

ESHB 1086 - CONF REPT
By Conference Committee

1 Strike everything after the enacting clause and insert the
2 following:

3 "PART I
4 GENERAL GOVERNMENT

5 **Sec. 101.** 2010 1st sp.s. c 37 s 103 (uncodified) is amended to
6 read as follows:

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

8	General Fund--State Appropriation (FY 2010)	\$2,874,000
9	General Fund--State Appropriation (FY 2011)	(((\$3,152,000))
10		<u>\$2,954,000</u>
11	TOTAL APPROPRIATION	(((\$6,026,000))
12		<u>\$5,828,000</u>

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

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

19 (2) Within the amounts appropriated in this section, the committee
20 shall conduct a review of the effect of risk management practices on
21 tort payouts. This review shall include an analysis of the state's
22 laws, policies, procedures, and practices as they relate to the conduct
23 of post-incident reviews and the impact of such reviews on the state's
24 conduct and liability.

25 ~~(3) ((Within the amounts appropriated in this section, the~~
26 ~~committee shall conduct a review of the state's workplace safety and~~
27 ~~health program. The review shall examine workplace safety inspection,~~
28 ~~enforcement, training, and outreach efforts compared to other states~~

1 ~~and federal programs; analyze workplace injury and illness rates and~~
2 ~~trends in Washington; identify factors that may influence workplace~~
3 ~~safety and health; and identify practices that may improve workplace~~
4 ~~safety and health and/or impact insurance costs.~~

5 (4)) Within the amounts appropriated in this section, the
6 committee shall prepare an evaluation of the implementation of
7 legislation designed to improve communication, collaboration, and
8 expedited medicaid attainment with regard to persons released from
9 confinement who have mental health or chemical dependency disorders.
10 The review shall evaluate the implementation of: (a) Chapter 166, Laws
11 of 2004 (E2SSB 6358); (b) sections 507 and 508 of chapter 504, Laws of
12 2005 (E2SSB 5763); (c) sections 12 and 13 of chapter 503, Laws of 2005
13 (E2SHB 1290); and (d) section 8 of chapter 359, Laws of 2007 (2SHB
14 1088). The departments of corrections and social and health services,
15 the administrative office of the courts, institutions for mental
16 disease, city and county jails, city and county courts, county clerks,
17 and mental health and chemical dependency treatment providers shall
18 provide the committee with information necessary for the study.

19 ((+5)) (4) Within the amount appropriated in this section, the
20 joint legislative audit and review committee shall conduct a review of
21 the state's recreational boating programs. This review shall include
22 examination of the following:

- 23 (a) Revenue sources for state recreational boating programs;
- 24 (b) Expenditures for state boating programs;
- 25 (c) Methods of administrating state recreational boating programs,
26 including the roles of both state and local government entities; and
- 27 (d) Approaches other states have taken to funding and administering
28 their recreational boating programs.

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

30 ((+6)) (5) Within the amount appropriated in this section, the
31 joint legislative audit and review committee shall examine the
32 operations of employment and day services as provided by the department
33 of social and health services, division of developmental disabilities
34 and administered by the counties. The examination shall include a
35 thorough review of the contracts for all services including, but not
36 limited to, employment services, day services, child development
37 services and other uses of state dollars for county administration of
38 services to the developmentally disabled. In its final report, due to

1 the legislature by September 1, 2010, the joint legislative audit and
2 review committee shall provide: A description of how funds are used
3 and the rates paid to vendors, and a recommendation on best practices
4 the agency may use for the development of a consistent, outcome-based
5 contract for services provided under contract with the counties.

6 ~~((+7))~~ (6) Within the amount appropriated in this section, the
7 joint legislative audit and review committee shall conduct a study of
8 the relationship between the cost of school districts and their
9 enrollment size. The study shall be completed by June 2010 and shall
10 include:

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

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

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

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

23 ~~((+8))~~ (7) \$200,000 of the general fund--state appropriation for
24 fiscal year 2011 is provided for the committee to contract with a
25 consultant specializing in medicaid programs nationwide to review
26 Washington state's medicaid program and report on cost containment
27 strategies for the 2011-13 biennial budget. The report is due to the
28 fiscal committees of the legislature by June 1, 2011.

29 ~~((+9))~~ (8) \$50,000 of the general fund--state appropriation for
30 fiscal year 2011 is provided solely for the joint legislative audit and
31 review committee to complete a report that includes the following: (a)
32 An analysis of the availability within eastern Washington of
33 helicopters that are privately owned or owned by nonstate governmental
34 entities that are sufficiently outfitted to participate in wildfire
35 suppression efforts of the department of natural resources; (b) a
36 comparison of the costs to the department of natural resources for
37 maintaining the existing helicopter fleet versus entering into
38 exclusive use contracts with the helicopters noted in (a) of this

1 subsection; and (c) an analysis that compares the use and funding of
2 helicopters utilized for wildfire suppression in the states of
3 California, Oregon, Idaho, and Montana. The committee shall submit the
4 report to the appropriate fiscal committees of the legislature and the
5 office of financial management no later than December 1, 2010.

6 ~~((+10))~~ (9)(a) The task force for reform of executive and
7 legislative procedures dealing with tax preferences is hereby
8 established. The task force must:

9 (i) Review current executive and legislative budget and policy
10 practices and procedures associated with the recommendation,
11 development, and consideration of tax preferences, assess the
12 effectiveness of budgeting requirements and practices, the general
13 rigor of justifications and evaluations typically provided during
14 legislative consideration of tax preferences, and the role and value of
15 methodologies currently used to measure the public benefits and costs,
16 including opportunity costs, of tax preferences, as defined in RCW
17 43.136.021.

18 (ii) Consider but not be limited to, the factors listed in RCW
19 43.136.055.

20 (b) The task force may make recommendations to improve the
21 effectiveness of the review process conducted by the citizen commission
22 on performance measurement of tax preferences process as described in
23 chapter 43.136 RCW. The task force may also recommend changes or
24 improvements in the manner in which both the executive branch and
25 legislative branch of state government address tax preferences
26 generally, including those in effect as well as those that may be
27 hereafter proposed, in order to protect the public interest and assure
28 transparency, fairness, and equity in the state tax code.

29 (c) The task force may recommend structural or procedural changes
30 that it feels will enhance both executive and legislative procedures
31 and ensure consistent and rigorous examination of such preferences.

32 (d) The task force must report its recommendations to the governor
33 and legislative fiscal committees by November 15, 2010.

34 (e) The task force has eleven voting members as follows:

35 (i) One member is the state treasurer;

36 (ii) One member is the chair of the joint legislative audit and
37 review committee;

38 (iii) One member is the director of financial management;

1 (iv) A member, four in all, of each of the two largest caucuses of
2 the senate and the two largest caucuses of the house of
3 representatives, appointed by the chair of each caucus; and

4 (v) An appointee who is not a legislator, four in all, of each of
5 the two largest caucuses of the senate and the two largest caucuses of
6 the house of representatives, appointed by the chair of each caucus.

7 (f) Persons appointed by the caucus chairs under (e)(v) of this
8 subsection should be individuals who have a basic understanding of
9 state tax policy, government operations, and public services.

10 (g) The task force must elect a chair from among its members.
11 Decisions of the task force must be made using the sufficient consensus
12 model. For the purposes of this subsection, "sufficient consensus"
13 means the point at which the substantial majority of the commission
14 favors taking a particular action. The chair may determine when a vote
15 must be taken. The task force must allow a minority report to be
16 included with a decision of the task force if requested by a member of
17 the task force.

18 (h) The joint legislative audit and review committee must provide
19 clerical, technical, and management personnel to the task force to
20 serve as the task force's staff. The staff of the legislative fiscal
21 committees, legislative counsel, and the office of financial management
22 must also provide technical assistance to the task force. The
23 department of revenue must provide necessary support and information to
24 the joint task force.

25 (i) The task force must meet at least once a quarter and may hold
26 additional meetings at the call of the chair or by a majority vote of
27 the members of the task force. The members of the task force must be
28 compensated in accordance with RCW 43.03.220 and reimbursed for travel
29 expenses in accordance with RCW 43.03.050 and 43.03.060.

30 **Sec. 102.** 2010 2nd sp.s. c 1 s 104 (uncodified) is amended to read
31 as follows:

32 **FOR THE OFFICE OF THE STATE ACTUARY**

33	General Fund--State Appropriation (FY 2010)	\$200,000
34	General Fund--State Appropriation (FY 2011)	\$19,000
35	Department of Retirement Systems Expense	
36	Account--State Appropriation	\$3,305,000
37	TOTAL APPROPRIATION	\$3,524,000

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

3 (1) \$25,000 of the department of retirement systems--state
4 appropriation is provided solely for the continued study of local
5 government liabilities for postretirement medical benefits for members
6 of plan 1 of the law enforcement officers' and firefighters' retirement
7 system.

8 (2) \$51,000 of the department of retirement systems expense
9 account--state appropriation is provided solely for the state actuary
10 to contract with the Washington state institute for public policy for
11 a study of the disability benefits provided to the plan 2 and plan 3
12 members of the public employees' retirement system, the teachers'
13 retirement system, and the school employees' retirement system. Among
14 the options the institute shall examine include statutory changes to
15 the retirement systems and insurance products. The institute shall
16 report its findings and recommendations to the select committee on
17 pension policy by November 1, 2009.

18 (3) \$30,000 of the department of retirement systems expense
19 account--state appropriation is provided solely for the state actuary
20 to contract with the Washington state institute for public policy to
21 continue the study of long-term disability benefits for public
22 employees as authorized by subsection (2) of this section during the
23 2010 legislative interim. The purpose of the study is to develop the
24 options identified in the 2009 legislative interim disability benefit
25 study, including options related to the public employees' benefits
26 board programs, other long-term disability insurance programs, and
27 public employee retirement system benefits. The institute shall report
28 no later than November 17, 2010, new findings and any additional
29 recommendations on the options to the select committee on pension
30 policy, the senate committee on ways and means, and the house committee
31 on ways and means. The Washington state institute for public policy
32 shall work with the health care authority to coordinate analysis and
33 recommendations with its contracted disability vendor and appropriate
34 stakeholders.

35 (4) \$175,000 of the general fund--state appropriation for fiscal
36 year 2010 is provided solely for the office of the state actuary to
37 conduct an independent assessment of alternatives for assuring the
38 long-term financial solvency of the guaranteed education tuition

1 program including suspension of the program. In conducting this
2 review, the office may contract for assistance, and shall consult with
3 the higher education coordinating board, the operating budget
4 committees of the legislature, the office of financial management, and
5 the state's public colleges and universities. The office shall report
6 findings, an assessment of the major alternatives, and suggested
7 actions to the governor and to the relevant legislative committees by
8 November 15, 2009.

9 (5) Following the report required in subsection (4) of this
10 section, and for the remainder of the 2009-2011 biennium, the office of
11 the state actuary shall provide actuarial assistance to the committee
12 on advanced tuition payments pursuant to chapter 28B.95 RCW.
13 Reimbursement for services shall be made to the state actuary under RCW
14 39.34.130.

15 **Sec. 103.** 2010 1st sp.s. c 37 s 106 (uncodified) is amended to
16 read as follows:

17 **FOR THE JOINT LEGISLATIVE SYSTEMS COMMITTEE**

18	General Fund--State Appropriation (FY 2010)	\$8,652,000
19	General Fund--State Appropriation (FY 2011)	(\$8,506,000)
20		<u>\$7,971,000</u>
21	TOTAL APPROPRIATION	(\$17,158,000)
22		<u>\$16,623,000</u>

23 **Sec. 104.** 2010 1st sp.s. c 37 s 107 (uncodified) is amended to
24 read as follows:

25 **FOR THE STATUTE LAW COMMITTEE**

26	General Fund--State Appropriation (FY 2010)	\$4,611,000
27	General Fund--State Appropriation (FY 2011)	(\$4,864,000)
28		<u>\$4,558,000</u>
29	TOTAL APPROPRIATION	(\$9,475,000)
30		<u>\$9,169,000</u>

31 **Sec. 105.** 2010 2nd sp.s. c 1 s 105 (uncodified) is amended to read
32 as follows:

33 **FOR THE REDISTRICTING COMMISSION**

34	General Fund--State Appropriation (FY 2011)	(\$992,000)
35		<u>\$1,045,000</u>

1 The appropriations in this section are subject to the following
 2 conditions and limitations: (~~(\$505,000)~~) \$473,000 of the general
 3 fund--state appropriation for fiscal year 2011 is provided solely for
 4 the support of legislative redistricting efforts. Prior to the
 5 appointment of the redistricting commission, the secretary of the
 6 senate and chief clerk of the house of representatives may jointly
 7 authorize the expenditure of these funds to facilitate preparations for
 8 the 2012 redistricting effort. Following the appointment of the
 9 commission, the house of representatives and senate shall enter into an
 10 interagency agreement with the commission authorizing the continued
 11 expenditure of these funds for legislative redistricting support.

12 **Sec. 106.** 2010 2nd sp.s. c 1 s 109 (uncodified) is amended to read
 13 as follows:

14 **FOR THE ADMINISTRATOR FOR THE COURTS**

15	General Fund--State Appropriation (FY 2010)	\$52,644,000
16	General Fund--State Appropriation (FY 2011)	((\$49,760,000))
17		<u>\$49,260,000</u>
18	General Fund--Federal Appropriation	\$979,000
19	Judicial Information Systems Account--State	
20	Appropriation	\$33,406,000
21	Judicial Stabilization Trust Account--State	
22	Appropriation	\$6,598,000
23	TOTAL APPROPRIATION	((\$143,387,000))
24		<u>\$142,887,000</u>

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

27 (1) \$1,800,000 of the general fund--state appropriation for fiscal
 28 year 2010 and (~~(\$1,687,000)~~) \$1,387,000 of the general fund--state
 29 appropriation for fiscal year 2011 are provided solely for school
 30 districts for petitions to juvenile court for truant students as
 31 provided in RCW 28A.225.030 and 28A.225.035. The office of the
 32 administrator for the courts shall develop an interagency agreement
 33 with the superintendent of public instruction to allocate the funding
 34 provided in this subsection. Allocation of this money to school
 35 districts shall be based on the number of petitions filed. This
 36 funding includes amounts school districts may expend on the cost of
 37 serving petitions filed under RCW 28A.225.030 by certified mail or by

1 personal service or for the performance of service of process for any
2 hearing associated with RCW 28A.225.030. Absences from school
3 occurring in the months of May and June 2011 do not count towards the
4 number of absences allowed under RCW 28A.225.030. Reductions in
5 appropriations in this section reflect reduced workload associated with
6 filing petitions generated through absences occurring in May and June.

7 (2)(a) \$8,252,000 of the general fund--state appropriation for
8 fiscal year 2010 and (~~(\$7,734,000)~~) \$7,534,000 of the general fund--
9 state appropriation for fiscal year 2011 are provided solely for
10 distribution to county juvenile court administrators to fund the costs
11 of processing truancy, children in need of services, and at-risk youth
12 petitions. The administrator for the courts, in conjunction with the
13 juvenile court administrators, shall develop an equitable funding
14 distribution formula. The formula shall neither reward counties with
15 higher than average per-petition processing costs nor shall it penalize
16 counties with lower than average per-petition processing costs.

17 (b) Each fiscal year during the 2009-11 fiscal biennium, each
18 county shall report the number of petitions processed and the total
19 actual costs of processing truancy, children in need of services, and
20 at-risk youth petitions. Counties shall submit the reports to the
21 administrator for the courts no later than 45 days after the end of the
22 fiscal year. The administrator for the courts shall electronically
23 transmit this information to the chairs and ranking minority members of
24 the house of representatives appropriations committee and the senate
25 ways and means committee no later than 60 days after a fiscal year
26 ends. These reports are deemed informational in nature and are not for
27 the purpose of distributing funds.

28 (3) The distributions made under this subsection and distributions
29 from the county criminal justice assistance account made pursuant to
30 section 801 of this act constitute appropriate reimbursement for costs
31 for any new programs or increased level of service for purposes of RCW
32 43.135.060.

33 (4) \$5,700,000 of the judicial information systems account--state
34 appropriation is provided solely for modernization and integration of
35 the judicial information system.

36 (a) Of this amount, \$1,700,000 is for the development of a
37 comprehensive enterprise-level information technology strategy and
38 detailed business and operational plans in support of that strategy,

1 and \$4,000,000 is to continue to modernize and integrate current
2 systems and enhance case management functionality on an incremental
3 basis.

4 (b) The amount provided in this subsection may not be expended
5 without prior approval by the judicial information system committee.
6 The administrator shall regularly submit project plan updates for
7 approval to the judicial information system committee.

8 (c) The judicial information system committee shall review project
9 progress on a regular basis and may require quality assurance plans.
10 The judicial information systems committee shall provide a report to
11 the appropriate committees of the legislature no later than November 1,
12 2011, on the status of the judicial information system modernization
13 and integration, and the consistency of the project with the state's
14 architecture, infrastructure and statewide enterprise view of service
15 delivery.

16 (d) \$100,000 of the judicial information systems account--state
17 appropriation is provided solely for the administrative office of the
18 courts, in coordination with the judicial information system committee,
19 to conduct an independent third-party executive-level review of the
20 judicial information system. This review shall examine, at a minimum,
21 the scope of the current project plan, governance structure, and
22 organizational change management procedures. The review will also
23 benchmark the system plans against similarly sized projects in other
24 states or localities, review the large scale program risks, and
25 estimate life cycle costs, including capital and on-going operational
26 expenditures.

27 (5) \$3,000,000 of the judicial information systems account--state
28 appropriation is provided solely for replacing computer equipment at
29 state courts, and at state judicial agencies. The administrator for
30 the courts shall prioritize equipment replacement purchasing and shall
31 fund those items that are most essential or critical. By October 1,
32 2010, the administrative office of the courts shall report to the
33 appropriate legislative fiscal committees on expenditures for equipment
34 under this subsection.

35 (6) \$12,000 of the judicial information systems account--state
36 appropriation is provided solely to implement Engrossed Substitute
37 House Bill No. 1954 (sealing juvenile records). If the bill is not

1 enacted by June 30, 2009, the amount provided in this subsection shall
2 lapse.

3 (7) \$106,000 of the general fund--state appropriation for fiscal
4 year 2010 and \$106,000 of the general fund--state appropriation for
5 fiscal year 2011 are provided solely for the twenty-third superior
6 court judge position in Pierce county. The funds appropriated in this
7 subsection shall be expended only if the judge is appointed and serving
8 on the bench.

9 (8) It is the intent of the legislature that the reductions in
10 appropriations in this section shall be achieved, to the greatest
11 extent possible, by reducing those state government administrative
12 costs that do not affect direct client services or direct service
13 delivery or programs. The agency shall, to the greatest extent
14 possible, reduce spending in those areas that shall have the least
15 impact on implementing its mission.

16 (9) \$44,000 of the judicial information systems account--state
17 appropriation is provided solely to implement chapter 272, Laws of 2010
18 (SHB 2680; guardianship).

19 (10) \$274,000 of the general fund--state appropriation for fiscal
20 year 2011 is provided solely for the office of public guardianship to
21 provide guardianship services for low-income incapacitated persons.

22 (11) \$3,797,000 of the judicial information systems account--state
23 appropriation is provided solely for continued planning and
24 implementation of improvements to the court case management system.

25 (12) In accordance with RCW 43.135.055, the administrative office
26 of the courts is authorized to adopt and increase the fees set forth in
27 and previously authorized in section 6, chapter 491, Laws of 2009.

28 **Sec. 107.** 2010 2nd sp.s. c 1 s 114 (uncodified) is amended to read
29 as follows:

30 **FOR THE SECRETARY OF STATE**

31	General Fund--State Appropriation (FY 2010)	\$21,105,000
32	General Fund--State Appropriation (FY 2011)	((\$13,535,000))
33		<u>\$13,612,000</u>
34	General Fund--Federal Appropriation	\$8,082,000
35	Archives and Records Management Account--State	
36	Appropriation	\$8,990,000
37	Charitable Organization Education Account--State	

1	Appropriation	\$76,000
2	Department of Personnel Service Account--State	
3	Appropriation	\$757,000
4	Election Account--State Appropriation	\$77,000
5	Local Government Archives Account--State	
6	Appropriation	\$11,515,000
7	Election Account--Federal Appropriation	\$31,163,000
8	TOTAL APPROPRIATION	(\$95,300,000)
9		<u>\$95,377,000</u>

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

12 (1) \$4,101,000 of the general fund--state appropriation for fiscal
13 year 2010 is provided solely to reimburse counties for the state's
14 share of primary and general election costs and the costs of conducting
15 mandatory recounts on state measures. Counties shall be reimbursed
16 only for those odd-year election costs that the secretary of state
17 validates as eligible for reimbursement.

18 (2)(a) \$1,897,000 of the general fund--state appropriation for
19 fiscal year 2010 and \$1,845,000 of the general fund--state
20 appropriation for fiscal year 2011 are provided solely for contracting
21 with a nonprofit organization to produce gavel-to-gavel television
22 coverage of state government deliberations and other events of
23 statewide significance during the 2009-2011 biennium. The funding
24 level for each year of the contract shall be based on the amount
25 provided in this subsection. The nonprofit organization shall be
26 required to raise contributions or commitments to make contributions,
27 in cash or in kind, in an amount equal to forty percent of the state
28 contribution. The office of the secretary of state may make full or
29 partial payment once all criteria in this subsection have been
30 satisfactorily documented.

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

36 (c) The nonprofit organization shall prepare an annual independent
37 audit, an annual financial statement, and an annual report, including

1 benchmarks that measure the success of the nonprofit organization in
2 meeting the intent of the program.

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

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

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

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

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

17 (4) In implementing budget reductions, the office of the secretary
18 of state must make its first priority to maintain funding for the
19 elections division.

20 (5) \$76,000 of the charitable organization education account--state
21 appropriation for fiscal year 2011 is provided solely to implement
22 Second Substitute House Bill No. 2576 (corporation and charity fees).
23 If the bill is not enacted by June 30, 2010, the amount provided in
24 this subsection shall lapse.

25 (6) \$77,000 of the general fund--state appropriation for fiscal
26 year ((2010)) 2011 is provided solely for deposit to the election
27 account.

28 **Sec. 108.** 2010 1st sp.s. c 37 s 118 (uncodified) is amended to
29 read as follows:

30 **FOR THE PUBLIC DISCLOSURE COMMISSION**

31	General Fund--State Appropriation (FY 2010)	\$2,249,000
32	General Fund--State Appropriation (FY 2011)	((\$2,212,000))
33		<u>\$1,969,000</u>
34	TOTAL APPROPRIATION	((\$4,461,000))
35		<u>\$4,218,000</u>

1 **Sec. 109.** 2010 1st sp.s. c 37 s 120 (uncodified) is amended to
2 read as follows:

3 **FOR THE GOVERNOR'S OFFICE OF INDIAN AFFAIRS**

4	General Fund--State Appropriation (FY 2010)	\$275,000
5	General Fund--State Appropriation (FY 2011)	(\$262,000)
6		<u>\$233,000</u>
7	TOTAL APPROPRIATION	(\$537,000)
8		<u>\$508,000</u>

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

19 **Sec. 110.** 2010 1st sp.s. c 37 s 121 (uncodified) is amended to
20 read as follows:

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

22	General Fund--State Appropriation (FY 2010)	\$216,000
23	General Fund--State Appropriation (FY 2011)	(\$236,000)
24		<u>\$221,000</u>
25	TOTAL APPROPRIATION	(\$452,000)
26		<u>\$437,000</u>

27 **Sec. 111.** 2010 1st sp.s. c 37 s 123 (uncodified) is amended to
28 read as follows:

29 **FOR THE STATE AUDITOR**

30	General Fund--State Appropriation (FY 2010)	\$722,000
31	General Fund--State Appropriation (FY 2011)	(\$717,000)
32		<u>\$638,000</u>
33	State Auditing Services Revolving	
34	Account--State Appropriation	\$10,749,000
35	TOTAL APPROPRIATION	(\$12,188,000)
36		<u>\$12,109,000</u>

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

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

8 (2) \$722,000 of the general fund--state appropriation for fiscal
9 year 2010 and (~~\$717,000~~) \$638,000 of the general fund--state
10 appropriation for fiscal year 2011 are provided solely for staff and
11 related costs to verify the accuracy of reported school district data
12 submitted for state funding purposes; conduct school district program
13 audits of state funded public school programs; establish the specific
14 amount of state funding adjustments whenever audit exceptions occur and
15 the amount is not firmly established in the course of regular public
16 school audits; and to assist the state special education safety net
17 committee when requested.

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

26 (4) The legislature finds that the major changes in personnel
27 funding in this budget and the long term effects of the ongoing
28 economic recession combine with structural changes in the nature of
29 work and employment in many state agencies to require a continuing
30 review of the workforce examination begun under chapter 534, Laws of
31 2009 (exempt employment practices). The legislature notes the ongoing
32 management reforms of the Washington management service being
33 undertaken by the department of personnel, and anticipates a continuing
34 legislative committee examination of the architecture and cost of the
35 state's career and executive workforce. To that end, the office of
36 state auditor is invited to provide by September 1, 2010, a general
37 survey of new and best practices for executive and career workforce
38 management now in use by other states and relevant industries.

1 **Sec. 112.** 2010 1st sp.s. c 37 s 124 (uncodified) is amended to
2 read as follows:

3 **FOR THE CITIZENS' COMMISSION ON SALARIES FOR ELECTED OFFICIALS**

4	General Fund--State Appropriation (FY 2010)	\$168,000
5	General Fund--State Appropriation (FY 2011)	(\$206,000)
6		<u>\$193,000</u>
7	TOTAL APPROPRIATION	(\$374,000)
8		<u>\$361,000</u>

9 **Sec. 113.** 2010 2nd sp.s. c 1 s 115 (uncodified) is amended to read
10 as follows:

11 **FOR THE ATTORNEY GENERAL**

12	General Fund--State Appropriation (FY 2010)	\$5,732,000
13	General Fund--State Appropriation (FY 2011)	\$5,272,000
14	General Fund--Federal Appropriation	\$4,026,000
15	New Motor Vehicle Arbitration Account--State	
16	Appropriation	\$1,350,000
17	Legal Services Revolving Account--State	
18	Appropriation	(\$220,909,000)
19		<u>\$224,523,000</u>
20	Tobacco Prevention and Control Account--State	
21	Appropriation	\$270,000
22	TOTAL APPROPRIATION	(\$237,559,000)
23		<u>\$241,173,000</u>

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

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

36 (2) Prior to entering into any negotiated settlement of a claim
37 against the state that exceeds five million dollars, the attorney

1 general shall notify the director of financial management and the
2 chairs of the senate committee on ways and means and the house of
3 representatives committee on ways and means.

4 (3) The office of the attorney general is authorized to expend
5 \$2,100,000 from the Zyprexa and other cy pres awards towards consumer
6 protection costs in accordance with uses authorized in the court
7 orders.

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

15 (5) The executive ethics board must produce a report by the end of
16 the calendar year for the legislature regarding performance measures on
17 the efficiency and effectiveness of the board, as well as on
18 performance measures to measure and monitor the ethics and integrity of
19 all state agencies.

20 (6) \$53,000 of the legal services revolving account--state
21 appropriation is provided solely to implement Engrossed Second
22 Substitute House Bill No. 3026 (school district compliance with state
23 and federal civil rights laws).

24 **Sec. 114.** 2010 1st sp.s. c 37 s 126 (uncodified) is amended to
25 read as follows:

26 **FOR THE CASELOAD FORECAST COUNCIL**

27	General Fund--State Appropriation (FY 2010)	\$766,000
28	General Fund--State Appropriation (FY 2011)	(\$742,000)
29		<u>\$660,000</u>
30	TOTAL APPROPRIATION	(\$1,508,000)
31		<u>\$1,426,000</u>

32 The appropriations in this section are subject to the following
33 conditions and limitations: \$13,000 of the general fund--state
34 appropriation for fiscal year 2010 and \$7,000 of the general fund--
35 state appropriation for fiscal year 2011 are for the implementation of
36 Second Substitute House Bill No. 2106 (improving child welfare outcomes

1 through the phased implementation of strategic and proven reforms). If
2 the bill is not enacted by June 30, 2009, the amounts provided in this
3 subsection shall lapse.

4 **Sec. 115.** 2010 1st sp.s. c 37 s 127 (uncodified) is amended to
5 read as follows:

6 **FOR THE DEPARTMENT OF COMMERCE**

7	General Fund--State Appropriation (FY 2010)	\$49,670,000
8	General Fund--State Appropriation (FY 2011)	(\$40,577,000)
9		<u>\$36,739,000</u>
10	General Fund--Federal Appropriation	(\$381,918,000)
11		<u>\$385,601,000</u>
12	General Fund--Private/Local Appropriation	(\$10,622,000)
13		<u>\$10,972,000</u>
14	Public Works Assistance Account--State	
15	Appropriation	\$2,974,000
16	Tourism Development and Promotion Account--State	
17	Appropriation	(\$1,003,000)
18		<u>\$798,000</u>
19	Drinking Water Assistance Administrative	
20	Account--State Appropriation	\$433,000
21	Lead Paint Account--State Appropriation	\$35,000
22	Building Code Council Account--State Appropriation	\$688,000
23	Home Security Fund Account--State Appropriation	(\$25,486,000)
24		<u>\$24,486,000</u>
25	Affordable Housing for All Account--State	
26	Appropriation	\$11,896,000
27	Washington Auto Theft Prevention Authority	
28	Account--State Appropriation	\$300,000
29	Independent Youth Housing Account--State	
30	Appropriation	\$220,000
31	County Research Services Account--State Appropriation	\$469,000
32	Community Preservation and Development Authority	
33	Account--State Appropriation	\$350,000
34	Financial Fraud and Identity Theft Crimes Investigation	
35	and Prosecution Account--State Appropriation	\$1,166,000
36	Low-Income Weatherization Assistance Account--State	
37	Appropriation	\$6,882,000

1	City and Town Research Services Account--State	
2	Appropriation	\$2,246,000
3	Manufacturing Innovation and Modernization	
4	Account--State Appropriation	\$230,000
5	Community and Economic Development Fee	
6	Account--State Appropriation	\$6,922,000
7	Washington Housing Trust Account--State	
8	Appropriation	\$15,348,000
9	Prostitution Prevention and Intervention Account--	
10	State Appropriation	\$125,000
11	Public Facility Construction Loan Revolving	
12	Account--State Appropriation	\$754,000
13	TOTAL APPROPRIATION	(\$560,314,000)
14		<u>\$559,304,000</u>

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

17 (1) \$2,378,000 of the general fund--state appropriation for fiscal
18 year 2010 and (~~\$2,379,000~~) \$2,117,000 of the general fund--state
19 appropriation for fiscal year 2011 are provided solely for a contract
20 with the Washington technology center for work essential to the mission
21 of the Washington technology center and conducted in partnership with
22 universities.

23 (2) Repayments of outstanding loans granted under RCW 43.63A.600,
24 the mortgage and rental assistance program, shall be remitted to the
25 department, including any current revolving account balances. The
26 department shall collect payments on outstanding loans, and deposit
27 them into the state general fund. Repayments of funds owed under the
28 program shall be remitted to the department according to the terms
29 included in the original loan agreements.

30 (3) \$100,000 of the general fund--state appropriation for fiscal
31 year 2010 and (~~\$100,000~~) \$89,000 of the general fund--state
32 appropriation for fiscal year 2011 are provided solely to implement
33 section 2(7) of Engrossed Substitute House Bill No. 1959 (land use and
34 transportation planning for marine container ports).

35 (4) \$102,000 of the building code council account--state
36 appropriation is provided solely for the implementation of sections 3
37 and 7 of Engrossed Second Substitute Senate Bill No. 5854 (built

1 environment pollution). If sections 3 and 7 of the bill are not
2 enacted by June 30, 2009, the amounts provided in this subsection shall
3 lapse.

4 (5)(a) \$10,500,000 of the general fund--federal appropriation is
5 provided for training and technical assistance associated with low
6 income weatherization programs. Subject to federal requirements, the
7 department shall provide: (i) Up to \$4,000,000 to the state board for
8 community and technical colleges to provide workforce training related
9 to weatherization and energy efficiency; (ii) up to \$3,000,000 to the
10 Bellingham opportunity council to provide workforce training related to
11 energy efficiency and weatherization; and (iii) up to \$3,500,000 to
12 community-based organizations and to community action agencies
13 consistent with the provisions of Engrossed Second Substitute House
14 Bill No. 2227 (evergreen jobs act). Any funding remaining shall be
15 expended in project 91000013, weatherization, in the omnibus capital
16 appropriations act, Substitute House Bill No. 1216 (capital budget).

17 (b) \$6,787,000 of the general fund--federal appropriation is
18 provided solely for the state energy program, including not less than
19 \$5,000,000 to provide credit enhancements consistent with the
20 provisions of Engrossed Second Substitute Senate Bill No. 5649 (energy
21 efficiency in buildings).

22 (c) Of the general fund--federal appropriation the department shall
23 provide: \$14,500,000 to the Washington State University for the
24 purpose of making grants for pilot projects providing community-wide
25 urban, residential, and commercial energy efficiency upgrades
26 consistent with the provisions of Engrossed Second Substitute Senate
27 Bill No. 5649 (energy efficiency in buildings); \$500,000 to Washington
28 State University to conduct farm energy assessments. In contracting
29 with the Washington State University for the provision of these
30 services, the total administration of Washington State University and
31 the department shall not exceed 3 percent of the amounts provided.

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

36 (e) \$10,646,000 of the general fund--federal appropriation is
37 provided pursuant to the energy efficiency and conservation block grant
38 under the American reinvestment and recovery act. The department may

1 use up to \$3,000,000 of the amount provided in this subsection to
2 provide technical assistance for energy programs administered by the
3 agency under the American reinvestment and recovery act.

4 (6) \$14,000 of the general fund--state appropriation for fiscal
5 year 2010 is provided solely for the implementation of Engrossed Second
6 Substitute Senate Bill No. 5560 (state agency climate leadership). If
7 the bill is not enacted by June 30, 2009, the amount provided in this
8 subsection shall lapse.

9 (7) \$22,400,000 of the general fund--federal appropriation is
10 provided solely for the justice assistance grant program and is
11 contingent upon the department transferring: \$1,200,000 to the
12 department of corrections for security threat mitigation, \$2,336,000 to
13 the department of corrections for offender reentry, \$1,960,000 to the
14 Washington state patrol for law enforcement activities, \$2,087,000 to
15 the department of social and health services, division of alcohol and
16 substance abuse for drug courts, and \$428,000 to the department of
17 social and health services for sex abuse recognition training. The
18 remaining funds shall be distributed by the department to local
19 jurisdictions.

20 (8) \$20,000 of the general fund--state appropriation for fiscal
21 year 2010 and (~~(\$20,000)~~) \$18,000 of the general fund--state
22 appropriation for fiscal year 2011 are provided solely for a grant to
23 KCTS public television to support Spanish language programming and the
24 V-me Spanish language channel.

25 (9) \$500,000 of the general fund--state appropriation for fiscal
26 year 2010 and (~~(\$500,000)~~) \$447,000 of the general fund--state
27 appropriation for fiscal year 2011 are provided solely for a grant to
28 resolution Washington to building statewide capacity for alternative
29 dispute resolution centers and dispute resolution programs that
30 guarantee that citizens have access to low-cost resolution as an
31 alternative to litigation.

32 (10) \$30,000 of the general fund--state appropriation for fiscal
33 year 2010 is provided solely for implementation of Engrossed Second
34 Substitute Senate Bill No. 6015 (commercialization of technology). If
35 the bill is not enacted by June 30, 2009, the amount provided in this
36 subsection shall lapse.

37 (11) By June 30, 2011, the department shall request information
38 that describes what jurisdictions have adopted, or are in the process

1 of adopting, plans that address RCW 36.70A.020 and helps achieve the
2 greenhouse gas emission reductions established in RCW 70.235.020. This
3 information request in this subsection applies to jurisdictions that
4 are required to review and if necessary revise their comprehensive
5 plans in accordance with RCW 36.70A.130.

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

12 (13) \$50,000 of the general fund--state appropriation for fiscal
13 year 2010 and (~~(\$50,000)~~) \$35,000 of the general fund--state
14 appropriation for fiscal year 2011 are provided solely for a grant for
15 the state's participation in the Pacific Northwest economic region.

16 (14) \$712,000 of the general fund--state appropriation for fiscal
17 year 2010 and (~~(\$712,000)~~) \$559,000 of the general fund--state
18 appropriation for fiscal year 2011 are provided solely to the office of
19 crime victims advocacy. These funds shall be contracted with the 39
20 county prosecuting attorneys' offices to support victim-witness
21 services. The funds must be prioritized to ensure a full-time victim-
22 witness coordinator in each county. The office may retain only the
23 amount currently allocated for this activity for administrative costs.

24 (15) \$306,000 of the general fund--state appropriation for fiscal
25 year 2010 and (~~(\$306,000)~~) \$274,000 of the general fund--state
26 appropriation for fiscal year 2011 are provided solely for a grant to
27 the retired senior volunteer program.

28 (16) \$65,000 of the general fund--state appropriation for fiscal
29 year 2010 is provided solely for a contract with a food distribution
30 program for communities in the southwestern portion of the state and
31 for workers impacted by timber and salmon fishing closures and
32 reductions. The department may not charge administrative overhead or
33 expenses to the funds provided in this subsection.

34 (17) \$371,000 of the general fund--state appropriation for fiscal
35 year 2010 and (~~(\$371,000)~~) \$290,000 of the general fund--state
36 appropriation for fiscal year 2011 are provided solely to the northwest
37 agriculture business center.

1 (18) The department shall administer its growth management act
2 technical assistance so that smaller cities receive proportionately
3 more assistance than larger cities or counties.

4 (19) \$212,000 of the general fund--federal appropriation is
5 provided solely for implementation of Second Substitute House Bill No.
6 1172 (development rights transfer). If the bill is not enacted by June
7 30, 2009, the amount provided in this subsection shall lapse.

8 (20) \$69,000 of the general fund--state appropriation for fiscal
9 year 2010 and (~~(\$66,000)~~) \$60,000 of the general fund--state
10 appropriation for fiscal year 2011 are provided solely for
11 implementation of Engrossed Second Substitute House Bill No. 2227
12 (evergreen jobs act). If the bill is not enacted by June 30, 2009, the
13 amounts provided in this subsection shall lapse.

14 (21) \$350,000 of the community development and preservation
15 authority account--state appropriation is provided solely for a grant
16 to a community development authority established under chapter 43.167
17 RCW. The community preservation and development's board of directors
18 may contract with nonprofit community organizations to aid in
19 mitigating the effects of increased public impact on urban
20 neighborhoods due to events in stadia that have a capacity of over
21 50,000 spectators.

22 (22) \$300,000 of the Washington auto theft prevention authority
23 account--state appropriation is provided solely for a contract with a
24 community group to build local community capacity and economic
25 development within the state by strengthening political relationships
26 between economically distressed communities and governmental
27 institutions. The community group shall identify opportunities for
28 collaboration and initiate activities and events that bring community
29 organizations, local governments, and state agencies together to
30 address the impacts of poverty, political disenfranchisement, and
31 economic inequality on communities of color. These funds must be
32 matched by other nonstate sources on an equal basis.

33 (23) \$1,800,000 of the home security fund--state appropriation is
34 provided for transitional housing assistance or partial payments for
35 rental assistance under the independent youth housing program.

36 (24) \$5,000,000 of the home security fund--state appropriation is
37 provided solely for the operation, repair, and staffing of shelters in
38 the homeless family shelter program.

1 (25) \$253,000 of the general fund--state appropriation for fiscal
2 year 2010 and (~~(\$283,000)~~) \$253,000 of the general fund--state
3 appropriation for fiscal year 2011 are provided solely for the
4 Washington new Americans program.

5 (26) \$438,000 of the general fund--state appropriation for fiscal
6 year 2010 and (~~(\$438,000)~~) \$394,000 of the general fund--state
7 appropriation for fiscal year 2011 are provided solely for the
8 Washington asset building coalitions.

9 (~~(+29)~~) (27) \$3,231,000 of the general fund--state appropriation
10 for fiscal year 2010 and (~~(\$3,231,000)~~) \$2,953,000 of the general
11 fund--state appropriation for fiscal year 2011 are provided solely for
12 associate development organizations.

13 (~~(+30)~~) (28) \$5,400,000 of the community and economic development
14 fee account is provided as follows: \$1,000,000 is provided solely for
15 the department of commerce for services for homeless families through
16 the Washington families fund; \$2,600,000 is provided solely for housing
17 trust fund operations and maintenance; \$800,000 is provided solely for
18 housing trust fund portfolio management; \$500,000 is provided solely
19 for foreclosure counseling and support; and \$500,000 is provided solely
20 for use as a reserve in the account.

21 (~~(+32)~~ ~~-\$250,000~~) (29) \$237,000 of the general fund--state
22 appropriation for fiscal year 2011 is provided solely for the
23 department to administer a competitive grant program to fund economic
24 development activities designed to further regional cluster growth and
25 to integrate its sector-based and cluster-based strategies with its
26 support for the development of innovation partnership zones. Grant
27 recipients must provide matching funds equal to the size of the grant.
28 Grants may be awarded to support the formation of sector associations
29 or cluster associations, the identification of the technology and
30 commercialization needs of a sector or cluster, facilitating working
31 relationships between a sector association or cluster association and
32 an innovation partnership zone, expanding the operations of an
33 innovation partnership zone, and developing and implementing plans to
34 meet the technology development and commercialization needs of industry
35 sectors, industry clusters, and innovation partnership zones. The
36 projects receiving grants must not duplicate the purpose or efforts of
37 industry skill panels but priority must be given to applicants that

1 complement industry skill panels and will use the grant funds to build
2 linkages and joint projects.

3 ~~((33) \$100,000))~~ (30) \$62,000 of the general fund--state
4 appropriation for fiscal year 2011 is provided solely to:

5 (a) Develop a rural manufacturer export outreach program in
6 conjunction with impact Washington. The program must provide outreach
7 services to rural manufacturers in Washington to inform them of the
8 importance of and opportunities in international trade, and to inform
9 them of the export assistance programs available to assist these
10 businesses to become exporters; and

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

14 ~~((34) \$1,000,000))~~ (31) \$750,000 of the general fund--state
15 appropriation for fiscal year 2011 is provided solely to implement the
16 provisions of chapter 13, Laws of 2010 (global health program).

17 ~~((35))~~ (32) \$50,000 of the general fund--state appropriation for
18 fiscal year 2011 is provided solely for the creation of the Washington
19 entrepreneurial development and small business reference service in the
20 department of commerce.

21 (a) The department must:

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

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

28 (B) Disseminate information about available entrepreneurial
29 development and small business assistance services, programs, and
30 resources via in-person presentations and electronic and printed
31 materials and undertake other activities to raise awareness of
32 entrepreneurial training and small business assistance offerings; and

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

37 (ii) Assist providers of entrepreneurial development and small

1 business assistance services in applying for federal and private
2 funding to support the entrepreneurial development and small business
3 assistance activities in the state;

4 (iii) Distribute awards for excellence in entrepreneurial training
5 and small business assistance; and

6 (iv) Report to the governor, the economic development commission,
7 the work force training and education coordinating board, and the
8 appropriate legislative committees its recommendations for statutory
9 changes necessary to enhance operational efficiencies or enhance
10 coordination related to entrepreneurial development and small business
11 assistance.

12 (b) In carrying out the duties under this section, the department
13 must seek the advice of small business owners and advocates, the
14 Washington economic development commission, the work force training and
15 education coordinating board, the state board for community and
16 technical colleges, the employment security department, the Washington
17 state microenterprise association, associate development organizations,
18 impact Washington, the Washington quality award council, the Washington
19 technology center, the small business export finance assistance center,
20 the Spokane intercollegiate research and technology institute,
21 representatives of the University of Washington business school and the
22 Washington State University college of business and economics, the
23 office of minority and women's business enterprises, the Washington
24 economic development finance authority, and staff from small business
25 development centers.

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

29 ((~~37~~—\$50,000)) (33) \$45,000 of the general fund--state
30 appropriation for fiscal year 2011 is provided solely for a grant to
31 HistoryLink.

32 **Sec. 116.** 2010 1st sp.s. c 37 s 128 (uncodified) is amended to
33 read as follows:

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

35	General Fund--State Appropriation (FY 2010)	\$711,000
36	General Fund--State Appropriation (FY 2011)	((\$772,000))
37		<u>\$723,000</u>

1 TOTAL APPROPRIATION ((~~\$1,483,000~~))
2 \$1,434,000

3 The appropriations in this section are subject to the following
4 conditions and limitations: The economic and revenue forecast council,
5 in its quarterly revenue forecasts, shall forecast the total revenue
6 for the state lottery.

7 **Sec. 117.** 2010 1st sp.s. c 37 s 130 (uncodified) is amended to read
8 as follows:

9 **FOR THE OFFICE OF ADMINISTRATIVE HEARINGS**

10 Administrative Hearings Revolving
11 Account--State Appropriation ((~~\$33,978,000~~))
12 \$34,468,000

13 The appropriation in this section is subject to the following
14 conditions and limitations: \$725,000 of the administrative hearings
15 revolving account--state appropriation is provided solely to implement
16 Engrossed Second Substitute House Bill No. 2782 (security lifeline
17 act). If the bill is not enacted by June 30, 2010, the amount provided
18 in this subsection shall lapse.

19 **Sec. 118.** 2010 1st sp.s. c 37 s 133 (uncodified) is amended to
20 read as follows:

21 **FOR THE COMMISSION ON HISPANIC AFFAIRS**

22 General Fund--State Appropriation (FY 2010) \$250,000
23 General Fund--State Appropriation (FY 2011) ((~~\$255,000~~))
24 \$227,000
25 TOTAL APPROPRIATION ((~~\$505,000~~))
26 \$477,000

27 **Sec. 119.** 2010 1st sp.s. c 37 s 134 (uncodified) is amended to
28 read as follows:

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

30 General Fund--State Appropriation (FY 2010) \$243,000
31 General Fund--State Appropriation (FY 2011) ((~~\$236,000~~))
32 \$210,000
33 TOTAL APPROPRIATION ((~~\$479,000~~))
34 \$453,000

1 **Sec. 120.** 2010 2nd sp.s. c 1 s 117 (uncodified) is amended to read
2 as follows:

3 **FOR THE DEPARTMENT OF REVENUE**

4	General Fund--State Appropriation (FY 2010)	\$109,472,000
5	General Fund--State Appropriation (FY 2011)	(\$113,279,000)
6		<u>\$107,662,000</u>
7	Timber Tax Distribution Account--State	
8	Appropriation	\$5,933,000
9	Waste Reduction/Recycling/Litter	
10	Control--State Appropriation	\$130,000
11	Waste Tire Removal Account--State Appropriation	\$2,000
12	Real Estate Excise Tax Grant Account--State	
13	Appropriation	\$3,429,000
14	State Toxics Control Account--State Appropriation	\$87,000
15	Oil Spill Prevention Account--State Appropriation	\$19,000
16	TOTAL APPROPRIATION	(\$232,351,000)
17		<u>\$226,734,000</u>

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

20 (1) \$469,000 of the general fund--state appropriation for fiscal
21 year 2010 and \$374,000 of the general fund--state appropriation for
22 fiscal year 2011 are for the implementation of Substitute Senate Bill
23 No. 5368 (annual property revaluation). If the bill is not enacted by
24 June 30, 2009, the amounts in this subsection shall lapse.

25 (2) \$4,653,000 of the general fund--state appropriation for fiscal
26 year 2010 and \$4,242,000 of the general fund--state appropriation for
27 fiscal year 2011 are for the implementation of revenue enhancement
28 strategies. The strategies must include increased out-of-state
29 auditing and compliance, the purchase of third party data sources for
30 enhanced audit selection, and increased traditional auditing and
31 compliance efforts.

32 (3) \$3,127,000 of the general fund--state appropriation for fiscal
33 year 2010 and \$1,737,000 of the general fund--state appropriation for
34 fiscal year 2011 are for the implementation of Senate Bill No. 6173
35 (sales tax compliance). If the bill is not enacted by June 30, 2009,
36 the amounts provided in this subsection shall lapse.

37 (4) \$1,294,000 of the general fund--state appropriation for fiscal
38 year 2010 and \$3,085,000 of the general fund--state appropriation for

1 fiscal year 2011 are for the implementation of Second Engrossed
2 Substitute Senate Bill No. 6143 (excise tax law modifications). If the
3 bill is not enacted by June 30, 2010, the amounts provided in this
4 subsection shall lapse.

5 (5) \$163,000 of the general fund--state appropriation for fiscal
6 year 2011 is provided solely to implement Substitute Senate Bill No.
7 6846 (enhanced 911 services). If the bill is not enacted by June 30,
8 2010, the amount provided in this subsection shall lapse.

9 (6) (~~(\$1,200,000)~~) \$304,000 of the general fund--state
10 appropriation for fiscal year 2011 is provided solely for making the
11 necessary preparations for implementation of the working families tax
12 exemption pursuant to RCW 82.08.0206 in 2012.

13 **Sec. 121.** 2010 1st sp.s. c 37 s 138 (uncodified) is amended to
14 read as follows:

15 **FOR THE BOARD OF TAX APPEALS**

16	General Fund--State Appropriation (FY 2010)	\$1,346,000
17	General Fund--State Appropriation (FY 2011)	((\$1,318,000))
18		<u>\$1,195,000</u>
19	TOTAL APPROPRIATION	((\$2,664,000))
20		<u>\$2,541,000</u>

21 **Sec. 122.** 2010 1st sp.s. c 37 s 141 (uncodified) is amended to
22 read as follows:

23 **FOR THE DEPARTMENT OF GENERAL ADMINISTRATION**

24	General Fund--State Appropriation (FY 2010)	\$815,000
25	General Fund--State Appropriation (FY 2011)	((\$3,963,000))
26		<u>\$3,527,000</u>
27	General Fund--Federal Appropriation	\$2,956,000
28	Building Code Council Account--State Appropriation	((\$593,000))
29		<u>\$875,000</u>
30	General Fund--Private/Local Appropriation	\$84,000
31	General Administration Service Account--State	
32	Appropriation	((\$31,748,000))
33		<u>\$31,397,000</u>
34	TOTAL APPROPRIATION	((\$40,159,000))
35		<u>\$39,654,000</u>

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

3 (1) \$28,000 of the general fund--state appropriation for fiscal
4 year 2010 and (~~(\$28,000)~~) \$14,000 of the general fund--state
5 appropriation for fiscal year 2011 are provided solely for the purposes
6 of section 8 of Engrossed Second Substitute Senate Bill No. 5854 (built
7 environment pollution). If section 8 of the bill is not enacted by
8 June 30, 2009, the amounts provided in this subsection shall lapse.

9 (2) (~~(\$3,545,000)~~) \$3,197,000 of the general fund--state
10 appropriation for fiscal year 2011 is provided solely for the payment
11 of facilities and services charges, utilities and contracts charges,
12 public and historic facilities charges, and capital projects surcharges
13 allocable to the senate, house of representatives, statute law
14 committee, and joint legislative systems committee. The department
15 shall allocate charges attributable to these agencies among the
16 affected revolving funds. The department shall enter into an
17 interagency agreement with these agencies by July 1, 2010, to establish
18 performance standards, prioritization of preservation and capital
19 improvement projects, and quality assurance provisions for the delivery
20 of services under this subsection. The agencies named in this
21 subsection shall continue to enjoy all of the same rights of occupancy,
22 support, and space use on the capitol campus as historically
23 established.

24 (3) \$84,000 of the general fund--private/local appropriation and
25 \$593,000 of the building code council account--state appropriation are
26 provided solely to implement Engrossed Second Substitute House Bill No.
27 2658 (refocusing the department of commerce, including transferring
28 programs). If the bill is not enacted by June 30, 2010, the amounts
29 provided in this subsection shall lapse.

30 (4) In accordance with RCW 46.08.172 and 43.135.055, the department
31 is authorized to increase parking fees in fiscal year 2011 as necessary
32 to meet the actual costs of conducting business.

33 **Sec. 123.** 2010 1st sp.s. c 37 s 142 (uncodified) is amended to
34 read as follows:

35 **FOR THE DEPARTMENT OF INFORMATION SERVICES**

36	General Fund--State Appropriation (FY 2010)	\$1,086,000
37	General Fund--State Appropriation (FY 2011)	((\$1,080,000))

1		<u>\$1,012,000</u>
2	General Fund--Federal Appropriation	\$701,000
3	General Fund--Private/Local Appropriation	\$178,000
4	Data Processing Revolving Account--State	
5	Appropriation	\$7,601,000
6	TOTAL APPROPRIATION	((\$10,646,000))
7		<u>\$10,578,000</u>

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

10 (1) \$100,000 of the general fund--state appropriation for fiscal
11 year 2010 and \$100,000 of the general fund--state appropriation for
12 fiscal year 2011 are provided solely for the purposes of Engrossed
13 Second Substitute House Bill No. 1701 (high-speed internet), including
14 expenditure for deposit to the community technology opportunity
15 account. If the bill is not enacted by June 30, 2009, the amounts
16 provided in this subsection shall lapse.

17 (2) The department shall implement some or all of the following
18 strategies to achieve savings on information technology expenditures
19 through: (a) Holistic virtualization strategies; (b) wide-area network
20 optimization strategies; (c) replacement of traditional telephone
21 communications systems with alternatives; and (d) migration of external
22 voice mail systems to internal voice mail systems coordinated by the
23 department. The department shall report to the office of financial
24 management and the fiscal committees of the legislature semiannually on
25 progress made towards the implementation of savings strategies and the
26 savings realized to date. No later than June 30, 2011, the department
27 shall submit a final report on its findings and savings realized to the
28 office of financial management and the fiscal committees of the
29 legislature.

30 (3) \$178,000 of the general fund--private/local appropriation is
31 provided solely for the implementation of the opportunity portal under
32 Second Substitute House Bill No. 2782 (security lifeline act). If the
33 bill is not enacted by June 30, 2010, the amount provided in this
34 subsection shall lapse.

35 (4) Appropriations in this section include amounts sufficient to
36 implement Engrossed Substitute House Bill No. 3178 (technology
37 efficiencies).

1 (5) The department is prohibited from expending any amounts
2 appropriated in this section or any amounts from other funds managed by
3 the department for the purchase, restoration, installation, or
4 deployment of equipment for the new state data center authorized in
5 section 6031(8), chapter 497, Laws of 2009. The department may
6 continue planning activities related to consolidation of data centers
7 and other cost-effective solutions.

8 **Sec. 124.** 2010 1st sp.s. c 37 s 146 (uncodified) is amended to
9 read as follows:

10 **FOR THE LIQUOR CONTROL BOARD**

11 Liquor Control Board Construction and Maintenance

12 Account--State Appropriation	\$8,817,000
13 Liquor Revolving Account--State Appropriation	(\$156,580,000)
	<u>\$156,691,000</u>
15 TOTAL APPROPRIATION	(\$165,397,000)
	<u>\$165,508,000</u>

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

19 (1) \$1,306,000 of the liquor revolving account--state appropriation
20 is provided solely for the liquor control board to open five new state
21 stores.

22 (2) \$40,000 of the liquor revolving account--state appropriation is
23 provided solely for the liquor control board to open ten new contract
24 stores.

25 (3) ~~(\$3,059,000)~~ \$2,810,000 of the liquor revolving account--
26 state appropriation is provided solely for the liquor control board to
27 increase state and local revenues from new retail strategies including
28 opening nine state stores on Sunday, opening state liquor stores on
29 seven holidays, opening six mall locations during the holiday season,
30 and increasing lottery sales.

31 (4) \$173,000 of the liquor revolving account--state appropriation
32 is provided solely for the Engrossed House Bill No. 2040 (beer and wine
33 regulation commission). If the bill is not enacted by June 30, 2009,
34 the amount provided in this subsection shall lapse.

35 (5) \$130,000 of the liquor revolving account appropriation is
36 provided to implement chapter 141, Laws of 2010 (SSB 6329).

1 (6) Within the amounts appropriated in this section, the liquor
2 control board shall monitor the tasting endorsement authorized by
3 chapter 141, Laws of 2010 (SSB 6329) and report to the appropriate
4 committees of the legislature by June 30, 2011, on the enforcement of
5 the endorsement. The report must include the number of compliance
6 checks conducted by the liquor board during tasting activities, whether
7 the checks were conducted with the knowledge of the licensee, the
8 number of compliance checks passed, the number and type of notices of
9 violation issued, the penalties imposed for the violations, the number
10 of complaints received about tasting activities, and other information
11 related to the enforcement of the endorsement. If the bill is not
12 enacted by June 30, 2010, the requirements of this subsection shall be
13 null and void.

14 (7) The board shall prepare a plan to transition selected state
15 liquor stores to contract stores. The plan must identify stores for
16 transition that the board determines will result in the greatest
17 efficiency and cost-effectiveness for the state. The plan must provide
18 for the conversion of at least twenty state liquor stores to contract
19 liquor stores and for that conversion to occur between July 1, 2011,
20 and July 1, 2013. The plan must also include an analysis of the
21 revenue generating capacity and costs for the stores before and after
22 the conversion as well as an analysis of access to liquor by
23 intoxicated and underage persons. The board shall submit the plan to
24 the appropriate policy and fiscal committees of the legislature by
25 November 1, 2010.

26 **Sec. 125.** 2010 1st sp.s. c 37 s 148 (uncodified) is amended to
27 read as follows:

28 **FOR THE MILITARY DEPARTMENT**

29	General Fund--State Appropriation (FY 2010)	\$9,350,000
30	General Fund--State Appropriation (FY 2011)	(\$8,874,000)
31		<u>\$7,898,000</u>
32	General Fund--Federal Appropriation	\$168,599,000
33	Enhanced 911 Account--State Appropriation	\$44,508,000
34	Disaster Response Account--State Appropriation	\$28,350,000
35	Disaster Response Account--Federal Appropriation	\$114,496,000
36	Military Department Rent and Lease Account--State	
37	Appropriation	\$612,000

1	Military Department Active State Service Account--Federal	
2	Appropriation	\$592,000
3	Worker and Community Right-to-Know Account--State	
4	Appropriation	\$341,000
5	Nisqually Earthquake Account--State Appropriation	\$307,000
6	Nisqually Earthquake Account--Federal Appropriation	\$1,067,000
7	TOTAL APPROPRIATION	(\$377,096,000)
8		<u>\$376,120,000</u>

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

11 (1) \$28,326,000 of the disaster response account--state
12 appropriation and \$114,496,000 of the disaster response account--
13 federal appropriation may be spent only on disasters declared by the
14 governor and with the approval of the office of financial management.
15 The military department shall submit a report to the office of
16 financial management and the legislative fiscal committees on October
17 1st and February 1st of each year detailing information on the disaster
18 response account, including: (a) The amount and type of deposits into
19 the account; (b) the current available fund balance as of the reporting
20 date; and (c) the projected fund balance at the end of the 2009-2011
21 biennium based on current revenue and expenditure patterns.

22 (2) \$307,000 of the Nisqually earthquake account--state
23 appropriation and \$1,067,000 of the Nisqually earthquake account--
24 federal appropriation are provided solely for response and recovery
25 costs associated with the February 28, 2001, earthquake. The military
26 department shall submit a report to the office of financial management
27 and the legislative fiscal committees on October 1st and February 1st
28 of each year detailing earthquake recovery costs, including: (a)
29 Estimates of total costs; (b) incremental changes from the previous
30 estimate; (c) actual expenditures; (d) estimates of total remaining
31 costs to be paid; and (e) estimates of future payments by biennium.
32 This information shall be displayed by fund, by type of assistance, and
33 by amount paid on behalf of state agencies or local organizations. The
34 military department shall also submit a report quarterly to the office
35 of financial management and the legislative fiscal committees detailing
36 information on the Nisqually earthquake account, including: (a) The
37 amount and type of deposits into the account; (b) the current available

1 fund balance as of the reporting date; and (c) the projected fund
2 balance at the end of the 2009-2011 biennium based on current revenue
3 and expenditure patterns.

4 (3) \$85,000,000 of the general fund--federal appropriation is
5 provided solely for homeland security, subject to the following
6 conditions:

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

10 (b) The department shall submit an annual report to the office of
11 financial management and the legislative fiscal committees detailing
12 the governor's domestic security advisory group recommendations;
13 homeland security revenues and expenditures, including estimates of
14 total federal funding for the state; and incremental changes from the
15 previous estimate.

16 (4) \$500,000 of the general fund--state appropriation for fiscal
17 year 2010 is provided solely for the military department to contract
18 with the Washington information network 2-1-1 to operate a statewide 2-
19 1-1 system. The department shall provide the entire amount for 2-1-1
20 and may not use any of the funds for administrative purposes.

21 **Sec. 126.** 2010 1st sp.s. c 37 s 150 (uncodified) is amended to
22 read as follows:

23 **FOR THE PUBLIC EMPLOYMENT RELATIONS COMMISSION**

24	General Fund--State Appropriation (FY 2010)	\$2,667,000
25	General Fund--State Appropriation (FY 2011)	(\$2,635,000)
26		<u>\$2,345,000</u>
27	Higher Education Personnel Services Account--State	
28	Appropriation	\$250,000
29	Department of Personnel Service Account--State	
30	Appropriation	\$3,263,000
31	TOTAL APPROPRIATION	(\$8,815,000)
32		<u>\$8,525,000</u>

33 The appropriations in this section are subject to the following
34 conditions and limitations: \$50,000 of the general fund--state
35 appropriation for fiscal year 2011 is provided solely for
36 implementation of Engrossed Substitute Senate Bill No. 6726 (language
37 access provider bargaining).

1 **Sec. 127.** 2010 1st sp.s. c 37 s 151 (uncodified) is amended to
2 read as follows:

3 **FOR THE DEPARTMENT OF ARCHAEOLOGY AND HISTORIC PRESERVATION**

4	General Fund--State Appropriation (FY 2010)	\$1,371,000
5	General Fund--State Appropriation (FY 2011)	(\$1,382,000)
6		<u>\$1,230,000</u>
7	General Fund--Federal Appropriation	\$2,293,000
8	General Fund--Private/Local Appropriation	\$14,000
9	TOTAL APPROPRIATION	(\$5,060,000)
10		<u>\$4,908,000</u>

11 The appropriations in this section are subject to the following
12 conditions and limitations: \$44,000 of the general fund--state
13 appropriation for fiscal year 2011 is provided for implementation of
14 Substitute House Bill No. 2704 (Washington main street program). If
15 the bill is not enacted by June 30, 2010, the amount provided in this
16 subsection shall lapse.

17 **Sec. 128.** 2010 2nd sp.s. c 1 s 118 (uncodified) is amended to read
18 as follows:

19 **FOR THE GROWTH MANAGEMENT HEARINGS BOARD**

20	General Fund--State Appropriation (FY 2010)	\$1,642,000
21	General Fund--State Appropriation (FY 2011)	\$1,334,000
22	TOTAL APPROPRIATION	\$2,976,000

23 The appropriations in this section are subject to the following
24 conditions and limitations: ~~(\$13,000)~~ \$12,000 of the general fund--
25 state appropriation for fiscal year 2011 is provided solely for
26 Substitute House Bill No. 2935 (hearings boards/environment and land
27 use). If the bill is not enacted by June 30, 2010, the amount provided
28 in this subsection shall lapse.

29 **Sec. 129.** 2010 1st sp.s. c 37 s 153 (uncodified) is amended to
30 read as follows:

31 **FOR THE STATE CONVENTION AND TRADE CENTER**

32	State Convention and Trade Center Account--State	
33	Appropriation	(\$60,127,000)
34		<u>\$35,127,000</u>
35	State Convention and Trade Center Operating	
36	Account--State Appropriation	(\$56,694,000)

1 \$31,694,000
2 TOTAL APPROPRIATION ((~~\$116,821,000~~))
3 \$66,821,000

4 NEW SECTION. **Sec. 130.** A new section is added to 2009 c 564
5 (uncodified) to read as follows:

6 In accordance with RCW 43.135.055, the utilities and transportation
7 commission is authorized to increase the fees set forth in and
8 previously authorized in section 147, chapter 37, Laws of 2010 1st
9 sp.s.

10 NEW SECTION. **Sec. 131.** A new section is added to 2009 c 564
11 (uncodified) to read as follows:

12 In accordance with RCW 43.135.055, the office of financial
13 management is authorized to adopt and increase the fees set forth in
14 and previously authorized in section 13, chapter 314, Laws of 2009.

(End of part)

PART II
HUMAN SERVICES

Sec. 201. 2010 2nd sp.s. c 1 s 201 (uncodified) is amended to read as follows:

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

General Fund--State Appropriation (FY 2010)	\$315,002,000
General Fund--State Appropriation (FY 2011)	(\$293,707,000)
	<u>\$287,643,000</u>
General Fund--Federal Appropriation	(\$497,964,000)
	<u>\$494,136,000</u>
General Fund--Private/Local Appropriation	\$3,320,000
Home Security Fund Appropriation	(\$9,983,000)
	<u>\$8,406,000</u>
Domestic Violence Prevention Account--State	
Appropriation	\$1,154,000
Education Legacy Trust Account--State Appropriation	\$725,000
TOTAL APPROPRIATION	(\$1,121,855,000)
	<u>\$1,110,386,000</u>

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

(1) \$937,000 of the general fund--state appropriation for fiscal year 2010 and \$696,000 of the general fund--state appropriation for fiscal year 2011 are provided solely to contract for the operation of one pediatric interim care facility. The facility shall provide residential care for up to thirteen children through two years of age. Seventy-five percent of the children served by the facility must be in need of special care as a result of substance abuse by their mothers. The facility shall also provide on-site training to biological, adoptive, or foster parents. The facility shall provide at least three months of consultation and support to parents accepting placement of children from the facility. The facility may recruit new and current foster and adoptive parents for infants served by the facility. The department shall not require case management as a condition of the contract.

1 (2) \$369,000 of the general fund--state appropriation for fiscal
2 year 2010, (~~(\$366,000)~~) \$343,000 of the general fund--state
3 appropriation for fiscal year 2011, and (~~(\$316,000)~~) \$306,000 of the
4 general fund--federal appropriation are provided solely for up to three
5 nonfacility-based programs for the training, consultation, support, and
6 recruitment of biological, foster, and adoptive parents of children
7 through age three in need of special care as a result of substance
8 abuse by their mothers, except that each program may serve up to three
9 medically fragile nonsubstance-abuse-affected children. In selecting
10 nonfacility-based programs, preference shall be given to programs whose
11 federal or private funding sources have expired or that have
12 successfully performed under the existing pediatric interim care
13 program.

14 (3) \$2,500,000 of the general fund--state appropriation for fiscal
15 year 2010 and (~~(\$88,000)~~) \$46,000 of the general fund--state
16 appropriation for fiscal year 2011, and (~~(\$2,256,000)~~) \$2,098,000 of
17 the home security fund--state appropriation are provided solely for
18 secure crisis residential centers. Within appropriated amounts, the
19 department shall collaborate with providers to maintain no less than
20 forty-five beds that are geographically representative of the state.
21 The department shall examine current secure crisis residential staffing
22 requirements, flexible payment options, center specific waivers, and
23 other appropriate methods to accomplish this outcome.

24 (4) A maximum of (~~(\$73,209,000)~~) \$69,190,000 of the general fund--
25 state appropriations and (~~(\$54,596,000)~~) \$54,443,000 of the general
26 fund--federal appropriations for the 2009-11 biennium shall be expended
27 for behavioral rehabilitative services and these amounts are provided
28 solely for this purpose. The department shall work with behavioral
29 rehabilitative service providers to safely keep youth with emotional,
30 behavioral, or medical needs at home, with relatives, or with other
31 permanent placement resources and decrease the length of service
32 through improved emotional, behavioral, or medical outcomes for
33 children in behavioral rehabilitative services in order to achieve the
34 appropriated levels.

35 (a) Contracted providers shall act in good faith and accept the
36 hardest to serve children, to the greatest extent possible, in order to
37 improve their emotional, behavioral, or medical conditions.

1 (b) The department and the contracted provider shall mutually agree
2 and establish an exit date for when the child is to exit the behavioral
3 rehabilitative service provider. The department and the contracted
4 provider should mutually agree, to the greatest extent possible, on a
5 viable placement for the child to go to once the child's treatment
6 process has been completed. The child shall exit only when the
7 emotional, behavioral, or medical condition has improved or if the
8 provider has not shown progress toward the outcomes specified in the
9 signed contract at the time of exit. This subsection (b) does not
10 prevent or eliminate the department's responsibility for removing the
11 child from the provider if the child's emotional, behavioral, or
12 medical condition worsens or is threatened.

13 (c) The department is encouraged to use performance-based contracts
14 with incentives directly tied to outcomes described in this section.
15 The contracts should incentivize contracted providers to accept the
16 hardest to serve children and incentivize improvement in children's
17 emotional, mental, and medical well-being within the established exit
18 date. The department is further encouraged to increase the use of
19 behavioral rehabilitative service group homes, wrap around services to
20 facilitate and support placement of youth at home with relatives, or
21 other permanent resources, and other means to control expenditures.

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

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

30 (6) (~~(\$14,187,000)~~) \$13,387,000 of the general fund--state
31 appropriation for fiscal year 2011 and \$6,231,000 of the general fund--
32 federal appropriation are provided solely for the department to provide
33 contracted prevention and early intervention services. The legislature
34 recognizes the need for flexibility as the department transitions to
35 performance-based contracts. The following services are included in
36 the prevention and early intervention block grant: Crisis family
37 intervention services, family preservation services, intensive family
38 preservation services, evidence-based programs, public health nurses,

1 and early family support services. The legislature intends for the
2 department to maintain and build on existing evidence-based and
3 research-based programs with the goal of utilizing contracted
4 prevention and intervention services to keep children safe at home and
5 to safely reunify families. Priority shall be given to proven
6 intervention models, including evidence-based prevention and early
7 intervention programs identified by the Washington state institute for
8 public policy and the department. The department shall include
9 information on the number, type, and outcomes of the evidence-based
10 programs being implemented in its reports on child welfare reform
11 efforts and shall provide the legislature and governor a report
12 regarding the allocation of resources in this subsection by September
13 30, 2010. The department shall expend federal funds under this
14 subsection in compliance with federal regulations.

15 (7) \$36,000 of the general fund--state appropriation for fiscal
16 year 2010, \$34,000 of the general fund--state appropriation for fiscal
17 year 2011, and \$29,000 of the general fund--federal appropriation are
18 provided solely for the implementation of chapter 465, Laws of 2007
19 (child welfare).

20 (8) \$125,000 of the general fund--state appropriation for fiscal
21 year 2010 and \$118,000 of the general fund--state appropriation for
22 fiscal year 2011 are provided solely for continuum of care services.
23 \$100,000 of this amount is for Casey family partners and \$25,000 of
24 this amount is for volunteers of America crosswalk in fiscal year 2010.
25 \$95,000 of this amount is for Casey family partners and \$23,000 of this
26 amount is for volunteers of America crosswalk in fiscal year 2011.

27 (9) \$1,904,000 of the general fund--state appropriation for fiscal
28 year 2010, (~~(\$1,717,000)~~) \$1,441,000 of the general fund--state
29 appropriation for fiscal year 2011, and \$335,000 of the general fund--
30 federal appropriation are provided solely to contract with medical
31 professionals for comprehensive safety assessments of high-risk
32 families and for foster care assessments. The safety assessments will
33 use validated assessment tools to guide intervention decisions through
34 the identification of additional safety and risk factors. The
35 department will maintain the availability of comprehensive foster care
36 assessments and follow up services for children in out-of-home care who
37 do not have permanent plans, comprehensive safety assessments for
38 families receiving in-home child protective services or family

1 voluntary services, and comprehensive safety assessments for families
2 with an infant age birth to fifteen days where the infant was, at
3 birth, diagnosed as substance exposed and the department received an
4 intake referral related to the infant due to the substance exposure.
5 The department must consolidate contracts, streamline administration,
6 and explore efficiencies to achieve savings.

7 (10) \$7,679,000 of the general fund--state appropriation for fiscal
8 year 2010, \$6,226,000 of the general fund--state appropriation for
9 fiscal year 2011, and \$4,658,000 of the general fund--federal
10 appropriation are provided solely for court-ordered supervised visits
11 between parents and dependent children and for sibling visits. The
12 department shall work collaboratively with the juvenile dependency
13 courts and revise the supervised visit reimbursement procedures to stay
14 within appropriations without impeding reunification outcomes between
15 parents and dependent children. The department shall report to the
16 legislative fiscal committees on September 30, 2010, and December 30,
17 2010, the number of children in foster care who receive supervised
18 visits, their frequency, length of time of each visit, and whether
19 reunification is attained.

20 (11) \$145,000 of the general fund--state appropriation for fiscal
21 year 2010, \$817,000 of the general fund--state appropriation for fiscal
22 year 2011, and (~~(\$724,000)~~) \$668,000 of the home security fund--state
23 appropriation is provided solely for street youth program services.

24 (12) \$1,522,000 of the general fund--state appropriation for fiscal
25 year 2010, \$1,256,000 of the general fund--state appropriation for
26 fiscal year 2011, and \$1,372,000 of the general fund--federal
27 appropriation are provided solely for the department to recruit foster
28 parents. The recruitment efforts shall include collaborating with
29 community-based organizations and current or former foster parents to
30 recruit foster parents.

31 (13) \$493,000 of the general fund--state appropriation for fiscal
32 year 2010, (~~(\$284,000)~~) \$102,000 of the general fund--state
33 appropriation for fiscal year 2011, \$466,000 of the general fund--
34 private/local appropriation, \$182,000 of the general fund--federal
35 appropriation, and \$725,000 of the education legacy trust account--
36 state appropriation are provided solely for children's administration
37 to contract with an educational advocacy provider with expertise in
38 foster care educational outreach. Funding is provided solely for

1 contracted education coordinators to assist foster children in
2 succeeding in K-12 and higher education systems. Funding shall be
3 prioritized to regions with high numbers of foster care youth and/or
4 regions where backlogs of youth that have formerly requested
5 educational outreach services exist. The department shall utilize
6 private matching funds to maintain educational advocacy services.

7 (14) (~~(\$1,677,000)~~) \$1,273,000 of the home security fund account--
8 state appropriation is provided solely for HOPE beds.

9 (15) (~~(\$5,193,000)~~) \$4,234,000 of the home security fund account--
10 state appropriation is provided solely for the crisis residential
11 centers.

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

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

37 (18) \$157,000 of the general fund--state appropriation for fiscal
38 year 2010 and (~~(\$148,000)~~) \$78,000 of the general fund--state

1 appropriation for fiscal year 2011 are provided solely for the
2 department to contract with a nonprofit entity for a reunification
3 pilot project in Whatcom and Skagit counties. The contract for the
4 reunification pilot project shall include a rate of \$46.16 per hour for
5 evidence-based interventions, in combination with supervised visits, to
6 provide 3,564 hours of services to reduce the length of stay for
7 children in the child welfare system. The contract shall also include
8 evidence-based intensive parenting skills building services and family
9 support case management services for 38 families participating in the
10 reunification pilot project. The contract shall include the
11 flexibility for the nonprofit entity to subcontract with trained
12 providers.

13 (19) \$303,000 of the general fund--state appropriation for fiscal
14 year 2010, \$392,000 of the general fund--state appropriation for fiscal
15 year 2011, and \$241,000 of the general fund--federal appropriation are
16 provided solely to implement Engrossed Substitute House Bill No. 1961
17 (increasing adoptions act). If the bill is not enacted by June 30,
18 2009, the amounts provided in this subsection shall lapse.

19 (20) \$98,000 of the general fund--state appropriation for fiscal
20 year 2010 and (~~(\$92,000)~~) \$49,000 of the general fund--state
21 appropriation for fiscal year 2011 are provided solely for the
22 department to contract with an agency that is working in partnership
23 with, and has been evaluated by, the University of Washington school of
24 social work to implement promising practice constellation hub models of
25 foster care support.

26 (21) The legislature intends for the department to reduce the time
27 a child remains in the child welfare system. The department shall
28 establish a measurable goal and report progress toward meeting that
29 goal to the legislature by January 15 of each fiscal year of the 2009-
30 11 fiscal biennium. To the extent that actual caseloads exceed those
31 assumed in this section, it is the intent of the legislature to address
32 those issues in a manner similar to all other caseload programs.

33 (22) \$715,000 of the general fund--state appropriation for fiscal
34 year 2010 and \$671,000 of the general fund--state appropriation for
35 fiscal year 2011 are provided solely for services provided through
36 children's advocacy centers.

37 (23) \$10,000 of the general fund--state appropriation for fiscal
38 year 2011 and \$3,000 of the general fund--federal appropriation are

1 provided solely for implementation of chapter 224, Laws of 2010
2 (confinement alternatives). If the bill is not enacted by June 30,
3 2010, the amounts provided in this subsection shall lapse.

4 (24) \$1,867,000 of the general fund--state appropriation for fiscal
5 year 2010, \$1,677,000 of the general fund--state appropriation for
6 fiscal year 2011, and \$4,379,000 of the general fund--federal
7 appropriation are provided solely for the department to contract for
8 medicaid treatment child care (MTCC) services. Children's
9 administration case workers, local public health nurses and case
10 workers from the temporary assistance for needy families program shall
11 refer children to MTCC services, as long as the children meet the
12 eligibility requirements as outlined in the Washington state plan for
13 the MTCC services.

14 (25) The department shall contract for at least one pilot project
15 with adolescent services providers to deliver a continuum of short-term
16 crisis stabilization services. The pilot project shall include
17 adolescent services provided through secure crisis residential centers,
18 crisis residential centers, and hope beds. The department shall work
19 with adolescent service providers to maintain availability of
20 adolescent services and maintain the delivery of services in a
21 geographically representative manner. The department shall examine
22 current staffing requirements, flexible payment options, center-
23 specific licensing waivers, and other appropriate methods to achieve
24 savings and streamline the delivery of services. The legislature
25 intends for the pilot project to provide flexibility to the department
26 to improve outcomes and to achieve more efficient utilization of
27 existing resources, while meeting the statutory goals of the adolescent
28 services programs. The department shall provide an update to the
29 appropriate legislative committees and governor on the status of the
30 pilot project implementation by December 1, 2010.

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

1 not apply to adoption assistance agreements in existence on the
2 effective date of this section.

3 (27) Receipts from fees per chapter 289, Laws of 2010, as deposited
4 into the prostitution prevention and intervention account for services
5 provided to sexually exploited children as defined in RCW 13.32A.030 in
6 secure and semi-secure crisis residential centers with access to staff
7 trained to meet their specific needs shall be used to expand capacity
8 for secure crisis residential centers and not supplant existing
9 funding.

10 (28) The appropriations in this section reflect reductions to the
11 foster care maintenance payment rates during fiscal year 2011.

12 **Sec. 202.** 2010 2nd sp.s. c 1 s 202 (uncodified) is amended to read
13 as follows:

14 **FOR THE DEPARTMENT OF SOCIAL AND HEALTH SERVICES--JUVENILE**
15 **REHABILITATION PROGRAM**

16	General Fund--State Appropriation (FY 2010)	\$103,437,000
17	General Fund--State Appropriation (FY 2011)	((\$96,167,000))
18		<u>\$90,240,000</u>
19	General Fund--Federal Appropriation	\$1,715,000
20	General Fund--Private/Local Appropriation	\$1,899,000
21	Washington Auto Theft Prevention Authority Account--	
22	State Appropriation	\$3,896,000
23	Juvenile Accountability Incentive Account--Federal	
24	Appropriation	\$2,805,000
25	State Efficiency and Restructuring Account--State	
26	Appropriation	\$4,958,000
27	TOTAL APPROPRIATION	((\$214,877,000))
28		<u>\$208,950,000</u>

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

31 (1) \$353,000 of the general fund--state appropriation for fiscal
32 year 2010 and ((~~\$353,000~~)) \$331,000 of the general fund--state
33 appropriation for fiscal year 2011 are provided solely for deposit in
34 the county criminal justice assistance account for costs to the
35 criminal justice system associated with the implementation of chapter
36 338, Laws of 1997 (juvenile code revisions). The amounts provided in

1 this subsection are intended to provide funding for county adult court
2 costs associated with the implementation of chapter 338, Laws of 1997
3 and shall be distributed in accordance with RCW 82.14.310.

4 (2) \$3,408,000 of the general fund--state appropriation for fiscal
5 year 2010 and (~~(\$2,898,000)~~) \$2,716,000 of the general fund--state
6 appropriation for fiscal year 2011 are provided solely for the
7 implementation of chapter 338, Laws of 1997 (juvenile code revisions).
8 The amounts provided in this subsection are intended to provide funding
9 for county impacts associated with the implementation of chapter 338,
10 Laws of 1997 and shall be distributed to counties as prescribed in the
11 current consolidated juvenile services (CJS) formula.

12 (3) \$3,716,000 of the general fund--state appropriation for fiscal
13 year 2010 and (~~(\$3,716,000)~~) \$3,482,000 of the general fund--state
14 appropriation for fiscal year 2011 are provided solely to implement
15 community juvenile accountability grants pursuant to chapter 338, Laws
16 of 1997 (juvenile code revisions). Funds provided in this subsection
17 may be used solely for community juvenile accountability grants,
18 administration of the grants, and evaluations of programs funded by the
19 grants.

20 (4) \$1,427,000 of the general fund--state appropriation for fiscal
21 year 2010 and (~~(\$1,206,000)~~) \$1,130,000 of the general fund--state
22 appropriation for fiscal year 2011 are provided solely to implement
23 alcohol and substance abuse treatment programs for locally committed
24 offenders. The juvenile rehabilitation administration shall award
25 these moneys on a competitive basis to counties that submitted a plan
26 for the provision of services approved by the division of alcohol and
27 substance abuse. The juvenile rehabilitation administration shall
28 develop criteria for evaluation of plans submitted and a timeline for
29 awarding funding and shall assist counties in creating and submitting
30 plans for evaluation.

31 (5) \$3,066,000 of the general fund--state appropriation for fiscal
32 year 2010 and (~~(\$3,066,000)~~) \$2,873,000 of the general fund--state
33 appropriation for fiscal year 2011 are provided solely for grants to
34 county juvenile courts for the following programs identified by the
35 Washington state institute for public policy (institute) in its October
36 2006 report: "Evidence-Based Public Policy Options to Reduce Future
37 Prison Construction, Criminal Justice Costs and Crime Rates":
38 Functional family therapy, multi-systemic therapy, aggression

1 replacement training and interagency coordination programs, or other
2 programs with a positive benefit-cost finding in the institute's
3 report. County juvenile courts shall apply to the juvenile
4 rehabilitation administration for funding for program-specific
5 participation and the administration shall provide grants to the courts
6 consistent with the per-participant treatment costs identified by the
7 institute.

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

20 (7)(a) For the fiscal year ending June 30, 2011, the juvenile
21 rehabilitation administration shall administer a block grant, rather
22 than categorical funding, of consolidated juvenile service funds,
23 community juvenile accountability act grants, the chemical dependency
24 disposition alternative funds, the mental health disposition
25 alternative, and the sentencing disposition alternative for the purpose
26 of serving youth adjudicated in the juvenile justice system. In making
27 the block grant, the juvenile rehabilitation administration shall
28 follow the following formula and will prioritize evidence-based
29 programs and disposition alternatives and take into account juvenile
30 courts program-eligible youth in conjunction with the number of youth
31 served in each approved evidence-based program or disposition
32 alternative: (i) Thirty-seven and one-half percent for the at-risk
33 population of youth ten to seventeen years old; (ii) fifteen percent
34 for moderate and high-risk youth; (iii) twenty-five percent for
35 evidence-based program participation; (iv) seventeen and one-half
36 percent for minority populations; (v) three percent for the chemical
37 dependency disposition alternative; and (vi) two percent for the mental
38 health and sentencing dispositional alternatives. Funding for the

1 special sex offender disposition alternative (SSODA) shall not be
2 included in the block grant, but allocated on the average daily
3 population in juvenile courts. Funding for the evidence-based
4 expansion grants shall be excluded from the block grant formula. Funds
5 may be used for promising practices when approved by the juvenile
6 rehabilitation administration and juvenile courts, through the
7 community juvenile accountability act committee, based on the criteria
8 established in consultation with Washington state institute for public
9 policy and the juvenile courts.

10 (b) It is the intent of the legislature that the juvenile
11 rehabilitation administration phase the implementation of the formula
12 provided in subsection (1) of this section by including a stop-loss
13 formula of three percent in fiscal year 2011, five percent in fiscal
14 year 2012, and five percent in fiscal year 2013. It is further the
15 intent of the legislature that the evidence-based expansion grants be
16 incorporated into the block grant formula by fiscal year 2013 and SSODA
17 remain separate unless changes would result in increasing the cost
18 benefit savings to the state as identified in (c) of this subsection.

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

1 administration division director. The committee may make changes to
2 the formula categories other than the evidence-based program and
3 disposition alternative categories if it is determined the changes will
4 increase statewide service delivery or effectiveness of evidence-based
5 program or disposition alternative resulting in increased cost benefit
6 savings to the state. Long-term cost benefit must be considered.
7 Percentage changes may occur in the evidence-based program or
8 disposition alternative categories of the formula should it be
9 determined the changes will increase evidence-based program or
10 disposition alternative delivery and increase the cost benefit to the
11 state. These outcomes will also be considered in determining when
12 evidence-based expansion or special sex offender disposition
13 alternative funds should be included in the block grant or left
14 separate.

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

24 (e) By December 1, 2010, the Washington state institute for public
25 policy shall report to the office of financial management and
26 appropriate committees of the legislature on the administration of the
27 block grant authorized in this subsection. The report shall include
28 the criteria used for allocating the funding as a block grant and the
29 participation targets and actual participation in the programs subject
30 to the block grant.

31 (8) \$3,700,000 of the Washington auto theft prevention authority
32 account--state appropriation is provided solely for competitive grants
33 to community-based organizations to provide at-risk youth intervention
34 services, including but not limited to, case management, employment
35 services, educational services, and street outreach intervention
36 programs. Projects funded should focus on preventing, intervening, and
37 suppressing behavioral problems and violence while linking at-risk
38 youth to pro-social activities. The department may not expend more

1 than \$1,850,000 per fiscal year. The costs of administration must not
2 exceed four percent of appropriated funding for each grant recipient.
3 Each entity receiving funds must report to the juvenile rehabilitation
4 administration on the number and types of youth served, the services
5 provided, and the impact of those services upon the youth and the
6 community.

7 (9) The appropriations in this section assume savings associated
8 with the transfer of youthful offenders age eighteen or older whose
9 sentences extend beyond age twenty-one to the department of corrections
10 to complete their sentences. Prior to transferring an offender to the
11 department of corrections, the juvenile rehabilitation administration
12 shall evaluate the offender to determine the offender's physical and
13 emotional suitability for transfer.

14 **Sec. 203.** 2010 2nd sp.s. c 1 s 203 (uncodified) is amended to read
15 as follows:

16 **FOR THE DEPARTMENT OF SOCIAL AND HEALTH SERVICES--MENTAL HEALTH**
17 **PROGRAM**

18 (1) COMMUNITY SERVICES/REGIONAL SUPPORT NETWORKS

19	General Fund--State Appropriation (FY 2010)	\$273,648,000
20	General Fund--State Appropriation (FY 2011)	((\$278,530,000))
21		<u>\$263,993,000</u>
22	General Fund--Federal Appropriation	((\$519,456,000))
23		<u>\$520,024,000</u>
24	General Fund--Private/Local Appropriation	((\$16,674,000))
25		<u>\$16,951,000</u>
26	Hospital Safety Net Assessment Fund--State	
27	Appropriation	\$3,476,000
28	TOTAL APPROPRIATION	((\$1,091,784,000))
29		<u>\$1,078,092,000</u>

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

32 (a) \$113,689,000 of the general fund--state appropriation for
33 fiscal year 2010 and ((~~\$113,689,000~~)) \$101,089,000 of the general
34 fund--state appropriation for fiscal year 2011 are provided solely for
35 persons and services not covered by the medicaid program. This is a
36 reduction of \$11,606,000 each fiscal year from the nonmedicaid funding
37 that was allocated for expenditure by regional support networks during

1 fiscal year 2009 prior to supplemental budget reductions. This
2 \$11,606,000 reduction shall be distributed among regional support
3 networks proportional to each network's share of the total state
4 population. To the extent possible, levels of regional support network
5 spending shall be maintained in the following priority order: (i)
6 Crisis and commitment services; (ii) community inpatient services; and
7 (iii) residential care services, including personal care and emergency
8 housing assistance.

9 (b) \$10,400,000 of the general fund--state appropriation for fiscal
10 year 2010, (~~(\$9,100,000)~~) \$8,814,000 of the general fund--state
11 appropriation for fiscal year 2011, and \$1,300,000 of the general
12 fund--federal appropriation are provided solely for the department and
13 regional support networks to contract for implementation of high-
14 intensity program for active community treatment (PACT) teams. The
15 department shall work with regional support networks and the center for
16 medicare and medicaid services to integrate eligible components of the
17 PACT service delivery model into medicaid capitation rates no later
18 than January 2011, while maintaining consistency with all essential
19 elements of the PACT evidence-based practice model.

20 (c) \$6,500,000 of the general fund--state appropriation for fiscal
21 year 2010 and (~~(\$6,500,000)~~) \$6,091,000 of the general fund--state
22 appropriation for fiscal year 2011 are provided solely for the western
23 Washington regional support networks to provide either community- or
24 hospital campus-based services for persons who require the level of
25 care provided by the program for adaptive living skills (PALS) at
26 western state hospital.

27 (d) The number of nonforensic beds allocated for use by regional
28 support networks at eastern state hospital shall be 192 per day. The
29 number of nonforensic beds allocated for use by regional support
30 networks at western state hospital shall be 617 per day during the
31 first quarter of fiscal year 2010, (~~and~~) 587 per day through the
32 second quarter of fiscal year 2011, and 557 per day thereafter. Beds
33 in the program for adaptive living skills (PALS) are not included in
34 the preceding bed allocations. The department shall separately charge
35 regional support networks for persons served in the PALS program.

36 (e) From the general fund--state appropriations in this subsection,
37 the secretary of social and health services shall assure that regional
38 support networks reimburse the aging and disability services

1 administration for the general fund--state cost of medicaid personal
2 care services that enrolled regional support network consumers use
3 because of their psychiatric disability.

4 (f) \$4,582,000 of the general fund--state appropriation for fiscal
5 year 2010 and \$4,582,000 of the general fund--state appropriation for
6 fiscal year 2011 are provided solely for mental health services for
7 mentally ill offenders while confined in a county or city jail and for
8 facilitating access to programs that offer mental health services upon
9 release from confinement.

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

13 (h) \$750,000 of the general fund--state appropriation for fiscal
14 year 2010 and (~~(\$750,000)~~) \$703,000 of the general fund--state
15 appropriation for fiscal year 2011 are provided solely to continue
16 performance-based incentive contracts to provide appropriate community
17 support services for individuals with severe mental illness who were
18 discharged from the state hospitals as part of the expanding community
19 services initiative. These funds will be used to enhance community
20 residential and support services provided by regional support networks
21 through other state and federal funding.

22 (i) \$1,500,000 of the general fund--state appropriation for fiscal
23 year 2010 and \$1,500,000 of the general fund--state appropriation for
24 fiscal year 2011 are provided solely for the Spokane regional support
25 network to implement services to reduce utilization and the census at
26 eastern state hospital. Such services shall include:

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

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

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

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

37 At least annually, the Spokane regional support network shall

1 assess the effectiveness of these services in reducing utilization at
2 eastern state hospital, identify services that are not optimally
3 effective, and modify those services to improve their effectiveness.

4 (j) The department shall return to the Spokane regional support
5 network fifty percent of the amounts assessed against the network
6 during the last six months of calendar year 2009 for state hospital
7 utilization in excess of its contractual limit. The regional support
8 network shall use these funds for operation during its initial months
9 of a new sixteen-bed evaluation and treatment facility that will enable
10 the network to reduce its use of the state hospital, and for diversion
11 and community support services for persons with dementia who would
12 likely otherwise require care at the state hospital.

13 (k) The department is directed to identify and implement program
14 efficiencies and benefit changes in its delivery of medicaid managed-
15 care services that are sufficient to operate within the state and
16 federal appropriations in this section. Such actions may include but
17 are not limited to methods such as adjusting the care access standards;
18 improved utilization management of ongoing, recurring, and high-
19 intensity services; and increased uniformity in provider payment rates.
20 The department shall ensure that the capitation rate adjustments
21 necessary to accomplish these efficiencies and changes are distributed
22 uniformly and equitably across all regional support networks statewide.
23 The department is directed to report to the relevant legislative fiscal
24 and policy committees at least thirty days prior to implementing rate
25 adjustments reflecting these changes.

26 (l) In developing the new medicaid managed care rates under which
27 the public mental health managed care system will operate during the
28 five years beginning in fiscal year 2011, the department should seek to
29 estimate the reasonable and necessary cost of efficiently and
30 effectively providing a comparable set of medically necessary mental
31 health benefits to persons of different acuity levels regardless of
32 where in the state they live. Actual prior period spending in a
33 regional administrative area shall not be a key determinant of future
34 payment rates. The department shall report to the office of financial
35 management and to the relevant fiscal and policy committees of the
36 legislature on its proposed new waiver and mental health managed care
37 rate-setting approach by October 1, 2009, and again at least sixty days
38 prior to implementation of new capitation rates.

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

13 (n) \$1,529,000 of the general fund--state appropriation for fiscal
14 year 2010 and \$1,529,000 of the general fund--state appropriation for
15 fiscal year 2011 are provided solely to reimburse Pierce and Spokane
16 counties for the cost of conducting 180-day commitment hearings at the
17 state psychiatric hospitals.

18 (o) The legislature intends and expects that regional support
19 networks and contracted community mental health agencies shall make all
20 possible efforts to, at a minimum, maintain current compensation levels
21 of direct care staff. Such efforts shall include, but not be limited
22 to, identifying local funding that can preserve client services and
23 staff compensation, achieving administrative reductions at the regional
24 support network level, and engaging stakeholders on cost-savings ideas
25 that maintain client services and staff compensation. For purposes of
26 this section, "direct care staff" means persons employed by community
27 mental health agencies whose primary responsibility is providing direct
28 treatment and support to people with mental illness, or whose primary
29 responsibility is providing direct support to such staff in areas such
30 as client scheduling, client intake, client reception, client records-
31 keeping, and facilities maintenance.

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

1 additional medicaid match, but only to the extent that the application
2 of such funds to medicaid services does not diminish the level of
3 crisis and commitment, community inpatient, residential care, and
4 outpatient services presently available to persons not eligible for
5 medicaid.

6 (2) INSTITUTIONAL SERVICES

7	General Fund--State Appropriation (FY 2010)	\$119,423,000
8	General Fund--State Appropriation (FY 2011)	(\$118,010,000)
9		<u>\$112,514,000</u>
10	General Fund--Federal Appropriation	(\$153,425,000)
11		<u>\$152,195,000</u>
12	General Fund--Private/Local Appropriation	(\$64,614,000)
13		<u>\$63,873,000</u>
14	TOTAL APPROPRIATION	(\$455,472,000)
15		<u>\$448,005,000</u>

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

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

21 (b) \$231,000 of the general fund--state appropriation for fiscal
22 year 2008 and ~~(\$231,000)~~ \$216,000 of the general fund--state
23 appropriation for fiscal year 2009 are provided solely for a community
24 partnership between western state hospital and the city of Lakewood to
25 support community policing efforts in the Lakewood community
26 surrounding western state hospital. The amounts provided in this
27 subsection (2)(b) are for the salaries, benefits, supplies, and
28 equipment for one full-time investigator, one full-time police officer,
29 and one full-time community service officer at the city of Lakewood.

30 (c) \$45,000 of the general fund--state appropriation for fiscal
31 year 2010 and ~~(\$45,000)~~ \$42,000 of the general fund--state
32 appropriation for fiscal year 2011 are provided solely for payment to
33 the city of Lakewood for police services provided by the city at
34 western state hospital and adjacent areas.

35 (d) ~~(\$200,000)~~ \$187,000 of the general fund--state appropriation
36 for fiscal year 2011 is provided solely for support of the psychiatric
37 security review panel established pursuant to Senate Bill No. 6610. If

1 Senate Bill No. 6610 is not enacted by June 30, 2010, the amount
2 provided in this subsection shall lapse.

3 (3) SPECIAL PROJECTS

4 General Fund--State Appropriation (FY 2010)	\$1,819,000
5 General Fund--State Appropriation (FY 2011)	(\$2,092,000)
6	<u>\$1,961,000</u>
7 General Fund--Federal Appropriation	\$2,142,000
8 TOTAL APPROPRIATION	(\$6,053,000)
9	<u>\$5,922,000</u>

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

12 (a) \$1,511,000 of the general fund--state appropriation for fiscal
13 year 2010 and ~~(\$1,511,000)~~ \$1,416,000 of the general fund--state
14 appropriation for fiscal year 2011 are provided solely for children's
15 evidence based mental health services. Funding is sufficient to
16 continue serving children at the same levels as fiscal year 2009.

17 (b) ~~(\$100,000)~~ \$94,000 of the general fund--state appropriation
18 for fiscal year 2011 is provided solely for consultation, training, and
19 technical assistance to regional support networks on strategies for
20 effective service delivery in very sparsely populated counties.

21 (c) ~~(\$60,000)~~ \$56,000 of the general fund--state appropriation
22 for fiscal year 2011 is provided solely for the department to contract
23 with the Washington state institute for public policy for completion of
24 the research reviews to be conducted in accordance with chapter 263,
25 Laws of 2010.

26 (d) ~~(\$60,000)~~ \$56,000 of the general fund--state appropriation
27 for fiscal year 2011 is provided solely for the department to contract
28 with the Washington state institute for public policy for completion of
29 the research reviews to be conducted in accordance with section 1,
30 chapter 280, Laws of 2010.

31 (e) ~~(\$60,000)~~ \$56,000 of the general fund--state appropriation
32 for fiscal year 2011 is provided solely for implementation of sections
33 2 and 3, chapter 280, Laws of 2010. The department shall use these
34 funds to contract with the Washington state institute for public policy
35 for completion of an assessment of (i) the extent to which the number
36 of persons involuntarily committed for 3, 14, and 90 days is likely to
37 increase as a result of the revised commitment standards; (ii) the
38 availability of community treatment capacity to accommodate that

1 increase; (iii) strategies for cost-effectively leveraging state,
2 local, and private resources to increase community involuntary
3 treatment capacity; and (iv) the extent to which increases in
4 involuntary commitments are likely to be offset by reduced utilization
5 of correctional facilities, publicly-funded medical care, and state
6 psychiatric hospitalizations.

7 (4) PROGRAM SUPPORT

8	General Fund--State Appropriation (FY 2010)	\$4,078,000
9	General Fund--State Appropriation (FY 2011)	(\$3,958,000)
10		<u>\$3,722,000</u>
11	General Fund--Federal Appropriation	\$7,207,000
12	TOTAL APPROPRIATION	(\$15,243,000)
13		<u>\$15,007,000</u>

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

22 **Sec. 204.** 2010 2nd sp.s. c 1 s 204 (uncodified) is amended to read
23 as follows:

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

26 (1) COMMUNITY SERVICES

27	General Fund--State Appropriation (FY 2010)	\$307,348,000
28	General Fund--State Appropriation (FY 2011)	(\$337,658,000)
29		<u>\$321,752,000</u>
30	General Fund--Federal Appropriation	(\$902,043,000)
31		<u>\$890,274,000</u>
32	TOTAL APPROPRIATION	(\$1,547,049,000)
33		<u>\$1,519,374,000</u>

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

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

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

13 (ii) \$508,000 of the general fund--state appropriation for fiscal
14 year 2011 and \$822,000 of the general fund--federal appropriation are
15 provided solely for the department to partially restore the reductions
16 to in-home care that are taken in (b)(i) of this subsection. The
17 department will use the same formula to restore personal care hours
18 that it used to reduce personal care hours.

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

29 (d) \$302,000 of the general fund--state appropriation for fiscal
30 year 2010, \$831,000 of the general fund--state appropriation for fiscal
31 year 2011, and \$1,592,000 of the general fund--federal appropriation
32 are provided solely for health care benefits pursuant to a collective
33 bargaining agreement negotiated with the exclusive bargaining
34 representative of individual providers established under RCW
35 74.39A.270.

36 (e)(i) \$682,000 of the general fund--state appropriation for fiscal
37 year 2010, \$1,651,000 of the general fund--state appropriation for
38 fiscal year 2011, and \$1,678,000 of the general fund--federal

1 appropriation are provided solely for the state's contribution to the
2 training partnership, as provided in RCW 74.39A.360, pursuant to a
3 collective bargaining agreement negotiated with the exclusive
4 bargaining representative of individual providers established under RCW
5 74.39A.270.

6 (ii) The federal portion of the amounts in this subsection (g) is
7 contingent upon federal approval of participation in contributions to
8 the trust and shall remain unallotted and placed in reserve status
9 until the office of financial management and the department of social
10 and health services receive federal approval.

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

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

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

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

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

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

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

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

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

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

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

21 (k) As part of the needs assessment instrument, the department may
22 collect data on family income for minor children with developmental
23 disabilities and all individuals who are receiving state-only funded
24 services. The department may ensure that this information is collected
25 as part of the client assessment process.

26 (l) \$116,000 of the general fund--state appropriation for fiscal
27 year 2010, (~~(\$2,689,000)~~) \$2,133,000 of the general fund--state
28 appropriation for fiscal year 2011, and \$1,772,000 of the general
29 fund--federal appropriation are provided solely for employment services
30 and required waiver services. Priority consideration for this new
31 funding shall be young adults with developmental disabilities living
32 with their family who need employment opportunities and assistance
33 after high school graduation. Services shall be provided for both
34 waiver and nonwaiver clients. (~~(Fifty percent of the general fund
35 appropriation shall be utilized for graduates served on a home and
36 community based services waiver and fifty percent of the general fund
37 appropriation shall be used for nonwaiver clients.)~~)

1 (m) \$81,000 of the general fund--state appropriation for fiscal
2 year 2010, \$599,000 of the general fund--state appropriation for fiscal
3 year 2011, and \$1,111,000 of the general fund--federal appropriation
4 are provided solely for the department to provide employment and day
5 services for eligible students who are currently on a waiver and will
6 graduate from high school during fiscal years 2010 and 2011.

7 (n) The automatic award of additional hours of personal care for
8 people with special meal preparation or incontinence needs is
9 eliminated. Authorization of service hours will be based upon the
10 individual's assessed needs.

11 (o) \$75,000 of the general fund--state appropriation for fiscal
12 year 2011 is provided solely for the restoration of direct support to
13 local organizations that utilize parent-to-parent networks and
14 communication to promote access and quality of care for individuals
15 with developmental disabilities and their families.

16 (2) INSTITUTIONAL SERVICES

17	General Fund--State Appropriation (FY 2010)	\$61,422,000
18	General Fund--State Appropriation (FY 2011)	(\$64,404,000)
19		<u>\$62,551,000</u>
20	General Fund--Federal Appropriation	(\$207,986,000)
21		<u>\$205,440,000</u>
22	General Fund--Private/Local Appropriation	(\$22,441,000)
23		<u>\$22,357,000</u>
24	TOTAL APPROPRIATION	(\$356,253,000)
25		<u>\$351,770,000</u>

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

28 (a) Individuals receiving services as supplemental security income
29 (SSI) state supplemental payments shall not become eligible for medical
30 assistance under RCW 74.09.510 due solely to the receipt of SSI state
31 supplemental payments.

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

36 (c) \$721,000 of the general fund--state appropriation for fiscal
37 year 2010 and \$721,000 of the general fund--state appropriation for
38 fiscal year 2011 are provided solely for the department to fulfill its

1 contracts with the school districts under chapter 28A.190 RCW to
2 provide transportation, building space, and other support services as
3 are reasonably necessary to support the educational programs of
4 students living in residential habilitation centers.

5 (d) In addition to other reductions, the appropriations in this
6 subsection reflect reductions targeted specifically to state government
7 administrative costs. These administrative reductions shall be
8 achieved, to the greatest extent possible, by reducing those
9 administrative costs that do not affect direct client services or
10 direct service delivery or programs.

11 (3) PROGRAM SUPPORT

12	General Fund--State Appropriation (FY 2010)	\$1,407,000
13	General Fund--State Appropriation (FY 2011)	(\$1,369,000)
14		<u>\$1,341,000</u>
15	General Fund--Federal Appropriation	(\$1,301,000)
16		<u>\$1,263,000</u>
17	TOTAL APPROPRIATION	(\$4,077,000)
18		<u>\$4,011,000</u>

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

26 (4) SPECIAL PROJECTS

27	General Fund--Federal Appropriation	(\$9,631,000)
28		<u>\$10,171,000</u>

29 The appropriations in this subsection are subject to the following
30 conditions and limitations: The appropriations in this subsection are
31 available solely for the infant toddler early intervention program and
32 the money follows the person program as defined by this federal grant.

33 **Sec. 205.** 2010 2nd sp.s. c 1 s 205 (uncodified) is amended to read
34 as follows:

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

1	SERVICES PROGRAM	
2	General Fund--State Appropriation (FY 2010)	\$616,837,000
3	General Fund--State Appropriation (FY 2011)	((\$639,163,000))
4		<u>\$606,962,000</u>
5	General Fund--Federal Appropriation	((\$1,954,300,000))
6		<u>\$1,917,607,000</u>
7	General Fund--Private/Local Appropriation	\$18,013,000
8	Traumatic Brain Injury Account--State Appropriation	\$4,136,000
9	TOTAL APPROPRIATION	((\$3,232,449,000))
10		<u>\$3,163,555,000</u>

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

13 (1) For purposes of implementing chapter 74.46 RCW, the weighted
14 average nursing facility payment rate shall not exceed \$169.85 for
15 fiscal year 2010 and shall not exceed ((~~\$166.24~~)) \$161.86 for fiscal
16 year 2011, including the rate add-on described in subsection (12) of
17 this section. There will be no adjustments for economic trends and
18 conditions in fiscal years 2010 and 2011. The economic trends and
19 conditions factor or factors defined in the biennial appropriations act
20 shall not be compounded with the economic trends and conditions factor
21 or factors defined in any other biennial appropriations acts before
22 applying it to the component rate allocations established in accordance
23 with chapter 74.46 RCW. When no economic trends and conditions factor
24 for either fiscal year is defined in a biennial appropriations act, no
25 economic trends and conditions factor or factors defined in any earlier
26 biennial appropriations act shall be applied solely or compounded to
27 the component rate allocations established in accordance with chapter
28 74.46 RCW.

29 (2) After examining actual nursing facility cost information, the
30 legislature finds that the medicaid nursing facility rates calculated
31 pursuant to Substitute House Bill No. 3202 or Substitute Senate Bill
32 No. 6872 (nursing facility medicaid payments) provide sufficient
33 reimbursement to efficient and economically operating nursing
34 facilities and bears a reasonable relationship to costs.

35 (3) In accordance with chapter 74.46 RCW, the department shall
36 issue no additional certificates of capital authorization for fiscal
37 year 2010 and no new certificates of capital authorization for fiscal

1 year 2011 and shall grant no rate add-ons to payment rates for capital
2 improvements not requiring a certificate of need and a certificate of
3 capital authorization for fiscal year 2011.

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

10 (5) Within the appropriations of this section, the department shall
11 reduce all seventeen payment levels of the seventeen-level payment
12 system from the fiscal year 2009 levels for boarding homes, boarding
13 homes contracted as assisted living, and adult family homes. Excluded
14 from the reductions are exceptional care rate add-ons. The long-term
15 care program may develop add-ons to pay exceptional care rates to adult
16 family homes and boarding homes with specialty contracts to provide
17 support for the following specifically eligible clients:

18 (a) Persons with AIDS or HIV-related diseases who might otherwise
19 require nursing home or hospital care;

20 (b) Persons with Alzheimer's disease and related dementia who might
21 otherwise require nursing home care; and

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

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

28 (6)(a) Amounts appropriated in this section reflect a reduction to
29 funds appropriated for in-home care. The department shall reduce the
30 number of in-home hours authorized. The reduction shall be scaled
31 based on the acuity level of care recipients. The largest hour
32 reductions shall be to lower acuity patients and the smallest hour
33 reductions shall be to higher acuity patients. In doing so, the
34 department shall comply with all maintenance of effort requirements
35 contained in the American reinvestment and recovery act.

36 (b) \$3,070,000 of the general fund--state appropriation for fiscal
37 year 2011 and \$4,980,000 of the general fund--federal appropriation are
38 provided solely for the department to partially restore the reduction

1 to in-home care that are taken in (a) of this subsection. The
2 department will use the same formula to restore personal care hours
3 that it used to reduce personal care hours.

4 (7) \$536,000 of the general fund--state appropriation for fiscal
5 year 2010, \$1,477,000 of the general fund--state appropriation for
6 fiscal year 2011, and \$2,830,000 of the general fund--federal
7 appropriation are provided solely for health care benefits pursuant to
8 a collective bargaining agreement negotiated with the exclusive
9 bargaining representative of individual providers established under RCW
10 74.39A.270.

11 (8)(a) \$1,212,000 of the general fund--state appropriation for
12 fiscal year 2010, \$2,934,000 of the general fund--state appropriation
13 for fiscal year 2011, and \$2,982,000 of the general fund--federal
14 appropriation are provided solely for the state's contribution to the
15 training partnership, as provided in RCW 74.39A.360, pursuant to a
16 collective bargaining agreement negotiated with the exclusive
17 bargaining representative of individual providers established under RCW
18 74.39A.270.

19 (b) \$330,000 of the general fund--state appropriation for fiscal
20 year 2010, \$660,000 of the general fund--state appropriation for fiscal
21 year 2011, and \$810,000 of the general fund--federal appropriation are
22 provided solely for transfer from the department to the training
23 partnership, as provided in RCW 74.39A.360, for infrastructure and
24 instructional costs associated with training of individual providers,
25 pursuant to a collective bargaining agreement negotiated with the
26 exclusive bargaining representative of individual providers established
27 under RCW 74.39A.270.

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

33 (d) Expenditures for the purposes specified in this subsection
34 shall not exceed the amounts provided in this subsection.

35 (9) Within the amounts appropriated in this section, the department
36 may expand the new freedom waiver program to accommodate new waiver
37 recipients throughout the state. As possible, and in compliance with

1 current state and federal laws, the department shall allow current
2 waiver recipients to transfer to the new freedom waiver.

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

7 (11) \$3,955,000 of the general fund--state appropriation for fiscal
8 year 2010, (~~(\$4,239,000)~~) \$3,972,000 of the general fund--state
9 appropriation for fiscal year 2011, and \$10,190,000 of the general
10 fund--federal appropriation are provided solely for the continued
11 operation of community residential and support services for persons who
12 are older adults or who have co-occurring medical and behavioral
13 disorders and who have been discharged or diverted from a state
14 psychiatric hospital. These funds shall be used to serve individuals
15 whose treatment needs constitute substantial barriers to community
16 placement, who no longer require active psychiatric treatment at an
17 inpatient hospital level of care, and who no longer meet the criteria
18 for inpatient involuntary commitment. Coordination of these services
19 will be done in partnership between the mental health program and the
20 aging and disability services administration.

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

34 (13) \$1,840,000 of the general fund--state appropriation for fiscal
35 year 2010 and (~~(\$1,877,000)~~) \$1,759,000 of the general fund--state
36 appropriation for fiscal year 2011 are provided solely for operation of
37 the volunteer services program. Funding shall be prioritized towards

1 serving populations traditionally served by long-term care services to
2 include senior citizens and persons with disabilities.

3 (14) In accordance with chapter 74.39 RCW, the department may
4 implement two medicaid waiver programs for persons who do not qualify
5 for such services as categorically needy, subject to federal approval
6 and the following conditions and limitations:

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

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

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

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

20 (15) The department shall establish waiting lists to the extent
21 necessary to assure that annual expenditures on the community options
22 program entry systems (COPES) program do not exceed appropriated
23 levels. In establishing and managing any such waiting list, the
24 department shall assure priority access to persons with the greatest
25 unmet needs, as determined by department assessment processes.

26 (16) The department shall contract for housing with service models,
27 such as cluster care, to create efficiencies in service delivery and
28 responsiveness to unscheduled personal care needs by clustering hours
29 for clients that live in close proximity to each other.

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

34 (18) \$209,000 of the general fund--state appropriation for fiscal
35 year 2010, (~~(\$781,000)~~) \$732,000 of the general fund--state
36 appropriation for fiscal year 2011, and \$1,293,000 of the general
37 fund--federal appropriation are provided solely to implement Engrossed
38 House Bill No. 2194 (extraordinary medical placement for offenders).

1 The department shall work in partnership with the department of
2 corrections to identify services and find placements for offenders who
3 are released through the extraordinary medical placement program. The
4 department shall collaborate with the department of corrections to
5 identify and track cost savings to the department of corrections,
6 including medical cost savings and to identify and track expenditures
7 incurred by the aging and disability services program for community
8 services and by the medical assistance program for medical expenses.
9 A joint report regarding the identified savings and expenditures shall
10 be provided to the office of financial management and the appropriate
11 fiscal committees of the legislature by November 30, 2010. If this
12 bill is not enacted by June 30, 2009, the amounts provided in this
13 subsection shall lapse.

14 (19) In accordance with RCW 18.51.050, 18.20.050, and 43.135.055,
15 the department is authorized to increase nursing facility and boarding
16 home fees in fiscal year 2011 as necessary to meet the actual costs of
17 conducting the licensure, inspection, and regulatory programs.

18 (a) \$1,035,000 of the general fund--private/local appropriation
19 assumes that the current annual renewal license fee for nursing
20 facilities shall be increased to \$327 per bed beginning in fiscal year
21 2011.

22 (b) \$1,806,000 of the general fund--local appropriation assumes
23 that the current annual renewal license fee for boarding homes shall be
24 increased to \$106 per bed beginning in fiscal year 2011.

25 (20) \$2,566,000 of the traumatic brain injury account--state
26 appropriation is provided solely to continue services for persons with
27 traumatic brain injury (TBI) as defined in RCW 74.31.020 through
28 74.31.050. The TBI advisory council shall provide a report to the
29 legislature by December 1, 2010, on the effectiveness of the functions
30 overseen by the council and shall provide recommendations on the
31 development of critical services for individuals with traumatic brain
32 injury.

33 (21) The automatic award of additional hours of personal care for
34 people with special meal preparation or incontinence needs is
35 eliminated. Authorization of service hours will be based upon the
36 individual's assessed needs.

37 (22) For calendar year 2009, the department shall calculate split
38 settlements covering two periods January 1, 2009, through June 30,

1 2009, and July 1, 2009, through December 31, 2009. For the second
2 period beginning July 1, 2009, the department may partially or totally
3 waive settlements only in specific cases where a nursing home can
4 demonstrate significant decreases in costs from the first period.

5 (23) \$72,000 of the traumatic brain injury account appropriation
6 and \$116,000 of the general fund--federal appropriation are provided
7 solely for a direct care rate add-on to any nursing facility
8 specializing in the care of residents with traumatic brain injuries
9 where more than 50 percent of residents are classified with this
10 condition based upon the federal minimum data set assessment.

11 (24) \$69,000 of the general fund--state appropriation for fiscal
12 year 2010, \$1,289,000 of the general fund--state appropriation for
13 fiscal year 2011, and \$2,050,000 of the general fund--federal
14 appropriation are provided solely for the department to maintain
15 enrollment in the adult day health services program. New enrollments
16 are authorized for up to 1,575 clients or to the extent that
17 appropriated funds are available to cover additional clients.

18 (25) (~~(\$1,000,000)~~) \$937,000 of the general fund--state
19 appropriation for fiscal year 2011 is provided solely for the
20 department to contract for the provision of an individual provider
21 referral registry.

22 (26) (~~(\$100,000)~~) \$94,000 of the general fund--state appropriation
23 for fiscal year 2011 and \$100,000 of the general fund--federal
24 appropriation are provided solely for the department to contract with
25 a consultant to evaluate and make recommendations on a pay-for-
26 performance payment subsidy system. The department shall organize one
27 workgroup meeting with the consultant where nursing home stakeholders
28 may provide input on pay-for-performance ideas. The consultant shall
29 review pay-for-performance strategies used in other states to sustain
30 and enhance quality-improvement efforts in nursing facilities. The
31 evaluation shall include a review of the centers for medicare and
32 medicaid services demonstration project to explore the feasibility of
33 pay-for-performance systems in medicare certified nursing facilities.
34 The consultant shall develop a report to include:

35 (a) Best practices used in other states for pay-for-performance
36 strategies incorporated into medicaid nursing home payment systems;

37 (b) The relevance of existing research to Washington state;

1 (c) A summary and review of suggestions for pay-for-performance
2 strategies provided by nursing home stakeholders in Washington state;
3 and

4 (d) An evaluation of the effectiveness of a variety of performance
5 measures.

6 (27) \$4,100,000 of the general fund--state appropriation for fiscal
7 year 2010, \$4,174,000 of the general fund--state appropriation for
8 fiscal year 2011, and \$8,124,000 of the general fund--federal
9 appropriation are provided for the operation of the management services
10 division of the aging and disability services administration. This
11 includes but is not limited to the budget, contracts, accounting,
12 decision support, information technology, and rate development
13 activities for programs administered by the aging and disability
14 services administration. Nothing in this subsection is intended to
15 exempt the management services division of the aging and disability
16 services administration from reductions directed by the secretary.
17 However, funds provided in this subsection shall not be transferred
18 elsewhere within the department nor used for any other purpose.

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

23 (29) In accordance with RCW 43.135.055, the department is
24 authorized to adopt and increase the fees set forth in and previously
25 authorized in section 206(19), chapter 37, Laws of 2010 1st sp.s.

26 **Sec. 206.** 2010 2nd sp.s. c 1 s 206 (uncodified) is amended to read
27 as follows:

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

30	General Fund--State Appropriation (FY 2010)	\$564,242,000
31	General Fund--State Appropriation (FY 2011)	((\$565,617,000))
32		<u>\$540,549,000</u>
33	General Fund--Federal Appropriation	((\$1,220,752,000))
34		<u>\$1,219,423,000</u>
35	General Fund--Private/Local Appropriation	((\$31,816,000))
36		<u>\$37,816,000</u>
37	Administrative Contingency Account--State	

1	Appropriation	\$24,336,000
2	TOTAL APPROPRIATION	((\$2,406,763,000))
3		<u>\$2,386,366,000</u>

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

6 (1) \$303,393,000 of the general fund--state appropriation for
7 fiscal year 2010, \$285,057,000 of the general fund--state appropriation
8 for fiscal year 2011 net of child support pass-through recoveries,
9 \$24,336,000 of the administrative contingency account--state
10 appropriation, and \$778,606,000 of the general fund-- federal
11 appropriation are provided solely for all components of the WorkFirst
12 program. The department shall use moneys from the administrative
13 contingency account for WorkFirst job placement services provided by
14 the employment security department. Within the amounts provided for
15 the WorkFirst program, the department may provide assistance using
16 state-only funds for families eligible for temporary assistance for
17 needy families. In addition, within the amounts provided for WorkFirst
18 the department shall:

- 19 (a) Establish a career services work transition program;
- 20 (b) Continue to implement WorkFirst program improvements that are
21 designed to achieve progress against outcome measures specified in RCW
22 74.08A.410. Outcome data regarding job retention and wage progression
23 shall be reported quarterly to appropriate fiscal and policy committees
24 of the legislature for families who leave assistance, measured after 12
25 months, 24 months, and 36 months. The department shall also report the
26 percentage of families who have returned to temporary assistance for
27 needy families after 12 months, 24 months, and 36 months;
- 28 (c) Submit a report electronically by October 1, 2009, to the
29 fiscal committees of the legislature containing a spending plan for the
30 WorkFirst program. The plan shall identify how spending levels in the
31 2009-2011 biennium will be adjusted to stay within available federal
32 grant levels and the appropriated state-fund levels;
- 33 (d) Provide quarterly fiscal reports to the office of financial
34 management and the legislative fiscal committees detailing information
35 on the amount expended from general fund--state and general fund--
36 federal by activity.

37 (2) The department and the office of financial management shall

1 electronically report quarterly the expenditures, maintenance of effort
2 allotments, expenditure amounts, and caseloads for the WorkFirst
3 program to the legislative fiscal committees.

4 (3) \$16,783,000 of the general fund--state appropriation for fiscal
5 year 2011 and \$62,000,000 of the general fund--federal appropriation
6 are provided solely for all components of the WorkFirst program in
7 order to maintain services to January 2011. The legislature intends to
8 work with the governor to design and implement fiscal and programmatic
9 modifications to provide for the sustainability of the program. The
10 funding in this subsection assumes that no other expenditure reductions
11 will be made prior to January 2011 other than those assumed in the
12 appropriation levels in this act.

13 (4) \$94,322,000 of the general fund--state appropriation for fiscal
14 year 2010 and (~~(\$84,904,000)~~) \$76,979,000 of the general fund--state
15 appropriation for fiscal year 2011, net of recoveries, are provided
16 solely for cash assistance and other services to recipients in the cash
17 program pursuant to chapter 8, Laws of 2010 1st sp. sess. (security
18 lifeline act), including persons in the unemployable, expedited, and
19 aged, blind, and disabled components of the program. It is the intent
20 of the legislature that the lifeline incapacity determination and
21 progressive evaluation process regulations be carefully designed to
22 accurately identify those persons who have been or will be
23 incapacitated for at least ninety days. The incapacity determination
24 and progressive evaluation process regulations in effect on January 1,
25 2010, cannot be amended until at least September 30, 2010; except that
26 provisions related to the use of administrative review teams may be
27 amended, and obsolete terminology and functional assessment language
28 may be updated on or after July 1, 2010, in a manner that only
29 minimally impacts the outcome of incapacity evaluations. After
30 September 30, 2010, the incapacity determination and progressive
31 evaluation process regulations may be amended only if the reports under
32 (a) and (b) of this subsection have been submitted, and find that
33 expenditures will exceed the appropriated level by three percent or
34 more.

35 (a) The department and the caseload forecast council shall, by
36 September 21, 2010, submit a report to the legislature based upon the
37 most recent caseload forecast and actual expenditure data available, as
38 to whether expenditures for the lifeline-unemployable grants in fiscal

1 year 2011 will exceed \$69,648,000 for fiscal year 2011 in the 2010
2 supplemental operating budget by three percent or more. If
3 expenditures will exceed the appropriated amount for lifeline-
4 unemployable grants by three percent or more, the department may adopt
5 regulations modifying incapacity determination and progressive
6 evaluation process regulations after September 30, 2010.

7 (b) On or before September 21, 2010, the department shall submit a
8 report to the relevant policy and fiscal committees of the legislature
9 that includes the following information regarding any regulations
10 proposed for adoption that would modify the lifeline incapacity
11 determination and progressive evaluation process:

12 (i) A copy of the proposed changes and a concise description of the
13 changes;

14 (ii) A description of the persons who would likely be affected by
15 adoption of the regulations, including their impairments, age,
16 education, and work history;

17 (iii) An estimate of the number of persons who, on a monthly basis
18 through June 2013, would be denied lifeline benefits if the regulations
19 were adopted, expressed as a number, as a percentage of total
20 applicants, and as a percentage of the number of persons granted
21 lifeline benefits in each month;

22 (iv) An estimate of the number of persons who, on a monthly basis
23 through June 2013, would have their lifeline benefits terminated
24 following an eligibility review if the regulations were adopted,
25 expressed as a number, as a percentage of the number of persons who
26 have had an eligibility review in each month, and as a percentage of
27 the total number of persons currently receiving lifeline-unemployable
28 benefits in each month; and

29 (v) Intended improvements in employment or treatment outcomes among
30 persons receiving lifeline benefits that could be attributable to the
31 changes in the regulations.

32 (c) Within these amounts:

33 (i) The department shall aggressively pursue opportunities to
34 transfer lifeline clients to general assistance expedited coverage and
35 to facilitate client applications for federal supplemental security
36 income when the client's incapacities indicate that he or she would be
37 likely to meet the federal disability criteria for supplemental

1 security income. The department shall initiate and file the federal
2 supplemental security income interim agreement as quickly as possible
3 in order to maximize the recovery of federal funds;

4 (ii) The department shall review the lifeline caseload to identify
5 recipients that would benefit from assistance in becoming naturalized
6 citizens, and thus be eligible to receive federal supplemental security
7 income benefits. Those cases shall be given high priority for
8 naturalization funding through the department;

9 (iii) The department shall actively coordinate with local workforce
10 development councils to expedite access to worker retraining programs
11 for lifeline clients in those regions of the state with the greatest
12 number of such clients;

13 (iv) By July 1, 2009, the department shall enter into an
14 interagency agreement with the department of veterans' affairs to
15 establish a process for referral of veterans who may be eligible for
16 veteran's services. This agreement must include outstationing
17 department of veterans' affairs staff in selected community service
18 office locations in King and Pierce counties to facilitate applications
19 for veterans' services; and

20 (v) In addition to any earlier evaluation that may have been
21 conducted, the department shall intensively evaluate those clients who
22 have been receiving lifeline benefits for twelve months or more as of
23 July 1, 2009, or thereafter, if the available medical and incapacity
24 related evidence indicates that the client is unlikely to meet the
25 disability standard for federal supplemental security income benefits.
26 The evaluation shall identify services necessary to eliminate or
27 minimize barriers to employment, including mental health treatment,
28 substance abuse treatment and vocational rehabilitation services. The
29 department shall expedite referrals to chemical dependency treatment,
30 mental health and vocational rehabilitation services for these clients.

31 (vi) The appropriations in this subsection reflect a change in the
32 earned income disregard policy for lifeline clients. It is the intent
33 of the legislature that the department shall adopt the temporary
34 assistance for needy families earned income policy for the lifeline
35 program.

36 (5) \$750,000 of the general fund--state appropriation for fiscal
37 year 2010 and (~~(\$750,000)~~) \$500,000 of the general fund--state

1 appropriation for fiscal year 2011 are provided solely for
2 naturalization services.

3 (6)((+a)) \$3,550,000 of the general fund--state appropriation for
4 fiscal year 2010 is provided solely for refugee employment services, of
5 which \$2,650,000 is provided solely for the department to pass through
6 to statewide refugee assistance organizations for limited English
7 proficiency pathway services; and (((\$3,550,000)) \$2,050,000 of the
8 general fund--state appropriation for fiscal year 2011 is provided
9 solely for refugee employment services, of which (((\$2,650,000))
10 \$1,540,000 is provided solely for the department to pass through to
11 statewide refugee assistance organizations for limited English
12 proficiency pathway services.

13 ((~~(b) The legislature intends that the appropriation in this
14 subsection for the 2009-11 fiscal biennium will maintain funding for
15 refugee programs at a level at least equal to expenditures on these
16 programs in the 2007-09 fiscal biennium.~~))

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

23 (8) \$855,000 of the general fund--state appropriation for fiscal
24 year 2011, \$719,000 of the general fund--federal appropriation, and
25 \$2,907,000 of the general fund--private/local appropriation are
26 provided solely for the implementation of the opportunity portal, the
27 food stamp employment and training program, and the disability lifeline
28 program under Second Substitute House Bill No. 2782 (security lifeline
29 act). If the bill is not enacted by June 30, 2010, the amounts
30 provided in this subsection shall lapse.

31 (9) ((~~\$200,000~~)) \$100,000 of the general fund--state appropriation
32 for fiscal year 2011 is provided solely for the department to award
33 grants to small mutual assistance or small community-based
34 organizations that contract with the department for immigrant and
35 refugee assistance services. The funds shall be awarded to provide
36 funding for community groups to provide transitional assistance,
37 language skills, and other resources to improve refugees' economic

1 self-sufficiency through the effective use of social services,
2 financial services, and medical assistance.

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

8 **Sec. 207.** 2010 2nd sp.s. c 1 s 207 (uncodified) is amended to read
9 as follows:

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

12	General Fund--State Appropriation (FY 2010)	\$81,982,000
13	General Fund--State Appropriation (FY 2011)	(\$82,379,000)
14		<u>\$77,065,000</u>
15	General Fund--Federal Appropriation	(\$148,018,000)
16		<u>\$151,574,000</u>
17	General Fund--Private/Local Appropriation	\$2,718,000
18	Criminal Justice Treatment Account--State	
19	Appropriation	\$17,743,000
20	Problem Gambling Account--State Appropriation	\$1,456,000
21	TOTAL APPROPRIATION	(\$334,296,000)
22		<u>\$332,538,000</u>

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

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

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

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

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

4 (4) (~~(\$2,247,000 of the general fund state appropriation for~~
5 ~~fiscal year 2011 is provided solely)~~) Funding is provided for the
6 implementation of the lifeline program under Second Substitute House
7 Bill No. 2782 (security lifeline act). If the bill is not enacted by
8 June 30, 2010, the amount provided in this subsection shall lapse.

9 (5) \$3,500,000 of the general fund--federal appropriation (from the
10 substance abuse prevention and treatment federal block grant) is
11 provided solely for the continued funding of existing county drug and
12 alcohol use prevention programs.

13 **Sec. 208.** 2010 2nd sp.s. c 1 s 208 (uncodified) is amended to read
14 as follows:

15 **FOR THE DEPARTMENT OF SOCIAL AND HEALTH SERVICES--MEDICAL ASSISTANCE**
16 **PROGRAM**

17	General Fund--State Appropriation (FY 2010)	\$1,697,203,000
18	General Fund--State Appropriation (FY 2011)	(\$1,752,373,000)
19		<u>\$1,737,303,000</u>
20	General Fund--Federal Appropriation	(\$6,047,652,000)
21		<u>\$6,047,405,000</u>
22	General Fund--Private/Local Appropriation	(\$37,249,000)
23		<u>\$38,509,000</u>
24	Emergency Medical Services and Trauma Care Systems	
25	Trust Account--State Appropriation	\$15,075,000
26	Tobacco Prevention and Control Account--	
27	State Appropriation	\$4,464,000
28	Hospital Safety Net Assessment Fund--State	
29	Appropriation	(\$260,036,000)
30		<u>\$260,057,000</u>
31	TOTAL APPROPRIATION	(\$9,814,052,000)
32		<u>\$9,800,016,000</u>

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

35 (1) Based on quarterly expenditure reports and caseload forecasts,
36 if the department estimates that expenditures for the medical
37 assistance program will exceed the appropriations, the department shall

1 take steps including but not limited to reduction of rates or
2 elimination of optional services to reduce expenditures so that total
3 program costs do not exceed the annual appropriation authority.

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

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

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

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

1 (6) (~~(\$1,110,000)~~) \$649,000 of the general fund--federal
2 appropriation and (~~(\$1,105,000)~~) \$644,000 of the general fund--state
3 appropriation for fiscal year 2011 are provided solely for grants to
4 rural hospitals. The department shall distribute the funds under a
5 formula that provides a relatively larger share of the available
6 funding to hospitals that (a) serve a disproportionate share of low-
7 income and medically indigent patients, and (b) have relatively smaller
8 net financial margins, to the extent allowed by the federal medicaid
9 program.

10 (7) (~~(\$9,818,000)~~) \$5,729,000 of the general fund--state
11 appropriation for fiscal year 2011, and (~~(\$9,865,000)~~) \$5,776,000 of
12 the general fund--federal appropriation are provided solely for grants
13 to nonrural hospitals. The department shall distribute the funds under
14 a formula that provides a relatively larger share of the available
15 funding to hospitals that (a) serve a disproportionate share of low-
16 income and medically indigent patients, and (b) have relatively smaller
17 net financial margins, to the extent allowed by the federal medicaid
18 program.

19 (8) The department shall continue the inpatient hospital certified
20 public expenditures program for the 2009-11 biennium. The program
21 shall apply to all public hospitals, including those owned or operated
22 by the state, except those classified as critical access hospitals or
23 state psychiatric institutions. The department shall submit reports to
24 the governor and legislature by November 1, 2009, and by November 1,
25 2010, that evaluate whether savings continue to exceed costs for this
26 program. If the certified public expenditures (CPE) program in its
27 current form is no longer cost-effective to maintain, the department
28 shall submit a report to the governor and legislature detailing
29 cost-effective alternative uses of local, state, and federal resources
30 as a replacement for this program. During fiscal year 2010 and fiscal
31 year 2011, hospitals in the program shall be paid and shall retain one
32 hundred percent of the federal portion of the allowable hospital cost
33 for each medicaid inpatient fee-for-service claim payable by medical
34 assistance and one hundred percent of the federal portion of the
35 maximum disproportionate share hospital payment allowable under federal
36 regulations. Inpatient medicaid payments shall be established using an
37 allowable methodology that approximates the cost of claims submitted by
38 the hospitals. Payments made to each hospital in the program in each

1 fiscal year of the biennium shall be compared to a baseline amount.
2 The baseline amount will be determined by the total of (a) the
3 inpatient claim payment amounts that would have been paid during the
4 fiscal year had the hospital not been in the CPE program based on the
5 reimbursement rates developed, implemented, and consistent with
6 policies approved in the 2009-11 biennial operating appropriations act
7 (chapter 564, Laws of 2009) and in effect on July 1, 2009, (b) one half
8 of the indigent assistance disproportionate share hospital payment
9 amounts paid to and retained by each hospital during fiscal year 2005,
10 and (c) all of the other disproportionate share hospital payment
11 amounts paid to and retained by each hospital during fiscal year 2005
12 to the extent the same disproportionate share hospital programs exist
13 in the 2009-11 biennium. If payments during the fiscal year exceed the
14 hospital's baseline amount, no additional payments will be made to the
15 hospital except the federal portion of allowable disproportionate share
16 hospital payments for which the hospital can certify allowable match.
17 If payments during the fiscal year are less than the baseline amount,
18 the hospital will be paid a state grant equal to the difference between
19 payments during the fiscal year and the applicable baseline amount.
20 Payment of the state grant shall be made in the applicable fiscal year
21 and distributed in monthly payments. The grants will be recalculated
22 and redistributed as the baseline is updated during the fiscal year.
23 The grant payments are subject to an interim settlement within eleven
24 months after the end of the fiscal year. A final settlement shall be
25 performed. To the extent that either settlement determines that a
26 hospital has received funds in excess of what it would have received as
27 described in this subsection, the hospital must repay the excess
28 amounts to the state when requested. \$20,403,000 of the general fund--
29 state appropriation for fiscal year 2010, of which \$6,570,000 is
30 appropriated in section 204(1) of this act, and \$29,480,000 of the
31 general fund--state appropriation for fiscal year 2011, of which
32 \$6,570,000 is appropriated in section 204(1) of this act, are provided
33 solely for state grants for the participating hospitals. CPE hospitals
34 will receive the inpatient and outpatient reimbursement rate
35 restorations in section 9 and rate increases in section 10(1)(b) of
36 Engrossed Second Substitute House Bill No. 2956 (hospital safety net
37 assessment) funded through the hospital safety net assessment fund

1 rather than through the baseline mechanism specified in this
2 subsection.

3 (9) The department is authorized to use funds appropriated in this
4 section to purchase goods and supplies through direct contracting with
5 vendors when the department determines it is cost-effective to do so.

6 (10) \$93,000 of the general fund--state appropriation for fiscal
7 year 2010 and \$93,000 of the general fund--federal appropriation are
8 provided solely for the department to pursue a federal Medicaid waiver
9 pursuant to Second Substitute Senate Bill No. 5945 (Washington health
10 partnership plan). If the bill is not enacted by June 30, 2009, the
11 amounts provided in this subsection shall lapse.

12 (11) The department shall require managed health care systems that
13 have contracts with the department to serve medical assistance clients
14 to limit any reimbursements or payments the systems make to providers
15 not employed by or under contract with the systems to no more than the
16 medical assistance rates paid by the department to providers for
17 comparable services rendered to clients in the fee-for-service delivery
18 system.

19 (12) A maximum of \$241,141,000 in total funds from the general
20 fund--state, general fund--federal, and tobacco and prevention control
21 account--state appropriations may be expended in the fiscal biennium
22 for the medical program pursuant to chapter 8, Laws of 2010 1st sp.
23 sess. (security lifeline act), and these amounts are provided solely
24 for this program. Of these amounts, \$10,749,000 of the general fund--
25 state appropriation for fiscal year 2010 and \$10,892,000 of the general
26 fund--federal appropriation are provided solely for payments to
27 hospitals for providing outpatient services to low income patients who
28 are recipients of lifeline benefits. Pursuant to RCW 74.09.035, the
29 department shall not expend for the lifeline medical care services
30 program any amounts in excess of the amounts provided in this
31 subsection.

32 (13) Mental health services shall be included in the services
33 provided through the managed care system for lifeline clients under
34 chapter 8, Laws of 2010 1st sp. sess. In transitioning lifeline
35 clients to managed care, the department shall attempt to deliver care
36 to lifeline clients through medical homes in community and migrant
37 health centers. The department, in collaboration with the carrier,
38 shall seek to improve the transition rate of lifeline clients to the

1 federal supplemental security income program. The department shall
2 renegotiate the contract with the managed care plan that provides
3 services for lifeline clients to maximize state retention of future
4 hospital savings as a result of improved care coordination. The
5 department, in collaboration with stakeholders, shall propose a new
6 name for the lifeline program.

7 (14) The department shall evaluate the impact of the use of a
8 managed care delivery and financing system on state costs and outcomes
9 for lifeline medical clients. Outcomes measured shall include state
10 costs, utilization, changes in mental health status and symptoms, and
11 involvement in the criminal justice system.

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

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

18 (17) \$24,356,000 of the general fund--private/local appropriation
19 and \$35,707,000 of the general fund--federal appropriation are provided
20 solely for the implementation of professional services supplemental
21 payment programs. The department shall seek a medicaid state plan
22 amendment to create a professional services supplemental payment
23 program for University of Washington medicine professional providers no
24 later than July 1, 2009. The department shall apply federal rules for
25 identifying the shortfall between current fee-for-service medicaid
26 payments to participating providers and the applicable federal upper
27 payment limit. Participating providers shall be solely responsible for
28 providing the local funds required to obtain federal matching funds.
29 Any incremental costs incurred by the department in the development,
30 implementation, and maintenance of this program will be the
31 responsibility of the participating providers. Participating providers
32 will retain the full amount of supplemental payments provided under
33 this program, net of any potential costs for any related audits or
34 litigation brought against the state. The department shall report to
35 the governor and the legislative fiscal committees on the prospects for
36 expansion of the program to other qualifying providers as soon as
37 feasibility is determined but no later than December 31, 2009. The
38 report will outline estimated impacts on the participating providers,

1 the procedures necessary to comply with federal guidelines, and the
2 administrative resource requirements necessary to implement the
3 program. The department will create a process for expansion of the
4 program to other qualifying providers as soon as it is determined
5 feasible by both the department and providers but no later than June
6 30, 2010.

7 (18) \$9,075,000 of the general fund--state appropriation for fiscal
8 year 2010, \$8,588,000 of the general fund--state appropriation for
9 fiscal year 2011, and \$39,747,000 of the general fund--federal
10 appropriation are provided solely for development and implementation of
11 a replacement system for the existing medicaid management information
12 system. The amounts provided in this subsection are conditioned on the
13 department satisfying the requirements of section 902 of this act.

14 (19) \$506,000 of the general fund--state appropriation for fiscal
15 year 2011 and \$657,000 of the general fund--federal appropriation are
16 provided solely for the implementation of Second Substitute House Bill
17 No. 1373 (children's mental health). If the bill is not enacted by
18 June 30, 2009, the amounts provided in this subsection shall lapse.

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

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

31 (22) \$425,000 of the general fund--state appropriation for fiscal
32 year 2010 and \$790,000 of the general fund--federal appropriation are
33 provided solely to continue children's health coverage outreach and
34 education efforts under RCW 74.09.470. These efforts shall rely on
35 existing relationships and systems developed with local public health
36 agencies, health care providers, public schools, the women, infants,
37 and children program, the early childhood education and assistance
38 program, child care providers, newborn visiting nurses, and other

1 community-based organizations. The department shall seek public-
2 private partnerships and federal funds that are or may become available
3 to provide on-going support for outreach and education efforts under
4 the federal children's health insurance program reauthorization act of
5 2009.

6 (23) The department, in conjunction with the office of financial
7 management, shall implement a prorated inpatient payment policy.

8 (24) The department will pursue a competitive procurement process
9 for antihemophilic products, emphasizing evidence-based medicine and
10 protection of patient access without significant disruption in
11 treatment.

12 (25) The department will pursue several strategies towards reducing
13 pharmacy expenditures including but not limited to increasing generic
14 prescription drug utilization by 20 percentage points and promoting
15 increased utilization of the existing mail-order pharmacy program.

16 (26) The department shall reduce reimbursement for over-the-counter
17 medications while maintaining reimbursement for those over-the-counter
18 medications that can replace more costly prescription medications.

19 (27) The department shall seek public-private partnerships and
20 federal funds that are or may become available to implement health
21 information technology projects under the federal American recovery and
22 reinvestment act of 2009.

23 (28) The department shall target funding for maternity support
24 services towards pregnant women with factors that lead to higher rates
25 of poor birth outcomes, including hypertension, a preterm or low birth
26 weight birth in the most recent previous birth, a cognitive deficit or
27 developmental disability, substance abuse, severe mental illness,
28 unhealthy weight or failure to gain weight, tobacco use, or African
29 American or Native American race. The department shall prioritize
30 evidence-based practices for delivery of maternity support services.
31 To the extent practicable, the department shall develop a mechanism to
32 increase federal funding for maternity support services by leveraging
33 local public funding for those services.

34 (29) \$260,036,000 of the hospital safety net assessment fund--state
35 appropriation and \$255,448,000 of the general fund--federal
36 appropriation are provided solely for the implementation of Engrossed
37 Second Substitute House Bill No. 2956 (hospital safety net assessment).

1 If the bill is not enacted by June 30, 2010, the amounts provided in
2 this subsection shall lapse.

3 (30) \$79,000 of the general fund--state appropriation for fiscal
4 year 2010 and \$53,000 of the general fund--federal appropriation are
5 provided solely to implement Substitute House Bill No. 1845 (medical
6 support obligations).

7 (31) \$63,000 of the general fund--state appropriation for fiscal
8 year 2010, \$583,000 of the general fund--state appropriation for fiscal
9 year 2011, and \$864,000 of the general fund--federal appropriation are
10 provided solely to implement Engrossed House Bill No. 2194
11 (extraordinary medical placement for offenders). The department shall
12 work in partnership with the department of corrections to identify
13 services and find placements for offenders who are released through the
14 extraordinary medical placement program. The department shall
15 collaborate with the department of corrections to identify and track
16 cost savings to the department of corrections, including medical cost
17 savings, and to identify and track expenditures incurred by the aging
18 and disability services program for community services and by the
19 medical assistance program for medical expenses. A joint report
20 regarding the identified savings and expenditures shall be provided to
21 the office of financial management and the appropriate fiscal
22 committees of the legislature by November 30, 2010. If this bill is
23 not enacted by June 30, 2009, the amounts provided in this subsection
24 shall lapse.

25 (32) \$73,000 of the general fund--state appropriation for fiscal
26 year 2011 and \$50,000 of the general fund--federal appropriation is
27 provided solely for supplemental services that will be provided to
28 offenders in lieu of a prison sentence pursuant to chapter 224, Laws of
29 2010 (Substitute Senate Bill No. 6639).

30 (33) Sufficient amounts are provided in this section to provide
31 full benefit dual eligible beneficiaries with medicare part D
32 prescription drug copayment coverage in accordance with RCW 74.09.520
33 until December 31, 2010.

34 (34) In addition to other reductions, the appropriations in this
35 section reflect reductions targeted specifically to state government
36 administrative costs. These administrative reductions shall be
37 achieved, to the greatest extent possible, by reducing those

1 administrative costs that do not affect providers, direct client
2 services, or direct service delivery or programs.

3 (35) \$331,000 of the general fund--state appropriation for fiscal
4 year 2010, \$331,000 of the general fund--state appropriation for fiscal
5 year 2011, and \$1,228,000 of the general fund--federal appropriation
6 are provided solely for the department to support the activities of the
7 Washington poison center. The department shall seek federal authority
8 to receive matching funds from the federal government through the
9 children's health insurance program.

10 (36) \$528,000 of the general fund--state appropriation and
11 \$2,955,000 of the general fund--federal appropriation are provided
12 solely for the implementation of the lifeline program under chapter 8,
13 Laws of 2010 1st sp. sess. (security lifeline act).

14 (37) Reductions in dental services are to be achieved by focusing
15 on the fastest growing areas of dental care. Reductions in
16 preventative care, particularly for children, will be avoided to the
17 extent possible.

18 (38) \$1,307,000 of the general fund--state appropriation for fiscal
19 year 2011 and \$1,770,000 of the general fund--federal appropriation are
20 provided solely to continue to provide dental services in calendar year
21 2011 for qualifying adults with developmental disabilities. Services
22 shall include preventive, routine, and emergent dental care, and
23 support for continued operation of the dental education in care of
24 persons with disabilities (DECOD) program at the University of
25 Washington.

26 (39) The department shall develop the capability to implement apple
27 health for kids express lane eligibility enrollments for children
28 receiving basic food assistance by June 30, 2011.

29 (40)(a) The department, in coordination with the health care
30 authority, shall actively continue to negotiate a medicaid section 1115
31 waiver with the federal centers for medicare and medicaid services that
32 would provide federal matching funds for services provided to persons
33 enrolled in the basic health plan under chapter 70.47 RCW and the
34 medical care services program under RCW 74.09.035.

35 (b) If the waiver in (a) of this subsection is granted, the
36 department and the health care authority may implement the waiver if it
37 allows the program to remain within appropriated levels, after

1 providing notice of its terms and conditions to the relevant policy and
2 fiscal committees of the legislature in writing thirty days prior to
3 the planned implementation date of the waiver.

4 (41) \$704,000 of the general fund--state appropriation for fiscal
5 year 2010, \$812,000 of the general fund--state appropriation for fiscal
6 year 2011, and \$1,516,000 of the general fund--federal appropriation
7 are provided solely for maintaining employer-sponsored insurance
8 program staff, coordination of benefits unit staff, the payment
9 integrity audit team, and family planning nursing.

10 (42) Every effort shall be made to maintain current employment
11 levels and achieve administrative savings through vacancies and
12 employee attrition. Efficiencies shall be implemented as soon as
13 possible in order to minimize actual reduction in force. The
14 department shall implement a management strategy that minimizes
15 disruption of service and negative impacts on employees.

16 (43) \$1,199,000 of the general fund--private/local appropriation
17 for fiscal year 2011 and \$1,671,000 of the general fund--federal
18 appropriation are provided solely to support medical airlift services.

19 (44) \$5,000,000 of the general fund--state appropriation for fiscal
20 year 2011 and \$7,191,000 of the general fund--federal appropriation are
21 provided solely for payments to federally qualified health clinics and
22 rural health centers under a new alternative payment methodology that
23 the department shall develop in consultation with the legislature and
24 the office of financial management.

25 (45) \$33,000 of the general fund--state appropriation for fiscal
26 year 2011 and \$61,000 of the general fund--federal appropriation are
27 provided solely to continue operation by a nonprofit organization of a
28 toll-free line that assists families to learn about and enroll in apple
29 health for kids, which provides publicly funded medical and dental care
30 for families with incomes below 300 percent of the federal poverty
31 level.

32 (46) \$150,000 of the general fund--state appropriation for fiscal
33 year 2011 and \$150,000 of the general fund--federal appropriation are
34 provided solely for initiation of a prescriptive practices improvement
35 collaborative focusing upon atypical antipsychotics and other
36 medications commonly used in the treatment of severe and persistent
37 mental illnesses among adults. The project shall promote collaboration
38 among community mental health centers, other major prescribers of

1 atypical antipsychotic medications to adults enrolled in state medical
2 assistance programs, and psychiatrists, pharmacists, and other
3 specialists at the University of Washington department of psychiatry
4 and/or other research universities. The collaboration shall include
5 patient-specific prescriber consultations by psychiatrists and
6 pharmacists specializing in treatment of severe and persistent mental
7 illnesses among adults; production of profiles to assist prescribers
8 and clinics track their prescriptive practices and their patients'
9 medication use and adherence relative to evidence-based practice
10 guidelines, other prescribers, and patients at other clinics; and
11 in-service seminars at which participants can share and increase their
12 knowledge of evidence-based and other effective prescriptive practices.

13 (47) \$75,000 of the general fund--state appropriation for fiscal
14 year 2011 and \$75,000 of the general fund--federal appropriation are
15 provided solely to assist with development and implementation of
16 evidence-based strategies regarding the appropriate, safe, and
17 effective role of C-section surgeries and early induced labor in births
18 and neonatal care. The strategies shall be identified and implemented
19 in consultation with clinical research specialists, physicians,
20 hospitals, advanced registered nurse practitioners, and organizations
21 concerned with maternal and child health.

22 **Sec. 209.** 2010 2nd sp.s. c 1 s 209 (uncodified) is amended to read
23 as follows:

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

26	General Fund--State Appropriation (FY 2010)	\$10,327,000
27	General Fund--State Appropriation (FY 2011)	(\$10,045,000)
28		<u>\$9,443,000</u>
29	General Fund--Federal Appropriation	\$107,848,000
30	Telecommunications Devices for the Hearing and	
31	Speech Impaired--State Appropriation	(\$5,976,000)
32		<u>\$6,056,000</u>
33	TOTAL APPROPRIATION	(\$134,196,000)
34		<u>\$133,674,000</u>

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

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

7 (2) \$80,000 of the telecommunications devices for the hearing and
8 speech impaired account--state appropriation is provided solely for the
9 office of deaf and hard of hearing to enter into an interagency
10 agreement with the department of services for the blind to support
11 contracts for services that provide employment support and help with
12 life activities for deaf-blind individuals in King county.

13 **Sec. 210.** 2010 2nd sp.s. c 1 s 210 (uncodified) is amended to read
14 as follows:

15 **FOR THE DEPARTMENT OF SOCIAL AND HEALTH SERVICES--SPECIAL COMMITMENT**
16 **PROGRAM**

17	General Fund--State Appropriation (FY 2010)	\$48,827,000
18	General Fund--State Appropriation (FY 2011)	((\$47,051,000))
19		<u>\$48,536,000</u>
20	TOTAL APPROPRIATION	((\$95,878,000))
21		<u>\$97,363,000</u>

22 **Sec. 211.** 2010 2nd sp.s. c 1 s 211 (uncodified) is amended to read
23 as follows:

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

26	General Fund--State Appropriation (FY 2010)	\$33,579,000
27	General Fund--State Appropriation (FY 2011)	((\$29,166,000))
28		<u>\$27,745,000</u>
29	General Fund--Federal Appropriation	((\$50,981,000))
30		<u>\$51,304,000</u>
31	General Fund--Private/Local Appropriation	\$1,121,000
32	Institutional Impact Account--State Appropriation	\$22,000
33	TOTAL APPROPRIATION	((\$114,869,000))
34		<u>\$113,771,000</u>

35 The appropriations in this section are subject to the following
36 conditions and limitations: In addition to other reductions, the

1 appropriations in this section reflect reductions targeted specifically
2 to state government administrative costs. These administrative
3 reductions shall be achieved, to the greatest extent possible, by
4 reducing those administrative costs that do not affect direct client
5 services or direct service delivery or programs.

6 (1) \$333,000 of the general fund--state appropriation for fiscal
7 year 2010 and \$300,000 of the general fund--state appropriation for
8 fiscal year 2011 are provided solely for the Washington state mentors
9 program to continue its public-private partnerships to provide
10 technical assistance and training to mentoring programs that serve at-
11 risk youth.

12 (2) \$445,000 of the general fund--state appropriation for fiscal
13 year 2010 and \$445,000 of the general fund--state appropriation for
14 fiscal year 2011 are provided solely for funding of the teamchild
15 project through the governor's juvenile justice advisory committee.

16 (3) \$178,000 of the general fund--state appropriation for fiscal
17 year 2010 and \$178,000 of the general fund--state appropriation for
18 fiscal year 2011 are provided solely for the juvenile detention
19 alternatives initiative.

20 (4) Amounts appropriated in this section reflect a reduction to the
21 family policy council. The family policy council shall reevaluate
22 staffing levels and administrative costs to ensure to the extent
23 possible a maximum ratio of grant moneys provided and administrative
24 costs.

25 (5) Amounts appropriated in this section reflect a reduction to the
26 council on children and families. The council on children and families
27 shall reevaluate staffing levels and administrative costs to ensure to
28 the extent possible a maximum ratio of grant moneys provided and
29 administrative costs.

30 **Sec. 212.** 2010 1st sp.s. c 37 s 213 (uncodified) is amended to
31 read as follows:

32 **FOR THE DEPARTMENT OF SOCIAL AND HEALTH SERVICES--PAYMENTS TO OTHER**
33 **AGENCIES PROGRAM**

34	General Fund--State Appropriation (FY 2010)	\$61,985,000
35	General Fund--State Appropriation (FY 2011)	(\$61,461,000)
36		<u>\$63,793,000</u>
37	General Fund--Federal Appropriation	(\$56,572,000)

1 \$56,855,000
 2 TOTAL APPROPRIATION ((~~\$180,018,000~~))
 3 \$182,633,000

4 **Sec. 213.** 2010 2nd sp.s. c 1 s 212 (uncodified) is amended to read
 5 as follows:

6 **FOR THE STATE HEALTH CARE AUTHORITY**
 7 General Fund--State Appropriation (FY 2010) \$208,258,000
 8 General Fund--State Appropriation (FY 2011) ((~~\$129,087,000~~))
 9 \$108,749,000
 10 General Fund--Federal Appropriation ((~~\$34,727,000~~))
 11 \$31,975,000
 12 State Health Care Authority Administration Account--
 13 State Appropriation \$34,880,000
 14 Medical Aid Account--State Appropriation \$527,000
 15 Basic Health Plan Stabilization Account--State
 16 Appropriation \$6,000,000
 17 TOTAL APPROPRIATION ((~~\$407,479,000~~))
 18 \$390,389,000

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

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

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

36 (3) The administrator shall take at least the following actions to
 37 assure that persons participating in the basic health plan are eligible

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

17 (4)(a) In order to maximize the funding appropriated for the basic
18 health plan, the health care authority is directed to make
19 modifications that will reduce the total number of subsidized enrollees
20 to approximately 65,000 by January 1, 2010. In addition to the reduced
21 enrollment, other modifications may include changes in enrollee premium
22 obligations, changes in benefits, enrollee cost-sharing, and
23 termination of the enrollment of individuals concurrently enrolled in
24 a medical assistance program as provided in Substitute House Bill No.
25 2341.

26 (b) The health care authority shall coordinate with the department
27 of social and health services to negotiate a medicaid section 1115
28 waiver with the federal centers for medicare and medicaid services that
29 would provide matching funds for services provided to persons enrolled
30 in the basic health plan under chapter 70.47 RCW.

31 (c) If the waiver in (b) of this subsection is granted, the health
32 care authority may implement the waiver if it allows the program to
33 remain within appropriated levels, after providing notice of its terms
34 and conditions to the relevant policy and fiscal committees of the
35 legislature in writing thirty days prior to the planned implementation
36 date of the waiver.

37 (5) \$250,000 of the general fund--state appropriation for fiscal
38 year 2010 and \$250,000 of the general fund--state appropriation for

1 fiscal year 2011 are provided solely for the implementation of
2 Substitute Senate Bill No. 5360 (community collaboratives). If the
3 bill is not enacted by June 30, 2009, the amounts provided in this
4 section shall lapse.

5 (6) The authority shall seek public-private partnerships and
6 federal funds that are or may become available to implement health
7 information technology projects under the federal American recovery and
8 reinvestment act of 2009.

9 (7) \$20,000 of the general fund--state appropriation for fiscal
10 year 2010 and \$63,000 of the general fund--state appropriation for
11 fiscal year 2011 are provided solely for the implementation of chapter
12 220, Laws of 2010 (accountable care organizations).

13 (8) As soon as practicable after February 28, 2011, enrollment in
14 the subsidized basic health plan shall be limited to only include
15 persons who qualify as subsidized enrollees as defined in RCW 70.47.020
16 and who (a) qualify for services under 1115 medicaid demonstration
17 project number 11-W-00254/10; or (b) are foster parents licensed under
18 chapter 74.15 RCW.

19 **Sec. 214.** 2010 1st sp.s. c 37 s 215 (uncodified) is amended to
20 read as follows:

21 **FOR THE HUMAN RIGHTS COMMISSION**

22	General Fund--State Appropriation (FY 2010)	\$2,638,000
23	General Fund--State Appropriation (FY 2011)	(\$2,511,000)
24		<u>\$2,353,000</u>
25	General Fund--Federal Appropriation	\$1,584,000
26	TOTAL APPROPRIATION	(\$6,733,000)
27		<u>\$6,575,000</u>

28 **Sec. 215.** 2010 1st sp.s. c 37 s 217 (uncodified) is amended to
29 read as follows:

30 **FOR THE CRIMINAL JUSTICE TRAINING COMMISSION**

31	General Fund--State Appropriation (FY 2010)	\$17,273,000
32	General Fund--State Appropriation (FY 2011)	(\$17,843,000)
33		<u>\$16,721,000</u>
34	General Fund--Federal Appropriation	\$143,000
35	General Fund--Private/Local Appropriation	(\$1,303,000)
36		<u>\$1,378,000</u>

1	Death Investigations Account--State Appropriation	\$148,000
2	Municipal Criminal Justice Assistance Account--	
3	State Appropriation	\$460,000
4	Washington Auto Theft Prevention Authority Account--	
5	State Appropriation	((\$5,844,000))
6		<u>\$6,432,000</u>
7	TOTAL APPROPRIATION	((\$43,014,000))
8		<u>\$42,555,000</u>

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

11 (1) \$1,191,000 of the general fund--state appropriation for fiscal
12 year 2010 (~~and \$1,191,000 of the general fund--state appropriation for~~
13 ~~fiscal year 2011 are~~) is provided solely for the Washington
14 association of sheriffs and police chiefs to continue to develop,
15 maintain, and operate the jail booking and reporting system (JBRS) and
16 the statewide automated victim information and notification system
17 (SAVIN).

18 (2) \$5,000,000 of the general fund--state appropriation for fiscal
19 year 2010 and \$5,000,000 of the general fund--state appropriation for
20 fiscal year 2011, are provided to the Washington association of
21 sheriffs and police chiefs solely to verify the address and residency
22 of registered sex offenders and kidnapping offenders under RCW
23 9A.44.130. The Washington association of sheriffs and police chiefs
24 shall:

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

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

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

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

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

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

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

16 (4) \$171,000 of the general fund--local appropriation is provided
17 solely to purchase ammunition for the basic law enforcement academy.
18 Jurisdictions with one hundred or more full-time commissioned officers
19 shall reimburse to the criminal justice training commission the costs
20 of ammunition, based on the average cost of ammunition per cadet, for
21 cadets that they enroll in the basic law enforcement academy.

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

24 ~~((6) \$1,500,000 of the general fund--state appropriation for
25 fiscal year 2011 is provided solely for continuing the enforcement of
26 illegal drug laws in the rural pilot project enforcement areas as set
27 forth in chapter 339, Laws of 2006.))~~

28 **Sec. 216.** 2010 1st sp.s. c 37 s 218 (uncodified) is amended to
29 read as follows:

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

31	General Fund--State Appropriation (FY 2010)	\$24,975,000
32	General Fund--State Appropriation (FY 2011)	(((\$19,336,000))
33		<u>\$18,120,000</u>
34	General Fund--Federal Appropriation	(((\$10,100,000))
35		<u>\$11,316,000</u>
36	Asbestos Account--State Appropriation	\$923,000
37	Electrical License Account--State Appropriation	\$36,977,000

1	Farm Labor Revolving Account--Private/Local Appropriation . . .	\$28,000
2	Worker and Community Right-to-Know Account--	
3	State Appropriation	\$1,987,000
4	Public Works Administration Account--State	
5	Appropriation	\$6,021,000
6	Manufactured Home Installation Training Account--	
7	State Appropriation	\$143,000
8	Accident Account--State Appropriation	\$250,509,000
9	Accident Account--Federal Appropriation	\$13,621,000
10	Medical Aid Account--State Appropriation	\$249,232,000
11	Medical Aid Account--Federal Appropriation	\$3,186,000
12	Plumbing Certificate Account--State Appropriation	\$1,704,000
13	Pressure Systems Safety Account--State Appropriation	\$4,144,000
14	TOTAL APPROPRIATION	\$622,886,000

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

17 (1) Pursuant to RCW 43.135.055, the department is authorized to
18 increase fees related to factory assembled structures, contractor
19 registration, electricians, plumbers, asbestos removal, boilers,
20 elevators, and manufactured home installers. These increases are
21 necessary to support expenditures authorized in this section,
22 consistent with chapters 43.22, 18.27, 19.28, and 18.106 RCW, RCW
23 49.26.130, and chapters 70.79, 70.87, and 43.22A RCW.

24 (2) \$424,000 of the accident account--state appropriation and
25 \$76,000 of the medical aid account--state appropriation are provided
26 solely for implementation of a community agricultural worker safety
27 grant at the department of agriculture. The department shall enter
28 into an interagency agreement with the department of agriculture to
29 implement the grant.

30 (3) \$4,850,000 of the medical aid account--state appropriation is
31 provided solely to continue the program of safety and health as
32 authorized by RCW 49.17.210 to be administered under rules adopted
33 pursuant to chapter 34.05 RCW, provided that projects funded involve
34 workplaces insured by the medical aid fund, and that priority is given
35 to projects fostering accident prevention through cooperation between
36 employers and employees or their representatives.

37 (4) \$150,000 of the medical aid account--state appropriation is
38 provided solely for the department to contract with one or more

1 independent experts to evaluate and recommend improvements to the
2 rating plan under chapter 51.18 RCW, including analyzing how risks are
3 pooled, the effect of including worker premium contributions in
4 adjustment calculations, incentives for accident and illness
5 prevention, return-to-work practices, and other sound risk-management
6 strategies that are consistent with recognized insurance principles.

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

13 (6) The appropriations in this section reflect reductions in the
14 appropriations for the department of labor and industries'
15 administrative expenses. It is the intent of the legislature that
16 these reductions shall be achieved, to the greatest extent possible, by
17 reducing administrative costs only.

18 (7) \$500,000 of the accident account--state appropriation is
19 provided solely for the department to contract with one or more
20 independent experts to oversee and assist the department's
21 implementation of improvements to the rating plan under chapter 51.18
22 RCW, in collaboration with the department and with the department's
23 work group of retrospective rating and workers' compensation
24 stakeholders. The independent experts will validate the impact of
25 recommended changes on retrospective rating participants and
26 nonparticipants, confirm implementation technology changes, and provide
27 other implementation assistance as determined by the department.

28 (8) \$194,000 of the accident account--state appropriation and
29 \$192,000 of the medical aid account--state appropriation are provided
30 solely for implementation of Senate Bill No. 5346 (health care
31 administrative procedures).

32 (9) \$131,000 of the accident account--state appropriation and
33 \$128,000 of the medical aid account--state appropriation are provided
34 solely for implementation of Senate Bill No. 5613 (stop work orders).

35 (10) \$68,000 of the accident account--state appropriation and
36 \$68,000 of the medical aid account--state appropriation are provided
37 solely for implementation of Senate Bill No. 5688 (registered domestic
38 partners).

1 (11) \$320,000 of the accident account--state appropriation and
2 \$147,000 of the medical aid account--state appropriation are provided
3 solely for implementation of Senate Bill No. 5873 (apprenticeship
4 utilization).

5 (12) \$73,000 of the general fund--state appropriation for fiscal
6 year 2010, \$66,000 of the general fund--state appropriation for fiscal
7 year 2011, \$606,000 of the accident account--state appropriation, and
8 \$600,000 of the medical aid account--state appropriation are provided
9 solely for the implementation of House Bill No. 1555 (underground
10 economy).

11 (13) \$574,000 of the accident account--state appropriation and
12 \$579,000 of the medical account--state appropriation are provided
13 solely for the implementation of House Bill No. 1402 (industrial
14 insurance appeals).

15 (14) Within statutory guidelines, the boiler program shall explore
16 opportunities to increase program efficiency. Strategies may include
17 the consolidation of routine multiple inspections to the same site and
18 trip planning to ensure the least number of miles traveled.

19 (15) \$16,000 of the general fund--state appropriation for fiscal
20 year 2010 and \$50,000 of the general fund--state appropriation for
21 fiscal year 2011 are provided solely for the crime victims compensation
22 program to pay claims for mental health services for crime victim
23 compensation program clients who have an established relationship with
24 a mental health provider and subsequently obtain coverage under the
25 medicaid program or the medical care services program under chapter
26 74.09 RCW. Prior to making such payment, the program must have
27 determined that payment for the specific treatment or provider is not
28 available under the medicaid or medical care services program. In
29 addition, the program shall make efforts to contact any healthy options
30 or medical care services health plan in which the client may be
31 enrolled to help the client obtain authorization to pay the claim on an
32 out-of-network basis.

33 (16) \$48,000 of the accident account--state appropriation and
34 \$48,000 of the medical aid account--state appropriation are provided
35 solely for the implementation of Substitute House Bill No. 2789
36 (issuance of subpoenas for purposes of agency investigations of
37 underground economic activity). If the bill is not enacted by June 30,
38 2010, the amount provided in this subsection shall lapse.

1 (17) \$71,000 of the general fund--state appropriation for fiscal
2 year 2011 is provided solely for implementation of Senate Bill No. 6349
3 (farm internship program). If the bill is not enacted by June 30,
4 2010, the amount provided in this subsection shall lapse.

5 (18) \$127,000 of the general fund--state appropriation for fiscal
6 year 2010 and \$133,000 of the general fund--state appropriation for
7 fiscal year 2011 are provided solely for the department to provide
8 benefits in excess of the cap established by sections 1 and 2, chapter
9 122, Laws of 2010. These benefits shall be paid for claimants who were
10 determined eligible for and who were receiving crime victims'
11 compensation benefits because they were determined to be permanently
12 and totally disabled, as defined by RCW 51.08.160, prior to April 1,
13 2010. The director shall establish, by May 1, 2010, a process to aid
14 crime victims' compensation recipients in identifying and applying for
15 appropriate alternative benefit programs.

16 (19) \$155,000 of the public works administration account--state
17 appropriation is provided solely for the implementation of Engrossed
18 House Bill No. 2805 (offsite prefabricated items). If the bill is not
19 enacted by June 30, 2010, the amount provided in this subsection shall
20 lapse.

21 **Sec. 217.** 2010 1st sp.s. c 37 s 219 (uncodified) is amended to
22 read as follows:

23 **FOR THE INDETERMINATE SENTENCE REVIEW BOARD**

24	General Fund--State Appropriation (FY 2010)	\$1,882,000
25	General Fund--State Appropriation (FY 2011)	(\$1,864,000)
26		<u>\$1,659,000</u>
27	TOTAL APPROPRIATION	(\$3,746,000)
28		<u>\$3,541,000</u>

29 **Sec. 218.** 2010 1st sp.s. c 37 s 220 (uncodified) is amended to
30 read as follows:

31 **FOR THE DEPARTMENT OF VETERANS AFFAIRS**

32 (1) HEADQUARTERS

33	General Fund--State Appropriation (FY 2010)	\$1,913,000
34	General Fund--State Appropriation (FY 2011)	\$1,865,000
35	Charitable, Educational, Penal, and Reformatory	
36	Institutions Account--State Appropriation	\$10,000

1 TOTAL APPROPRIATION \$3,788,000

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

9 (2) FIELD SERVICES

10	General Fund--State Appropriation (FY 2010)	\$4,885,000
11	General Fund--State Appropriation (FY 2011)	\$4,964,000
12	General Fund--Federal Appropriation	\$2,382,000
13	General Fund--Private/Local Appropriation	\$4,512,000
14	Veterans Innovations Program Account--State	
15	Appropriation	\$897,000
16	Veteran Estate Management Account--Private/Local	
17	Appropriation	\$1,072,000
18	TOTAL APPROPRIATION	\$18,712,000

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

21 (a) The department shall collaborate with the department of social
22 and health services to identify and assist eligible general assistance
23 unemployable clients to access the federal department of veterans
24 affairs benefits.

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

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

37 (3) INSTITUTIONAL SERVICES

1	General Fund--State Appropriation (FY 2010)	\$3,318,000
2	General Fund--State Appropriation (FY 2011)	(\$2,371,000)
3		<u>\$1,793,000</u>
4	General Fund--Federal Appropriation	(\$50,353,000)
5		<u>\$50,931,000</u>
6	General Fund--Private/Local Appropriation	\$34,189,000
7	TOTAL APPROPRIATION	\$90,231,000

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

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

16 (b) The reductions in this subsection shall be achieved through
17 savings from contract revisions and shall not impact the availability
18 of goods and services for residents of the three state veterans homes.

19 **Sec. 219.** 2010 2nd sp.s. c 1 s 213 (uncodified) is amended to read
20 as follows:

21 **FOR THE DEPARTMENT OF HEALTH**

22	General Fund--State Appropriation (FY 2010)	\$98,414,000
23	General Fund--State Appropriation (FY 2011)	(\$81,735,000)
24		<u>\$72,427,000</u>
25	General Fund--Federal Appropriation	\$564,379,000
26	General Fund--Private/Local Appropriation	\$162,237,000
27	Hospital Data Collection Account--State Appropriation	\$218,000
28	Health Professions Account--State Appropriation	\$82,850,000
29	Aquatic Lands Enhancement Account--State Appropriation	\$603,000
30	Emergency Medical Services and Trauma Care Systems	
31	Trust Account--State Appropriation	\$13,206,000
32	Safe Drinking Water Account--State Appropriation	\$2,731,000
33	Drinking Water Assistance Account--Federal	
34	Appropriation	\$22,862,000
35	Waterworks Operator Certification--State	
36	Appropriation	\$1,522,000
37	Drinking Water Assistance Administrative Account--	

1	State Appropriation	\$326,000
2	State Toxics Control Account--State Appropriation	(\$4,106,000)
3		<u>\$4,348,000</u>
4	Medical Test Site Licensure Account--State	
5	Appropriation	\$2,261,000
6	Youth Tobacco Prevention Account--State Appropriation	\$1,512,000
7	Public Health Supplemental Account--Private/Local	
8	Appropriation	\$3,804,000
9	Community and Economic Development Fee Account--State	
10	Appropriation	\$298,000
11	Accident Account--State Appropriation	\$292,000
12	Medical Aid Account--State Appropriation	\$48,000
13	Tobacco Prevention and Control Account--State	
14	Appropriation	\$41,196,000
15	Biotoxin Account--State Appropriation	\$1,163,000
16	TOTAL APPROPRIATION	(\$1,085,763,000)
17		<u>\$1,076,697,000</u>

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

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

1 "unrestricted federal moneys" includes block grants and other funds
2 that federal law does not require to be spent on specifically defined
3 projects or matched on a formula basis by state funds.

4 (2) In accordance with RCW 43.70.250 and 43.135.055, the department
5 is authorized to establish and raise fees in fiscal year 2011 as
6 necessary to meet the actual costs of conducting business and the
7 appropriation levels in this section. This authorization applies to
8 fees for the review of sewage tank designs, fees related to regulation
9 and inspection of farmworker housing, and fees associated with the
10 following professions: Acupuncture, dental, denturist, mental health
11 counselor, nursing, nursing assistant, optometry, radiologic
12 technologist, recreational therapy, respiratory therapy, social worker,
13 cardiovascular invasive specialist, and practitioners authorized under
14 chapter 18.240 RCW.

15 (3) Pursuant to RCW 43.135.055 and RCW 43.70.250, the department is
16 authorized to establish fees by the amount necessary to fully support
17 the cost of activities related to the administration of long-term care
18 worker certification. The department is further authorized to increase
19 fees by the amount necessary to implement the regulatory requirements
20 of the following bills: House Bill No. 1414 (health care assistants),
21 House Bill No. 1740 (dental residency licenses), and House Bill No.
22 1899 (retired active physician licenses).

23 (4) \$764,000 of the health professions account--state appropriation
24 is provided solely for the medical quality assurance commission to
25 maintain disciplinary staff and associated costs sufficient to reduce
26 the backlog of disciplinary cases and to continue to manage the
27 disciplinary caseload of the commission.

28 (5) \$57,000 of the general fund--state appropriation for fiscal
29 year 2010 and (~~(\$58,000)~~) \$54,000 of the general fund--state
30 appropriation for fiscal year 2011 are provided solely for the
31 midwifery licensure and regulatory program to offset a reduction in
32 revenue from fees. The department shall convene the midwifery advisory
33 committee on a quarterly basis to address issues related to licensed
34 midwifery. The appropriations in this section assume that the current
35 application and renewal fee for midwives shall be increased by fifty
36 dollars and all other fees for midwives be adjusted accordingly.

37 (6) Funding for the human papillomavirus vaccine shall not be
38 included in the department's universal vaccine purchase program in

1 fiscal year 2010. Remaining funds for the universal vaccine purchase
2 program shall be used to continue the purchase of all other vaccines
3 included in the program until May 1, 2010, at which point state funding
4 for the universal vaccine purchase program shall be discontinued.

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

13 (8) The department shall eliminate outreach activities for the
14 health care directives registry and use the remaining amounts to
15 maintain the contract for the registry and minimal staffing necessary
16 to administer the basic entry functions for the registry.

17 (9) Funding in this section reflects a temporary reduction of
18 resources for the 2009-11 fiscal biennium for the state board of health
19 to conduct health impact reviews.

20 (10) Pursuant to RCW 43.135.055 and 43.70.125, the department is
21 authorized to adopt rules to establish a fee schedule to apply to
22 applicants for initial certification surveys of health care facilities
23 for purposes of receiving federal health care program reimbursement.
24 The fees shall only apply when the department has determined that
25 federal funding is not sufficient to compensate the department for the
26 cost of conducting initial certification surveys. The fees for initial
27 certification surveys may be established as follows: Up to \$1,815 for
28 ambulatory surgery centers, up to \$2,015 for critical access hospitals,
29 up to \$980 for end stage renal disease facilities, up to \$2,285 for
30 home health agencies, up to \$2,285 for hospice agencies, up to \$2,285
31 for hospitals, up to \$520 for rehabilitation facilities, up to \$690 for
32 rural health clinics, and up to \$7,000 for transplant hospitals.

33 (11) Funding for family planning grants for fiscal year 2011 is
34 reduced in the expectation that federal funding shall become available
35 to expand coverage of services for individuals through programs at the
36 department of social and health services. In the event that such
37 funding is not provided, the legislature intends to continue funding
38 through a supplemental appropriation at fiscal year 2010 levels.

1 (~~(\$4,500,000)~~) \$4,360,000 of the general fund--state appropriation is
2 provided solely for the department of health-funded family planning
3 clinic grants due to federal funding not becoming available.

4 (12) \$16,000,000 of the tobacco prevention and control account--
5 state appropriation is provided solely for local health jurisdictions
6 to conduct core public health functions as defined in RCW 43.70.514.

7 (13) \$100,000 of the health professions account appropriation is
8 provided solely for implementation of Substitute House Bill No. 1414
9 (health care assistants). If the bill is not enacted by June 30, 2009,
10 the amount provided in this subsection shall lapse.

11 (14) \$42,000 of the health professions account--state appropriation
12 is provided solely to implement Substitute House Bill No. 1740
13 (dentistry license issuance). If the bill is not enacted by June 30,
14 2009, the amount provided in this section shall lapse.

15 (15) \$23,000 of the health professions account--state appropriation
16 is provided solely to implement Second Substitute House Bill No. 1899
17 (retired active physician licenses). If the bill is not enacted by
18 June 30, 2009, the amount provided in this section shall lapse.

19 (16) \$12,000 of the general fund--state appropriation for fiscal
20 year 2010 and \$67,000 of the general fund--private/local appropriation
21 are provided solely to implement House Bill No. 1510 (birth
22 certificates). If the bill is not enacted by June 30, 2009, the amount
23 provided in this section shall lapse.

24 (17) \$31,000 of the health professions account is provided for the
25 implementation of Second Substitute Senate Bill No. 5850 (human
26 trafficking). If the bill is not enacted by June 2009, the amount
27 provided in this subsection shall lapse.

28 (18) \$282,000 of the health professions account is provided for the
29 implementation of Substitute Senate Bill No. 5752 (dentists cost
30 recovery). If the bill is not enacted by June 2009, the amount
31 provided in this subsection shall lapse.

32 (19) \$106,000 of the health professions account is provided for the
33 implementation of Substitute Senate Bill No. 5601 (speech language
34 assistants). If the bill is not enacted by June 2009, the amount
35 provided in this subsection shall lapse.

36 (20) Subject to existing resources, the department of health is
37 encouraged to examine, in the ordinary course of business, current and

1 prospective programs, treatments, education, and awareness of
2 cardiovascular disease that are needed for a thriving and healthy
3 Washington.

4 (21) \$390,000 of the health professions account--state
5 appropriation is provided solely to implement chapter 169, Laws of 2010
6 (nursing assistants). The amount provided in this subsection is from
7 fee revenue authorized by Engrossed Substitute Senate Bill No. 6582.

8 (22) \$10,000 of the health professions account--state appropriation
9 for fiscal year 2010 and \$40,000 of the health professions
10 account--state appropriation for fiscal year 2011 are provided solely
11 for the department to study cost effective options for collecting
12 demographic data related to the health care professions workforce to be
13 submitted to the legislature by December 1, 2010.

14 (23) \$66,000 of the health professions account--state appropriation
15 is provided solely to implement chapter 209, Laws of 2010 (pain
16 management).

17 (24) \$10,000 of the health professions account--state appropriation
18 is provided solely to implement chapter 92, Laws of 2010
19 (cardiovascular invasive specialists).

20 (25) \$23,000 of the general fund--state appropriation is provided
21 solely to implement chapter 182, Laws of 2010 (tracking ephedrine,
22 etc.).

23 (26) The department is authorized to coordinate a tobacco cessation
24 media campaign using all appropriate media with the purpose of
25 maximizing the use of quit-line services and youth smoking prevention.

26 (27) It is the intent of the legislature that the reductions in
27 appropriations to the AIDS/HIV programs shall be achieved, to the
28 greatest extent possible, by reducing those state government
29 administrative costs that do not affect direct client services or
30 direct service delivery or programs. The agency shall, to the greatest
31 extent possible, reduce spending in those areas that shall have the
32 least impact on implementing these programs.

33 (28) \$400,000 of the state toxics control account--state
34 appropriation is provided solely for granting to a willing local public
35 entity to provide emergency water supplies or water treatment for
36 households with individuals at high public health risk from nitrate-
37 contaminated wells in the lower Yakima basin.

1 (29) \$100,000 of the state toxics control account--state
2 appropriation is provided solely for an interagency contract to the
3 department of ecology to grant to agencies involved in improving
4 groundwater quality in the lower Yakima Valley. These agencies will
5 develop a local plan for improving water quality and reducing nitrate
6 contamination. The department of ecology will report to the
7 appropriate committees of the legislature and to the office of
8 financial management no later than December 1, 2010, summarizing
9 progress towards developing and implementing this plan.

10 (30) In accordance with RCW 43.135.055, the department is
11 authorized to adopt and increase all fees set forth in and previously
12 authorized in section 221(2), chapter 37, Laws of 2010 1st sp.s.

13 **Sec. 220.** 2010 2nd sp.s. c 1 s 214 (uncodified) is amended to read
14 as follows:

15 **FOR THE DEPARTMENT OF CORRECTIONS**

16 (1) ADMINISTRATION AND SUPPORT SERVICES

17 General Fund--State Appropriation (FY 2010)	\$55,772,000
18 General Fund--State Appropriation (FY 2011)	\$51,929,000
19 TOTAL APPROPRIATION	\$107,701,000

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

22 (a) Within funds appropriated in this section, the department shall
23 seek contracts for chemical dependency vendors to provide chemical
24 dependency treatment of offenders in corrections facilities, including
25 corrections centers and community supervision facilities, which have
26 demonstrated effectiveness in treatment of offenders and are able to
27 provide data to show a successful treatment rate.

28 (b) \$35,000 of the general fund--state appropriation for fiscal
29 year 2010 and \$35,000 of the general fund--state appropriation for
30 fiscal year 2011 are provided solely for the support of a statewide
31 council on mentally ill offenders that includes as its members
32 representatives of community-based mental health treatment programs,
33 current or former judicial officers, and directors and commanders of
34 city and county jails and state prison facilities. The council will
35 investigate and promote cost-effective approaches to meeting the long-
36 term needs of adults and juveniles with mental disorders who have a

1 history of offending or who are at-risk of offending, including their
2 mental health, physiological, housing, employment, and job training
3 needs.

4 (2) CORRECTIONAL OPERATIONS

5	General Fund--State Appropriation (FY 2010)	\$458,503,000
6	General Fund--State Appropriation (FY 2011)	((\$562,483,000))
7		<u>\$562,084,000</u>
8	General Fund--Federal Appropriation	((\$186,719,000))
9		<u>\$186,651,000</u>
10	Washington Auto Theft Prevention Authority Account--	
11	State Appropriation	\$5,936,000
12	State Efficiency and Restructuring Account--State	
13	Appropriation	\$34,522,000
14	TOTAL APPROPRIATION	((\$1,248,163,000))
15		<u>\$1,247,696,000</u>

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

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

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

29 (c) During the 2009-11 biennium, when contracts are established or
30 renewed for offender pay phone and other telephone services provided to
31 inmates, the department shall select the contractor or contractors
32 primarily based on the following factors: (i) The lowest rate charged
33 to both the inmate and the person paying for the telephone call; and
34 (ii) the lowest commission rates paid to the department, while
35 providing reasonable compensation to cover the costs of the department
36 to provide the telephone services to inmates and provide sufficient
37 revenues for the activities funded from the institutional welfare
38 betterment account.

1 (d) The Harborview medical center and the University of Washington
2 medical center shall provide inpatient and outpatient hospital services
3 to offenders confined in department of corrections facilities at a rate
4 no greater than the average rate that the department has negotiated
5 with other community hospitals in Washington state.

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

11 (f) Within amounts provided in this subsection, the department,
12 jointly with the department of social and health services, shall
13 identify the number of offenders released through the extraordinary
14 medical placement program, the cost savings to the department of
15 corrections, including estimated medical cost savings, and the costs
16 for medical services in the community incurred by the department of
17 social and health services. The department and the department of
18 social and health services shall jointly report to the office of
19 financial management and the appropriate fiscal committees of the
20 legislature by November 30, 2010.

21 (g) \$11,863,000 of the general fund--state appropriation for fiscal
22 year 2010, (~~(\$7,467,000)~~) \$7,953,000 of the general fund--state
23 appropriation for fiscal year 2011, and \$2,336,000 of the general fund-
24 private/local appropriation are provided solely for in-prison evidence-
25 based programs and for the reception diagnostic center program as part
26 of the offender re-entry initiative.

27 (h) The appropriations in this subsection are based on savings
28 assumed from the closure of the McNeil Island corrections center, the
29 Ahtanum View corrections center, and the Pine Lodge corrections center
30 for women.

31 (3) COMMUNITY SUPERVISION

32	General Fund--State Appropriation (FY 2010)	\$150,729,000
33	General Fund--State Appropriation (FY 2011)	((\$134,744,000))
34		<u>\$134,840,000</u>
35	TOTAL APPROPRIATION	((\$285,473,000))
36		<u>\$285,569,000</u>

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

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

6 (b) \$2,083,000 of the general fund--state appropriation for fiscal
7 year 2010 and \$2,083,000 of the general fund--state appropriation for
8 fiscal year 2011 are provided solely to implement Senate Bill No. 5525
9 (state institutions/release). If the bill is not enacted by June 30,
10 2009, the amounts provided in this subsection shall lapse.

11 (c) The appropriations in this subsection are based upon savings
12 assumed from the implementation of Engrossed Substitute Senate Bill No.
13 5288 (supervision of offenders).

14 (d) \$2,791,000 of the general fund--state appropriation for fiscal
15 year 2010 and (~~(\$3,166,000)~~) \$2,680,000 of the general fund--state
16 appropriation for fiscal year 2011 are provided solely for evidence-
17 based community programs and for community justice centers as part of
18 the offender re-entry initiative.

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

28 (f) \$984,000 of the general fund--state appropriation for fiscal
29 year 2011 is provided solely for supplemental services that will be
30 provided to offenders in lieu of a prison sentence, pursuant to chapter
31 224, Laws of 2010 (confinement alternatives).

32 (4) CORRECTIONAL INDUSTRIES

33	General Fund--State Appropriation (FY 2010)	\$2,574,000
34	General Fund--State Appropriation (FY 2011)	\$2,441,000
35	TOTAL APPROPRIATION	\$5,015,000

36 The appropriations in this subsection are subject to the following
37 conditions and limitations: \$132,000 of the general fund--state
38 appropriation for fiscal year 2010 and \$132,000 of the general fund--

1 state appropriation for fiscal year 2011 are provided solely for
2 transfer to the jail industries board. The board shall use the amounts
3 provided only for administrative expenses, equipment purchases, and
4 technical assistance associated with advising cities and counties in
5 developing, promoting, and implementing consistent, safe, and efficient
6 offender work programs.

7 (5) INTERAGENCY PAYMENTS

8	General Fund--State Appropriation (FY 2010)	\$40,728,000
9	General Fund--State Appropriation (FY 2011)	\$38,629,000
10	TOTAL APPROPRIATION	\$79,357,000

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

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

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

20 (6) Funding in this section may not be used to purchase radios or
21 base station repeaters related to the movement to narrowband
22 frequencies, or for reprogramming existing narrowband radios.

23 **Sec. 221.** 2010 1st sp.s. c 37 s 224 (uncodified) is amended to
24 read as follows:

25 **FOR THE DEPARTMENT OF SERVICES FOR THE BLIND**

26	General Fund--State Appropriation (FY 2010)	\$2,504,000
27	General Fund--State Appropriation (FY 2011)	(((\$2,390,000))
28		<u>\$2,160,000</u>
29	General Fund--Federal Appropriation	\$18,116,000
30	General Fund--Private/Local Appropriation	\$30,000
31	TOTAL APPROPRIATION	(((\$23,040,000))
32		<u>\$22,810,000</u>

33 ~~((The amounts appropriated in this section are subject to the~~
34 ~~following conditions and limitations: Sufficient amounts are~~
35 ~~appropriated in this section to support contracts for services that~~

1 ~~provide employment support and help with life activities for deaf and~~
2 ~~blind individuals in King county.))~~

3 **Sec. 222.** 2010 1st sp.s. c 37 s 225 (uncodified) is amended to
4 read as follows:

5 **FOR THE SENTENCING GUIDELINES COMMISSION**

6	General Fund--State Appropriation (FY 2010)	\$962,000
7	General Fund--State Appropriation (FY 2011)	(\$948,000)
8		<u>\$844,000</u>
9	TOTAL APPROPRIATION	(\$1,910,000)
10		<u>\$1,806,000</u>

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

13 (1) Within the amounts appropriated in this section, the sentencing
14 guidelines commission, in partnership with the courts, shall develop a
15 plan to implement an evidence-based system of community custody for
16 adult felons that will include the consistent use of evidence-based
17 risk and needs assessment tools, programs, supervision modalities, and
18 monitoring of program integrity. The plan for the evidence-based
19 system of community custody shall include provisions for identifying
20 cost-effective rehabilitative programs; identifying offenders for whom
21 such programs would be cost-effective; monitoring the system for cost-
22 effectiveness; and reporting annually to the legislature. In
23 developing the plan, the sentencing guidelines shall consult with: The
24 Washington state institute for public policy; the legislature; the
25 department of corrections; local governments; prosecutors; defense
26 attorneys; victim advocate groups; law enforcement; the Washington
27 federation of state employees; and other interested entities. The
28 sentencing guidelines commission shall report its recommendations to
29 the governor and the legislature by December 1, 2009.

30 (2)(a) Except as provided in subsection (b), during the 2009-11
31 biennium, the reports required by RCW 9.94A.480(2) and 9.94A.850(2) (d)
32 and (h) shall be prepared within the available funds and may be delayed
33 or suspended at the discretion of the commission.

34 (b) The commission shall submit the analysis described in section
35 15 of Engrossed Substitute Senate Bill No. 5288 no later than December
36 1, 2011.

1 (3) Within the amounts appropriated in this section, the sentencing
 2 guidelines commission shall survey the practices of other states
 3 relating to offenders who violate any conditions of their community
 4 custody. In conducting the survey, the sentencing guidelines
 5 commission shall perform a review of the research studies to determine
 6 if a mandatory minimum confinement policy is an evidence-based
 7 practice, investigate the implementation of such a policy in other
 8 states, and estimate the fiscal impacts of implementing such a policy
 9 in Washington state. The sentencing guidelines commission shall report
 10 its findings to the governor and the legislature by December 1, 2010.

11 **Sec. 223.** 2010 1st sp.s. c 37 s 226 (uncodified) is amended to
 12 read as follows:

13 **FOR THE EMPLOYMENT SECURITY DEPARTMENT**

14	General Fund--State Appropriation (FY 2010)	\$2,054,000
15	General Fund--State Appropriation (FY 2011)	(\$5,053,000)
16		<u>\$4,735,000</u>
17	General Fund--Federal Appropriation	\$324,135,000
18	General Fund--Private/Local Appropriation	\$33,640,000
19	Unemployment Compensation Administration Account--	
20	Federal Appropriation	(\$362,740,000)
21		<u>\$348,000,000</u>
22	Administrative Contingency Account--State Appropriation . . .	\$345,000
23	Employment Service Administrative Account--State	
24	Appropriation	\$37,775,000
25	TOTAL APPROPRIATION	(\$765,742,000)
26		<u>\$750,684,000</u>

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

29 (1) \$59,829,000 of the unemployment compensation administration
 30 account--federal appropriation is provided from amounts made available
 31 to the state by section 903(d) and (f) of the social security act (Reed
 32 act). This amount is authorized to continue current unemployment
 33 insurance functions and department services to employers and job
 34 seekers.

35 (2) ~~(\$32,067,000)~~ \$17,327,000 of the unemployment compensation
 36 administration account--federal appropriation is provided from amounts
 37 made available to the state by section 903(d) and (f) of the social

1 security act (Reed act). This amount is authorized to fund the
2 replacement of the unemployment insurance tax information system
3 (TAXIS) for the employment security department. This section is
4 subject to section 902 of this act. After the effective date of this
5 section, the employment security department may not incur further
6 obligations for the replacement of the unemployment insurance tax
7 information system (TAXIS). Nothing in this act prohibits the
8 department from meeting obligations incurred prior to the effective
9 date of this section.

10 (3) \$110,000 of the unemployment compensation administration
11 account--federal appropriation is provided solely for implementation of
12 Senate Bill No. 5804 (leaving part time work voluntarily).

13 (4) \$1,263,000 of the unemployment compensation administration
14 account--federal appropriation is provided solely for implementation of
15 Senate Bill No. 5963 (unemployment insurance).

16 (5) \$159,000 of the unemployment compensation account--federal
17 appropriation is provided solely for the implementation of House Bill
18 No. 1555 (underground economy) from funds made available to the state
19 by section 903(d) of the social security act (Reed act).

20 (6) \$295,000 of the administrative contingency--state appropriation
21 for fiscal year 2010 is provided solely for the implementation of House
22 Bill No. 2227 (evergreen jobs act).

23 (7) (~~(\$7,000,000)~~) \$2,000,000 of the general fund--state
24 appropriation for fiscal year 2010 (~~(is)~~) and \$4,682,000 of the general
25 fund--state appropriation for fiscal year 2011 are provided solely for
26 the implementation of Senate Bill No. 5809 (WorkForce employment and
27 training).

28 (8) \$444,000 of the unemployment compensation administration
29 account--federal appropriation is provided solely for the
30 implementation of Substitute Senate Bill No. 6524 (unemployment
31 insurance penalties and contribution rates) from funds made available
32 to the state by section 903 (d) or (f) of the social security act (Reed
33 12 act). If the bill is not enacted by June 30, 2010, the amount
34 provided in this subsection shall lapse.

35 (9) \$232,000 of the unemployment compensation administration
36 account--federal appropriation from funds made available to the state
37 by section 903(c) or (f) of the social security act (Reed act) is

1 provided solely for the implementation of Substitute House Bill No.
2 2789 (underground economic activity). If the bill is not enacted by
3 June 30, 2010, the amount provided in this subsection shall lapse.

(End of Part)

PART III
NATURAL RESOURCES

Sec. 301. 2010 2nd sp.s. c 1 s 302 (uncodified) is amended to read as follows:

FOR THE DEPARTMENT OF ECOLOGY

General Fund--State Appropriation (FY 2010)	\$58,552,000
General Fund--State Appropriation (FY 2011)	\$46,925,000
General Fund--Federal Appropriation	\$82,079,000
General Fund--Private/Local Appropriation	\$16,688,000
Special Grass Seed Burning Research Account--State Appropriation	\$14,000
Reclamation Account--State Appropriation	\$3,649,000
Flood Control Assistance Account--State Appropriation	\$1,943,000
State Emergency Water Projects Revolving Account-- State Appropriation	\$240,000
Waste Reduction/Recycling/Litter Control--State Appropriation	\$12,467,000
State Drought Preparedness Account--State Appropriation	\$4,000,000
State and Local Improvements Revolving Account (Water Supply Facilities)--State Appropriation	\$424,000
Freshwater Aquatic Algae Control Account--State Appropriation	\$508,000
Water Rights Tracking System Account--State Appropriation	\$116,000
Site Closure Account--State Appropriation	\$922,000
Wood Stove Education and Enforcement Account--State Appropriation	(\$612,000)
	<u>\$582,000</u>
Worker and Community Right-to-Know Account--State Appropriation	\$1,663,000
State Toxics Control Account--State Appropriation	\$106,642,000
State Toxics Control Account--Private/Local Appropriation	\$379,000
Local Toxics Control Account--State Appropriation	\$24,690,000

1	Water Quality Permit Account--State Appropriation	\$37,018,000
2	Underground Storage Tank Account--State	
3	Appropriation	\$3,270,000
4	Biosolids Permit Account--State Appropriation	\$1,866,000
5	Hazardous Waste Assistance Account--State	
6	Appropriation	\$5,880,000
7	Air Pollution Control Account--State Appropriation	(\$2,111,000)
8		<u>\$1,565,000</u>
9	Oil Spill Prevention Account--State Appropriation	\$10,599,000
10	Air Operating Permit Account--State Appropriation	\$2,758,000
11	Freshwater Aquatic Weeds Account--State Appropriation	\$1,693,000
12	Oil Spill Response Account--State Appropriation	\$7,077,000
13	Metals Mining Account--State Appropriation	\$14,000
14	Water Pollution Control Revolving Account--State	
15	Appropriation	\$535,000
16	Water Pollution Control Revolving Account--Federal	
17	Appropriation	\$2,210,000
18	Water Rights Processing Account--State Appropriation	\$68,000
19	TOTAL APPROPRIATION	(\$437,612,000)
20		<u>\$437,036,000</u>

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

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

28 (2) \$240,000 of the woodstove education and enforcement account--
29 state appropriation is provided solely for citizen outreach efforts to
30 improve understanding of burn curtailments, the proper use of wood
31 heating devices, and public awareness of the adverse health effects of
32 woodsmoke pollution.

33 (3) \$3,000,000 of the general fund--private/local appropriation is
34 provided solely for contracted toxic-site cleanup actions at sites
35 where multiple potentially liable parties agree to provide funding.

36 (4) \$3,600,000 of the local toxics account--state appropriation is
37 provided solely for the standby emergency rescue tug stationed at Neah
38 Bay.

1 (5) \$811,000 of the state toxics account--state appropriation is
2 provided solely for oversight of toxic cleanup at facilities that
3 treat, store, and dispose of hazardous wastes.

4 (6) \$1,456,000 of the state toxics account--state appropriation is
5 provided solely for toxic cleanup at sites where willing parties
6 negotiate prepayment agreements with the department and provide
7 necessary funding.

8 (7) \$558,000 of the state toxics account--state appropriation and
9 \$3,000,000 of the local toxics account--state appropriation are
10 provided solely for grants and technical assistance to Puget Sound-area
11 local governments engaged in updating shoreline master programs.

12 (8) \$950,000 of the state toxics control account--state
13 appropriation is provided solely for measuring water and habitat
14 quality to determine watershed health and assist salmon recovery,
15 beginning in fiscal year 2011.

16 (9) RCW 70.105.280 authorizes the department to assess reasonable
17 service charges against those facilities that store, treat, incinerate,
18 or dispose of dangerous or extremely hazardous waste that involves both
19 a nonradioactive hazardous component and a radioactive component.
20 Service charges may not exceed the costs to the department in carrying
21 out the duties in RCW 70.105.280. The current service charges do not
22 meet the costs of the department to carry out its duties. Pursuant to
23 RCW 43.135.055 and 70.105.280, the department is authorized to increase
24 the service charges no greater than 18 percent for fiscal year 2010 and
25 no greater than 15 percent for fiscal year 2011. Such service charges
26 shall include all costs of public participation grants awarded to
27 qualified entities by the department pursuant to RCW 70.105D.070(5) for
28 facilities at which such grants are recognized as a component of a
29 community relations or public participation plan authorized or required
30 as an element of a consent order, federal facility agreement or agreed
31 order entered into or issued by the department pursuant to any federal
32 or state law governing investigation and remediation of releases of
33 hazardous substances. Public participation grants funded by such
34 service charges shall be in addition to, and not in place of, any other
35 grants made pursuant to RCW 70.105D.070(5). Costs for the public
36 participation grants shall be billed individually to the mixed waste
37 facility associated with the grant.

1 (10) The department is authorized to increase the following fees in
2 the 2009-2011 biennium as necessary to meet the actual costs of
3 conducting business and the appropriation levels in this section:
4 Environmental lab accreditation, dam safety and inspection, biosolids
5 permitting, air emissions new source review, and manufacturer
6 registration and renewal.

7 (11) \$63,000 of the state toxics control account--state
8 appropriation is provided solely for implementation of Substitute
9 Senate Bill No. 5797 (solid waste handling permits). If the bill is
10 not enacted by June 30, 2009, the amount provided in this subsection
11 shall lapse.

12 (12) \$225,000 of the general fund--state appropriation for fiscal
13 year 2010 and (~~(\$193,000)~~) \$181,000 of the general fund--state
14 appropriation for fiscal year 2011 are provided solely for
15 implementation of Engrossed Second Substitute Bill No. 5560 (agency
16 climate leadership). If the bill is not enacted by June 30, 2009, the
17 amounts provided in this subsection shall lapse.

18 (13) \$150,000 of the general fund--state appropriation for fiscal
19 year 2010 and (~~(\$150,000)~~) \$141,000 of the general fund--state
20 appropriation for fiscal year 2011 are provided solely for watershed
21 planning implementation grants to continue ongoing efforts to develop
22 and implement water agreements in the Nooksack Basin and the Bertrand
23 watershed. These amounts are intended to support project
24 administration; monitoring; negotiations in the Nooksack watershed
25 between tribes, the department, and affected water users; continued
26 implementation of a flow augmentation project; plan implementation in
27 the Fishtrap watershed; and the development of a water bank.

28 (14) \$215,000 of the general fund--state appropriation for fiscal
29 year 2010 and (~~(\$235,000)~~) \$220,000 of the general fund--state
30 appropriation for fiscal year 2011 are provided solely to provide
31 watershed planning implementation grants for WRIA 32 to implement
32 Substitute House Bill No. 1580 (pilot local water management program).
33 If the bill is not enacted by June 30, 2009, the amounts provided in
34 this subsection shall lapse.

35 (15) \$200,000 of the general fund--state appropriation for fiscal
36 year 2010 and (~~(\$200,000)~~) \$187,000 of the general fund--state
37 appropriation for fiscal year 2011 are provided solely for the purpose

1 of supporting the trust water rights program and processing trust water
2 right transfer applications that improve instream flow.

3 (16)(a) The department shall convene a stock water working group
4 that includes: Legislators, four members representing agricultural
5 interests, three members representing environmental interests, the
6 attorney general or designee, the director of the department of ecology
7 or designee, the director of the department of agriculture or designee,
8 and affected federally recognized tribes shall be invited to send
9 participants.

10 (b) The group shall review issues surrounding the use of permit-
11 exempt wells for stock-watering purposes and may develop
12 recommendations for legislative action.

13 (c) The working group shall meet periodically and report its
14 activities and recommendations to the governor and the appropriate
15 legislative committees by December 1, 2009.

16 (17) \$73,000 of the water quality permit account--state
17 appropriation is provided solely to implement Substitute House Bill No.
18 1413 (water discharge fees). If the bill is not enacted by June 30,
19 2009, the amount provided in this subsection shall lapse.

20 (18) The department shall continue to work with the Columbia Snake
21 River irrigators' association to determine how seasonal water operation
22 and maintenance conservation can be utilized. In implementing this
23 proviso, the department shall also consult with the Columbia River
24 policy advisory group as appropriate.

25 (19) The department shall track any changes in costs, wages, and
26 benefits that would have resulted if House Bill No. 1716 (public
27 contract living wages), as introduced in the 2009 regular session of
28 the legislature, were enacted and made applicable to contracts and
29 related subcontracts entered into, renewed, or extended during the
30 2009-11 biennium. The department shall submit a report to the house of
31 representatives commerce and labor committee and the senate labor,
32 commerce, and consumer protection committee by December 1, 2011. The
33 report shall include data on any aggregate changes in wages and
34 benefits that would have resulted during the 2009-11 biennium.

35 (20) Within amounts appropriated in this section the department
36 shall develop recommendations by December 1, 2009, for a convenient and
37 effective mercury-containing light recycling program for residents,
38 small businesses, and small school districts throughout the state. The

1 department shall consider options including but not limited to, a
2 producer-funded program, a recycler-supported or recycle fee program,
3 a consumer fee at the time of purchase, general fund appropriations, or
4 a currently existing dedicated account. The department shall involve
5 and consult with stakeholders including persons who represent
6 retailers, waste haulers, recyclers, mercury-containing light
7 manufacturers or wholesalers, cities, counties, environmental
8 organizations and other interested parties. The department shall
9 report its findings and recommendations for a recycling program for
10 mercury-containing lights to the appropriate committees of the
11 legislature by December 1, 2009.

12 (21) \$140,000 of the freshwater aquatic algae control account--
13 state appropriation is provided solely for grants to cities, counties,
14 tribes, special purpose districts, and state agencies for capital and
15 operational expenses used to manage and study excessive saltwater algae
16 with an emphasis on the periodic accumulation of sea lettuce on Puget
17 Sound beaches.

18 (22) By December 1, 2009, the department in consultation with local
19 governments shall conduct a remedial action grant financing
20 alternatives report. The report shall address options for financing the
21 remedial action grants identified in the department's report, entitled
22 "House Bill 1761, Model Toxics Control Accounts Ten-Year Financing
23 Plan" and shall include but not be limited to the following: (a)
24 Capitalizing cleanup costs using debt insurance; (b) capitalizing
25 cleanup costs using prefunded cost-cap insurance; (c) other contractual
26 instruments with local governments; and (d) an assessment of overall
27 economic benefits of the remedial action grants funded using the
28 instruments identified in this section.

29 (23) \$220,000 of the site closure account--state appropriation is
30 provided solely for litigation expenses associated with the lawsuit
31 filed by energy solutions, inc., against the Northwest interstate
32 compact on low-level radioactive waste management and its executive
33 director.

34 (24) \$68,000 of the water rights processing account--state
35 appropriation is provided solely for implementation of Engrossed Second
36 Substitute Senate Bill No. 6267 (water rights processing). If the bill
37 is not enacted by June 30, 2010, the amount provided in this subsection
38 shall lapse.

1 (25) \$10,000 of the state toxics control account--state
2 appropriation is provided solely for implementation of Engrossed
3 Substitute Senate Bill No. 5543 (mercury-containing lights). If the
4 bill is not enacted by June 30, 2010, the amount provided in this
5 subsection shall lapse.

6 (26) \$300,000 of the state toxics control account--state
7 appropriation is provided solely for piloting and evaluating two
8 coordinated, multijurisdictional permitting teams for nontransportation
9 projects.

10 (27)(a) \$4,000,000 of the state drought preparedness account--state
11 appropriation is provided solely for response to a drought declaration
12 pursuant to chapter 43.83B RCW. If such a drought declaration occurs,
13 the department of ecology may provide funding to public bodies as
14 defined in RCW 43.83B.050 in connection with projects and measures
15 designed to alleviate drought conditions that may affect public health
16 and safety, drinking water supplies, agricultural activities, or fish
17 and wildlife survival.

18 (b) Projects or measures for which funding will be provided must be
19 connected with a water system, water source, or water body that is
20 receiving, or has been projected to receive, less than seventy-five
21 percent of normal water supply, as the result of natural drought
22 conditions. This reduction in water supply must be such that it is
23 causing, or will cause, undue hardship for the entities or fish or
24 wildlife depending on the water supply. The department shall issue
25 guidelines outlining grant program and matching fund requirements
26 within ten days of a drought declaration.

27 (28) In accordance with RCW 43.135.055, the department is
28 authorized to increase the fees set forth in and previously authorized
29 in section 302(10), chapter 564, Laws of 2009.

30 (29) In accordance with RCW 43.135.055, the department is
31 authorized to adopt and increase the fees set forth in and previously
32 authorized in sections 3, 5, 7, and 12, chapter 285, Laws of 2010.

33 **Sec. 302.** 2010 2nd sp.s. c 1 s 303 (uncodified) is amended to read
34 as follows:

35 **FOR THE STATE PARKS AND RECREATION COMMISSION**

36	General Fund--State Appropriation (FY 2010)	\$23,176,000
37	General Fund--State Appropriation (FY 2011)	\$18,309,000

1 fiscal committees no later than September 30, 2009, a list of leases
2 the commission proposes be managed by the department of general
3 administration.

4 **Sec. 303.** 2010 2nd sp.s. c 1 s 304 (uncodified) is amended to read
5 as follows:

6 **FOR THE RECREATION AND CONSERVATION FUNDING BOARD**

7	General Fund--State Appropriation (FY 2010)	\$1,486,000
8	General Fund--State Appropriation (FY 2011)	\$1,312,000
9	General Fund--Federal Appropriation	(\$10,322,000)
10		<u>\$10,427,000</u>
11	General Fund--Private/Local Appropriation	\$250,000
12	Aquatic Lands Enhancement Account--State Appropriation	\$278,000
13	Firearms Range Account--State Appropriation	\$39,000
14	Recreation Resources Account--State Appropriation	(\$2,710,000)
15		<u>\$2,738,000</u>
16	NOVA Program Account--State Appropriation	(\$1,049,000)
17		<u>\$1,059,000</u>
18	TOTAL APPROPRIATION	(\$17,446,000)
19		<u>\$17,589,000</u>

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

22 (1) \$204,000 of the general fund--state appropriation for fiscal
23 year 2010 and ~~(\$244,000)~~ \$194,000 of the general fund--state
24 appropriation for fiscal year 2011 are provided solely for the
25 implementation of Substitute House Bill No. 2157 (salmon recovery). If
26 the bill is not enacted by June 30, 2009, the amounts provided in this
27 subsection shall lapse.

28 (2) The recreation and conservation office, under the direction of
29 the salmon recovery funding board, shall assess watershed and regional-
30 scale capacity issues relating to the support and implementation of
31 salmon recovery. The assessment shall examine priority setting and
32 incentives to further promote coordination to ensure that effective and
33 efficient mechanisms for delivery of salmon recovery funding board
34 funds are being utilized. The salmon recovery funding board shall
35 distribute its operational funding to the appropriate entities based on
36 this assessment.

1 (3) The recreation and conservation office shall negotiate an
 2 agreement with the Puget Sound partnership to consolidate or share
 3 certain administrative functions currently performed by each agency
 4 independently. The agencies shall proportionately share the costs of
 5 such shared functions. Examples of shared functions may include, but
 6 are not limited to, support for personnel, information technology,
 7 grant and contract management, invasive species work, legislative
 8 coordination, and policy and administrative support of various boards
 9 and councils.

10 **Sec. 304.** 2010 2nd sp.s. c 1 s 307 (uncodified) is amended to read
 11 as follows:

12 **FOR THE DEPARTMENT OF FISH AND WILDLIFE**

13	General Fund--State Appropriation (FY 2010)	\$41,263,000
14	General Fund--State Appropriation (FY 2011)	\$30,560,000
15	General Fund--Federal Appropriation	(\$85,799,000)
16		<u>\$88,799,000</u>
17	General Fund--Private/Local Appropriation	\$47,211,000
18	Off Road Vehicle Account--State Appropriation	\$413,000
19	Aquatic Lands Enhancement Account--State Appropriation . . .	\$6,739,000
20	Recreational Fisheries Enhancement--State	
21	Appropriation	\$3,472,000
22	Warm Water Game Fish Account--State Appropriation	\$2,861,000
23	Eastern Washington Pheasant Enhancement Account--	
24	State Appropriation	\$851,000
25	Aquatic Invasive Species Enforcement Account--State	
26	Appropriation	\$207,000
27	Aquatic Invasive Species Prevention Account-- State	
28	Appropriation	\$833,000
29	Wildlife Account--State Appropriation	(\$86,878,000)
30		<u>\$86,998,000</u>
31	Wildlife Account--Federal Appropriation	\$101,000
32	Wildlife Account--Private/Local Appropriation	\$39,000
33	Game Special Wildlife Account--State Appropriation	\$2,367,000
34	Game Special Wildlife Account--Federal Appropriation	\$3,426,000
35	Game Special Wildlife Account--Private/Local	
36	Appropriation	\$487,000
37	Wildlife Rehabilitation Account--State Appropriation	\$269,000

1	Regional Fisheries Salmonid Recovery Account--	
2	Federal Appropriation	\$5,001,000
3	Oil Spill Prevention Account--State Appropriation	\$876,000
4	Oyster Reserve Land Account--State Appropriation	\$916,000
5	TOTAL APPROPRIATION	(\$320,569,000)
6		<u>\$323,689,000</u>

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

9 (1) \$294,000 of the aquatic lands enhancement account--state
10 appropriation is provided solely for the implementation of hatchery
11 reform recommendations defined by the hatchery scientific review group.

12 (2) \$355,000 of the general fund--state appropriation for fiscal
13 year 2010 and \$422,000 of the general fund--state appropriation for
14 fiscal year 2011 are provided solely for the department to implement a
15 pilot project with the Confederated Tribes of the Colville Reservation
16 to develop expanded recreational fishing opportunities on Lake Rufus
17 Woods and its northern shoreline and to conduct joint enforcement of
18 lake fisheries on Lake Rufus Woods and adjoining waters, pursuant to
19 state and tribal intergovernmental agreements developed under the
20 Columbia River water supply program. For the purposes of the pilot
21 project:

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

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

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

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

33 (e) The Colville Tribes have agreed to recognize a fishing license
34 issued under RCW 77.32.470 or RCW 77.32.490 as satisfying the nontribal
35 member fishing permit requirements of Colville tribal law on the
36 reservation portion of the waters of Lake Rufus Woods and at designated
37 fishing areas on the north shore of Lake Rufus Woods;

1 (3) Prior to submitting its 2011-2013 biennial operating and
2 capital budget request related to state fish hatcheries to the office
3 of financial management, the department shall contract with the
4 hatchery scientific review group (HSRG) to review this request. This
5 review shall: (a) Determine if the proposed requests are consistent
6 with HSRG recommendations; (b) prioritize the components of the
7 requests based on their contributions to protecting wild salmonid
8 stocks and meeting the recommendations of the HSRG; and (c) evaluate
9 whether the proposed requests are being made in the most cost effective
10 manner. The department shall provide a copy of the HSRG review to the
11 office of financial management with their agency budget proposal.

12 (4) Within existing funds, the department shall continue
13 implementing its capital program action plan dated September 1, 2007,
14 including the purchase of the necessary maintenance and support costs
15 for the capital programs and engineering tools. The department shall
16 report to the office of financial management and the appropriate
17 committees of the legislature, its progress in implementing the plan,
18 including improvements instituted in its capital program, by September
19 30, 2010.

20 (5) \$1,232,000 of the state wildlife account--state appropriation
21 is provided solely to implement Substitute House Bill No. 1778 (fish
22 and wildlife). If the bill is not enacted by June 30, 2009, the amount
23 provided in this subsection shall lapse.

24 (6) \$400,000 of the general fund--state appropriation for fiscal
25 year 2010 and \$400,000 of the general fund--state appropriation for
26 fiscal year 2011 are provided solely for a state match to support the
27 Puget Sound nearshore partnership between the department and the U.S.
28 army corps of engineers.

29 (7) \$50,000 of the general fund--state appropriation for fiscal
30 year 2010 and \$50,000 of the general fund--state appropriation for
31 fiscal year 2011 are provided solely for removal of derelict gear in
32 Washington waters.

33 (8) The department of fish and wildlife shall dispose of all Cessna
34 aircraft it currently owns. The proceeds from the aircraft shall be
35 deposited into the state wildlife account. Disposal of the aircraft
36 must occur no later than June 30, 2010. The department shall
37 coordinate with the department of natural resources on the installation
38 of fire surveillance equipment into its Partenavia aircraft. The

1 department shall make its Partenavia aircraft available to the
2 department of natural resources on a cost-reimbursement basis for its
3 use in coordinating fire suppression efforts. The two agencies shall
4 develop an interagency agreement that defines how they will share
5 access to the plane.

6 (9) \$50,000 of the general fund--state appropriation for fiscal
7 year 2010 is provided solely for an electron project fish passage study
8 consistent with the recommendations and protocols contained in the 2008
9 electron project downstream fish passage final report.

10 (10) \$60,000 of the general fund--state appropriation for fiscal
11 year 2010 and \$60,000 of the general fund--state appropriation for
12 fiscal year 2011 are provided solely for implementation of Engrossed
13 Second Substitute Bill No. 5560 (agency climate leadership). If the
14 bill is not enacted by June 30, 2009, the amounts provided in this
15 subsection shall lapse.

16 (11) If sufficient new revenues are not identified to continue
17 hatchery operations, within the constraints of legally binding tribal
18 agreements, the department shall dispose of, by removal, sale, lease,
19 reversion, or transfer of ownership, the following hatcheries:
20 McKernan, Colville, Omak, Bellingham, Arlington, and Mossyrock.
21 Disposal of the hatcheries must occur by June 30, 2011, and any
22 proceeds received from disposal shall be deposited in the state
23 wildlife account. Within available funds, the department shall provide
24 quarterly reports on the progress of disposal to the office of
25 financial management and the appropriate fiscal committees of the
26 legislature. The first report shall be submitted no later than
27 September 30, 2009.

28 (12) \$100,000 of the eastern Washington pheasant enhancement
29 account--state appropriation is provided solely for the department to
30 support efforts to enhance permanent and temporary pheasant habitat on
31 public and private lands in Grant, Franklin, and Adams counties. The
32 department may support efforts by entities including conservation
33 districts, nonprofit organizations, and landowners, and must require
34 such entities to provide significant nonstate matching resources, which
35 may be in the form of funds, material, or labor.

36 (13) Within the amounts appropriated in this section, the
37 department of fish and wildlife shall develop a method for allocating
38 its administrative and overhead costs proportionate to program fund

1 use. As part of its 2011-2013 biennial operating budget, the
2 department shall submit a decision package that rebalances expenditure
3 authority for all agency funds based upon proportionate contributions.

4 (14) Within the amounts appropriated in this section, the
5 department shall identify additional opportunities for partnerships in
6 order to keep fish hatcheries operational. Such partnerships shall aim
7 to maintain fish production and salmon recovery with less reliance on
8 state operating funds.

9 (15) Within the amounts appropriated in this section, the
10 department shall work with stakeholders to develop a long-term funding
11 model that sustains the department's work of conserving species and
12 habitat, providing sustainable recreational and commercial
13 opportunities and using sound business practices. The funding model
14 analysis shall assess the appropriate uses of each fund source and
15 whether the department's current and projected revenue levels are
16 adequate to sustain its current programs. The department shall report
17 its recommended funding model including supporting analysis and
18 stakeholder participation summary to the office of financial management
19 and the appropriate committees of the legislature by October 1, 2010.

20 (16) By October 1, 2010, the department shall enter into an
21 interagency agreement with the department of natural resources for land
22 management services for the department's wildlife conservation and
23 recreation lands. Land management services may include but are not
24 limited to records management, real estate services such as surveying,
25 and land acquisition and disposal services. The interagency agreement
26 shall describe business processes, service delivery expectations, cost,
27 and timing. In the agreement, the department shall define its roles
28 and responsibilities. A draft agreement shall be submitted to the
29 office of financial management and the appropriate fiscal committees of
30 the legislature by July 1, 2010.

31 (17) Prior to opening game management unit 490 to public hunting,
32 the department shall complete an environmental impact statement that
33 includes an assessment of how public hunting activities will impact the
34 ongoing protection of the public water supply.

35 (18) The department must work with appropriate stakeholders to
36 facilitate the disposition of salmon to best utilize the resource,
37 increase revenues to regional fisheries enhancement groups, and enhance
38 the provision of nutrients to food banks. By November 1, 2010, the

1 department must provide a report to the appropriate committees of the
2 legislature summarizing these discussions, outcomes, and
3 recommendations. After November 1, 2010, the department shall not
4 solicit or award a surplus salmon disposal contract without first
5 giving due consideration to implementing the recommendations developed
6 during the stakeholder process.

7 (19) \$50,000 of the general fund--state appropriation for fiscal
8 year 2011 is provided solely for increased fish production at Voight
9 Creek hatchery.

10 **Sec. 305.** 2010 2nd sp.s. c 1 s 308 (uncodified) is amended to read
11 as follows:

12 **FOR THE DEPARTMENT OF NATURAL RESOURCES**

13	General Fund--State Appropriation (FY 2010)	\$48,822,000
14	General Fund--State Appropriation (FY 2011)	(\$33,387,000)
15		<u>\$37,321,000</u>
16	General Fund--Federal Appropriation	\$28,784,000
17	General Fund--Private/Local Appropriation	\$2,369,000
18	Forest Development Account--State Appropriation	\$41,640,000
19	Off Road Vehicle Account--State Appropriation	\$4,406,000
20	Surveys and Maps Account--State Appropriation	\$2,332,000
21	Aquatic Lands Enhancement Account--State	
22	Appropriation	\$8,315,000
23	Resources Management Cost Account--State	
24	Appropriation	\$78,704,000
25	Surface Mining Reclamation Account--State	
26	Appropriation	\$3,494,000
27	Disaster Response Account--State Appropriation	\$5,000,000
28	Forest and Fish Support Account--State Appropriation	\$8,000,000
29	Aquatic Land Dredged Material Disposal Site	
30	Account--State Appropriation	\$1,333,000
31	Natural Resources Conservation Areas Stewardship	
32	Account--State Appropriation	\$184,000
33	State Toxics Control Account--State Appropriation	\$720,000
34	Air Pollution Control Account--State Appropriation	(\$568,000)
35		<u>\$478,000</u>
36	NOVA Program Account--State Appropriation	\$974,000
37	Derelict Vessel Removal Account--State Appropriation	\$1,749,000

1	Agricultural College Trust Management Account--	
2	State Appropriation	\$1,941,000
3	TOTAL APPROPRIATION	((\$272,722,000))
4		<u>\$276,566,000</u>

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

7 (1) \$1,355,000 of the general fund--state appropriation for fiscal
8 year 2010 and ((~~\$349,000~~)) \$327,000 of the general fund--state
9 appropriation for fiscal year 2011 are provided solely for deposit into
10 the agricultural college trust management account and are provided
11 solely to manage approximately 70,700 acres of Washington State
12 University's agricultural college trust lands.

13 (2) \$22,670,000 of the general fund--state appropriation for fiscal
14 year 2010, ((~~\$11,128,000~~)) \$15,089,000 of the general fund--state
15 appropriation for fiscal year 2011, and \$5,000,000 of the disaster
16 response account--state appropriation are provided solely for emergency
17 fire suppression. None of the general fund and disaster response
18 account amounts provided in this subsection may be used to fund agency
19 indirect and administrative expenses. Agency indirect and
20 administrative costs shall be allocated among the agency's remaining
21 accounts and appropriations. The department of natural resources shall
22 submit a quarterly report to the office of financial management and the
23 legislative fiscal committees detailing information on current and
24 planned expenditures from the disaster response account. This work
25 shall be done in coordination with the military department.

26 (3) \$5,000,000 of the forest and fish support account--state
27 appropriation is provided solely for adaptive management, monitoring,
28 and participation grants to tribes. If federal funding for this
29 purpose is reinstated, the amount provided in this subsection shall
30 lapse.

31 (4) \$600,000 of the derelict vessel removal account--state
32 appropriation is provided solely for removal of derelict and abandoned
33 vessels that have the potential to contaminate Puget Sound.

34 (5) \$666,000 of the general fund--federal appropriation is provided
35 solely to implement House Bill No. 2165 (forest biomass energy
36 project). If the bill is not enacted by June 30, 2009, the amount
37 provided in this subsection shall lapse.

1 (6) \$5,000 of the general fund--state appropriation for fiscal year
2 2010 and \$5,000 of the general fund--state appropriation for fiscal
3 year 2011 are provided solely to implement Substitute House Bill No.
4 1038 (specialized forest products). If the bill is not enacted by June
5 30, 2009, the amounts provided in this subsection shall lapse.

6 (7) \$440,000 of the state general fund--state appropriation for
7 fiscal year 2010 and \$440,000 of the state general fund--state
8 appropriation for fiscal year 2011 are provided solely for forest work
9 crews that support correctional camps and are contingent upon
10 continuing operations of Naselle youth camp at the level provided in
11 fiscal year 2008. The department shall consider using up to \$2,000,000
12 of the general fund--federal appropriation to support and utilize
13 correctional camp crews to implement natural resource projects approved
14 by the federal government for federal stimulus funding.

15 (8) The department of natural resources shall dispose of the King
16 Air aircraft it currently owns. Before disposal and within existing
17 funds, the department shall transfer specialized equipment for fire
18 surveillance to the department of fish and wildlife's Partenavia
19 aircraft. Disposal of the aircraft must occur no later than June 30,
20 2010, and the proceeds from the sale of the aircraft shall be deposited
21 into the forest and fish support account. ~~((No later than June 30,~~
22 ~~2011, the department shall lease facilities in eastern Washington~~
23 ~~sufficient to house the necessary aircraft, mechanics, and pilots used~~
24 ~~for forest fire prevention and suppression.))~~

25 (9) \$30,000 of the general fund--state appropriation for fiscal
26 year 2010 and ~~((~~\$30,000~~))~~ \$28,000 of the general fund--state
27 appropriation for fiscal year 2011 are provided solely for
28 implementation of Engrossed Second Substitute Bill No. 5560 (agency
29 climate leadership). If the bill is not enacted by June 30, 2009, the
30 amounts provided in this subsection shall lapse.

31 (10) \$1,030,000 of the aquatic lands enhancement account--state
32 appropriation for fiscal year 2011 is provided solely for continuing
33 scientific studies already underway as part of the adaptive management
34 process. Funds may not be used to initiate new studies unless the
35 department secures new federal funding for the adaptive management
36 process.

37 (11) Within available funds, the department of natural resources
38 shall review the statutory method for determining aquatic lands lease

1 rates for private marinas, public marinas not owned and operated by
2 port districts, yacht clubs, and other entities leasing state land for
3 boat moorage. The review shall consider alternative methods for
4 determining rents for these entities for a fair distribution of rent,
5 consistent with the department management mandates for state aquatic
6 lands.

7 (12) (~~(\$40,000)~~) \$37,000 of the general fund--state appropriation
8 for fiscal year 2011 and \$100,000 of the aquatic lands enhancement
9 account--state appropriation are provided solely to install up to
10 twenty mooring buoys in Eagle Harbor and to remove abandoned boats,
11 floats, and other trespassing structures.

12 (13) By October 1, 2010, the department shall enter into an
13 interagency agreement with the department of fish and wildlife for
14 providing land management services on the department of fish and
15 wildlife's wildlife conservation and recreation lands. Land management
16 services may include but are not limited to records management, real
17 estate services such as surveying, and land acquisition and disposal
18 services. The interagency agreement shall describe business processes,
19 service delivery expectations, cost, and timing. A draft agreement
20 shall be submitted to the office of financial management and the
21 appropriate fiscal committees of the legislature by July 1, 2010.

22 (14) \$41,000 of the forest development account--state
23 appropriation, \$44,000 of the resources management cost account--state
24 appropriation, and \$2,000 of the agricultural college trust management
25 account--state appropriation are provided solely for the implementation
26 of Second Substitute House Bill No. 2481 (DNR forest biomass
27 agreements). If the bill is not enacted by June 30, 2010, the amount
28 provided in this subsection shall lapse.

29 **Sec. 306.** 2010 2nd sp.s. c 1 s 309 (uncodified) is amended to read
30 as follows:

31 **FOR THE DEPARTMENT OF AGRICULTURE**

32	General Fund--State Appropriation (FY 2010)	\$12,320,000
33	General Fund--State Appropriation (FY 2011)	((\$15,830,000))
34		<u>\$15,391,000</u>
35	General Fund--Federal Appropriation	((\$20,947,000))
36		<u>\$21,047,000</u>
37	General Fund--Private/Local Appropriation	\$193,000

1 Aquatic Lands Enhancement Account--State
2 Appropriation (~~(\$2,551,000)~~)
3 \$2,564,000
4 State Toxics Control Account--State Appropriation \$4,724,000
5 Water Quality Permit Account--State Appropriation \$61,000
6 TOTAL APPROPRIATION (~~(\$56,626,000)~~)
7 \$56,300,000

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

10 (1) \$350,000 of the aquatic lands enhancement account appropriation
11 is provided solely for funding to the Pacific county noxious weed
12 control board to eradicate remaining spartina in Willapa Bay.

13 (2) \$19,000 of the general fund--state appropriation for fiscal
14 year 2010 and \$6,000 of the general fund--state appropriation for
15 fiscal year 2011 are provided solely to implement Substitute Senate
16 Bill No. 5797 (solid waste handling permits). If the bill is not
17 enacted by June 30, 2009, the amounts provided in this subsection shall
18 lapse.

19 (3) The department is authorized to establish or increase the
20 following fees in the 2009-11 biennium as necessary to meet the actual
21 costs of conducting business: Christmas tree grower licensing, nursery
22 dealer licensing, plant pest inspection and testing, and commission
23 merchant licensing.

24 (4) (~~(\$5,420,000)~~) \$5,179,000 of the general fund--state
25 appropriation for fiscal year 2011 and \$2,782,000 of the general fund--
26 federal appropriation are provided solely for implementation of
27 Substitute Senate Bill No. 6341 (food assistance/department of
28 agriculture). Within amounts appropriated in this subsection, \$65,000
29 of the general fund--state appropriation for fiscal year 2011 is
30 provided solely for a contract with a food distribution program for
31 communities in the southwestern portion of the state and for workers
32 impacted by timber and salmon fishing closures and reductions. The
33 department may not charge administrative overhead or expenses to this
34 contract. If the bill is not enacted by June 30, 2010, the amounts
35 provided in this subsection shall lapse.

36 (5) The department shall, if public or private funds are available,
37 partner with eligible public and private entities with experience in
38 food collection and distribution to review funding sources for eight

1 full-time volunteers in the AmeriCorps VISTA program to conduct
2 outreach to local growers, agricultural donors, and community
3 volunteers. Public and private partners shall also be utilized to
4 coordinate gleaning unharvested tree fruits and fresh produce for
5 distribution to individuals throughout Washington state.

6 (6) When reducing laboratory activities and functions, the
7 department shall not impact any research or analysis pertaining to
8 bees.

9 **Sec. 307.** 2010 2nd sp.s. c 1 s 310 (uncodified) is amended to read
10 as follows:

11 **FOR THE PUGET SOUND PARTNERSHIP**

12	General Fund--State Appropriation (FY 2010)	\$3,143,000
13	General Fund--State Appropriation (FY 2011)	(\$2,684,000)
14		<u>\$2,528,000</u>
15	General Fund--Federal Appropriation	(\$7,214,000)
16		<u>\$8,096,000</u>
17	Aquatic Lands Enhancement Account--State Appropriation	\$493,000
18	State Toxics Control Account--State Appropriation	\$794,000
19	TOTAL APPROPRIATION	(\$14,328,000)
20		<u>\$15,054,000</u>

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

23 (1) \$305,000 of the general fund--state appropriation for fiscal
24 year 2010 is provided solely for measuring water and habitat quality to
25 determine watershed health and assist salmon recovery.

26 (2) \$794,000 of the state toxics control account--state
27 appropriation is provided solely for activities that contribute to
28 Puget Sound protection and recovery, including provision of independent
29 advice and assessment of the state's oil spill prevention,
30 preparedness, and response programs, including review of existing
31 activities and recommendations for any necessary improvements. The
32 partnership may carry out this function through an existing committee,
33 such as the ecosystem coordination board or the leadership council, or
34 may appoint a special advisory council. Because this is a unique
35 statewide program, the partnership may invite participation from
36 outside the Puget Sound region.

1 (3) Within the amounts appropriated in this section, the Puget
2 Sound partnership shall facilitate an ongoing monitoring consortium to
3 integrate monitoring efforts for storm water, water quality, watershed
4 health, and other indicators to enhance monitoring efforts in Puget
5 Sound.

6 (4) The Puget Sound partnership shall work with Washington State
7 University and the environmental protection agency to secure funding
8 for the beach watchers program.

9 (5) \$839,000 of the general fund--state appropriation for fiscal
10 year 2010 and (~~(\$764,000)~~) \$608,000 of the general fund--state
11 appropriation for fiscal year 2011 are provided solely to support
12 public education and volunteer programs. The partnership is directed
13 to distribute the majority of funding as grants to local organizations,
14 local governments, and education, communication, and outreach network
15 partners. The partnership shall track progress for this activity
16 through the accountability system of the Puget Sound partnership.

17 (6) The Puget Sound partnership shall negotiate an agreement with
18 the recreation and conservation office to consolidate or share certain
19 administrative functions currently performed by each agency
20 independently. The agencies shall proportionately share the costs of
21 such shared functions. Examples of shared functions may include, but
22 are not limited to, support for personnel, information technology,
23 grant and contract management, invasive species work, legislative
24 coordination, and policy and administrative support of various boards
25 and councils.

(End of part)

PART IV
TRANSPORTATION

Sec. 401. 2010 1st sp.s. c 37 s 401 (uncodified) is amended to read as follows:

FOR THE DEPARTMENT OF LICENSING

General Fund--State Appropriation (FY 2010)	\$1,436,000
General Fund--State Appropriation (FY 2011)	(\$1,524,000)
	<u>\$1,322,000</u>
Architects' License Account--State Appropriation	\$923,000
Professional Engineers' Account--State	
Appropriation	\$3,568,000
Real Estate Commission Account--State Appropriation	\$9,987,000
Master License Account--State Appropriation	\$15,718,000
Uniform Commercial Code Account--State Appropriation	\$3,090,000
Real Estate Education Account--State Appropriation	\$276,000
Real Estate Appraiser Commission Account--State	
Appropriation	\$1,683,000
Business and Professions Account--State Appropriation	\$15,188,000
Real Estate Research Account--State Appropriation	\$471,000
Geologists' Account--State Appropriation	\$53,000
Derelict Vessel Removal Account--State Appropriation	\$31,000
TOTAL APPROPRIATION	(\$53,948,000)
	<u>\$53,746,000</u>

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

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

(2) \$1,352,000 of the business and professions account--state appropriation is provided solely to implement Substitute Senate Bill No. 5391 (tattoo and body piercing). If the bill is not enacted by June 30, 2009, the amount provided in this subsection shall lapse.

(3) \$358,000 of the business and professions account--state

1 appropriation is provided solely to implement Senate Bill No. 6126
2 (professional athletics). If the bill is not enacted by June 30, 2009,
3 the amount provided in this subsection shall lapse.

4 (4) \$151,000 of the real estate research account appropriation is
5 provided solely to implement chapter 156, Laws of 2010 (real estate
6 broker licensure fees).

7 (5) \$158,000 of the architects' license account--state
8 appropriation is provided solely to implement chapter 129, Laws of 2010
9 (architect licensing).

10 (6) \$60,000 of the master license account--state appropriation is
11 provided solely to implement chapter 174, Laws of 2010 (vaccine
12 association). The amount provided in this subsection shall be from fee
13 revenue authorized in chapter 174, Laws of 2010.

14 **Sec. 402.** 2010 1st sp.s. c 37 s 402 (uncodified) is amended to
15 read as follows:

16 **FOR THE STATE PATROL**

17	General Fund--State Appropriation (FY 2010)	\$38,977,000
18	General Fund--State Appropriation (FY 2011)	(((\$36,059,000))
19		<u>\$33,292,000</u>
20	General Fund--Federal Appropriation	\$15,793,000
21	General Fund--Private/Local Appropriation	\$4,986,000
22	Death Investigations Account--State Appropriation	\$5,580,000
23	Enhanced 911 Account--State Appropriation	\$603,000
24	County Criminal Justice Assistance Account--State	
25	Appropriation	\$3,146,000
26	Municipal Criminal Justice Assistance Account--State	
27	Appropriation	\$1,255,000
28	Fire Service Trust Account--State Appropriation	\$131,000
29	Disaster Response Account--State Appropriation	\$8,002,000
30	Fire Service Training Account--State Appropriation	\$8,821,000
31	Aquatic Invasive Species Enforcement Account--State	
32	Appropriation	\$54,000
33	State Toxics Control Account--State Appropriation	\$509,000
34	Fingerprint Identification Account--State	
35	Appropriation	\$10,454,000
36	TOTAL APPROPRIATION	(((\$134,370,000))
37		<u>\$131,603,000</u>

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

3 (1) \$200,000 of the fire service training account--state
4 appropriation is provided solely for two FTEs in the office of the
5 state director of fire protection to exclusively review K-12
6 construction documents for fire and life safety in accordance with the
7 state building code. It is the intent of this appropriation to provide
8 these services only to those districts that are located in counties
9 without qualified review capabilities.

10 (2) \$8,000,000 of the disaster response account--state
11 appropriation is provided solely for Washington state fire service
12 resource mobilization costs incurred in response to an emergency or
13 disaster authorized under RCW 43.43.960 and 43.43.964. The state
14 patrol shall submit a report quarterly to the office of financial
15 management and the legislative fiscal committees detailing information
16 on current and planned expenditures from this account. This work shall
17 be done in coordination with the military department.

18 (3) The 2010 legislature will review the use of king air planes by
19 the executive branch and the adequacy of funding in this budget
20 regarding maintaining and operating the planes to successfully
21 accomplish their mission.

22 (4) The appropriations in this section reflect reductions in the
23 appropriations for the agency's administrative expenses. It is the
24 intent of the legislature that these reductions shall be achieved, to
25 the greatest extent possible, by reducing those administrative costs
26 that do not affect direct client services or direct service delivery or
27 programs.

28 (5) \$400,000 of the fire service training account--state
29 appropriation is provided solely for the firefighter apprenticeship
30 training program.

31 (6) \$48,000 of the fingerprint identification account--state
32 appropriation is provided solely to implement Substitute House Bill No.
33 1621 (consumer loan companies). If the bill is not enacted by June 30,
34 2009, the amounts provided in this subsection shall lapse.

35 (7) In accordance with RCW 43.43.942, 46.52.085, and 43.135.055,
36 the state patrol is authorized to increase the following fees in fiscal
37 year 2011 as necessary to meet the actual costs of conducting business

1 and the appropriation levels in this section: Collision records
2 requests; fire training academy courses; and fire training academy dorm
3 accommodations.

4 (8) \$24,000 of the fingerprint identification account--state
5 appropriation is provided solely for implementation of chapter 47, Laws
6 of 2010 (criminal background checks).

(End of part)

PART V
EDUCATION

Sec. 501. 2010 2nd sp.s. c 1 s 501 (uncodified) is amended to read as follows:

FOR THE SUPERINTENDENT OF PUBLIC INSTRUCTION

General Fund--State Appropriation (FY 2010)	\$35,415,000
General Fund--State Appropriation (FY 2011)	(\$29,696,000)
	<u>\$30,196,000</u>
General Fund--Federal Appropriation	\$87,081,000
TOTAL APPROPRIATION	(\$152,192,000)
	<u>\$152,692,000</u>

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

(1) A maximum of \$23,096,000 of the general fund--state appropriation for fiscal year 2010 and ~~(\$19,570,000)~~ \$20,070,000 of the general fund--state appropriation for fiscal year 2011 is for state agency operations.

(a) \$11,226,000 of the general fund--state appropriation for fiscal year 2010 and \$9,709,000 of the general fund--state appropriation for fiscal year 2011 are provided solely for the operation and expenses of the office of the superintendent of public instruction.

(i) Within the amounts provided in this subsection, the superintendent shall recognize the extraordinary accomplishments of four students who have demonstrated a strong understanding of the civics essential learning requirements to receive the Daniel J. Evans civic education award.

(ii) Within amounts appropriated in this subsection (1)(a), the office of the superintendent of public instruction, consistent with WAC 392-121-182 (alternative learning experience requirements) which requires documentation of alternative learning experience student headcount and full-time equivalent (FTE) enrollment claimed for basic education funding, shall provide, monthly, accurate monthly headcount and FTE enrollments for students in alternative learning experience (ALE) programs as well as information about resident and serving districts.

1 (iii) Within amounts provided in this subsection (1)(a), the state
2 superintendent of public instruction shall share best practices with
3 school districts regarding strategies for increasing efficiencies and
4 economies of scale in school district noninstructional operations
5 through shared service arrangements and school district cooperatives,
6 as well as other practices.

7 (b) \$25,000 of the general fund--state appropriation for fiscal
8 year 2011 is provided to the office of the superintendent of public
9 instruction solely to convene a science, technology, engineering, and
10 mathematics (STEM) working group to develop a comprehensive plan with
11 a shared vision, goals, and measurable objectives to improve policies
12 and practices to ensure that a pathway is established for elementary
13 schools, middle schools, high schools, postsecondary degree programs,
14 and careers in the areas of STEM, including improving practices for
15 recruiting, preparing, hiring, retraining, and supporting teachers and
16 instructors while creating pathways to boost student success, close the
17 achievement gap, and prepare every student to be college and career
18 ready. The working group shall be composed of the director of STEM at
19 the office of the superintendent of public instruction who shall be the
20 chair of the working group, and at least one representative from the
21 state board of education, professional educator standards board, state
22 board of community and technical colleges, higher education
23 coordinating board, workforce training and education coordinating
24 board, the achievement gap oversight and accountability committee, and
25 others with appropriate expertise. The working group shall develop a
26 comprehensive plan and a report with recommendations, including a
27 timeline for specific actions to be taken, which is due to the governor
28 and the appropriate committees of the legislature by December 1, 2010.

29 (c) \$920,000 of the general fund--state appropriation for fiscal
30 year 2010 and \$491,000 of the general fund--state appropriation for
31 fiscal year 2011 are provided solely for research and development
32 activities associated with the development of options for new school
33 finance systems, including technical staff, reprogramming, and analysis
34 of alternative student funding formulae. Within this amount is
35 \$150,000 for the state board of education for further development of
36 accountability systems, and \$150,000 for the professional educator
37 standards board for continued development of teacher certification and
38 evaluation systems.

1 (d) \$965,000 of the general fund--state appropriation for fiscal
2 year 2010 and \$887,000 of the general fund--state appropriation for
3 fiscal year 2011 are provided solely for the operation and expenses of
4 the state board of education, including basic education assistance
5 activities.

6 (e) \$5,366,000 of the general fund--state appropriation for fiscal
7 year 2010 and \$3,103,000 of the general fund--state appropriation for
8 fiscal year 2011 are provided solely to the professional educator
9 standards board for the following:

10 (i) \$1,070,000 in fiscal year 2010 and \$985,000 in fiscal year 2011
11 are for the operation and expenses of the Washington professional
12 educator standards board;

13 (ii) \$4,106,000 of the general fund--state appropriation for fiscal
14 year 2010 and \$1,936,000 of the general fund--state appropriation for
15 fiscal year 2011 are for conditional scholarship loans and mentor
16 stipends provided through the alternative routes to certification
17 program administered by the professional educator standards board,
18 including the pipeline for paraeducators program and the retooling to
19 teach conditional loan programs. Funding within this subsection
20 (1)(f)(ii) is also provided for the recruiting Washington teachers
21 program.

22 (iii) \$102,000 of the general fund--state appropriation for fiscal
23 year 2010 is provided for the implementation of Second Substitute
24 Senate Bill No. 5973 (student achievement gap). \$94,000 of the general
25 fund--state appropriation for fiscal year 2011 is provided solely for
26 the ongoing work of the achievement gap oversight and accountability
27 committee and implementation of the committee's recommendations.

28 (f) \$1,349,000 of the general fund--state appropriation for fiscal
29 year 2010 and \$144,000 of the general fund--state appropriation for
30 fiscal year 2011 are provided solely for replacement of the
31 apportionment system, which includes the processes that collect school
32 district budget and expenditure information, staffing characteristics,
33 and the student enrollments that drive the funding process.

34 (g) \$1,140,000 of the general fund--state appropriation for fiscal
35 year 2010 and \$1,227,000 of the general fund--state appropriation for
36 fiscal year 2011 are provided solely for the creation of a statewide
37 data base of longitudinal student information. This amount is

1 conditioned on the department satisfying the requirements in section
2 902 of this act.

3 (h) \$75,000 of the general fund--state appropriation for fiscal
4 year 2010 is provided solely to promote the financial literacy of
5 students. The effort will be coordinated through the financial
6 education public-private partnership. It is expected that
7 nonappropriated funds available to the public-private partnership will
8 be sufficient to continue financial literacy activities.

9 (i) To the maximum extent possible, in adopting new agency rules or
10 making any changes to existing rules or policies related to the fiscal
11 provisions in the administration of part V of this act, the office of
12 the superintendent of public instruction shall attempt to request
13 approval through the normal legislative budget process.

14 (j) \$44,000 of the general fund--state appropriation for fiscal
15 year 2010 and \$45,000 of the general fund--state appropriation for
16 fiscal year 2011 are provided solely for the implementation of
17 Substitute Senate Bill No. 5248 (enacting the interstate compact on
18 educational opportunity for military children).

19 (k) \$700,000 of the general fund--state appropriation for fiscal
20 year 2010 and \$700,000 of the general fund--state appropriation for
21 fiscal year 2011 are provided solely for the implementation of
22 Substitute Senate Bill No. 5410 (online learning).

23 (l) \$25,000 of the general fund--state appropriation for fiscal
24 year 2010 and \$12,000 of the general fund--state appropriation for
25 fiscal year 2011 are provided solely for project citizen, a program
26 sponsored by the national conference of state legislatures and the
27 center for civic education to promote participation in government by
28 middle school students.

29 (m) \$2,518,000 of the general fund--state appropriation for fiscal
30 year 2011 is provided solely for the implementation of Substitute House
31 Bill No. 2776 (K-12 education funding). If the bill is not enacted by
32 June 30, 2010, the amount provided in this subsection shall lapse.

33 (n) \$89,000 of the general fund--state appropriation for fiscal
34 year 2011 is provided solely for the implementation of Engrossed Second
35 Substitute House Bill No. 3026 (state and federal civil rights laws).
36 If the bill is not enacted by June 30, 2010, the amount provided in
37 this subsection shall lapse.

1 (o) Beginning in the 2010-11 school year, the superintendent of
2 public instruction shall require all districts receiving general
3 apportionment funding for alternative learning experience (ALE)
4 programs as defined in WAC 392-121-182 to provide separate financial
5 accounting of expenditures for the ALE programs offered in district or
6 with a provider, including but not limited to private companies and
7 multidistrict cooperatives.

8 (p) \$55,000 of the general fund--state appropriation for fiscal
9 year 2011 is provided to the office of the superintendent of public
10 instruction solely to convene a technical working group to establish
11 standards, guidelines, and definitions for what constitutes a basic
12 education program for highly capable students and the appropriate
13 funding structure for such a program, and to submit recommendations to
14 the legislature for consideration. The working group may convene
15 advisory subgroups on specific topics as necessary to assure
16 participation and input from a broad array of diverse stakeholders.
17 The working group must consult with and seek input from nationally
18 recognized experts; researchers and academics on the unique
19 educational, emotional, and social needs of highly capable students and
20 how to identify such students; representatives of national
21 organizations and associations for educators of or advocates for highly
22 capable students; school district representatives who are educators,
23 counselors, and classified school employees involved with highly
24 capable programs; parents of students who have been identified as
25 highly capable; representatives from the federally recognized tribes;
26 and representatives of cultural, linguistic, and racial minority groups
27 and the community of persons with disabilities. The working group
28 shall make recommendations to the quality education council and to
29 appropriate committees of the legislature by December 1, 2010. The
30 recommendations shall take into consideration that access to the
31 program for highly capable students is not an individual entitlement
32 for any particular student. The recommendations shall seek to minimize
33 underrepresentation of any particular demographic or socioeconomic
34 group by better identification, not lower standards or quotas, and
35 shall include the following:

36 (i) Standardized state-level identification procedures, standards,
37 criteria, and benchmarks, including a definition or definitions of a

1 highly capable student. Students who are both highly capable and are
2 students of color, are poor, or have a disability must be addressed;

3 (ii) Appropriate programs and services that have been shown by
4 research and practice to be effective with highly capable students but
5 maintain options and flexibility for school districts, where possible;

6 (iii) Program administration, management, and reporting
7 requirements for school districts;

8 (iv) Appropriate educator qualifications, certification
9 requirements, and professional development and support for educators
10 and other staff who are involved in programs for highly capable
11 students;

12 (v) Self-evaluation models to be used by school districts to
13 determine the effectiveness of the program and services provided by the
14 school district for highly capable programs;

15 (vi) An appropriate state-level funding structure; and

16 (vii) Other topics deemed to be relevant by the working group.

17 (q) (~~(\$500,000)~~) \$1,000,000 of the general fund--state
18 appropriation for fiscal year 2011 is provided solely for contracting
19 with a college scholarship organization with expertise in conducting
20 outreach to students concerning eligibility for the Washington college
21 bound scholarship consistent with chapter 405, Laws of 2007.

22 (r) \$24,000 of the general fund--state appropriation for fiscal
23 year 2010 is provided solely for implementation of Substitute Senate
24 Bill No. 6759 (requiring a plan for a voluntary program of early
25 learning as a part of basic education). If the bill is not enacted by
26 June 30, 2010, the amounts provided in this subsection (1)(r) shall
27 lapse.

28 (s) \$950,000 of the general fund--state appropriation for fiscal
29 year 2010 is provided solely for office of the attorney general costs
30 related to *McCleary v. State of Washington*.

31 (2) \$12,320,000 of the general fund--state appropriation for fiscal
32 year 2010, \$10,127,000 of the general fund--state appropriation for
33 fiscal year 2011, and \$55,890,000 of the general fund--federal
34 appropriation are for statewide programs.

35 (a) HEALTH AND SAFETY

36 (i) \$2,541,000 of the general fund--state appropriation for fiscal
37 year 2010 and \$2,381,000 of the general fund--state appropriation for
38 fiscal year 2011 are provided solely for a corps of nurses located at

1 educational service districts, as determined by the superintendent of
2 public instruction, to be dispatched to the most needy schools to
3 provide direct care to students, health education, and training for
4 school staff.

5 (ii) \$100,000 of the general fund--state appropriation for fiscal
6 year 2010 and \$94,000 of the general fund--state appropriation for
7 fiscal year 2011 are provided solely for a school safety training
8 program provided by the criminal justice training commission. The
9 commission, in collaboration with the school safety center advisory
10 committee, shall provide the school safety training for all school
11 administrators and school safety personnel, including school safety
12 personnel hired after the effective date of this section.

13 (iii) \$9,670,000 of the general fund--federal appropriation is
14 provided for safe and drug free schools and communities grants for drug
15 and violence prevention activities and strategies.

16 (iv) \$96,000 of the general fund--state appropriation for fiscal
17 year 2010 and \$90,000 of the general fund--state appropriation for
18 fiscal year 2011 are provided solely for the school safety center in
19 the office of the superintendent of public instruction subject to the
20 following conditions and limitations:

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

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

33 (v) \$70,000 of the general fund--state appropriation for fiscal
34 year 2010 is provided solely for the youth suicide prevention program.

35 (vi) \$50,000 of the general fund--state appropriation for fiscal
36 year 2010 and \$47,000 of the general fund--state appropriation for
37 fiscal year 2011 are provided solely for a nonviolence and leadership
38 training program provided by the institute for community leadership.

1 (b) TECHNOLOGY

2 (i) \$1,842,000 of the general fund--state appropriation for fiscal
3 year 2010 and \$1,635,000 of the general fund--state appropriation for
4 fiscal year 2011 are provided solely for K-20 telecommunications
5 network technical support in the K-12 sector to prevent system failures
6 and avoid interruptions in school utilization of the data processing
7 and video-conferencing capabilities of the network. These funds may be
8 used to purchase engineering and advanced technical support for the
9 network.

10 (ii) \$1,475,000 of the general fund--state appropriation for fiscal
11 year 2010, \$1,045,000 of the general fund--state appropriation for
12 fiscal year 2011, and \$435,000 of the general fund--federal
13 appropriation are provided solely for implementing a comprehensive data
14 system to include financial, student, and educator data. The office of
15 the superintendent of public instruction will convene a data governance
16 group to create a comprehensive needs-requirement document, conduct a
17 gap analysis, and define operating rules and a governance structure for
18 K-12 data collections.

19 (c) GRANTS AND ALLOCATIONS

20 (i) \$1,329,000 of the general fund--state appropriation for fiscal
21 year 2010 and \$664,000 of the general fund--state appropriation for
22 fiscal year 2011 are provided solely for the special services pilot
23 project to include up to seven participating districts. The office of
24 the superintendent of public instruction shall allocate these funds to
25 the district or districts participating in the pilot program according
26 to the provisions of RCW 28A.630.016.

27 (ii) \$750,000 of the general fund--state appropriation for fiscal
28 year 2010 and \$750,000 of the general fund--state appropriation for
29 fiscal year 2011 are provided solely for the Washington state achievers
30 scholarship program. The funds shall be used to support community
31 involvement officers that recruit, train, and match community volunteer
32 mentors with students selected as achievers scholars.

33 (iii) \$25,000 of the general fund--state appropriation for fiscal
34 year 2010 is provided solely for developing and disseminating
35 curriculum and other materials documenting women's role in World War
36 II.

37 (iv) \$175,000 of the general fund--state appropriation for fiscal
38 year 2010 and \$87,000 of the general fund--state appropriation for

1 fiscal year 2011 are provided solely for incentive grants for districts
2 and pilot projects to develop preapprenticeship programs. Incentive
3 grant awards up to \$10,000 each shall be used to support the program's
4 design, school/business/labor agreement negotiations, and recruiting
5 high school students for preapprenticeship programs in the building
6 trades and crafts.

7 (v) \$2,898,000 of the general fund--state appropriation for fiscal
8 year 2010 and \$2,924,000 of the general fund--state appropriation for
9 fiscal year 2011 are provided solely for the dissemination of the
10 navigation 101 curriculum to all districts. The funding shall support
11 electronic student planning tools and software for analyzing the impact
12 of navigation 101 on student performance, as well as grants to a
13 maximum of one hundred school districts each year, based on progress
14 and need for the implementation of the navigation 101 program. The
15 implementation grants shall be awarded to a cross-section of school
16 districts reflecting a balance of geographic and demographic
17 characteristics. Within the amounts provided, the office of the
18 superintendent of public instruction will create a navigation 101
19 accountability model to analyze the impact of the program.

20 (vi) \$627,000 of the general fund--state appropriation for fiscal
21 year 2010 and \$225,000 of the general fund--state appropriation for
22 fiscal year 2011 are provided solely for implementation of a statewide
23 program for comprehensive dropout prevention, intervention, and
24 retrieval.

25 (vii) \$40,000 of the general fund--state appropriation for fiscal
26 year 2010 is provided solely for program initiatives to address the
27 educational needs of Latino students and families. Using the full
28 amounts of the appropriations under this subsection (2)(c)(vii), the
29 office of the superintendent of public instruction shall contract with
30 the Seattle community coalition of compaña quetzal to provide for three
31 initiatives: (A) Early childhood education; (B) parent leadership
32 training; and (C) high school success and college preparation programs.

33 (viii) \$60,000 of the general fund--state appropriation for fiscal
34 year 2010 is provided solely for a pilot project to encourage bilingual
35 high school students to pursue public school teaching as a profession.
36 Using the full amounts of the appropriation under this subsection, the
37 office of the superintendent of public instruction shall contract with
38 the Latino/a educational achievement project (LEAP) to work with school

1 districts to identify and mentor not fewer than fifty bilingual
2 students in their junior year of high school, encouraging them to
3 become bilingual instructors in schools with high English language
4 learner populations. Students shall be mentored by bilingual teachers
5 and complete a curriculum developed and approved by the participating
6 districts.

7 (ix) \$145,000 of the general fund--state appropriation for fiscal
8 year 2010 and \$37,000 of the general fund--state appropriation for
9 fiscal year 2011 are provided solely to the office of the
10 superintendent of public instruction to enhance the reading skills of
11 students with dyslexia by implementing the findings of the dyslexia
12 pilot program. Funds shall be used to provide information and training
13 to classroom teachers and reading specialists, for development of a
14 dyslexia handbook, and to take other statewide actions to improve the
15 reading skills of students with dyslexia. The training program shall
16 be delivered regionally through the educational service districts.

17 (x) \$97,000 of the general fund--state appropriation for fiscal
18 year 2010 and \$48,000 of the general fund--state appropriation for
19 fiscal year 2011 are provided solely to support vocational student
20 leadership organizations.

21 (xi) \$100,000 of the general fund--state appropriation for fiscal
22 year 2011 is provided solely for drop-out prevention programs at the
23 office of the superintendent of public instruction including the jobs
24 for America's graduates (JAG) program.

25 **Sec. 502.** 2010 2nd sp.s. c 1 s 502 (uncodified) is amended to read
26 as follows:

27 **FOR THE SUPERINTENDENT OF PUBLIC INSTRUCTION--FOR GENERAL**
28 **APPORTIONMENT**

29	General Fund--State Appropriation (FY 2010)	\$5,126,153,000
30	General Fund--State Appropriation (FY 2011)	(\$4,912,103,000)
31		<u>\$4,887,369,000</u>
32	General Fund--Federal Appropriation	\$208,098,000
33	TOTAL APPROPRIATION	(\$10,246,354,000)
34		<u>\$10,221,620,000</u>

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

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

4 (b) The appropriations in this section include federal funds
5 provided through section 101 of Public Law No. 111-226 (education jobs
6 fund), which shall be used to support general apportionment program
7 funding. In distributing general apportionment allocations under this
8 section for the 2010-11 school year, the superintendent shall include
9 the entire allocation from the federal funds provided through section
10 101 of Public Law No. 111-226 (education jobs fund) as part of each
11 district's general apportionment allocation.

12 (2) Allocations for certificated staff salaries for the 2009-10 and
13 2010-11 school years shall be determined using formula-generated staff
14 units calculated pursuant to this subsection. Staff allocations for
15 small school enrollments in (e) through (g) of this subsection shall be
16 reduced for vocational full-time equivalent enrollments. Staff
17 allocations for small school enrollments in grades K-6 shall be the
18 greater of that generated under (a) of this subsection, or under (d)
19 and (e) of this subsection. Certificated staffing allocations shall be
20 as follows:

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

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

27 (ii) (~~For the 2009-10 school year and the portion of the 2010-11~~
28 ~~school year from September 1, 2010, through January 31, 2011:~~)

29 (A)(I) For districts that enroll fewer than 25 percent of their
30 total full-time equivalent student enrollment in grades K through three
31 in digital or online learning programs as defined in WAC 392-121-182,
32 as in effect on November 1, 2009((7)): For the 2009-10 school year,
33 fifty-three and two-tenths certificated instructional staff units per
34 thousand full-time equivalent students in grades K through three and,
35 for the portion of the 2010-11 school year from September 1, 2010,
36 through January 31, 2011, fifty and seventy-five one-hundredths
37 certificated instructional staff units per thousand full-time
38 equivalent students in grades K through three.

1 (II) For all other districts for the 2009-10 school year, a minimum
2 of forty-nine certificated instructional staff units per 1,000 full-
3 time equivalent (FTE) students in grades K through three, with
4 additional certificated instructional staff units to equal the
5 documented staffing level in grades K through three, up to a maximum of
6 fifty-three and two-tenths certificated instructional staff units per
7 1,000 FTE students.

8 For the portion of the 2010 school year from September 1, 2010,
9 through January 31, 2011, a minimum of forty-nine certificated
10 instructional staff units per thousand full-time equivalent students in
11 grades K through three, with additional certificated instructional
12 staff units to equal the documented staffing level in grades K through
13 three, up to a maximum of fifty and seventy-five one-hundredths
14 certificated instructional staff units per thousand full-time
15 equivalent students in grades K through three.

16 (B)(I) For districts that enroll fewer than 25 percent of their
17 total full-time equivalent student enrollment in grade four in digital
18 or online learning programs defined in WAC 392-121-182 as in effect on
19 November 1, 2009: For the 2009-10 school year, fifty-three and two-
20 tenths certificated instructional staff units per thousand full-time
21 equivalent students in grade four, and for the portion of the 2010-11
22 school year from September 1, 2010, through January 31, 2011, (~~forty-~~
23 ~~seven and forty three~~) forty-six and twenty-seven one-hundredths
24 certificated instructional staff units per thousand full-time
25 equivalent students in grade four.

26 (II) For all other districts:

27 For the 2009-10 school year, a minimum of forty-six certificated
28 instructional staff units per 1,000 full-time equivalent (FTE) students
29 in grade four, and additional certificated instructional staff units to
30 equal the documented staffing level in grade four, up to a maximum of
31 fifty-three and two-tenths certificated instructional staff units per
32 1,000 FTE students.

33 For the portion of the 2010-11 school year from September 1, 2010,
34 through January 31, 2011, a minimum of forty-six certificated
35 instructional staff units per 1,000 full-time equivalent (FTE) students
36 in grade four, and additional certificated instructional staff units to
37 equal the documented staffing level in grade four, up to a maximum of

1 (~~forty seven and forty three~~) forty-six and twenty-seven one-
2 hundredths certificated instructional staff units per 1,000 FTE
3 students;

4 (iii) For the portion of the 2010-11 school year beginning February
5 1, 2010:

6 (A) Forty-nine certificated instructional staff units per thousand
7 full-time equivalent students in grades kindergarten through three;

8 (B) Forty-six certificated instructional staff units per thousand
9 full-time equivalent students in grade 4;

10 (iv) All allocations for instructional staff units per thousand
11 full-time equivalent students above forty-nine in grades kindergarten
12 through three and forty-six in grade four shall occur in apportionments
13 in the monthly periods prior to February 1, 2011;

14 (v) Forty-six certificated instructional staff units per thousand
15 full-time equivalent students in grades 5-12;

16 (vi) Certificated staff allocations in this subsection (2)(a)
17 exceeding the statutory minimums established in RCW 28A.150.260 shall
18 not be considered part of basic education;

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

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

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

31 (B) Middle school vocational STEM programs approved by the
32 superintendent of public instruction, a maximum of 0.92 certificated
33 instructional staff units and 0.8 certificated administrative staff
34 units for each 19.5 full-time equivalent vocational students; and

35 (C) Skills center programs meeting the standards for skills center
36 funding established in January 1999 by the superintendent of public
37 instruction with a waiver allowed for skills centers in current
38 operation that are not meeting this standard until the 2010-11 school

1 year, 0.92 certificated instructional staff units and 0.08 certificated
2 administrative units for each 16.67 full-time equivalent vocational
3 students;

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

9 (iii) Indirect cost charges by a school district to vocational-
10 secondary programs and vocational middle-school shall not exceed 15
11 percent of the combined basic education and vocational enhancement
12 allocations of state funds;

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

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

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

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

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

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

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

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

13 (ii) For all other small high schools under this subsection, nine
14 certificated instructional staff units and one-half of a certificated
15 administrative staff unit for the first sixty average annual full time
16 equivalent students, and additional staff units based on a ratio of
17 0.8732 certificated instructional staff units and 0.1268 certificated
18 administrative staff units per each additional forty-three and one-half
19 average annual full time equivalent students.

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

24 (g) For each nonhigh school district having an enrollment of more
25 than seventy annual average full-time equivalent students and less than
26 one hundred eighty students, operating a grades K-8 program or a grades
27 1-8 program, an additional one-half of a certificated instructional
28 staff unit; and

29 (h) For each nonhigh school district having an enrollment of more
30 than fifty annual average full-time equivalent students and less than
31 one hundred eighty students, operating a grades K-6 program or a grades
32 1-6 program, an additional one-half of a certificated instructional
33 staff unit.

34 (3) Allocations for classified salaries for the 2009-10 and 2010-11
35 school years shall be calculated using formula-generated classified
36 staff units determined as follows:

37 (a) For enrollments generating certificated staff unit allocations

1 under subsection (2)(e) through (h) of this section, one classified
2 staff unit for each 2.94 certificated staff units allocated under such
3 subsections;

4 (b) For all other enrollment in grades K-12, including vocational
5 full-time equivalent enrollments, one classified staff unit for each
6 58.75 average annual full-time equivalent students; and

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

11 (4) Fringe benefit allocations shall be calculated at a rate of
12 14.43 percent in the 2009-10 school year and 14.43 percent in the 2010-
13 11 school year for certificated salary allocations provided under
14 subsection (2) of this section, and a rate of 16.59 percent in the
15 2009-10 school year and 16.59 percent in the 2010-11 school year for
16 classified salary allocations provided under subsection (3) of this
17 section.

18 (5) Insurance benefit allocations shall be calculated at the
19 maintenance rate specified in section 504(2) of this act, based on the
20 number of benefit units determined as follows:

21 (a) The number of certificated staff units determined in subsection
22 (2) of this section; and

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

29 (6)(a) For nonemployee-related costs associated with each
30 certificated staff unit allocated under subsection (2)(a), (b), and (d)
31 through (g) of this section, there shall be provided a maximum of
32 \$10,179 per certificated staff unit in the 2009-10 school year and a
33 maximum of \$10,424 per certificated staff unit in the 2010-11 school
34 year.

35 (b) For nonemployee-related costs associated with each vocational
36 certificated staff unit allocated under subsection (2)(c)(i)(A) of this
37 section, there shall be provided a maximum of \$24,999 per certificated

1 staff unit in the 2009-10 school year and a maximum of \$25,399 per
2 certificated staff unit in the 2010-11 school year.

3 (c) For nonemployee-related costs associated with each vocational
4 certificated staff unit allocated under subsection (2)(c)(i)(B) of this
5 section, there shall be provided a maximum of \$19,395 per certificated
6 staff unit in the 2009-10 school year and a maximum of \$19,705 per
7 certificated staff unit in the 2010-11 school year.

8 (7) Allocations for substitute costs for classroom teachers shall
9 be distributed at a maintenance rate of \$607.44 for the 2009-10 and
10 2010-11 school years per allocated classroom teachers exclusive of
11 salary increase amounts provided in section 504 of this act. Solely
12 for the purposes of this subsection, allocated classroom teachers shall
13 be equal to the number of certificated instructional staff units
14 allocated under subsection (2) of this section, multiplied by the ratio
15 between the number of actual basic education certificated teachers and
16 the number of actual basic education certificated instructional staff
17 reported statewide for the prior school year.

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

27 (9) Funding in this section is sufficient to provide additional
28 service year credits to educational staff associates pursuant to
29 chapter 403, Laws of 2007.

30 (10)(a) The superintendent may distribute a maximum of
31 (~~(\$7,286,000)~~) \$5,452,000 outside the basic education formula during
32 fiscal years 2010 and 2011 as follows:

33 (i) For fire protection for school districts located in a fire
34 protection district as now or hereafter established pursuant to chapter
35 52.04 RCW, a maximum of \$567,000 may be expended in fiscal year 2010
36 and a maximum of \$576,000 may be expended in fiscal year 2011;

37 (ii) For summer vocational programs at skills centers, a maximum of

1 \$2,385,000 may be expended for the 2010 fiscal year and a maximum of
2 ((~~\$2,385,000~~)) \$600,000 for the 2011 fiscal year(~~(.20 percent of each~~
3 ~~fiscal year amount may carry over from one year to the next))~~);

4 (iii) A maximum of \$403,000 may be expended for school district
5 emergencies; and

6 (iv) A maximum of \$485,000 (~~(each fiscal year)~~) for fiscal year
7 2010 and \$436,000 for fiscal year 2011 may be expended for programs
8 providing skills training for secondary students who are enrolled in
9 extended day school-to-work programs, as approved by the superintendent
10 of public instruction. The funds shall be allocated at a rate not to
11 exceed \$500 per full-time equivalent student enrolled in those
12 programs.

13 (b) Funding in this section is sufficient to fund a maximum of 1.6
14 FTE enrollment for skills center students pursuant to chapter 463, Laws
15 of 2007.

16 (11) For purposes of RCW 84.52.0531, the increase per full-time
17 equivalent student is 4.0 percent from the 2008-09 school year to the
18 2009-10 school year and 4.0 percent from the 2009-10 school year to the
19 2010-11 school year.

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

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

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

34 (13) General apportionment payments to the Steilacoom historical
35 school district shall reflect changes to operation of the Harriet
36 Taylor elementary school consistent with the timing of reductions in
37 correctional facility capacity and staffing.

1 (14) \$2,500,000 of the general fund--state appropriation for fiscal
2 year 2011 is provided solely for the superintendent for financial
3 contingency funds for eligible school districts. The financial
4 contingency funds shall be allocated to eligible districts in the form
5 of an advance of their respective general apportionment allocations.

6 (a) Eligibility:

7 The superintendent shall determine a district's eligibility for
8 receipt of financial contingency funds, and districts shall be eligible
9 only if the following conditions are met:

10 (i) A petition is submitted by the school district as provided in
11 RCW 28A.510.250 and WAC 392-121-436; and

12 (ii) The district's projected general fund balance for the month of
13 March is less than one-half of one percent of its budgeted general fund
14 expenditures as submitted to the superintendent for the 2010-11 school
15 year on the F-196 report.

16 (b) Calculations:

17 The superintendent shall calculate the financial contingency
18 allocation to each district as the lesser of:

19 (i) The amount set forth in the school district's resolution;

20 (ii) An amount not to exceed 10 percent of the total amount to
21 become due and apportionable to the district from September 1st through
22 August 31st of the current school year;

23 (iii) The highest negative monthly cash and investment balance of
24 the general fund between the date of the resolution and May 31st of the
25 school year based on projections approved by the county treasurer and
26 the educational service district.

27 (c) Repayment:

28 For any amount allocated to a district in state fiscal year 2011,
29 the superintendent shall deduct in state fiscal year 2012 from the
30 district's general apportionment the amount of the emergency
31 contingency allocation and any earnings by the school district on the
32 investment of a temporary cash surplus due to the emergency contingency
33 allocation. Repayments or advances will be accomplished by a reduction
34 in the school district's apportionment payments on or before June 30th
35 of the school year following the distribution of the emergency
36 contingency allocation. All disbursements, repayments, and outstanding
37 allocations to be repaid of the emergency contingency pool shall be

1 reported to the office of financial management and the appropriate
2 fiscal committees of the legislature on July 1st and January 1st of
3 each year.

4 **Sec. 503.** 2010 1st sp.s. c 37 s 505 (uncodified) is amended to
5 read as follows:

6 **FOR THE SUPERINTENDENT OF PUBLIC INSTRUCTION--FOR PUPIL TRANSPORTATION**

7 General Fund--State Appropriation (FY 2010)	\$317,116,000
8 General Fund--State Appropriation (FY 2011)	(\$296,747,000)
9	<u>\$296,408,000</u>
10 TOTAL APPROPRIATION	(\$613,863,000)
11	<u>\$613,524,000</u>

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

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

17 (2) A maximum of \$878,000 of this fiscal year 2010 appropriation
18 and a maximum of ~~(\$892,000)~~ \$803,000 of the fiscal year 2011
19 appropriation may be expended for regional transportation coordinators
20 and related activities. The transportation coordinators shall ensure
21 that data submitted by school districts for state transportation
22 funding shall, to the greatest extent practical, reflect the actual
23 transportation activity of each district.

24 (3) Allocations for transportation of students shall be based on
25 reimbursement rates of \$48.15 per weighted mile in the 2009-10 school
26 year and \$48.37 per weighted mile in the 2010-11 school year exclusive
27 of salary and benefit adjustments provided in section 504 of this act.
28 Allocations for transportation of students transported more than one
29 radius mile shall be based on weighted miles as determined by
30 superintendent of public instruction multiplied by the per mile
31 reimbursement rates for the school year pursuant to the formulas
32 adopted by the superintendent of public instruction. Allocations for
33 transportation of students living within one radius mile shall be based
34 on the number of enrolled students in grades kindergarten through five
35 living within one radius mile of their assigned school multiplied by
36 the per mile reimbursement rate for the school year multiplied by 1.29.

1 (4) The office of the superintendent of public instruction shall
2 provide reimbursement funding to a school district only after the
3 superintendent of public instruction determines that the school bus was
4 purchased from the list established pursuant to RCW 28A.160.195(2) or
5 a comparable competitive bid process based on the lowest price quote
6 based on similar bus categories to those used to establish the list
7 pursuant to RCW 28A.160.195.

8 (5) The superintendent of public instruction shall base
9 depreciation payments for school district buses on the pre-sales tax
10 five-year average of lowest bids in the appropriate category of bus.
11 In the final year on the depreciation schedule, the depreciation
12 payment shall be based on the lowest bid in the appropriate bus
13 category for that school year.

14 (6) Funding levels in this section reflect reductions from the
15 implementation of Substitute House Bill No. 1292 (authorizing waivers
16 from the one hundred eighty-day school year requirement in order to
17 allow four-day school weeks).

18 **Sec. 504.** 2010 1st sp.s. c 37 s 506 (uncodified) is amended to
19 read as follows:

20 **FOR THE SUPERINTENDENT OF PUBLIC INSTRUCTION--FOR SCHOOL FOOD SERVICE**
21 **PROGRAMS**

22	General Fund--State Appropriation (FY 2010)	\$3,159,000
23	General Fund--State Appropriation (FY 2011)	((\$3,159,000))
24		<u>\$7,111,000</u>
25	General Fund--Federal Appropriation	((\$391,988,000))
26		<u>\$448,588,000</u>
27	TOTAL APPROPRIATION	((\$398,306,000))
28		<u>\$458,858,000</u>

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

31 (1) \$3,000,000 of the general fund--state appropriation for fiscal
32 year 2010 (~~and \$3,000,000 of the general fund--state appropriation for~~
33 ~~fiscal year 2011 are~~) is provided for state matching money for federal
34 child nutrition programs.

35 (2) \$100,000 of the general fund--state appropriation for fiscal
36 year 2010 (~~and \$100,000 of the 2011 fiscal year appropriation are~~) is
37 provided for summer food programs for children in low-income areas.

1 (3) \$59,000 of the general fund--state appropriation for fiscal
2 year 2010 (~~and \$59,000 of the general fund--state appropriation for~~
3 ~~fiscal year 2011 are~~) is provided solely to reimburse school districts
4 for school breakfasts served to students enrolled in the free or
5 reduced price meal program pursuant to chapter 287, Laws of 2005
6 (requiring school breakfast programs in certain schools).

7 (4) \$7,111,000 of the general fund--state appropriation for fiscal
8 year 2011 is provided solely for state matching money for federal child
9 nutrition programs, and may support the meals for kids program through
10 the following allowable uses:

11 (a) Elimination of breakfast copays and lunch copays for students
12 in grades kindergarten through third grade who are eligible for reduced
13 price lunch;

14 (b) Assistance to school districts for supporting summer food
15 service programs, and initiating new summer food service programs in
16 low-income areas; and

17 (c) Reimbursements to school districts for school breakfasts served
18 to students eligible for free and reduced price lunch, pursuant to
19 chapter 287, Laws of 2005.

20 **Sec. 505.** 2010 1st sp.s. c 37 s 507 (uncodified) is amended to
21 read as follows:

22 **FOR THE SUPERINTENDENT OF PUBLIC INSTRUCTION--FOR SPECIAL EDUCATION**
23 **PROGRAMS**

24	General Fund--State Appropriation (FY 2010)	\$632,136,000
25	General Fund--State Appropriation (FY 2011)	(\$650,856,000)
26		<u>\$626,099,000</u>
27	General Fund--Federal Appropriation	\$664,601,000
28	Education Legacy Trust Account--State	
29	Appropriation	\$756,000
30	TOTAL APPROPRIATION	(\$1,948,349,000)
31		<u>\$1,923,592,000</u>

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

34 (1) Funding for special education programs is provided on an excess
35 cost basis, pursuant to RCW 28A.150.390. School districts shall ensure
36 that special education students as a class receive their full share of
37 the general apportionment allocation accruing through sections 502 and

1 504 of this act. To the extent a school district cannot provide an
2 appropriate education for special education students under chapter
3 28A.155 RCW through the general apportionment allocation, it shall
4 provide services through the special education excess cost allocation
5 funded in this section.

6 (2)(a) The superintendent of public instruction shall ensure that:

7 (i) Special education students are basic education students first;

8 (ii) As a class, special education students are entitled to the
9 full basic education allocation; and

10 (iii) Special education students are basic education students for
11 the entire school day.

12 (b) The superintendent of public instruction shall continue to
13 implement the full cost method of excess cost accounting, as designed
14 by the committee and recommended by the superintendent, pursuant to
15 section 501(1)(k), chapter 372, Laws of 2006.

16 (3) Each fiscal year appropriation includes such funds as are
17 necessary to complete the school year ending in the fiscal year and for
18 prior fiscal year adjustments.

19 (4) The superintendent of public instruction shall distribute state
20 funds to school districts based on two categories: (a) The first
21 category includes (i) children birth through age two who are eligible
22 for the optional program for special education eligible developmentally
23 delayed infants and toddlers, and (ii) students eligible for the
24 mandatory special education program and who are age three or four, or
25 five and not yet enrolled in kindergarten; and (b) the second category
26 includes students who are eligible for the mandatory special education
27 program and who are age five and enrolled in kindergarten and students
28 age six through 21.

29 (5)(a) For the 2009-10 and 2010-11 school years, the superintendent
30 shall make allocations to each district based on the sum of:

31 (i) A district's annual average headcount enrollment of students
32 ages birth through four and those five year olds not yet enrolled in
33 kindergarten, as defined in subsection (4) of this section, multiplied
34 by the district's average basic education allocation per full-time
35 equivalent student, multiplied by 1.15; and

36 (ii) A district's annual average full-time equivalent basic
37 education enrollment multiplied by the funded enrollment percent

1 determined pursuant to subsection (6)(b) of this section, multiplied by
2 the district's average basic education allocation per full-time
3 equivalent student multiplied by 0.9309.

4 (b) For purposes of this subsection, "average basic education
5 allocation per full-time equivalent student" for a district shall be
6 based on the staffing ratios required by RCW 28A.150.260 and shall not
7 include enhancements, secondary vocational education, or small schools
8 in the 2009-10 school year. In the 2010-11 school year, the per
9 student allocation under this subsection (5)(b) shall include the same
10 factors as in the 2009-10 school year, but shall also include the
11 classified staff enhancements included in section 502(3)(b).

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

14 (a) "Annual average full-time equivalent basic education
15 enrollment" means the resident enrollment including students enrolled
16 through choice (RCW 28A.225.225) and students from nonhigh districts
17 (RCW 28A.225.210) and excluding students residing in another district
18 enrolled as part of an interdistrict cooperative program (RCW
19 28A.225.250).

20 (b) "Enrollment percent" means the district's resident special
21 education annual average enrollment, excluding the birth through age
22 four enrollment and those five year olds not yet enrolled in
23 kindergarten, as a percent of the district's annual average full-time
24 equivalent basic education enrollment.

25 Each district's general fund--state funded special education
26 enrollment shall be the lesser of the district's actual enrollment
27 percent or 12.7 percent.

28 (7) At the request of any interdistrict cooperative of at least 15
29 districts in which all excess cost services for special education
30 students of the districts are provided by the cooperative, the maximum
31 enrollment percent shall be calculated in accordance with subsection
32 (6)(b) of this section, and shall be calculated in the aggregate rather
33 than individual district units. For purposes of this subsection, the
34 average basic education allocation per full-time equivalent student
35 shall be calculated in the aggregate rather than individual district
36 units.

37 (8) To the extent necessary, (~~(\$44,269,000)~~) \$19,512,000 of the
38 general fund--state appropriation and \$29,574,000 of the general fund--

1 federal appropriation are provided for safety net awards for districts
2 with demonstrated needs for special education funding beyond the
3 amounts provided in subsection (5) of this section. If the federal
4 safety net awards based on the federal eligibility threshold exceed the
5 federal appropriation in this subsection (8) in any fiscal year, the
6 superintendent shall expend all available federal discretionary funds
7 necessary to meet this need. Safety net funds shall be awarded by the
8 state safety net oversight committee subject to the following
9 conditions and limitations:

10 (a) The committee shall consider unmet needs for districts that can
11 convincingly demonstrate that all legitimate expenditures for special
12 education exceed all available revenues from state funding formulas.
13 In the determination of need, the committee shall also consider
14 additional available revenues from federal sources. Differences in
15 program costs attributable to district philosophy, service delivery
16 choice, or accounting practices are not a legitimate basis for safety
17 net awards. In the determination of need, the committee shall require
18 that districts demonstrate that they are maximizing their eligibility
19 for all state and federal revenues related to services for special
20 education-eligible students. Awards associated with (b) and (c) of
21 this subsection shall not exceed the total of a district's specific
22 determination of need.

23 (b) The committee shall then consider the extraordinary high cost
24 needs of one or more individual special education students.
25 Differences in costs attributable to district philosophy, service
26 delivery choice, or accounting practices are not a legitimate basis for
27 safety net awards.

28 (c) Using criteria developed by the committee, the committee shall
29 then consider extraordinary costs associated with communities that draw
30 a larger number of families with children in need of special education
31 services. The safety net awards to school districts shall be adjusted
32 to reflect amounts awarded under (b) of this subsection.

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

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

1 (f) Safety net awards shall be adjusted based on the percent of
2 potential medicaid eligible students billed as calculated by the
3 superintendent in accordance with chapter 318, Laws of 1999. The state
4 safety net oversight committee shall ensure that safety net
5 documentation and awards are based on current medicaid revenue amounts.

6 ~~(g) ((The office of the superintendent of public instruction, at
7 the conclusion of each school year, shall recover safety net funds that
8 were distributed prospectively but for which districts were not
9 subsequently eligible))~~ Beginning with the 2010-11 school year award
10 cycle, the office of the superintendent of public instruction shall
11 make award determinations for state safety net funding in August of
12 each school year. Determinations on school district eligibility for
13 state safety net awards shall be based on analysis of actual
14 expenditure data from the current school year.

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

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

22 (a) One staff from the office of superintendent of public
23 instruction;

24 (b) Staff of the office of the state auditor who shall be nonvoting
25 members of the committee; and

26 (c) One or more representatives from school districts or
27 educational service districts knowledgeable of special education
28 programs and funding.

29 (11) The office of the superintendent of public instruction shall
30 review and streamline the application process to access safety net
31 funds, provide technical assistance to school districts, and annually
32 survey school districts regarding improvement to the process.

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

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

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

11 (15) \$262,000 of the general fund--state appropriation for fiscal
12 year 2010 and \$251,000 of the general fund--state appropriation for
13 fiscal year 2011 are provided solely for two additional full-time
14 equivalent staff to support the work of the safety net committee and to
15 provide training and support to districts applying for safety net
16 awards.

17 (16) \$50,000 of the general fund--state appropriation for fiscal
18 year 2010, \$50,000 of the general fund--state appropriation for fiscal
19 2011, and \$100,000 of the general fund--federal appropriation shall be
20 expended to support a special education ombudsman program within the
21 office of superintendent of public instruction.

22 **Sec. 506.** 2010 1st sp.s. c 37 s 508 (uncodified) is amended to
23 read as follows:

24 **FOR THE SUPERINTENDENT OF PUBLIC INSTRUCTION--FOR EDUCATIONAL SERVICE**
25 **DISTRICTS**

26	General Fund--State Appropriation (FY 2010)	\$8,394,000
27	General Fund--State Appropriation (FY 2011)	(\$8,319,000)
28		<u>\$7,487,000</u>
29	TOTAL APPROPRIATION	(\$16,713,000)
30		<u>\$15,881,000</u>

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

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

36 (2) \$3,355,000 of the general fund--state appropriation for fiscal
37 year 2010 and ~~(\$3,355,000)~~ \$3,020,000 of the general fund--state

1 appropriation for fiscal year 2011 are provided solely for regional
2 professional development related to mathematics and science curriculum
3 and instructional strategies. Funding shall be distributed among the
4 educational service districts in the same proportion as distributions
5 in the 2007-2009 biennium. Each educational service district shall use
6 this funding solely for salary and benefits for a certificated
7 instructional staff with expertise in the appropriate subject matter
8 and in professional development delivery, and for travel, materials,
9 and other expenditures related to providing regional professional
10 development support. The office of superintendent of public
11 instruction shall also allocate to each educational service district
12 additional amounts provided in section 504 of this act for compensation
13 increases associated with the salary amounts and staffing provided in
14 this subsection (2).

15 (3) The educational service districts, at the request of the state
16 board of education pursuant to RCW 28A.310.010 and 28A.310.340, may
17 receive and screen applications for school accreditation, conduct
18 school accreditation site visits pursuant to state board of education
19 rules, and submit to the state board of education post-site visit
20 recommendations for school accreditation. The educational service
21 districts may assess a cooperative service fee to recover actual plus
22 reasonable indirect costs for the purposes of this subsection.

23 **Sec. 507.** 2010 1st sp.s. c 37 s 511 (uncodified) is amended to
24 read as follows:

25 **FOR THE SUPERINTENDENT OF PUBLIC INSTRUCTION--FOR PROGRAMS FOR HIGHLY**
26 **CAPABLE STUDENTS**

27	General Fund--State Appropriation (FY 2010)	\$9,189,000
28	General Fund--State Appropriation (FY 2011)	(\$9,188,000)
29		<u>\$9,162,000</u>
30	TOTAL APPROPRIATION	(\$18,377,000)
31		<u>\$18,351,000</u>

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

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

1 (2) Allocations for school district programs for highly capable
2 students shall be distributed at a maximum rate of \$401.08 per funded
3 student for the 2009-10 school year and \$401.08 per funded student for
4 the 2010-11 school year, exclusive of salary and benefit adjustments
5 pursuant to section 504 of this act. For the 2009-10 and 2010-11
6 school years, the number of funded students shall be a maximum of 2.314
7 percent of each district's full-time equivalent basic education
8 enrollment.

9 (3) \$90,000 of the fiscal year 2010 appropriation and (~~(\$90,000)~~)
10 \$81,000 of the fiscal year 2011 appropriation are provided for the
11 Washington destination imagination network and future problem-solving
12 programs.

13 (4) \$170,000 of the fiscal year 2010 appropriation and (~~(\$170,000)~~)
14 \$153,000 of the fiscal year 2011 appropriation are provided for the
15 centrum program at Fort Worden state park.

16 **Sec. 508.** 2010 2nd sp.s. c 1 s 503 (uncodified) is amended to read
17 as follows:

18 **FOR THE SUPERINTENDENT OF PUBLIC INSTRUCTION--EDUCATION REFORM**
19 **PROGRAMS**

20	General Fund--State Appropriation (FY 2010)	\$93,642,000
21	General Fund--State Appropriation (FY 2011)	((\$92,643,000))
22		<u>\$85,691,000</u>
23	General Fund--Federal Appropriation	\$154,627,000
24	Education Legacy Trust Account--State	
25	Appropriation	((\$100,381,000))
26		<u>\$98,981,000</u>
27	TOTAL APPROPRIATION	((\$441,293,000))
28		<u>\$432,941,000</u>

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

31 (1) \$35,804,000 of the general fund--state appropriation for fiscal
32 year 2010, \$31,850,000 of the general fund--state appropriation for
33 fiscal year 2011, \$1,350,000 of the education legacy trust
34 account--state appropriation, and \$17,869,000 of the general fund--
35 federal appropriation are provided solely for development and
36 implementation of the Washington state assessment system, including:
37 (i) Development and implementation of retake assessments for high

1 school students who are not successful in one or more content areas;
2 and (ii) development and implementation of alternative assessments or
3 appeals procedures to implement the certificate of academic
4 achievement. The superintendent of public instruction shall report
5 quarterly on the progress on development and implementation of
6 alternative assessments or appeals procedures. Within these amounts,
7 the superintendent of public instruction shall contract for the early
8 return of 10th grade student assessment results, on or around June 10th
9 of each year.

10 (2) \$3,249,000 of the general fund--state appropriation for fiscal
11 year 2010 and \$3,249,000 of the general fund--state appropriation for
12 fiscal year 2011 are provided solely for the design of the state
13 assessment system and the implementation of end of course assessments
14 for high school math.

15 (3) Within amounts provided in subsections (1) and (2) of this
16 section, the superintendent of public instruction, in consultation with
17 the state board of education, shall develop a statewide high school
18 end-of-course assessment measuring student achievement of the state
19 science standards in biology to be implemented statewide in the 2011-12
20 school year. By December 1, 2010, the superintendent of public
21 instruction shall recommend whether additional end-of-course
22 assessments in science should be developed and in which content areas.
23 Any recommendation for additional assessments must include an
24 implementation timeline and the projected cost to develop and
25 administer the assessments.

26 (4) \$1,014,000 of the education legacy trust account appropriation
27 is provided solely for allocations to districts for salaries and
28 benefits for the equivalent of two additional professional development
29 days for fourth and fifth grade teachers during the 2008-2009 school
30 year. The allocations shall be made based on the calculations of
31 certificated instructional staff units for fourth and fifth grade
32 provided in section 502 of this act and on the calculations of
33 compensation provided in sections 503 and 504 of this act. Districts
34 may use the funding to support additional days for professional
35 development as well as job-embedded forms of professional development.

36 (5) \$3,241,000 of the education legacy trust fund appropriation is
37 provided solely for allocations to districts for salaries and benefits
38 for the equivalent of three additional professional development days

1 for middle and high school math and science teachers during the 2008-
2 2009 school year, as well as specialized training for one math and
3 science teacher in each middle school and high school during the 2008-
4 2009 school year. Districts may use the funding to support additional
5 days for professional development as well as job-embedded forms of
6 professional development.

7 (6) \$3,773,000 of the education legacy trust account--state
8 appropriation is provided solely for a math and science instructional
9 coaches program pursuant to chapter 396, Laws of 2007. Funding shall
10 be used to provide grants to schools and districts to provide salaries,
11 benefits, and professional development activities for up to twenty-five
12 instructional coaches in middle and high school math and twenty-five
13 instructional coaches in middle and high school science in each year of
14 the biennium; and up to \$300,000 may be used by the office of the
15 superintendent of public instruction to administer and coordinate the
16 program.

17 (7) \$1,740,000 of the general fund--state appropriation for fiscal
18 year 2010 and \$1,775,000 of the general fund--state appropriation for
19 fiscal year 2011 are provided solely to allow approved middle and
20 junior high school career and technical education programs to receive
21 enhanced vocational funding. The office of the superintendent of
22 public instruction shall provide allocations to districts for middle
23 and junior high school students in accordance with the funding formulas
24 provided in section 502 of this act. If Second Substitute Senate Bill
25 No. 5676 is enacted the allocations are formula-driven, otherwise the
26 office of the superintendent shall consider the funding provided in
27 this subsection as a fixed amount, and shall adjust funding to stay
28 within the amounts provided in this subsection.

29 (8) \$139,000 of the general fund--state appropriation for fiscal
30 year 2010 and \$93,000 of the general fund--state appropriation for
31 fiscal year 2011 are provided solely for (a) staff at the office of the
32 superintendent of public instruction to coordinate and promote efforts
33 to develop integrated math, science, technology, and engineering
34 programs in schools and districts across the state; and (b) grants of
35 \$2,500 to provide twenty middle and high school teachers each year
36 professional development training for implementing integrated math,
37 science, technology, and engineering program in their schools.

1 (9) \$1,473,000 of the general fund--state appropriation for fiscal
2 year 2010 and \$197,000 of the general fund--state appropriation for
3 fiscal year 2011 are provided solely for the Washington state
4 leadership and assistance for science education reform (LASER) regional
5 partnership activities coordinated at the Pacific science center,
6 including instructional material purchases, teacher and principal
7 professional development, and school and community engagement events.
8 Funding shall be distributed to the various LASER activities in a
9 manner proportional to LASER program spending during the 2007-2009
10 biennium.

11 (10) \$88,981,000 of the education legacy trust account--state
12 appropriation is provided solely for grants for voluntary full-day
13 kindergarten at the highest poverty schools, as provided in chapter
14 400, Laws of 2007. The office of the superintendent of public
15 instruction shall provide allocations to districts for recipient
16 schools in accordance with the funding formulas provided in section 502
17 of this act. Each kindergarten student who enrolls for the voluntary
18 full-day program in a recipient school shall count as one-half of one
19 full-time equivalent student for the purpose of making allocations
20 under this subsection. Although the allocations are formula-driven,
21 the office of the superintendent shall consider the funding provided in
22 this subsection as a fixed amount, and shall limit the number of
23 recipient schools so as to stay within the amounts appropriated each
24 fiscal year in this subsection. The funding provided in this
25 subsection is estimated to provide full-day kindergarten programs for
26 20 percent of kindergarten enrollment. Funding priority shall be given
27 to schools with the highest poverty levels, as measured by prior year
28 free and reduced priced lunch eligibility rates in each school.
29 Additionally, as a condition of funding, school districts must agree to
30 provide the full-day program to the children of parents who request it
31 in each eligible school. For the purposes of calculating a school
32 district levy base, funding provided in this subsection shall be
33 considered a state block grant program under RCW 84.52.0531.

34 (a) Of the amounts provided in this subsection, a maximum of
35 \$272,000 may be used for administrative support of the full-day
36 kindergarten program within the office of the superintendent of public
37 instruction.

1 (b) Student enrollment pursuant to this program shall not be
2 included in the determination of a school district's overall K-12 FTE
3 for the allocation of student achievement programs and other funding
4 formulas unless specifically stated.

5 (11) \$700,000 of the general fund--state appropriation for fiscal
6 year 2010 and \$450,000 of the general fund--state appropriation for
7 fiscal year 2011 are provided solely for the development of a
8 leadership academy for school principals and administrators. The
9 superintendent of public instruction shall contract with an independent
10 organization to design, field test, and implement a state-of-the-art
11 education leadership academy that will be accessible throughout the
12 state. Initial development of the content of the academy activities
13 shall be supported by private funds. Semiannually the independent
14 organization shall report on amounts committed by foundations and
15 others to support the development and implementation of this program.
16 Leadership academy partners, with varying roles, shall include the
17 state level organizations for school administrators and principals, the
18 superintendent of public instruction, the professional educator
19 standards board, and others as the independent organization shall
20 identify.

21 (12) \$105,754,000 of the general fund--federal appropriation is
22 provided for preparing, training, and recruiting high quality teachers
23 and principals under Title II of the no child left behind act.

24 (13) \$1,960,000 of the general fund--state appropriation for fiscal
25 year 2010 and \$761,000 of the general fund--state appropriation for
26 fiscal year 2011 are provided solely to the office of the
27 superintendent of public instruction for focused assistance. The
28 office of the superintendent of public instruction shall conduct
29 educational audits of low-performing schools and enter into performance
30 agreements between school districts and the office to implement the
31 recommendations of the audit and the community. Funding in this
32 subsection shall be used for focused assistance programs for individual
33 schools or school districts. The office of the superintendent of
34 public instruction shall report to the fiscal committees of the
35 legislature by September 1, 2011, providing an accounting of the uses
36 of focused assistance funds during the 2009-11 fiscal biennium,
37 including a list of schools served and the types of services provided.

1 (14) \$1,667,000 of the general fund--state appropriation for fiscal
2 year 2010 (~~(and \$1,667,000 of the general fund--state appropriation for~~
3 ~~fiscal year 2011 are))~~ is provided solely to eliminate the lunch co-pay
4 for students in grades kindergarten through third grade that are
5 eligible for reduced price lunch.

6 (15) \$5,285,000 of the general fund--state appropriation for fiscal
7 year 2010 (~~(and \$5,285,000 of the general fund--state appropriation for~~
8 ~~fiscal year 2011 are))~~ is provided solely for: (a) The meals for kids
9 program under RCW 28A.235.145 through 28A.235.155; (b) to eliminate the
10 breakfast co-pay for students eligible for reduced price lunch; and (c)
11 for additional assistance for school districts initiating a summer food
12 service program.

13 (16) \$1,003,000 of the general fund--state appropriation for fiscal
14 year 2010 and \$528,000 of the general fund--state appropriation for
15 fiscal year 2011 are provided solely for the Washington reading corps.
16 The superintendent shall allocate reading corps members to low-
17 performing schools and school districts that are implementing
18 comprehensive, proven, research-based reading programs. Two or more
19 schools may combine their Washington reading corps programs. Grants
20 provided under this section may be used by school districts for
21 expenditures from September 2009 through August 31, 2011.

22 (17) \$3,269,000 of the general fund--state appropriation for fiscal
23 year 2010 and \$3,594,000 of the general fund--state appropriation for
24 fiscal year 2011 are provided solely for grants to school districts to
25 provide a continuum of care for children and families to help children
26 become ready to learn. Grant proposals from school districts shall
27 contain local plans designed collaboratively with community service
28 providers. If a continuum of care program exists in the area in which
29 the school district is located, the local plan shall provide for
30 coordination with existing programs to the greatest extent possible.
31 Grant funds shall be allocated pursuant to RCW 70.190.040.

32 (18) \$1,861,000 of the general fund--state appropriation for fiscal
33 year 2010 and \$1,836,000 of the general fund--state appropriation for
34 fiscal year 2011 are provided solely for improving technology
35 infrastructure, monitoring and reporting on school district technology
36 development, promoting standards for school district technology,
37 promoting statewide coordination and planning for technology

1 development, and providing regional educational technology support
2 centers, including state support activities, under chapter 28A.650 RCW.

3 (19) \$225,000 of the general fund--state appropriation for fiscal
4 year 2010 and \$150,000 of the general fund--state appropriation for
5 fiscal year 2011 are provided solely for the operation of the center
6 for the improvement of student learning pursuant to RCW 28A.300.130.

7 (20) \$246,000 of the education legacy trust account--state
8 appropriation is provided solely for costs associated with the office
9 of the superintendent of public instruction's statewide director of
10 technology position.

11 (21)(a) \$28,715,000 of the general fund--state appropriation for
12 fiscal year 2010 and \$36,168,000 of the general fund--state
13 appropriation for fiscal year 2011 are provided solely for the
14 following bonuses for teachers who hold valid, unexpired certification
15 from the national board for professional teaching standards and who are
16 teaching in a Washington public school, subject to the following
17 conditions and limitations:

18 (i) For national board certified teachers, a bonus of \$5,000 per
19 teacher beginning in the 2007-08 school year and adjusted for inflation
20 in each school year thereafter in which Initiative 732 cost of living
21 adjustments are provided;

22 (ii) An additional \$5,000 annual bonus shall be paid to national
23 board certified teachers who teach in either: (A) High schools where
24 at least 50 percent of student headcount enrollment is eligible for
25 federal free or reduced price lunch, (B) middle schools where at least
26 60 percent of student headcount enrollment is eligible for federal free
27 or reduced price lunch, or (C) elementary schools where at least 70
28 percent of student headcount enrollment is eligible for federal free or
29 reduced price lunch;

30 (iii) The superintendent of public instruction shall adopt rules to
31 ensure that national board certified teachers meet the qualifications
32 for bonuses under (a)(ii) of this subsection for less than one full
33 school year receive bonuses in a pro-rated manner; and

34 (iv) During the 2009-10 and 2010-11 school years, and within the
35 available state and federal appropriations, certificated instructional
36 staff who have met the eligibility requirements and have applied for
37 certification from the national board for professional teaching
38 standards may receive a conditional two thousand dollars or the amount

1 set by the office of the superintendent of public instruction to
2 contribute toward the current assessment fee, not including the initial
3 up-front candidacy payment. The fee shall be an advance on the first
4 annual bonus under RCW 28A.405.415. The assessment fee for national
5 certification is provided in addition to compensation received under a
6 district's salary schedule adopted in accordance with RCW 28A.405.200
7 and shall not be included in calculations of a district's average
8 salary and associated salary limitation under RCW 28A.400.200.
9 Recipients who fail to receive certification after three years are
10 required to repay the assessment fee, not including the initial up-
11 front candidacy payment, as set by the national board for professional
12 teaching standards and administered by the office of the superintendent
13 of public instruction. The office of the superintendent of public
14 instruction shall adopt rules to define the terms for initial grant of
15 the assessment fee and repayment, including applicable fees.

16 (b) Included in the amounts provided in this subsection are amounts
17 for mandatory fringe benefits.

18 (22) \$2,475,000 of the general fund--state appropriation for fiscal
19 year 2010 and \$456,000 of the general fund--state appropriation for
20 fiscal year 2011 are provided solely for secondary career and technical
21 education grants pursuant to chapter 170, Laws of 2008. This funding
22 may additionally be used to support FIRST Robotics programs. In fiscal
23 year 2011, if equally matched by private donations, \$300,000 of the
24 appropriation shall be used to support FIRST Robotics programs,
25 including FIRST Robotics professional development.

26 (23) \$75,000 of the general fund--state appropriation for fiscal
27 year 2011 is provided solely for the implementation of House Bill No.
28 2621 (K-12 school resource programs). If the bill is not enacted by
29 June 30, 2010, the amount provided in this subsection shall lapse.

30 (24) \$300,000 of the general fund--state appropriation for fiscal
31 year 2010 is provided solely for the local farms-healthy kids program
32 as described in chapter 215, Laws of 2008. The program is suspended in
33 the 2011 fiscal year, and not eliminated.

34 (25) \$2,348,000 of the general fund--state appropriation for fiscal
35 year 2010 and \$1,000,000 of the general fund--state appropriation for
36 fiscal year 2011 are provided solely for a beginning educator support
37 program. School districts and/or regional consortia may apply for
38 grant funding beginning in the 2009-10 school year. The superintendent

1 shall implement this program in 5 to 15 school districts and/or
2 regional consortia. The program provided by a district and/or regional
3 consortia shall include: A paid orientation; assignment of a qualified
4 mentor; development of a professional growth plan for each beginning
5 teacher aligned with professional certification; release time for
6 mentors and new teachers to work together, and teacher observation time
7 with accomplished peers. \$250,000 may be used to provide state-wide
8 professional development opportunities for mentors and beginning
9 educators. The superintendent of public instruction shall adopt rules
10 to establish and operate a research-based beginning educator support
11 program no later than August 31, 2009. OSPI must evaluate the
12 program's progress and may contract for this work. A report to the
13 legislature about the beginning educator support program is due
14 November 1, 2010.

15 (26) (~~(\$1,790,000)~~) \$390,000 of the education legacy trust account-
16 state appropriation is provided solely for the development and
17 implementation of diagnostic assessments, consistent with the
18 recommendations of the Washington assessment of student learning work
19 group.

20 (27) Funding within this section is provided for implementation of
21 Engrossed Substitute Senate Bill No. 5414 (statewide assessments and
22 curricula).

23 (28) \$530,000 of the general fund--state appropriation for fiscal
24 year 2010 and \$265,000 of the general fund--state appropriation for
25 fiscal year 2011 are provided solely for the leadership internship
26 program for superintendents, principals, and program administrators.

27 (29) Funding for the community learning center program, established
28 in RCW 28A.215.060, and providing grant funding for the 21st century
29 after-school program, is suspended and not eliminated.

30 (30) \$2,357,000 of the general fund--state appropriation for fiscal
31 year 2011 is provided solely for implementation of Engrossed Second
32 Substitute Senate Bill No. 6696 (education reform). Of the amount
33 provided, \$142,000 is provided to the professional educators' standards
34 board and \$120,000 is provided to the system of the educational service
35 districts, to fulfill their respective duties under the bill.

(End of part)

PART VI
HIGHER EDUCATION

Sec. 601. 2010 2nd sp.s. c 1 s 602 (uncodified) is amended to read as follows:

FOR THE UNIVERSITY OF WASHINGTON

General Fund--State Appropriation (FY 2010)	\$269,571,000
General Fund--State Appropriation (FY 2011)	\$259,706,000
General Fund--Federal Appropriation	\$43,971,000
Education Legacy Trust Account--State Appropriation	\$54,534,000
Accident Account--State Appropriation	\$6,750,000
Medical Aid Account--State Appropriation	\$6,540,000
Biotoxin Account--State Appropriation	\$449,000
TOTAL APPROPRIATION	\$641,521,000

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

(1) In implementing the appropriations in this section, the president and regents shall seek to minimize impacts on student services and instructional programs by maximizing reductions in administration and other non-instructional activities.

(2) Because higher education is an essential driver of economic recovery and development, the university shall maintain, and endeavor to increase, enrollment and degree production levels at or beyond their academic year 2008-09 levels in the following high-demand fields: Biological and biomedical sciences; computer and information sciences; education with specializations in special education, math, or science; engineering and engineering technology; health professions and related clinical sciences; and mathematics and statistics.

(3) \$75,000 of the general fund--state appropriation for fiscal year 2010 and \$75,000 of the general fund--state appropriation for fiscal year 2011 are provided solely for forestry research by the Olympic natural resources center.

(4) \$150,000 of the general fund--state appropriation for fiscal year 2010 is provided solely for the William D. Ruckelshaus center for facilitation, support, and analysis to support the nurse staffing

1 steering committee in its work to apply best practices related to
2 patient safety and nurse staffing.

3 (5) \$54,000 of the general fund--state appropriation for fiscal
4 year 2010 and \$54,000 of the general fund--state appropriation for
5 fiscal year 2011 are provided solely for the University of Washington
6 geriatric education center to provide a voluntary adult family home
7 certification program. In addition to the minimum qualifications
8 required under RCW 70.128.120, individuals participating in the
9 voluntary adult family home certification program shall complete fifty-
10 two hours of class requirements as established by the University of
11 Washington geriatric education center. Individuals completing the
12 requirements of RCW 70.128.120 and the voluntary adult family home
13 certification program shall be issued a certified adult family home
14 license by the department of social and health services. The
15 department of social and health services shall adopt rules implementing
16 the provisions of this subsection.

17 (6) \$50,000 of the general fund--state appropriation for fiscal
18 year 2010 and \$52,000 of the general fund--state appropriation for
19 fiscal year 2011 are provided solely for the center for international
20 trade in forest products in the college of forest resources.

21 (7) \$250,000 of the general fund--state appropriation for fiscal
22 year 2011 is provided solely for joint planning to increase the number
23 of residency positions and programs in eastern Washington and Spokane
24 within the existing Washington, Wyoming, Alaska, Montana, Idaho (WWAMI)
25 regional medical education program partnership between the University
26 of Washington school of medicine, Washington State University, and area
27 physicians and hospitals. The joint planning efforts are to include
28 preparation of applications for new residency programs in family
29 medicine, internal medicine, obstetrics, psychiatry and general
30 surgery; business plans for those new programs; and for increasing the
31 number of positions in existing programs among regional academic and
32 hospital partners and networks. The results of the joint planning
33 efforts, including the status of the application preparation and
34 business plan, must be reported to the house of representatives
35 committee on higher education and the senate committee on higher
36 education and workforce development by December 1, 2010.

37 (8) \$25,000 of the general fund--state appropriation for fiscal
38 year 2011 is provided solely for implementation of chapter 164, Laws of

1 2010 (local government infrastructure). The University of Washington
2 shall use a qualified researcher to report the percentage probability
3 that the application's assumptions and estimates of jobs created and
4 increased tax receipts will be achieved by the projects. In making
5 this report, the qualified researcher shall work with the department of
6 revenue and the applicants to develop a series of factors that are
7 based on available economic metrics and sound principles.

8 (9) Appropriations in section 609 of this act reflect reductions to
9 the state need grant. The University of Washington shall use locally
10 held funds to provide a commensurate amount of aid to eligible students
11 who would have received state need grant payments through the
12 appropriations in section 609 of this act.

13 By September 1, 2011, the University of Washington shall report to
14 the appropriate legislative fiscal and policy committees regarding the
15 implementation of this section. The report shall provide detail on the
16 number of students provided aid under this subsection and the amount of
17 aid provided to each student.

18 **Sec. 602.** 2010 2nd sp.s. c 1 s 603 (uncodified) is amended to read
19 as follows:

20 **FOR WASHINGTON STATE UNIVERSITY**

21 General Fund--State Appropriation (FY 2010)	\$169,462,000
22 General Fund--State Appropriation (FY 2011)	\$170,699,000
23 General Fund--Federal Appropriation	\$15,772,000
24 Education Legacy Trust Account--State Appropriation	\$34,435,000
25 TOTAL APPROPRIATION	\$390,368,000

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

28 (1) In implementing the appropriations in this section, the
29 president and regents shall seek to minimize impacts on student
30 services and instructional programs by maximizing reductions in
31 administration and other non-instructional activities.

32 (2) Because higher education is an essential driver of economic
33 recovery and development, the university shall maintain, and endeavor
34 to increase, enrollment and degree production levels at or beyond their
35 academic year 2008-09 levels in the following high-demand fields:
36 Biological and biomedical sciences; computer and information sciences;

1 education with specializations in special education, math, or science;
2 engineering and engineering technology; health professions and related
3 clinical sciences; and mathematics and statistics.

4 (3) When implementing reductions for fiscal year 2010 and fiscal
5 year 2011, Washington State University shall minimize reductions to
6 extension services and agriculture extension services. Agriculture
7 extension includes:

8 (a) Faculty with extension appointments working within the
9 following departments in the college of agricultural, human, and
10 natural resource sciences with extension appointments: Animal
11 sciences, crop and soil sciences, entomology, horticulture, and plant
12 pathology;

13 (b) The portion of county extension educators' appointments
14 assigned to the "agricultural programs" area;

15 (c) Staff with extension appointments and extension operating
16 allocations located at the irrigated agriculture research and extension
17 center (Prosser), northwest Washington research and extension center
18 (Mt. Vernon), and tree fruit research and extension center (Wenatchee);
19 and

20 (d) Extension contributions to the center for precision
21 agricultural systems, center for sustaining agriculture and natural
22 resources, and the agriculture weather network.

23 (4) \$75,000 of the general fund--state appropriation for fiscal
24 year 2010 and \$75,000 of the general fund--state appropriation for
25 fiscal year 2011 are provided solely for research related to honeybee
26 colony collapse disease.

27 (5) Appropriations in section 609 of this act reflect reductions to
28 the state need grant. Washington State University shall use locally
29 held funds to provide a commensurate amount of aid to eligible students
30 who would have received state need grant payments through the
31 appropriations in section 609 of this act.

32 By September 1, 2011, Washington State University shall report to
33 the appropriate legislative fiscal and policy committees regarding the
34 implementation of this section. The report shall provide detail on the
35 number of students provided aid under this subsection and the amount of
36 aid provided to each student.

1 **Sec. 603.** 2010 2nd sp.s. c 1 s 604 (uncodified) is amended to read
2 as follows:

3 **FOR EASTERN WASHINGTON UNIVERSITY**

4	General Fund--State Appropriation (FY 2010)	\$34,689,000
5	General Fund--State Appropriation (FY 2011)	\$35,126,000
6	General Fund--Federal Appropriation	\$5,522,000
7	Education Legacy Trust Account--State Appropriation	\$16,041,000
8	TOTAL APPROPRIATION	\$91,378,000

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

11 (1) In implementing the appropriations in this section, the
12 president and governing board shall seek to minimize impacts on student
13 services and instructional programs by maximizing reductions in
14 administration and other non-instructional activities.

15 (2) Because higher education is an essential driver of economic
16 recovery and development, the university shall maintain, and endeavor
17 to increase, enrollment and degree production levels at or beyond their
18 academic year 2008-09 levels in the following high-demand fields:
19 Biological and biomedical sciences; computer and information sciences;
20 education with specializations in special education, math, or science;
21 engineering and engineering technology; health professions and related
22 clinical sciences; and mathematics and statistics.

23 (3) At least \$200,000 of the general fund--state appropriation for
24 fiscal year 2010 and at least \$200,000 of the general fund--state
25 appropriation for fiscal year 2011 shall be expended on the northwest
26 autism center.

27 (4) Appropriations in section 609 of this act reflect reductions to
28 the state need grant. Eastern Washington University shall use locally
29 held funds to provide a commensurate amount of aid to eligible students
30 who would have received state need grant payments through the
31 appropriations in section 609 of this act.

32 By September 1, 2011, Eastern Washington University shall report to
33 the appropriate legislative fiscal and policy committees regarding the
34 implementation of this section. The report shall provide detail on the
35 number of students provided aid under this subsection and the amount of
36 aid provided to each student.

1 **Sec. 604.** 2010 2nd sp.s. c 1 s 605 (uncodified) is amended to read
2 as follows:

3 **FOR CENTRAL WASHINGTON UNIVERSITY**

4	General Fund--State Appropriation (FY 2010)	\$30,289,000
5	General Fund--State Appropriation (FY 2011)	\$32,383,000
6	General Fund--Federal Appropriation	\$6,975,000
7	Education Legacy Trust Account--State Appropriation	\$19,012,000
8	TOTAL APPROPRIATION	\$88,659,000

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

11 (1) In implementing the appropriations in this section, the
12 president and governing board shall seek to minimize impacts on student
13 services and instructional programs by maximizing reductions in
14 administration and other non-instructional activities.

15 (2) Because higher education is an essential driver of economic
16 recovery and development, the university shall maintain, and endeavor
17 to increase, enrollment and degree production levels at or beyond their
18 academic year 2008-09 levels in the following high-demand fields:
19 Biological and biomedical sciences; computer and information sciences;
20 education with specializations in special education, math, or science;
21 engineering and engineering technology; health professions and related
22 clinical sciences; and mathematics and statistics.

23 (3) Appropriations in section 609 of this act reflect reductions to
24 the state need grant. Central Washington University shall use locally
25 held funds to provide a commensurate amount of aid to eligible students
26 who would have received state need grant payments through the
27 appropriations in section 609 of this act.

28 By September 1, 2011, Central Washington University shall report to
29 the appropriate legislative fiscal and policy committees regarding the
30 implementation of this section. The report shall provide detail on the
31 number of students provided aid under this subsection and the amount of
32 aid provided to each student.

33 **Sec. 605.** 2010 2nd sp.s. c 1 s 606 (uncodified) is amended to read
34 as follows:

35 **FOR THE EVERGREEN STATE COLLEGE**

36	General Fund--State Appropriation (FY 2010)	\$20,514,000
37	General Fund--State Appropriation (FY 2011)	\$17,728,000

1	General Fund--Federal Appropriation	\$2,366,000
2	Education Legacy Trust Account--State Appropriation	\$5,417,000
3	TOTAL APPROPRIATION	\$46,025,000

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

6 (1) In implementing the appropriations in this section, the
7 president and governing board shall seek to minimize impacts on student
8 services and instructional programs by maximizing reductions in
9 administration and other non-instructional activities.

10 (2) Because higher education is an essential driver of economic
11 recovery and development, the college shall maintain, and endeavor to
12 increase, enrollment and degree production levels at or beyond their
13 academic year 2008-09 levels in the following high-demand fields:
14 Biological and biomedical sciences; computer and information sciences;
15 education with specializations in special education, math, or science;
16 engineering and engineering technology; health professions and related
17 clinical sciences; and mathematics and statistics.

18 (3)(a) At least \$100,000 of the general fund--state appropriation
19 for fiscal year 2010 shall be expended on the labor education and
20 research center.

21 (b) In fiscal year 2011 the labor education and research center
22 shall be transferred from The Evergreen State College to south Seattle
23 community college.

24 (4) \$100,000 of the general fund--state appropriation for fiscal
25 year 2010 and \$100,000 of the general fund--state appropriation for
26 fiscal year 2011 are provided solely for the Washington state institute
27 for public policy to report to the legislature regarding efficient and
28 effective programs and policies. The report shall calculate the return
29 on investment to taxpayers from evidence-based prevention and
30 intervention programs and policies that influence crime, K-12 education
31 outcomes, child maltreatment, substance abuse, mental health, public
32 health, public assistance, employment, and housing. The institute for
33 public policy shall provide the legislature with a comprehensive list
34 of programs and policies that improve these outcomes for children and
35 adults in Washington and result in more cost-efficient use of public
36 resources. The institute shall submit interim reports by December 15,
37 2009, and October 1, 2010, and a final report by June 30, 2011. The

1 institute may receive additional funds from a private organization for
2 the purpose of conducting this study.

3 (5) To the extent federal or private funding is available for this
4 purpose, the Washington state institute for public policy and the
5 center for reinventing public education at the University of Washington
6 shall examine the relationship between participation in pension systems
7 and teacher quality and mobility patterns in the state. The department
8 of retirement systems shall facilitate researchers' access to necessary
9 individual-level data necessary to effectively conduct the study. The
10 researchers shall ensure that no individually identifiable information
11 will be disclosed at any time. An interim report on project findings
12 shall be completed by November 15, 2010, and a final report shall be
13 submitted to the governor and to the relevant committees of the
14 legislature by October 15, 2011.

15 (6) At least \$200,000 of the general fund--state appropriation for
16 fiscal year 2010 and at least \$200,000 of the general fund--state
17 appropriation for fiscal year 2011 shall be expended on the Washington
18 center for undergraduate education.

19 (7) \$15,000 of the general fund--state appropriation for fiscal
20 year 2010 is provided solely for the Washington state institute for
21 public policy to examine the need for and methods to increase the
22 availability of nonfood items, such as personal hygiene supplies,
23 soaps, paper products, and other items, to needy persons in the state.
24 The study shall examine existing private and public programs that
25 provide such products, and develop recommendations for the most cost-
26 effective incentives for private and public agencies to increase local
27 distribution outlets and local and regional networks of supplies. A
28 final report shall be delivered to the legislature and the governor by
29 December 1, 2009.

30 (8) \$17,000 of the general fund--state appropriation for fiscal
31 year 2010 and \$42,000 of the general fund--state appropriation for
32 fiscal year 2011 are provided to the Washington state institute for
33 public policy to implement Second Substitute House Bill No. 2106 (child
34 welfare outcomes). If the bill is not enacted by June 30, 2009, the
35 amounts provided in this subsection shall lapse.

36 (9) \$54,000 of the general fund--state appropriation for fiscal
37 year 2010 and \$23,000 of the general fund--state appropriation for

1 fiscal year 2011 are provided solely to implement Substitute Senate
2 Bill No. 5882 (racial disproportionality). If the bill is not enacted
3 by June 30, 2009, the amounts provided in this subsection shall lapse.

4 (10) \$75,000 of the general fund--state appropriation for fiscal
5 year 2010 is provided solely for the Washington state institute of
6 public policy to evaluate the adequacy of and access to financial aid
7 and independent living programs for youth in foster care. The
8 examination shall include opportunities to improve efficiencies within
9 these programs. The institute shall report its findings by December 1,
10 2009.

11 (11) \$75,000 of the general fund--state appropriation for fiscal
12 year 2010 is provided solely for the Washington state institute for
13 public policy to conduct an assessment of the general assistance
14 unemployable program and other similar programs. The assessment shall
15 include a review of programs in other states that provide similar
16 services and will include recommendations on promising approaches that
17 both improve client outcomes and reduce state costs. A report is due
18 by December 1, 2009.

19 (12) To the extent funds are available, the Washington state
20 institute for public policy is encouraged to continue the longitudinal
21 analysis of long-term mental health outcomes directed in chapter 334,
22 Laws of 2001 (mental health performance audit), to build upon the
23 evaluation of the impacts of chapter 214, Laws of 1999 (mentally ill
24 offenders); and to assess program outcomes and cost effectiveness of
25 the children's mental health pilot projects as required by chapter 372,
26 Laws of 2006.

27 (13) \$50,000 of the general fund--state appropriation for fiscal
28 year 2011 is provided solely for the institute for public policy to
29 provide research support to the council on quality education.

30 (14) At least \$119,207 of the general fund--state appropriation for
31 fiscal year 2011 shall be expended on the longhouse center.

32 (15) At least \$103,146 of the general fund--state appropriation for
33 fiscal year 2011 shall be expended on the Northwest Indian applied
34 research institute.

35 (16) Appropriations in section 609 of this act reflect reductions
36 to the state need grant. The Evergreen State College shall use locally
37 held funds to provide a commensurate amount of aid to eligible students

1 who would have received state need grant payments through the
2 appropriations in section 609 of this act.

3 By September 1, 2011, The Evergreen State College shall report to
4 the appropriate legislative fiscal and policy committees regarding the
5 implementation of this section. The report shall provide detail on the
6 number of students provided aid under this subsection and the amount of
7 aid provided to each student.

8 **Sec. 606.** 2010 2nd sp.s. c 1 s 607 (uncodified) is amended to read
9 as follows:

10 **FOR WESTERN WASHINGTON UNIVERSITY**

11	General Fund--State Appropriation (FY 2010)	\$43,146,000
12	General Fund--State Appropriation (FY 2011)	\$46,359,000
13	General Fund--Federal Appropriation	\$8,885,000
14	Education Legacy Trust Account--State Appropriation	\$12,917,000
15	TOTAL APPROPRIATION	\$111,307,000

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

18 (1) In implementing the appropriations in this section, the
19 president and governing board shall seek to minimize impacts on student
20 services and instructional programs by maximizing reductions in
21 administration and other non-instructional activities.

22 (2) Because higher education is an essential driver of economic
23 recovery and development, the university shall maintain, and endeavor
24 to increase, enrollment and degree production levels at or beyond their
25 academic year 2008-09 levels in the following high-demand fields:
26 Biological and biomedical sciences; computer and information sciences;
27 education with specializations in special education, math, or science;
28 engineering and engineering technology; health professions and related
29 clinical sciences; and mathematics and statistics.

30 (3) Appropriations in section 609 of this act reflect reductions to
31 the state need grant. Western Washington University shall use locally
32 held funds to provide a commensurate amount of aid to eligible students
33 who would have received state need grant payments through the
34 appropriations in section 609 of this act.

35 By September 1, 2011, Western Washington University shall report to
36 the appropriate legislative fiscal and policy committees regarding the

1 implementation of this section. The report shall provide detail on the
2 number of students provided aid under this subsection and the amount of
3 aid provided to each student.

4 **Sec. 607.** 2010 2nd sp.s. c 1 s 601 (uncodified) is amended to read
5 as follows:

6 **FOR THE STATE BOARD FOR COMMUNITY AND TECHNICAL COLLEGES**

7	General Fund--State Appropriation (FY 2010)	\$631,804,000
8	General Fund--State Appropriation (FY 2011)	\$603,296,000
9	General Fund--Federal Appropriation	\$17,171,000
10	Education Legacy Trust Account--State Appropriation	\$95,035,000
11	Opportunity Express Account--State Appropriation	\$18,556,000
12	TOTAL APPROPRIATION	\$1,365,862,000

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

15 (1) \$28,761,000 of the general fund--state appropriation for fiscal
16 year 2010, \$28,761,000 of the general fund--state appropriation for
17 fiscal year 2011, and \$17,556,000 of the opportunity express account--
18 state appropriation are provided solely as special funds for training
19 and related support services, including financial aid, as specified in
20 RCW 28C.04.390. Funding is provided to support at least 6,200 full-
21 time equivalent students in fiscal year 2010 and at least 9,984 full-
22 time equivalent students in fiscal year 2011.

23 (2) \$2,725,000 of the general fund--state appropriation for fiscal
24 year 2010 and \$2,725,000 of the general fund--state appropriation for
25 fiscal year 2011 are provided solely for administration and customized
26 training contracts through the job skills program. The state board
27 shall make an annual report by January 1st of each year to the governor
28 and to the appropriate policy and fiscal committees of the legislature
29 regarding implementation of this section, listing the scope of grant
30 awards, the distribution of funds by educational sector and region of
31 the state, and the results of the partnerships supported by these
32 funds.

33 (3) Of the amounts appropriated in this section, \$3,500,000 is
34 provided solely for the student achievement initiative.

35 (4) When implementing the appropriations in this section, the state
36 board and the trustees of the individual community and technical
37 colleges shall minimize impact on academic programs, maximize

1 reductions in administration, and shall at least maintain, and endeavor
2 to increase, enrollment opportunities and degree and certificate
3 production in high employer-demand fields of study at their academic
4 year 2008-09 levels.

5 (5) Within the board's 2009-11 biennial budget allocation to
6 Bellevue College, and pursuant to RCW 28B.50.810, the college may
7 implement, on a tuition and fee basis, an additional applied
8 baccalaureate degree in interior design. This program is intended to
9 provide students with additional opportunities to earn baccalaureate
10 degrees and to respond to emerging job and economic growth
11 opportunities. The program reviews and approval decisions required by
12 RCW 28B.50.810 (3) and (4) shall be completed by July 31, 2009, so that
13 the degree may be offered during the 2009-10 academic year.

14 (6) In accordance with the recommendations of the higher education
15 coordinating board's 2008 *Kitsap region higher education center study*,
16 the state board shall facilitate development of university centers by
17 allocating thirty 2-year and 4-year partnership full-time enrollment
18 equivalencies to Olympic College and ten 2-year and 4-year partnership
19 full-time enrollment equivalencies to Peninsula College. The colleges
20 shall use the allocations to establish a partnership with a
21 baccalaureate university or universities for delivery of upper division
22 degree programs in the Kitsap region. The Olympic and Peninsula
23 Community College districts shall additionally work together to ensure
24 coordinated development of these and other future baccalaureate
25 opportunities through coordinated needs assessment, planning, and
26 scheduling.

27 (7) By September 1, 2009, the state board for community and
28 technical colleges, the higher education coordinating board, and the
29 office of financial management shall review and to the extent necessary
30 revise current 2009-11 performance measures and targets based on the
31 level of state, tuition, and other resources appropriated or authorized
32 in this act and in the omnibus 2009-11 omnibus capital budget act. The
33 boards and the office of financial management shall additionally
34 develop new performance targets for the 2011-13 and the 2013-15 biennia
35 that will guide and measure the community and technical college
36 system's contributions to achievement of the state's higher education
37 master plan goals.

1 (8) \$2,250,000 of the general fund--state appropriation for fiscal
2 year 2010 and \$2,250,000 of the general fund--state appropriation for
3 fiscal year 2011 are provided solely for the hospital employee
4 education and training program under which labor, management, and
5 college partnerships develop or expand and evaluate training programs
6 for incumbent hospital workers that lead to careers in nursing and
7 other high-demand health care occupations. The board shall report
8 student progress, outcomes, and costs to the relevant fiscal and policy
9 committees of the legislature by November 2009 and November 2010.

10 (9) Community and technical colleges are not required to send mass
11 mailings of course catalogs to residents of their districts. Community
12 and technical colleges shall consider lower cost alternatives, such as
13 mailing postcards or brochures that direct individuals to online
14 information and other ways of acquiring print catalogs.

15 (10) \$1,112,000 of the general fund--state appropriation for fiscal
16 year 2010 and \$1,113,000 of the general fund--state appropriation for
17 fiscal year 2011 are provided solely for the state board to enhance
18 online distance learning and open courseware technology. Funds shall
19 be used to support open courseware, open textbooks, open licenses to
20 increase access, affordability and quality of courses in higher
21 education. The state board for community and technical colleges shall
22 select the most appropriate courses to support open courseware based
23 solely upon criteria of maximizing the value of instruction and
24 reducing costs of textbooks and other instructional materials for the
25 greatest number of students in higher education, regardless of the type
26 of institution those students attend.

27 (11) \$158,000 of the general fund--state appropriation for fiscal
28 year 2011 is provided solely to implement House Bill No. 2694 (B.S. in
29 nursing/university center). If the bill is not enacted by June 30,
30 2010, the amount provided in this subsection shall lapse.

31 (12)(a) The labor education and research center is transferred from
32 The Evergreen State College to south Seattle community college and
33 shall begin operations on July 1, 2010.

34 (b) At least \$164,000 of the general fund--state appropriation for
35 fiscal year 2011 shall be expended on the labor education and research
36 center to provide outreach programs and direct educational and research
37 services to labor unions and worker-centered organizations.

1 (13) \$1,000,000 of the opportunity express account--state
2 appropriation is provided solely for the opportunity grant program as
3 specified in RCW 28B.50.271.

4 (14) \$1,750,000 of the general fund--state appropriation for fiscal
5 year 2011 is provided solely for the state board for community and
6 technical colleges to contract with the aerospace training and research
7 center on Paine field in Everett, Washington to support industry-
8 identified training in the aerospace sector.

9 (15) Sufficient amounts are provided in this section to implement
10 the food stamp employment and training program under Second Substitute
11 House Bill No. 2782 (security lifeline act).

12 (16) Appropriations in section 609 of this act reflect reductions
13 to the state need grant. The state board for community and technical
14 colleges shall use locally held funds to provide a commensurate amount
15 of aid to eligible students who would have received state need grant
16 payments through the appropriations in section 609 of this act.

17 By September 1, 2011, the state board for community and technical
18 colleges shall report to the appropriate legislative fiscal and policy
19 committees regarding the implementation of this section. The report
20 shall provide detail on the number of students provided aid under this
21 subsection and the amount of aid provided to each student.

22 **Sec. 608.** 2010 1st sp.s. c 37 s 610 (uncodified) is amended to
23 read as follows:

24 **FOR THE HIGHER EDUCATION COORDINATING BOARD--POLICY COORDINATION AND**
25 **ADMINISTRATION**

26	General Fund--State Appropriation (FY 2010)	\$6,402,000
27	General Fund--State Appropriation (FY 2011)	(\$5,561,000)
28		<u>\$5,183,000</u>
29	General Fund--Federal Appropriation	\$4,332,000
30	TOTAL APPROPRIATION	(\$16,295,000)
31		<u>\$15,917,000</u>

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

34 (1) Within the funds appropriated in this section, the higher
35 education coordinating board shall complete a system design planning
36 project that defines how the current higher education delivery system
37 can be shaped and expanded over the next ten years to best meet the

1 needs of Washington citizens and businesses for high quality and
2 accessible post-secondary education. The board shall propose policies
3 and specific, fiscally feasible implementation recommendations to
4 accomplish the goals established in the *2008 strategic master plan for*
5 *higher education*. The project shall specifically address the roles,
6 missions, and instructional delivery systems both of the existing and
7 of proposed new components of the higher education system; the extent
8 to which specific academic programs should be expanded, consolidated,
9 or discontinued and how that would be accomplished; the utilization of
10 innovative instructional delivery systems and pedagogies to reach both
11 traditional and nontraditional students; and opportunities to
12 consolidate institutional administrative functions. The study
13 recommendations shall also address the proposed location, role,
14 mission, academic program, and governance of any recommended new
15 campus, institution, or university center. During the planning
16 process, the board shall inform and actively involve the chairs from
17 the senate and house of representatives committees on higher education,
18 or their designees. The board shall report the findings and
19 recommendations of this system design planning project to the governor
20 and the appropriate committees of the legislature by December 1, 2009.

21 (2) \$146,000 of the general fund--state appropriation for fiscal
22 year 2010 and \$65,000 of the general fund--state appropriation for
23 fiscal year 2011 are provided solely for the higher education
24 coordinating board to administer Engrossed Second Substitute House Bill
25 No. 2021 (revitalizing student financial aid). If the bill is not
26 enacted by June 30, 2009, the amounts provided in this subsection shall
27 lapse.

28 (3) \$167,000 of the general fund--state appropriation for fiscal
29 year 2010 and (~~(\$71,000)~~) \$67,000 of the general fund--state
30 appropriation for fiscal year 2011 are provided solely to implement
31 Engrossed Second Substitute House Bill No. 1946 (regarding higher
32 education online technology). If the bill is not enacted by June 30,
33 2009, the amounts provided in this subsection shall lapse.

34 (4) \$350,000 of the general fund--state appropriation for fiscal
35 year 2010 and \$200,000 of the general fund--state appropriation for
36 fiscal year 2011 are provided solely for the higher education
37 coordinating board to contract with the Pacific Northwest university of

1 health sciences to conduct training and education of health care
2 professionals to promote osteopathic physician services in rural and
3 underserved areas of the state.

4 **Sec. 609.** 2010 1st sp.s. c 37 s 611 (uncodified) is amended to
5 read as follows:

6 **FOR THE HIGHER EDUCATION COORDINATING BOARD--FINANCIAL AID AND GRANT**
7 **PROGRAMS**

8	General Fund--State Appropriation (FY 2010)	\$188,332,000
9	General Fund--State Appropriation (FY 2011)	(\$122,218,000)
10		<u>\$96,833,000</u>
11	General Fund--Federal Appropriation	\$13,129,000
12	Education Legacy Trust Account--State Appropriation . . .	\$116,060,000
13	Opportunity Pathways Account--State Appropriation	\$73,500,000
14	TOTAL APPROPRIATION	(\$513,239,000)
15		<u>\$487,854,000</u>

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

18 (1) \$178,726,000 of the general fund--state appropriation for
19 fiscal year 2010, ~~(\$120,572,000)~~ \$95,187,000 of the general fund--
20 state appropriation for fiscal year 2011, \$109,188,000 of the education
21 legacy trust account appropriation, \$73,500,000 of the opportunity
22 pathways appropriation, and \$2,545,000 of the general fund--federal
23 appropriation are provided solely for student financial aid payments
24 under the state need grant; the state work study program including up
25 to a four percent administrative allowance; the Washington scholars
26 program; and the Washington award for vocational excellence. State
27 need grant and the Washington award for vocational excellence shall be
28 adjusted to offset the cost of the resident undergraduate tuition
29 increases, limited to those tuition increases authorized under this
30 act. The Washington scholars program shall provide awards sufficient
31 to offset ninety percent of the total tuition and fee award.

32 (2)(a) Within the funds appropriated in this section, eligibility
33 for the state need grant shall include students with family incomes at
34 or below 70 percent of the state median family income (MFI), adjusted
35 for family size. Awards for all students shall be adjusted by the
36 estimated amount by which Pell grant increases exceed projected
37 increases in the noninstructional costs of attendance. Awards for

1 students with incomes between 51 and 70 percent of the state median
2 shall be prorated at the following percentages of the award amount
3 granted to those with incomes below 51 percent of the MFI: 70 percent
4 for students with family incomes between 51 and 55 percent MFI; 65
5 percent for students with family incomes between 56 and 60 percent MFI;
6 60 percent for students with family incomes between 61 and 65 percent
7 MFI; and 50 percent for students with family incomes between 66 and 70
8 percent MFI.

9 (b) Grant awards for students at private four-year colleges shall
10 be set at the same level as the student would receive if attending one
11 of the public research universities.

12 (3) To the maximum extent practicable, the board shall provide
13 state work study subsidies only to resident students during the 2010-11
14 academic year. Additionally, in order to provide work opportunities to
15 as many resident students as possible, the board is encouraged to
16 increase the proportion of student wages that is to be paid by both
17 proprietary and nonprofit, public, and private employers.

18 (4) \$3,872,000 of the education legacy trust account--state
19 appropriation is provided solely for the passport to college
20 scholarship program pursuant to chapter 28B.117 RCW. The higher
21 education coordinating board shall contract with a college scholarship
22 organization with expertise in managing scholarships for low-income,
23 high-potential students and foster care children and young adults to
24 administer the program. Of the amount in this subsection, \$39,000 is
25 provided solely for the higher education coordinating board for
26 administration of the contract and the remaining shall be contracted
27 out to the organization for the following purposes:

28 (a) \$384,000 is provided solely for program administration, and

29 (b) \$3,449,000 is provided solely for student financial aid for up
30 to 151 students and to fund student support services. Funds are
31 provided for student scholarships, provider training, and for incentive
32 payments to the colleges they attend for individualized student support
33 services which may include, but are not limited to, college and career
34 advising, counseling, tutoring, costs incurred for students while
35 school is not in session, personal expenses, health insurance, and
36 emergency services.

37 (5) \$1,250,000 of the general fund--state appropriation for fiscal
38 year 2010 is provided solely for the health professional scholarship

1 and loan program. The funds provided in this subsection shall be: (a)
2 Prioritized for health care deliver sites demonstrating a commitment to
3 serving the uninsured; and (b) allocated between loan repayments and
4 scholarships proportional to current program allocations.

5 (6) For fiscal year 2010 and fiscal year 2011, the board shall
6 defer loan or conditional scholarship repayments to the future teachers
7 conditional scholarship and loan repayment program for up to one year
8 for each participant if the participant has shown evidence of efforts
9 to find a teaching job but has been unable to secure a teaching job per
10 the requirements of the program.

11 (7) \$246,000 of the general fund--state appropriation for fiscal
12 year 2010 and \$246,000 of the general fund--state appropriation for
13 fiscal year 2011 are for community scholarship matching grants and its
14 administration. To be eligible for the matching grant, nonprofit
15 groups organized under section 501(c)(3) of the federal internal
16 revenue code must demonstrate they have raised at least \$2,000 in new
17 moneys for college scholarships after the effective date of this
18 section. Groups may receive no more than one \$2,000 matching grant per
19 year and preference shall be given to groups affiliated with
20 scholarship America. Up to a total of \$46,000 per year of the amount
21 appropriated in this section may be awarded to a nonprofit community
22 organization to administer scholarship matching grants, with preference
23 given to an organization affiliated with scholarship America.

24 (8) \$500,000 of the general fund--state appropriation for fiscal
25 year 2010 and \$500,000 of the general fund--state appropriation for
26 fiscal year 2011 are provided solely for state need grants provided to
27 students enrolled in three to five credit-bearing quarter credits, or
28 the equivalent semester credits. Total state expenditures on this
29 program shall not exceed the amounts provided in this subsection.

30 (9) \$2,500,000 of the education legacy trust account--state
31 appropriation is provided solely for the gaining early awareness and
32 readiness for undergraduate programs project.

33 (10) \$75,000 of the general fund--state appropriation for fiscal
34 year 2010 is provided solely for higher education student child care
35 matching grants under chapter 28B.135 RCW.

36 (11) \$200,000 of the general fund--state appropriation for fiscal
37 year 2011 is provided solely for continuation of the leadership 1000
38 scholarship sponsorship and matching program.

1 (12) In 2010 and 2011, the board shall continue to designate
2 Washington scholars and scholar-alternates and to recognize them at
3 award ceremonies as provided in RCW 28A.600.150, but state funding is
4 provided for award of only one scholarship per legislative district
5 during the 2010-11 academic year. After the 2010-11 academic year, and
6 as provided in RCW 28B.76.660, the board may distribute grants to these
7 eligible students to the extent that funds are appropriated for this
8 purpose.

9 (13) Fiscal year 2011 appropriations in this section reflect
10 general fund-state reductions to the state need grant. In implementing
11 these reductions, the board shall reduce state need grant payments to
12 each of the following institutions in the following amounts:

13	<u>University of Washington</u>	<u>\$5,658,000</u>
14	<u>Washington State University</u>	<u>\$3,718,000</u>
15	<u>Eastern Washington University</u>	<u>\$765,000</u>
16	<u>Central Washington University</u>	<u>\$705,000</u>
17	<u>The Evergreen State College</u>	<u>\$386,000</u>
18	<u>Western Washington University</u>	<u>\$1,010,000</u>
19	<u>State Board for Community and Technical Colleges</u>	<u>\$13,143,000</u>

20 If any of these institutions has received state need grant payments
21 in excess of the amount to which it is entitled after application of
22 the reductions in this section, that institution shall remit to the
23 board the amount of the overpayment.

24 **Sec. 610.** 2010 1st sp.s. c 37 s 612 (uncodified) is amended to
25 read as follows:

26 **FOR THE WORK FORCE TRAINING AND EDUCATION COORDINATING BOARD**

27	General Fund--State Appropriation (FY 2010)	\$1,465,000
28	General Fund--State Appropriation (FY 2011)	(\$1,444,000)
29		<u>\$1,353,000</u>
30	General Fund--Federal Appropriation	\$54,020,000
31	TOTAL APPROPRIATION	(\$56,929,000)
32		<u>\$56,838,000</u>

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

35 (1) \$60,000 of the general fund--state appropriation for fiscal
36 year 2010 and \$60,000 of the general fund--state appropriation for

1 fiscal year 2011 are provided solely for implementation of Engrossed
2 Second Substitute House Bill No. 2227 (evergreen jobs act). If the
3 bill is not enacted by June 30, 2009, the amounts provided in this
4 subsection shall lapse.

5 (2) In 2010 and 2011, the board shall continue to designate
6 recipients of the Washington award for vocational excellence and to
7 recognize them at award ceremonies as provided in RCW 28C.04.535, but
8 state funding is provided for award of only one scholarship per
9 legislative district during the 2010-11 academic year. After the 2010-
10 11 academic year, and as provided in RCW 28B.76.670, the board may
11 distribute grants to these eligible students to the extent that funds
12 are appropriated for this purpose.

13 **Sec. 611.** 2010 1st sp.s. c 37 s 613 (uncodified) is amended to
14 read as follows:

15 **FOR THE SPOKANE INTERCOLLEGIATE RESEARCH AND TECHNOLOGY INSTITUTE**

16	General Fund--State Appropriation (FY 2010)	\$1,598,000
17	General Fund--State Appropriation (FY 2011)	(\$1,490,000)
18		<u>\$1,327,000</u>
19	TOTAL APPROPRIATION	(\$3,088,000)
20		<u>\$2,925,000</u>

21 The appropriations in this section are subject to the following
22 conditions and limitations: Within existing resources, the Spokane
23 intercollegiate research and technology institute shall coordinate with
24 the Washington technology center to identify gaps and overlaps in
25 programs and evaluate strategies to reduce administrative overhead
26 expenses per section 122(27) of this act.

27 **Sec. 612.** 2010 1st sp.s. c 37 s 614 (uncodified) is amended to
28 read as follows:

29 **FOR THE DEPARTMENT OF EARLY LEARNING**

30	General Fund--State Appropriation (FY 2010)	\$60,400,000
31	General Fund--State Appropriation (FY 2011)	(\$21,241,000)
32		<u>\$19,335,000</u>
33	General Fund--Federal Appropriation	(\$265,305,000)
34		<u>\$266,004,000</u>
35	Opportunity Pathways Account--State Appropriation	\$40,000,000
36	TOTAL APPROPRIATION	(\$386,946,000)

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

(1) \$54,878,000 of the general fund--state appropriation for fiscal year 2010 and (~~(\$14,685,000)~~) \$14,405,000 of the general fund--state appropriation for fiscal year 2011, and \$40,000,000 of the opportunity pathways account appropriation are provided solely for early childhood education and assistance program services. This appropriation temporarily reduces the number of slots for the 2009-11 fiscal biennium for the early childhood education and assistance program. The department shall reduce slots where providers serve both federal headstart and early childhood education and assistance program children, to the greatest extent possible, in order to achieve no reduction of slots across the state. The amounts in this subsection also reflect reductions to the administrative expenditures for the early childhood education and assistance program. The department shall reduce administrative expenditures, to the greatest extent possible, prior to reducing early childhood education and assistance program slots. Of these amounts, \$10,284,000 is a portion of the biennial amount of state matching dollars required to receive federal child care and development fund grant dollars.

(2) \$1,000,000 of the general fund--federal appropriation is provided to the department to contract with Thrive by Five, Washington for a pilot project for a quality rating and improvement system to provide parents with information they need to choose quality child care and education programs and to improve the quality of early care and education programs. The department in collaboration with Thrive by Five shall operate the pilot projects in King, Yakima, Clark, Spokane, and Kitsap counties. The department shall use child care development fund quality money for this purpose.

(3) \$425,000 of the general fund--state appropriation for fiscal year 2010, \$213,000 of the general fund--state appropriation for fiscal year 2011, and \$850,000 of the general fund--federal appropriation are provided solely for child care resource and referral network services. The general fund--federal funding represents moneys from the American recovery and reinvestment act of 2009 (child care development block grant).

1 (4) \$750,000 of the general fund--state appropriation for fiscal
2 year 2010(~~(, \$750,000 of the general fund state appropriation for~~
3 ~~fiscal year 2011,)) and \$1,500,000 of the general fund--federal
4 appropriation are provided solely for the career and wage ladder
5 program created by chapter 507, Laws of 2005. The general fund--
6 federal funding represents moneys from the American recovery and
7 reinvestment act of 2009 (child care development block grant).~~

8 (5) \$50,000 of the general fund--state appropriation for fiscal
9 year 2010 and \$50,000 of the general fund--state appropriation for
10 fiscal year 2011 are provided solely for the department to work with
11 stakeholders and the office of the superintendent of public instruction
12 to identify and test a kindergarten assessment process and tools in
13 geographically diverse school districts. School districts may
14 participate in testing the kindergarten assessment process on a
15 voluntary basis. The department shall report to the legislature on the
16 kindergarten assessment process not later than January 15, 2011.
17 Expenditure of amounts provided in this subsection is contingent on
18 receipt of an equal match from private sources. As matching funds are
19 made available, the department may expend the amounts provided in this
20 subsection.

21 (6) \$1,600,000 of the general fund--federal appropriation is
22 provided solely for the department to fund programs to improve the
23 quality of infant and toddler child care through training, technical
24 assistance, and child care consultation.

25 (7) \$200,000 of the general fund--state appropriation for fiscal
26 year 2010 and \$200,000 of the general fund--state appropriation for
27 fiscal year 2011 are provided solely to develop and provide culturally
28 relevant supports for parents, family, and other caregivers.

29 (8) The legislature notes that the department of early learning is
30 developing a plan for improving child care licensing and is consulting,
31 as practicable, with parents, licensed child care providers, and
32 stakeholders from the child care community. The plan shall outline the
33 processes and specify the resources necessary for improvements such as
34 continuing licenses, child care licensing technology, and weighted
35 child care regulations, including development of risk-based decision
36 making models and inclusive, evidence-based rule making. The
37 department shall submit to the appropriate committees of the
38 legislature a plan by January 15, 2011.

1 (9) The department is the lead agency for and recipient of the
2 federal child care and development fund grant. Amounts within this
3 grant shall be used to fund child care licensing, quality initiatives,
4 agency administration, and other costs associated with child care
5 subsidies. The department shall transfer a portion of this grant to
6 the department of social and health services to partially fund the
7 child care subsidies paid by the department of social and health
8 services on behalf of the department of early learning.

9 (10) The department shall use child care development fund money to
10 satisfy the federal audit requirement of the improper payments act
11 (IPIA) of 2002. In accordance with the IPIA's rules, the money spent
12 on the audits will not count against the five percent state limit on
13 administrative expenditures.

14 (11) Within available amounts, the department in consultation with
15 the office of financial management and the department of social and
16 health services shall report quarterly enrollments and active caseload
17 for the working connections child care program to the legislative
18 fiscal committees. The report shall also identify the number of cases
19 participating in both temporary assistance for needy families and
20 working connections child care.

21 (12) The appropriations in this section reflect reductions in the
22 appropriations for the department's administrative expenses. It is the
23 intent of the legislature that these reductions shall be achieved, to
24 the greatest extent possible, by reducing those administrative costs
25 that do not affect direct client services or direct service delivery or
26 program.

27 (13) \$500,000 of the general fund--state appropriation for fiscal
28 year 2011 is provided solely for the department to contract with the
29 private-public partnership established in chapter 43.215 RCW for home
30 visitation programs. Of this amount, \$200,000 of the general fund--
31 state appropriation for fiscal year 2011 is provided solely for
32 expenditure into the home visiting services account created in Part IX
33 of this act to be used for contracts for home visitation with the
34 private-public partnership.

35 (14) In accordance to RCW 43.215.255(2) and 43.135.055, the
36 department is authorized to increase child care center licensure fees
37 by fifty-two dollars for the first twelve children and an additional

1 four dollars per additional child in fiscal year 2011 for costs to the
2 department for the licensure activity, including costs of necessary
3 inspection.

4 (15) In accordance with RCW 43.135.055, the department of early
5 learning is authorized to adopt and increase the fees set forth in and
6 previously authorized in section 3, chapter 231, Laws of 2010.

7 (16) As of January 31, 2011, the department may not adopt, enforce,
8 or implement any rules or policies restricting the eligibility of
9 consumers for child care subsidy benefits to a countable income level
10 below one hundred seventy-five percent of the federal poverty
11 guidelines.

12 **Sec. 613.** 2010 1st sp.s. c 37 s 615 (uncodified) is amended to
13 read as follows:

14 **FOR THE STATE SCHOOL FOR THE BLIND**

15	General Fund--State Appropriation (FY 2010)	\$5,902,000
16	General Fund--State Appropriation (FY 2011)	(\$5,985,000)
17		<u>\$5,509,000</u>
18	General Fund--Private/Local Appropriation	\$1,942,000
19	TOTAL APPROPRIATION	(\$13,829,000)
20		<u>\$13,353,000</u>

21 The appropriations in this section are subject to the following
22 conditions and limitations: \$271,000 of the general fund--
23 private/local appropriation is provided solely for the school for the
24 blind to offer short course programs, allowing students the opportunity
25 to leave their home schools for short periods and receive intensive
26 training. The school for the blind shall provide this service to the
27 extent that it is funded by contracts with school districts and
28 educational services districts.

29 **Sec. 614.** 2010 1st sp.s. c 37 s 616 (uncodified) is amended to
30 read as follows:

31 **FOR THE WASHINGTON STATE CENTER FOR CHILDHOOD DEAFNESS AND HEARING**
32 **LOSS**

33	General Fund--State Appropriation (FY 2010)	\$8,593,000
34	General Fund--State Appropriation (FY 2011)	(\$8,782,000)
35		<u>\$8,230,000</u>
36	General Fund--Private/Local Appropriation	\$526,000

1 TOTAL APPROPRIATION ((~~\$17,901,000~~))
2 \$17,349,000

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

5 (1) \$210,000 of the general fund--private/local appropriation is
6 provided solely for the operation of the shared reading video outreach
7 program. The school for the deaf shall provide this service to the
8 extent it is funded by contracts with school districts and educational
9 service districts.

10 (2) \$25,000 of the general fund--state appropriation for fiscal
11 year 2010 and \$25,000 of the general fund--state appropriation for
12 fiscal year 2011 are provided solely for implementation of Engrossed
13 Second Substitute House Bill No. 1879 (deaf and hard of hearing). If
14 the bill is not enacted by June 30, 2009, the amounts provided in this
15 subsection shall lapse.

16 **Sec. 615.** 2010 1st sp.s. c 37 s 617 (uncodified) is amended to
17 read as follows:

18 **FOR THE WASHINGTON STATE ARTS COMMISSION**

19	General Fund--State Appropriation (FY 2010)	\$1,844,000
20	General Fund--State Appropriation (FY 2011)	((\$1,347,000))
21		<u>\$1,230,000</u>
22	General Fund--Federal Appropriation	\$1,944,000
23	General Fund--Private/Local Appropriation	\$1,052,000
24	TOTAL APPROPRIATION	((\$6,187,000))
25		<u>\$6,070,000</u>

26 The appropriations in this section are subject to the following
27 conditions and limitations: It is the intent of the legislature that
28 the reductions in appropriations in this section shall be achieved, to
29 the greatest extent possible, by reducing those administrative costs
30 that do not affect direct client services or direct service delivery or
31 programs. The agency shall, to the greatest extent possible, reduce
32 spending in those areas that shall have the least impact on
33 implementing its mission.

34 **Sec. 616.** 2010 1st sp.s. c 37 s 618 (uncodified) is amended to
35 read as follows:

1 **FOR THE WASHINGTON STATE HISTORICAL SOCIETY**

2	General Fund--State Appropriation (FY 2010)	\$2,592,000
3	General Fund--State Appropriation (FY 2011)	(\$2,607,000)
4		<u>\$2,381,000</u>
5	TOTAL APPROPRIATION	(\$5,199,000)
6		<u>\$4,973,000</u>

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

15 **Sec. 617.** 2010 1st sp.s. c 37 s 619 (uncodified) is amended to
16 read as follows:

17 **FOR THE EASTERN WASHINGTON STATE HISTORICAL SOCIETY**

18	General Fund--State Appropriation (FY 2010)	\$1,612,000
19	General Fund--State Appropriation (FY 2011)	(\$1,632,000)
20		<u>\$1,490,000</u>
21	TOTAL APPROPRIATION	(\$3,244,000)
22		<u>\$3,102,000</u>

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

31 NEW SECTION. **Sec. 618.** A new section is added to 2009 c 564
32 (uncodified) to read as follows:

33 In accordance with RCW 43.135.055, each governing board of the
34 state research universities, the state regional universities, and The
35 Evergreen State University is authorized to adopt and increase all

1 charges and all fees set forth in and previously authorized in section
2 603 (4), (7), and (8), chapter 564, Laws of 2009.

3 NEW SECTION. **Sec. 619.** A new section is added to 2009 c 564
4 (uncodified) to read as follows:

5 In accordance with RCW 43.135.055, the trustees of the state's
6 community and technical colleges are authorized to adopt and increase
7 all charges and all fees set forth in and previously authorized in
8 section 604 (7), (8), and (9), chapter 564, Laws of 2009.

(End of part)

PART VII
SPECIAL APPROPRIATIONS

Sec. 701. 2010 1st sp.s. c 37 s 705 (uncodified) is amended to read as follows:

FOR THE DEPARTMENT OF HEALTH--COUNTY PUBLIC HEALTH ASSISTANCE

General Fund--State Appropriation (FY 2011) (~~(\$24,000,000)~~)
\$22,303,000

The appropriations in this section are subject to the following conditions and limitations: The director of the department of health shall distribute the appropriations to the following counties and health districts in the amounts designated to support public health services, including public health nursing:

(Health District	FY 2011
Adams County Health District	\$30,951
Asotin County Health District	\$67,714
Benton-Franklin Health District	\$1,165,612
Chelan-Douglas Health District	\$184,761
Clallam County Health and Human Services Department	\$141,752
Southwest Washington Health District	\$1,084,473
Columbia County Health District	\$40,529
Cowlitz County Health Department	\$278,560
Garfield County Health District	\$15,028
Grant County Health District	\$118,596
Grays Harbor Health Department	183,870
Island County Health Department	\$91,892
Jefferson County Health and Human Services	\$85,782
Seattle-King County Department of Public Health	\$9,531,747
Bremerton-Kitsap County Health District	\$554,669
Kittitas County Health Department	\$92,499
Klickitat County Health Department	\$62,402
Lewis County Health Department	\$105,801
Lincoln County Health Department	\$29,705

1	Mason County Department of Health Services	\$95,988
2	Okanogan County Health District	\$63,458
3	Pacific County Health Department	\$77,427
4	Tacoma-Pierce County Health Department	\$2,820,590
5	San Juan County Health and Community Services	\$37,531
6	Skagit County Health Department	\$223,927
7	Snohomish Health District	\$2,258,207
8	Spokane County Health District	\$2,101,429
9	Northeast Tri-County Health District	\$110,454
10	Thurston County Health Department	\$600,419
11	Wahkiakum County Health Department	\$13,772
12	Walla Walla County-City Health Department	\$172,062
13	Whecom County Health Department	\$855,863
14	Whitman County Health Department	\$78,733
15	Yakima Health District	\$623,797
16	TOTAL APPROPRIATIONS	\$(24,000,000))
17		

18	<u>Health District</u>	<u>FY 2011</u>
19	<u>Clallam County Health and Human Services Department</u>	<u>\$131,729</u>
20	<u>Clark County Health District</u>	<u>\$982,997</u>
21	<u>Skamania County Health Department</u>	<u>\$24,794</u>
22	<u>Columbia County Health District</u>	<u>\$37,663</u>
23	<u>Cowlitz County Health Department</u>	<u>\$258,863</u>
24	<u>Garfield County Health District</u>	<u>\$13,965</u>
25	<u>Grant County Health District</u>	<u>\$110,210</u>
26	<u>Grays Harbor Health Department</u>	<u>\$170,869</u>
27	<u>Island County Health Department</u>	<u>\$85,394</u>
28	<u>Jefferson County Health and Human Services</u>	<u>\$79,716</u>
29	<u>Seattle-King County Department of Public Health</u>	<u>\$8,857,773</u>
30	<u>Bremerton-Kitsap County Health District</u>	<u>\$515,449</u>
31	<u>Kittitas County Health Department</u>	<u>\$85,959</u>
32	<u>Klickitat County Health Department</u>	<u>\$57,990</u>
33	<u>Lewis County Health Department</u>	<u>\$98,320</u>
34	<u>Lincoln County Health Department</u>	<u>\$27,605</u>
35	<u>Mason County Department of Health Services</u>	<u>\$89,201</u>
36	<u>Okanogan County Health District</u>	<u>\$58,971</u>

1	<u>Pacific County Health Department</u>	\$71,952
2	<u>Tacoma-Pierce County Health Department</u>	\$2,621,151
3	<u>San Juan County Health and Community Services</u>	\$34,877
4	<u>Skagit County Health Department</u>	\$208,093
5	<u>Snohomish Health District</u>	\$2,098,533
6	<u>Spokane County Health District</u>	\$1,952,840
7	<u>Northeast Tri-County Health District</u>	\$102,644
8	<u>Thurston County Health Department</u>	\$557,964
9	<u>Wahkiakum County Health Department</u>	\$12,798
10	<u>Walla Walla County-City Health Department</u>	\$159,896
11	<u>Whatcom County Health Department</u>	\$795,346
12	<u>Whitman County Health Department</u>	\$73,166
13	<u>Yakima Health District</u>	\$579,689
14	<u>Adams County Health District</u>	\$28,763
15	<u>Asotin County Health District</u>	\$62,926
16	<u>Benton-Franklin Health District</u>	\$1,083,194
17	<u>Chelan-Douglas Health District</u>	\$171,697
18	<u>TOTAL APPROPRIATIONS</u>	<u>\$22,303,000</u>

19 **Sec. 702.** 2010 1st sp.s. c 37 s 707 (uncodified) is amended to
20 read as follows:

21 **FOR THE OFFICE OF FINANCIAL MANAGEMENT--CAPITOL BUILDING CONSTRUCTION**
22 **ACCOUNT**

23	General Fund--State Appropriation (FY 2010)	\$1,912,000
24	General Fund--State Appropriation (FY 2011)	(\$3,615,000)
25		<u>\$1,815,000</u>
26	TOTAL APPROPRIATION	(\$5,527,000)
27		<u>\$3,727,000</u>

28 The appropriations in this section are subject to the following
29 conditions and limitations: The appropriations are provided solely for
30 expenditure into the capitol building construction account.

31 **Sec. 703.** 2010 1st sp.s. c 37 s 711 (uncodified) is amended to
32 read as follows:

33 **INFORMATION TECHNOLOGY**

34 Pursuant to section 11, chapter 282, Laws of 2010 (state government
35 technology use), the office of financial management shall work with the
36 appropriate state agencies to generate savings of \$30,000,000 from

1 technology efficiencies from the state general fund. From
2 appropriations in this act, the office of financial management shall
3 reduce general fund--state allotments by (~~(\$30,000,000)~~) \$24,841,000
4 for fiscal year 2011. The office of financial management shall,
5 utilizing existing fund balance, reduce the data processing revolving
6 account rates in an amount to reflect up to half of the reductions
7 identified in this section. The office of financial management may use
8 savings or existing fund balances from information technology accounts
9 to achieve savings in this section. The allotment reductions shall be
10 placed in unallotted status and remain unexpended. Nothing in this
11 section is intended to impact revenue collection efforts by the
12 department of revenue.

13 **Sec. 704.** 2009 c 564 s 711 (uncodified) is amended to read as
14 follows:

15 **FOR THE OFFICE OF FINANCIAL MANAGEMENT--EDUCATION TECHNOLOGY REVOLVING**
16 **ACCOUNT**

17	General Fund--State Appropriation (FY 2010)	\$8,000,000
18	General Fund--State Appropriation (FY 2011)	((\$8,000,000))
19		<u>\$7,000,000</u>
20	TOTAL APPROPRIATION	((\$16,000,000))
21		<u>\$15,000,000</u>

22 The appropriations in this section are subject to the following
23 conditions and limitations: The appropriations in this section are
24 provided solely for expenditure into the education technology revolving
25 account for the purpose of covering ongoing operational and equipment
26 replacement costs incurred by the K-20 educational network program in
27 providing telecommunication services to network participants.

28 NEW SECTION. **Sec. 705.** A new section is added to 2009 c 564
29 (uncodified) to read as follows:

30 **FOR THE OFFICE OF FINANCIAL MANAGEMENT--WASHINGTON OPPORTUNITY**
31 **PATHWAYS ACCOUNT**

32	General Fund--State Appropriation (FY 2011)	\$19,000,000
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33 The appropriation in this section is subject to the following
34 conditions and limitations: The appropriation is provided solely for
35 expenditure into the Washington opportunity pathways account.

1 NEW SECTION. **Sec. 706.** A new section is added to 2009 c 564
2 (uncodified) to read as follows:

3 **FOR THE OFFICE OF FINANCIAL MANAGEMENT--EDUCATION LEGACY TRUST ACCOUNT**
4 General Fund--State Appropriation (FY 2011) \$1,501,000

5 The appropriation in this section is subject to the following
6 conditions and limitations: The appropriation is provided solely for
7 expenditure into the education legacy trust account.

8 NEW SECTION. **Sec. 707.** A new section is added to 2009 c 564
9 (uncodified) to read as follows:

10 **FOR THE OFFICE OF FINANCIAL MANAGEMENT--EMPLOYEE SALARY REDUCTION**
11 **SAVINGS**

12 From the appropriations provided in this act and in chapter 470,
13 Laws of 2009, the office of financial management shall reduce general
14 fund--state allotments by \$3,422,000 for fiscal year 2011 and
15 allotments in other dedicated funds and accounts by \$4,568,000 as shown
16 in LEAP document 2011-SA1 dated February 3, 2011. These reductions
17 reflect savings associated with a temporary three percent reduction in
18 salaries, effective April 1, 2011, for state employees not subject to
19 a collective bargaining agreement. State troopers, elected officials,
20 and employees of the state printer, the marine division of the
21 department of transportation, and the state institutions of higher
22 education are not subject to the salary reduction in this section. The
23 allotment reductions in this section shall be placed in reserve status
24 and remain unexpended.

25 NEW SECTION. **Sec. 708.** A new section is added to 2009 c 564
26 (uncodified) to read as follows:

27 **FOR THE OFFICE OF FINANCIAL MANAGEMENT--REDUCTION IN COMMUNICATIONS**
28 **AND PUBLIC RELATIONS STAFF**

29 The office of financial management shall develop a plan to generate
30 savings of \$1,000,000 from reductions in staffing and other
31 efficiencies in communications and public relations by state agencies
32 of the executive branch. It is the intent of the legislature that the
33 reduction plan developed and implemented in accordance with this
34 section shall prioritize essential communication functions for public
35 information as well as executive and legislative branch oversight.
36 From the appropriations in this act, the office of financial management

1 shall reduce general fund--state allotments by \$1,000,000 for fiscal
2 year 2011. The allotment reductions shall be placed in reserve status
3 and remain unexpended.

4 NEW SECTION. **Sec. 709.** A new section is added to 2009 c 564
5 (uncodified) to read as follows:

6 **FOR THE OFFICE OF FINANCIAL MANAGEMENT--MANAGEMENT EFFICIENCIES IN THE**
7 **DEPARTMENT OF SOCIAL AND HEALTH SERVICES**

8 The department of social and health services, in consultation with
9 the office of financial management, shall develop a plan to generate
10 savings of at least \$1,728,000 from reductions in management staffing
11 and other efficiencies in addition to other administrative savings
12 generated by this act. It is the intent of the legislature that the
13 reduction plan developed and implemented in accordance with this
14 section shall focus on achieving management efficiencies and will
15 avoid, to the extent possible, direct impact on client services and
16 program operations. After reviewing and approving the management
17 reduction and efficiency plan, from the appropriations in this act, the
18 office of financial management shall reduce general fund--state
19 allotments to the department of social and health services by at least
20 \$1,728,000 for fiscal year 2011. The allotment reductions shall be
21 placed in reserve status and remain unexpended.

22 NEW SECTION. **Sec. 710.** A new section is added to 2009 c 564
23 (uncodified) to read as follows:

24 **FOR THE OFFICE OF FINANCIAL MANAGEMENT--MULTIPLE LANGUAGE ASSIGNMENT**
25 **PAY**

26 To the extent permitted by collective bargaining agreements, court
27 orders, and court-approved settlements, the department of social and
28 health services shall cease providing additional compensation for
29 employees on the basis of proficiency in multiple languages after March
30 31, 2011. From the appropriations in this act, the office of financial
31 management shall reduce general fund--state allotments by \$250,000 for
32 fiscal year 2011 to reflect the savings expected from the elimination
33 of multiple-language assignment pay. The allotment reductions shall be
34 placed in reserve status and remain unexpended.

1 NEW SECTION. **Sec. 711.** A new section is added to 2009 c 564
2 (uncodified) to read as follows:

3 **BASIC HEALTH PLAN STABILIZATION ACCOUNT**

4 The basic health plan stabilization account is created in the state
5 treasury, to consist of such revenues, appropriations, and transfers as
6 may be directed by law. Moneys in the account may be spent only after
7 appropriation. Expenditures from the account may be used solely for
8 the support of the basic health plan under chapter 70.47 RCW.

(End of part)

PART VIII

OTHER TRANSFERS AND APPROPRIATIONS

Sec. 801. 2010 2nd sp.s. c 1 s 801 (uncodified) is amended to read as follows:

FOR THE STATE TREASURER--TRANSFERS

State Treasurer's Service Account: For transfer to the state general fund, \$16,400,000 for fiscal year 2010 and ((~~\$26,400,000~~)) \$29,400,000 for fiscal year 2011 ((~~\$42,800,000~~)) \$45,800,000

Waste Reduction, Recycling and Litter Control Account: For transfer to the state general fund, \$3,000,000 for fiscal year 2010 and \$3,000,000 for fiscal year 2011 \$6,000,000

State Toxics Control Account: For transfer to the state general fund, \$15,340,000 for fiscal year 2010 and \$37,780,000 for fiscal year 2011 \$53,120,000

Local Toxics Control Account: For transfer to the state general fund, \$37,060,000 for fiscal year 2010 and ((~~\$48,759,000~~)) \$65,759,000 for fiscal year 2011 ((~~\$85,819,000~~)) \$102,819,000

Education Construction Account: For transfer to the state general fund, \$105,228,000 for fiscal year 2010 and \$106,451,000 for fiscal year 2011 \$211,679,000

Aquatics Lands Enhancement Account: For transfer to the state general fund, \$8,520,000 for fiscal year 2010 and ((~~\$5,050,000~~)) \$12,550,000 for fiscal year 2011 ((~~\$13,570,000~~)) \$21,070,000

Drinking Water Assistance Account: For transfer to the drinking water assistance repayment account \$28,600,000

Economic Development Strategic Reserve Account: For transfer to the state general fund, \$2,500,000 for

1 fiscal year 2010 and (~~(\$2,500,000)~~) \$3,900,000
2 for fiscal year 2011 (~~(\$5,000,000)~~)
3 \$6,400,000
4 Tobacco Settlement Account: For transfer to the state
5 general fund, in an amount not to exceed by more
6 than \$26,000,000 the actual amount of the annual
7 payment to the tobacco settlement account \$204,098,000
8 Tobacco Settlement Account: For transfer to the life
9 sciences discovery fund, in an amount not to exceed
10 \$26,000,000 less than the actual amount of the
11 strategic contribution supplemental payment to
12 the tobacco settlement account \$39,170,000
13 General Fund: For transfer to the streamline sales and
14 use tax account, \$24,274,000 for fiscal year 2010
15 and \$24,182,000 for fiscal year 2011 \$48,456,000
16 State Convention and Trade Center Account: For
17 transfer to the state convention and trade center
18 operations account, \$1,000,000 for fiscal year
19 2010 and \$3,100,000 for fiscal year 2011 \$4,100,000
20 Tobacco Prevention and Control Account: For transfer
21 to the state general fund, \$1,961,000 for fiscal
22 year 2010 and \$3,000,000 for fiscal year 2011 \$4,961,000
23 Nisqually Earthquake Account: For transfer to the
24 disaster response account for fiscal year 2010 \$500,000
25 Judicial Information Systems Account: For transfer
26 to the state general fund, \$3,250,000 for fiscal
27 year 2010 and \$3,250,000 for fiscal year 2011 \$6,500,000
28 Department of Retirement Systems Expense Account: For
29 transfer to the state general fund, \$1,000,000 for
30 fiscal year 2010 and \$1,500,000 for fiscal year
31 2011 \$2,500,000
32 State Emergency Water Projects Account: For transfer
33 to the state general fund, \$390,000 for fiscal
34 year 2011 \$390,000
35 The Charitable, Educational, Penal, and Reformatory
36 Institutions Account: For transfer to the state
37 general fund, \$5,550,000 for fiscal year 2010 and
38 (~~(\$5,550,000)~~) \$4,450,000 for fiscal year

1	2011	((\$11,100,000))
2		<u>\$10,000,000</u>
3	Energy Freedom Account: For transfer to the state	
4	general fund, \$4,038,000 for fiscal year 2010 and	
5	\$2,978,000 for fiscal year 2011	\$7,016,000
6	Thurston County Capital Facilities Account: For	
7	transfer to the state general fund, \$8,604,000	
8	for fiscal year 2010 and ((\$5,538,000)) <u>\$5,156,000</u>	
9	for fiscal year 2011	((\$14,142,000))
10		<u>\$13,760,000</u>
11	Public Works Assistance Account: For transfer to the	
12	state general fund, \$279,640,000 for fiscal year	
13	2010 and \$229,560,000 for fiscal year 2011	\$509,200,000
14	Budget Stabilization Account: For transfer to the	
15	state general fund for fiscal year 2010	\$45,130,000
16	Liquor Revolving Account: For transfer to the state	
17	general fund, \$31,000,000 for fiscal year 2010 and	
18	\$31,000,000 for fiscal year 2011	\$62,000,000
19	Public Works Assistance Account: For transfer to the	
20	city-county assistance account, \$5,000,000 on	
21	July 1, 2009, and \$5,000,000 on July 1, 2010	\$10,000,000
22	Public Works Assistance Account: For transfer to the	
23	drinking water assistance account, \$6,930,000	
24	for fiscal year 2010 and \$4,000,000 for fiscal	
25	year 2011	\$10,930,000
26	Shared Game Lottery Account: For transfer to the	
27	education legacy trust account, \$3,600,000 for	
28	fiscal year 2010 and \$2,400,000 for fiscal year	
29	2011	\$6,000,000
30	State Lottery Account: For transfer to the education	
31	legacy trust account, \$9,500,000 for fiscal year	
32	2010 and \$9,500,000 for fiscal year 2011	\$19,000,000
33	College Faculty Awards Trust Fund: For transfer	
34	to the state general fund for fiscal year 2010,	
35	an amount not to exceed the actual cash balance	
36	of the fund <u>and \$1,957,000 for fiscal year 2011</u> . . .((\$4,000,000))	
37		<u>\$5,957,000</u>
38	Washington Distinguished Professorship Trust Fund:	

1 For transfer to the state general fund for fiscal
 2 year 2010, an amount not to exceed the actual cash
 3 balance of the fund and \$2,966,000 for fiscal year
 4 2011 ((~~\$6,000,000~~))
 5 \$8,966,000
 6 Washington Graduate Fellowship Trust Account:
 7 For transfer to the state general fund for fiscal
 8 year 2010, an amount not to exceed the actual cash
 9 balance of the fund and \$1,008,000 for fiscal year
 10 2011 ((~~\$2,000,000~~))
 11 \$3,008,000
 12 GET Ready for Math and Science Scholarship Account:
 13 For transfer to the state general fund for
 14 fiscal year 2010, an amount not to exceed
 15 the actual cash balance not comprised of or
 16 needed to match private contributions \$1,800,000
 17 Financial Services Regulation Account: For transfer
 18 to the state general fund, \$2,000,000 for fiscal
 19 year 2010 and \$7,000,000 for fiscal year 2011 \$9,000,000
 20 Data Processing Revolving Fund: For transfer to
 21 the state general fund, \$5,632,000 for fiscal
 22 year 2010 and \$4,159,000 for fiscal year 2011 ((~~\$5,632,000~~))
 23 \$9,791,000
 24 Public Service Revolving Account: For transfer to
 25 the state general fund, \$8,000,000 for fiscal
 26 year 2010 and \$7,000,000 for fiscal year 2011 \$15,000,000
 27 Water Quality Capital Account: For transfer to the
 28 state general fund, \$278,000 for fiscal year 2011 \$278,000
 29 Performance Audits of Government Account: For
 30 transfer to the state general fund, \$10,000,000
 31 for fiscal year 2010 and ((~~\$5,000,000~~)) \$7,000,000
 32 for fiscal year 2011 ((~~\$15,000,000~~))
 33 \$17,000,000
 34 Job Development Account: For transfer to the
 35 state general fund, \$20,930,000 for fiscal
 36 year 2010 \$20,930,000
 37 Savings Incentive Account: For transfer to the
 38 state general fund, \$10,117,000 for fiscal

1 state general fund for fiscal year 2011 ((\$1,000,000))
2 \$696,000
3 Disaster Response Account: For transfer to the state
4 general fund for fiscal year 2011 ((\$15,000,000))
5 \$14,500,000
6 Washington Auto Theft Prevention Account: For
7 transfer to the state general fund, \$1,500,000
8 for fiscal year 2011 \$1,500,000
9 Tourism Enterprise Account: For transfer to the
10 state general fund, \$590,000 for fiscal year
11 2011 \$590,000
12 Tourism Development and Promotion Account: For
13 transfer to the state general fund, \$205,000
14 for fiscal year 2011 \$205,000
15 Life Sciences Discovery Fund: For transfer to
16 the basic health plan stabilization account \$6,000,000
17 Life Sciences Discovery Fund: For transfer to
18 the state general fund for fiscal year 2011 \$2,200,000
19 Industrial Insurance Premium Refund Account: For
20 transfer to the state general fund, \$4,500,000
21 for fiscal year 2011 \$4,500,000
22 Distressed County Assistance Account: For transfer
23 to the state general fund, \$205,000 for
24 fiscal year 2011 \$ 205,000
25 State Drought Preparedness Account: For transfer to
26 the state general fund, \$4,000,000 for fiscal
27 year 2011 \$4,000,000
28 Freshwater Aquatic Algae Control Account: For
29 transfer to the state general fund, \$400,000 for
30 fiscal year 2011 \$400,000
31 Freshwater Aquatic Weeds Account: For transfer to
32 the state general fund, \$300,000 for fiscal
33 year 2011 \$300,000
34 Liquor Control Board Construction and Maintenance
35 Account: For transfer to the state general fund
36 for fiscal year 2011 \$3,000,000

1 **Sec. 802.** 2010 1st sp.s. c 31 s 1 (uncodified) is amended to read
2 as follows:

3 (1) The state treasurer shall transfer two hundred (~~twenty-nine~~)
4 twenty-three million two hundred nine thousand dollars or as much of
5 that amount as is available from the budget stabilization account to
6 the state general fund for fiscal year 2011.

7 (2) The transfer in subsection (1) of this section is to minimize
8 reductions to public school programs in the 2010 supplemental omnibus
9 operating budget.

(End of part)

PART IX
MISCELLANEOUS

Sec. 901. 2010 1st sp.s. c 32 s 3 (uncodified) is amended to read as follows:

(1)(a) The office of financial management shall certify to each executive branch state agency and institution of higher education the compensation reduction amount to be achieved by that agency or institution. Each agency and institution shall achieve compensation expenditure reductions as provided in the omnibus appropriations act.

(b) Each executive branch state agency other than institutions of higher education may submit to the office of financial management a compensation reduction plan to achieve the cost reductions as provided in the omnibus appropriations act. The compensation reduction plan of each executive branch agency may include, but is not limited to, employee leave without pay, including additional mandatory and voluntary temporary layoffs, reductions in the agency workforce, compensation reductions, and reduced work hours, as well as voluntary retirement, separation, and other incentive programs authorized by section 912, chapter 564, Laws of 2009. The amount of compensation cost reductions to be achieved by each agency shall be adjusted to reflect voluntary and mandatory temporary layoffs at the agency during the 2009-2011 fiscal biennium and implemented prior to January 1, 2010, but not adjusted by other compensation reduction plans adopted as a result of the enactment of chapter 564, Laws of 2009, or the enactment of other compensation cost reduction measures applicable to the 2009-2011 fiscal biennium.

(c) Each institution of higher education must submit to the office of financial management a compensation and operations reduction plan to achieve at least the cost reductions as provided in the omnibus appropriations act. For purposes of the reduction plan, the state board of community and technical colleges shall submit a single plan on behalf of all community and technical colleges. The reduction plan of each institution may include, but is not limited to, employee leave without pay, including mandatory and voluntary temporary layoffs, reductions in the institution workforce, compensation reductions, and

1 reduced work hours, as well as voluntary retirement, separation,
2 incentive programs authorized by section 912, chapter 564, Laws of
3 2009, as well as other reductions to the cost of operations. The
4 amount of cost reductions to be achieved by each institution shall be
5 adjusted to reflect voluntary and mandatory temporary layoffs at the
6 institution during the 2009-2011 fiscal biennium and implemented prior
7 to January 1, 2010, but not adjusted by other compensation reduction
8 plans adopted as a result of the enactment of chapter 564, Laws of
9 2009, or the enactment of other compensation cost reduction measures
10 applicable to the 2009-2011 fiscal biennium.

11 (d) The director of financial management shall review, approve, and
12 submit to the legislative fiscal committees those executive branch
13 state agencies and higher education institution plans that achieves the
14 cost reductions as provided in the omnibus appropriations act. For
15 those executive branch state agencies and institutions of higher
16 education that do not have an approved compensation and operations
17 reduction plan, the institution shall be closed on the dates specified
18 in subsection (2) of this section.

19 (e) For each agency of the legislative branch, the chief clerk of
20 the house of representatives and the secretary of the senate shall
21 review and approve a plan of employee mandatory and voluntary leave for
22 the 2009-2011 fiscal biennium that achieves the cost reductions as
23 provided in the omnibus appropriations act. The amount of compensation
24 cost reductions to be achieved shall be adjusted, if necessary, to
25 reflect voluntary and mandatory temporary layoffs at the agencies
26 during the 2009-2011 fiscal biennium and implemented prior to January
27 1, 2010.

28 (f) For each agency of the judicial branch, the supreme court shall
29 review and approve a plan of employee mandatory and voluntary leave for
30 the 2009-2011 fiscal biennium that achieve the cost reductions as
31 provided in the omnibus appropriations act. The amount of compensation
32 cost reductions to be achieved shall be adjusted, if necessary, to
33 reflect voluntary and mandatory temporary layoffs at the agencies
34 during the 2009-2011 fiscal biennium and implemented prior to January
35 1, 2010.

36 (2) Each state agency of the executive, legislative, and judicial
37 branch, and any institution that does not have an approved plan in

1 accordance with subsection (1) of this section shall be closed on the
2 following dates in addition to the legal holidays specified in RCW
3 1.16.050:

- 4 (a) Monday, July 12, 2010;
- 5 (b) Friday, August 6, 2010;
- 6 (c) Tuesday, September 7, 2010;
- 7 (d) Monday, October 11, 2010;
- 8 (e) Monday, December 27, 2010;
- 9 (f) Friday, January 28, 2011;
- 10 (g) Tuesday, February 22, 2011;
- 11 (h) Friday, March (~~11~~) 28, 2011;
- 12 (i) Friday, April 22, 2011;
- 13 (j) Friday, June 10, 2011.

14 (3) If the closure of state agencies or institutions under
15 subsection (2) of this section prevents the performance of any action,
16 the action shall be considered timely if performed on the next business
17 day.

18 (4) The following activities of state agencies and institutions of
19 higher education are exempt from subsections (1) and (2) of this
20 section:

21 (a) Direct custody, supervision, and patient care in: (i)
22 Corrections; (ii) juvenile rehabilitation; (iii) institutional care of
23 veterans, or individuals with mental illness, and individuals with
24 developmental disabilities; (iv) state hospitals, the University of
25 Washington medical center, and Harborview medical center; (v) the
26 special commitment center; (vi) the school for the blind; (vii) the
27 state center for childhood deafness and hearing loss; and (viii) the
28 Washington youth academy;

29 (b) Direct protective services to children and other vulnerable
30 populations, child support enforcement, disability determination
31 services, complaint investigators, and residential care licensors and
32 surveyors in the department of social and health services and the
33 department of health;

34 (c) Washington state patrol investigative services and field
35 enforcement;

36 (d) Hazardous materials response or emergency response and cleanup;

37 (e) Emergency public health and patient safety response and the
38 public health laboratory;

- 1 (f) Military operations and emergency management within the
2 military department;
- 3 (g) Firefighting;
- 4 (h) Enforcement officers in the department of fish and wildlife,
5 the liquor control board, the gambling commission, the department of
6 financial institutions, and the department of natural resources;
- 7 (i) State parks operated by the parks and recreation commission;
- 8 (j) In institutions of higher education, classroom instruction,
9 operations not funded from state funds or tuition, campus police and
10 security, emergency management and response, work performed by student
11 employees if the duties were not previously assigned to nonstudents
12 during the current or prior school year, and student health care;
- 13 (k) Operations of liquor control board business enterprises and
14 games conducted by the state lottery;
- 15 (l) Agricultural commodity commissions and boards, and agricultural
16 inspection programs operated by the department of agriculture;
- 17 (m) The unemployment insurance program and reemployment services of
18 the employment security department;
- 19 (n) The workers' compensation program and workplace safety and
20 health compliance activities of the department of labor and industries;
- 21 (o) The operation, maintenance, and construction of state ferries
22 and state highways;
- 23 (p) The department of revenue;
- 24 (q) Licensing service offices in the department of licensing that
25 are open no more than two days per week, and no licensing service
26 office closures may occur on Saturdays as a result of this section;
- 27 (r) The governor, lieutenant governor, legislative agencies, and
28 the office of financial management, during sessions of the legislature
29 under Article II, section 12 of the state Constitution and the twenty-
30 day veto period under Article IV, section 12 of the state Constitution;
- 31 (s) The office of the attorney general, except for management and
32 administrative functions not directly related to civil, criminal, or
33 administrative actions;
- 34 (t) The labor relations office of the office of financial
35 management through November 1, 2010;
- 36 (u) The minimal use of state employees on the specified closure
37 dates as necessary to protect public assets and information technology
38 systems, and to maintain public safety; and

1 (v) The operations of the office of the insurance commissioner that
2 are funded by industry regulatory fees.

3 (5)(a) The closure of an office of a state agency or institution of
4 higher education under this section shall result in the temporary
5 layoff of the employees of the agency or institution. The compensation
6 of the employees shall be reduced proportionately to the duration of
7 the temporary layoff. Temporary layoffs under this section shall not
8 affect the employees' vacation leave accrual, seniority, health
9 insurance, or sick leave credits. For the purposes of chapter 430,
10 Laws of 2009, the compensation reductions under this section are deemed
11 to be an integral part of an employer's expenditure reduction efforts
12 and shall not result in the loss of retirement benefits in any state
13 defined benefit retirement plan for an employee whose period of average
14 final compensation includes a portion of the period from the effective
15 date of this section through June 30, 2011.

16 (b)(i) During the closure of an office or institution under this
17 section, any employee with a monthly full-time equivalent salary of two
18 thousand five hundred dollars or less may, at the employee's option,
19 use accrued vacation leave in lieu of temporary layoff during the
20 closure. Solely for this purpose, and during the 2009-2011 fiscal
21 biennium only, the department of personnel shall adopt rules to permit
22 employees with less than six months of continuous state employment to
23 use accrued vacation leave.

24 (ii) If an employee with a monthly full-time equivalent salary of
25 two thousand five hundred dollars or less has no accrued vacation
26 leave, that employee may use shared leave, if approved by the agency
27 director, and if made available through donations under RCW 41.04.665
28 in lieu of temporary layoff during the closure.

29 (6) Except as provided in subsection (4) of this section, for
30 employees not scheduled to work on a day specified in subsection (2) of
31 this section, the employing agency must designate an alternative day
32 during that month on which the employee is scheduled to work that the
33 employee will take temporary leave without pay.

34 (7) To the extent that the implementation of this section is
35 subject to collective bargaining under chapter 41.80 RCW, the
36 bargaining shall be conducted pursuant to section 4 of this act. To
37 the extent that the implementation of this section is subject to

1 collective bargaining under chapters 28B.52, 41.56, 41.76, or 47.64
2 RCW, the bargaining shall be conducted pursuant to these chapters.

3 (8) For all or a portion of the employees of an agency of the
4 executive branch, the office of financial management may approve the
5 substitution of temporary layoffs on an alternative date during that
6 month for any date specified in subsection (2) of this section as
7 necessary for the critical work of any agency.

8 (9)(a) If any state agency of the executive, legislative, and
9 judicial branch is unable to achieve its full amount of cost reductions
10 as provided in the omnibus appropriations act through its approved plan
11 in accordance with subsection (1) of this section or through ten days
12 of temporary layoffs in accordance with subsections (2) and (8) of this
13 section, the remaining amount is a reduction to the agency's cost of
14 operations and may include savings as a result of sections 601 through
15 604 of chapter 3, Laws of 2010.

16 (b) If any state agency of the executive, legislative, and judicial
17 branch is able to achieve its full amount of cost reductions as
18 provided in the omnibus appropriations act through ten days or less of
19 temporary layoffs in accordance with subsections (2) and (8) of this
20 section, any residual amount of cost reductions that cannot be achieved
21 through a full day of closure is a reduction to the agency's cost of
22 operations and may include savings as a result of sections 601 through
23 604 of chapter 3, Laws of 2010.

24 **Sec. 902.** RCW 43.03.220 and 2010 1st sp.s. c 7 s 142 are each
25 amended to read as follows:

26 (1) Any part-time board, commission, council, committee, or other
27 similar group which is established by the executive, legislative, or
28 judicial branch to participate in state government and which functions
29 primarily in an advisory, coordinating, or planning capacity shall be
30 identified as a class one group.

31 (2) Absent any other provision of law to the contrary, no money
32 beyond the customary reimbursement or allowance for expenses may be
33 paid by or through the state to members of class one groups for
34 attendance at meetings of such groups.

35 (3) Beginning July 1, 2010, through June 30, 2011, no person
36 designated as a member of a class one board, commission, council,
37 committee, or similar group may receive an allowance for subsistence,

1 lodging, or travel expenses if the allowance cost is funded by the
2 state general fund. Exceptions may be granted under section 605,
3 chapter 3, Laws of 2010. Class one groups, when feasible, shall use an
4 alternative means of conducting a meeting that does not require travel
5 while still maximizing member and public participation and may use a
6 meeting format that requires members to be physically present at one
7 location only when necessary or required by law. Meetings that require
8 a member's physical presence at one location must be held in state
9 facilities whenever possible(~~, and~~). Meetings conducted using
10 private facilities must be approved by the director of the office of
11 financial management, except for facilities provided free of charge.

12 (4) Beginning July 1, 2010, through June 30, 2011, class one groups
13 that are funded by sources other than the state general fund are
14 encouraged to reduce travel, lodging, and other costs associated with
15 conducting the business of the group including use of other meeting
16 formats that do not require travel.

17 **Sec. 903.** RCW 43.03.230 and 2010 1st sp.s. c 7 s 143 are each
18 amended to read as follows:

19 (1) Any agricultural commodity board or commission established
20 pursuant to Title 15 or 16 RCW shall be identified as a class two group
21 for purposes of compensation.

22 (2) Except as otherwise provided in this section, each member of a
23 class two group is eligible to receive compensation in an amount not to
24 exceed one hundred dollars for each day during which the member attends
25 an official meeting of the group or performs statutorily prescribed
26 duties approved by the chairperson of the group. A person shall not
27 receive compensation for a day of service under this section if the
28 person (a) occupies a position, normally regarded as full-time in
29 nature, in any agency of the federal government, Washington state
30 government, or Washington state local government; and (b) receives any
31 compensation from such government for working that day.

32 (3) Compensation may be paid a member under this section only if it
33 is authorized under the law dealing in particular with the specific
34 group to which the member belongs or dealing in particular with the
35 members of that specific group.

36 (4) Beginning July 1, 2010, through June 30, 2011, no person
37 designated as a member of a class two board, commission, council,

1 committee, or similar group may receive an allowance for subsistence,
2 lodging, or travel expenses if the allowance cost is funded by the
3 state general fund. Exceptions may be granted under section 605,
4 chapter 3, Laws of 2010. Class two groups, when feasible, shall use an
5 alternative means of conducting a meeting that does not require travel
6 while still maximizing member and public participation and may use a
7 meeting format that requires members to be physically present at one
8 location only when necessary or required by law. Meetings that require
9 a member's physical presence at one location must be held in state
10 facilities whenever possible(~~(, and)~~). Meetings conducted using
11 private facilities must be approved by the director of the office of
12 financial management, except for facilities provided free of charge.

13 (5) Beginning July 1, 2010, through June 30, 2011, class two groups
14 that are funded by sources other than the state general fund are
15 encouraged to reduce travel, lodging, and other costs associated with
16 conducting the business of the group including use of other meeting
17 formats that do not require travel.

18 **Sec. 904.** RCW 43.03.240 and 2010 1st sp.s. c 7 s 144 are each
19 amended to read as follows:

20 (1) Any part-time, statutory board, commission, council, committee,
21 or other similar group which has rule-making authority, performs quasi
22 judicial functions, has responsibility for the administration or policy
23 direction of a state agency or program, or performs regulatory or
24 licensing functions with respect to a specific profession, occupation,
25 business, or industry shall be identified as a class three group for
26 purposes of compensation.

27 (2) Except as otherwise provided in this section, each member of a
28 class three group is eligible to receive compensation in an amount not
29 to exceed fifty dollars for each day during which the member attends an
30 official meeting of the group or performs statutorily prescribed duties
31 approved by the chairperson of the group. A person shall not receive
32 compensation for a day of service under this section if the person (a)
33 occupies a position, normally regarded as full-time in nature, in any
34 agency of the federal government, Washington state government, or
35 Washington state local government; and (b) receives any compensation
36 from such government for working that day.

1 (3) Compensation may be paid a member under this section only if it
2 is authorized under the law dealing in particular with the specific
3 group to which the member belongs or dealing in particular with the
4 members of that specific group.

5 (4) Beginning July 1, 2010, through June 30, 2011, no person
6 designated as a member of a class three board, commission, council,
7 committee, or similar group may receive an allowance for subsistence,
8 lodging, or travel expenses if the allowance cost is funded by the
9 state general fund. Exceptions may be granted under section 605,
10 chapter 3, Laws of 2010. Class three groups, when feasible, shall use
11 an alternative means of conducting a meeting that does not require
12 travel while still maximizing member and public participation and may
13 use a meeting format that requires members to be physically present at
14 one location only when necessary or required by law. Meetings that
15 require a member's physical presence at one location must be held in
16 state facilities whenever possible(~~, and~~). Meetings conducted using
17 private facilities must be approved by the director of the office of
18 financial management, except for facilities provided free of charge.

19 (5) Beginning July 1, 2010, through June 30, 2011, class three
20 groups that are funded by sources other than the state general fund are
21 encouraged to reduce travel, lodging, and other costs associated with
22 conducting the business of the group including use of other meeting
23 formats that do not require travel.

24 **Sec. 905.** RCW 43.03.250 and 2010 1st sp.s. c 7 s 145 are each
25 amended to read as follows:

26 (1) A part-time, statutory board, commission, council, committee,
27 or other similar group shall be identified as a class four group for
28 purposes of compensation if the group:

29 (a) Has rule-making authority, performs quasi-judicial functions,
30 or has responsibility for the administration or policy direction of a
31 state agency or program;

32 (b) Has duties that are deemed by the legislature to be of
33 overriding sensitivity and importance to the public welfare and the
34 operation of state government; and

35 (c) Requires service from its members representing a significant
36 demand on their time that is normally in excess of one hundred hours of
37 meeting time per year.

1 (2) Each member of a class four group is eligible to receive
2 compensation in an amount not to exceed one hundred dollars for each
3 day during which the member attends an official meeting of the group or
4 performs statutorily prescribed duties approved by the chairperson of
5 the group. A person shall not receive compensation for a day of
6 service under this section if the person (a) occupies a position,
7 normally regarded as full-time in nature, in any agency of the federal
8 government, Washington state government, or Washington state local
9 government; and (b) receives any compensation from such government for
10 working that day.

11 (3) Compensation may be paid a member under this section only if it
12 is authorized under the law dealing in particular with the specific
13 group to which the member belongs or dealing in particular with the
14 members of that specific group.

15 (4) Beginning July 1, 2010, through June 30, 2011, class four
16 groups, when feasible, shall use an alternative means of conducting a
17 meeting that does not require travel while still maximizing member and
18 public participation and may use a meeting format that requires members
19 to be physically present at one location only when necessary or
20 required by law. Meetings that require a member's physical presence at
21 one location must be held in state facilities whenever possible(~~and~~
22 and)). Meetings conducted using private facilities must be approved by
23 the director of the office of financial management, except for
24 facilities provided free of charge.

25 **Sec. 906.** RCW 43.03.265 and 2010 1st sp.s. c 7 s 146 are each
26 amended to read as follows:

27 (1) Any part-time commission that has rule-making authority,
28 performs quasi-judicial functions, has responsibility for the policy
29 direction of a health profession credentialing program, and performs
30 regulatory and licensing functions with respect to a health care
31 profession licensed under Title 18 RCW shall be identified as a class
32 five group for purposes of compensation.

33 (2) Except as otherwise provided in this section, each member of a
34 class five group is eligible to receive compensation in an amount not
35 to exceed two hundred fifty dollars for each day during which the
36 member attends an official meeting of the group or performs statutorily
37 prescribed duties approved by the chairperson of the group. A person

1 shall not receive compensation for a day of service under this section
2 if the person (a) occupies a position, normally regarded as full-time
3 in nature, in any agency of the federal government, Washington state
4 government, or Washington state local government; and (b) receives any
5 compensation from such government for working that day.

6 (3) Compensation may be paid a member under this section only if it
7 is necessarily incurred in the course of authorized business consistent
8 with the responsibilities of the commission established by law.

9 (4) Beginning July 1, 2010, through June 30, 2011, no person
10 designated as a member of a class five board, commission, council,
11 committee, or similar group may receive an allowance for subsistence,
12 lodging, or travel expenses if the allowance cost is funded by the
13 state general fund. Exceptions may be granted under section 605,
14 chapter 3, Laws of 2010. Class five groups, when feasible, shall use
15 an alternative means of conducting a meeting that does not require
16 travel while still maximizing member and public participation and may
17 use a meeting format that requires members to be physically present at
18 one location only when necessary or required by law. Meetings that
19 require a member's physical presence at one location must be held in
20 state facilities whenever possible(~~, and~~). Meetings conducted using
21 private facilities must be approved by the director of the office of
22 financial management, except for facilities provided free of charge.

23 (5) Beginning July 1, 2010, through June 30, 2011, class five
24 groups that are funded by sources other than the state general fund are
25 encouraged to reduce travel, lodging, and other costs associated with
26 conducting the business of the group including use of other meeting
27 formats that do not require travel.

28 **Sec. 907.** RCW 43.21A.660 and 1999 c 251 s 1 are each amended to
29 read as follows:

30 Funds in the freshwater aquatic weeds account may be appropriated
31 to the department of ecology to develop a freshwater aquatic weeds
32 management program. Funds shall be expended as follows:

33 (1) No less than two-thirds of the appropriated funds shall be
34 issued as grants to (a) cities, counties, tribes, special purpose
35 districts, and state agencies to prevent, remove, reduce, or manage
36 excessive freshwater aquatic weeds; (b) fund demonstration or pilot
37 projects consistent with the purposes of this section; and (c) fund

1 hydrilla eradication activities in waters of the state. Except for
2 hydrilla eradication activities, such grants shall only be issued for
3 lakes, rivers, or streams with a public boat launching ramp or which
4 are designated by the department of fish and wildlife for fly-fishing.
5 The department shall give preference to projects having matching funds
6 or in-kind services; ~~((and))~~

7 (2) No more than one-third of the appropriated funds shall be
8 expended to:

9 (a) Develop public education programs relating to preventing the
10 propagation and spread of freshwater aquatic weeds; and

11 (b) Provide technical assistance to local governments and citizen
12 groups; and

13 (3) During the 2009-2011 fiscal biennium, the legislature may
14 transfer from the freshwater aquatic weeds account to the state general
15 fund such amounts as reflect the excess fund balance of the account.

16 **Sec. 908.** RCW 43.21A.667 and 2009 c 564 s 933 are each amended to
17 read as follows:

18 (1) The freshwater aquatic algae control account is created in the
19 state treasury. Moneys directed to the account from RCW ~~((88.02.050))~~
20 88.02.560 must be deposited in the account. Expenditures from the
21 account may only be used as provided in this section. Moneys in the
22 account may be spent only after appropriation.

23 (2) Funds in the freshwater aquatic algae control account may be
24 appropriated to the department to develop a freshwater aquatic algae
25 control program. Funds must be expended as follows:

26 (a) As grants to cities, counties, tribes, special purpose
27 districts, and state agencies to manage excessive freshwater algae,
28 with priority for the treatment of lakes in which harmful algal blooms
29 have occurred within the past three years; and during the 2009-2011
30 fiscal biennium to provide grants for sea lettuce research and removal
31 to assist Puget Sound communities that are impacted by hyperblooms of
32 sea lettuce; ~~((and))~~

33 (b) To provide technical assistance to applicants and the public
34 about aquatic algae control; and

35 (c) During the 2009-2011 fiscal biennium, the legislature may
36 transfer from the freshwater aquatic algae control account to the state

1 general fund such amounts as reflect the excess fund balance of the
2 account.

3 (3) The department shall submit a biennial report to the
4 appropriate legislative committees describing the actions taken to
5 implement this section along with suggestions on how to better fulfill
6 the intent of chapter 464, Laws of 2005. The first report is due
7 December 1, 2007.

8 **Sec. 909.** RCW 43.79.460 and 2010 1st sp.s. c 37 s 928 are each
9 amended to read as follows:

10 (1) The savings incentive account is created in the custody of the
11 state treasurer. The account shall consist of all moneys appropriated
12 to the account by the legislature. The account is subject to the
13 allotment procedures under chapter 43.88 RCW, but no appropriation is
14 required for expenditures from the account.

15 (2) Within the savings incentive account, the state treasurer may
16 create subaccounts to be credited with incentive savings attributable
17 to individual state agencies, as determined by the office of financial
18 management in consultation with the legislative fiscal committees.
19 Moneys deposited in the subaccounts may be expended only on the
20 authorization of the agency's executive head or designee and only for
21 the purpose of one-time expenditures to improve the quality,
22 efficiency, and effectiveness of services to customers of the state,
23 such as one-time expenditures for employee training, employee
24 incentives, technology improvements, new work processes, or performance
25 measurement. Funds may not be expended from the account to establish
26 new programs or services, expand existing programs or services, or
27 incur ongoing costs that would require future expenditures.

28 (3) For purposes of this section, "incentive savings" means state
29 general fund appropriations that are unspent as of June 30th of a
30 fiscal year, excluding any amounts included in across-the-board
31 reductions under RCW 43.88.110 and excluding unspent appropriations
32 for:

33 (a) Caseload and enrollment in entitlement programs, except to the
34 extent that an agency has clearly demonstrated that efficiencies have
35 been achieved in the administration of the entitlement program.
36 "Entitlement program," as used in this section, includes programs for

1 which specific sums of money are appropriated for pass-through to third
2 parties or other entities;

3 (b) Enrollments in state institutions of higher education;

4 (c) A specific amount contained in a condition or limitation to an
5 appropriation in the biennial appropriations act, if the agency did not
6 achieve the specific purpose or objective of the condition or
7 limitation;

8 (d) Debt service on state obligations; and

9 (e) State retirement system obligations.

10 (4) The office of financial management, after consulting with the
11 legislative fiscal committees, shall report the amount of savings
12 incentives achieved.

13 (5) (~~For fiscal year 2009, the legislature may transfer from the~~
14 ~~savings incentive account to the state general fund such amounts as~~
15 ~~reflect the fund balance of the account attributable to unspent state~~
16 ~~general fund appropriations for fiscal year 2008.~~) For fiscal year
17 2010, the legislature may transfer from the savings incentive account
18 to the state general fund such amounts as reflect the fund balance of
19 the account attributable to unspent state general fund appropriations
20 for fiscal year 2009. For fiscal year 2011, the legislature may
21 transfer from the savings incentive account to the state general fund
22 such amounts as reflect the fund balance of the account attributable to
23 unspent state general fund appropriations for fiscal year 2010. For
24 fiscal year 2011, the legislature may transfer from the savings
25 incentive account to the state general fund eight million dollars or as
26 much as reflects the fund balance of the account attributable to
27 unspent agency credits prior to fiscal year 2009. Credits for
28 legislative and judicial agencies are not included in this action, with
29 the exception and upon consent of the supreme court, court of appeals,
30 office of public defense, and office of civil legal aid.

31 **Sec. 910.** RCW 43.79.465 and 2010 1st sp.s. c 37 s 929 are each
32 amended to read as follows:

33 The education savings account is created in the state treasury.
34 The account shall consist of all moneys appropriated to the account by
35 the legislature.

36 (1) Ten percent of legislative appropriations to the education
37 savings account shall be distributed as follows: (a) Fifty percent to

1 the distinguished professorship trust fund under RCW 28B.76.565; (b)
2 seventeen percent to the graduate fellowship trust fund under RCW
3 28B.76.610; and (c) thirty-three percent to the college faculty awards
4 trust fund under RCW 28B.50.837.

5 (2) The remaining moneys in the education savings account may be
6 appropriated solely for (a) common school construction projects that
7 are eligible for funding from the common school construction account,
8 (b) technology improvements in the common schools, (c) during the 2001-
9 03 fiscal biennium, technology improvements in public higher education
10 institutions, (d) during the 2007-2009 fiscal biennium, the legislature
11 may transfer from the education savings account to the state general
12 fund such amounts as reflect the excess fund balance of the account
13 attributable to unspent state general fund appropriations for fiscal
14 year 2008, and (e) for fiscal year (~~(2010)~~) 2011, the legislature may
15 transfer from the education savings account to the state general fund
16 such amounts as reflect the fund balance of the account attributable to
17 unspent general fund appropriations for fiscal year (~~(2009)~~) 2010.

18 **Sec. 911.** RCW 43.83B.430 and 2002 c 371 s 910 are each amended to
19 read as follows:

20 The state drought preparedness account is created in the state
21 treasury. All receipts from appropriated funds designated for the
22 account and funds transferred from the state emergency water projects
23 revolving account must be deposited into the account. Moneys in the
24 account may be spent only after appropriation. Expenditures from the
25 account may be used only for drought preparedness. During the (~~(2001-~~
26 ~~2003)~~) 2009-2011 fiscal biennium, the legislature may transfer from the
27 state drought preparedness account to the state general fund such
28 amounts as reflect the excess fund balance of the account.

29 **Sec. 912.** RCW 43.105.080 and 2010 1st sp.s. c 37 s 931 are each
30 amended to read as follows:

31 There is created a revolving fund to be known as the data
32 processing revolving fund in the custody of the state treasurer. The
33 revolving fund shall be used for the acquisition of equipment,
34 software, supplies, and services and the payment of salaries, wages,
35 and other costs incidental to the acquisition, development, operation,
36 and administration of information services, telecommunications,

1 systems, software, supplies and equipment, including the payment of
2 principal and interest on bonds issued for capital projects, by the
3 department, Washington State University's computer services center, the
4 department of personnel's personnel information systems division, the
5 office of financial management's financial systems management group,
6 and other users as jointly determined by the department and the office
7 of financial management. The revolving fund is subject to the
8 allotment procedure provided under chapter 43.88 RCW. Disbursements
9 from the revolving fund for the services component of the department
10 are not subject to appropriation. Disbursements for the strategic
11 planning and policy component of the department are subject to
12 appropriation. All disbursements from the fund are subject to the
13 allotment procedures provided under chapter 43.88 RCW. The department
14 shall establish and implement a billing structure to assure all
15 agencies pay an equitable share of the costs.

16 During the 2009-2011 fiscal biennium, the legislature may transfer
17 from the data processing revolving account to the state general fund
18 such amounts as reflect the excess fund balance (~~associated with the~~
19 ~~information technology pool~~)).

20 As used in this section, the word "supplies" shall not be
21 interpreted to delegate or abrogate the division of purchasing's
22 responsibilities and authority to purchase supplies as described in RCW
23 43.19.190 and 43.19.200.

24 **Sec. 913.** RCW 43.330.094 and 2009 c 565 s 6 are each amended to
25 read as follows:

26 The tourism development and promotion account is created in the
27 state treasury. All receipts from RCW 36.102.060(10) must be deposited
28 into the account. Moneys in the account may be spent only after
29 appropriation. Expenditures from the account may be used by the
30 department of commerce only for the purposes of expanding and promoting
31 the tourism industry in the state of Washington. During the 2009-2011
32 fiscal biennium, the legislature may transfer from the tourism
33 development and promotion account to the state general fund such
34 amounts as reflect the excess fund balance of the account.

35 **Sec. 914.** RCW 43.336.050 and 2007 c 228 s 105 are each amended to
36 read as follows:

1 The tourism enterprise account is created in the custody of the
2 state treasurer.

3 (1) All receipts from RCW 43.336.030(2)(a) must be deposited into
4 the account. Only the executive director or the executive director's
5 designee may authorize expenditures from the account. The account is
6 subject to allotment procedures under chapter 43.88 RCW, but an
7 appropriation is not required for expenditures.

8 (2) Moneys transferred from the state convention and trade
9 (~~(center)~~) center account to this account(~~(, as provided in RCW~~
10 ~~67.40.040,)~~) shall be available for expenditure in accordance with the
11 requirements of this section. As provided under subsection (3) of this
12 section, moneys must be matched with private sector cash contributions,
13 the value of an advertising equivalency contribution, or through an in-
14 kind contribution. The commission shall determine criteria for what
15 qualifies as an in-kind contribution. The moneys subject to match may
16 be expended as private match is received or with evidence of qualified
17 expenditure.

18 (3)(a) Twenty-five percent of the moneys transferred in fiscal year
19 2009 are subject to a match;

20 (b) Fifty percent of the moneys transferred in fiscal year 2010 are
21 subject to a match; and

22 (c) One hundred percent of the moneys transferred in fiscal year
23 2011, and thereafter, are subject to a match.

24 (4) Expenditures from the account may be used by the department of
25 (~~community, trade, and economic development~~) commerce only for the
26 purposes of expanding and promoting the tourism industry in the state
27 of Washington.

28 (5) During the 2009-2011 fiscal biennium, the legislature may
29 transfer from the tourism enterprise account to the state general fund
30 such amounts as reflect the excess fund balance of the account.

31 **Sec. 915.** RCW 46.66.080 and 2009 c 564 s 945 are each amended to
32 read as follows:

33 (1) The Washington auto theft prevention authority account is
34 created in the state treasury, subject to appropriation. All revenues
35 from the traffic infraction surcharge in RCW 46.63.110(7)(b) and all
36 receipts from gifts, grants, bequests, devises, or other funds from
37 public and private sources to support the activities of the auto theft

1 prevention authority must be deposited into the account. Expenditures
2 from the account may be used only for activities relating to motor
3 vehicle theft, including education, prevention, law enforcement,
4 investigation, prosecution, and confinement. During the 2009-2011
5 fiscal biennium, the legislature may appropriate moneys from the
6 Washington auto theft prevention authority account for criminal justice
7 purposes and community building and may transfer funds to the state
8 general fund such amounts as reflect the excess fund balance of the
9 account.

10 (2) The authority shall allocate moneys appropriated from the
11 account to public agencies for the purpose of establishing,
12 maintaining, and supporting programs that are designed to prevent motor
13 vehicle theft, including:

14 (a) Financial support to prosecution agencies to increase the
15 effectiveness of motor vehicle theft prosecution;

16 (b) Financial support to a unit of local government or a team
17 consisting of units of local governments to increase the effectiveness
18 of motor vehicle theft enforcement;

19 (c) Financial support for the procurement of equipment and
20 technologies for use by law enforcement agencies for the purpose of
21 enforcing motor vehicle theft laws; and

22 (d) Financial support for programs that are designed to educate and
23 assist the public in the prevention of motor vehicle theft.

24 (3) The costs of administration shall not exceed ten percent of the
25 moneys in the account in any one year so that the greatest possible
26 portion of the moneys available to the authority is expended on
27 combating motor vehicle theft.

28 (4) Prior to awarding any moneys from the Washington auto theft
29 prevention authority account for motor vehicle theft enforcement, the
30 auto theft prevention authority must verify that the financial award
31 includes sufficient funding to cover proposed activities, which
32 include, but are not limited to: (a) State, municipal, and county
33 offender and juvenile confinement costs; (b) administration costs; (c)
34 law enforcement costs; (d) prosecutor costs; and (e) court costs, with
35 a priority being given to ensuring that sufficient funding is available
36 to cover state, municipal, and county offender and juvenile confinement
37 costs.

1 (5) Moneys expended from the Washington auto theft prevention
2 authority account under subsection (2) of this section shall be used to
3 supplement, not supplant, other moneys that are available for motor
4 vehicle theft prevention.

5 (6) Grants provided under subsection (2) of this section constitute
6 reimbursement for purposes of RCW 43.135.060(1).

7 **Sec. 916.** RCW 43.350.070 and 2005 c 424 s 8 are each amended to
8 read as follows:

9 The life sciences discovery fund is created in the custody of the
10 state treasurer. Only the board or the board's designee may authorize
11 expenditures from the fund. Expenditures from the fund may be made
12 only for purposes of this chapter. Administrative expenses of the
13 authority, including staff support, may be paid only from the fund.
14 Revenues to the fund consist of transfers made by the legislature from
15 strategic contribution payments deposited in the tobacco settlement
16 account under RCW 43.79.480, moneys received pursuant to contribution
17 agreements entered into pursuant to RCW 43.350.030, moneys received
18 from gifts, grants, and bequests, and interest earned on the fund.
19 During the 2009-2011 fiscal biennium, the legislature may transfer to
20 other state funds or accounts such amounts as represent the excess
21 balance of the life sciences discovery fund.

22 **Sec. 917.** RCW 51.44.170 and 2003 1st sp.s. c 25 s 926 are each
23 amended to read as follows:

24 The industrial insurance premium refund account is created in the
25 custody of the state treasurer. All industrial insurance refunds
26 earned by state agencies or institutions of higher education under the
27 state fund retrospective rating program shall be deposited into the
28 account. The account is subject to the allotment procedures under
29 chapter 43.88 RCW, but no appropriation is required for expenditures
30 from the account. Only the executive head of the agency or institution
31 of higher education, or designee, may authorize expenditures from the
32 account. No agency or institution of higher education may make an
33 expenditure from the account for an amount greater than the refund
34 earned by the agency. If the agency or institution of higher education
35 has staff dedicated to workers' compensation claims management,
36 expenditures from the account must be used to pay for that staff, but

1 additional expenditure from the account may be used for any program
2 within an agency or institution of higher education that promotes or
3 provides incentives for employee workplace safety and health and early,
4 appropriate return-to-work for injured employees. During the ((2003-
5 2005)) 2009-2011 fiscal biennium, the legislature may transfer from the
6 industrial insurance premium refund account to the state general fund
7 such amounts as reflect the excess fund balance of the account.

8 **Sec. 918.** RCW 66.08.235 and 2005 c 151 s 4 are each amended to
9 read as follows:

10 The liquor control board construction and maintenance account is
11 created within the state treasury. The liquor control board shall
12 deposit into this account a portion of the board's markup, as
13 authorized by chapter 66.16 RCW, placed upon liquor as determined by
14 the board. Moneys in the account may be spent only after
15 appropriation. The liquor control board shall use deposits to this
16 account to fund construction and maintenance of a centralized
17 distribution center for liquor products intended for sale through the
18 board's liquor store and contract liquor store system. During the
19 ((2001-2003)) 2009-2011 fiscal biennium, the legislature may transfer
20 from the liquor control board construction and maintenance account to
21 the state general fund such amounts as reflect the ((~~appropriations~~
22 ~~reductions made by the 2002 supplemental appropriations act for~~
23 ~~administrative efficiencies and savings~~)) excess fund balance in the
24 account.

25 **Sec. 919.** RCW 80.36.430 and 2010 1st sp.s. c 37 s 951 are each
26 amended to read as follows:

27 (1) The Washington telephone assistance program shall be funded by
28 a telephone assistance excise tax on all switched access lines and by
29 funds from any federal government or other programs for this purpose.
30 Switched access lines are defined in RCW 82.14B.020. The telephone
31 assistance excise tax shall be applied equally to all residential and
32 business access lines not to exceed fourteen cents per month. The
33 department shall submit an approved annual budget for the Washington
34 telephone assistance program to the department of revenue no later than
35 March 1st prior to the beginning of each fiscal year. The department
36 of revenue shall then determine the amount of telephone assistance

1 excise tax to be placed on each switched access line and shall inform
2 local exchange companies and the utilities and transportation
3 commission of this amount no later than May 1st. The department of
4 revenue shall determine the amount of telephone assistance excise tax
5 by dividing the total of the program budget funded by the telephone
6 assistance excise tax, as submitted by the department, by the total
7 number of switched access lines in the prior calendar year. The
8 telephone assistance excise tax shall be separately identified on each
9 ratepayer's bill as the "Washington telephone assistance program." All
10 money collected from the telephone assistance excise tax shall be
11 transferred to a telephone assistance fund administered by the
12 department.

13 (2) Local exchange companies shall bill the fund for their expenses
14 incurred in offering the telephone assistance program, including
15 administrative and program expenses. The department shall disburse the
16 money to the local exchange companies. The department is exempted from
17 having to conclude a contract with local exchange companies in order to
18 effect this reimbursement. The department shall recover its
19 administrative costs from the fund. The department may specify by rule
20 the range and extent of administrative and program expenses that will
21 be reimbursed to local exchange companies.

22 (3) The department shall enter into an agreement with the
23 department of commerce for an amount not to exceed eight percent of the
24 prior fiscal year's total revenue for the administrative and program
25 expenses of providing community service voice mail services. The
26 community service voice mail service may include toll-free lines in
27 community action agencies through which recipients can access their
28 community service voice mailboxes at no charge.

29 (4) During the 2009-2011 biennium, the department shall enter into
30 an agreement with the WIN 211 organization for operational support.

31 (5) During the 2009-2011 biennium, the telephone assistance fund
32 shall also be used in support of the economic services administration
33 call centers and related operations.

34 **Sec. 920.** RCW 82.14.380 and 1999 c 311 s 201 are each amended to
35 read as follows:

36 (1) The distressed county assistance account is created in the
37 state treasury. Into this account shall be placed a portion of all

1 motor vehicle excise tax receipts as provided in RCW 82.44.110. At
2 such times as distributions are made under RCW 82.44.150, the state
3 treasurer shall distribute the funds in the distressed county
4 assistance account to each county imposing the sales and use tax
5 authorized under RCW 82.14.370 as of January 1, 1999, in the same
6 proportions as distributions of the tax imposed under RCW 82.14.370 for
7 these counties for the previous quarter.

8 (2) Funds distributed from the distressed county assistance account
9 shall be expended by the counties for criminal justice and other
10 purposes. During the 2009-2011 fiscal biennium, the legislature may
11 transfer from the distressed county assistance account to the state
12 general fund such amounts as reflect the excess fund balance of the
13 account.

14 NEW SECTION. **Sec. 921.** If any provision of this act or its
15 application to any person or circumstance is held invalid, the
16 remainder of the act or the application of the provision to other
17 persons or circumstances is not affected.

18 NEW SECTION. **Sec. 922.** This act is necessary for the immediate
19 preservation of the public peace, health, or safety, or support of the
20 state government and its existing public institutions, and takes effect
21 immediately.

(End of bill)

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ESHB 1086 - CONF REPT
By Conference Committee

1 On page 1, line 1 of the title, after "matters;" strike the
2 remainder of the title and insert "amending RCW 43.03.220, 43.03.230,
3 43.03.240, 43.03.250, 43.03.265, 43.21A.660, 43.21A.667, 43.79.460,

1 43.79.465, 43.83B.430, 43.105.080, 43.330.094, 43.336.050, 46.66.080,
2 43.350.070, 51.44.170, 66.08.235, 80.36.430, and 82.14.380; amending
3 2010 2nd sp.s. c 1 ss 104, 105, 109, 114, 115, 117, 118, 201, 202, 203,
4 204, 205, 206, 207, 208, 209, 210, 211, 212, 213, 214, 302, 303, 304,
5 307, 308, 309, 310, 501, 502, 503, 601, 602, 603, 604, 605, 606, 607,
6 and 801 (uncodified); amending 2010 1st sp.s. c 37 ss 103, 106, 107,
7 118, 120, 121, 123, 124, 126, 127, 128, 130, 133, 134, 138, 141, 142,
8 146, 148, 150, 151, 153, 213, 215, 217, 218, 219, 220, 224, 225, 226,
9 401, 402, 505, 506, 507, 508, 511, 610, 611, 612, 613, 614, 615, 616,
10 617, 618, 619, 705, 707, and 711 (uncodified); amending 2010 1st sp.s.
11 c 32 s 3 (uncodified); amending 2010 1st sp.s. c 31 s 1 (uncodified);
12 amending 2009 c 564 s 711 (uncodified); adding new sections to 2009 c
13 564 (uncodified); making appropriations; and declaring an emergency."

--- END ---