncodified) is amended to read as follows:

FOR THE STATE SCHOOL FOR THE BLIND STATE SCHOOL FOR THE BLIND
Kennedy, Dry, and Irwin Buildings Preservation (04-1-002)

The appropriation in this section is subject to the following conditions and limitations: The amounts appropriated in this section may be expended on predesign, design, and construction costs associated with the replacement of the Kennedy building.

Appropriation:

State Building Construction Account--State	\$2,279,000
Prior Biennia (Expenditures)	\$0
Future Biennia (Projected Costs)	\$0
TOTAL	\$2,279,000

NEW SECTION. **Sec. 231.** A new section is added to 2003 1st sp.s. c 26 (uncodified) to read as follows:

FOR THE UNIVERSITY OF WASHINGTON UNIVERSITY OF WASHINGTON
Infectious Disease Laboratory Facilities (05-2-003)

The appropriation in this section is subject to the following conditions and limitations: Allotment for this appropriation is contingent on the commitment of at least four million dollars in matching federal funds for this facility.

Appropriation:

Gardner-Evans Higher Education Construction Account--State	\$4,000,000
Prior Biennia (Expenditures)	\$0
Future Biennia (Projected Costs)	\$0
TOTAL	\$4,000,000

Sec. 232. 2003 1st sp.s. c 26 s 633 (uncodified) is amended to read as

follows:

FOR THE UNIVERSITY OF WASHINGTON

UW Campus Communications Infrastructure (04-1-011)

Appropriation:

State Building Construction Account--State	\$5,000,000
<u>Gardner-Evans Higher Education Construction</u>	
<u>Account--State</u>	<u>\$2,000,000</u>
<u>Subtotal Appropriation</u>	<u>\$7,000,000</u>
Prior Biennia (Expenditures)	\$0
Future Biennia (Projected Costs)	((\$20,000,000))
	<u>\$18,000,000</u>
TOTAL	\$25,000,000

NEW SECTION. Sec. 233. A new section is added to 2003 1st sp.s. c 26 (uncodified) to read as follows:

FOR THE UNIVERSITY OF WASHINGTON

Guthrie Hall Psychology Facilities Renovation (05-2-002)

The appropriation in this section is subject to the following conditions and limitations: Allotment for this appropriation is contingent on the commitment of at least three million dollars in matching federal funds for this facility.

Appropriation:

Gardner-Evans Higher Education Construction	
Account--State	\$3,000,000
Prior Biennia (Expenditures)	\$0
Future Biennia (Projected Costs)	\$0
TOTAL	\$3,000,000

NEW SECTION. Sec. 234. A new section is added to 2003 1st sp.s. c 26 (uncodified) to read as follows:

FOR WASHINGTON STATE UNIVERSITY WASHINGTON STATE UNIVERSITY

WSU Spokane Riverpoint - Academic Center Building: New Facility (00-2-906)

Appropriation:

Gardner-Evans Higher Education Construction	
Account--State	\$31,600,000
Prior Biennia (Expenditures)	\$2,250,000
Future Biennia (Projected Costs)	\$0

TOTAL \$33,850,000

NEW SECTION. Sec. 235. A new section is added to 2003 1st sp.s. c 26 (uncodified) to read as follows:

FOR WASHINGTON STATE UNIVERSITY

WSU Pullman - Wastewater Reclamation Project: Infrastructure (04-2-082)

The appropriation in this section is subject to the following conditions and limitations: By June 30, 2004, Washington State University and the city of Pullman shall submit a report to the office of financial management and standing capital budget committees of the house of representatives and the senate that: (1) Summarizes the strategy for completion of future phases of this project and identifies all other state, federal, local, and private funding sources including grants and loans; (2) summarizes the phasing and costs for this project and future phases; and (3) identifies water conservation measures to be enacted by Washington State University and the city of Pullman.

Appropriation:

State Building Construction Account--State	\$3,400,000
Prior Biennia (Expenditures)	\$250,000
Future Biennia (Projected Costs)	\$7,063,000
TOTAL	\$10,713,000

NEW SECTION. Sec. 236. A new section is added to 2003 1st sp.s. c 26 (uncodified) to read as follows:

FOR WASHINGTON STATE UNIVERSITY

WSU Pullman - WSUnet Infrastructure (04-2-074)

Appropriation:

Gardner-Evans Higher Education Construction Account--State	\$2,000,000
Prior Biennia (Expenditures)	\$0
Future Biennia (Projected Costs)	\$18,420,400
TOTAL	\$24,420,400

Sec. 237. 2003 1st sp.s. c 26 s 659 (uncodified) is amended to read as follows:

FOR EASTERN WASHINGTON UNIVERSITY EASTERN WASHINGTON UNIVERSITY

EWU Senior Hall Renovation (00-1-003)

Reappropriation:

State Building Construction Account--State . . . ((~~\$730,000~~))
\$681,116

Appropriation:

((~~State Building Construction Account--State~~ . . ~~\$6,000,000~~))
Gardner-Evans Higher Education Construction
Account--State \$14,120,012
Prior Biennia (Expenditures) ((~~\$581,000~~))
\$629,884
Future Biennia (Projected Costs) ((~~\$8,480,315~~))
\$0
TOTAL ((~~\$15,791,315~~))
\$15,431,012

NEW SECTION. Sec. 238. A new section is added to 2003 1st sp.s. c 26 (uncodified) to read as follows:

FOR CENTRAL WASHINGTON UNIVERSITY CENTRAL WASHINGTON UNIVERSITY
Preservation - Health, Safety, and Code Requirements (04-1-025)

Appropriation:

Central Washington University Capital Projects
Account--State \$450,000
Prior Biennia (Expenditures) \$0
Future Biennia (Projected Costs) \$0
TOTAL \$450,000

NEW SECTION. Sec. 239. A new section is added to 2003 1st sp.s. c 26 (uncodified) to read as follows:

FOR CENTRAL WASHINGTON UNIVERSITY
Preservation - Infrastructure (04-1-027)

Appropriation:

Central Washington University Capital Projects
Account--State \$713,500
Prior Biennia (Expenditures) \$0
Future Biennia (Projected Costs) \$0
TOTAL \$713,500

NEW SECTION. Sec. 240. A new section is added to 2003 1st sp.s. c 26

(uncodified) to read as follows:

FOR WESTERN WASHINGTON UNIVERSITY WESTERN WASHINGTON UNIVERSITY
Bond Hall Renovation/Asbestos Abatement (04-1-080)

Appropriation:

Gardner-Evans Higher Education Construction	
Account--State	\$4,900,000
Prior Biennia (Expenditures)	\$0
Future Biennia (Projected Costs)	\$0
TOTAL	\$4,900,000

Sec. 241. 2003 1st sp.s. c 26 s 702 (uncodified) is amended to read as follows:

FOR WESTERN WASHINGTON UNIVERSITY

Communications Facility (98-2-053)

The appropriations in this section are subject to the following conditions and limitations: The appropriations in this section shall not be used for vehicles, laptop computers, small printers, disposable items, or other items with a useful life of less than one year.

Reappropriation:

State Building Construction Account--State	((\$22,500,000))
	<u>\$13,888,908</u>

Appropriation:

Western Washington University Capital Projects Account--	
State	\$3,920,000
Prior Biennia (Expenditures)	((\$13,973,400))
	<u>\$18,584,492</u>
Future Biennia (Projected Costs)	\$0
TOTAL	((\$40,393,400))
	<u>\$36,393,400</u>

NEW SECTION. **Sec. 242.** A new section is added to 2003 1st sp.s. c 26 (uncodified) to read as follows:

FOR THE EASTERN WASHINGTON STATE HISTORICAL SOCIETY EASTERN WASHINGTON STATE HISTORICAL SOCIETY

Cheney Cowles Museum: Addition and Remodel (98-2-001)

Appropriation:

State Building Construction Account--State	\$3,200,000
Prior Biennia (Expenditures)	\$0

Future Biennia (Projected Costs) \$0
TOTAL \$3,200,000

NEW SECTION. Sec. 243. A new section is added to 2003 1st sp.s. c 26 (uncodified) to read as follows:

FOR THE UNIVERSITY OF WASHINGTON UNIVERSITY OF WASHINGTON

UW Bothell/Cascadia Community College - SR 522 Offramp (2002-2-014)

Appropriation:

Gardner-Evans Higher Education Construction
Account--State \$2,390,000
Prior Biennia (Expenditures) \$110,000
Future Biennia (Projected Costs) \$0
Total \$2,500,000

NEW SECTION. Sec. 244. A new section is added to 2003 1st sp.s. c 26 (uncodified) to read as follows:

FOR THE COMMUNITY AND TECHNICAL COLLEGE SYSTEM COMMUNITY AND TECHNICAL COLLEGE SYSTEM

Cascadia Community College: UW Bothell/Cascadia Phase 2B Offramp (2002-2-999)

Appropriation:

Gardner-Evans Higher Education Construction
Account--State \$2,390,000
Prior Biennia (Expenditures) \$110,000
Future Biennia (Projected Costs) \$0
Total \$2,500,000

NEW SECTION. Sec. 245. A new section is added to 2003 1st sp.s. c 26 (uncodified) to read as follows:

FOR THE UNIVERSITY OF WASHINGTON UNIVERSITY OF WASHINGTON

Classroom Improvements (2005-1-850)

Appropriation:

Gardner-Evans Higher Education Construction
Account--State \$5,000,000
Prior Biennia (Expenditures) \$0
Future Biennia (Projected Costs) \$0
Total \$5,000,000

NEW SECTION. Sec. 246. A new section is added to 2003 1st sp.s. c 26

(uncodified) to read as follows:

FOR CENTRAL WASHINGTON UNIVERSITY CENTRAL WASHINGTON UNIVERSITY
CWU/Wenatchee Higher Education Center (2004-2-030)

The appropriation in this section is subject to the following conditions and limitations: The appropriation in this section is to fund Central Washington University's portion of a shared center and student service addition to Van Tassell center on the Wenatchee Valley Community College campus that replaces the space currently leased by Central Washington University.

Appropriation:

Gardner-Evans Higher Education Construction

Account--State	\$1,500,000
Prior Biennia (Expenditures)	\$0
Future Biennia (Projected Costs)	\$0
Total	\$1,500,000

NEW SECTION. Sec. 247. A new section is added to 2003 1st sp.s. c 26 (uncodified) to read as follows:

FOR THE COMMUNITY AND TECHNICAL COLLEGE SYSTEM COMMUNITY AND TECHNICAL COLLEGE SYSTEM

Wenatchee Community College: Anderson Hall and Portable Replacement (2005-1-852)

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

(1) The appropriation is solely for the design of a building to house allied health programs, replacing Anderson hall, and consolidating programs and staff from other locations. The appropriation does not include the design, renovation, or demolition of related space to be vacated.

(2) Prior to allotment for design, the state board for community and technical colleges shall submit a predesign document to the office of financial management and legislative fiscal committees identifying and outlining the project or projects, scope, schedule, and preliminary cost estimates for capital projects related to the replacement of Anderson hall.

Appropriation:

Gardner-Evans Higher Education Construction

Account--State	\$1,618,000
Prior Biennia (Expenditures)	\$0
Future Biennia (Projected Costs)	\$25,337,000
TOTAL	\$26,955,000

NEW SECTION. Sec. 248. A new section is added to 2003 1st sp.s. c 26 (uncodified) to read as follows:

FOR THE COMMUNITY AND TECHNICAL COLLEGE SYSTEM

Spokane Falls: Business and Social Science Building (2005-1-853)

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

(1) The appropriation is solely for the design of a two-story building housing social science and business divisions to replace buildings 3, 4, and 14 which are not cost effective to renovate.

(2) Prior to allotment for design, the state board for community and technical colleges shall submit a predesign document to the office of financial management and legislative fiscal committees identifying and outlining the project or projects, scope, schedule, and preliminary cost estimates for capital projects related to the replacement of the existing buildings.

Appropriation:

Gardner-Evans Higher Education Construction

Account--State	\$1,800,000
Prior Biennia (Expenditures)	\$0
Future Biennia (Projected Costs)	\$0
TOTAL	\$1,800,000

NEW SECTION. Sec. 249. A new section is added to 2003 1st sp.s. c 26 (uncodified) to read as follows:

FOR THE COMMUNITY AND TECHNICAL COLLEGE SYSTEM

South Seattle: Training Facility (2005-1-854)

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

(1) The appropriation is solely for the design of a single shop and classroom training facility to replace eight wood frame structures.

(2) Prior to allotment for design, the state board for community and technical colleges shall submit a predesign document to the office of financial management and legislative fiscal committees identifying and outlining the project or projects, scope, schedule, and preliminary cost estimates for capital projects related to the replacement of the portables.

Appropriation:

Gardner-Evans Higher Education Construction

Account--State	\$722,000
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Prior Biennia (Expenditures)	\$0
Future Biennia (Projected Costs)	\$0
TOTAL	\$722,000

Sec. 250. 2003 1st sp.s. c 26 s 786 (uncodified) is amended to read as follows:

FOR THE COMMUNITY AND TECHNICAL COLLEGE SYSTEM

Bellingham Technical College: Welding/Auto Collision Replacement (04-1-213)

Appropriation:

State Building Construction Account--State	\$2,481,000
<u>Gardner-Evans Higher Education Construction</u>	
<u>Account--State</u>	<u>\$14,357,000</u>
Prior Biennia (Expenditures)	\$0
Future Biennia (Projected Costs)	(\$14,357,000)
	<u>\$0</u>
TOTAL	\$16,838,000

Sec. 251. 2003 1st sp.s. c 26 s 798 (uncodified) is amended to read as follows:

FOR THE COMMUNITY AND TECHNICAL COLLEGE SYSTEM

Everett Community College: (~~Renovation~~) Replacement - Monte Cristo Hall (04-1-305)

Appropriation:

State Building Construction Account--State	\$7,352,000
Prior Biennia (Expenditures)	\$0
Future Biennia (Projected Costs)	\$0
TOTAL	\$7,352,000

Sec. 252. 2003 1st sp.s. c 26 s 801 (uncodified) is amended to read as follows:

FOR THE COMMUNITY AND TECHNICAL COLLEGE SYSTEM

Grays Harbor College: Replacement - Instructional Building (04-1-204)

Appropriation:

State Building Construction Account--State	\$1,263,300
<u>Gardner-Evans Higher Education Construction</u>	
<u>Account--State</u>	<u>\$19,471,749</u>
Prior Biennia (Expenditures)	\$0

Future Biennia (Projected Costs)	. . . . .	((\$16,371,700))	
			<u>\$0</u>
TOTAL	. . . . .	((\$17,635,000))	<u>\$20,735,049</u>

Sec. 253. 2003 1st sp.s. c 26 s 695 (uncodified) is amended to read as follows:

FOR THE EVERGREEN STATE COLLEGE THE EVERGREEN STATE COLLEGE
 Lab II 3rd Floor - Chemistry Labs Remodel (04-2-007)

Appropriation:

The Evergreen State College Capital Projects			
Account--State	. . . . .	((\$3,000,000))	<u>\$1,400,000</u>
<u>Gardner-Evans Higher Education Construction</u>			
Account--State	. . . . .		<u>\$1,600,000</u>
Subtotal Appropriation	. . . . .		<u>\$3,000,000</u>
Prior Biennia (Expenditures)	. . . . .		\$0
Future Biennia (Projected Costs)	. . . . .		\$0
TOTAL	. . . . .		\$3,000,000

Sec. 254. 2003 1st sp.s. c 26 s 784 (uncodified) is amended to read as follows:

FOR THE COMMUNITY AND TECHNICAL COLLEGE SYSTEM COMMUNITY AND TECHNICAL COLLEGE SYSTEM

Peninsula College: Replacement Science and Technology Building (04-1-208)

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

(1) The purpose of this appropriation is to conduct a predesign study of alternatives and design for a potential replacement of existing science lab facilities.

(2) The predesign shall be consistent with the college's adopted strategic and master plans and additionally address projected enrollment demands, operating budget impacts, reuse or disposition of existing facilities, and options for reduction of parking needs.

(3) Prior to allotment for design, the state board for community and technical colleges shall submit a predesign document to the office of financial management and legislative fiscal committees identifying and outlining the project or projects, scope, schedule, and preliminary cost

estimates for the project.

Appropriation:

Community and Technical College Capital Projects	
Account--State	\$82,800
<u>Gardner-Evans Higher Education Construction</u>	
<u>Account--State</u>	<u>\$1,134,000</u>
<u>Subtotal Appropriation</u>	<u>\$1,216,800</u>
Prior Biennia (Expenditures)	\$0
Future Biennia (Projected Costs)	(\$10,752,500)
	<u>\$9,618,500</u>
TOTAL	\$10,835,300

Sec. 255. 2003 1st sp.s. c 26 s 787 (uncodified) is amended to read as follows:

FOR THE COMMUNITY AND TECHNICAL COLLEGE SYSTEM

Lower Columbia College: Instructional/Fine Arts Building Replacement (04-1-214)

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

(1) The appropriation is solely for the land acquisition for and design of a multiple use fine arts building.

(2) The state board for community and technical colleges shall submit major project reports to the office of financial management with copies to the legislative fiscal committees in accordance with the established procedures for major project reports.

Appropriation:

State Building Construction Account--State	\$1,827,799
<u>Gardner-Evans Higher Education Construction</u>	
<u>Account--State</u>	<u>\$2,500,000</u>
<u>Subtotal Appropriation</u>	<u>\$4,327,799</u>
Prior Biennia (Expenditures)	\$0
Future Biennia (Projected Costs)	(\$16,645,515)
	<u>\$</u>
TOTAL	(\$18,473,314)
	<u>\$</u>

NEW SECTION. **Sec. 256.** A new section is added to 2003 1st sp.s. c 26 (uncodified) to read as follows:

FOR THE SPOKANE INTERCOLLEGIATE RESEARCH AND TECHNOLOGY INSTITUTE (SIRTI)

SPOKANE INTERCOLLEGIATE RESEARCH AND TECHNOLOGY INSTITUTE (SIRTI)
Emergency Repairs (05-1-850)

The appropriation in this section is subject to the following conditions and limitations: The appropriation is provided solely to make concrete repairs.

Appropriation:

Gardner-Evans Higher Education Construction	
Account--State	\$290,000
Prior Biennia (Expenditures)	\$0
Future Biennia (Projected Costs)	\$0
TOTAL	\$290,000

Sec. 257. 2003 1st sp.s. c 26 s 795 (uncodified) is amended to read as follows:

FOR THE COMMUNITY AND TECHNICAL COLLEGE SYSTEM

Columbia Basin College: Renovation - "T" Building (04-1-307)

The appropriations in this section are subject to the following conditions and limitations: The Gardner-Evans higher education construction account--state appropriation is provided solely to establish the nursing program portion of this project on the Richland campus of Columbia Basin College. The Gardner-Evans higher education construction account--state appropriation is contingent upon receipt of nonstate matching funds of \$2,000,000 by June 30, 2004.

Appropriation:

State Building Construction Account--State	\$6,058,500
<u>Gardner-Evans Higher Education Construction Account--</u>	
<u>State</u>	<u>\$2,000,000</u>
<u>Subtotal Appropriation</u>	<u>\$8,058,500</u>
Prior Biennia (Expenditures)	\$0
Future Biennia (Projected Costs)	(\$0)
	<u>\$4,000,000</u>
TOTAL	<u>(\$6,058,500)</u>
	<u>\$12,058,500</u>

Sec. 258. 2003 1st sp.s. c 26 s 628 (uncodified) is amended to read as follows:

FOR THE UNIVERSITY OF WASHINGTON UNIVERSITY OF WASHINGTON

UW Emergency Power Expansion - Phase II (04-1-024)

((Reappropriation:

~~University of Washington Building Account--State . \$700,000))~~

Appropriation:

State Building Construction Account--State \$3,500,000

University of Washington Building Account--State (~~(\$2,448,000)~~)

\$3,148,000

Subtotal Appropriation (~~(\$5,948,000)~~)

\$6,648,000

Prior Biennia (Expenditures) \$0

Future Biennia (Projected Costs) (~~(\$7,813,164)~~)

\$0

TOTAL (~~(\$14,161,164)~~)

\$6,648,000

(End of part)

PART 3

MISCELLANEOUS

NEW SECTION. Sec. 901. A new section is added to chapter 89.08 RCW to read as follows:

(1) The conservation assistance revolving account is created in the custody of the state treasurer. The account shall be administered by the conservation commission. Moneys from the account may only be spent after appropriation. Moneys placed in the account shall include principal and interest from the repayment of any loans granted under this section, and any other moneys appropriated to the account by the legislature. Expenditures from the account may be used to make loans to landowners for projects enrolled in the conservation reserve enhancement program.

(2) In order to aid the financing of conservation reserve enhancement program projects, the conservation commission, through the conservation districts, may make interest-free loans to conservation reserve enhancement program enrollees from the conservation assistance revolving account. The conservation commission may require such terms and conditions as it deems necessary to carry out the purposes of this section. Loans to landowners shall be for costs associated with the installation of conservation improvements eligible for and secured by federal farm service agency practice incentive payment reimbursement. Loans under this program promote critical habitat protection and restoration by bridging the financing gap

between project implementation and federal funding. The conservation commission shall give loan preferences to those projects expected to generate the greatest environmental benefits and that occur in basins with critical or depressed salmonid stocks. Money received from landowners in loan repayments made under this section shall be paid into the conservation assistance revolving account for uses consistent with this section.

Sec. 902. 2003 1st sp.s. c 26 s 905 (uncodified) is amended to read as follows:

(1) To ensure that minor works appropriations are carried out in accordance with legislative intent, funds appropriated in this act shall not be allotted until project lists are on file at the office of financial management and the office of financial management has formally approved the lists. Proposed revisions to the lists must be filed with and approved by the office of financial management before funds may be expended on the revisions.

(2)(a) Minor works projects are single line appropriations that include multiple projects valued between \$25,000 and \$1 million each that are of a similar nature and can generally be completed within two years of the appropriation with the funding provided. Minor works categories include (i) health, safety, and code requirements; (ii) facility preservation; (iii) infrastructure preservation; and (iv) program improvement or expansion. Improvements for accessibility in compliance with the Americans with disabilities act may be included in any of the above minor works categories.

(b) Minor works appropriations shall not be used for, among other things: Studies planning; design outside the scope of work on a minor works list; moveable, temporary, and traditionally funded operating equipment not in compliance with the equipment criteria established by the office of financial management; software not dedicated to control of a specialized system; moving expenses; land or facility acquisition; or to supplement funding for projects with funding shortfalls unless expressly authorized elsewhere in this act.

(3) The office of financial management shall forward copies of these project lists and revised lists to the house of representatives capital budget committee and the senate ways and means committee. No expenditure may be incurred or obligation entered into for minor works appropriations until the office of financial management has approved the allotment of the funds to be expended. ((The office of financial management shall encourage state agencies to incorporate accessibility planning and improvements into the normal and customary capital program.))

Sec. 903. 2003 1st sp.s. c 26 s 907 (uncodified) is amended to read as follows:

ACQUISITION OF PROPERTIES AND FACILITIES THROUGH FINANCIAL CONTRACTS. The following agencies may enter into financial contracts, paid from any funds of an agency, appropriated or nonappropriated, for the purposes indicated and in not more than the principal amounts indicated, plus financing expenses and required reserves pursuant to chapter 39.94 RCW. When securing properties under this section, agencies shall use the most economical financial contract option available, including long-term leases, lease-purchase agreements, lease-development with option to purchase agreements or financial contracts using certificates of participation. Expenditures made by an agency for one of the indicated purposes before the issue date of the authorized financial contract and any certificates of participation therein are intended to be reimbursed from proceeds of the financial contract and any certificates of participation therein to the extent provided in the agency's financing plan approved by the state finance committee.

State agencies may enter into agreements with the department of general administration and the state treasurer's office to develop requests to the legislature for acquisition of properties and facilities through financial contracts. The agreements may include charges for services rendered.

(1) Department of general administration: Enter into a financing contract for an amount approved by the office of financial management for costs and financing expenses and required reserves pursuant to chapter 39.94 RCW to lease develop or lease purchase a state office building of 150,000 to 200,000 square feet on state-owned property in Tumwater according to the terms of the agreement with the Port of Olympia when the property was acquired or within the preferred development/leasing areas in Thurston county. The building shall be constructed and financed so that agency occupancy costs will not exceed comparable private market rental rates. The comparable general office space rate shall be calculated based on the three latest Thurston county leases of new space of at least 100,000 rentable square feet adjusted for inflation as determined by the department of general administration. The department of general administration shall coordinate with potential state agency tenants whose current lease expire near the time of occupancy so that buyout of current leases do not add to state expense. The office of financial management shall certify to the state treasurer: (a) The project description and dollar amount; and (b) that all requirements of this subsection (1) have been met.

(2) Department of veterans affairs: Enter into a financing contract in

an amount not to exceed \$1,441,500 plus financing expenses and required reserves pursuant to chapter 39.94 RCW to build and equip a kitchen in existing shell space at the Spokane veterans home and provide space for displaced functions.

(3) Department of corrections:

(a) Enter into a financing contract for up to \$400,000 plus financing expenses and required reserves pursuant to chapter 39.94 RCW to construct a waste transfer station and purchase a garbage truck at the McNeil Island corrections center.

(b) Enter into a financing contract for up to \$4,588,000 plus financing expenses and required reserves pursuant to chapter 39.94 RCW to construct a transportation services warehouse and offices for correctional industries.

(c) Enter into a financing contract for up to \$4,536,000 plus financing expenses and required reserves pursuant to chapter 39.94 RCW to construct additions to the food factory and warehouses at the Airway Heights corrections center for correctional industries.

(4) Community and technical colleges:

(a) Enter into a financing contract on behalf of Bellevue Community College for up to \$20,000,000 plus financing expenses and required reserves pursuant to chapter 39.94 RCW to purchase North Center campus.

(b) Enter into a financing contract on behalf of Big Bend Community College for up to \$6,500,000 plus financing expenses and required reserves pursuant to chapter 39.94 RCW to construct an international conference and training center and dining services center building.

(c) Enter into a financing contract on behalf of Clark Community College for up to \$9,839,464 plus financing expenses and required reserves pursuant to chapter 39.94 RCW to construct a bookstore, meeting rooms, student lounge, and study space.

(d) Enter into a financing contract on behalf of Green River Community College for up to \$7,000,000 plus financing expenses and required reserves pursuant to chapter 39.94 RCW to purchase Kent Station higher education center.

(e) Enter into a financing contract on behalf of Seattle Central Community College for up to \$1,300,000 plus financing expenses and required reserves pursuant to chapter 39.94 RCW for land acquisition and development of parking facilities.

(f) Enter into a financing contract on behalf of Seattle Central Community College for up to \$3,000,000 plus financing expenses and required reserves pursuant to chapter 39.94 RCW to construct an above-ground parking garage.

~~((f))~~ (g) Enter into a financing contract on behalf of South Puget Sound Community College for up to \$660,000 plus financing expenses and reserves pursuant to chapter 39.94 RCW to construct parking and stormwater mitigation facilities.

(h) Enter into a financing contract on behalf of Spokane Community College for up to \$725,000 plus financing expenses and required reserves pursuant to chapter 39.94 RCW to purchase land.

(i) Enter into a financing contract on behalf of Walla Walla Community College for up to \$2,175,100 plus financing expenses and required reserves pursuant to chapter 39.94 RCW to purchase land and construct a building for professional-technical instruction.

(j) Enter into a financing contract on behalf of Walla Walla Community College for up to \$504,400 plus financing expenses and required reserves pursuant to chapter 39.94 RCW to purchase land and buildings at the Clarkston center.

(k) Enter into a financing contract on behalf of Pierce College/Ft. Steilacoom for up to \$5,000,000 plus financing expenses and required reserves pursuant to chapter 39.94 RCW to construct an addition to the college health and wellness center.

(l) Enter into a financing contract on behalf of Pierce College/Puyallup for up to \$8,000,000 plus financing expenses and required reserves pursuant to chapter 39.94 RCW to construct a student gym and fitness center.

(m) Enter into a financing contract on behalf of Columbia Basin College for up to \$8,000,000 plus financing expenses and required reserves pursuant to chapter 39.94 RCW to construct the medical technology and science education addition to the T-Building renovation and establish the Washington institute of science education (WISE).

NEW SECTION. Sec. 904. A new section is added to chapter 39.33 RCW to read as follows:

Notwithstanding any other provision of law, the department of general administration is authorized to sell the property and attendant parking lot located at 1058 Capitol Way, Olympia, Washington, for fair market value, to a nonprofit organization that produces gavel-to-gavel television coverage of state government deliberations and other events of statewide significance.

Sec. 905. 2003 1st sp.s. c 26 s 915 (uncodified) is amended to read as follows:

(1) The governor, through the office of financial management, may authorize a transfer of appropriation authority provided for a capital project that is in excess of the amount required for the completion of such project to another capital project for which the appropriation is insufficient. No such transfer may be used to expand the capacity of any facility beyond that intended by the legislature in making the appropriation. Such transfers may be effected only between capital appropriations to a specific department, commission, agency, or institution of higher education and only between capital projects that are funded from the same fund or account. No transfers may occur between projects to local government agencies except where the grants are provided within a single omnibus appropriation and where such transfers are specifically authorized by the implementing statutes that govern the grants.

(2) For purposes of this section, the governor may find that an amount is in excess of the amount required for the completion of a project only if: (a) The project as defined in the notes to the budget document is substantially complete and there are funds remaining; or (b) bids have been let on a project and it appears to a substantial certainty that the project as defined in the notes to the budget document can be completed within the biennium for less than the amount appropriated in this act.

(3) For the purposes of this section, the legislature intends that each project be defined as proposed to the legislature in the governor's budget document, unless it clearly appears from the legislative history that the legislature intended to define the scope of a project in a different wa

(4) Transfers of funds to an agency's infrastructure savings appropriation are subject to review and approval by the office of financial management. Expenditures from an infrastructure savings appropriation are limited to projects that have a primary purpose to correct infrastructure deficiencies or conditions that: (a) Adversely affect the ability to utilize the infrastructure for its current programmatic use; (b) reduce the life expectancy of the infrastructure; or (c) increase the operating costs of the infrastructure for its current programmatic use. Eligible infrastructure projects may include structures and surface improvements, site amenities, utility systems outside building footprints and natural environmental changes or requirements as part of an environmental regulation, a declaration of emergency for an infrastructure issue in conformance with RCW 43.88.250, or infrastructure planning as part of a facility master plan.

(5) A report of any transfer effected under this section, except emergency projects or any transfer under \$250,000, shall be filed with the

legislative fiscal committees of the senate and house of representatives by the office of financial management at least thirty days before the date the transfer is effected. The office of financial management shall report all emergency or smaller transfers within thirty days from the date of transfer.

(6) This section does not apply to sections 506 through 508, chapter 26, Laws of 2003 1st sp. sess.

Sec. 906. RCW 43.82.010 and 1997 c 117 s 1 are each amended to read as follows:

(1) The director of general administration, on behalf of the agency involved, shall purchase, lease, lease purchase, rent, or otherwise acquire all real estate, improved or unimproved, as may be required by elected state officials, institutions, departments, commissions, boards, and other state agencies, or federal agencies where joint state and federal activities are undertaken and may grant easements and transfer, exchange, sell, lease, or sublease all or part of any surplus real estate for those state agencies which do not otherwise have the specific authority to dispose of real estate. This section does not transfer financial liability for the acquired property to the department of general administration.

(2) Except for real estate occupied by federal agencies, the director shall determine the location, size, and design of any real estate or improvements thereon acquired or held pursuant to subsection (1) of this section. Facilities acquired or held pursuant to this chapter, and any improvements thereon, shall conform to standards adopted by the director and approved by the office of financial management governing facility efficiency unless a specific exemption from such standards is provided by the director of general administration. The director of general administration shall report to the office of financial management annually on any exemptions granted pursuant to this subsection.

(3) The director of general administration may fix the terms and conditions of each lease entered into under this chapter, except that no lease shall extend greater than twenty years in duration. The director of general administration may enter into a long-term lease greater than ten years in duration upon a determination by the director of the office of financial management that the long-term lease provides a more favorable rate than would otherwise be available, it appears to a substantial certainty that the facility is necessary for use by the state for the full length of the lease term, and the facility meets the standards adopted pursuant to subsection (2) of this section. The director of general administration may enter into a long-term lease greater than ten years in duration if an

analysis shows that the life- cycle cost of leasing the facility is less than the life-cycle cost of purchasing or constructing a facility in lieu of leasing the facility. For the 2003-05 biennium, any lease entered into after the effective date of this section with a term of ten years or less shall not contain a nonappropriation clause.

(4) Except as permitted under chapter 39.94 RCW, no lease for or on behalf of any state agency may be used or referred to as collateral or security for the payment of securities offered for sale through a public offering. Except as permitted under chapter 39.94 RCW, no lease for or on behalf of any state agency may be used or referred to as collateral or security for the payment of securities offered for sale through a private placement without the prior written approval of the state treasurer. However, this limitation shall not prevent a lessor from assigning or encumbering its interest in a lease as security for the repayment of a promissory note provided that the transaction would otherwise be an exempt transaction under RCW 21.20.320. The state treasurer shall adopt rules that establish the criteria under which any such approval may be granted. In establishing such criteria the state treasurer shall give primary consideration to the protection of the state's credit rating and the integrity of the state's debt management program. If it appears to the state treasurer that any lease has been used or referred to in violation of this subsection or rules adopted under this subsection, then he or she may recommend that the governor cause such lease to be terminated. The department of general administration shall promptly notify the state treasurer whenever it may appear to the department that any lease has been used or referred to in violation of this subsection or rules adopted under this subsection.

(5) It is the policy of the state to encourage the colocation and consolidation of state services into single or adjacent facilities, whenever appropriate, to improve public service delivery, minimize duplication of facilities, increase efficiency of operations, and promote sound growth management planning.

(6) The director of general administration shall provide coordinated long-range planning services to identify and evaluate opportunities for collocating and consolidating state facilities. Upon the renewal of any lease, the inception of a new lease, or the purchase of a facility, the director of general administration shall determine whether an opportunity exists for collocating the agency or agencies in a single facility with other agencies located in the same geographic area. If a colocation opportunity exists, the director of general administration shall consult with the

affected state agencies and the office of financial management to evaluate the impact colocation would have on the cost and delivery of agency programs, including whether program delivery would be enhanced due to the centralization of services. The director of general administration, in consultation with the office of financial management, shall develop procedures for implementing colocation and consolidation of state facilities.

(7) The director of general administration is authorized to purchase, lease, rent, or otherwise acquire improved or unimproved real estate as owner or lessee and to lease or sublet all or a part of such real estate to state or federal agencies. The director of general administration shall charge each using agency its proportionate rental which shall include an amount sufficient to pay all costs, including, but not limited to, those for utilities, janitorial and accounting services, and sufficient to provide for contingencies; which shall not exceed five percent of the average annual rental, to meet unforeseen expenses incident to management of the real estate.

(8) If the director of general administration determines that it is necessary or advisable to undertake any work, construction, alteration, repair, or improvement on any real estate acquired pursuant to subsection (1) or (7) of this section, the director shall cause plans and specifications thereof and an estimate of the cost of such work to be made and filed in his or her office and the state agency benefiting thereby is hereby authorized to pay for such work out of any available funds: PROVIDED, That the cost of executing such work shall not exceed the sum of twenty-five thousand dollars. Work, construction, alteration, repair, or improvement in excess of twenty-five thousand dollars, other than that done by the owner of the property if other than the state, shall be performed in accordance with the public works law of this state.

(9) In order to obtain maximum utilization of space, the director of general administration shall make space utilization studies, and shall establish standards for use of space by state agencies. Such studies shall include the identification of opportunities for colocation and consolidation of state agency office and support facilities.

(10) The director of general administration may construct new buildings on, or improve existing facilities, and furnish and equip, all real estate under his or her management. Prior to the construction of new buildings or major improvements to existing facilities or acquisition of facilities using a lease purchase contract, the director of general administration shall conduct an evaluation of the facility design and budget using life-cycle

cost analysis, value-engineering, and other techniques to maximize the long-term effectiveness and efficiency of the facility or improvement.

(11) All conveyances and contracts to purchase, lease, rent, transfer, exchange, or sell real estate and to grant and accept easements shall be approved as to form by the attorney general, signed by the director of general administration or the director's designee, and recorded with the county auditor of the county in which the property is located.

(12) The director of general administration may delegate any or all of the functions specified in this section to any agency upon such terms and conditions as the director deems advisable.

(13) This section does not apply to the acquisition of real estate by:

(a) The state college and universities for research or experimental purposes;

(b) The state liquor control board for liquor stores and warehouses; and

(c) The department of natural resources, the department of fish and wildlife, the department of transportation, and the state parks and recreation commission for purposes other than the leasing of offices, warehouses, and real estate for similar purposes.

(14) Notwithstanding any provision in this chapter to the contrary, the department of general administration may negotiate ground leases for public lands on which property is to be acquired under a financing contract pursuant to chapter 39.94 RCW under terms approved by the state finance committee.

Sec. 907. RCW 43.99E.025 and 1991 c 3 s 302 are each amended to read as follows:

The proceeds from the sale of the bonds deposited in the state and local improvements revolving account--water supply facilities of the general fund under the terms of this chapter shall be divided into two shares as follows:

(1) Seventy-five million dollars, or so much thereof as may be required, shall be used for domestic, municipal, and industrial water supply facilities; and

(2) Fifty million dollars, or so much thereof as may be required, shall be used for water supply facilities for agricultural use alone or in combination with fishery, recreational, or other beneficial uses of water; for the 2003-05 biennium, proceeds may also be used for water conveyance projects.

The share of seventy-five million dollars shall be administered by the

department of health and the share of fifty million dollars shall be administered by the department of ecology, subject to legislative appropriation. The administering departments may use or permit the use of any funds derived from the sale of bonds authorized under this chapter to accomplish the purpose for the issuance of the bonds by direct expenditures and by grants or loans to public bodies, including grants to public bodies as matching funds in any case where federal, local, or other funds are made available on a matching basis for improvements within the purposes of this chapter.

Sec. 908. RCW 70.146.030 and 2003 1st sp.s. c 25 s 934 are each amended to read as follows:

(1) The water quality account is hereby created in the state treasury. Moneys in the account may be used only in a manner consistent with this chapter. Moneys deposited in the account shall be administered by the department of ecology and shall be subject to legislative appropriation. Moneys placed in the account shall include tax receipts as provided in RCW 82.24.027, 82.26.025, and 82.32.390, principal and interest from the repayment of any loans granted pursuant to this chapter, and any other moneys appropriated to the account by the legislature.

(2) The department may use or permit the use of any moneys in the account to make grants or loans to public bodies, including grants to public bodies as cost-sharing moneys in any case where federal, local, or other funds are made available on a cost-sharing basis, for water pollution control facilities and activities, or for purposes of assisting a public body to obtain an ownership interest in water pollution control facilities and/or to defray a part of the payments made by a public body to a service provider under a service agreement entered into pursuant to RCW 70.150.060, within the purposes of this chapter and for related administrative expenses. For the period July 1, 2003, to June 30, 2005, moneys in the account may be used to process applications received by the department that seek to make changes to or transfer existing water rights for water related mitigation or settlements, and for grants and technical assistance to public bodies for watershed planning under chapter 90.82 RCW. No more than three percent of the moneys deposited in the account may be used by the department to pay for the administration of the grant and loan program authorized by this chapter.

(3) Beginning with the biennium ending June 30, 1997, the department shall present a biennial progress report on the use of moneys from the account to the chairs of the senate committee on ways and means and the house of representatives committee on appropriations. The first report is

due June 30, 1996, and the report for each succeeding biennium is due December 31 of the odd-numbered year. The report shall consist of a list of each recipient, project description, and amount of the grant, loan, or both.

NEW SECTION. **Sec. 909.** 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. 910.** 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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