



**PROPOSED SENATE
2011-13
OPERATING BUDGET**

**PROPOSED STRIKING AMENDMENT
TO ESHB 1087**

SENATE CHAIR

**SENATE WAYS & MEANS COMMITTEE
APRIL 12, 2011**

ESHB 1087 - S COMM AMD
By Committee on Ways & Means

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

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

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

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

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

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

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

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

26 **PART I**
27 **GENERAL GOVERNMENT**

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

2	General Fund--State Appropriation (FY 2012)	\$30,870,000
3	General Fund--State Appropriation (FY 2013)	\$31,497,000
4	Motor Vehicle Account--State Appropriation	\$1,316,000
5	TOTAL APPROPRIATION	\$63,683,000

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

7	General Fund--State Appropriation (FY 2012)	\$22,709,000
8	General Fund--State Appropriation (FY 2013)	\$24,887,000
9	Motor Vehicle Account--State Appropriation	\$1,087,000
10	TOTAL APPROPRIATION	\$48,683,000

11 NEW SECTION. **Sec. 103. FOR THE JOINT LEGISLATIVE AUDIT AND REVIEW**
12 **COMMITTEE**

13	General Fund--State Appropriation (FY 2012)	\$2,768,000
14	General Fund--State Appropriation (FY 2013)	\$2,839,000
15	TOTAL APPROPRIATION	\$5,607,000

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

18 (1) Notwithstanding the provisions of this section, the joint
19 legislative audit and review committee may adjust the due dates for
20 projects included on the committee's 2011-13 work plan as necessary to
21 efficiently manage workload.

22 (2) Within the amounts appropriated in this section, the committee
23 shall conduct a review of the state's workplace safety and health
24 program. The review shall examine workplace safety inspection,
25 enforcement, training, and outreach efforts compared to other states
26 and federal programs; analyze workplace injury and illness rates and
27 trends in Washington; identify factors that may influence workplace
28 safety and health; and identify practices that may improve workplace
29 safety and health and/or impact insurance rates.

30 (3) Within the amounts appropriated in this section, the committee
31 shall conduct a review of marketing and vendor expenditures and
32 incentive payment programs at the state lottery commission to identify
33 cost savings and efficiencies to maximize contributions to
34 beneficiaries under this act. This review shall include examination of
35 the following:

1 (a) An analysis of marketing expenses and the impact on ticket
 2 sales; the impact to sales of tickets from the change in lottery
 3 beneficiaries; the competitive contracting processes for marketing
 4 services and vendors and comparison to other states; identification of
 5 whether there are duplicative or unproductive marketing activities; and
 6 identification of whether savings may occur from changing vendors.

7 (b) A description of how the employee incentive payment program at
 8 the state lottery commission operates, and comparison to best practices
 9 for outcome-based performance payments.

10 NEW SECTION. **Sec. 104. FOR THE LEGISLATIVE EVALUATION AND**
 11 **ACCOUNTABILITY PROGRAM COMMITTEE**

12	General Fund--State Appropriation (FY 2012)	\$1,690,000
13	General Fund--State Appropriation (FY 2013)	\$1,861,000
14	TOTAL APPROPRIATION	\$3,551,000

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

16	General Fund--State Appropriation (FY 2012)	\$24,000
17	General Fund--State Appropriation (FY 2013)	\$24,000
18	Department of Retirement Systems Expense	
19	Account--State Appropriation	\$3,367,000
20	TOTAL APPROPRIATION	\$3,415,000

21 NEW SECTION. **Sec. 106. FOR THE JOINT LEGISLATIVE SYSTEMS**
 22 **COMMITTEE**

23	General Fund--State Appropriation (FY 2012)	\$8,358,000
24	General Fund--State Appropriation (FY 2013)	\$8,273,000
25	TOTAL APPROPRIATION	\$16,631,000

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

27	General Fund--State Appropriation (FY 2012)	\$4,363,000
28	General Fund--State Appropriation (FY 2013)	\$4,824,000
29	TOTAL APPROPRIATION	\$9,187,000

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

31	General Fund--State Appropriation (FY 2012)	\$1,627,000
32	General Fund--State Appropriation (FY 2013)	\$154,000
33	TOTAL APPROPRIATION	\$1,781,000

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

7 NEW SECTION. **Sec. 109. FOR THE SUPREME COURT**

8 General Fund--State Appropriation (FY 2012) \$6,897,000
9 General Fund--State Appropriation (FY 2013) \$6,938,000
10 TOTAL APPROPRIATION \$13,835,000

11 NEW SECTION. **Sec. 110. FOR THE LAW LIBRARY**

12 General Fund--State Appropriation (FY 2012) \$500,000
13 General Fund--State Appropriation (FY 2013) \$500,000
14 TOTAL APPROPRIATION \$1,000,000

15 NEW SECTION. **Sec. 111. FOR THE COURT OF APPEALS**

16 General Fund--State Appropriation (FY 2012) \$15,259,000
17 General Fund--State Appropriation (FY 2013) \$15,380,000
18 TOTAL APPROPRIATION \$30,639,000

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

20 General Fund--State Appropriation (FY 2012) \$1,102,000
21 General Fund--State Appropriation (FY 2013) \$1,039,000
22 TOTAL APPROPRIATION \$2,141,000

23 NEW SECTION. **Sec. 113. FOR THE ADMINISTRATOR FOR THE COURTS**

24 General Fund--State Appropriation (FY 2012) \$54,017,000
25 General Fund--State Appropriation (FY 2013) \$53,549,000
26 General Fund--Federal Appropriation \$1,551,000
27 General Fund--Private/Local Appropriation \$260,000
28 Judicial Information Systems Account--State
29 Appropriation \$28,847,000
30 Judicial Stabilization Trust Account--State
31 Appropriation \$3,609,000
32 TOTAL APPROPRIATION \$141,833,000

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

3 (1) \$1,800,000 of the general fund--state appropriation for fiscal
4 year 2012 and \$1,800,000 of the general fund--state appropriation for
5 fiscal year 2013 are provided solely for school districts for petitions
6 to juvenile court for truant students as provided in RCW 28A.225.030
7 and 28A.225.035. The office of the administrator for the courts shall
8 develop an interagency agreement with the superintendent of public
9 instruction to allocate the funding provided in this subsection.
10 Allocation of this money to school districts shall be based on the
11 number of petitions filed. This funding includes amounts school
12 districts may expend on the cost of serving petitions filed under RCW
13 28A.225.030 by certified mail or by personal service or for the
14 performance of service of process for any hearing associated with RCW
15 28A.225.030.

16 (2)(a) \$8,252,000 of the general fund--state appropriation for
17 fiscal year 2012 and \$8,253,000 of the general fund--state
18 appropriation for fiscal year 2013 are provided solely for distribution
19 to county juvenile court administrators to fund the costs of processing
20 truancy, children in need of services, and at-risk youth petitions.
21 The administrator for the courts, in conjunction with the juvenile
22 court administrators, shall develop an equitable funding distribution
23 formula. The formula shall neither reward counties with higher than
24 average per-petition processing costs nor shall it penalize counties
25 with lower than average per-petition processing costs.

26 (b) Each fiscal year during the 2009-11 fiscal biennium, each
27 county shall report the number of petitions processed and the total
28 actual costs of processing truancy, children in need of services, and
29 at-risk youth petitions. Counties shall submit the reports to the
30 administrator for the courts no later than 45 days after the end of the
31 fiscal year. The administrator for the courts shall electronically
32 transmit this information to the chairs and ranking minority members of
33 the house of representatives and senate ways and means committees no
34 later than 60 days after a fiscal year ends. These reports are deemed
35 informational in nature and are not for the purpose of distributing
36 funds.

37 (3) The distributions made under this subsection and distributions
38 from the county criminal justice assistance account made pursuant to

1 section 801 of this act constitute appropriate reimbursement for costs
2 for any new programs or increased level of service for purposes of RCW
3 43.135.060.

4 (4) \$265,000 of the general fund--state appropriation for fiscal
5 year 2012 is provided solely for the office of public guardianship to
6 provide guardianship services for low-income incapacitated persons.

7 (5) By September 1, 2011, the administrative office of the courts
8 shall report to the supreme court and the fiscal and judicial
9 committees of the legislature the actual expenditures by program and
10 fund source, including amounts spent on constitutionally required
11 activities, for the 2009-2011 fiscal biennium and projected
12 expenditures by program and fund source for the 2011-2013 fiscal
13 biennium. Sixty days after each legislative session, the
14 administrative office of the courts shall report to the fiscal and
15 judicial committees of the legislature on how reductions in
16 appropriations were allocated by program.

17 (6) \$225,000 of the general fund--state appropriation for fiscal
18 year 2012 is provided solely for the development and implementation of
19 a static risk assessment for use by trial courts in determining bail
20 for offenders. The Washington state center for court research shall
21 establish quality assurance standards for implementation of the risk
22 assessment and evaluate the tool's ability to predict risk level,
23 recidivism, and failure to appear.

24 (7) \$1,178,000 of the judicial information systems account--state
25 appropriation is provided solely for replacing computer equipment at
26 state courts and state judicial agencies.

27 (8) \$651,000 of the judicial information systems account--state
28 appropriation is provided solely for continued planning and
29 implementation of a superior court calendaring and case flow management
30 system.

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

32	General Fund--State Appropriation (FY 2012)	\$25,493,000
33	General Fund--State Appropriation (FY 2013)	\$25,437,000
34	Judicial Stabilization Trust Account--State	
35	Appropriation	\$1,660,000
36	TOTAL APPROPRIATION	\$52,590,000

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

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

5 (2) By December 1, 2011, the office of public defense shall submit
6 to the appropriate policy and fiscal committees of the legislature a
7 proposal for office of public defense to assume the effective and
8 efficient administration of defense services for indigent persons
9 throughout the state who are involved in proceedings under chapter
10 71.09 RCW. In developing its proposal, the office of public defense
11 should consult with interested stakeholders, including the King county
12 public defender, the Washington defender association, the Washington
13 association of criminal defense lawyers, the administrative office of
14 the courts, the superior court judges association, the office of the
15 attorney general, the King county prosecuting attorney, the Washington
16 association of counties, and the department of social and health
17 services. At a minimum, the proposal should identify:

18 (a) Procedures to control costs and require accountability,
19 consistent with the state's obligation to ensure the right to counsel
20 under both the United States Constitution and the Washington
21 Constitution;

22 (b) Appropriate practice standards for trial-level defense of
23 indigent persons involved in proceedings under chapter 71.09 RCW, an
24 estimated number of attorneys statewide who are qualified to provide
25 such representation, and reasonable compensation for such defense
26 services;

27 (c) The total budget necessary to implement the proposal statewide
28 for fiscal year 2013, including administrative support; and

29 (d) Possible savings to the state and counties that might result
30 from implementing the proposal.

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

32	General Fund--State Appropriation (FY 2012)	\$11,219,000
33	General Fund--State Appropriation (FY 2013)	\$11,229,000
34	Judicial Stabilization Trust Account--State	
35	Appropriation	\$732,000
36	TOTAL APPROPRIATION	\$23,180,000

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

9 NEW SECTION. **Sec. 116. FOR THE OFFICE OF THE GOVERNOR**

10	General Fund--State Appropriation (FY 2012)	\$5,625,000
11	General Fund--State Appropriation (FY 2013)	\$5,628,000
12	Economic Development Strategic Reserve Account--State	
13	Appropriation	\$1,500,000
14	TOTAL APPROPRIATION	\$12,753,000

15 The appropriations in this section are subject to the following
16 conditions and limitations: \$1,500,000 of the economic development
17 strategic reserve account appropriation is provided solely for efforts
18 to assist with currently active industrial recruitment efforts that
19 will bring new jobs to the state or will retain headquarter locations
20 of major companies currently housed in the state.

21 NEW SECTION. **Sec. 117. FOR THE LIEUTENANT GOVERNOR**

22	General Fund--State Appropriation (FY 2012)	\$703,000
23	General Fund--State Appropriation (FY 2013)	\$717,000
24	General Fund--Private/Local Appropriation	\$90,000
25	TOTAL APPROPRIATION	\$1,510,000

26 NEW SECTION. **Sec. 118. FOR THE PUBLIC DISCLOSURE COMMISSION**

27	General Fund--State Appropriation (FY 2012)	\$2,114,000
28	General Fund--State Appropriation (FY 2013)	\$2,153,000
29	TOTAL APPROPRIATION	\$4,267,000

30 NEW SECTION. **Sec. 119. FOR THE SECRETARY OF STATE**

31	General Fund--State Appropriation (FY 2012)	\$18,164,000
32	General Fund--State Appropriation (FY 2013)	\$15,648,000
33	General Fund--Federal Appropriation	\$7,431,000
34	Archives and Records Management Account--State	

1	Appropriation	\$8,065,000
2	Charitable Organization Education Account--State	
3	Appropriation	\$452,000
4	Local Government Archives Account--State	
5	Appropriation	\$10,728,000
6	Election Account--Federal Appropriation	\$17,338,000
7	TOTAL APPROPRIATION	\$77,826,000

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

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

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

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

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

1 (d) No portion of any amounts disbursed pursuant to this subsection
 2 may be used, directly or indirectly, for any of the following purposes:
 3 (i) Attempting to influence the passage or defeat of any
 4 legislation by the legislature of the state of Washington, by any
 5 county, city, town, or other political subdivision of the state of
 6 Washington, or by the congress, or the adoption or rejection of any
 7 rule, standard, rate, or other legislative enactment of any state
 8 agency;
 9 (ii) Making contributions reportable under chapter 42.17 RCW; or
 10 (iii) Providing any: (A) Gift; (B) honoraria; or (C) travel,
 11 lodging, meals, or entertainment to a public officer or employee.
 12 (3) Any reductions to funding for the Washington talking book and
 13 Braille library may not exceed in proportion any reductions taken to
 14 the funding for the library as a whole.

15 NEW SECTION. **Sec. 120. FOR THE GOVERNOR'S OFFICE OF INDIAN**
 16 **AFFAIRS**

17	General Fund--State Appropriation (FY 2012)	\$271,000
18	General Fund--State Appropriation (FY 2013)	\$281,000
19	TOTAL APPROPRIATION	\$552,000

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

31 NEW SECTION. **Sec. 121. FOR THE COMMISSION ON ASIAN PACIFIC**
 32 **AMERICAN AFFAIRS**

33	General Fund--State Appropriation (FY 2012)	\$242,000
34	General Fund--State Appropriation (FY 2013)	\$229,000
35	TOTAL APPROPRIATION	\$471,000

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

2 State Treasurer's Service Account--State

3 Appropriation \$15,300,000

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

5 State Auditing Services Revolving Account--State

6 Appropriation \$10,744,000

7 Performance Audit of Government Account--State

8 Appropriation \$1,961,000

9 TOTAL APPROPRIATION \$12,705,000

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

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

17 (2) \$1,461,000 of the performance audits of government account
18 appropriation is provided solely for staff and related costs to verify
19 the accuracy of reported school district data submitted for state
20 funding purposes; conduct school district program audits of state
21 funded public school programs; establish the specific amount of state
22 funding adjustments whenever audit exceptions occur and the amount is
23 not firmly established in the course of regular public school audits;
24 and to assist the state special education safety net committee when
25 requested.

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

34 (4) \$500,000 of performance audits of state government account
35 appropriation is provided solely for the fraud ombudsman to review and
36 audit the fraud investigative work of the division of fraud
37 investigations of the department of social and health services.

1 NEW SECTION. **Sec. 124. FOR THE CITIZENS' COMMISSION ON SALARIES**
2 **FOR ELECTED OFFICIALS**

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

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

7	General Fund--State Appropriation (FY 2012)	\$4,270,000
8	General Fund--State Appropriation (FY 2013)	\$4,270,000
9	General Fund--Federal Appropriation	\$8,819,000
10	New Motor Vehicle Arbitration Account--State	
11	Appropriation	\$1,000,000
12	Legal Services Revolving Account--State	
13	Appropriation	\$221,376,000
14	Tobacco Prevention and Control Account--State	
15	Appropriation	\$270,000
16	Medicaid Fraud Penalty Account--State Appropriation	\$2,825,000
17	TOTAL APPROPRIATION	\$242,830,000

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

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

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

35 (3) The attorney general shall annually report to the fiscal
36 committees of the legislature all new cy pres awards and settlements
37 and all new accounts, disclosing their intended uses, balances, the

1 nature of the claim or account, proposals, and intended timeframes for
2 the expenditure of each amount. The report shall be distributed
3 electronically and posted on the attorney general's web site. The
4 report shall not be printed on paper or distributed physically.

5 (4) The attorney general shall enter into an interagency agreement
6 with the department of social and health services for expenditure of
7 the state's proceeds from the *cy pres* settlement in *State of Washington*
8 *v. AstraZeneca* (Seroquel) for the purposes set forth in sections 204,
9 209, and 1109 of this act.

10 (5) \$62,000 of the legal services revolving fund--state
11 appropriation is provided solely to implement House Bill No. 1770
12 (state purchasing). If the bill is not enacted by June 30, 2011, the
13 amount provided in this subsection shall lapse.

14 (6) \$124,000 of the legal services revolving fund--state
15 appropriation is provided solely to implement House Bill No. 2002
16 (industrial insurance). If the bill is not enacted by June 30, 2011,
17 the amount provided in this subsection shall lapse.

18 (7) \$3,616,000 of the legal services revolving account--state
19 appropriation is provided solely to implement Engrossed Senate Bill No.
20 5566 (workers' compensation). If the bill is not enacted by June 30,
21 2011, the amount provided in this subsection shall lapse.

22 (8) The office of the attorney general is authorized to expend
23 \$2,100,000 from the *Zyprexa* and other *cy pres* awards towards consumer
24 protection costs in accordance with uses authorized in the court
25 orders.

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

27	General Fund--State Appropriation (FY 2012)	\$761,000
28	General Fund--State Appropriation (FY 2013)	\$762,000
29	TOTAL APPROPRIATION	\$1,523,000

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

31	General Fund--State Appropriation (FY 2012)	\$32,921,000
32	General Fund--State Appropriation (FY 2013)	\$33,282,000
33	General Fund--Federal Appropriation	\$274,348,000
34	General Fund--Private/Local Appropriation	\$4,982,000
35	Public Works Assistance Account--State	
36	Appropriation	\$2,834,000

1	Drinking Water Assistance Administrative	
2	Account--State Appropriation	\$443,000
3	Lead Paint Account--State Appropriation	\$65,000
4	Building Code Council Account--State Appropriation	\$13,000
5	Home Security Fund Account--State Appropriation	\$11,252,000
6	Affordable Housing for All Account--State	
7	Appropriation	\$11,905,000
8	County Research Services Account--State Appropriation	\$1,081,000
9	Financial Fraud and Identity Theft Crimes Investigation	
10	and Prosecution Account--State Appropriation	\$1,166,000
11	Low-Income Weatherization Assistance Account--State	
12	Appropriation	\$5,795,000
13	City and Town Research Services Account--State	
14	Appropriation	\$5,166,000
15	Manufacturing Innovation and Modernization	
16	Account--State Appropriation	\$61,000
17	Community and Economic Development Fee Account--State	
18	Appropriation	\$8,648,000
19	Washington Housing Trust Account--State	
20	Appropriation	\$15,476,000
21	Prostitution Prevention and Intervention Account--	
22	State Appropriation	\$94,000
23	Public Facility Construction Loan Revolving	
24	Account--State Appropriation	\$764,000
25	Lifeline Opportunity Assistance Account--State	
26	Appropriation	\$14,438,000
27	Washington Auto Theft Prevention Authority Account--	
28	State Appropriation	\$194,000
29	TOTAL APPROPRIATION	\$424,928,000

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

32 (1) Repayments of outstanding mortgage and rental assistance
33 program loans administered by the department under RCW 43.63A.640 shall
34 be remitted to the department, including any current revolving account
35 balances. The department shall collect payments on outstanding loans,
36 and deposit them into the state general fund. Repayments of funds owed
37 under the program shall be remitted to the department according to the
38 terms included in the original loan agreements.

1 (2) \$475,000 of the general fund--state appropriation for fiscal
2 year 2012 and \$475,000 of the general fund--state appropriation for
3 fiscal year 2013 are provided solely for a grant to resolution
4 Washington to building statewide capacity for alternative dispute
5 resolution centers and dispute resolution programs that guarantee that
6 citizens have access to low-cost resolution as an alternative to
7 litigation.

8 (3) \$306,000 of the general fund--state appropriation for fiscal
9 year 2012 and \$306,000 of the general fund--state appropriation for
10 fiscal year 2013 are provided solely for a grant to the retired senior
11 volunteer program.

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

15 (5) \$1,800,000 of the home security fund--state appropriation is
16 provided for transitional housing assistance or partial payments for
17 rental assistance under the independent youth housing program.

18 (6) \$5,000,000 of the home security fund--state appropriation is
19 for the operation, repair, and staffing of shelters in the homeless
20 family shelter program.

21 (7) \$198,000 of the general fund--state appropriation for fiscal
22 year 2012 and \$198,000 of the general fund--state appropriation for
23 fiscal year 2013 are provided solely for the Washington new Americans
24 program.

25 (8) \$2,989,000 of the general fund--state appropriation for fiscal
26 year 2012 and \$2,989,000 of the general fund--state appropriation for
27 fiscal year 2013 are provided solely for associate development
28 organizations.

29 (9) \$127,000 of the general fund--federal appropriation is provided
30 solely for implementation of Substitute House Bill No. 1886
31 (Ruckelshaus center process). If the bill is not enacted by June 30,
32 2011, the amount provided in this subsection shall lapse.

33 (10) Up to \$200,000 of the general fund--private/local
34 appropriation is for a grant to the Washington tourism alliance for the
35 maintenance of the Washington state tourism web site
36 www.experiencewa.com and its related sub-sites. The department may
37 transfer ownership of the web site and other tourism promotion assets
38 and assign obligations to the Washington tourism alliance for purposes

1 of tourism promotion throughout the state. The alliance may use the
2 assets only in a manner consistent with the purposes for which they
3 were created. Any revenue generated from these assets must be used by
4 the alliance for the sole purposes of statewide Washington tourism
5 promotion. The legislature finds that the Washington tourism alliance,
6 a not-for-profit, 501.c.6 organization established, funded, and
7 governed by Washington tourism industry stakeholders to sustain
8 destination tourism marketing across Washington, is an appropriate body
9 to receive funding and assets from and assume obligations of the
10 department for the purposes described in this section.

11 (11) \$1,859,000 of the general fund--state appropriation for fiscal
12 year 2012 and \$1,859,000 of the general fund--state appropriation for
13 fiscal year 2013 are provided solely for innovative research teams,
14 also known as entrepreneurial STARS, at higher education research
15 institutions. Of these amounts no more than \$50,000 in fiscal year
16 2012 and no more than \$50,000 in fiscal year 2013 may be provided for
17 the operation of entrepreneur in residence programs at entrepreneurial
18 assistance organizations.

19 (12) The public works assistance account appropriation reflects
20 savings required by Substitute Senate Bill No. 5844 (local government
21 infrastructure), which requires the department to reduce expenditures
22 from the public works assistance account for central agency
23 administration for the 2011-2013 biennium.

24 (13) Within the appropriations in this section, specific funding is
25 provided to implement Substitute Senate Bill No. 5741 (economic
26 development commission).

27 (14) The lifeline opportunity and assistance account--state
28 appropriation, in addition to supplemental security income (SSI)
29 recoveries, is provided solely for the department to provide housing
30 services for disability lifeline clients pursuant to Senate Bill No.
31 . . . (disability lifeline).

32 NEW SECTION. **Sec. 128. FOR THE ECONOMIC AND REVENUE FORECAST**
33 **COUNCIL**

34	General Fund--State Appropriation (FY 2012)	\$691,000
35	General Fund--State Appropriation (FY 2013)	\$749,000
36	Lottery Administrative Account--State Appropriation	\$50,000
37	TOTAL APPROPRIATION	\$1,490,000

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

2	General Fund--State Appropriation (FY 2012)	\$19,418,000
3	General Fund--State Appropriation (FY 2013)	\$19,464,000
4	General Fund--Federal Appropriation	\$31,581,000
5	General Fund--Private/Local Appropriation	\$1,270,000
6	Performance Audits of Government Account--	
7	State Appropriation	\$25,000
8	Economic Development Strategic Reserve Account--	
9	State Appropriation	\$289,000
10	Department of Personnel Services--State Appropriation	\$9,069,000
11	Data Processing Revolving Account--State	
12	Appropriation	\$5,208,000
13	Higher Education Personnel Services Account--State	
14	Appropriation	\$1,533,000
15	Aquatic Lands Enhancement Account--State Appropriation	\$100,000
16	TOTAL APPROPRIATION	\$87,957,000

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

19 (1) \$1,210,000 of the general fund--state appropriation for fiscal
20 year 2012 and \$1,210,000 of the general fund--state appropriation for
21 fiscal year 2013 are provided solely for implementation of House Bill
22 No. 1178 (regulatory assistance office). If the bill is not enacted by
23 June 30, 2011, the amounts provided in this subsection shall lapse.

24 (2) \$150,000 of the general fund--state appropriation for fiscal
25 year 2012 is provided solely for the office of financial management to
26 contract with an independent consultant to evaluate and recommend the
27 most cost-effective provision of services required to support the
28 department of social and health services special commitment center on
29 McNeil Island. The evaluation shall include island operation services
30 that include, but are not limited to: (a) Marine transport of
31 passengers and goods; (b) wastewater treatment; (c) fire protection and
32 suppression; (d) electrical supply; (e) water supply; and (f) road
33 maintenance.

34 The office of financial management shall solicit the input of
35 Pierce county, the department of corrections, and the department of
36 social and health services in developing the request for proposal,
37 evaluating applications, and directing the evaluation. The consultant
38 shall report to the governor and legislature by November 15, 2011.

1 (3) \$100,000 of the aquatic lands enhancement account--state
2 appropriation is provided solely for the office of financial management
3 to prepare a report to be used to initiate a comprehensive, long-range
4 planning process for the future of McNeil Island during the 2013-2015
5 fiscal biennium.

6 (a) The report on the initiation of the process must document:

7 (i) Ownership issues, including consultation with the federal
8 government about its current legal requirements associated with the
9 island;

10 (ii) Federal and state decision-making processes to change use or
11 ownership;

12 (iii) Tribal treaty interests;

13 (iv) Fish and wildlife species and their habitats;

14 (v) Land use and public safety needs;

15 (vi) Recreational opportunities for the general public;

16 (vii) Historic and archaeological resources; and

17 (viii) Revenue from and necessary to support potential future uses
18 of the island.

19 (b) The report shall develop and recommend a comprehensive, long-
20 range planning process for the future of the island and associated
21 aquatic resources, addressing the items in (a) of this subsection.

22 (c) The office of financial management may use its own staff and
23 other public agency and tribal staff or contract for services, and may
24 create a work group of knowledgeable agencies, organizations, and
25 individuals to assist in preparing the report.

26 (d) The office of financial management shall engage in broad
27 consultation with interested parties, including, but not limited to:

28 (i) Federal agencies with relevant responsibilities;

29 (ii) Tribal governments;

30 (iii) State agencies;

31 (iv) Local governments and communities in the area, including the
32 Anderson Island community, Steilacoom, and Pierce county; and

33 (v) Interested private organizations and individuals.

34 (e) The report must be submitted to the governor and appropriate
35 committees of the legislature by October 1, 2012.

36 (4) As part of negotiations for labor contracts for the 2013-2015
37 fiscal biennium, the office of labor relations shall propose to the

1 bargaining representatives for state employees the authorization to
2 collect employee health care premiums on a sliding scale based on the
3 employee's salary.

4 (5)(a) The office of financial management shall examine the defense
5 attorney and expert witness costs for the indigent defense of committed
6 persons or respondents to petitions for civil commitment including:

7 (i) Mechanisms for ensuring the consistent and efficient use of
8 resources across the state; and

9 (ii) The appropriate agency for administrative oversight of those
10 costs and how that oversight should be managed.

11 (b) The office of financial management shall submit a report with
12 the result of its examination and recommendations to the governor and
13 the legislature no later than November 1, 2011.

14 NEW SECTION. **Sec. 130. FOR THE OFFICE OF ADMINISTRATIVE HEARINGS**
15 Administrative Hearings Revolving Account--State
16 Appropriation \$35,648,000

17 The appropriation in this section is subject to the following
18 conditions and limitations: \$580,000 of the administrative hearings
19 revolving account--state appropriation is provided solely to implement
20 Substitute House Bill No. 1741 (temp assist/needly families). If the
21 bill is not enacted by June 30, 2011, the amount provided in this
22 subsection shall lapse.

23 NEW SECTION. **Sec. 131. FOR THE WASHINGTON STATE LOTTERY**
24 Lottery Administrative Account--State
25 Appropriation \$26,366,000

26 NEW SECTION. **Sec. 132. FOR THE COMMISSION ON HISPANIC AFFAIRS**
27 General Fund--State Appropriation (FY 2012) \$259,000
28 General Fund--State Appropriation (FY 2013) \$265,000
29 TOTAL APPROPRIATION \$524,000

30 NEW SECTION. **Sec. 133. FOR THE COMMISSION ON AFRICAN-AMERICAN**
31 **AFFAIRS**
32 General Fund--State Appropriation (FY 2012) \$249,000
33 General Fund--State Appropriation (FY 2013) \$249,000
34 TOTAL APPROPRIATION \$498,000

1 NEW SECTION. **Sec. 134. FOR THE DEPARTMENT OF RETIREMENT**
2 **SYSTEMS--OPERATIONS**

3 Department of Retirement Systems Expense

4 Account--State Appropriation \$47,859,000

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

7 (1) \$61,000 of the department of retirement systems--state
8 appropriation is provided solely for the administrative costs
9 associated with implementation of Senate Bill No. 5882 (local
10 government employees). If the bill is not enacted by June 30, 2011,
11 the amount provided in this subsection shall lapse.

12 (2) \$65,000 of the department of retirement systems--state
13 appropriation is provided solely for the administrative costs
14 associated with implementation of Senate Bill No. 5494 (plan 3 default
15 investment option). If the bill is not enacted by June 30, 2011, the
16 amount provided in this subsection shall lapse.

17 (3) \$58,000 of the department of retirement systems--state
18 appropriation is provided solely for the administrative costs
19 associated with implementation of Senate Bill No. 5852 (post-retirement
20 employment). If the bill is not enacted by June 30, 2011, the amount
21 provided in this subsection shall lapse.

22 (4) \$15,000 of the department of retirement systems--state
23 appropriation is provided solely for the administrative costs
24 associated with implementation of Senate Bill No. 5920 (limiting annual
25 increase amounts). If the bill is not enacted by June 30, 2011, the
26 amount provided in this subsection shall lapse.

27 (5) \$73,000 of the department of retirement systems expense
28 account--state appropriation is provided solely for the administrative
29 costs associated with implementation of Senate Bill No. 5860 (state
30 government employee compensation). If the bill is not enacted by June
31 30, 2011, the amount provided in this section shall lapse.

32 NEW SECTION. **Sec. 135. FOR THE DEPARTMENT OF REVENUE**
33 General Fund--State Appropriation (FY 2012) \$107,579,000
34 General Fund--State Appropriation (FY 2013) \$107,910,000
35 Timber Tax Distribution Account--State Appropriation \$6,090,000
36 Waste Reduction/Recycling/Litter Control--State
37 Appropriation \$135,000

1	Waste Tire Removal Account--State Appropriation	\$2,000
2	State Toxics Control Account--State Appropriation	\$91,000
3	Oil Spill Prevention Account--State Appropriation	\$19,000
4	Master License Fund--State Appropriation	\$14,334,000
5	Vehicle License Fraud Account--State Appropriation	\$5,000
6	Performance Audits of Government Account--State	
7	Appropriation	\$3,188,000
8	TOTAL APPROPRIATION	\$239,353,000

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

11 (1) \$3,188,000 of the performance audits of government account--
12 state appropriation is for the department to hire more auditors,
13 compliance staff, and taxpayer account administration staff in order to
14 generate additional revenues to the state.

15 (2) \$14,334,000 of the master license account--state appropriation
16 is provided solely for the implementation of Substitute Senate Bill No.
17 5911 (master license service program) or Substitute House Bill No. 2017
18 (master license service program). If neither bill is enacted by June
19 30, 2011, the amount provided in this subsection shall lapse.

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

21	State Investment Board Expense Account--State	
22	Appropriation	\$29,858,000

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

24	General Fund--State Appropriation (FY 2012)	\$1,275,000
25	General Fund--State Appropriation (FY 2013)	\$1,258,000
26	TOTAL APPROPRIATION	\$2,533,000

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

29	OMWBE Enterprises Account--State Appropriation	\$3,368,000
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30 NEW SECTION. **Sec. 139. FOR THE CONSOLIDATED TECHNOLOGY SERVICES**
31 **AGENCY**

32	General Fund--State Appropriation (FY 2012)	\$117,000
33	General Fund--State Appropriation (FY 2013)	\$118,000
34	General Fund--Private/Local Appropriation	\$356,000

1 Data Processing Revolving Account--State
2 Appropriation \$53,000
3 TOTAL APPROPRIATION \$644,000

4 The appropriations in this section are subject to the following
5 conditions and limitations: The appropriations in this section fund
6 implementation of Senate Bill No. 5931 (streamlining central service
7 functions).

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

9 General Fund--Federal Appropriation \$4,474,000
10 Insurance Commissioners Regulatory Account--State
11 Appropriation \$48,808,000
12 TOTAL APPROPRIATION \$53,282,000

13 The appropriations in this section are subject to the following
14 conditions and limitations: \$57,000 of the insurance commissioner's
15 regulatory account--state appropriation is provided solely to implement
16 House Bill No. 1740 (health benefit exchange). If the bill is not
17 enacted by June 30, 2011, the amount provided in this subsection shall
18 lapse.

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

20 Certified Public Accountants' Account--State
21 Appropriation \$2,838,000

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

23 Death Investigations Account--State Appropriation \$280,000

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

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

33 Horse Racing Commission Operating Account--State
34 Appropriation \$4,080,000

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

2 Liquor Control Board Construction and Maintenance

3 Account--State Appropriation	\$10,081,000
4 Liquor Revolving Account--State Appropriation	\$180,541,000
5 General Fund--Federal Appropriation	\$120,000
6 TOTAL APPROPRIATION	\$190,742,000

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

9 (1) \$198,000 of the liquor revolving account--state appropriation
10 is provided solely for the implementation of Senate Bill No. 5916
11 (liquor related products). If the bill is not enacted by June 30,
12 2011, the amount provided in this section shall lapse.

13 (2) \$82,000 of the liquor revolving account--state appropriation is
14 provided solely for the implementation of Senate Bill No. 5917 (co-
15 located contract stores). If the bill is not enacted by June 30, 2011,
16 the amount provided in this section shall lapse.

17 NEW SECTION. **Sec. 145. FOR THE UTILITIES AND TRANSPORTATION**
18 **COMMISSION**

19 General Fund--Federal Appropriation	\$502,000
20 General Fund--Private/Local Appropriation	\$11,216,000
21 Public Service Revolving Account--State	
22 Appropriation	\$31,246,000
23 Pipeline Safety Account--State Appropriation	\$3,228,000
24 Pipeline Safety Account--Federal Appropriation	\$2,887,000
25 TOTAL APPROPRIATION	\$49,079,000

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

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

33 General Fund--State Appropriation (FY 2012)	\$8,536,000
34 General Fund--State Appropriation (FY 2013)	\$8,571,000
35 General Fund--Federal Appropriation	\$160,163,000
36 Enhanced 911 Account--State Appropriation	\$46,619,000

1 Disaster Response Account--State Appropriation \$18,018,000
 2 Disaster Response Account--Federal Appropriation \$66,266,000
 3 Military Department Rent and Lease Account--State
 4 Appropriation \$615,000
 5 Worker and Community Right-to-Know Account--State
 6 Appropriation \$2,178,000
 7 TOTAL APPROPRIATION \$310,966,000

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

10 (1) \$18,018,000 of the disaster response account--state
 11 appropriation and \$66,266,000 of the disaster response account--federal
 12 appropriation may be spent only on disasters declared by the governor
 13 and with the approval of the office of financial management. The
 14 military department shall submit a report to the office of financial
 15 management and the legislative fiscal committees on October 1st and
 16 February 1st of each year detailing information on the disaster
 17 response account, including: (a) The amount and type of deposits into
 18 the account; (b) the current available fund balance as of the reporting
 19 date; and (c) the projected fund balance at the end of the 2011-2013
 20 biennium based on current revenue and expenditure patterns.

21 (2) \$75,000,000 of the general fund--federal appropriation is
 22 provided solely for homeland security, subject to the following
 23 conditions:

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

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

33 NEW SECTION. **Sec. 147. FOR THE BOARD FOR VOLUNTEER FIREFIGHTERS**
 34 Volunteer Firefighters' and Reserve Officers'
 35 Administrative Account--State Appropriation \$1,069,000

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

2 **COMMISSION**

3	General Fund--State Appropriation (FY 2012)	\$2,410,000
4	General Fund--State Appropriation (FY 2013)	\$2,476,000
5	Higher Education Personnel Services Account--State	
6	Appropriation	\$257,000
7	Department of Personnel Service Account--State	
8	Appropriation	\$3,429,000
9	TOTAL APPROPRIATION	\$8,572,000

10 The appropriations in this section are subject to the following
11 conditions and limitations: \$37,000 of the department of personnel
12 service account--state appropriation is provided solely for the
13 administrative costs associated with implementation of Senate Bill No.
14 5639 (education governance system). If the bill is not enacted by June
15 30, 2011, the amount provided in this section shall lapse.

16 NEW SECTION. **Sec. 149. FOR THE DEPARTMENT OF ARCHAEOLOGY AND**

17 **HISTORIC PRESERVATION**

18	General Fund--State Appropriation (FY 2012)	\$1,335,000
19	General Fund--State Appropriation (FY 2013)	\$1,338,000
20	General Fund--Federal Appropriation	\$1,946,000
21	General Fund--Private/Local Appropriation	\$14,000
22	TOTAL APPROPRIATION	\$4,633,000

23 NEW SECTION. **Sec. 150. FOR THE DEPARTMENT OF ENTERPRISE SERVICES**

24	General Fund--State Appropriation (FY 2012)	\$4,057,000
25	General Fund--State Appropriation (FY 2013)	\$4,055,000
26	General Fund--Federal Appropriation	\$184,000
27	General Fund--Private/Local Appropriation	\$368,000
28	Building Code Council Account--State Appropriation	\$1,183,000
29	Department of Personnel Service Account--State	
30	Appropriation	\$10,001,000
31	General Administration Service Account--State	
32	Appropriation	\$27,147,000
33	TOTAL APPROPRIATION	\$46,995,000

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

1 (1) \$3,090,000 of the general fund--state appropriation for fiscal
2 year 2012 and \$3,090,000 of the general fund--state appropriation for
3 fiscal year 2013 are provided solely for the payment of facilities and
4 services charges, utilities and contracts charges, public and historic
5 facilities charges, and capital projects surcharges allocable to the
6 senate, house of representatives, statute law committee, and joint
7 legislative systems committee. The department shall allocate charges
8 attributable to these agencies among the affected revolving funds. The
9 department shall maintain an interagency agreement with these agencies
10 to establish performance standards, prioritization of preservation and
11 capital improvement projects, and quality assurance provisions for the
12 delivery of services under this subsection. The legislative agencies
13 named in this subsection shall continue to enjoy all of the same rights
14 of occupancy and space use on the capitol campus as historically
15 established.

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

19 (3) The building code council account appropriation is provided
20 solely for the operation of the state building code council as required
21 by statute and modified by the standards established by executive order
22 10-06. The council shall not consider any proposed code amendment or
23 take any other action not authorized by statute or in compliance with
24 the standards established in executive order 10-06. No member of the
25 council may receive compensation, per diem, or reimbursement for
26 activities other than physical attendance at those meetings of the
27 state building code council or the council's designated committees, at
28 which the opportunity for public comment is provided generally and on
29 all agenda items upon which the council proposes to take action.

30 (4) Pursuant to RCW 41.06.142(3), the department of enterprise
31 services shall purchase the following services by contracts: Bulk
32 printing and mailing services, real estate lease brokering, and motor
33 pool vehicle fleet management. If the motor pool contract includes the
34 transfer of ownership of the vehicle fleet, then provision for the
35 payment of debt for those vehicles must be made. The office of
36 financial management will oversee the development, negotiation, and
37 execution of the contracts.

1 (5) The amounts appropriated in this section are for implementation
2 of Senate Bill No. 5931 (streamlining central service functions).

3 NEW SECTION. **Sec. 151. FOR INNOVATE WASHINGTON**

4	General Fund--State Appropriation (FY 2012)	\$3,565,000
5	General Fund--State Appropriation (FY 2013)	\$3,566,000
6	TOTAL APPROPRIATION	\$7,131,000

(End of part)

PART II
HUMAN SERVICES

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

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

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

(3) The department is authorized to develop an integrated health care program designed to slow the progression of illness and disability and better manage medicaid expenditures for the aged and disabled population. Under this Washington medicaid integration partnership (WMIP), the department may combine and transfer such medicaid funds appropriated under sections 204, 206, 208, and 213 of this act as may

1 be necessary to finance a unified health care plan for the WMIP program
2 enrollment. The WMIP pilot projects shall not exceed a daily
3 enrollment of 6,000 persons, nor expand beyond one county during the
4 2011-2013 fiscal biennium. The amount of funding assigned from each
5 program may not exceed the average per capita cost assumed in this act
6 for individuals covered by that program, actuarially adjusted for the
7 health condition of persons enrolled, times the number of clients
8 enrolled. In implementing the WMIP, the department may: (a) Withhold
9 from calculations of "available resources" as set forth in RCW
10 71.24.025 a sum equal to the capitated rate for enrolled individuals;
11 and (b) employ capitation financing and risk-sharing arrangements in
12 collaboration with health care service contractors licensed by the
13 office of the insurance commissioner and qualified to participate in
14 both the medicaid and medicare programs. The department shall conduct
15 an evaluation of the WMIP, measuring changes in participant health
16 outcomes, changes in patterns of service utilization, participant
17 satisfaction, participant access to services, and the state fiscal
18 impact.

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

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

36 NEW SECTION. **Sec. 202. FOR THE DEPARTMENT OF SOCIAL AND HEALTH**

1 **SERVICES--CHILDREN AND FAMILY SERVICES PROGRAM**

2	General Fund--State Appropriation (FY 2012)	\$308,060,000
3	General Fund--State Appropriation (FY 2013)	\$309,759,000
4	General Fund--Federal Appropriation	\$476,077,000
5	General Fund--Private/Local Appropriation	\$1,389,000
6	Domestic Violence Prevention Account--State	
7	Appropriation	\$1,154,000
8	Education Legacy Trust Account--State Appropriation	\$725,000
9	TOTAL APPROPRIATION	\$1,097,164,000

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

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

17 (2) \$80,872,000 of the general fund--state appropriation for fiscal
18 year 2012, \$81,251,000 of the general fund--state appropriation for
19 fiscal year 2013, and \$75,595,000 of the general fund--federal
20 appropriation are provided solely for the department to utilize
21 performance-based contracts as required under RCW 74.13.360(1) to
22 obtain services for children and families.

23 (3) A maximum of \$6,460,000 of the general fund--state
24 appropriation and \$3,540,000 of the general fund--federal appropriation
25 for the 2011-2013 fiscal biennium are provided for a contingency
26 reserve and these amounts are provided solely for this purpose. The
27 contingency reserve in this subsection is established in the event that
28 the client type composition and number of client referrals to lead
29 agency contractors under RCW 74.13.360 exceed appropriated amounts in
30 subsection (2) of this section. The department shall first use any
31 under-expenditures as a result of client type composition or number of
32 client referrals prior to using the contingency reserve. The
33 department shall only expend an amount equal to the over-expenditure,
34 after using under-expenditures, and shall only be as a result of client
35 type composition changes or the number of client referrals above
36 appropriated amounts. Before the contingency funds can be used, the
37 over-expenditure must be greater than one percent. The department
38 shall manage these funds on a statewide basis and only provide funds

1 from the contingency reserve in a monthly or quarterly basis. The
2 department shall continually reevaluate client type composition and
3 number of client referrals in order to shift funds between regions if
4 necessary.

5 (4) To ensure expenditures remain within available funds
6 appropriated in this section as required by RCW 74.13A.005 and
7 74.13A.020, the secretary shall not set the amount of any adoption
8 assistance payment or payments, made pursuant to RCW 26.33.320 and
9 74.13A.005 through 74.13A.080, to more than ninety percent of the
10 foster care maintenance payment for that child had he or she remained
11 in a foster family home during the same period. This subsection does
12 not apply to adoption assistance agreements in existence on the
13 effective date of this section.

14 (5) \$5,369,000 of the general fund--state appropriation for fiscal
15 year 2012 and \$5,369,000 of the general fund--state appropriation for
16 fiscal year 2013 are provided solely for the department to contract for
17 services pursuant to RCW 13.32A.030 and 74.15.220. The department
18 shall contract and collaborate with service providers in a manner that
19 maintains the availability and geographic representation of secure and
20 semi-secure crisis residential centers and HOPE centers. To achieve
21 efficiencies and increase utilization, the department shall allow the
22 co-location of these centers, except that a youth may not be placed in
23 a secure facility or the secure portion of a co-located facility except
24 as specifically authorized by chapter 13.32A RCW.

25 (6) \$564,000 of the general fund--federal appropriation is provided
26 solely to implement Second Substitute House Bill No. 1128 (extended
27 foster care). If the bill is not enacted by June 30, 2011, the amount
28 provided in this subsection shall lapse.

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

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

37 General Fund--State Appropriation (FY 2012) \$89,983,000

1	General Fund--State Appropriation (FY 2013)	\$90,024,000
2	General Fund--Federal Appropriation	\$702,000
3	General Fund--Private/Local Appropriation	\$1,912,000
4	Washington Auto Theft Prevention Authority Account--	
5	State Appropriation	\$196,000
6	Juvenile Accountability Incentive Account--Federal	
7	Appropriation	\$2,805,000
8	TOTAL APPROPRIATION	\$185,622,000

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

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

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

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

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

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

7 (5) \$3,373,000 of the general fund--state appropriation for fiscal
8 year 2012 and \$3,373,000 of the general fund--state appropriation for
9 fiscal year 2013 are provided solely for grants to county juvenile
10 courts for the following programs identified by the Washington state
11 institute for public policy (institute) in its October 2006 report:
12 "Evidence-Based Public Policy Options to Reduce Future Prison
13 Construction, Criminal Justice Costs and Crime Rates": Functional
14 family therapy, multi-systemic therapy, aggression replacement training
15 and interagency coordination programs, or other programs with a
16 positive benefit-cost finding in the institute's report. County
17 juvenile courts shall apply to the juvenile rehabilitation
18 administration for funding for program-specific participation and the
19 administration shall provide grants to the courts consistent with the
20 per-participant treatment costs identified by the institute.

21 (6) \$1,787,000 of the general fund--state appropriation for fiscal
22 year 2012 and \$1,787,000 of the general fund--state appropriation for
23 fiscal year 2013 are provided solely for expansion of the following
24 treatments and therapies in juvenile rehabilitation administration
25 programs identified by the Washington state institute for public policy
26 in its October 2006 report: "Evidence-Based Public Policy Options to
27 Reduce Future Prison Construction, Criminal Justice Costs and Crime
28 Rates": Multidimensional treatment foster care, family integrated
29 transitions, and aggression replacement training or other programs with
30 a positive benefit-cost finding in the institute's report. The
31 administration may concentrate delivery of these treatments and
32 therapies at a limited number of programs to deliver the treatments in
33 a cost-effective manner.

34 (7)(a) The juvenile rehabilitation administration shall administer
35 a block grant, rather than categorical funding, of consolidated
36 juvenile service funds, community juvenile accountability act grants,
37 the chemical dependency disposition alternative funds, the mental
38 health disposition alternative, and the sentencing disposition

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

23 (b) The juvenile rehabilitation administration shall phase the
24 implementation of the formula provided in subsection (1) of this
25 section by including a stop-loss formula of five percent in fiscal year
26 2012 and five percent in fiscal year 2013.

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

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

23 (8) The juvenile courts and administrative office of the courts
24 shall collect and distribute information related to program outcome and
25 provide access to these data systems to the juvenile rehabilitation
26 administration and Washington state institute for public policy.
27 Consistent with chapter 13.50 RCW, all confidentiality agreements
28 necessary to implement this information-sharing shall be approved
29 within 30 days of the effective date of this section. The agreements
30 between administrative office of the courts, the juvenile courts, and
31 the juvenile rehabilitation administration shall be executed to ensure
32 that the juvenile rehabilitation administration receives the data that
33 the juvenile rehabilitation administration identifies as needed to
34 comply with this subsection. This includes, but is not limited to,
35 information by program at the statewide aggregate level, individual
36 court level, and individual client level for the purpose of the
37 juvenile rehabilitation administration providing quality assurance and
38 oversight for the locally committed youth block grant and associated

1 funds and at times as specified by the juvenile rehabilitation
2 administration as necessary to carry out these functions. The data
3 shall be provided in a manner that reflects the collaborative work the
4 juvenile rehabilitation administration and juvenile courts have
5 developed regarding program outcomes that reinforce the greatest cost
6 benefit to the state in the implementation of evidence-based practices
7 and disposition alternatives.

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

10 (1) COMMUNITY SERVICES/REGIONAL SUPPORT NETWORKS

11 General Fund--State Appropriation (FY 2012)	\$322,859,000
12 General Fund--State Appropriation (FY 2013)	\$327,898,000
13 General Fund--Federal Appropriation	\$469,451,000
14 General Fund--Private/Local Appropriation	\$18,719,000
15 Hospital Safety Net Assessment Fund--State	
16 Appropriation	\$6,802,000
17 TOTAL APPROPRIATION	\$1,145,729,000

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

20 (a) \$104,994,000 of the general fund--state appropriation for
21 fiscal year 2012 and \$104,994,000 of the general fund--state
22 appropriation for fiscal year 2013 are provided solely for persons and
23 services not covered by the medicaid program. This is a reduction of
24 \$8,695,000 each fiscal year from the nonmedicaid funding that was
25 allocated for expenditure by regional support networks during fiscal
26 year 2011 prior to supplemental budget reductions. This \$8,695,000
27 reduction shall be distributed among regional support networks
28 proportional to each network's share of the total state population. To
29 the extent possible, levels of regional support network spending shall
30 be maintained in the following priority order: (i) Crisis and
31 commitment services; (ii) community inpatient services; and (iii)
32 residential care services, including personal care and emergency
33 housing assistance.

34 (b) \$6,590,000 of the general fund--state appropriation for fiscal
35 year 2012, \$6,590,000 of the general fund--state appropriation for
36 fiscal year 2013, and \$7,620,000 of the general fund--federal
37 appropriation are provided solely for the department and regional

1 support networks to continue to contract for implementation of high-
2 intensity programs for assertive community treatment (PACT) teams. In
3 determining the proportion of medicaid and nonmedicaid funding provided
4 to regional support networks with PACT teams, the department shall
5 consider the differences between regional support networks in the
6 percentages of services and other costs associated with the teams that
7 are not reimbursable under medicaid. The department may allow regional
8 support networks which have nonmedicaid reimbursable costs that are
9 higher than the nonmedicaid allocation they receive under this section
10 to supplement these funds with local dollars or funds received under
11 section 204(1)(a) of this act. The department and regional support
12 networks shall maintain consistency with all essential elements of the
13 PACT evidence-based practice model in programs funded under this
14 section.

15 (c) \$5,850,000 of the general fund--state appropriation for fiscal
16 year 2012, \$5,850,000 of the general fund--state appropriation for
17 fiscal year 2013, and \$1,300,000 of the general fund--federal
18 appropriation are provided solely for the western Washington regional
19 support networks to provide either community- or hospital campus-based
20 services for persons who require the level of care previously provided
21 by the program for adaptive living skills (PALS) at western state
22 hospital.

23 (d) The number of nonforensic beds allocated for use by regional
24 support networks at eastern state hospital shall be 192 per day. The
25 number of nonforensic beds allocated for use by regional support
26 networks at western state hospital shall be 557 per day.

27 (e) From the general fund--state appropriations in this subsection,
28 the secretary of social and health services shall assure that regional
29 support networks reimburse the aging and disability services
30 administration for the general fund--state cost of medicaid personal
31 care services that enrolled regional support network consumers use
32 because of their psychiatric disability.

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

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

4 (h) \$750,000 of the general fund--state appropriation for fiscal
5 year 2012 and \$750,000 of the general fund--state appropriation for
6 fiscal year 2013 are provided solely to continue performance-based
7 incentive contracts to provide appropriate community support services
8 for individuals with severe mental illness who were discharged from the
9 state hospitals as part of the expanding community services initiative.
10 These funds will be used to enhance community residential and support
11 services provided by regional support networks through other state and
12 federal funding.

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

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

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

24 (iii) Mental health services provided in nursing facilities to
25 individuals with dementia, and consultation to facility staff treating
26 those individuals; and

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

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

32 (j) \$1,529,000 of the general fund--state appropriation for fiscal
33 year 2012 and \$1,529,000 of the general fund--state appropriation for
34 fiscal year 2013 are provided solely to reimburse Pierce and Spokane
35 counties for the cost of conducting 180-day commitment hearings at the
36 state psychiatric hospitals. Pierce and Spokane counties shall not
37 bill the patients' regional support networks of origin for the cost of
38 such hearings.

1 (k) Regional support networks may use local funds to earn
2 additional federal medicaid match, provided the locally matched rate
3 does not exceed the upper-bound of their federally allowable rate
4 range, and provided that the enhanced funding is used only to provide
5 medicaid state plan or waiver services to medicaid clients.
6 Additionally, regional support networks may use a portion of the state
7 funds allocated in accordance with (a) of this subsection to earn
8 additional medicaid match, but only to the extent that the application
9 of such funds to medicaid services does not diminish the level of
10 crisis and commitment, community inpatient, residential care, and
11 outpatient services presently available to persons not eligible for
12 medicaid.

13 (l) \$1,015,000 of the general fund--private/local appropriation and
14 \$4,031,000 of the general fund--federal appropriation are provided
15 solely to design and implement community-based projects for improving
16 integration and coordination of behavioral health and medical care for
17 persons with serious and persistent mental illness. The projects,
18 which shall be developed and implemented in partnership with community
19 mental health centers, regional support networks, and the medical
20 assistance program, shall develop and test strategies for improving
21 health and reducing medical costs for people with serious and
22 persistent mental illness through better coordination of physical and
23 behavioral health care. Funding shall be used for initial project
24 start-up and training; for provision of access to electronic data for
25 tracking and predicting participants' medical utilization; for project
26 evaluation; and as state matching funds for the enhanced federal
27 funding available for coordinated care management under section 2703 of
28 the federal patient protection and affordable care act. The department
29 shall report to appropriate committees of the legislature on project
30 status, performance, and outcomes by November 15th of each year. For
31 purposes of this effort, the department shall enter into an interagency
32 agreement with the office of the attorney general for expenditure of
33 \$1,015,000 of the state's proceeds of the *cy pres* settlement in *State*
34 *of Washington vs. AstraZeneca (Seroquel)*.

35 (m) \$200,000 of the general fund--state appropriation for fiscal
36 year 2012 and \$200,000 of the general fund--state appropriation for
37 fiscal year 2013 are provided solely for the north central Washington

1 regional support network to maintain crisis response, involuntary
2 commitment, and other essential nonmedicaid services.

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

9 (o) \$750,000 of the general fund--state appropriation for fiscal
10 year 2012, \$750,000 of the general fund--state appropriation for fiscal
11 year 2013, and \$1,500,000 of the general fund--federal appropriation
12 are provided solely to adjust regional support network capitation rates
13 to account for the per diem rates actually paid for psychiatric care
14 provided at hospitals participating in the certified public expenditure
15 program operated pursuant to section 209 of this act.

16 (2) INSTITUTIONAL SERVICES

17	General Fund--State Appropriation (FY 2012)	\$119,947,000
18	General Fund--State Appropriation (FY 2013)	\$118,341,000
19	General Fund--Federal Appropriation	\$152,269,000
20	General Fund--Private/Local Appropriation	\$65,834,000
21	TOTAL APPROPRIATION	\$456,391,000

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

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

27 (b) \$231,000 of the general fund--state appropriation for fiscal
28 year 2012 and \$231,000 of the general fund--state appropriation for
29 fiscal year 2013 are provided solely for a community partnership
30 between western state hospital and the city of Lakewood to support
31 community policing efforts in the Lakewood community surrounding
32 western state hospital. The amounts provided in this subsection (2)(b)
33 are for the salaries, benefits, supplies, and equipment for one full-
34 time investigator, one full-time police officer, and one full-time
35 community service officer at the city of Lakewood.

36 (c) \$45,000 of the general fund--state appropriation for fiscal
37 year 2012 and \$45,000 of the general fund--state appropriation for

1 fiscal year 2013 are provided solely for payment to the city of
2 Lakewood for police services provided by the city at western state
3 hospital and adjacent areas.

4 (d) \$20,000,000 of the general fund--state appropriation for fiscal
5 year 2012 and \$20,000,000 of the general fund--state appropriation for
6 fiscal year 2013 are provided solely to maintain staffed capacity to
7 serve an average daily census in forensic wards at western state
8 hospital of 270 patients per day during the first six months of fiscal
9 year 2012, and 240 patients per day thereafter.

10 (3) SPECIAL PROJECTS

11	General Fund--State Appropriation (FY 2012)	\$1,809,000
12	General Fund--State Appropriation (FY 2013)	\$1,814,000
13	General Fund--Federal Appropriation	\$2,682,000
14	TOTAL APPROPRIATION	\$6,305,000

15 The appropriations in this subsection are subject to the following
16 conditions and limitations: \$1,161,000 of the general fund--state
17 appropriation for fiscal year 2012 and \$1,161,000 of the general fund--
18 state appropriation for fiscal year 2013 are provided solely for
19 children's evidence based mental health services. Funding is
20 sufficient to continue serving children at the same levels as fiscal
21 year 2009.

22 (4) PROGRAM SUPPORT

23	General Fund--State Appropriation (FY 2012)	\$4,911,000
24	General Fund--State Appropriation (FY 2013)	\$4,744,000
25	General Fund--Federal Appropriation	\$7,156,000
26	General Fund--Private/Local Appropriation	\$108,000
27	TOTAL APPROPRIATION	\$16,919,000

28 (a) In accordance with RCW 43.20B.110, 43.135.055, and 71.24.035,
29 the department is authorized to increase existing license and
30 certification fees by up to fifty percent in fiscal years 2012 and
31 2013. The department's fee schedule shall have differential rates for
32 providers with proof of accreditation from organizations that the
33 department has determined to have substantially equivalent standards to
34 those of the department, including but not limited to the joint
35 commission on accreditation of health care organizations, the
36 commission on accreditation of rehabilitation facilities, and the
37 council on accreditation. To reflect the reduced costs associated with

1 regulation of accredited programs, the department's fees for
2 organizations with such proof of accreditation must reflect the lower
3 costs of licensing for these programs than for other organizations
4 which are not accredited.

5 (b) \$72,000 of the general fund--state appropriation for fiscal
6 year 2012, \$64,000 of the general fund--state appropriation for fiscal
7 year 2013, and \$97,000 of the general fund--federal appropriation are
8 provided solely for implementation of Senate Bill No. 5531 (ITA
9 judicial services). If the bill is not enacted by June 30, 2011, the
10 amount provided in this subsection shall lapse.

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

13 (1) COMMUNITY SERVICES

14 General Fund--State Appropriation (FY 2012)	\$421,959,000
15 General Fund--State Appropriation (FY 2013)	\$425,973,000
16 General Fund--Federal Appropriation	\$752,898,000
17 General Fund--Private/Local Appropriation	\$349,000
18 State Efficiency and Restructuring Account--State	
19 Appropriation	\$13,659,000
20 Community Residential Investment Account--State	
21 Appropriation	\$12,300,000
22 TOTAL APPROPRIATION	\$1,627,138,000

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

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

29 (b) Amounts appropriated in this section reflect a reduction to
30 funds appropriated for in-home care. The department shall reduce the
31 number of in-home hours authorized. The reduction shall be scaled
32 based on the acuity level of care recipients. The largest hour
33 reductions shall be to lower acuity patients and the smallest hour
34 reductions shall be to higher acuity patients.

35 (c) Amounts appropriated in this section are sufficient to develop
36 and implement the use of a consistent, statewide outcome-based vendor
37 contract for employment and day services by July 1, 2012. The rates

1 paid to vendors under this contract shall also be made consistent. In
2 its description of activities, the agency shall include activity
3 listings and dollars appropriated for: Employment services, day
4 services, child development services, and county administration of
5 services to the developmentally disabled. The department shall begin
6 reporting to the office of financial management on these activities in
7 fiscal year 2010.

8 (d) \$14,241,000 of the general fund--state appropriation for fiscal
9 year 2012, \$14,928,000 of the general fund--state appropriation for
10 fiscal year 2013, and \$29,169,000 of the general fund--federal
11 appropriation are provided solely for state contributions for
12 individual provider health care benefits. Pursuant to the collective
13 bargaining agreement negotiated with the exclusive bargaining
14 representative of individual providers established under RCW
15 74.39A.270, the state shall contribute to the multiemployer health
16 benefits trust fund \$1.96 per paid hour worked by individual providers.

17 (e)(i) \$1,508,000 of the general fund--state appropriation for
18 fiscal year 2012, \$1,608,000 of the general fund--state appropriation
19 for fiscal year 2013, and \$3,117,000 of the general fund--federal
20 appropriation are provided solely for home care agencies to purchase
21 health coverage for home care providers. In order to negotiate the
22 most comprehensive health benefits package for its employees, each
23 agency may determine benefit levels according to the hours an employee
24 works to provide state-funded personal care. At a minimum, employees
25 who work 35 hours per week or greater must receive a comprehensive
26 medical benefit. The department shall not pay an agency for benefits
27 provided to an employee who otherwise receives health care coverage
28 through other family members, other employment-based coverage, or
29 military or veteran's coverage. The department shall require each home
30 care agency to annually review each of its employee's available health
31 coverage and to provide a written declaration to the department
32 verifying that health benefits purchased with public funds are solely
33 for employees that do not have other available coverage. Home care
34 agencies may determine a reasonable employee copremium not to exceed 20
35 percent of the total benefit cost.

36 (ii) As an alternative, an agency provider who works a minimum of
37 35 hours per week may select coverage in the basic health plan provided
38 they meet all other eligibility requirements of the basic health plan.

1 The department shall work cooperatively with the health care authority
2 to facilitate enrollment of eligible home care agency providers. For
3 eligible providers who chose coverage in the basic health plan, the
4 department shall transfer the state's share of the premium to the
5 health care authority on behalf of the provider.

6 (f) \$1,127,000 of the general fund--state appropriation for fiscal
7 year 2012, \$1,199,000 of the general fund--state appropriation for
8 fiscal year 2013, and \$2,322,000 of the general fund--federal
9 appropriation are provided solely for the state's contribution to the
10 training partnership, as provided in RCW 74.39A.360, for instructional
11 costs associated with the training of individual providers. House Bill
12 No. 1548 and Senate Bill No. 5473 (long-term care worker requirements)
13 make statutory changes to the increased training requirements and
14 therefore the state shall contribute to the partnership \$0.17 per paid
15 hour worked by all home care workers. This amount is pursuant to the
16 collective bargaining agreement negotiated with the exclusive
17 bargaining representative of individual providers established under RCW
18 74.39A.270. Expenditures for the purposes specified in this subsection
19 shall not exceed the amounts provided in this subsection.

20 (g) \$475,000 of the general fund--state appropriation for fiscal
21 year 2012, \$490,000 of the general fund--state appropriation for fiscal
22 year 2013, and \$967,000 of the general fund--federal appropriation are
23 provided solely to compensate individual providers who are not related
24 to their clients and agency providers for time required to participate
25 in enhanced mandatory basic training.

26 (h)(i) Within the amounts appropriated in this section, the
27 department shall revise the current working age adult policy to allow
28 clients to choose between employment and community access activities.
29 Clients age 21 and older who are receiving services through a home and
30 community-based medicaid waiver shall be offered the choice to
31 transition to a community access program after nine months of
32 enrollment in an employment program, and the option to transition from
33 a community access program to an employment program at any time. The
34 department shall inform clients and their legal representatives of all
35 available options for employment and day services. Information
36 provided to the client and the client's legal representative shall
37 include the types of activities each service option provides, and the
38 amount, scope, and duration of service for which the client would be

1 eligible under each service option. An individual client may be
2 authorized for only one service option from employment services,
3 community access services, or a day services. Clients may not
4 participate in more than one of these services at any given time.

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

8 (A) Be designed to promote positive growth;

9 (B) Provide activities that foster learning opportunities, self
10 determination, and independent skills and abilities; and

11 (C) Facilitate opportunities for socialization and leisure such as
12 music therapy, working with computers, social activities, and
13 interaction with therapy animals.

14 (iii) The department shall lower the expenditure limits for
15 employment services in the basic plus, CORE, and community protection
16 waivers. In administering these expenditure limitations, the
17 department shall negotiate with counties to limit direct client
18 impacts.

19 (iv) \$9,558,000 of the general fund--state appropriation for fiscal
20 year 2012, \$9,558,000 of the general fund--state appropriation for
21 fiscal year 2013, and \$15,827,000 of the general fund--federal
22 appropriation are provided solely for a day services option for
23 medicaid home and community-based waiver clients who have a
24 developmental disability. Amounts provided in this subsection (h)(iv)
25 are sufficient to provide a day service option to clients with
26 developmental disabilities who are on a medicaid home and community-
27 based services waiver, but are not receiving employment services.

28 (v) The appropriation in this subsection includes funding to
29 provide employment, community access, or a day services option to 168
30 young adults with developmental disabilities living with their families
31 who need employment opportunities and assistance after high school
32 graduation.

33 (i) The department shall assess and determine whether it would be
34 cost-efficient for the state to exercise the option made available
35 under section 1915(k) of the federal social security act (42 U.S.C.
36 Sec. 1396n(k)). If the department determines that it would be cost-
37 efficient for the state to exercise the federal option, it shall
38 prepare a proposal to provide home- and community-based attendant

1 services and supports that include assistance with activities of daily
2 living (ADL's), instrumental activities of daily living (IADL's), and
3 health-related tasks pursuant to section 1915(k) of the federal social
4 security act (42 U.S.C. Sec. 1396n(k)) and submit that plan to the
5 legislature during the next legislative session.

6 (j) The division of developmental disabilities may transfer funds
7 between the community services and institutional services programs for
8 the purpose of facilitating the consolidation and closure of
9 residential habilitation centers pursuant to Substitute Senate Bill No.
10 5459 (concerning transition services for people with developmental
11 disabilities).

12 (k) \$3,000,000 of the general fund--state appropriation for fiscal
13 year 2012 and \$3,150,000 of the general fund--state appropriation for
14 fiscal year 2013 are provided solely for deposit into the community
15 residential investment account.

16 (l) \$13,659,000 of the state efficiency and restructuring account--
17 state appropriation and \$19,921,000 of the general fund--federal
18 appropriation are provided solely to support residents moving from
19 residential habilitation centers into the community. The funds may be
20 used to provide community residential start-up costs, community
21 provider payments, expansion of the current state operated living
22 alternatives program, establishing new community residential capacity,
23 providing crisis and respite services in the community, and other
24 services and supports as necessary to facilitate transition.

25 (m) \$6,150,000 of the community residential investment account--
26 state appropriation and \$6,150,000 of the general fund--federal
27 appropriation are provided solely for increasing enrollment on the
28 community-based medicaid waivers operated by the department and
29 providing additional short-term crisis respite and regular respite for
30 individuals with developmental disabilities and their families. Of the
31 community residential investment account--state appropriation specified
32 in this subsection, up to \$150,000 may be expended for a study that
33 examines potential public use of the residential habilitation centers
34 vacated by the department.

35 (n) In accordance with Substitute Senate Bill No. 5092 (licensed
36 settings for vulnerable adults), the department is authorized to
37 increase adult family home fees in fiscal years 2012 and 2013 as

1 specified in this subsection to support the actual costs of conducting
2 licensure, inspection, and regulatory programs.

3 (i) The current annual renewal license fee for adult family homes
4 shall be increased to \$136 per bed in fiscal year 2012 and \$350 per bed
5 in fiscal year 2013.

6 (ii) Adult family homes shall receive a corresponding vendor rate
7 increase of \$0.32 per medicaid patient day in fiscal year 2012 and
8 \$0.91 per medicaid patient day in fiscal year 2013 to cover the license
9 fee increase for publicly funded beds.

10 (2) INSTITUTIONAL SERVICES

11	General Fund--State Appropriation (FY 2012)	\$82,188,000
12	General Fund--State Appropriation (FY 2013)	\$81,852,000
13	General Fund--Federal Appropriation	\$151,175,000
14	General Fund--Private/Local Appropriation	\$20,725,000
15	State Efficiency and Restructuring Account--State	
16	Appropriation	\$3,715,000
17	TOTAL APPROPRIATION	\$339,655,000

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

20 (a) Individuals receiving services as supplemental security income
21 (SSI) state supplemental payments shall not become eligible for medical
22 assistance under RCW 74.09.510 due solely to the receipt of SSI state
23 supplemental payments.

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

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

37 (d) The state is consolidating the number of institutions it
38 operates to care for clients with developmental disabilities. The

1 department shall cease new placements at Francis Haddon Morgan Center
2 and Rainier School and relocate current clients to alternative
3 placements. In doing so, the department shall conduct individual
4 assessments, and work closely with the clients and the clients' legal
5 representatives to develop individual transition and support plans to
6 help ensure the clients' physical and mental health, welfare, and
7 safety through this process.

8 (3) PROGRAM SUPPORT

9	General Fund--State Appropriation (FY 2012)	\$1,433,000
10	General Fund--State Appropriation (FY 2013)	\$1,431,000
11	General Fund--Federal Appropriation	\$1,379,000
12	TOTAL APPROPRIATION	\$4,243,000

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

15	General Fund--State Appropriation (FY 2012)	\$787,273,000
16	General Fund--State Appropriation (FY 2013)	\$820,556,000
17	General Fund--Federal Appropriation	\$1,737,016,000
18	General Fund--Private/Local Appropriation	\$29,991,000
19	Traumatic Brain Injury Account--State Appropriation	\$3,394,000
20	Skilled Nursing Facility Safety Net Assessment Fund--	
21	State Appropriation	\$126,000,000
22	TOTAL APPROPRIATION	\$3,504,230,000

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

25 (1) For purposes of implementing chapter 74.46 RCW, the weighted
26 average nursing facility payment rate shall not exceed \$160.18 for
27 fiscal year 2012 and shall not exceed \$165.36 for fiscal year 2013,
28 except as provided in (a) of this subsection.

29 (a) The legislature assumes that any necessary state plan
30 amendments and waivers requested from the federal centers for medicare
31 and medicaid services in relation to the safety net assessment created
32 by House Bill No. 1722 or Substitute Senate Bill No. 5581 (nursing home
33 safety net assessment) will be approved and implemented. Accordingly,
34 the weighted average nursing facility payment rate shall not exceed
35 \$182.66 for fiscal year 2012 and shall not exceed \$188.63 for fiscal
36 year 2013 including the rate add-ons described in (c), (d), and (e) of
37 this subsection. However, if the safety net assessment created by

1 House Bill No. 1722 or Substitute Senate Bill No. 5581 (nursing home
2 safety net assessment) is not approved and implemented, the rate
3 ceilings specified in this subsection (1)(a) are void.

4 (b) There will be no adjustments for economic trends and conditions
5 in fiscal years 2012 and 2013. The economic trends and conditions
6 factor or factors defined in the biennial appropriations act shall not
7 be compounded with the economic trends and conditions factor or factors
8 defined in any other biennial appropriations acts before applying it to
9 the component rate allocations established in accordance with chapter
10 74.46 RCW. When no economic trends and conditions factor for either
11 fiscal year is defined in a biennial appropriations act, no economic
12 trends and conditions factor or factors defined in any earlier biennial
13 appropriations act shall be applied solely or compounded to the
14 component rate allocations established in accordance with chapter 74.46
15 RCW.

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

28 (d) \$15,903,000 of the skilled nursing facility safety net
29 assessment fund--state appropriation and \$15,903,000 of the general
30 fund--federal appropriation are provided solely for an acuity-based
31 add-on to the direct care rate. The department shall determine the
32 resident acuity add-on pursuant to House Bill No. 1722 or Substitute
33 Senate Bill No. 5581 (nursing home safety net assessment) using a nine
34 percent add-on for facilities in the highest acuity quartile, a six
35 percent add-on for facilities in the next quartile, three percent for
36 facilities in the next quartile, and a negative one percent add-on for
37 facilities in the lowest acuity quartile.

1 (e) \$34,444,000 of the skilled nursing facility safety net
2 assessment fund--state appropriation and \$34,444,000 of the general
3 fund--federal appropriation are provided solely for a rate enhancement
4 available to all nursing facilities participating in the state's
5 medicaid program. The add-on shall be calculated as follows: Seven
6 percent add-on to the direct care rate and five percent add-on to each
7 of the therapy care, support services, and operations components. If
8 House Bill No. 1722 or Substitute Senate Bill No. 5581 (nursing home
9 safety net assessment) is not enacted, the amounts provided in this
10 subsection shall lapse.

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

16 (g) If the waiver requested from the federal centers for medicare
17 and medicaid services in relation to the safety net assessment created
18 by House Bill No. 1722 or Substitute Senate Bill No. 5581 (nursing home
19 safety net assessment) is for any reason not approved and implemented,
20 (d), (e), and (f) of this subsection do not apply.

21 (h) The rate add-ons provided in (d) and (e) of this subsection are
22 discretionary and are provided in addition to the base nursing facility
23 rate. The legislature has examined actual nursing facility cost
24 information and the legislature finds that the nursing facility rates
25 funded pursuant to the budget dials specified in this subsection (1),
26 excluding (a) of this subsection (1), are sufficient to reimburse
27 efficient and economically operating homes. The legislature's choice
28 to fund the add-ons specified in subsections (d) and (e) of this
29 subsection in any year is not indicative of an obligation to fund the
30 add-ons in any subsequent year.

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

37 (3) The long-term care program may develop and pay enhanced rates
38 for exceptional care to nursing homes for persons with traumatic brain

1 injuries who are transitioning from hospital care. The cost per
2 patient day for caring for these clients in a nursing home setting may
3 be equal to or less than the cost of caring for these clients in a
4 hospital setting.

5 (4) 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.

11 (5) \$27,279,000 of the general fund--state appropriation for fiscal
12 year 2012, \$28,827,000 of the general fund--state appropriation for
13 fiscal year 2013, and \$56,106,000 of the general fund--federal
14 appropriation are provided solely for state contributions for
15 individual provider health care benefits. Pursuant to the collective
16 bargaining agreement negotiated with the exclusive bargaining
17 representative of individual providers established under RCW
18 74.39A.270, the state shall contribute to the multiemployer health
19 benefits trust fund \$1.96 per paid hour worked by individual providers.

20 (6)(a) \$13,575,000 of the general fund--state appropriation for
21 fiscal year 2012, \$14,476,000 of the general fund--state appropriation
22 for fiscal year 2013, and \$28,053,000 of the general fund--federal
23 appropriation are provided solely for health coverage for home care
24 agency providers. In order to negotiate the most comprehensive health
25 benefits package for its employees, each agency may determine benefit
26 levels according to the hours an employee works to provide state-funded
27 personal care. At a minimum, employees who work 35 hours a week or
28 greater must receive a comprehensive medical benefit. The department
29 shall not pay an agency for benefits provided to an employee who
30 otherwise receives health care coverage through other family members,
31 other employment-based coverage, or military or veteran's coverage.
32 The department shall require annually, each home care agency to review
33 each of its employee's available health coverage and to provide a
34 written declaration to the department verifying that health benefits
35 purchased with public funds are solely for employees that do not have
36 other available coverage. Home care agencies may determine a
37 reasonable employee copremium not to exceed 20 percent of the total
38 benefit cost.

1 (b) As an alternative, an agency provider who works a minimum of 35
2 hours per week may select coverage in the basic health plan provided
3 they meet all other eligibility requirements for the basic health plan.
4 The department of social and health services shall work cooperatively
5 with the health care authority to facilitate enrollment of eligible
6 home care agency providers. For eligible providers who chose coverage
7 in the basic health plan, the department shall transfer the state's
8 share of the premium to the health care authority on behalf of the
9 provider.

10 (7) \$2,063,000 of the general fund--state appropriation for fiscal
11 year 2012, \$2,195,000 of the general fund--state appropriation for
12 fiscal year 2013, and \$4,260,000 of the general fund--federal
13 appropriation are provided solely for the state's contribution to the
14 training partnership, as provided in RCW 74.39A.360, for instructional
15 costs associated with the training of individual providers. House Bill
16 No. 1548 and Senate Bill No. 5473 (long-term care worker requirements)
17 make statutory changes to the increased training requirements and
18 therefore the state shall contribute to the partnership \$0.17 per paid
19 hour worked by all home care workers. This amount is pursuant to the
20 collective bargaining agreement negotiated with the exclusive
21 bargaining representative of individual providers established under RCW
22 74.39A.270. Expenditures for the purposes specified in this subsection
23 shall not exceed the amounts provided in this subsection.

24 (8) \$1,775,000 of the general fund--state appropriation for fiscal
25 year 2012, \$1,866,000 of the general fund--state appropriation for
26 fiscal year 2013, and \$3,642,000 of the general fund--federal
27 appropriation are provided solely to compensate individual providers
28 who are not related to their clients and agency providers for time
29 required to participate in enhanced mandatory basic training.

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

34 (10) The department shall assess and determine whether it would be
35 cost-efficient for the state to exercise the option made available
36 under section 1915(k) of the federal social security act (42 U.S.C.
37 Sec. 1396n(k)). If the department determines that it would be cost
38 efficient for the state to exercise the federal option, it shall

1 prepare a proposal to provide home- and community-based attendant
2 services and supports that include assistance with activities of daily
3 living (ADL's), instrumental activities of daily living (IADL's), and
4 health-related tasks pursuant to section 1915(k) of the federal social
5 security act (42 U.S.C. Sec. 1396n(k)) and submit that plan to the
6 legislature during the subsequent legislative session.

7 (11) The department shall eliminate the adult day health program
8 under the state plan 1915(i) option and shall reestablish it under the
9 long-term care home and community-based waiver. The department shall
10 also establish a day services option under the developmental
11 disabilities home and community-based service waivers.

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

24 (13) \$1,840,000 of the general fund--state appropriation for fiscal
25 year 2012 and \$1,877,000 of the general fund--state appropriation for
26 fiscal year 2013 are provided solely for operation of the volunteer
27 services program. Funding shall be prioritized towards serving
28 populations traditionally served by long-term care services to include
29 senior citizens and persons with disabilities.

30 (14) In accordance with Substitute Senate Bill No. 5092 (licensed
31 settings for vulnerable adults) nursing facility and adult family home
32 fees are increased in fiscal years 2012 and 2013 as specified in this
33 subsection to support the costs of conducting licensure, inspection,
34 and regulatory programs.

35 (a) The current annual renewal license fee for nursing facilities
36 shall be increased to \$359 per bed beginning in fiscal year 2012 and
37 assumes \$517,000 of the general fund--private/local appropriation.

1 Nursing facilities shall receive a vendor rate increase of \$0.08 per
2 medicaid patient day to cover the license fee increase for publicly
3 funded beds.

4 (b) The current annual renewal license fee for adult family homes
5 shall be increased to \$136 per bed in fiscal year 2012 and \$350 per bed
6 in fiscal year 2013. Adult family homes shall receive a corresponding
7 vendor rate increase of \$0.32 per medicaid patient day in fiscal year
8 2012 and \$0.91 per medicaid patient day in fiscal year 2013 to cover
9 the license fee increase for publicly funded beds.

10 (c) \$338,000 of the general fund--state appropriation for fiscal
11 year 2012, \$370,000 of the general fund--state appropriation for fiscal
12 year 2013, and \$708,000 of the general fund--federal appropriation are
13 provided solely for additional investigative resources to address
14 complaints about provider practices as well as alleged abuse, neglect,
15 abandonment, and exploitation of residents in adult family homes. The
16 department shall develop a statewide internal quality review and
17 accountability program to improve the accountability of staff and the
18 consistent application of investigative activities, and shall provide
19 information and support to the long-term care ombudsman's adult family
20 home quality assurance panel. If Substitute Senate Bill No. 5092
21 (licensed settings for vulnerable adults) is not enacted by June 30,
22 2011, the amounts provided in this subsection shall lapse.

23 (15) \$3,316,000 of the traumatic brain injury account--state
24 appropriation is provided solely to continue services for persons with
25 traumatic brain injury (TBI) as defined in Substitute House Bill No.
26 1614 (traumatic brain injury strategic partnership).

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

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

33	General Fund--State Appropriation (FY 2012)	\$510,835,000
34	General Fund--State Appropriation (FY 2013)	\$512,698,000
35	General Fund--Federal Appropriation	\$1,042,110,000
36	General Fund--Private/Local Appropriation	\$30,592,000
37	TOTAL APPROPRIATION	\$2,096,235,000

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

3 (1) \$242,143,000 of the general fund--state appropriation for
4 fiscal year 2012, \$242,727,000 of the general fund--state appropriation
5 for fiscal year 2013, and \$479,539,000 of the general fund--federal
6 appropriation are solely provided for temporary assistance for needy
7 families cash grants, working connections child care, seasonal child
8 care, tribal temporary assistance for needy families state maintenance
9 of effort, diversion cash assistance, and consolidated emergency
10 assistance program. Under section 2 of Senate Bill No. 5921, the
11 amounts in this subsection assume that any participant in the temporary
12 assistance for needy families where their participation is suspended
13 and does not volunteer to participate in WorkFirst services or
14 unsubsidized employment does not receive child care subsidies or
15 WorkFirst subsidies as a condition of the suspension.

16 (a) Within the amounts provided in this subsection, \$1,414,000 of
17 the general fund--state appropriation for fiscal year 2012 and
18 \$5,150,000 of the general fund--state appropriation for fiscal year
19 2013 are provided solely for the implementation and administration of
20 the electronic benefit transfer system under section 10 of Senate Bill
21 No. 5921. The department shall transfer these amounts to the
22 department of early learning for the implementation and administration
23 of the project.

24 (2) \$142,766,000 of the general fund--federal appropriation is
25 provided solely for WorkFirst services and shall not exceed
26 \$139,197,000 unless the department uses competitive performance-based
27 contracting to select the public or private vendors or partner agencies
28 to provide services in the WorkFirst program no later than June 30,
29 2012, under section 3 of Senate Bill No. 5921. The legislature will
30 determine whether the condition will be met in the 2012 omnibus
31 appropriations act and the department and WorkFirst subcabinet shall
32 provide all necessary information to the legislature for its
33 consideration and determination.

34 (3) \$55,481,000 of the general fund--state appropriation for fiscal
35 year 2012, \$54,896,000 of the general fund--state appropriation for
36 fiscal year 2013, and \$41,343,000 of the general fund--federal
37 appropriation are provided solely for the department of social and

1 health services staffing related to WorkFirst and section 8 of Senate
2 Bill No. 5921.

3 (a) The department shall create a temporary assistance for needy
4 families budget structure that allows for more transparent tracking of
5 budget units and subunits of expenditures where these units and
6 subunits are mutually exclusive from other department budget units and
7 within the temporary assistance for needy families budget units. The
8 budget structure shall follow the organization of subsections (1)
9 through (4) in this section.

10 (4) \$20,260,000 of the general fund--federal appropriation is
11 provided solely for a contingency reserve in the event the temporary
12 assistance for needy families cash benefit is projected to exceed
13 forecasted amounts by more than one percent. The department shall only
14 expend an amount equal to the forecasted over expenditure. For
15 purposes of this subsection, the temporary assistance forecast shall be
16 completed every quarter and follow a similar schedule of the caseload
17 forecast council forecasts.

18 (5)(a) \$7,054,000 of the general fund--state appropriation for
19 fiscal year 2012 and \$9,216,000 of the general fund--state
20 appropriation for fiscal year 2013, in addition to supplemental
21 security income (SSI) recoveries, are provided solely for cash
22 assistance in the disability lifeline-expedited program housing and
23 nonhousing components per Senate Bill No. (disability lifeline).
24 These amounts include the transfer of disability lifeline-disabled
25 clients who meet social security income citizenship standards into the
26 disability lifeline-expedited program.

27 (b) The department shall work with the department of commerce to
28 jointly coordinate referrals and eligibility for the disability
29 lifeline-expedited housing component clients.

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

35 (7) The appropriations in this section reflect reductions in the
36 appropriations for the economic services administration's
37 administrative expenses. It is the intent of the legislature that

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

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

6	General Fund--State Appropriation (FY 2012)	\$74,910,000
7	General Fund--State Appropriation (FY 2013)	\$75,716,000
8	General Fund--Federal Appropriation	\$139,221,000
9	General Fund--Private/Local Appropriation	\$2,086,000
10	Criminal Justice Treatment Account--State	
11	Appropriation	\$17,760,000
12	Problem Gambling Account--State Appropriation	\$1,455,000
13	TOTAL APPROPRIATION	\$311,148,000

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

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

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

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

1 programs, the department's fees for organizations with such proof of
2 accreditation must reflect the lower cost of licensing for these
3 programs than for other organizations which are not accredited.

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

8 NEW SECTION. **Sec. 209. FOR THE DEPARTMENT OF SOCIAL AND HEALTH**
9 **SERVICES--MEDICAL ASSISTANCE**

10	General Fund--State Appropriation (FY 2012)	\$2,142,136,000
11	General Fund--State Appropriation (FY 2013)	\$2,208,003,000
12	General Fund--Federal Appropriation	\$5,519,072,000
13	General Fund--Private/Local Appropriation	\$57,771,000
14	Emergency Medical Care and Trauma Care Systems	
15	Trust Account--State Appropriation	\$15,081,000
16	Hospital Safety Net Assessment Fund--State	
17	Appropriation	\$404,438,000
18	Medicaid Fraud Penalty Account--State Appropriation	\$15,182,000
19	TOTAL APPROPRIATION	\$10,361,683,000

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

22 (1) Based on quarterly expenditure reports and caseload forecasts,
23 if the department estimates that expenditures for the medical
24 assistance program will exceed the appropriations, the department shall
25 take steps including but not limited to reduction of rates or
26 elimination of optional services to reduce expenditures so that total
27 program costs do not exceed the annual appropriation authority.

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

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

35 (4) When a person is ineligible for medicaid solely by reason of
36 residence in an institution for mental diseases, the department shall

1 provide the person with the same benefits as he or she would receive if
2 eligible for medicaid, using state-only funds to the extent necessary.

3 (5) \$7,102,000 of the general fund--state appropriation for fiscal
4 year 2012, \$7,102,000 of the general fund--state appropriation for
5 fiscal year 2013, and \$14,204,000 of the general fund--federal
6 appropriation are provided solely for low-income care disproportionate
7 share hospital payments under RCW 74.09.730(1)(a).

8 (6) \$6,000,000 of the general fund--federal appropriation is
9 provided solely for supplemental payments to nursing homes operated by
10 public hospital districts. The public hospital district shall be
11 responsible for providing the required nonfederal match for the
12 supplemental payment, and the payments shall not exceed the maximum
13 allowable under federal rules. It is the legislature's intent that the
14 payments shall be supplemental to and shall not in any way offset or
15 reduce the payments calculated and provided in accordance with part E
16 of chapter 74.46 RCW. It is the legislature's further intent that
17 costs otherwise allowable for rate-setting and settlement against
18 payments under chapter 74.46 RCW shall not be disallowed solely because
19 such costs have been paid by revenues retained by the nursing home from
20 these supplemental payments. The supplemental payments are subject to
21 retrospective interim and final cost settlements based on the nursing
22 homes' as-filed and final medicare cost reports. The timing of the
23 interim and final cost settlements shall be at the health care
24 authority's discretion. During either the interim cost settlement or
25 the final cost settlement, the department shall recoup from the public
26 hospital districts the supplemental payments that exceed the medicaid
27 cost limit and/or the medicare upper payment limit. The health care
28 authority shall apply federal rules for identifying the eligible
29 incurred medicaid costs and the medicare upper payment limit.

30 (7) The department shall continue the inpatient hospital certified
31 public expenditures program for the 2011-2013 fiscal biennium. The
32 program shall apply to all public hospitals, including those owned or
33 operated by the state, except those classified as critical access
34 hospitals or state psychiatric institutions. The department shall
35 submit reports to the governor and legislature by November 1, 2011, and
36 by November 1, 2012, that evaluate whether savings continue to exceed
37 costs for this program. If the certified public expenditures (CPE)
38 program in its current form is no longer cost-effective to maintain,

1 the department shall submit a report to the governor and legislature
2 detailing cost-effective alternative uses of local, state, and federal
3 resources as a replacement for this program. During fiscal year 2012
4 and fiscal year 2013, hospitals in the program shall be paid and shall
5 retain one hundred percent of the federal portion of the allowable
6 hospital cost for each medicaid inpatient fee-for-service claim payable
7 by medical assistance and one hundred percent of the federal portion of
8 the maximum disproportionate share hospital payment allowable under
9 federal regulations. Inpatient medicaid payments shall be established
10 using an allowable methodology that approximates the cost of claims
11 submitted by the hospitals. Payments made to each hospital in the
12 program in each fiscal year of the biennium shall be compared to a
13 baseline amount. The baseline amount will be determined by the total
14 of (a) the inpatient claim payment amounts that would have been paid
15 during the fiscal year had the hospital not been in the CPE program
16 based on the reimbursement rates developed, implemented, and consistent
17 with policies approved in the 2011-13 biennial operating appropriations
18 act and in effect on July 1, 2011, (b) one half of the indigent
19 assistance disproportionate share hospital payment amounts paid to and
20 retained by each hospital during fiscal year 2005, and (c) all of the
21 other disproportionate share hospital payment amounts paid to and
22 retained by each hospital during fiscal year 2005 to the extent the
23 same disproportionate share hospital programs exist in the 2011-13
24 biennium. If payments during the fiscal year exceed the hospital's
25 baseline amount, no additional payments will be made to the hospital
26 except the federal portion of allowable disproportionate share hospital
27 payments for which the hospital can certify allowable match. If
28 payments during the fiscal year are less than the baseline amount, the
29 hospital will be paid a state grant equal to the difference between
30 payments during the fiscal year and the applicable baseline amount.
31 Payment of the state grant shall be made in the applicable fiscal year
32 and distributed in monthly payments. The grants will be recalculated
33 and redistributed as the baseline is updated during the fiscal year.
34 The grant payments are subject to an interim settlement within eleven
35 months after the end of the fiscal year. A final settlement shall be
36 performed. To the extent that either settlement determines that a
37 hospital has received funds in excess of what it would have received as
38 described in this subsection, the hospital must repay the excess

1 amounts to the state when requested. \$32,673,000 of the general
2 fund--state appropriation for fiscal year 2012, of which \$6,570,000 is
3 appropriated in section 204(1) of this act, and \$29,693,000 of the
4 general fund--state appropriation for fiscal year 2013, of which
5 \$6,570,000 is appropriated in section 204(1) of this act, are provided
6 solely for state grants for the participating hospitals. CPE hospitals
7 will receive the inpatient and outpatient reimbursement rate
8 restorations in RCW 74.60.080 and rate increases in RCW 74.60.090
9 funded through the hospital safety net assessment fund rather than
10 through the baseline mechanism specified in this subsection.

11 (8) The contract with the managed care plan to provide services for
12 disability lifeline clients shall be designed to incentivize care in
13 the most appropriate setting, including maximizing primary care- based
14 services and optimizing appropriate hospital utilization and savings.
15 The department may include shared savings or other risk sharing
16 arrangements in the contract with the managed care plan in order to
17 incentivize aggressive management of hospital services, including prior
18 authorization, concurrent review, and discharge planning. In
19 determining the allocation of shared savings, the health care authority
20 shall consider the appropriate balance between incentivizing aggressive
21 management of hospital services by the managed care plan and realizing
22 budgetary savings from the state's investment in the inclusion of care
23 management and mental health services in the managed care contract.

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

29 (10) The department shall seek public-private partnerships and
30 federal funds that are or may become available to provide on-going
31 support for outreach and education efforts under the federal children's
32 health insurance program reauthorization act of 2009.

33 (11) The department shall target funding for maternity support
34 services towards pregnant women with factors that lead to higher rates
35 of poor birth outcomes, including hypertension, a preterm or low birth
36 weight birth in the most recent previous birth, a cognitive deficit or
37 developmental disability, substance abuse, severe mental illness,
38 unhealthy weight or failure to gain weight, tobacco use, or African

1 American or Native American race. The department shall prioritize
2 evidence-based practices for delivery of maternity support services.
3 To the extent practicable, the department shall develop a mechanism to
4 increase federal funding for maternity support services by leveraging
5 local public funding for those services.

6 (12) For children with family incomes above 200 percent of the
7 federal poverty level in the state-funded children's health program for
8 children who are not eligible for coverage under the federally funded
9 children's health insurance program, premiums shall be set every two
10 years in an amount equal to the average state-only share of the per
11 capita cost of coverage in the state-funded children's health program
12 for children in families with incomes at or less than two hundred
13 percent of the federal poverty level.

14 (13) \$704,000 of the general fund--state appropriation for fiscal
15 year 2012, \$726,000 of the general fund--state appropriation for fiscal
16 year 2013, and \$1,431,000 of the general fund--federal appropriation
17 are provided solely for disproportionate share hospital payments to
18 hospitals that provide services to children in the children's health
19 program who are not eligible for services under Title XIX or XXI of the
20 federal social security act due to their citizenship status.

21 (14) \$998,000 of the general fund--state appropriation for fiscal
22 year 2012, \$979,000 of the general fund--state appropriation for fiscal
23 year 2013, and \$1,980,000 of the general fund--federal appropriation
24 are provided solely to increase prior authorization activities for
25 advanced imaging procedures.

26 (15) \$249,000 of the general fund--state appropriation for fiscal
27 year 2012, \$246,000 of the general fund--state appropriation for fiscal
28 year 2013, and \$495,000 of the general fund--federal appropriation are
29 provided solely to increase prior authorization activities for surgical
30 procedures, which may include orthopedic procedures, spinal procedures
31 and interventions, and nerve procedures.

32 (16) \$300,000 of the general fund--private/local appropriation and
33 \$300,000 of the general fund--federal appropriation are provided solely
34 for a prescriptive practices improvement collaborative focusing upon
35 atypical antipsychotics and other medications commonly used in the
36 treatment of severe and persistent mental illnesses among adults. The
37 project shall promote collaboration among community mental health
38 centers, other major prescribers of atypical antipsychotic medications

1 to adults enrolled in state medical assistance programs, and
2 psychiatrists, pharmacists, and other specialists at the University of
3 Washington department of psychiatry and/or other research universities.
4 The collaboration shall include patient-specific prescriber
5 consultations by psychiatrists and pharmacists specializing in
6 treatment of severe and persistent mental illnesses among adults;
7 production of profiles to assist prescribers and clinics in tracking
8 their prescriptive practices and their patients' medication use and
9 adherence relative to evidence-based practices guidelines, other
10 prescribers, and patients at other clinics; and in-service seminars at
11 which participants can share and increase their knowledge of evidence-
12 based and other effective prescriptive practices. The department shall
13 enter into an interagency agreement with the office of the attorney
14 general for expenditure of \$300,000 of the state's proceeds of the cy
15 *pres* settlement in *State of Washington v. AstraZeneca (Seroquel)* for
16 this purpose.

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

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

32 (19) \$395,000 of the general fund--state appropriation for fiscal
33 year 2012, \$395,000 of the general fund--state appropriation for fiscal
34 year 2013, and \$790,000 of the general fund--federal appropriation are
35 provided solely for continued operation of the dental education in care
36 of persons with disabilities (DECOD) program at the University of
37 Washington.

1 (20) \$112,000 of the general fund--state appropriation for fiscal
2 year 2012, \$112,000 of the general fund--state appropriation for fiscal
3 year 2013, and \$1,928,000 of the general fund--federal appropriation
4 are provided solely for the provider incentive program and other
5 initiatives related to the health information technology Medicaid plan.

6 (21) \$1,439,000 of the general fund--state appropriation for fiscal
7 year 2012, \$1,228,000 of the general fund--state appropriation for
8 fiscal year 2013, and \$2,890,000 of the general fund--federal
9 appropriation are provided solely for efforts to reduce Medicaid fraud
10 and abuse and to seek coverage or recovery from other medical payers.

11 (22) \$2,926,000 of the general fund--local appropriation and
12 \$2,928,000 of the general fund--federal appropriation are provided
13 solely to support medical airlift services.

14 (23) The appropriations in this section are sufficient to enroll an
15 average of 12,650 persons per month in the medical care component of
16 the disability lifeline program during fiscal year 2012, and an average
17 of 11,750 persons per month in the program during fiscal year 2013.
18 Pursuant to RCW 74.09.035(1), the department shall manage new
19 admissions and establish a waiting list for program benefits to the
20 extent necessary to operate within these budgeted enrollment levels.

21 (24) The appropriations in this section are sufficient to enroll an
22 average of 3,250 persons per month in the medical care component of the
23 alcohol and drug abuse treatment support act during fiscal year 2012,
24 and an average of 3,140 persons per month in the program during fiscal
25 year 2013. Pursuant to RCW 74.09.035(1), the department shall manage
26 new admissions and establish a waiting list for program benefits to the
27 extent necessary to operate within these budgeted enrollment levels.

28 (25) The appropriations in this section assume enactment of Senate
29 Bill No. 5929 and are sufficient to enroll an average of 23,350 persons
30 per month during fiscal year 2012 in the medical care program for
31 children ineligible for nonemergency coverage under title XIX or title
32 XXI of the federal social security act, and an average of 22,500
33 persons per month in the program during fiscal year 2013. Pursuant to
34 RCW 74.09.470 as amended by Senate Bill No. 5929, the department shall
35 manage new admissions and establish a waiting list for program benefits
36 to the extent necessary to operate within these budgeted enrollment
37 levels.

1 (26) \$5,092,000 of the general fund--state appropriation for fiscal
2 year 2012, \$5,270,000 of the general fund--state appropriation for
3 fiscal year 2013, \$9,846,000 of the general fund--private/local
4 appropriation, and \$20,207,000 of the general fund--federal
5 appropriation are provided solely for continued provision of
6 school-based medical services by means of an intergovernmental transfer
7 arrangement. Under the arrangement, the state and school districts
8 shall share equally in the provision of the nonfederal matching funds
9 required for receipt of federal medicaid funding for the service.

10 (27) \$263,000 of the general fund--state appropriation for fiscal
11 year 2012, \$88,000 of the general fund--state appropriation for fiscal
12 year 2013, and \$351,000 of the general fund--federal appropriation are
13 provided solely for development and submission to the federal
14 government by October 1, 2011, of a demonstration project proposal as
15 provided in Substitute Senate Bill No. 5596.

16 (28) \$19,000 of the general fund--state appropriation for fiscal
17 year 2012, \$17,000 of the general fund--state appropriation for fiscal
18 year 2013, and \$34,000 of the general fund--federal appropriation are
19 provided solely to support a partnership among the department of social
20 and health services, the department of health, and agencies that
21 deliver medical care and behavioral health services in Cowlitz county.
22 The partnership shall identify and recommend strategies for resolving
23 regulatory, licensing, data management, reporting, and funding barriers
24 to more effective integration of primary medical and behavioral health
25 care services in the county.

26 (29) \$173,000 of the general fund--state appropriation for fiscal
27 year 2012, \$173,000 of the general fund--state appropriation for fiscal
28 year 2013, and \$346,000 of the general fund--federal appropriation are
29 provided solely to facilitate development of primary medical homes for
30 persons with multiple chronic disabilities that will qualify for 90
31 percent federal matching funds in accordance with section 2703 of the
32 federal patient protection and affordable care act.

33 (30) \$4,761,000 of the general fund--state appropriation for fiscal
34 year 2012, \$4,066,000 of the general fund--state appropriation for
35 fiscal year 2013, and \$17,281,000 of the general fund--federal
36 appropriation are provided solely for spoken-language interpreter
37 services. The department shall develop and implement a new model for

1 delivery of such services no later than January 1, 2012. The model
2 shall include:

3 (a) Development by the department, in consultation with
4 subject-area experts, of guidelines to assist medical practitioners
5 identify the circumstances under which it is appropriate to use
6 telephonic or video-remote interpreting;

7 (b) A direct contract with no more than two organizations to manage
8 delivery of medical interpretation services statewide;

9 (c) The requirement that the delivery organization subcontract only
10 with language access providers working in the state who are certified
11 by the state, except that when a state-certified language access
12 provider is not available, the organization may use a provider with
13 other certifications or qualifications deemed to meet state standards;
14 and

15 (d) Provision of a secure, web-based tool that medical
16 practitioners will use to schedule appointments for interpreter
17 services and to identify the most appropriate, cost-effective method of
18 service delivery in accordance with the state guidelines, and that
19 language access providers can use to track hours and bill for payment.

20 (31) In its procurement of contractors for delivery of medical
21 managed care services for nondisabled, nonelderly persons, the medical
22 assistance program shall (a) place substantial emphasis upon price
23 competition in the selection of successful bidders; and (b) not require
24 delivery of any services that would increase the actuarial cost of
25 service beyond the levels included in current healthy options
26 contracts.

27 (32) \$1,430,000 of the general fund--state appropriation for fiscal
28 year 2012, \$1,430,000 of the general fund--state appropriation for
29 fiscal year 2013, and \$2,860,000 of the general fund--federal
30 appropriation are provided solely to pay federally-designated rural
31 health clinics their standard encounter rate for prenatal and
32 well-child visits, whether delivered under a managed care contract or
33 fee-for-service. In reconciling managed care enhancement payments for
34 calendar years 2009 and 2010, the department shall treat well-child and
35 prenatal care visits as encounters subject to the clinic's encounter
36 rate.

37 (33) The medical assistance program shall continue to purchase

1 power wheelchairs for all nursing home residents for whom they are
2 determined to be medically necessary, and shall not limit such
3 purchases to only those residents who are in school or employed.

4 (34) \$280,000 of the general fund--state appropriation for fiscal
5 year 2012 and \$282,000 of the general fund--federal appropriation are
6 provided solely to increase utilization management of drugs and drug
7 classes for which there is evidence of over-utilization, off-label use,
8 excessive dosing, duplicative therapy, or opportunities to shift
9 utilization to less expensive, equally effective formulations.

10 (35) The department shall purchase a brand name drug when it
11 determines that the cost of the brand name drug after rebates is less
12 than the cost of generic alternatives and that purchase of the brand
13 rather than generic version can save at least \$250,000. The department
14 may purchase generic alternatives when changes in market prices make
15 the price of the brand name drug after rebates more expensive than the
16 generic alternatives.

17 (36) \$70,000 of the general fund--state appropriation for fiscal
18 year 2012, \$70,000 of the general fund--state appropriation for fiscal
19 year 2013, and \$140,000 of the general fund--federal appropriation are
20 provided solely to continue operation by a nonprofit organization of a
21 toll-free hotline that assists families to learn about and enroll in
22 the apple health for kids program.

23 NEW SECTION. **Sec. 210. FOR THE DEPARTMENT OF SOCIAL AND HEALTH**
24 **SERVICES--VOCATIONAL REHABILITATION PROGRAM**

25	General Fund--State Appropriation (FY 2012)	\$11,672,000
26	General Fund--State Appropriation (FY 2013)	\$11,778,000
27	General Fund--Federal Appropriation	\$102,622,000
28	Telecommunications Devices for the Hearing and	
29	Speech Impaired--State Appropriation	\$2,775,000
30	TOTAL APPROPRIATION	\$128,847,000

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

33 (1) The vocational rehabilitation program shall coordinate closely
34 with the economic services program to serve lifeline clients under
35 chapter 8, Laws of 2010 1st sp. sess. who are referred for eligibility
36 determination and vocational rehabilitation services, and shall make

1 every effort, within the requirements of the federal rehabilitation act
2 of 1973, to serve these clients.

3 (2) \$480,000 of the telecommunications devices for the hearing and
4 speech impaired account--state appropriation is provided solely for the
5 office of deaf and hard of hearing to contract for services that
6 provide employment support and help with life activities for deaf-blind
7 individuals in King county.

8 NEW SECTION. **Sec. 211. FOR THE DEPARTMENT OF SOCIAL AND HEALTH**
9 **SERVICES--SPECIAL COMMITMENT PROGRAM**

10	General Fund--State Appropriation (FY 2012)	\$55,871,000
11	General Fund--State Appropriation (FY 2013)	\$55,649,000
12	TOTAL APPROPRIATION	\$111,520,000

13 The appropriations in this section are subject to the following
14 conditions and limitations: \$8,978,000 of the general fund--state
15 appropriation for fiscal year 2012 and \$8,978,000 of the general fund--
16 state appropriation for fiscal year 2013 are provided solely for
17 increased legal expenses resulting from the state supreme court's
18 ruling in *In re McCuiston*.

19 NEW SECTION. **Sec. 212. FOR THE DEPARTMENT OF SOCIAL AND HEALTH**
20 **SERVICES--ADMINISTRATION AND SUPPORTING SERVICES PROGRAM**

21	General Fund--State Appropriation (FY 2012)	\$25,286,000
22	General Fund--State Appropriation (FY 2013)	\$24,681,000
23	General Fund--Federal Appropriation	\$44,076,000
24	General Fund--Private/Local Appropriation	\$716,000
25	Performance Audits of State Government--State	
26	Appropriation	\$4,812,000
27	TOTAL APPROPRIATION	\$99,571,000

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

30 (1) \$300,000 of the general fund--state appropriation for fiscal
31 year 2012 and \$300,000 of the general fund--state appropriation for
32 fiscal year 2013 are provided solely for the Washington state mentors
33 program to continue its public-private partnerships to provide
34 technical assistance and training to mentoring programs that serve
35 at-risk youth.

1 (2) \$445,000 of the general fund--state appropriation for fiscal
2 year 2012 and \$445,000 of the general fund--state appropriation for
3 fiscal year 2013 are provided solely for funding of the teamchild
4 project through the governor's juvenile justice advisory committee.

5 (3) \$178,000 of the general fund--state appropriation for fiscal
6 year 2012 and \$178,000 of the general fund--state appropriation for
7 fiscal year 2013 are provided solely for the juvenile detention
8 alternatives initiative.

9 (4) \$250,000 of the general fund--state appropriation for fiscal
10 year 2012 and \$250,000 of the general fund--state appropriation for
11 fiscal year 2013 are provided solely for support of the community
12 initiative project that will be targeted at supporting evidence-based
13 community programs and partnering with private nonprofit entities to
14 address adverse childhood events.

15 (5) \$4,812,000 of the performance audits of state government--state
16 appropriation is provided solely for support and expansion of the
17 division of fraud investigation. The division shall conduct
18 investigatory and enforcement activities for all department programs,
19 including the child support and TANF programs.

20 NEW SECTION. **Sec. 213. FOR THE DEPARTMENT OF SOCIAL AND HEALTH**
21 **SERVICES--PAYMENTS TO OTHER AGENCIES PROGRAM**

22	General Fund--State Appropriation (FY 2012)	\$67,348,000
23	General Fund--State Appropriation (FY 2013)	\$64,938,000
24	General Fund--Federal Appropriation	\$55,836,000
25	TOTAL APPROPRIATION	\$188,122,000

26 The appropriations in this section are subject to the following
27 conditions and limitations: \$2,272,000 of the general fund--state
28 appropriation for fiscal year 2012 and \$2,272,000 of the general
29 fund--state appropriation for fiscal year 2013 are provided solely for
30 increased legal expenses resulting from the state supreme court's
31 ruling in *In re McCuiston*.

32 NEW SECTION. **Sec. 214. FOR THE STATE HEALTH CARE AUTHORITY**

33	General Fund--State Appropriation (FY 2012)	\$62,011,000
34	General Fund--State Appropriation (FY 2013)	\$57,987,000
35	General Fund--Federal Appropriation	\$138,831,000
36	State Health Care Authority Administration Account--	

1	State Appropriation	\$35,065,000
2	Medical Aid Account--State Appropriation	\$535,000
3	TOTAL APPROPRIATION	\$294,429,000

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

6 (1) Within amounts appropriated in this section and sections 205
7 and 206 of this act, the health care authority shall continue to
8 provide an enhanced basic health plan subsidy for foster parents
9 licensed under chapter 74.15 RCW and workers in state-funded home care
10 programs. Under this enhanced subsidy option, foster parents eligible
11 to participate in the basic health plan as subsidized enrollees and
12 home care workers with family incomes below 200 percent of the federal
13 poverty level shall be allowed to enroll in the basic health plan at
14 the minimum premium amount charged to enrollees with incomes below
15 sixty-five percent of the federal poverty level.

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

21 (3) The administrator shall take at least the following actions to
22 assure that persons participating in the basic health plan are eligible
23 for the level of assistance they receive: (a) Require submission of
24 (i) income tax returns, and recent pay history, from all applicants, or
25 (ii) other verifiable evidence of earned and unearned income from those
26 persons not required to file income tax returns; (b) check employment
27 security payroll records at least once every twelve months on all
28 enrollees; (c) require enrollees whose income as indicated by payroll
29 records exceeds that upon which their subsidy is based to document
30 their current income as a condition of continued eligibility; (d)
31 require enrollees for whom employment security payroll records cannot
32 be obtained to document their current income at least once every six
33 months; (e) not reduce gross family income for self-employed persons by
34 noncash-flow expenses such as, but not limited to, depreciation,
35 amortization, and home office deductions, as defined by the United
36 States internal revenue service; and (f) pursue repayment and civil
37 penalties from persons who have received excessive subsidies, as
38 provided in RCW 70.47.060(9).

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

6 (5) \$23,700,000 of the general fund--federal appropriation is
7 provided solely for planning and implementation of a health benefit
8 exchange under the federal patient protection and affordable care act.
9 Within the amounts provided in this subsection, funds used by the
10 authority for information technology projects are conditioned on the
11 authority satisfying the requirements of section 902 of this act.

12 NEW SECTION. **Sec. 215. FOR THE HUMAN RIGHTS COMMISSION**

13	General Fund--State Appropriation (FY 2012)	\$2,349,000
14	General Fund--State Appropriation (FY 2013)	\$2,361,000
15	General Fund--Federal Appropriation	\$1,994,000
16	TOTAL APPROPRIATION	\$6,704,000

17 NEW SECTION. **Sec. 216. FOR THE BOARD OF INDUSTRIAL INSURANCE**

18 **APPEALS**

19	Worker and Community Right-to-Know Account--State	
20	Appropriation	\$10,000
21	Accident Account--State Appropriation	\$21,561,000
22	Medical Aid Account--State Appropriation	\$21,561,000
23	TOTAL APPROPRIATION	\$43,132,000

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

26 (1) \$36,000 of the accident account--state appropriation and
27 \$36,000 of the medical account--state appropriation are solely provided
28 for Engrossed Substitute Senate Bill No. 5068 (violation abatement).
29 If the bill is not enacted by June 30, 2011, the amounts provided in
30 this subsection shall lapse.

31 (2) \$16,000 of the accident account--state appropriation and
32 \$16,000 of the medical account--state appropriation are solely provided
33 for Substitute Senate Bill No. 5801 (medical provider networks). If
34 the bill is not enacted by June 30, 2011, the amounts provided in this
35 subsection shall lapse.

1 (3) \$3,266,000 of the accident account--state appropriation and
2 \$3,266,000 of the medical account--state appropriation are solely
3 provided for Engrossed Senate Bill No. 5566 (long-term disabilities).
4 If the bill is not enacted by June 30, 2011, the amounts provided in
5 this subsection shall lapse.

6 NEW SECTION. **Sec. 217. FOR THE CRIMINAL JUSTICE TRAINING**
7 **COMMISSION**

8	General Fund--State Appropriation (FY 2012)	\$14,947,000
9	General Fund--State Appropriation (FY 2013)	\$14,938,000
10	General Fund--Federal Appropriation	\$456,000
11	General Fund--Private/Local Appropriation	\$4,631,000
12	Death Investigations Account--State Appropriation	\$148,000
13	Municipal Criminal Justice Assistance Account--	
14	State Appropriation	\$460,000
15	Washington Auto Theft Prevention Authority Account--	
16	State Appropriation	\$11,546,000
17	TOTAL APPROPRIATION	\$47,126,000

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

20 (1) \$5,000,000 of the general fund--state appropriation for fiscal
21 year 2012 and \$5,000,000 of the general fund--state appropriation for
22 fiscal year 2013, are provided to the Washington association of
23 sheriffs and police chiefs solely to verify the address and residency
24 of registered sex offenders and kidnapping offenders under RCW
25 9A.44.130.

26 (2) The criminal justice training commission may not run a basic
27 law enforcement academy class of fewer than 30 students.

28 (3) \$100,000 of the general fund--state appropriation for fiscal
29 year 2012 and \$100,000 of the general fund--state appropriation for
30 fiscal year 2013 are provided solely for a school safety program. The
31 commission, in collaboration with the school safety center advisory
32 committee, shall provide the school safety training for all school
33 administrators and school safety personnel hired after the effective
34 date of this section.

35 (4) \$96,000 of the general fund--state appropriation for fiscal
36 year 2012 and \$90,000 of the general fund--state appropriation for
37 fiscal year 2013 are provided solely for the school safety center

1 within the commission. The safety center shall act as an information
 2 dissemination and resource center when an incident occurs in a school
 3 district in Washington or in another state, coordinate activities
 4 relating to school safety, and review and approve manuals and curricula
 5 used for school safety models and training. Through an interagency
 6 agreement, the commission shall provide funding for the office of the
 7 superintendent of public instruction to continue to develop and
 8 maintain a school safety information web site. The school safety
 9 center advisory committee shall develop and revise the training
 10 program, using the best practices in school safety, for all school
 11 safety personnel. The commission shall provide research-related
 12 programs in school safety and security issues beneficial to both law
 13 enforcement and schools.

14 (5) \$1,000,000 of the general fund--state appropriation for fiscal
 15 year 2012 and \$1,000,000 of the general fund--state appropriation for
 16 fiscal year 2013 are provided solely for grants to counties enforcing
 17 illegal drug laws and which have been underserved by federally funded
 18 state narcotics task forces. The Washington association of sheriffs
 19 and police chiefs, the Washington association of prosecuting attorneys,
 20 and the Washington association of county officials shall jointly
 21 develop funding allocations for the offices of the county sheriff,
 22 county prosecutor, and county clerk in qualifying counties. The
 23 commission shall not impose an administrative cost on this program.

24 NEW SECTION. **Sec. 218. FOR THE DEPARTMENT OF LABOR AND**
 25 **INDUSTRIES**

26	General Fund--State Appropriation (FY 2012)	\$18,377,000
27	General Fund--State Appropriation (FY 2013)	\$19,328,000
28	General Fund--Federal Appropriation	\$10,100,000
29	Asbestos Account--State Appropriation	\$426,000
30	Electrical License Account--State Appropriation	\$37,984,000
31	Farm Labor Revolving Account--Private/Local Appropriation . . .	\$28,000
32	Worker and Community Right-to-Know Account--	
33	State Appropriation	\$1,000,000
34	Public Works Administration Account--State	
35	Appropriation	\$5,666,000
36	Manufactured Home Installation Training Account--	
37	State Appropriation	\$158,000

1	Accident Account--State Appropriation	\$260,289,000
2	Accident Account--Federal Appropriation	\$13,622,000
3	Medical Aid Account--State Appropriation	\$266,323,000
4	Medical Aid Account--Federal Appropriation	\$3,186,000
5	Plumbing Certificate Account--State Appropriation	\$1,736,000
6	Pressure Systems Safety Account--State Appropriation	\$4,179,000
7	TOTAL APPROPRIATION	\$642,402,000

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

10 (1) Pursuant to RCW 43.135.055, the department is authorized to
11 increase fees related to factory assembled structures, contractor
12 registration, electricians, plumbers, asbestos removal, boilers,
13 elevators, and manufactured home installers. These increases are
14 necessary to support expenditures authorized in this section,
15 consistent with chapters 43.22, 18.27, 19.28, and 18.106 RCW, RCW
16 49.26.130, and chapters 70.79, 70.87, and 43.22A RCW.

17 (2) \$34,000 of the general fund--state appropriation for fiscal
18 year 2012 is provided solely for implementation of Engrossed Second
19 Substitute House Bill No. 1701 (contractor misclassification). If the
20 bill is not enacted by June 30, 2011, the amount provided in this
21 subsection shall lapse.

22 (3) \$1,163,000 of the accident account--state appropriation and
23 \$1,163,000 of the medical aid account--state appropriation are provided
24 solely for implementation of Engrossed Substitute House Bill No. 1725
25 (workers' compensation). If the bill is not enacted by June 30, 2011,
26 the amounts provided in this subsection shall lapse.

27 (4) \$51,000 of the accident account--state appropriation and
28 \$51,000 of the medical aid account--state appropriation are provided
29 solely for implementation of Engrossed Substitute House Bill No. 1367
30 (for hire vehicles, operators). If the bill is not enacted by June 30,
31 2011, the amounts provided in this subsection shall lapse.

32 (5) \$12,288,000 of the accident account--state appropriation and
33 \$16,904,000 of the medical account--state appropriation are provided
34 solely for implementation of Senate Bill No. 5566 (reforming workers'
35 compensation). If the bill is not enacted by June 30, 2011, the
36 amounts provided in this subsection shall lapse.

37 (6) \$8,727,000 of the medical account--state appropriation is

1 provided solely for implementation of Senate Bill No. 5801 (industrial
2 insurance system). If the bill is not enacted by June 30, 2011, the
3 amount provided in this subsection shall lapse.

4 **NEW SECTION. Sec. 219. FOR THE DEPARTMENT OF VETERANS AFFAIRS**

5 (1) HEADQUARTERS

6	General Fund--State Appropriation (FY 2012)	\$2,020,000
7	General Fund--State Appropriation (FY 2013)	\$2,021,000
8	Charitable, Educational, Penal, and Reformatory	
9	Institutions Account--State Appropriation	\$10,000
10	TOTAL APPROPRIATION	\$4,051,000

11 (2) FIELD SERVICES

12	General Fund--State Appropriation (FY 2012)	\$5,060,000
13	General Fund--State Appropriation (FY 2013)	\$5,062,000
14	General Fund--Federal Appropriation	\$2,759,000
15	General Fund--Private/Local Appropriation	\$4,223,000
16	Veterans Innovations Program Account--State	
17	Appropriation	\$821,000
18	Veteran Estate Management Account--Private/Local	
19	Appropriation	\$1,109,000
20	TOTAL APPROPRIATION	\$19,034,000

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

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

27 (b) \$821,000 of the veterans innovations program account--state
28 appropriation is provided solely for the department to continue support
29 for returning combat veterans through the veterans innovation program,
30 including emergency financial assistance through the defenders' fund
31 and long-term financial assistance through the competitive grant
32 program.

33 (3) INSTITUTIONAL SERVICES

34	General Fund--State Appropriation (FY 2012)	\$1,741,000
35	General Fund--State Appropriation (FY 2013)	\$963,000
36	General Fund--Federal Appropriation	\$57,521,000

1	General Fund--Private/Local Appropriation	\$34,530,000
2	TOTAL APPROPRIATION	\$94,755,000

3 NEW SECTION. **Sec. 220. FOR THE DEPARTMENT OF HEALTH**

4	General Fund--State Appropriation (FY 2012)	\$81,267,000
5	General Fund--State Appropriation (FY 2013)	\$80,023,000
6	General Fund--Federal Appropriation	\$536,389,000
7	General Fund--Private/Local Appropriation	\$149,767,000
8	Hospital Data Collection Account--State Appropriation	\$220,000
9	Health Professions Account--State Appropriation	\$98,719,000
10	Aquatic Lands Enhancement Account--State Appropriation	\$610,000
11	Emergency Medical Services and Trauma Care Systems	
12	Trust Account--State Appropriation	\$12,327,000
13	Safe Drinking Water Account--State Appropriation	\$4,545,000
14	Drinking Water Assistance Account--Federal	
15	Appropriation	\$23,251,000
16	Waterworks Operator Certification--State	
17	Appropriation	\$1,560,000
18	Drinking Water Assistance Administrative Account--	
19	State Appropriation	\$326,000
20	Biotoxin Account--State Appropriation	\$1,167,000
21	State Toxics Control Account--State Appropriation	\$4,487,000
22	Medical Test Site Licensure Account--State	
23	Appropriation	\$2,366,000
24	Youth Tobacco Prevention Account--State Appropriation	\$1,512,000
25	Community and Economic Development Fee Account--State	
26	Appropriation	\$596,000
27	Public Health Supplemental Account--Private/Local	
28	Appropriation	\$3,602,000
29	Accident Account--State Appropriation	\$316,000
30	Medical Aid Account--State Appropriation	\$57,000
31	Tobacco Prevention and Control Account--State	
32	Appropriation	\$37,000
33	TOTAL APPROPRIATION	\$1,003,144,000

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

36 (1) The department of health shall not initiate any services that
37 will require expenditure of state general fund moneys unless expressly

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

20 (2) In accordance with RCW 43.70.250 and 43.135.055, the department
21 is authorized to establish and raise fees in fiscal year 2012 as
22 necessary to meet the actual costs of conducting business and the
23 appropriation levels in this section. This authorization applies to
24 fees required for: The review of health care facility construction;
25 review of health facility requests for certificate of need; the
26 regulation and inspection of farm worker housing, hospital licensing,
27 in-home health service agencies, and producers of radioactive waste;
28 the regulation and inspection of shellfish sanitary control, surgical
29 facility licensing, and; fees associated with the following
30 professions: Dietitians and nutritionists, occupational therapists,
31 pharmacy, veterinarian, orthotics and prosthetics, surgical
32 technicians, nursing home administrators, health care assistants,
33 hearing and speech, psychology, hypnotherapy, chiropractic, social
34 workers, physicians, and physician assistants.

35 (3) \$1,969,000 of the health professions account--state
36 appropriation is provided solely to implement online licensing for
37 health care providers. The department must submit a detailed
38 investment plan for this project to the office of financial management.

1 The office of financial management must review and approve this plan
2 before funding may be expended. The department of health must
3 successfully implement online application and renewal for at least one
4 profession as a pilot project before pursuing additional professions.
5 The department must report to the office of financial management on the
6 outcome of the pilot project.

7 (4) \$16,000 of the health professions account--state appropriation
8 is provided solely for the implementation of House Bill No. 1181 (board
9 of naturopathy). If the bill is not enacted by June 30, 2011, the
10 amount provided in this subsection shall lapse.

11 (5) \$21,000 of the health professions account--state appropriation
12 is provided solely for the implementation of Substitute House Bill No.
13 1304 (health care assistants). If the bill is not enacted by June 30,
14 2011, the amount provided in this subsection shall lapse.

15 (6) \$54,000 of the health professions account--state appropriation
16 is provided solely for the implementation of House Bill No. 1353
17 (pharmacy technicians). If the bill is not enacted by June 30, 2011,
18 the amount provided in this subsection shall lapse.

19 (7) \$142,000 of the health professions account--state appropriation
20 is provided solely for the implementation of Engrossed Substitute
21 Senate Bill No. 5020 (social workers). If the bill is not enacted by
22 June 30, 2011, the amount provided in this subsection shall lapse.

23 (8) \$2,435,000 of the health professions account--state
24 appropriation is provided solely for the implementation of Engrossed
25 Second Substitute Senate Bill No. 5073 (medical cannabis). If the bill
26 is not enacted by June 30, 2011, the amount provided in this subsection
27 shall lapse.

28 (9) \$336,000 of the health professions account--state appropriation
29 is provided solely for the implementation of Senate Bill No. 5480
30 (physicians and physician assistants). If the bill is not enacted by
31 June 30, 2011, the amount provided in this subsection shall lapse.

32 (10) \$46,000 of the health professions account--state appropriation
33 is provided solely for the implementation of Substitute Senate Bill No.
34 5071 (online access for midwives and marriage and family therapists).
35 If the bill is not enacted by June 30, 2011, the amount provided in
36 this subsection shall lapse.

37 (11) \$137,000 of the health professions account--state
38 appropriation is provided solely for implementation of Substitute House

1 Bill No. 1133 (massage practitioner license). If the bill is not
2 enacted by June 30, 2011, the amount provided in this subsection shall
3 lapse.

4 (12) \$1,670,000 of the safe drinking water account--state
5 appropriation is provided solely for implementation of Substitute
6 Senate Bill No. 5364 (public water system permits). If the bill is not
7 enacted by June 30, 2011, the amount provided in this subsection shall
8 lapse.

9 (13) \$118,000 of the general fund--state appropriation for fiscal
10 year 2012 and \$118,000 of the general fund--state appropriation for
11 fiscal year 2013 are provided solely for prevention of youth suicides.

12 (14) \$87,000 of the general fund--state appropriation for fiscal
13 year 2012 and \$87,000 of the general fund--state appropriation for
14 fiscal year 2013 are provided solely for the senior falls prevention
15 program.

16 **NEW SECTION. Sec. 221. FOR THE DEPARTMENT OF CORRECTIONS**

17 (1) ADMINISTRATION AND SUPPORT SERVICES

18	General Fund--State Appropriation (FY 2012)	\$57,178,000
19	General Fund--State Appropriation (FY 2013)	\$55,612,000
20	TOTAL APPROPRIATION	\$112,790,000

21 The appropriations in this subsection are subject to the following
22 conditions and limitations: \$35,000 of the general fund--state
23 appropriation for fiscal year 2012 and \$35,000 of the general fund--
24 state appropriation for fiscal year 2013 are provided solely for the
25 support of a statewide council on mentally ill offenders that includes
26 as its members representatives of community-based mental health
27 treatment programs, current or former judicial officers, and directors
28 and commanders of city and county jails and state prison facilities.
29 The council will investigate and promote cost-effective approaches to
30 meeting the long-term needs of adults and juveniles with mental
31 disorders who have a history of offending or who are at-risk of
32 offending, including their mental health, physiological, housing,
33 employment, and job training needs.

34 (2) CORRECTIONAL OPERATIONS

35	General Fund--State Appropriation (FY 2012)	\$630,127,000
36	General Fund--State Appropriation (FY 2013)	\$597,663,000
37	General Fund--Federal Appropriation	\$3,664,000

1 General Fund--Private/Local Appropriation \$2,336,000
2 Washington Auto Theft Prevention Authority Account--
3 State Appropriation \$10,960,000
4 TOTAL APPROPRIATION \$1,244,750,000

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

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

12 (b) During the 2011-13 biennium, when contracts are established or
13 renewed for offender pay phone and other telephone services provided to
14 inmates, the department shall select the contractor or contractors
15 primarily based on the following factors: (i) The lowest rate charged
16 to both the inmate and the person paying for the telephone call; and
17 (ii) the lowest commission rates paid to the department, while
18 providing reasonable compensation to cover the costs of the department
19 to provide the telephone services to inmates and provide sufficient
20 revenues for the activities funded from the institutional welfare
21 betterment account.

22 (c) The Harborview medical center and the University of Washington
23 medical center shall provide inpatient and outpatient hospital services
24 to offenders confined in department of corrections facilities at a rate
25 no greater than the average rate that the department has negotiated
26 with other community hospitals in Washington state.

27 (d) \$102,000 of the general fund--state appropriation for fiscal
28 year 2012 and \$102,000 of the general fund--state appropriation for
29 fiscal year 2013 are provided solely to implement House Bill No. 1290
30 (health care employee overtime). If the bill is not enacted by June
31 30, 2011, the amounts provided in this subsection shall lapse.

32 (e) The department of corrections shall contract with local and
33 tribal governments for the provision of jail capacity to house
34 offenders. No contract shall have a base rate in excess of \$77 per day
35 per offender. No contract in place on the effective date of this
36 section shall have a year-to-year increase in excess of three percent
37 per year. The contracts may include rates for the medical care of
38 offenders and other specialty care which exceed the base rate and

1 exceed the limitation on year-to-year increase. The appropriations in
2 this section assume savings of \$3,400,000 in fiscal year 2012 and
3 \$5,400,000 in fiscal year 2013 achieved by this subsection.

4 (3) COMMUNITY SUPERVISION

5	General Fund--State Appropriation (FY 2012)	\$130,194,000
6	General Fund--State Appropriation (FY 2013)	\$127,891,000
7	TOTAL APPROPRIATION	\$258,085,000

8 The appropriations in this subsection are subject to the following
9 conditions and limitations: The department shall accomplish personnel
10 reductions with the least possible impact on correctional custody
11 staff, community custody staff, and correctional industries. For the
12 purposes of this subsection, correctional custody staff means employees
13 responsible for the direct supervision of offenders.

14 (4) CORRECTIONAL INDUSTRIES

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

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

27 (5) INTERAGENCY PAYMENTS

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

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

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

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

5 NEW SECTION. **Sec. 222. FOR THE DEPARTMENT OF SERVICES FOR THE**
6 **BLIND**

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

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

19 NEW SECTION. **Sec. 223. FOR THE EMPLOYMENT SECURITY DEPARTMENT**

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

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

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

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

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

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

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

(End of part)

PART III
NATURAL RESOURCES

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

General Fund--State Appropriation (FY 2012)	\$410,000
General Fund--State Appropriation (FY 2013)	\$119,000
General Fund--Federal Appropriation	\$32,000
General Fund--Private/Local Appropriation	\$799,000
TOTAL APPROPRIATION	\$1,360,000

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

General Fund--State Appropriation (FY 2012)	\$52,398,000
General Fund--State Appropriation (FY 2013)	\$47,726,000
General Fund--Federal Appropriation	\$79,024,000
General Fund--Private/Local Appropriation	\$16,804,000
Special Grass Seed Burning Research Account--State Appropriation	\$3,000
Reclamation Revolving Account--State Appropriation	\$3,722,000
Flood Control Assistance Account--State Appropriation	\$1,987,000
State Emergency Water Projects Revolving Account--State Appropriation	\$390,000
Waste Reduction/Recycling/Litter Control--State Appropriation	\$14,679,000
State Drought Preparedness Account--State Appropriation	\$118,000
State and Local Improvements Revolving Account (Water Supply Facilities)--State Appropriation	\$435,000
Freshwater Aquatic Algae Control Account--State Appropriation	\$512,000
Water Rights Tracking System Account--State Appropriation	\$46,000
Site Closure Account--State Appropriation	\$728,000
Wood Stove Education and Enforcement Account--State Appropriation	\$616,000
Worker and Community Right-to-Know Account--State Appropriation	\$1,721,000
Water Rights Processing Account--State Appropriation	\$136,000
State Toxics Control Account--State Appropriation	\$114,067,000

1	State Toxics Control Account--Private/Local	
2	Appropriation	\$983,000
3	Local Toxics Control Account--State Appropriation	\$27,410,000
4	Water Quality Permit Account--State Appropriation	\$38,605,000
5	Underground Storage Tank Account--State Appropriation	\$3,348,000
6	Biosolids Permit Account--State Appropriation	\$1,858,000
7	Hazardous Waste Assistance Account--State Appropriation	\$6,011,000
8	Air Pollution Control Account--State Appropriation	\$2,502,000
9	Oil Spill Prevention Account--State Appropriation	\$5,829,000
10	Air Operating Permit Account--State Appropriation	\$2,816,000
11	Freshwater Aquatic Weeds Account--State Appropriation	\$1,710,000
12	Oil Spill Response Account--State Appropriation	\$7,076,000
13	Metals Mining Account--State Appropriation	\$14,000
14	Water Pollution Control Revolving Account--State	
15	Appropriation	\$630,000
16	Water Pollution Control Revolving Account--Federal	
17	Appropriation	\$2,583,000
18	TOTAL APPROPRIATION	\$436,487,000

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

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

26 (2) Pursuant to RCW 43.135.055, the department is authorized to
27 increase the following fees as necessary to meet the actual costs of
28 conducting business and the appropriation levels in this section:
29 Wastewater discharge permit, not more than 4.34 percent in fiscal year
30 2012 and 4.62 percent in fiscal year 2013; biosolids permit fee, not
31 more than 10 percent during the biennium; air contaminate source
32 registration fee, not more than 36 percent during the biennium; and dam
33 safety and inspection fees, not more than 35 percent in fiscal year
34 2012 and 4.62 percent in fiscal year 2013.

35 (3) If Substitute House Bill No. 1294 (Puget Sound corps) is not
36 enacted by June 30, 2011, \$322,000 of the general fund--state
37 appropriation for fiscal year 2012 and \$322,000 of the general fund--

1 state appropriation for fiscal year 2013 shall be transferred to the
2 department of natural resources.

3 (4) \$463,000 of the state toxics control account--state
4 appropriation is provided solely for implementation of Engrossed Second
5 Substitute House Bill No. 1186 (state's oil spill program). If the
6 bill is not enacted by June 30, 2011, the amount provided in this
7 subsection shall lapse.

8 (5) The department shall collaborate with the state conservation
9 commission when applying for federal grants related to section 319 of
10 the federal clean water act.

11 NEW SECTION. **Sec. 303. FOR THE STATE PARKS AND RECREATION**
12 **COMMISSION**

13	General Fund--State Appropriation (FY 2012)	\$10,057,000
14	General Fund--State Appropriation (FY 2013)	\$10,196,000
15	General Fund--Federal Appropriation	\$5,981,000
16	Winter Recreation Program Account--State Appropriation . . .	\$1,770,000
17	ORV and Nonhighway Vehicle Account--State Appropriation . . .	\$233,000
18	Snowmobile Account--State Appropriation	\$4,867,000
19	Aquatic Lands Enhancement Account--State Appropriation	\$363,000
20	Parks Renewal and Stewardship Account--State	
21	Appropriation	\$129,020,000
22	Parks Renewal and Stewardship Account--Private/Local	
23	Appropriation	\$300,000
24	TOTAL APPROPRIATION	\$162,787,000

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

27 (1) \$9,921,000 of the general fund--state appropriation for fiscal
28 year 2012 and \$9,921,000 of the general fund--state appropriation for
29 fiscal year 2013 are provided solely to assist state parks in its
30 implementation of a new fee structure. The goal of this structure is
31 to make the parks system self-supporting. By August 1, 2012, state
32 parks must submit a report to the office of financial management
33 detailing its progress toward this goal and outlining any additional
34 statutory changes needed for successful implementation.

35 (2) \$79,000 of the general fund--state appropriation for fiscal
36 year 2012 and \$79,000 of the general fund--state appropriation for

1 fiscal year 2013 are provided solely for a grant for the operation of
2 the Northwest avalanche center.

3 (3) \$57,100,000 of the parks renewal and stewardship account--state
4 appropriation is provided solely for implementation of Senate Bill No.
5 5622 (recreation access to state lands). If the bill is not enacted by
6 June 30, 2011, the amount provided in this subsection shall lapse.

7 (4) During the 2011-2013 fiscal biennium, the commission shall not
8 solicit, purchase, or acquire additional lands other than those called
9 for in Senate Bill No. 5467 or House Bill No. 1497.

10 NEW SECTION. **Sec. 304. FOR THE RECREATION AND CONSERVATION**
11 **FUNDING BOARD**

12	General Fund--State Appropriation (FY 2012)	\$1,011,000
13	General Fund--State Appropriation (FY 2013)	\$1,023,000
14	General Fund--Federal Appropriation	\$3,306,000
15	General Fund--Private/Local Appropriation	\$250,000
16	Aquatic Lands Enhancement Account--State Appropriation	\$278,000
17	Vessel Response Account--State Appropriation	\$100,000
18	Firearms Range Account--State Appropriation	\$37,000
19	Recreation Resources Account--State Appropriation	\$3,031,000
20	NOVA Program Account--State Appropriation	\$900,000
21	TOTAL APPROPRIATION	\$9,936,000

22 NEW SECTION. **Sec. 305. FOR THE ENVIRONMENTAL AND LAND USE**
23 **HEARINGS OFFICE**

24	General Fund--State Appropriation (FY 2012)	\$2,478,000
25	General Fund--State Appropriation (FY 2013)	\$2,490,000
26	TOTAL APPROPRIATION	\$4,968,000

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

28	General Fund--State Appropriation (FY 2012)	\$7,092,000
29	General Fund--State Appropriation (FY 2013)	\$7,111,000
30	General Fund--Federal Appropriation	\$1,179,000
31	TOTAL APPROPRIATION	\$15,382,000

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

34 (1) The conservation commission, in cooperation with all

1 conservation districts, will seek to minimize conservation district
2 overhead costs. These efforts may include consolidating conservation
3 districts.

4 (2) \$122,000 of the general fund--federal appropriation is provided
5 solely for Engrossed Substitute House Bill No. 1886 (Ruckelshaus center
6 process). If the bill is not enacted by June 30, 2011, the amount
7 provided in this subsection shall lapse.

8 (3) On July 1, 2011, \$100,000, of the general fund--state
9 appropriation for fiscal year 2012 is provided solely for the central
10 Klickitat county conservation district in accordance with the mutual
11 agreement between the district and parks and recreation commission for
12 ownership and operation of Brooks memorial state park. If the district
13 and the parks and recreation commission do not reach an agreement, the
14 amount provided in this subsection shall lapse.

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

16	General Fund--State Appropriation (FY 2012)	\$36,267,000
17	General Fund--State Appropriation (FY 2013)	\$34,482,000
18	General Fund--Federal Appropriation	\$107,370,000
19	General Fund--Private/Local Appropriation	\$51,566,000
20	ORV and Nonhighway Vehicle Account--State Appropriation . . .	\$393,000
21	Aquatic Lands Enhancement Account--State Appropriation . . .	\$6,992,000
22	Recreational Fisheries Enhancement--State Appropriation . . .	\$3,601,000
23	Warm Water Game Fish Account--State Appropriation	\$3,125,000
24	Eastern Washington Pheasant Enhancement Account--State	
25	Appropriation	\$849,000
26	Aquatic Invasive Species Enforcement Account--State	
27	Appropriation	\$210,000
28	Aquatic Invasive Species Prevention Account--State	
29	Appropriation	\$741,000
30	State Wildlife Account--State Appropriation	\$96,496,000
31	Special Wildlife Account--State Appropriation	\$2,399,000
32	Special Wildlife Account--Federal Appropriation	\$3,431,000
33	Special Wildlife Account--Private/Local Appropriation	\$487,000
34	Wildlife Rehabilitation Account--State Appropriation	\$260,000
35	Regional Fisheries Enhancement Salmonid Recovery	
36	Account--Federal Appropriation	\$5,001,000
37	Oil Spill Prevention Account--State Appropriation	\$919,000

1 Oyster Reserve Land Account--State Appropriation \$927,000
2 Hydraulic Project Approval Account--State
3 Appropriation \$1,500,000
4 TOTAL APPROPRIATION \$357,377,000

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

7 (1) \$294,000 of the aquatic lands enhancement account--state
8 appropriation is provided solely for the implementation of hatchery
9 reform recommendations defined by the hatchery scientific review group.

10 (2) \$355,000 of the general fund--state appropriation for fiscal
11 year 2012 and \$422,000 of the general fund--state appropriation for
12 fiscal year 2013 are provided solely for the department to continue a
13 pilot project with the Confederated Tribes of the Colville Reservation
14 to develop expanded recreational fishing opportunities on Lake Rufus
15 Woods and its northern shoreline and to conduct joint enforcement of
16 lake fisheries on Lake Rufus Woods and adjoining waters, pursuant to
17 state and tribal intergovernmental agreements developed under the
18 Columbia River water supply program. For the purposes of the pilot
19 project:

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

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

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

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

31 (e) The Colville Tribes have agreed to recognize a fishing license
32 issued under RCW 77.32.470 or RCW 77.32.490 as satisfying the nontribal
33 member fishing permit requirements of Colville tribal law on the
34 reservation portion of the waters of Lake Rufus Woods and at designated
35 fishing areas on the north shore of Lake Rufus Woods;

36 (3) Prior to submitting its 2013-2015 biennial operating and
37 capital budget request related to state fish hatcheries to the office
38 of financial management, the department shall contract with the

1 hatchery scientific review group (HSRG) to review this request. This
2 review shall: (a) Determine if the proposed requests are consistent
3 with HSRG recommendations; (b) prioritize the components of the
4 requests based on their contributions to protecting wild salmonid
5 stocks and meeting the recommendations of the HSRG; and (c) evaluate
6 whether the proposed requests are being made in the most cost effective
7 manner. The department shall provide a copy of the HSRG review to the
8 office of financial management with their agency budget proposal.

9 (4) \$400,000 of the general fund--state appropriation for fiscal
10 year 2012 is provided solely for a state match to support the Puget
11 Sound nearshore partnership between the department and the U.S. army
12 corps of engineers.

13 (5) \$50,000 of the general fund--state appropriation for fiscal
14 year 2012 and \$50,000 of the general fund--state appropriation for
15 fiscal year 2013 are provided solely for removal of derelict gear in
16 Washington waters.

17 (6) \$100,000 of the eastern Washington pheasant enhancement
18 account--state appropriation is provided solely for the department to
19 support efforts to enhance permanent and temporary pheasant habitat on
20 public and private lands in Grant, Franklin, and Adams counties. The
21 department may support efforts by entities including conservation
22 districts, nonprofit organizations, and landowners, and must require
23 such entities to provide significant nonstate matching resources, which
24 may be in the form of funds, material, or labor.

25 (7) Within the amounts appropriated in this section, the department
26 shall identify additional opportunities for partnerships in order to
27 keep fish hatcheries operational. Such partnerships shall aim to
28 maintain fish production and salmon recovery with less reliance on
29 state operating funds.

30 (8) By September 1, 2011, the department shall update its
31 interagency agreement dated September 30, 2010, with the department of
32 natural resources concerning land management services on the department
33 of fish and wildlife's wildlife conservation and recreation lands. The
34 update shall include rates and terms for services.

35 (9) \$6,443,000 of the state wildlife account--state appropriation
36 is provided solely for the implementation of Senate Bill No. 5385
37 (state wildlife account). If the bill is not enacted by June 30, 2011,
38 the amount provided in this subsection shall lapse.

1 (10) \$7,114,000 of the state wildlife account--state appropriation
2 is provided solely for the implementation of Senate Bill No. 5622. If
3 the bill is not enacted by June 30, 2011, the amount provided in this
4 subsection shall lapse.

5 (11) \$1,500,000 of the hydraulic project approval account--state
6 appropriation is provided solely for the implementation of Senate Bill
7 No. 5862. If the bill is not enacted by June 30, 2011, the amount
8 provided in this subsection shall lapse.

9 (12) During the 2011-2013 fiscal biennium, the department shall not
10 solicit, purchase, or acquire additional lands other than those called
11 for in Senate Bill No. 5467 or House Bill No. 1497.

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

13	General Fund--State Appropriation (FY 2012)	\$34,651,000
14	General Fund--State Appropriation (FY 2013)	\$34,418,000
15	General Fund--Federal Appropriation	\$28,145,000
16	General Fund--Private/Local Appropriation	\$2,381,000
17	Forest Development Account--State Appropriation	\$42,673,000
18	ORV and Nonhighway Vehicle Account--State Appropriation . .	\$4,508,000
19	Surveys and Maps Account--State Appropriation	\$2,399,000
20	Aquatic Lands Enhancement Account--State	
21	Appropriation	\$7,389,000
22	Resources Management Cost Account--State	
23	Appropriation	\$85,916,000
24	Surface Mining Reclamation Account--State	
25	Appropriation	\$3,540,000
26	Disaster Response Account--State Appropriation	\$5,000,000
27	Forest and Fish Support Account--State Appropriation	\$7,939,000
28	Aquatic Land Dredged Material Disposal Site	
29	Account--State Appropriation	\$844,000
30	Natural Resources Conservation Areas Stewardship	
31	Account--State Appropriation	\$34,000
32	State Toxics Control Account--State Appropriation	\$80,000
33	Air Pollution Control Account--State Appropriation	\$1,319,000
34	NOVA Program Account--State Appropriation	\$1,018,000
35	Derelict Vessel Removal Account--State Appropriation	\$1,765,000
36	Agricultural College Trust Management Account--State	
37	Appropriation	\$1,916,000

1	Forest Practices Application Account--State	
2	Appropriation	\$1,500,000
3	TOTAL APPROPRIATION	\$267,435,000

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

6 (1) \$977,000 of the general fund--state appropriation for fiscal
7 year 2012 and \$915,000 of the general fund--state appropriation for
8 fiscal year 2013 are provided solely for deposit into the agricultural
9 college trust management account and are provided solely to manage
10 approximately 70,700 acres of Washington State University's
11 agricultural college trust lands.

12 (2) \$10,037,000 of the general fund--state appropriation for fiscal
13 year 2012, \$10,037,000 of the general fund--state appropriation for
14 fiscal year 2013, and \$5,000,000 of the disaster response account--
15 state appropriation are provided solely for emergency fire suppression.
16 None of the general fund and disaster response account amounts provided
17 in this subsection may be used to fund agency indirect and
18 administrative expenses. Agency indirect and administrative costs
19 shall be allocated among the agency's remaining accounts and
20 appropriations. The department of natural resources shall submit a
21 quarterly report to the office of financial management and the
22 legislative fiscal committees detailing information on current and
23 planned expenditures from the disaster response account. This work
24 shall be done in coordination with the military department.

25 (3) \$5,000,000 of the forest and fish support account--state
26 appropriation is provided solely for adaptive management, monitoring,
27 and participation grants to tribes. If federal funding for this
28 purpose is reinstated, the amount provided in this subsection shall
29 lapse.

30 (4) \$333,000 of the forest and fish support account--state
31 appropriation is provided solely for adaptive management, monitoring,
32 and participation grants to nongovernmental organizations.

33 (5) \$487,000 of the general fund--state appropriation is provided
34 solely to fund interagency agreements with the department of ecology
35 and the department of fish and wildlife as part of the adaptive
36 management process.

37 (6) \$1,000,000 of the general fund--federal appropriation and
38 \$1,000,000 of the forest and fish support account--state appropriation

1 are provided solely for continuing scientific studies already underway
2 as part of the adaptive management process. Funds may not be used to
3 initiate new studies unless the department secures new federal funding
4 for the adaptive management process.

5 (7) The department is authorized to increase the silviculture
6 burning permit fee in the 2011-2013 biennium up to eighty dollars plus
7 fifty cents per ton for each ton of material burned in excess of one
8 hundred tons.

9 (8) \$440,000 of the state general fund--state appropriation for
10 fiscal year 2012 and \$440,000 of the state general fund--state
11 appropriation for fiscal year 2013 are provided solely for forest work
12 crews that support correctional camps and are contingent upon
13 continuing operations of Naselle youth camp.

14 (9) By September 1, 2011, the department shall update its
15 interagency agreement dated September 30, 2010, with the department of
16 fish and wildlife concerning land management services on the department
17 of fish and wildlife's wildlife conservation and recreation lands. The
18 update shall include rates and terms for services.

19 (10) \$1,500,000 of the forest practices application account--state
20 appropriation is provided solely for the implementation of Senate Bill
21 No. 5862. If the bill is not enacted by June 30, 2011, the amount
22 provided in this subsection shall lapse.

23 (11)(a) The department shall convene the marina rents review
24 committee so that the committee can recommend to the legislature
25 alternative methods of calculating rents for marinas occupying
26 state-owned aquatic lands. The committee must explore ways to refine
27 and improve the averaging method for calculating rents for marinas as
28 generally described in Senate Bill No. 5550 (marina annual rent rates);
29 examine current methodologies; address significant fluctuations in
30 assessed value among similarly sized and situated properties; and
31 explore how marina rents in similar regional marina markets can affect
32 market conditions for marinas. The department shall also consider
33 expanding representation and stakeholder outreach on the committee,
34 based on recommendations of existing committee members. The department
35 is authorized to use independent facilitators and outside parties to
36 partner in the committee's efforts. Recommendations provided by the
37 committee must meet these minimum requirements:

1 (i) Provide more equitable treatment of marina lessees through
2 similar lease rates for similar uses in similar markets or geographic
3 locations;

4 (ii) Minimize administrative burdens to the department;

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

7 (b) The committee shall strive for unanimous agreement in its
8 recommendations. In the absence of a unanimous agreement, a vote may
9 be taken to assess preferences and majority and minority views, and
10 recommendations must be reported to the legislature by December 1,
11 2011, consistent with RCW 43.01.036.

12 (12) During the 2011-2013 fiscal biennium, the department shall not
13 add additional pilots or helicopters to its fleet and shall, if
14 necessary, within existing funds purchase by contract additional
15 capacity.

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

17	General Fund--State Appropriation (FY 2012)	\$16,258,000
18	General Fund--State Appropriation (FY 2013)	\$16,044,000
19	General Fund--Federal Appropriation	\$23,217,000
20	General Fund--Private/Local Appropriation	\$190,000
21	Aquatic Lands Enhancement Account--State	
22	Appropriation	\$2,101,000
23	State Toxics Control Account--State Appropriation	\$5,191,000
24	Water Quality Permit Account--State Appropriation	\$62,000
25	TOTAL APPROPRIATION	\$63,063,000

26 **NEW SECTION. Sec. 310. FOR THE WASHINGTON POLLUTION LIABILITY**

27 **INSURANCE PROGRAM**

28	Pollution Liability Insurance Program Trust	
29	Account--State Appropriation	\$681,000

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

31	General Fund--State Appropriation (FY 2012)	\$2,584,000
32	General Fund--State Appropriation (FY 2013)	\$2,572,000
33	General Fund--Federal Appropriation	\$9,620,000
34	General Fund--Private/Local Appropriation	\$25,000
35	Aquatic Lands Enhancement Account--State Appropriation	\$499,000

1 State Toxics Control Account--State Appropriation \$735,000
2 TOTAL APPROPRIATION \$16,035,000

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

5 (1) \$706,000 of the state toxics control account--state
6 appropriation is provided solely for activities that contribute to
7 Puget Sound protection and recovery, including provision of independent
8 advice and assessment of the state's oil spill prevention,
9 preparedness, and response programs, including review of existing
10 activities and recommendations for any necessary improvements. The
11 partnership may carry out this function through an existing committee,
12 such as the ecosystem coordination board or the leadership council, or
13 may appoint a special advisory council. Because this is a unique
14 statewide program, the partnership may invite participation from
15 outside the Puget Sound region.

16 (2) Within the amounts appropriated in this section, the Puget
17 Sound partnership shall facilitate an ongoing monitoring consortium to
18 integrate monitoring efforts for storm water, water quality, watershed
19 health, and other indicators to enhance monitoring efforts in Puget
20 Sound.

(End of part)

PART IV
TRANSPORTATION

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

General Fund--State Appropriation (FY 2012)	\$1,276,000
General Fund--State Appropriation (FY 2013)	\$1,530,000
Architects' License Account--State Appropriation	\$1,086,000
Professional Engineers' Account--State Appropriation	\$3,573,000
Real Estate Commission Account--State Appropriation	\$10,043,000
Uniform Commercial Code Account--State Appropriation	\$3,183,000
Real Estate Education Account--State Appropriation	\$276,000
Real Estate Appraiser Commission Account--State Appropriation	\$1,724,000
Business and Professions Account--State Appropriation	\$16,045,000
Real Estate Research Account--State Appropriation	\$622,000
Geologists' Account--State Appropriation	\$49,000
Derelict Vessel Removal Account--State Appropriation	\$31,000
TOTAL APPROPRIATION	\$39,438,000

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

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

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

2	General Fund--State Appropriation (FY 2012)	\$39,567,000
3	General Fund--State Appropriation (FY 2013)	\$37,368,000
4	General Fund--Federal Appropriation	\$16,081,000
5	General Fund--Private/Local Appropriation	\$3,021,000
6	Death Investigations Account--State Appropriation	\$5,735,000
7	County Criminal Justice Assistance Account--State	
8	Appropriation	\$3,302,000
9	Municipal Criminal Justice Assistance Account--State	
10	Appropriation	\$1,332,000
11	Fire Service Trust Account--State Appropriation	\$131,000
12	Disaster Response Account--State Appropriation	\$8,002,000
13	Fire Service Training Account--State Appropriation	\$9,087,000
14	Aquatic Invasive Species Enforcement Account--State	
15	Appropriation	\$54,000
16	State Toxics Control Account--State Appropriation	\$508,000
17	Fingerprint Identification Account--State	
18	Appropriation	\$8,964,000
19	Vehicle License Fraud Account--State Appropriation	\$21,000
20	TOTAL APPROPRIATION	\$133,173,000

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

23 (1) \$200,000 of the fire service training account--state
24 appropriation is provided solely for two FTEs in the office of the
25 state director of fire protection to exclusively review K-12
26 construction documents for fire and life safety in accordance with the
27 state building code. It is the intent of this appropriation to provide
28 these services only to those districts that are located in counties
29 without qualified review capabilities.

30 (2) \$8,000,000 of the disaster response account--state
31 appropriation is provided solely for Washington state fire service
32 resource mobilization costs incurred in response to an emergency or
33 disaster authorized under RCW 43.43.960 and 43.43.964. The state
34 patrol shall submit a report quarterly to the office of financial
35 management and the legislative fiscal committees detailing information
36 on current and planned expenditures from this account. This work shall
37 be done in coordination with the military department.

1 (3) \$400,000 of the fire service training account--state
2 appropriation is provided solely for the firefighter apprenticeship
3 training program.

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

8 (5) \$59,000 of the fingerprint identification account--state
9 appropriation is provided solely for implementation of Engrossed Second
10 Substitute House Bill No. 1776 (child care center licensing). If the
11 bill is not enacted by June 30, 2011, the amount provided in this
12 subsection shall lapse.

13 (6) The department shall dispose of the two King Air aircraft it
14 currently owns. The proceeds from the sale of the airplanes shall be
15 deposited into the state general fund and the state patrol highway
16 account in equal amounts. Disposal of the aircraft must occur no later
17 than June 30, 2012.

(End of part)

PART V
EDUCATION

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

General Fund--State Appropriation (FY 2012)	\$27,765,000
General Fund--State Appropriation (FY 2013)	\$24,083,000
General Fund--Federal Appropriation	\$81,739,000
TOTAL APPROPRIATION	\$133,587,000

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

(1) A maximum of \$18,047,000 of the general fund--state appropriation for fiscal year 2012 and \$14,451,000 of the general fund--state appropriation for fiscal year 2013 is for state agency operations.

(a) \$9,858,000 of the general fund--state appropriation for fiscal year 2012 and \$9,081,000 of the general fund--state appropriation for fiscal year 2013 are provided solely for the operation and expenses of the office of the superintendent of public instruction.

(i) Within the amounts provided in this subsection (1)(a), the superintendent shall recognize the extraordinary accomplishments of four students who have demonstrated a strong understanding of the civics essential learning requirements to receive the Daniel J. Evans civic education award.

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

(iii) The appropriations in this section assume savings associated with Substitute House Bill No. 1449 (educator certificate fee).

1 (b) \$1,842,000 of the general fund--state appropriation for fiscal
2 year 2012 and \$1,094,000 of the general fund--state appropriation for
3 fiscal year 2013 are provided solely for activities associated with the
4 implementation of new school finance systems required by chapter 236,
5 Laws of 2010 (K-12 education funding) and chapter 548, Laws of 2009
6 (state's education system), including technical staff, systems
7 reprogramming, and workgroup deliberations, including the quality
8 education council.

9 (c) \$851,000 of the general fund--state appropriation for fiscal
10 year 2012 and \$851,000 of the general fund--state appropriation for
11 fiscal year 2013 are provided solely for the operation and expenses of
12 the state board of education, including basic education assistance
13 activities.

14 (d) \$1,743,000 of the general fund--state appropriation for fiscal
15 year 2012 and \$1,361,000 of the general fund--state appropriation for
16 fiscal year 2013 are provided solely to the professional educator
17 standards board for the following:

18 (i) \$1,031,000 in fiscal year 2012 and \$1,031,000 in fiscal year
19 2013 are for the operation and expenses of the Washington professional
20 educator standards board; and

21 (ii) \$712,000 of the general fund--state appropriation for fiscal
22 year 2012 and \$330,000 of the general fund--state appropriation for
23 fiscal year 2013 are for conditional scholarship loans and mentor
24 stipends provided through the alternative routes to certification
25 program administered by the professional educator standards board,
26 including the pipeline for paraeducators program and the retooling to
27 teach conditional loan programs. Funding within this subsection
28 (1)(d)(ii) is also provided for the recruiting Washington teachers
29 program.

30 (e) \$45,000 of the general fund--state appropriation for fiscal
31 year 2012 and \$45,000 of the general fund--state appropriation for
32 fiscal year 2013 are provided solely for the implementation of chapter
33 380, Laws of 2009 (enacting the interstate compact on educational
34 opportunity for military children).

35 (f) \$89,000 of the general fund--state appropriation for fiscal
36 year 2012 and \$23,000 of the general fund--state appropriation for
37 fiscal year 2013 are provided solely for the implementation of Second
38 Substitute House Bill No. 1163 (bullying prevention), which requires

1 the office of the superintendent of public instruction to convene an
2 ongoing workgroup on school bullying and harassment prevention. If the
3 bill is not enacted by June 30, 2011, the amounts provided in this
4 subsection shall lapse.

5 (g) \$856,000 of the general fund--state appropriation for fiscal
6 year 2012 and \$4,000 of the general fund--state appropriation for
7 fiscal year 2013 are provided solely for the implementation of
8 Engrossed Second Substitute House Bill No. 1443 (education reforms).
9 \$764,000 of the \$856,000 general fund--state appropriation for fiscal
10 year 2012 is provided solely for allocation to local school districts
11 for the purpose of implementing the bill. If the bill is not enacted
12 by June 30, 2011, the amounts provided in this subsection shall lapse.

13 (h) \$166,000 of the general fund--state appropriation for fiscal
14 year 2012 is provided solely for implementation of Proposed Second
15 Substitute House Bill No. 1431 (financial insolvency of school
16 districts). If the bill is not enacted by June 30, 2011, the amounts
17 provided in this subsection shall lapse.

18 (i) \$1,200,000 of the general fund--state appropriation for fiscal
19 year 2012 and \$700,000 of the general fund--state appropriation for
20 fiscal year 2013 are provided solely to plan and implement a voluntary
21 program of consolidated public school employee health benefits
22 purchasing. The office of the superintendent of public instruction
23 shall establish interagency agreements with the state health care
24 authority, the office of the insurance commissioner, and the office of
25 financial management to provide a system allowing for a minimum of
26 5,000 and a maximum of 16,000 participants to enroll in the K-12
27 employees' health benefits pool for the 2012-2013 school year. If
28 Senate Bill No. . . . is not enacted by June 30, 2011, this subsection
29 shall lapse.

30 (j) The appropriations in this section assume savings associated
31 with Substitute Senate Bill No. 5639 (relating to education
32 governance).

33 (2) \$9,735,000 of the general fund--state appropriation for fiscal
34 year 2012, \$9,636,000 of the general fund--state appropriation for
35 fiscal year 2013 are for statewide programs.

36 (a) HEALTH AND SAFETY

37 (i) \$2,541,000 of the general fund--state appropriation for fiscal
38 year 2012 and \$2,541,000 of the general fund--state appropriation for

1 fiscal year 2013 are provided solely for a corps of nurses located at
2 educational service districts, as determined by the superintendent of
3 public instruction, to be dispatched to the most needy schools to
4 provide direct care to students, health education, and training for
5 school staff.

6 (ii) \$45,000 of the general fund--state appropriation for fiscal
7 year 2012 and \$45,000 of the general fund--state appropriation for
8 fiscal year 2013 are provided solely for a nonviolence and leadership
9 training program provided by the institute for community leadership.

10 (b) TECHNOLOGY

11 \$1,570,000 of the general fund--state appropriation for fiscal year
12 2012 and \$1,571,000 of the general fund--state appropriation for fiscal
13 year 2013 are provided solely for K-20 telecommunications network
14 technical support in the K-12 sector to prevent system failures and
15 avoid interruptions in school utilization of the data processing and
16 video-conferencing capabilities of the network. These funds may be
17 used to purchase engineering and advanced technical support for the
18 network.

19 (c) GRANTS AND ALLOCATIONS

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

26 (ii) \$1,000,000 of the general fund--state appropriation for fiscal
27 year 2012 and \$1,000,000 of the general fund--state appropriation for
28 fiscal year 2013 are provided solely for contracting with a college
29 scholarship organization with expertise in conducting outreach to
30 students concerning eligibility for the Washington college bound
31 scholarship consistent with chapter 405, Laws of 2007.

32 (iii) \$2,808,000 of the general fund--state appropriation for
33 fiscal year 2012 and \$2,808,000 of the general fund--state
34 appropriation for fiscal year 2013 are provided solely for the
35 dissemination of the navigation 101 curriculum to all districts. The
36 funding shall support electronic student planning tools and software
37 for analyzing the impact of navigation 101 on student performance, as
38 well as grants to a maximum of one hundred school districts each year,

1 based on progress and need for the implementation of the navigation 101
2 program. The implementation grants shall be awarded to a cross-section
3 of school districts reflecting a balance of geographic and demographic
4 characteristics. Within the amounts provided, the office of the
5 superintendent of public instruction will create a navigation 101
6 accountability model to analyze the impact of the program.

7 (iv) \$135,000 of the general fund--state appropriation for fiscal
8 year 2012 and \$135,000 of the general fund--state appropriation for
9 fiscal year 2013 are provided solely for dropout prevention programs at
10 the office of the superintendent of public instruction, including the
11 jobs for America's graduates (JAG) program.

12 (v) \$500,000 of the general fund--state appropriation for fiscal
13 year 2012 and \$400,000 of the general fund--state appropriation for
14 fiscal year 2013 are provided solely for the implementation of
15 Substitute House Bill No. 1510 (state-funded kindergarten), including
16 the development and implementation of the Washington kindergarten
17 inventory of developing skills (WaKIDS). If the bill is not enacted by
18 June 30, 2011, the amounts provided in this subsection shall lapse.

19 NEW SECTION. **Sec. 502. FOR THE SUPERINTENDENT OF PUBLIC**
20 **INSTRUCTION--FOR GENERAL APPORTIONMENT**

21	General Fund--State Appropriation (FY 2012)	\$5,385,913,000
22	General Fund--State Appropriation (FY 2013)	\$5,255,538,000
23	TOTAL APPROPRIATION	\$10,641,451,000

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

26 (1) GENERAL PROVISIONS

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

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

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

1 (2) AVERAGE DAILY ATTENDANCE

2 (a) The office of the superintendent of public instruction shall,
3 no later than August 1, 2011, establish a standard statewide definition
4 of unexcused absence for the purpose of developing a daily attendance
5 factor for adjusting districts' student enrollment, as provided in RCW
6 28A.150.260(13)(c). The office of the superintendent of public
7 instruction shall consult with representative school district
8 administrators and school board representatives. The definition shall
9 not take effect until reviewed by the senate and house of
10 representatives ways and means committees.

11 (b) The office of the superintendent of public instruction shall
12 monitor student attendance data, by school, and report to ways and
13 means committees of the senate and the house of representatives by
14 December 31, 2012, findings regarding unexcused absence rates. The
15 report should include information regarding any variables that are
16 found to correlate with unexcused absences, the relationship of
17 unexcused absence rates with the percent of students in a school who
18 are eligible for free- or reduced-price lunch, trends or changes in
19 unexcused absence rates measured over time, and any related findings
20 that hold promise for improving student attendance and academic
21 achievement.

22 (3) CERTIFICATED INSTRUCTIONAL STAFF ALLOCATIONS

23 Allocations for certificated instructional staff salaries for the
24 2011-12 and 2012-13 school years are determined using formula-generated
25 staff units calculated pursuant to this subsection.

26 (a) Certificated instructional staff units, as defined in RCW
27 28A.150.410, shall be allocated to reflect the minimum class size
28 allocations, requirements, and school prototypes assumptions as
29 provided in RCW 28A.150.260(13)(c), and reflecting the required
30 adjustment by a daily attendance factor. The superintendent shall
31 adjust allocations to school districts based on the district's annual
32 average full-time equivalent student enrollment in each grade.

33 (b) Additional certificated instructional staff units provided in
34 this subsection (3) that exceed the minimum requirements in RCW
35 28A.150.260 are enhancements outside the program of basic education,
36 except as otherwise provided in this section.

37 (c)(i) The superintendent shall base allocations for each level of

1 prototypical school on the following regular education average class
2 size of full-time equivalent students per teacher, except as provided
3 in (c)(ii) of this subsection:

4	General education class size:	
5	Grade	RCW 28A.150.260
6	Grades K-3	..... 25.23
7	Grade 4	..... 27.00
8	Grades 5-6	..... 27.00
9	Grades 7-8	..... 28.53
10	Grades 9-12	..... 28.74

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

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

20	General education class size in high poverty	
21	school:	
22	Grades K-3	..... 22.76
23	Grade 4	..... 27.00
24	Grades 5-6	..... 27.00
25	Grades 7-8	..... 28.53
26	Grades 9-12	..... 28.74

27 (iii) Pursuant to RCW 28A.150.260(4)(a), the assumed teacher
28 planning period, expressed as a percentage of a teacher work day, is
29 13.42 percent in grades K-6, and 16.67 percent in grades 7-12; and

30 (iv) Laboratory science, advanced placement, and international
31 baccalaureate courses are funded at the same class size assumptions as
32 general education schools in the same grade; and

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

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

11 Career and Technical Education

12 students 2.02 per 1000 student FTE's
13 Skill Center students 2.36 per 1000 student FTE's

14 (4) ADMINISTRATIVE STAFF ALLOCATIONS

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

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

25 Career and Technical Education students 2.5 percent
26 Skill Center students 19.75 percent

27 (5) CLASSIFIED STAFF ALLOCATIONS

28 Allocations for classified staff units providing school building-
29 level and district-wide support services for the 2011-12 and 2012-13
30 school years are determined using the formula-generated staff units
31 provided in RCW 28A.150.260, and adjusted based on each district's
32 annual average full-time equivalent student enrollment in each grade as
33 provided in RCW 28A.150.260(13)(c).

34 (6) CENTRAL OFFICE ALLOCATIONS

35 In addition to classified and administrative staff units allocated
36 in subsections (4) and (5) of this section, classified and

1 administrative staff units are provided for the 2011-12 and 2012-13
2 school year for the central office administrative costs of operating a
3 school district, at the following rates:

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

9 (b) Of the central office staff units calculated in (a) of this
10 subsection, 74.53 percent are allocated as classified staff units, as
11 generated in subsection (5) of this section, and 25.47 percent shall be
12 allocated as administrative staff units, as generated in subsection (4)
13 of this section.

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

19 (d) For students in approved career-technical and skill center
20 programs, central office classified units are allocated at the same
21 staff unit per student rate as those generated for general education
22 students of the same grade in this subsection (6), and central office
23 administrative staff units are allocated at staff unit per student
24 rates that exceed the general education rate established for students
25 in the same grade in this subsection (6) by 3.69 percent for career and
26 technical education students, and 21.92 percent for skill center
27 students.

28 (7) FRINGE BENEFIT ALLOCATIONS

29 Fringe benefit allocations shall be calculated at a rate of 16.30
30 percent in the 2011-12 school year and 16.31 percent in the 2012-13
31 school year for certificated salary allocations provided under
32 subsections (3), (4), and (6) of this section, and a rate of 18.69
33 percent in the 2011-12 school year and 18.70 percent in the 2012-13
34 school year for classified salary allocations provided under
35 subsections (4) and (5) of this section.

36 (8) INSURANCE BENEFIT ALLOCATIONS

37 (a) Insurance benefit allocations shall be calculated at the

1 maintenance rate specified in section 504 of this act, based on the
2 number of benefit units determined as follows:

3 (i) The number of certificated staff units determined in
4 subsections (3), (4), and (6) of this section; and

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

12 (b) Public school employee health insurance benefit rates for
13 school year 2012-13 will be allocated at differential rates for
14 participants and for nonparticipants in the K-12 employee consolidated
15 health benefits pool. It is expected that the program transition team
16 will include proposed differential rates to the legislature, prior to
17 the 2012-13 school year, as part of its submitted implementation plan
18 and recommendations and in accordance with legislation enacted in the
19 2011 session. If Senate Bill No. . . . is not enacted by June 30,
20 2011, the school year 2012-13 health benefit allocation rates shall
21 remain, uniformly, at the 2011-12 school year level.

22 (9) MATERIALS, SUPPLIES, AND OPERATING COSTS (MSOC) ALLOCATIONS

23 Funding is allocated per annual average full-time equivalent
24 student, as provided in RCW 28A.150.260(13)(c), for the materials,
25 supplies, and operating costs (MSOC) incurred by school districts,
26 consistent with the requirements of RCW 28A.150.260.

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

29 MSOC RATES/STUDENT FTE

30			
31	MSOC Component	2011-12	2012-13
32		SCHOOL YEAR	SCHOOL YEAR
33			
34	Technology	\$57.02	\$57.99
35	Utilities and Insurance	\$154.93	\$157.56

1	Curriculum and Textbooks	\$61.22	\$62.26
2	Other Supplies and Library Materials	\$129.97	\$132.18
3	Instructional Professional Development for Certificated and Classified Staff	\$9.47	\$9.63
4	Facilities Maintenance	\$76.75	\$78.06
5	Security and Central Office	\$53.17	\$54.08
6	TOTAL BASIC EDUCATION MSOC/STUDENT FTE	\$542.53	\$551.76

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

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

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

18 (10) SUBSTITUTE TEACHER ALLOCATIONS

19 For the 2011-12 and 2012-13 school years, funding for substitute
20 costs for classroom teachers is based on four (4) funded substitute
21 days per classroom teacher unit generated under subsection (3) of this
22 section, at a daily substitute rate of \$151.86.

23 (11) ALTERNATIVE LEARNING EXPERIENCE PROGRAM FUNDING

24 (a) Funding is allocated per annual average full-time equivalent
25 student, as provided in RCW 28A.150.260(13)(c). Beginning in the 2011-
26 12 school year, general apportionment allocations resulting from this
27 section and compensation factors in sections 503 and 504 of this act
28 shall be multiplied by a factor of 0.90 for students participating in
29 alternative learning experience (ALE) programs defined in WAC 392-121-
30 182.

31 (b) School districts providing ALE programs as defined in WAC
32 392-121-182 may not provide any compensation, reimbursement, gift,
33 reward, or gratuity to any parents, guardians, or students for
34 participation in ALE programs. This prohibition includes, but is not
35 limited to, providing funds to parents, guardians, or students for the
36 purchase of educational materials, supplies, experiences, services, or

1 technological equipment. A district may purchase educational
2 materials, equipment, or other nonconsumable supplies for students' use
3 in ALE programs if the purchase is consistent with laws and rules and
4 made in the same manner as such purchases are made for students in the
5 district's non-ALE program. Items so purchased remain the property of
6 the school district upon ALE program completion. These requirements in
7 this subsection extend to private and multidistrict cooperative ALE
8 providers, and each district shall be responsible for monitoring the
9 compliance of its ALE providers with this subsection.

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

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

23 (12) ADDITIONAL FUNDING FOR SMALL SCHOOL DISTRICTS AND REMOTE AND
24 NECESSARY PLANTS

25 For small school districts and remote and necessary school plants
26 within any district which have been judged to be remote and necessary
27 by the state board of education, and based on funding allocations per
28 annual average full-time equivalent student, as provided in RCW
29 28A.150.260(13)(c), additional staff units are provided to ensure a
30 minimum level of staffing support. Additional administrative and
31 certificated instructional staff units provided to districts in this
32 subsection shall be reduced by the staff units otherwise provided in
33 subsections (2) through (6) of this section on a per district basis.

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

1 more than twenty-five average annual full-time equivalent students in
2 grades K-8:

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

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

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

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

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

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

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

34 (ii) For all other small high schools under this subsection, nine
35 certificated instructional staff units and one-half of a certificated
36 administrative staff unit for the first sixty average annual full-time
37 equivalent students, and additional staff units based on a ratio of

1 0.8732 certificated instructional staff units and 0.1268 certificated
2 administrative staff units per each additional forty-three and one-half
3 average annual full-time equivalent students;

4 (d) For each nonhigh school district having an enrollment of more
5 than seventy annual average full-time equivalent students and less than
6 one hundred eighty students, operating a grades K-8 program or a grades
7 1-8 program, an additional one-half of a certificated instructional
8 staff unit;

9 (e) For each nonhigh school district having an enrollment of more
10 than fifty annual average full-time equivalent students and less than
11 one hundred eighty students, operating a grades K-6 program or a grades
12 1-6 program, an additional one-half of a certificated instructional
13 staff unit;

14 (f)(i) For enrollments generating certificated staff unit
15 allocations under this subsection, one classified staff unit for each
16 2.94 certificated staff units allocated under such subsections;

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

21 (g) School districts receiving additional staff units to support
22 small student enrollments and remote and necessary plants under this
23 subsection (12) shall generate additional MSOC allocations consistent
24 with the nonemployee related costs (NERC) allocation formula in place
25 for the 2010-11 school year as provided section 502, chapter 37, Laws
26 of 2010 1st sp. sess. (2010 supplemental budget), adjusted annually for
27 inflation and adjusted for annual average full-time equivalent student,
28 as provided in RCW 28A.150.260(13)(c) effective September 1, 2011.

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

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

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

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

16 (c) Funding in this section is sufficient to fund adjustments to
17 school districts' allocations resulting from the implementation of the
18 prototypical school funding formula, pursuant to chapter 236, Laws of
19 2010 (K-12 education funding). The funding in this section is intended
20 to hold school districts harmless in total for funding changes
21 resulting from conversion to the prototypical school formula in the
22 general apportionment program, the learning assistance program, the
23 transitional bilingual program, and the highly capable program, after
24 adjustment for changes in enrollment and other caseload adjustments.

25 (15) \$208,000 of the general fund--state appropriation for fiscal
26 year 2012 and \$211,000 of the general fund--state appropriation for
27 fiscal year 2013 are provided solely for school district emergencies as
28 certified by the superintendent of public instruction. At the close of
29 the fiscal year the superintendent of public instruction shall report
30 to the office of financial management and the appropriate fiscal
31 committees of the legislature on the allocations provided to districts
32 and the nature of the emergency.

33 (16) Amounts in this section include adjustments made by the
34 superintendent of public instruction for the repayment of financial
35 contingency funds allocated in fiscal year 2011, as specified in
36 section 1402(14) of this act. For any amount allocated to a district
37 in state fiscal year 2011, the superintendent of public instruction
38 shall deduct in state fiscal year 2012 from the district's general

1 apportionment the amount of the emergency contingency allocation and
2 any earnings by the school district on the investment of a temporary
3 cash surplus due to the emergency contingency allocation. Repayments
4 or advances will be accomplished by a reduction in the school
5 district's apportionment payments on or before June 30th of the school
6 year following the distribution of the emergency contingency
7 allocation. All disbursements, repayments, and outstanding allocations
8 to be repaid of the emergency contingency pool shall be reported to the
9 office of financial management and the appropriate fiscal committees of
10 the legislature on July 1st and January 1st of each year.

11 (17) \$5,000,000 of the general fund--state appropriation for fiscal
12 year 2012 and \$5,000,000 of the general fund--state appropriation for
13 fiscal year 2013 are provided solely for a K-12 salary reduction
14 mitigation pool for public school employees allocated an annual base
15 state funded salary, not including benefits, of less than or equal to
16 \$30,000 per full-time equivalent staff. To the extent appropriations
17 in this subsection are sufficient, funds shall be distributed to
18 proportionately to restore state-funded base allocations, but in no
19 case shall distributions exceed \$900 per year per full-time equivalent
20 staff.

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

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

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

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

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

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

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

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

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

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

36 (b) Salary allocations for certificated administrative staff units

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

4 (2) For the purposes of this section:

5 (a) "LEAP Document 1" means the staff mix factors for certificated
 6 instructional staff according to education and years of experience, as
 7 developed by the legislative evaluation and accountability program
 8 committee on April 11, 2011, at 11:11 hours; and

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

14 (3) Incremental fringe benefit factors are applied to salary
 15 adjustments at a rate of 15.66 percent for school year 2011-12 and
 16 15.66 percent for school year 2012-13 for certificated instructional
 17 and certificated administrative staff and 15.19 percent for school year
 18 2011-12 and 15.20 percent for the 2012-13 school year for classified
 19 staff.

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

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

26	Years									
27	of									
28	Service	BA	BA+15	BA+30	BA+45	BA+90	BA+135	MA	MA+45	MA+90 OR Ph.D.
29	0	33,027	33,919	34,843	35,770	38,742	40,656	39,596	42,569	44,485
30	1	33,472	34,376	35,312	36,279	39,282	41,186	40,037	43,040	44,943
31	2	33,895	34,808	35,754	36,796	39,790	41,714	40,480	43,474	45,398
32	3	34,332	35,253	36,209	37,284	40,273	42,243	40,900	43,887	45,858
33	4	34,760	35,722	36,684	37,796	40,802	42,787	41,340	44,347	46,332
34	5	35,202	36,169	37,140	38,314	41,309	43,333	41,788	44,784	46,809
35	6	35,656	36,602	37,607	38,839	41,820	43,855	42,246	45,228	47,262
36	7	36,455	37,415	38,433	39,732	42,757	44,848	43,106	46,130	48,222

1	8	37,624	38,636	39,678	41,085	44,151	46,319	44,458	47,525	49,692
2	9		39,901	40,995	42,452	45,590	47,832	45,824	48,964	51,205
3	10			42,327	43,890	47,069	49,386	47,263	50,443	52,759
4	11				45,370	48,618	50,981	48,743	51,992	54,354
5	12				46,802	50,209	52,642	50,280	53,582	56,016
6	13					51,838	54,344	51,872	55,211	57,717
7	14					53,475	56,110	53,511	56,955	59,483
8	15					54,866	57,569	54,902	58,436	61,030
9	16 or					55,963	58,720	56,000	59,604	62,250
10	more									

Table Of Total Base Salaries For Certificated Instructional Staff

For School Year 2012-13

*** Education Experience ***

15	Years									MA+90
16	of									OR
17	Service	BA	BA+15	BA+30	BA+45	BA+90	BA+135	MA	MA+45	Ph.D.
18	0	33,027	33,919	34,843	35,770	38,742	40,656	39,596	42,569	44,485
19	1	33,472	34,376	35,312	36,279	39,282	41,186	40,037	43,040	44,943
20	2	33,895	34,808	35,754	36,796	39,790	41,714	40,480	43,474	45,398
21	3	34,332	35,253	36,209	37,284	40,273	42,243	40,900	43,887	45,858
22	4	34,760	35,722	36,684	37,796	40,802	42,787	41,340	44,347	46,332
23	5	35,202	36,169	37,140	38,314	41,309	43,333	41,788	44,784	46,809
24	6	35,656	36,602	37,607	38,839	41,820	43,855	42,246	45,228	47,262
25	7	36,455	37,415	38,433	39,732	42,757	44,848	43,106	46,130	48,222
26	8	37,624	38,636	39,678	41,085	44,151	46,319	44,458	47,525	49,692
27	9		39,901	40,995	42,452	45,590	47,832	45,824	48,964	51,205
28	10			42,327	43,890	47,069	49,386	47,263	50,443	52,759
29	11				45,370	48,618	50,981	48,743	51,992	54,354
30	12				46,802	50,209	52,642	50,280	53,582	56,016
31	13					51,838	54,344	51,872	55,211	57,717
32	14					53,475	56,110	53,511	56,955	59,483
33	15					54,866	57,569	54,902	58,436	61,030
34	16 or					55,963	58,720	56,000	59,604	62,250
35	more									

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

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

8 (i) Credits earned since receiving the masters degree; and
9 (ii) Any credits in excess of forty-five credits that were earned
10 after the baccalaureate degree but before the masters degree.

11 (5) For the purposes of this section:
12 (a) "BA" means a baccalaureate degree.
13 (b) "MA" means a masters degree.
14 (c) "PHD" means a doctorate degree.
15 (d) "Years of service" shall be calculated under the same rules
16 adopted by the superintendent of public instruction.

17 (e) "Credits" means college quarter hour credits and equivalent
18 in-service credits computed in accordance with RCW 28A.415.020 and
19 28A.415.023.

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

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

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

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

32	General Fund--State Appropriation (FY 2012)	\$1,731,000
33	General Fund--State Appropriation (FY 2013)	\$4,837,000
34	General Fund--Federal Appropriation	\$2,000
35	TOTAL APPROPRIATION	\$6,570,000

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

3 (1)(a) Additional salary adjustments as necessary to fund the base
4 salaries for certificated instructional staff as listed for each
5 district in LEAP Document 2, defined in section 503(2)(b) of this act.
6 Allocations for these salary adjustments shall be provided to all
7 districts that are not grandfathered to receive salary allocations
8 above the statewide salary allocation schedule, and to certain
9 grandfathered districts to the extent necessary to ensure that salary
10 allocations for districts that are currently grandfathered do not fall
11 below the statewide salary allocation schedule.

12 (b) Additional salary adjustments to certain districts as necessary
13 to fund the per full-time-equivalent salary allocations for
14 certificated administrative staff as listed for each district in LEAP
15 Document 2, defined in section 503(2)(b) of this act.

16 (c) Additional salary adjustments to certain districts as necessary
17 to fund the per full-time-equivalent salary allocations for classified
18 staff as listed for each district in LEAP Document 2, defined in
19 section 503(2)(b) of this act.

20 (d) The appropriations in this subsection (1) include associated
21 incremental fringe benefit allocations at 15.66 percent for the 2011-12
22 school year and 15.66 percent for the 2012-13 school year for
23 certificated instructional and certificated administrative staff and
24 15.19 percent for the 2011-12 school year and 15.20 percent for the
25 2012-13 school year for classified staff.

26 (e) The appropriations in this section include the increased or
27 decreased portion of salaries and incremental fringe benefits for all
28 relevant state-funded school programs in part V of this act. Changes
29 for general apportionment (basic education) are based on the salary
30 allocation schedules and methodology in sections 503 and 504 of this
31 act. Changes for special education result from changes in each
32 district's basic education allocation per student. Changes for
33 educational service districts and institutional education programs are
34 determined by the superintendent of public instruction using the
35 methodology for general apportionment salaries and benefits in sections
36 503 and 504 of this act.

37 (f) The appropriations in this section include no salary
38 adjustments for substitute teachers.

1 (2) The maintenance rate for insurance benefit allocations is
2 \$768.00 per month for the 2011-12 and 2012-13 school years. The
3 appropriations in this section reflect the incremental change in cost
4 of allocating rates of \$768.00 per month for the 2011-12 school year
5 and an average of \$765.18 per month for the 2012-13 school year. The
6 2012-13 rate will be adjusted by the legislature prior to September 1,
7 2012, consistent with section 502(8)(b) of this act.

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

10 NEW SECTION. **Sec. 505. FOR THE SUPERINTENDENT OF PUBLIC**
11 **INSTRUCTION--FOR PUPIL TRANSPORTATION**

12	General Fund--State Appropriation (FY 2012)	\$324,734,000
13	General Fund--State Appropriation (FY 2013)	\$327,543,000
14	TOTAL APPROPRIATION	\$652,277,000

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

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

20 (2)(a) For the 2011-12 and 2012-13 school years, the superintendent
21 shall allocate funding to school district programs for the
22 transportation of students as provided in RCW 28A.160.192.

23 (b) From July 1, 2011 to August 31, 2011, the superintendent shall
24 allocate funding to school districts programs for the transportation of
25 students as provided in section 505, chapter 564, Laws of 2009, as
26 amended through section 1404 of this act.

27 (3) Any amounts appropriated for maintenance level funding for
28 pupil transportation that exceed actual maintenance level expenditures
29 as calculated under the funding formula that takes effect September 1,
30 2011, shall be distributed to districts according to RCW
31 28A.160.192(2)(b).

32 (4) A maximum of \$99,000 of this fiscal year 2012 appropriation and
33 a maximum of \$99,000 of the fiscal year 2013 appropriation may be
34 expended for one centralized transportation coordinator. The
35 transportation coordinator shall ensure that data submitted by school
36 districts for state transportation funding shall, to the greatest

1 extent practical, reflect the actual transportation activity of each
2 district.

3 (5) The office of the superintendent of public instruction shall
4 provide reimbursement funding to a school district for school bus
5 purchases only after the superintendent of public instruction
6 determines that the school bus was purchased from the list established
7 pursuant to RCW 28A.160.195(2) or a comparable competitive bid process
8 based on the lowest price quote based on similar bus categories to
9 those used to establish the list pursuant to RCW 28A.160.195.

10 (6) The superintendent of public instruction shall base
11 depreciation payments for school district buses on the pre-sales tax
12 five-year average of lowest bids in the appropriate category of bus.
13 In the final year on the depreciation schedule, the depreciation
14 payment shall be based on the lowest bid in the appropriate bus
15 category for that school year.

16 (7) Funding levels in this section reflect waivers granted by the
17 state board of education for four-day school weeks as allowed under RCW
18 28A.305.141.

19 NEW SECTION. **Sec. 506. FOR THE SUPERINTENDENT OF PUBLIC**
20 **INSTRUCTION--FOR SCHOOL FOOD SERVICE PROGRAMS**

21	General Fund--State Appropriation (FY 2012)	\$6,952,000
22	General Fund--State Appropriation (FY 2013)	\$6,952,000
23	General Fund--Federal Appropriation	\$437,988,000
24	TOTAL APPROPRIATION	\$451,892,000

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

27 (1) \$6,952,000 of the general fund--state appropriation for fiscal
28 year 2012 and \$6,952,000 of the general fund--state appropriation for
29 fiscal year 2013 are provided solely for state matching money for
30 federal child nutrition programs, and may support the meals for kids
31 program through the following allowable uses:

32 (a) Payment of breakfast copays for income-eligible children and
33 lunch copays for students in grades kindergarten through third grade
34 who are eligible for reduced price lunch;

35 (b) Assistance to school districts and authorized nonprofit
36 entities for supporting summer food service programs, and initiating
37 new summer food service programs in low-income areas;

1 (c) Reimbursements to school districts for school breakfasts served
2 to students eligible for free and reduced price lunch, pursuant to
3 chapter 287, Laws of 2005; and

4 (d) Assistance to school districts in initiating and expanding
5 school breakfast programs.

6 The office of the superintendent of public instruction shall report
7 annually to the fiscal committees of the legislature on annual
8 expenditures in (a), (b), and (c) of this subsection.

9 NEW SECTION. **Sec. 507. FOR THE SUPERINTENDENT OF PUBLIC**
10 **INSTRUCTION--FOR SPECIAL EDUCATION PROGRAMS**

11	General Fund--State Appropriation (FY 2012)	\$665,943,000
12	General Fund--State Appropriation (FY 2013)	\$698,973,000
13	General Fund--Federal Appropriation	\$691,796,000
14	Education Legacy Trust Account--State Appropriation	\$756,000
15	TOTAL APPROPRIATION	\$2,057,468,000

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

18 (1) Funding for special education programs is provided on an excess
19 cost basis, pursuant to RCW 28A.150.390. School districts shall ensure
20 that special education students as a class receive their full share of
21 the general apportionment allocation accruing through sections 502 and
22 504 of this act. To the extent a school district cannot provide an
23 appropriate education for special education students under chapter
24 28A.155 RCW through the general apportionment allocation, it shall
25 provide services through the special education excess cost allocation
26 funded in this section.

27 (2)(a) The superintendent of public instruction shall ensure that:

28 (i) Special education students are basic education students first;

29 (ii) As a class, special education students are entitled to the
30 full basic education allocation; and

31 (iii) Special education students are basic education students for
32 the entire school day.

33 (b) The superintendent of public instruction shall continue to
34 implement the full cost method of excess cost accounting, as designed
35 by the committee and recommended by the superintendent, pursuant to
36 section 501(1)(k), chapter 372, Laws of 2006.

1 (c) Beginning with the 2010-11 school year award cycle, the office
2 of the superintendent of public instruction shall make award
3 determinations for state safety net funding in August of each school
4 year. Determinations on school district eligibility for state safety
5 net awards shall be based on analysis of actual expenditure data from
6 the current school year.

7 (3) Each fiscal year appropriation includes such funds as are
8 necessary to complete the school year ending in the fiscal year and for
9 prior fiscal year adjustments.

10 (4)(a) For the 2011-12 and 2012-13 school years, the superintendent
11 shall allocate funding to school district programs for special
12 education students as provided in RCW 28A.150.390.

13 (b) From July 1, 2011 to August 31, 2011, the superintendent shall
14 allocate funding to school district programs for special education
15 students as provided in section 507, chapter 564, Laws of 2009, as
16 amended through section 1406 of this act.

17 (5) The following applies throughout this section: The definitions
18 for enrollment and enrollment percent are as specified in RCW
19 28A.150.390(3). Each district's general fund--state funded special
20 education enrollment shall be the lesser of the district's actual
21 enrollment percent or 12.7 percent.

22 (6) At the request of any interdistrict cooperative of at least 15
23 districts in which all excess cost services for special education
24 students of the districts are provided by the cooperative, the maximum
25 enrollment percent shall be calculated in accordance with RCW
26 28A.150.390(3) (c) and (d), and shall be calculated in the aggregate
27 rather than individual district units. For purposes of this
28 subsection, the average basic education allocation per full-time
29 equivalent student shall be calculated in the aggregate rather than
30 individual district units.

31 (7) \$16,404,000 of the general fund--state appropriation for fiscal
32 year 2012, \$31,355,000 of the general fund--state appropriation for
33 fiscal year 2013, and \$29,574,000 of the general fund--federal
34 appropriation are provided solely for safety net awards for districts
35 with demonstrated needs for special education funding beyond the
36 amounts provided in subsection (4) of this section. If the federal
37 safety net awards based on the federal eligibility threshold exceed the
38 federal appropriation in this subsection (7) in any fiscal year, the

1 superintendent shall expend all available federal discretionary funds
2 necessary to meet this need. At the conclusion of each school year,
3 the superintendent shall recover safety net funds that were distributed
4 prospectively but for which districts were not subsequently eligible.

5 (a) For the 2011-12 and 2012-13 school years, safety net funds
6 shall be awarded by the state safety net oversight committee as
7 provided in section 109(1) chapter 548, Laws of 2009 (ESHB 2261).

8 (b) From July 1, 2011 to August 31, 2011, the superintendent shall
9 operate the safety net oversight committee and shall award safety net
10 funds as provided in section 507, chapter 564, Laws of 2009, as amended
11 through section 1406 of this act.

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

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

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

27 (11) \$251,000 of the general fund--state appropriation for fiscal
28 year 2012 and \$251,000 of the general fund--state appropriation for
29 fiscal year 2013 are provided solely for two additional full-time
30 equivalent staff to support the work of the safety net committee and to
31 provide training and support to districts applying for safety net
32 awards.

33 (12) \$50,000 of the general fund--state appropriation for fiscal
34 year 2012, \$50,000 of the general fund--state appropriation for fiscal
35 year 2013, and \$100,000 of the general fund--federal appropriation
36 shall be expended to support a special education ombudsman program
37 within the office of superintendent of public instruction.

1 NEW SECTION. **Sec. 508. FOR THE SUPERINTENDENT OF PUBLIC**
2 **INSTRUCTION--FOR EDUCATIONAL SERVICE DISTRICTS**

3	General Fund--State Appropriation (FY 2012)	\$6,691,000
4	General Fund--State Appropriation (FY 2013)	\$6,733,000
5	TOTAL APPROPRIATION	\$13,424,000

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

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

11 (2) \$1,649,000 of the general fund--state appropriation for fiscal
12 year 2012 and \$1,656,000 of the general fund--state appropriation for
13 fiscal year 2013 are provided solely for regional professional
14 development related to mathematics and science curriculum and
15 instructional strategies. Funding shall be distributed among the
16 educational service districts in the same proportion as distributions
17 in the 2007-2009 biennium. Each educational service district shall use
18 this funding solely for salary and benefits for a certificated
19 instructional staff with expertise in the appropriate subject matter
20 and in professional development delivery, and for travel, materials,
21 and other expenditures related to providing regional professional
22 development support.

23 (3) The educational service districts, at the request of the state
24 board of education pursuant to RCW 28A.310.010 and 28A.310.340, may
25 receive and screen applications for school accreditation, conduct
26 school accreditation site visits pursuant to state board of education
27 rules, and submit to the state board of education post-site visit
28 recommendations for school accreditation. The educational service
29 districts may assess a cooperative service fee to recover actual plus
30 reasonable indirect costs for the purposes of this subsection.

31 NEW SECTION. **Sec. 509. FOR THE SUPERINTENDENT OF PUBLIC**
32 **INSTRUCTION--FOR LOCAL EFFORT ASSISTANCE**

33	General Fund--State Appropriation (FY 2012)	\$303,337,000
34	General Fund--State Appropriation (FY 2013)	\$308,445,000
35	TOTAL APPROPRIATION	\$611,782,000

36 The appropriations in this section are subject to the following
37 conditions and limitations: For purposes of RCW 84.52.0531, the

1 increase per full-time equivalent student is 3 percent from the 2010-11
2 school year to the 2011-12 school year and 5 percent from the 2011-12
3 school year to the 2012-13 school year.

4 NEW SECTION. **Sec. 510. FOR THE SUPERINTENDENT OF PUBLIC**
5 **INSTRUCTION--FOR INSTITUTIONAL EDUCATION PROGRAMS**

6	General Fund--State Appropriation (FY 2012)	\$16,613,000
7	General Fund--State Appropriation (FY 2013)	\$16,512,000
8	TOTAL APPROPRIATION	\$33,125,000

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

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

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

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

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

26 (5) \$509,000 of the general fund--state appropriation for fiscal
27 year 2012 and \$509,000 of the general fund--state appropriation for
28 fiscal year 2013 are provided solely to maintain at least one
29 certificated instructional staff and related support services at an
30 institution whenever the K-12 enrollment is not sufficient to support
31 one full-time equivalent certificated instructional staff to furnish
32 the educational program. The following types of institutions are
33 included: Residential programs under the department of social and
34 health services for developmentally disabled juveniles, programs for
35 juveniles under the department of corrections, programs for juveniles
36 under the juvenile rehabilitation administration, and programs for
37 juveniles operated by city and county jails.

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

3 **NEW SECTION. Sec. 511. FOR PROGRAMS FOR HIGHLY CAPABLE STUDENTS**

4	General Fund--State Appropriation (FY 2012)	\$8,817,000
5	General Fund--State Appropriation (FY 2013)	\$8,908,000
6	TOTAL APPROPRIATION	\$17,725,000

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

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

12 (2)(a) For the 2011-12 and 2012-13 school years, the superintendent
13 shall allocate funding to school district programs for highly capable
14 students as provided in RCW 28A.150.260(10)(c). In calculating the
15 allocations, the superintendent shall assume the following: (i)
16 Additional instruction of 2.1590 hours per week per funded highly
17 capable program student; (ii) fifteen highly capable program students
18 per teacher; (iii) 36 instructional weeks per year; (iv) 900
19 instructional hours per teacher; and (v) the district's average staff
20 mix and compensation rates as provided in sections 503 and 504 of this
21 act.

22 (b) From July 1, 2011, to August 31, 2011, the superintendent shall
23 allocate funding to school districts programs for highly capable
24 students as provided in section 511, chapter 564, Laws of 2009, as
25 amended through section 1409 of this act.

26 (3) \$85,000 of the general fund--state appropriation for fiscal
27 year 2012 and \$85,000 of the general fund--state appropriation for
28 fiscal year 2013 are provided solely for the centrum program at Fort
29 Worden state park.

30 **NEW SECTION. Sec. 512. FOR THE SUPERINTENDENT OF PUBLIC**
31 **INSTRUCTION--FOR MISCELLANEOUS--NO CHILD LEFT BEHIND ACT**

32	General Fund--Federal Appropriation	\$7,352,000
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33 **NEW SECTION. Sec. 513. FOR THE SUPERINTENDENT OF PUBLIC**
34 **INSTRUCTION--EDUCATION REFORM PROGRAMS**

35	General Fund--State Appropriation (FY 2012)	\$54,865,000
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1	General Fund--State Appropriation (FY 2013)	\$78,554,000
2	General Fund--Federal Appropriation	\$103,367,000
3	Education Legacy Trust Account--State Appropriation	\$87,006,000
4	TOTAL APPROPRIATION	\$323,792,000

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

7 (1)(a) \$39,167,000 of the general fund--state appropriation for
8 fiscal year 2012, \$37,419,000 of the general fund--state appropriation
9 for fiscal year 2013, \$1,350,000 of the education legacy trust
10 account--state appropriation, and \$15,868,000 of the general fund--
11 federal appropriation are provided solely for development and
12 implementation of the Washington state assessment system, including:
13 (i) Development and implementation of retake assessments for high
14 school students who are not successful in one or more content areas and
15 (ii) development and implementation of alternative assessments or
16 appeals procedures to implement the certificate of academic
17 achievement. The superintendent of public instruction shall report
18 quarterly on the progress on development and implementation of
19 alternative assessments or appeals procedures. Within these amounts,
20 the superintendent of public instruction shall contract for the early
21 return of 10th grade student assessment results, on or around June 10th
22 of each year.

23 (b) Payments for collections of evidence shall be made for
24 submissions that meet the criteria for scoring only.

25 (2) \$200,000 of the general fund--state appropriation for fiscal
26 year 2012 and \$200,000 of the general fund--state appropriation for
27 fiscal year 2013 are provided solely for the Washington state
28 leadership and assistance for science education reform (LASER) regional
29 partnership activities coordinated at the Pacific science center,
30 including instructional material purchases, teacher and principal
31 professional development, and school and community engagement events.

32 (3) \$105,754,000 of the general fund--federal appropriation is for
33 preparing, training, and recruiting high quality teachers and
34 principals under Title II of the no child left behind act.

35 (4) \$980,000 of the general fund--state appropriation for fiscal
36 year 2012 and \$980,000 of the general fund--state appropriation for
37 fiscal year 2013 are provided solely for improving technology
38 infrastructure, monitoring and reporting on school district technology

1 development, promoting standards for school district technology,
2 promoting statewide coordination and planning for technology
3 development, and providing regional educational technology support
4 centers, including state support activities, under chapter 28A.650 RCW.

5 (5) \$85,623,000 of the education legacy trust account--state
6 appropriation is provided solely for grants for voluntary full-day
7 kindergarten at the highest poverty schools, as provided in RCW
8 28A.150.315. The office of the superintendent of public instruction
9 shall provide allocations to districts for recipient schools in
10 accordance with the funding formulas provided in sections 502, 503, and
11 504 of this act. Each kindergarten student who enrolls for the
12 voluntary full-day program in a recipient school shall count as one-
13 half of one full-time equivalent student for purpose of making
14 allocations under this subsection. Although the allocations are
15 formula driven, the office of the superintendent of public instruction
16 shall consider funding provided in this subsection as a fixed amount,
17 and shall limit the number of recipient schools so as to stay within
18 the amounts appropriated each fiscal year in this subsection. The
19 funding provided in this subsection is estimated to provide full-day
20 kindergarten programs for 20 percent of kindergarten enrollment.
21 Funding priority shall be given to schools with the highest poverty
22 levels, as measured by prior year free and reduced price lunch
23 eligibility rates in each school. Additionally, as a condition of
24 funding, school districts must agree to provide the full-day program to
25 the children of parents who request it in each eligible school. For
26 the purpose of calculating a school district levy base, funding
27 provided in this subsection shall be considered a state block grant
28 program under RCW 84.52.0531.

29 (a) Of the amounts provided in this subsection, a maximum of
30 \$272,000 may be used for administrative support of the full-day
31 kindergarten program within the office of the superintendent of public
32 instruction.

33 (b) Student enrollment pursuant to this program shall not be
34 included in the determination of a school district's overall K-12 FTE
35 for the allocation of student achievement programs and other funding
36 formulas unless specifically stated.

37 (6) \$3,852,000 of the general fund--state appropriation for fiscal
38 year 2012 and \$2,624,000 of the general fund--state appropriation for

1 fiscal year 2013 are provided solely for continued implementation of
2 chapter 235, Laws of 2010 (education reform) including development of
3 new performance-based evaluation systems for certificated educators.

4 (7) \$26,656,000 of the general fund--state appropriation for fiscal
5 year 2013 is provided solely for the following bonuses for teachers who
6 hold valid, unexpired certification from the national board for
7 professional teaching standards and who are teaching in a Washington
8 public school, subject to the following conditions and limitations:

9 (a) For national board certified teachers, a bonus of \$5,090 per
10 teacher in the 2011-12 and 2012-13 school years for a maximum of three
11 total years from the time of certification;

12 (b) An additional \$5,000 annual bonus shall be paid to national
13 board certified teachers, for a maximum of three total years from the
14 time of certification, who teach in either: (i) High schools where at
15 least 50 percent of student headcount enrollment is eligible for
16 federal free or reduced price lunch, (ii) middle schools where at least
17 60 percent of student headcount enrollment is eligible for federal free
18 or reduced price lunch, or (iii) elementary schools where at least 70
19 percent of student headcount enrollment is eligible for federal free or
20 reduced price lunch;

21 (c) Beginning in the 2011-12 school year, all bonuses in (a) and
22 (b) of this subsection will be paid in July of each school year.

23 (d) During the 2011-12 and 2012-13 school years, and within
24 available funds, certificated instructional staff who have met the
25 eligibility requirements and have applied for certification from the
26 national board for professional teaching standards may receive a
27 conditional loan of two thousand dollars or the amount set by the
28 office of the superintendent of public instruction to contribute toward
29 the current assessment fee, not including the initial up-front
30 candidacy payment. The fee shall be an advance on the first annual
31 bonus under RCW 28A.405.415. The conditional loan is provided in
32 addition to compensation received under a district's salary schedule
33 and shall not be included in calculations of a district's average
34 salary and associated salary limitation under RCW 28A.400.200.
35 Recipients who fail to receive certification after three years are
36 required to repay the conditional loan, not including the initial up-
37 front candidacy payment, as set by the national board for professional
38 teaching standards and administered by the office of the superintendent

1 of public instruction. The office of the superintendent of public
2 instruction shall adopt rules to define the terms for initial grant of
3 the assessment fee and repayment, including applicable fees.

4 (8) \$477,000 of the general fund--state appropriation for fiscal
5 year 2012 and \$477,000 of the general fund--state appropriation for
6 fiscal year 2013 are provided solely for the leadership internship
7 program for superintendents, principals, and program administrators.

8 (9) \$810,000 of the general fund--state appropriation for fiscal
9 year 2012 and \$810,000 of the general fund--state appropriation for
10 fiscal year 2013 are provided solely for the development of a
11 leadership academy for school principals and administrators. The
12 superintendent of public instruction shall contract with an independent
13 organization to design, field test, and implement a state-of-the-art
14 education leadership academy that will be accessible throughout the
15 state. Initial development of the content of the academy activities
16 shall be supported by private funds. Semiannually the independent
17 organization shall report on amounts committed by foundations and
18 others to support the development and implementation of this program.
19 Leadership academy partners shall include the state level organizations
20 for school administrators and principals, the superintendent of public
21 instruction, the professional educator standards board, and others as
22 the independent organization shall identify.

23 (10) \$3,235,000 of the general fund--state appropriation for fiscal
24 year 2012 and \$3,235,000 of the general fund--state appropriation for
25 fiscal year 2013 are provided solely for grants to school districts to
26 provide a continuum of care for children and families to help children
27 become ready to learn. Grant proposals from school districts shall
28 contain local plans designed collaboratively with community service
29 providers. If a continuum of care program exists in the area in which
30 the school district is located, the local plan shall provide for
31 coordination with existing programs to the greatest extent possible.
32 Grant funds shall be allocated pursuant to RCW 70.190.040.

33 (11) \$977,000 of the general fund--state appropriation for fiscal
34 year 2012 and \$977,000 of the general fund--state appropriation for
35 fiscal year 2013 are provided solely for secondary career and technical
36 education grants pursuant to chapter 170, Laws of 2008. If equally
37 matched by private donations, \$300,000 of the 2012 appropriation and

1 \$300,000 of the 2013 appropriation shall be used to support FIRST
2 robotics programs.

3 (12) \$1,092,000 of the general fund--state appropriation for fiscal
4 year 2012, \$1,118,000 of the general fund--state appropriation for
5 fiscal year 2013, and \$33,000 of the education legacy trust
6 account--state appropriation are for administrative support of
7 education reform programs.

8 (13) \$2,000,000 of the general fund--state appropriation for fiscal
9 year 2012 and \$2,000,000 of the general fund--state appropriation for
10 fiscal year 2013 are provided solely for the Microsoft Information
11 Technology (IT) Academy Program, which provides free educational
12 software, as well as IT certification and software training
13 opportunities for students and staff in public schools.

14 NEW SECTION. **Sec. 514. FOR THE SUPERINTENDENT OF PUBLIC**
15 **INSTRUCTION--FOR TRANSITIONAL BILINGUAL PROGRAMS**

16	General Fund--State Appropriation (FY 2012)	\$85,102,000
17	General Fund--State Appropriation (FY 2013)	\$90,260,000
18	General Fund--Federal Appropriation	\$71,001,000
19	TOTAL APPROPRIATION	\$246,363,000

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

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

25 (2)(a) For the 2011-12 and 2012-13 school years, the superintendent
26 shall allocate funding to school districts for transitional bilingual
27 programs as provided in RCW 28A.150.260(10)(b). In calculating the
28 allocations, the superintendent shall assume the following averages:

29 (i) Additional instruction of 4.7780 hours per week per transitional
30 bilingual program student; (ii) fifteen transitional bilingual program
31 students per teacher; (iii) 36 instructional weeks per year; (iv) 900
32 instructional hours per teacher; and (v) the district's average staff
33 mix and compensation rates as provided in sections 503 and 504 of this
34 act.

35 (b) From July 1, 2011, to August 31, 2011, the superintendent shall
36 allocate funding to school districts for transitional bilingual

1 instruction programs as provided in section 514, chapter 564, Laws of
2 2009, as amended through section 1411 of this act.

3 (c) The allocations in this section reflect the implementation of
4 a new funding formula for the transitional bilingual instructional
5 program, effective September 1, 2011, as specified in RCW
6 28A.150.260(10)(b).

7 (3) The superintendent may withhold up to 2.5 percent of the school
8 year allocations to school districts in subsection (2) of this section
9 solely for the central provision of assessments as provided in RCW
10 28A.180.090 (1) and (2).

11 (4) \$35,000 of the general fund--state appropriation for fiscal
12 year 2012 and \$35,000 of the general fund--state appropriation for
13 fiscal year 2013 are provided solely to track current and former
14 transitional bilingual program students.

15 (5) The general fund--federal appropriation in this section is for
16 migrant education under Title I Part C and English language
17 acquisition, and language enhancement grants under Title III of the
18 elementary and secondary education act.

19 (6)(a) The office of the superintendent of public instruction shall
20 implement a funding model for the transitional bilingual program,
21 beginning in school year 2012-13, that is scaled to provide more
22 support to students requiring most intensive intervention, (students
23 with beginning levels of English language proficiency) and less support
24 to students requiring less intervention. The funding model shall also
25 provide up to two years of bonus funding upon successful exit from the
26 bilingual program to facilitate successful transition to a standard
27 program of education.

28 (b) The office of the superintendent of public instruction shall,
29 prior to the 2012-13 school year, procure a standardized annual test
30 that measures students' English language proficiency level in
31 listening, speaking, reading, and writing and places students at levels
32 of proficiency.

33 (c) It is expected that per-pupil funding for level 2 proficiency
34 will be set at the same level as would have been provided statewide
35 prior to establishing differential per-pupil amounts; level 1 will be
36 125 percent of level 2; level 3 through the level prior to exit will be
37 75 percent of level 2; and two bonus years upon successful
38 demonstration of proficiency will be 100 percent of level 2. Prior to

1 implementing in school year 2012-13, the office of the superintendent
2 of public instruction shall provide to the senate and house of
3 representatives ways and means committees recommended rates based on
4 the results of proficiency test procurement, expressed as both
5 per-pupil rates and hours of instruction as provided in RCW 28A.150.260
6 (10)(b).

7 (d) Each bilingual student shall be tested for proficiency level
8 and, therefore, eligibility for the transitional bilingual program each
9 year. The bonus payments for up to two school years following
10 successful exit from the transitional bilingual program shall be
11 allocated to the exiting school district. If the student graduates or
12 transfers to another district prior to the district receiving both
13 years' bonuses, the district shall receive the bonus for only the
14 length of time the student remains enrolled in the exiting district.

15 (e) The office of the superintendent of public instruction shall
16 report to the senate and house of representatives ways and means
17 committees and education committees annually by December 31st of each
18 year, through 2018, regarding any measurable changes in proficiency,
19 time-in-program, and transition experience.

20 NEW SECTION. **Sec. 515. FOR THE SUPERINTENDENT OF PUBLIC**
21 **INSTRUCTION--FOR THE LEARNING ASSISTANCE PROGRAM**

22	General Fund--State Appropriation (FY 2012)	\$104,084,000
23	General Fund--State Appropriation (FY 2013)	\$104,927,000
24	General Fund--Federal Appropriation	\$581,207,000
25	Education Legacy Trust Account--State Appropriation	\$47,980,000
26	TOTAL APPROPRIATION	\$838,198,000

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

29 (1) The general fund--state appropriations in this section are
30 subject to the following conditions and limitations:

31 (a) The appropriations include such funds as are necessary to
32 complete the school year ending in the fiscal year and for prior fiscal
33 year adjustments.

34 (b)(i) For the 2011-12 and 2012-13 school years, the superintendent
35 shall allocate funding to school districts for learning assistance
36 programs as provided in RCW 28A.150.260(10)(a). In calculating the
37 allocations, the superintendent shall assume the following averages:

1 (A) Additional instruction of 1.51560 hours per week per funded
2 learning assistance program student; (B) fifteen learning assistance
3 program students per teacher; (C) 36 instructional weeks per year; (D)
4 900 instructional hours per teacher; and (E) the district's average
5 staff mix and compensation rates as provided in sections 503 and 504 of
6 this act.

7 (ii) From July 1, 2011, to August 31, 2011, the superintendent
8 shall allocate funding to school districts for learning assistance
9 programs as provided in section 515, chapter 564, Laws of 2009, as
10 amended through section 1412 of this act.

11 (c) A school district's funded students for the learning assistance
12 program shall be the sum of the district's full-time equivalent
13 enrollment in grades K-12 for the prior school year multiplied by the
14 district's percentage of October headcount enrollment in grades K-12
15 eligible for free or reduced price lunch in the prior school year.

16 (2) Allocations made pursuant to subsection (1) of this section
17 shall be adjusted to reflect ineligible applications identified through
18 the annual income verification process required by the national school
19 lunch program, as recommended in the report of the state auditor on the
20 learning assistance program dated February, 2010.

21 (3) The general fund--federal appropriation in this section is
22 provided for Title I Part A allocations of the no child left behind act
23 of 2001.

24 (4) A school district may carry over from one year to the next up
25 to 10 percent of the general fund-state or education legacy trust funds
26 allocated under this program; however, carryover funds shall be
27 expended for the learning assistance program.

28 (5) The office of the superintendent of public instruction shall
29 research and recommend options for an adjustment factor for middle
30 school and high school free and reduced price lunch eligibility
31 reporting rates pursuant to RCW 28A.150.260(12)(a), and submit a report
32 to the fiscal committees of the legislature by June 1, 2012. For the
33 2011-12 and 2012-13 school years, the adjustment factor is 1.0.

34 NEW SECTION. **Sec. 516. FOR THE SUPERINTENDENT OF PUBLIC**
35 **INSTRUCTION**

36 (1) Amounts distributed to districts by the superintendent through
37 part V of this act are for allocations purposes only and do not entitle

1 a particular district, district employee, or student to a specific
2 service, beyond what has been expressly provided in statute. Part V of
3 this act restates the requirements of various sections of Title 28A
4 RCW. If any conflict exists, the provisions of Title 28A RCW control
5 unless this act explicitly states that it is providing an enhancement.
6 Any amounts provided in part V of this act in excess of the amounts
7 required by Title 28A RCW provided in statute, are not within the
8 program of basic education.

9 (2) To the maximum extent practicable, when adopting new or revised
10 rules or policies relating to the administration of allocations in part
11 V of this act that result in fiscal impact, the office of the
12 superintendent of public instruction shall attempt to seek legislative
13 approval through the budget request process.

14 (3) Appropriations made in this act to the office of the
15 superintendent of public instruction shall initially be allotted as
16 required by this act. Subsequent allotment modifications shall not
17 include transfers of moneys between sections of this act.

(End of part)

PART VI
HIGHER EDUCATION

NEW SECTION. **Sec. 601.** The appropriations in sections 605 through 611 of this act are subject to the following conditions and limitations:

(1) "Institutions" means the institutions of higher education receiving appropriations under sections 605 through 611 of this act.

(2) The legislature, the office of financial management, and other state agencies need consistent and accurate personnel data from institutions of higher education for policy planning purposes. Institutions of higher education shall report personnel data to the department of personnel for inclusion in the department's data warehouse. Uniform reporting procedures shall be established by the department of personnel for use by the reporting institutions, including provisions for common job classifications and common definitions of full-time equivalent staff. Annual contract amounts, number of contract months, and funding sources shall be consistently reported for employees under contract.

(3) In addition to waivers granted under the authority of RCW 28B.15.910, the governing boards and the state board may waive all or a portion of operating fees for any student. State general fund appropriations shall not be provided to replace tuition and fee revenue foregone as a result of waivers granted under this subsection.

(4) The institutions of higher education receiving state and federal appropriations under sections 605 through 611 of this act shall allot anticipated state, federal, and tuition expenditures by budget program and fiscal year.

(5) To the extent permitted by the applicable personnel system rules, and to the extent collectively bargained with represented employees, institutions of higher education are encouraged to achieve the reductions in full-time-equivalent employment and payroll levels necessary to operate within this budget through strategies that will minimize impacts on employees, their families, their communities, and short- and longer-term accomplishment of institutional mission. Institutions are encouraged to utilize strategies such as reduced work-

1 hours per day or week, voluntary leave without pay, and temporary
2 furloughs that enable employees to maintain permanent employment
3 status. Institutions are further encouraged to implement such
4 strategies in ways that will enable employees to maintain full
5 insurance benefits, full retirement service credit, and a living wage.

6 (6)(a) For institutions receiving appropriations in section 605 of
7 this act the only allowable salary increases provided are those with
8 normally occurring promotions and increases related to faculty and
9 staff retention.

10 (b) For employees under the jurisdiction of chapter 41.56 RCW,
11 salary increases will be in accordance with the applicable collective
12 bargaining agreement. However, an increase shall not be provided to
13 any classified employee whose salary is above the approved salary range
14 maximum for the class to which the employee's position is allocated.

15 (c) For each institution of higher education receiving
16 appropriations under sections 606 through 611 of this act:

17 (i) The only allowable salary increases are those associated with
18 normally occurring promotions and increases related to faculty and
19 staff retention;

20 (ii) Institutions may provide salary increases from other sources
21 to academic employees of the community and technical colleges,
22 instructional and research faculty at the universities and The
23 Evergreen State College, exempt professional staff, teaching and
24 research assistants, as classified by the office of financial
25 management, and all other nonclassified staff, but not including
26 employees under RCW 28B.16.015, to the extent permitted by sections 925
27 through 935 of this act. Any salary increase granted under the
28 authority of this subsection (6)(c)(ii) shall not be included in an
29 institution's salary base for future state funding. It is the intent
30 of the legislature that state general fund support for an institution
31 shall not increase during the current or any future biennium as a
32 result of any salary increases authorized under this subsection
33 (6)(c)(ii).

34 NEW SECTION. **Sec. 602.** (1) Within the funds appropriated in this
35 act, each institution of higher education is expected to enroll and
36 educate at least the following numbers of full-time equivalent state-

1 supported students per academic year:

2

	2011-12	2012-13
	Annual Average	Annual Average
3 University of Washington	37,162	37,162
4 Washington State University	22,228	22,228
5 Central Washington University	8,734	8,456
6 Eastern Washington University	8,808	8,808
7 The Evergreen State College	4,213	4,213
8 Western Washington University	11,762	11,762
9 State Board for Community &		
10 Technical Colleges		
11 Adult Students	139,237	139,237
12 Running Start Students	11,558	11,558

15 (2) In achieving or exceeding these enrollment targets, each
16 institution shall seek to:

17 (a) Maintain and to the extent possible increase enrollment
18 opportunities at branch campuses;

19 (b) Maintain and to the extent possible increase enrollment
20 opportunities at university centers and other partnership programs that
21 enable students to earn baccalaureate degrees on community college
22 campuses; and

23 (c) Eliminate and consolidate programs of study for which there is
24 limited student or employer demand, or that are not areas of core
25 academic strength for the institution, particularly when such programs
26 duplicate offerings by other in-state institutions.

27 (3) For purposes of monitoring and reporting statewide enrollment,
28 the University of Washington and Washington State University shall
29 notify the office of financial management of the number of full-time
30 student equivalent enrollments budgeted for each of their campuses.

31 (4) It is the intent of the legislature that expectations regarding
32 full-time student enrollment shall become part of the negotiation
33 process to establish performance contracts as specified in Senate Bill
34 No. 5915 (higher education funding).

35 NEW SECTION. **Sec. 603. PUBLIC BACCALAUREATE INSTITUTIONS**

1 In order to operate within the state funds appropriated in this
2 act, the governing boards of the state research universities, the state
3 regional universities, and The Evergreen State College are authorized
4 to adopt and adjust tuition and fees for the 2011-12 and 2012-13
5 academic years as provided in this section:

6 (1) The governing boards of the University of Washington,
7 Washington State University, and Western Washington University may
8 increase the tuition fees, as defined in RCW 28B.15.020, charged to
9 resident undergraduate students by no more than sixteen percent over
10 the amounts charged to resident undergraduate students for the prior
11 academic year.

12 (2) The governing boards of Central Washington University and The
13 Evergreen State College may increase the tuition fees, as defined in
14 RCW 28B.15.020, charged to resident undergraduate students by no more
15 than fourteen percent over the amounts charged to resident
16 undergraduate students for the prior academic year.

17 (3) The governing board of Eastern Washington University may
18 increase the tuition fees, as defined in RCW 28B.15.020, charged to
19 resident undergraduate students by no more than eleven percent over the
20 amounts charged to resident undergraduate students for the prior
21 academic year.

22 (4) Each governing board is authorized to increase tuition charges
23 to graduate and professional students, and to nonresident undergraduate
24 students, by amounts judged reasonable and necessary by the governing
25 board.

26 (5) Each governing board is authorized to increase summer quarter
27 or semester tuition fees for resident and nonresident undergraduate,
28 graduate, and professional students pursuant to RCW 28B.15.067.

29 (6) Each governing board is authorized to adopt or increase charges
30 for fee-based, self-sustaining degree programs, credit courses,
31 noncredit workshops and courses, and special contract courses by
32 amounts judged reasonable and necessary by the governing board.

33 (7) Each governing board is authorized to adopt or increase
34 services and activities fees for all categories of students as provided
35 in RCW 28B.15.069.

36 (8) Each governing board is authorized to adopt or increase
37 technology fees as provided in RCW 28B.15.069.

1 (9) Each governing board is authorized to adopt or increase special
2 course and lab fees, and health and counseling fees, to the extent
3 necessary to cover the reasonable and necessary exceptional cost of the
4 course or service.

5 (10) Each governing board is authorized to adopt or increase
6 administrative fees such as, but not limited to, those charged for
7 application, matriculation, special testing, and transcripts by amounts
8 judged reasonable and necessary by the governing board.

9 NEW SECTION. **Sec. 604. STATE BOARD FOR COMMUNITY AND TECHNICAL**
10 **COLLEGES**

11 In order to operate within the state funds appropriated in this
12 act, the state board for community and technical colleges and the
13 trustees of the state's community and technical colleges are authorized
14 to adopt and adjust tuition and fees for the 2011-12 and 2012-13
15 academic years as provided in this section:

16 (1) The state board may increase the tuition fees charged to
17 resident undergraduate students by no more than twelve percent over the
18 amounts charged to resident undergraduates during the prior academic
19 year. The board may increase tuition fees under this subsection
20 differentially based on student credit hour load, provided that the
21 overall increase in average tuition revenue per student does not exceed
22 ten percent each year.

23 (2) The state board may increase the tuition fees charged to
24 resident undergraduates enrolled in upper division applied
25 baccalaureate programs by no more than twelve percent over the amounts
26 charged during the prior academic year.

27 (3) The state board may increase the tuition fees charged to
28 nonresident students by amounts judged reasonable and necessary by the
29 board.

30 (4) The trustees of the technical colleges are authorized to either
31 (a) increase operating fees by no more than the percentage increases
32 authorized for community colleges by the state board; or (b) fully
33 adopt the tuition fee charge schedule adopted by the state board for
34 community colleges.

35 (5) For academic years 2011-2012 and 2012-2013, the trustees of the
36 technical colleges are authorized to increase building fees by an

1 amount judged reasonable in order to progress toward parity with the
2 building fees charged students attending the community colleges.

3 (6) The state board is authorized to increase the maximum allowable
4 services and activities fee as provided in RCW 28B.15.069. The
5 trustees of the community and technical colleges are authorized to
6 increase services and activities fees up to the maximum level
7 authorized by the state board.

8 (7) The trustees of the community and technical colleges are
9 authorized to adopt or increase charges for fee-based, self-sustaining
10 programs such as summer session, international student contracts, and
11 special contract courses by amounts judged reasonable and necessary by
12 the trustees.

13 (8) The trustees of the community and technical colleges are
14 authorized to adopt or increase special course and lab fees to the
15 extent necessary to cover the reasonable and necessary exceptional cost
16 of the course or service.

17 (9) The trustees of the community and technical colleges are
18 authorized to adopt or increase administrative fees such as but not
19 limited to those charged for application, matriculation, special
20 testing, and transcripts by amounts judged reasonable and necessary by
21 the trustees.

22 NEW SECTION. **Sec. 605. FOR THE STATE BOARD FOR COMMUNITY AND**
23 **TECHNICAL COLLEGES**

24	General Fund--State Appropriation (FY 2012)	\$576,889,000
25	General Fund--State Appropriation (FY 2013)	\$576,528,000
26	Community/Technical College Capital Projects	
27	Account--State Appropriation	\$8,037,000
28	Education Legacy Trust Account--State Appropriation	\$30,304,000
29	TOTAL APPROPRIATION	\$1,191,758,000

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

32 (1) \$28,761,000 of the general fund--state appropriation for fiscal
33 year 2012 and \$28,761,000 of the general fund--state appropriation for
34 fiscal year 2013 are provided solely as special funds for training and
35 related support services, including financial aid, as specified in RCW
36 28C.04.390. Funding is provided to support at least 6,200 full-time

1 equivalent students in fiscal year 2012 and at least 6,200 full-time
2 equivalent students in fiscal year 2013.

3 (2) \$2,725,000 of the general fund--state appropriation for fiscal
4 year 2012 and \$2,725,000 of the general fund--state appropriation for
5 fiscal year 2013 are provided solely for administration and customized
6 training contracts through the job skills program. The state board
7 shall make an annual report by January 1st of each year to the governor
8 and to the appropriate policy and fiscal committees of the legislature
9 regarding implementation of this section, listing the scope of grant
10 awards, the distribution of funds by educational sector and region of
11 the state, and the results of the partnerships supported by these
12 funds.

13 (3) The state board for community and technical colleges shall
14 achieve \$7,500,000 in general fund savings in fiscal year 2012 and
15 \$7,500,000 in general fund savings in fiscal year 2012 from various
16 efficiencies implemented in the community and technical college system
17 including consolidation of college districts; consolidation of
18 administrative and governance functions including, but not limited to,
19 human resources, budget and accounting services, and president's
20 offices; consolidation of student service functions including, but not
21 limited to, financial aid services, student advising, and libraries;
22 and other administrative efficiencies including, but not limited to,
23 greater use of telephone and videoconferencing and reduced travel
24 costs. A report explaining the methods used to achieve the savings
25 required is due to the fiscal committees of the legislature by December
26 31, 2013.

27 (4) \$7,500,000 of the general fund--state appropriation for fiscal
28 year 2012 and \$7,500,000 of the general fund--state appropriation for
29 fiscal year 2013 is provided solely for worker retraining.

30 NEW SECTION. **Sec. 606. FOR THE UNIVERSITY OF WASHINGTON**

31	General Fund--State Appropriation (FY 2012)	\$224,872,000
32	General Fund--State Appropriation (FY 2013)	\$227,789,000
33	University of Washington Building Account--State	
34	Appropriation	\$239,000
35	Biotoxin Account--State Appropriation	\$450,000
36	Accident Account--State Appropriation	\$6,807,000
37	Medical Aid Account--State Appropriation	\$6,593,000

1 TOTAL APPROPRIATION \$466,750,000

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

4 (1) In implementing the appropriations in this section, the
5 president and regents shall seek to minimize impacts on student
6 services and instructional programs by maximizing reductions in
7 administration and other noninstructional activities.

8 (2) \$600,000 of the general fund--state appropriation for fiscal
9 year 2012 and \$600,000 of the general fund--state appropriation for
10 fiscal year 2013 are provided solely for the development of integrated
11 medical curriculum for the Washington/Wyoming/Alaska/Montana/Idaho
12 (WWAMI) medical education program in Spokane and eastern Washington.
13 Funding is contingent on appropriations being provided to Washington
14 State University for WWAMI program expansion in Spokane and eastern
15 Washington.

16 (3) \$52,000 of the general fund--state appropriation for fiscal
17 year 2010 and \$52,000 of the general fund--state appropriation for
18 fiscal year 2011 are provided solely for the center of the
19 international trade in forest products in the college of forest
20 resources.

21 (4) \$88,000 of the general fund--state appropriation for fiscal
22 year 2012 is provided solely for implementation of Engrossed Second
23 Substitute Senate Bill No. 5485 (state's natural resources). If the
24 bill is not enacted by June 30, 2011, the amount provided in this
25 subsection shall lapse.

26 (5) \$143,000 of the general fund--state appropriation for fiscal
27 year 2012 and \$144,000 of the general fund--state appropriation for
28 fiscal year 2013 are provided solely for the ongoing management of the
29 Washington park arboretum.

30 **NEW SECTION. Sec. 607. FOR WASHINGTON STATE UNIVERSITY**

31	General Fund--State Appropriation (FY 2012)	\$142,309,000
32	General Fund--State Appropriation (FY 2013)	\$143,092,000
33	Washington State University Building Account--State	
34	Appropriation	\$5,364,000
35	Education Legacy Trust Account--State Appropriation	\$33,995,000
36	TOTAL APPROPRIATION	\$324,760,000

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

3 (1) In implementing the appropriations in this section, the
4 president and regents shall seek to minimize impacts on student
5 services and instructional programs by maximizing reductions in
6 administration and other noninstructional activities.

7 (2) Within available funds, Washington State University shall serve
8 an additional cohort of fifteen full-time equivalent students in the
9 mechanical engineering program located at Olympic College.

10 (3) \$300,000 of the general fund--state appropriation for fiscal
11 year 2012 and \$300,000 of the general fund--state appropriation for
12 fiscal year 2013 are provided solely for the expansion of health
13 sciences capacity through the Washington/Wyoming/Alaska/Montana/Idaho
14 (WWAMI) medical education program in Spokane and eastern Washington.
15 Funding is contingent on appropriations being provided to the
16 University of Washington for integrated medical curriculum development
17 for WWAMI.

18 **NEW SECTION. Sec. 608. FOR EASTERN WASHINGTON UNIVERSITY**

19	General Fund--State Appropriation (FY 2012)	\$27,965,000
20	General Fund--State Appropriation (FY 2013)	\$28,354,000
21	Education Legacy Trust Account--State Appropriation	\$16,087,000
22	TOTAL APPROPRIATION	\$72,406,000

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

25 (1) In implementing the appropriations in this section, the
26 president and governing board shall seek to minimize impacts on student
27 services and instructional programs by maximizing reductions in
28 administration and other noninstructional activities.

29 (2) At least \$200,000 of the general fund--state appropriation for
30 fiscal year 2012 and at least \$200,000 of the general fund--state
31 appropriation for fiscal year 2013 shall be expended on the northwest
32 autism center.

33 **NEW SECTION. Sec. 609. FOR CENTRAL WASHINGTON UNIVERSITY**

34	General Fund--State Appropriation (FY 2012)	\$24,536,000
35	General Fund--State Appropriation (FY 2013)	\$24,737,000
36	Education Legacy Trust Account--State Appropriation	\$19,076,000

1 TOTAL APPROPRIATION \$68,349,000

2 The appropriations in this section are subject to the following
3 conditions and limitations: In implementing the appropriations in this
4 section, the president and governing board shall seek to minimize
5 impacts on student services and instructional programs by maximizing
6 reductions in administration and other noninstructional activities.

7 **NEW SECTION. Sec. 610. FOR THE EVERGREEN STATE COLLEGE**

8 General Fund--State Appropriation (FY 2012) \$16,714,000

9 General Fund--State Appropriation (FY 2013) \$16,546,000

10 Education Legacy Trust Account--State Appropriation \$5,450,000

11 TOTAL APPROPRIATION \$38,710,000

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

14 (1) In implementing the appropriations in this section, the
15 president and governing board shall seek to minimize impacts on student
16 services and instructional programs by maximizing reductions in
17 administration and other noninstructional activities.

18 (2) \$50,000 of the general fund--state appropriation for fiscal
19 year 2012 and \$25,000 of the general fund--state appropriation for
20 fiscal year 2013 are provided solely for the Washington state institute
21 for public policy to conduct a detailed study of the commitment of
22 sexually violent predators to the special commitment center pursuant to
23 chapter 71.09 RCW and the subsequent release of those persons to
24 less-restrictive alternatives.

25 (a) Specifically, the institute's study shall examine:

26 (i) The projected future demand for the special commitment center,
27 including profiles and characteristics of persons referred and
28 committed to the special commitment center since its inception, whether
29 the profiles of those persons have changed over time, and, given
30 current trends, the likelihood of the continuing rate of referral;

31 (ii) Residents' participation in treatment over time and the impact
32 of treatment on eventual release to a less-restrictive alternative;

33 (iii) The annual review process and the process for a committed
34 person to petition for conditional or unconditional release,
35 specifically:

36 (A) The time frames for conducting mandatory reviews;

37 (B) The role of the special commitment center clinical team;

1 (C) Options and standards utilized by other jurisdictions or
2 similar processes to conduct periodic reviews, including specialized
3 courts, parole boards, independent review boards, and other commitment
4 proceedings;

5 (iv) The capacity and future demand for appropriate less
6 restrictive alternatives for moving residents out of the special
7 commitment center, including:

8 (A) The capacity and demand for secure community transition
9 facilities;

10 (B) Options for specialized populations such as the elderly or
11 those with developmental disabilities and whether more cost-efficient
12 options might be used to house those populations while keeping the
13 public safe;

14 (C) Prospects for moving residents to noninstitutionalized settings
15 beyond a secure community transition facility.

16 (b) The department of social and health services shall cooperate
17 with the institute in conducting its examination and must provide the
18 institute with requested data and records in a timely manner.

19 (c) The institute shall provide a status report to the governor and
20 the legislature no later than November 1, 2011, with a final report due
21 no later than November 1, 2012.

22 (3) \$91,000 of the general fund--state appropriation for fiscal
23 year 2012 and \$54,000 of the general fund--state appropriation for
24 fiscal year 2013 are provided solely for the Washington state institute
25 for public policy to design and implement a research study to measure
26 the impact on student achievement of remediation strategies funded by
27 the learning assistance program pursuant to Engrossed Second Substitute
28 House Bill No. 1443 (education reforms). If the bill is not enacted by
29 June 30, 2011, the amounts provided in this subsection shall lapse.

30 (4) \$50,000 of the general fund--state appropriation for fiscal
31 year 2012 and \$50,000 of the general fund--state appropriation for
32 fiscal year 2013 are provided solely for the institute for public
33 policy to provide research support to the council on quality education.

34 (5) The institute for public policy shall study the impact of
35 budget reductions enacted in the 2011-2013 fiscal biennium in the
36 department of health on public health tracking of infectious and
37 noninfectious disease.

1 NEW SECTION. **Sec. 611. FOR WESTERN WASHINGTON UNIVERSITY**

2	General Fund--State Appropriation (FY 2012)	\$36,494,000
3	General Fund--State Appropriation (FY 2013)	\$36,559,000
4	Education Legacy Trust Account--State Appropriation	\$13,266,000
5	TOTAL APPROPRIATION	\$86,319,000

6 The appropriations in this section are subject to the following
7 conditions and limitations: In implementing the appropriations in this
8 section, the president and governing board shall seek to minimize
9 impacts on student services and instructional programs by maximizing
10 reductions in administration and other noninstructional activities.

11 NEW SECTION. **Sec. 612. FOR THE COUNCIL FOR HIGHER EDUCATION**

12	General Fund--State Appropriation (FY 2012)	\$1,152,000
13	General Fund--State Appropriation (FY 2013)	\$1,154,000
14	General Fund--Federal Appropriation	\$4,373,000
15	TOTAL APPROPRIATION	\$6,679,000

16 NEW SECTION. **Sec. 613. FOR THE OFFICE OF STUDENT FINANCIAL**
17 **ASSISTANCE**

18	General Fund--State Appropriation (FY 2012)	\$214,747,000
19	General Fund--State Appropriation (FY 2013)	\$249,945,000
20	General Fund--Federal Appropriation	\$13,165,000
21	Washington Opportunity Pathways Account--State	
22	Appropriation	\$147,000,000
23	TOTAL APPROPRIATION	\$624,857,000

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

26 (1) \$197,068,000 of the general fund--state appropriation for
27 fiscal year 2012, \$195,425,000 of the general fund--state appropriation
28 for fiscal year 2013, \$147,000,000 of the opportunity pathways
29 account--state appropriation, and \$1,480,000 of the general fund--
30 federal appropriation are provided solely for student financial aid
31 payments under the state need grant and the state work study program
32 including up to a four percent administrative allowance for the state
33 work study program.

34 (2) Within the funds appropriated in this section, eligibility for
35 the state need grant shall include students with family incomes at or
36 below 70 percent of the state median family income (MFI), adjusted for

1 family size. Awards for all students shall be adjusted by the
 2 estimated amount by which Pell grant increases exceed projected
 3 increases in the noninstructional costs of attendance. Awards for
 4 students with incomes between 51 and 70 percent of the state median
 5 shall be prorated at the following percentages of the award amount
 6 granted to those with incomes below 51 percent of the MFI: 70 percent
 7 for students with family incomes between 51 and 55 percent MFI; 65
 8 percent for students with family incomes between 56 and 60 percent MFI;
 9 60 percent for students with family incomes between 61 and 65 percent
 10 MFI; and 50 percent for students with family incomes between 66 and 70
 11 percent MFI.

12 (3) \$250,000 of the general fund--state appropriation for fiscal
 13 year 2012 and \$250,000 of the general fund--state appropriation for
 14 fiscal year 2013 are provided solely for implementation of the
 15 aerospace training scholarship and student loan program as specified in
 16 Engrossed Substitute House Bill No. 1846 (aerospace student loans). If
 17 this bill is not enacted by June 30, 2011, the amount provided in this
 18 subsection shall lapse.

19 (4) \$500,000 of the general fund--state appropriation for fiscal
 20 year 2012 and \$500,000 of the general fund--state appropriation for
 21 fiscal year 2013 are provided solely for the leadership 1000 program.

22 NEW SECTION. **Sec. 614. FOR THE WORK FORCE TRAINING AND EDUCATION**
 23 **COORDINATING BOARD**

24	General Fund--State Appropriation (FY 2012)	\$1,416,000
25	General Fund--State Appropriation (FY 2013)	\$1,428,000
26	General Fund--Federal Appropriation	\$62,794,000
27	TOTAL APPROPRIATION	\$65,638,000

28 NEW SECTION. **Sec. 615. FOR THE DEPARTMENT OF EARLY LEARNING**

29	General Fund--State Appropriation (FY 2012)	\$23,919,000
30	General Fund--State Appropriation (FY 2013)	\$23,940,000
31	General Fund--Federal Appropriation	\$247,543,000
32	Opportunity Pathways Account--State Appropriation	\$80,000,000
33	TOTAL APPROPRIATION	\$375,402,000

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

1 (1) \$15,937,000 of the general fund--state appropriation for fiscal
2 year 2012, \$15,937,000 of the general fund--state appropriation of
3 fiscal year 2013, and \$80,000,000 of the opportunity pathways account
4 appropriation are provided solely for the early childhood education
5 assistance program services. This appropriation increases the number
6 of slots for the 2011-2013 fiscal biennium for the early childhood
7 education and assistance program. The department will offset the costs
8 related to slot expansion through provider rate reductions and
9 copayments under Senate Bill No. . . . (early learning). Of these
10 amounts, \$10,284,000 is a portion of the biennial amount of state
11 matching dollars required to receive federal child care and development
12 fund grant dollars.

13 (2) In accordance to RCW 43.215.255(2) and 43.135.055, the
14 department is authorized to increase child care center and child care
15 family home licensure fees in fiscal years 2012 and 2013 for costs to
16 the department for the licensure activity, including costs of necessary
17 inspection. These increases are necessary to support expenditures
18 authorized in this section.

19 (3) The department is the lead agency for and recipient of the
20 federal child care and development fund grant. Amounts within this
21 grant shall be used to fund child care licensing, quality initiatives,
22 agency administration, and other costs associated with child care
23 subsidies. The department shall transfer a portion of this grant to
24 the department of social and health services to fund the child care
25 subsidies paid by the department of social and health services on
26 behalf of the department of early learning.

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

33 (5) The department may not adopt, enforce, or implement any rules
34 or policies restricting the eligibility of consumers for the child care
35 subsidy benefits to a countable income below one hundred seventy-five
36 percent of the federal poverty guidelines.

37 (6) \$934,000 of the general fund--state appropriation for fiscal
38 year 2012 and \$934,000 of the general fund--state appropriation for

1 fiscal year 2013 are provided solely for expenditure into the home
2 visiting services account. This funding is intended to meet federal
3 maintenance of effort requirements and to secure private matching
4 funds.

5 (7) To the extent appropriations are available and by December 31,
6 2011, the department shall adopt core competencies for early care and
7 education professionals and child and youth development professionals
8 and develop an implementation plan.

9 NEW SECTION. **Sec. 616. FOR THE STATE SCHOOL FOR THE BLIND**

10	General Fund--State Appropriation (FY 2012)	\$6,227,000
11	General Fund--State Appropriation (FY 2013)	\$6,230,000
12	General Fund--Private/Local Appropriation	\$2,012,000
13	TOTAL APPROPRIATION	\$14,469,000

14 The appropriations in this section are subject to the following
15 conditions and limitations: \$271,000 of the general fund--
16 private/local appropriation is provided solely for the school for the
17 blind to offer short course programs, allowing students the opportunity
18 to leave their home schools for short periods and receive intensive
19 training. The school for the blind shall provide this service to the
20 extent that it is funded by contracts with school districts and
21 educational services districts.

22 NEW SECTION. **Sec. 617. FOR THE WASHINGTON STATE CENTER FOR**
23 **CHILDHOOD DEAFNESS AND HEARING LOSS**

24	General Fund--State Appropriation (FY 2012)	\$8,936,000
25	General Fund--State Appropriation (FY 2013)	\$8,977,000
26	General Fund--Private/Local Appropriation	\$526,000
27	TOTAL APPROPRIATION	\$18,439,000

28 NEW SECTION. **Sec. 618. FOR THE WASHINGTON STATE ARTS COMMISSION**

29	General Fund--State Appropriation (FY 2012)	\$1,085,000
30	General Fund--State Appropriation (FY 2013)	\$1,093,000
31	General Fund--Federal Appropriation	\$1,961,000
32	General Fund--Private/Local Appropriation	\$1,060,000
33	TOTAL APPROPRIATION	\$5,199,000

1 NEW SECTION. **Sec. 619. FOR THE WASHINGTON STATE HISTORICAL**
2 **SOCIETY**
3 General Fund--State Appropriation (FY 2012) \$1,965,000
4 General Fund--State Appropriation (FY 2013) \$2,010,000
5 TOTAL APPROPRIATION \$3,975,000

6 NEW SECTION. **Sec. 620. FOR THE EASTERN WASHINGTON STATE**
7 **HISTORICAL SOCIETY**
8 General Fund--State Appropriation (FY 2012) \$1,450,000
9 General Fund--State Appropriation (FY 2013) \$1,515,000
10 TOTAL APPROPRIATION \$2,965,000

(End of part)

PART VII

SPECIAL APPROPRIATIONS

NEW SECTION. **Sec. 701. FOR THE STATE TREASURER--BOND RETIREMENT AND INTEREST, AND ONGOING BOND REGISTRATION AND TRANSFER CHARGES: FOR DEBT SUBJECT TO THE DEBT LIMIT**

General Fund--State Appropriation (FY 2012)	\$924,047,000
General Fund--State Appropriation (FY 2013)	\$981,486,000
State Building Construction Account--State Appropriation	\$1,589,000
Columbia River Basin Water Supply Development Account--State Appropriation	\$73,000
Hood Canal Aquatic Rehabilitation Bond Account--State Appropriation	\$6,000
State Taxable Building Construction Account--State Appropriation	\$345,000
Gardner-Evans Higher Education Construction Account--State Appropriation	\$1,000
Debt-Limit Reimbursable Bond Retire Account--State Appropriation	\$2,300,000
TOTAL APPROPRIATION	\$1,909,847,000

The appropriations in this section are subject to the following conditions and limitations: The general fund appropriations are for expenditure into the debt-limit general fund bond retirement account. The entire general fund--state appropriation for fiscal year 2012 shall be expended into the debt-limit general fund bond retirement account by June 30, 2012.

NEW SECTION. **Sec. 702. FOR THE STATE TREASURER--BOND RETIREMENT AND INTEREST, AND ONGOING BOND REGISTRATION AND TRANSFER CHARGES: FOR GENERAL OBLIGATION DEBT TO BE REIMBURSED BY ENTERPRISE ACTIVITIES**

Accident Account--State Appropriation	\$4,110,000
Medical Aid Account--State Appropriation	\$4,110,000
TOTAL APPROPRIATION	\$8,220,000

1 NEW SECTION. **Sec. 703. FOR THE STATE TREASURER--BOND RETIREMENT**
 2 **AND INTEREST, AND ONGOING BOND REGISTRATION AND TRANSFER CHARGES: FOR**
 3 **GENERAL OBLIGATION DEBT TO BE REIMBURSED AS PRESCRIBED BY STATUTE**

4	General Fund--State Appropriation (FY 2012)	\$27,516,000
5	General Fund--State Appropriation (FY 2013)	\$30,758,000
6	Nondebt-Limit Reimbursable Bond Retirement	
7	Account--State Appropriation	\$140,417,000
8	TOTAL APPROPRIATION	\$198,691,000

9 The appropriations in this section are subject to the following
 10 conditions and limitations: The general fund appropriation is for
 11 expenditure into the nondebt-limit general fund bond retirement
 12 account. The entire general fund--state appropriation for fiscal year
 13 2012 shall be expended into the nondebt-limit general fund bond
 14 retirement account by June 30, 2012.

15 NEW SECTION. **Sec. 704. FOR THE STATE TREASURER--BOND RETIREMENT**
 16 **AND INTEREST, AND ONGOING BOND REGISTRATION AND TRANSFER CHARGES: FOR**
 17 **BOND SALE EXPENSES**

18	General Fund--State Appropriation (FY 2012)	\$1,357,000
19	General Fund--State Appropriation (FY 2013)	\$1,357,000
20	State Building Construction Account--State	
21	Appropriation	\$1,273,000
22	Columbia River Basin Water Supply Development	
23	Account--State Appropriation	\$12,000
24	Hood Canal Aquatic Rehabilitation Bond Account--State	
25	Appropriation	\$1,000
26	State Taxable Building Construction Account--State	
27	Appropriation	\$55,000
28	Gardner-Evans Higher Education Construction	
29	Account--State Appropriation	\$1,000
30	TOTAL APPROPRIATION	\$4,056,000

31 NEW SECTION. **Sec. 705. FOR THE OFFICE OF FINANCIAL MANAGEMENT--**
 32 **FIRE CONTINGENCY**

33	General Fund--State Appropriation (FY 2012)	\$4,000,000
34	General Fund--State Appropriation (FY 2013)	\$4,000,000
35	TOTAL APPROPRIATION	\$8,000,000

1 The appropriations in this section are subject to the following
2 conditions and limitations: The appropriations are provided solely for
3 expenditure into the disaster response account to be used for any
4 Washington state fire service resource mobilization costs incurred by
5 the Washington state patrol in response to an emergency or disaster
6 authorized under RCW 43.43.960 and 43.43.964.

7 NEW SECTION. **Sec. 706. FOR THE OFFICE OF FINANCIAL MANAGEMENT--**
8 **DISASTER RESPONSE ACCOUNT**

9	General Fund--State Appropriation (FY 2012)	\$17,575,000
10	General Fund--State Appropriation (FY 2013)	\$3,075,000
11	TOTAL APPROPRIATION	\$20,650,000

12 The appropriations in this section are subject to the following
13 conditions and limitations: The appropriations are provided solely for
14 expenditure into the disaster response account. \$5,000,000 of the
15 appropriation is provided for emergency fire suppression by the
16 department of natural resources.

17 NEW SECTION. **Sec. 707. FOR THE OFFICE OF FINANCIAL MANAGEMENT--**
18 **EMERGENCY FUND**

19	General Fund--State Appropriation (FY 2012)	\$850,000
20	General Fund--State Appropriation (FY 2013)	\$850,000
21	TOTAL APPROPRIATION	\$1,700,000

22 The appropriations in this section are subject to the following
23 conditions and limitations: The appropriations in this section are for
24 the governor's emergency fund for the critically necessary work of any
25 agency.

26 NEW SECTION. **Sec. 708. FOR THE OFFICE OF FINANCIAL MANAGEMENT--**
27 **EDUCATION TECHNOLOGY REVOLVING ACCOUNT**

28	General Fund--State Appropriation (FY 2012)	\$8,000,000
29	General Fund--State Appropriation (FY 2013)	\$8,000,000
30	TOTAL APPROPRIATION	\$16,000,000

31 The appropriations in this section are subject to the following
32 conditions and limitations: The appropriations in this section are
33 provided solely for expenditure into the education technology revolving

1 account for the purpose of covering ongoing operational and equipment
2 replacement costs incurred by the K-20 educational network program in
3 providing telecommunication services to network participants.

4 NEW SECTION. **Sec. 709. INCENTIVE SAVINGS--FY 2012**

5 The sum of one hundred twenty-five million dollars or so much
6 thereof as may be available on June 30, 2012, from the total amount of
7 unspent fiscal year 2012 state general fund appropriations, exclusive
8 of amounts expressly placed into unallotted status by this act, is
9 appropriated for the purposes of RCW 43.79.460 in the manner provided
10 in this section.

11 (1) Of the total appropriated amount, one-half of that portion that
12 is attributable to incentive savings, not to exceed twenty-five million
13 dollars, is appropriated to the savings incentive account for the
14 purpose of improving the quality, efficiency, and effectiveness of
15 agency services, and credited to the agency that generated the savings.

16 (2) The remainder of the total amount, not to exceed one hundred
17 million dollars, is appropriated to the education savings account.

18 NEW SECTION. **Sec. 710. INCENTIVE SAVINGS--FY 2013**

19 The sum of one hundred twenty-five million dollars or so much
20 thereof as may be available on June 30, 2013, from the total amount of
21 unspent fiscal year 2013 state general fund appropriations, exclusive
22 of amounts expressly placed into unallotted status by this act, is
23 appropriated for the purposes of RCW 43.79.460 in the manner provided
24 in this section.

25 (1) Of the total appropriated amount, one-half of that portion that
26 is attributable to incentive savings, not to exceed twenty-five million
27 dollars, is appropriated to the savings incentive account for the
28 purpose of improving the quality, efficiency, and effectiveness of
29 agency services, and credited to the agency that generated the savings.

30 (2) The remainder of the total amount, not to exceed one hundred
31 million dollars, is appropriated to the education savings account.

32 NEW SECTION. **Sec. 711. FOR THE OFFICE OF FINANCIAL MANAGEMENT--**
33 **O'BRIEN BUILDING IMPROVEMENT**

34	General Fund--State Appropriation (FY 2012)	\$2,846,000
35	General Fund--State Appropriation (FY 2013)	\$2,950,000

1 TOTAL APPROPRIATION \$5,796,000

2 The appropriations in this section are subject to the following
3 conditions and limitations: The appropriations are provided solely for
4 expenditure into the general administration services account for
5 payment of principal, interest, and financing expenses associated with
6 the certificate of participation for the O'Brien building improvement,
7 project number 20081007.

8 NEW SECTION. **Sec. 712. FOR THE DEPARTMENT OF HEALTH--COUNTY**
9 **PUBLIC HEALTH ASSISTANCE**

10 General Fund--State Appropriation (FY 2012) \$24,000,000
11 General Fund--State Appropriation (FY 2013) \$24,000,000
12 TOTAL APPROPRIATION \$48,000,000

13 The appropriations in this section are subject to the following
14 conditions and limitations: The director of the department of health
15 shall distribute the appropriations to the following counties and
16 health districts in the amounts designated to support public health
17 services, including public health nursing:

19 Health District	FY 2012	FY 2013	FY 2011-13 20 Biennium
21 Adams County Health District	\$30,951	\$30,951	\$61,902
22 Asotin County Health District	\$67,714	\$67,714	\$135,428
23 Benton-Franklin Health District	\$1,165,612	\$1,165,612	\$2,331,224
24 Chelan-Douglas Health District	\$184,761	\$184,761	\$369,522
25 Clallam County Health and Human Services 26 Department	\$141,752	\$141,752	\$283,504
27 Clark County Health District	\$1,057,792	\$1,057,792	\$2,115,594
28 Skamania County Health Department	\$26,681	\$26,681	\$53,362
29 Columbia County Health District	\$40,529	\$40,529	\$81,058
30 Cowlitz County Health Department	\$278,560	\$278,560	\$557,120
31 Garfield County Health District	\$15,028	\$15,028	\$30,056
32 Grant County Health District	\$118,595	\$118,596	\$237,191
33 Grays Harbor Health Department	\$183,870	\$183,870	\$367,740
34 Island County Health Department	\$91,892	\$91,892	\$183,784

1	Jefferson County Health and Human Services	\$85,782	\$85,782	\$171,564
2	Seattle-King County Department of Public Health	\$9,531,747	\$9,531,747	\$19,063,494
3	Bremerton-Kitsap County Health District	\$554,669	\$554,669	\$1,109,338
4	Kittitas County Health Department	\$92,499	\$92,499	\$184,998
5	Klickitat County Health Department	\$62,402	\$62,402	\$124,804
6	Lewis County Health Department	\$105,801	\$105,801	\$211,602
7	Lincoln County Health Department	\$29,705	\$29,705	\$59,410
8	Mason County Department of Health Services	\$95,988	\$95,988	\$191,976
9	Okanogan County Health District	\$63,458	\$63,458	\$126,916
10	Pacific County Health Department	\$77,427	\$77,427	\$154,854
11	Tacoma-Pierce County Health Department	\$2,820,590	\$2,820,590	\$5,641,180
12	San Juan County Health and Community Services	\$37,531	\$37,531	\$75,062
13	Skagit County Health Department	\$223,927	\$223,927	\$447,854
14	Snohomish Health District	\$2,258,207	\$2,258,207	\$4,516,414
15	Spokane County Health District	\$2,101,429	\$2,101,429	\$4,202,858
16	Northeast Tri-County Health District	\$110,454	\$110,454	\$220,908
17	Thurston County Health Department	\$600,419	\$600,419	\$1,200,838
18	Wahkiakum County Health Department	\$13,773	\$13,772	\$27,545
19	Walla Walla County-City Health Department	\$172,062	\$172,062	\$344,124
20	Whatcom County Health Department	\$855,863	\$855,863	\$1,711,726
21	Whitman County Health Department	\$78,733	\$78,733	\$157,466
22	Yakima Health District	\$623,797	\$623,797	\$1,247,594
23	TOTAL APPROPRIATIONS	\$24,000,000	\$24,000,000	\$48,000,000

24 NEW SECTION. **Sec. 713. FOR THE DEPARTMENT OF RETIREMENT**
25 **SYSTEMS--CONTRIBUTIONS TO RETIREMENT SYSTEMS**

26 The appropriations in this section are subject to the following
27 conditions and limitations: The appropriations for the law enforcement
28 officers' and firefighters' retirement system shall be made on a
29 monthly basis beginning July 1, 2011, consistent with chapter 41.45
30 RCW, and the appropriations for the judges and judicial retirement
31 systems shall be made on a quarterly basis consistent with chapters
32 2.10 and 2.12 RCW.

33 (1) There is appropriated for state contributions to the law
34 enforcement officers' and firefighters' retirement system:

35	General Fund--State Appropriation (FY 2012)	\$51,200,000
36	General Fund--State Appropriation (FY 2013)	\$54,700,000
37	TOTAL APPROPRIATION	\$105,900,000

1 (2) There is appropriated for contributions to the judicial
 2 retirement system:
 3 General Fund--State Appropriation (FY 2012) \$11,600,000
 4 General Fund--State Appropriation (FY 2013) \$13,100,000
 5 TOTAL APPROPRIATION \$24,700,000

6 NEW SECTION. **Sec. 714. BELATED CLAIMS**

7 The agencies and institutions of the state may expend moneys
 8 appropriated in this act, upon approval of the office of financial
 9 management, for the payment of supplies and services furnished to the
 10 agency or institution in prior fiscal biennia.

11 NEW SECTION. **Sec. 715. FOR THE OFFICE OF FINANCIAL MANAGEMENT--**
 12 **CONTRIBUTIONS TO RETIREMENT SYSTEMS**

13 General Fund--State Appropriation (FY 2012) (\$148,241,000)
 14 General Fund--State Appropriation (FY 2013) (\$212,260,000)
 15 Special Account Retirement System Contribution
 16 Increase Revolving Account Appropriation (\$43,765,000)
 17 TOTAL APPROPRIATION (\$404,266,000)

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

20 (1) The appropriations in this section are provided solely to
 21 adjust agency and institution appropriations and public school funding
 22 allocations to reflect reduced employer contribution rates in the
 23 public employees' retirement system, teachers' retirement system,
 24 public safety employees' retirement system, and the school employees'
 25 retirement system as a result of the provisions of Senate Bill No. 5920
 26 (limiting annual increase amounts) and increase the alternative minimum
 27 benefit to \$1,500 per month. If the bill is not enacted by June 30,
 28 2011, the amounts provided in this section shall lapse.

29 (2) To facilitate the transfer of moneys to dedicated funds and
 30 accounts, the state treasurer shall transfer sufficient moneys to each
 31 dedicated fund or account from the special account retirement
 32 contribution increase revolving account in accordance with schedules
 33 provided by the office of financial management. Reduction amounts for
 34 state agencies and institutions of higher education are shown in LEAP
 35 Omnibus Document S-GLU 01 dated April 12, 2011.

1 NEW SECTION. **Sec. 716. FOR THE OFFICE OF FINANCIAL MANAGEMENT--**

2 **STATE DATA CENTER RATE INCREASES**

3	General Fund--State Appropriation (FY 2012)	\$6,822,000
4	General Fund--State Appropriation (FY 2013)	\$4,072,000
5	General Fund--Federal Appropriation	\$6,000,000
6	General Fund--Private/Local Appropriation	\$200,000
7	Special Account Revolving Appropriation	\$8,534,000
8	TOTAL APPROPRIATION	\$19,634,000

9 The appropriations in this section are subject to the following
10 conditions and limitations: The appropriations in this section reflect
11 increases in agency appropriations related to the state data center.
12 The office of financial management shall increase allotments in the
13 amounts specified, and to the state agencies specified in LEAP Omnibus
14 Document S-GLX-2011, dated April 12, 2011, and adjust appropriation
15 schedules accordingly. The office of financial management shall make
16 any further allotment adjustments necessary to reflect agency mergers
17 or consolidations assumed in this act.

18 NEW SECTION. **Sec. 717. FOR THE OFFICE OF FINANCIAL MANAGEMENT--**

19 **EXTRAORDINARY CRIMINAL JUSTICE COSTS**

20	General Fund--State Appropriation (FY 2012)	\$591,000
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21 The appropriation in this section is subject to the following
22 conditions and limitations: The director of financial management shall
23 distribute \$338,000 to Franklin county, \$128,000 to Jefferson county,
24 and \$125,000 to Okanogan county for extraordinary criminal justice
25 costs.

26 NEW SECTION. **Sec. 718. FOR THE OFFICE OF FINANCIAL MANAGEMENT--**

27 **AGENCY REALLOCATION AND REALIGNMENT COMMISSION**

28	General Fund--State Appropriation (FY 2012)	\$100,000
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29 The appropriation in this section is subject to the following
30 conditions and limitations:

31 (1) The agency reallocation and realignment of Washington (ARROW)
32 commission on restructuring state government is established, with
33 members as provided in this section.

34 (a) The governor, the president of the senate, and the speaker of
35 the house of representatives shall each appoint two members to the

1 commission, each of whom shall have broad statewide policy and fiscal
2 experience. Each appointing authority shall appoint a member to
3 replace any member who resigns.

4 (b) The commission shall choose its chair from among its membership
5 or may select a representative of the administering higher education
6 institution as chair. The president of the senate and the speaker of
7 the house, or their mutually selected designee, shall convene the
8 initial meeting of the commission and shall preside until a chair is
9 chosen.

10 (2) The commission shall:

11 (a) Review budget, revenue, and caseload forecasts and estimates
12 over the ensuing six-year period;

13 (b) Examine current operations and organization of state
14 government, assuming no expansion of current funding sources; and

15 (c) Evaluate operational and organizational restructuring
16 possibilities to find cost savings and efficiencies in order to
17 maintain or enhance governmental functions with fewer resources.

18 (3) The commission may make proposals to:

19 (a) Adopt methods and procedures for reducing expenditures to the
20 lowest amount consistent with the efficient performance of essential
21 services, activities, and functions;

22 (b) Eliminate duplication and overlapping of services, activities,
23 and functions, and time-consuming or wasteful practices;

24 (c) Consolidate services, activities, and functions of a similar
25 nature;

26 (d) Abolish services, activities, and functions to improve the
27 efficient operation of government;

28 (e) Eliminate state departments and agencies, create new state
29 departments and agencies, reorganize existing state departments and
30 agencies, and transfer functions and responsibilities among state
31 departments and agencies;

32 (f) Define or redefine the duties and responsibilities of state
33 officers; and

34 (g) Revise present provisions for continuing appropriations of
35 state funds of whatever kind for whatever purpose, eliminate any such
36 existing provisions, or adopt new provisions.

37 (4) Staffing and administrative support to the commission shall be
38 provided by a university or college that volunteers to do so.

1 (5) Commissioners are entitled to be reimbursed for travel expenses
2 in accordance with RCW 43.03.050 and 43.03.060 from funds appropriated
3 to the commission.

4 (6) The expenses of the commission shall be paid out of funds
5 appropriated to the commission, funds made available by the university
6 or college administering the commission, and gifts, grants, and
7 donations.

8 (7) The commission shall report its findings and recommendations,
9 including proposed legislation, to the appropriate committees of the
10 legislature. Recommendations may be in bill form as proposed
11 legislation, as appropriations or revenue proposals, revisions to
12 administrative rules, or other appropriate formats.

13 (8) The office of the code reviser shall assist the commission with
14 bill drafting as needed.

15 (9) This section expires June 30, 2012.

16 **NEW SECTION. Sec. 719. FOR THE OFFICE OF FINANCIAL MANAGEMENT--**
17 **STATE EFFICIENCY AND RESTRUCTURING REPAYMENT**

18	General Fund--State Appropriation (FY 2012)	\$5,487,000
19	General Fund--State Appropriation (FY 2013)	\$6,674,000
20	TOTAL APPROPRIATION	\$12,161,000

21 The appropriations in this section are subject to the following
22 conditions and limitations: The appropriations in this section are
23 provided solely for expenditure into the cleanup settlement account on
24 July 1, 2011, and July 1, 2012, as repayment of moneys that were
25 transferred to the state efficiency and restructuring account.

26 **NEW SECTION. Sec. 720.** A new section is added to 2011 c ... (ESHB
27 1175) (uncodified) to read as follows:

28 **FOR THE OFFICE OF FINANCIAL MANAGEMENT--TRANSPORTATION EMPLOYEES--**
29 **RETIREMENT SYSTEM CONTRIBUTIONS**

30	Dedicated Funds and Accounts Appropriation	\$133,000
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31 The appropriation in this section is subject to the following
32 conditions and limitations:

33 (1) The appropriation in this section is provided solely to
34 increase agency and institution appropriations in accordance with the
35 schedules in LEAP Transportation Document S-LCL 02 dated April 12,
36 2011, which is hereby incorporated by reference. The office of

1 financial management shall allocate the moneys appropriated in this
2 section in the amounts specified and adjust appropriation schedules
3 accordingly.

4 (2) The appropriation in this section reflects additional
5 retirement system contributions resulting from Senate Bill No. 5882
6 (local government employees). If the bill is not enacted by June 30,
7 2011, the amounts provided in this section shall lapse.

8 NEW SECTION. **Sec. 721. FOR THE OFFICE OF FINANCIAL MANAGEMENT--**
9 **RETIREMENT SYSTEM CONTRIBUTIONS**

10	General Fund--State Appropriation (FY 2012)	\$296,000
11	General Fund--State Appropriation (FY 2013)	\$357,000
12	General Fund--Federal Appropriation	\$157,000
13	General Fund--Private/Local Appropriation	\$15,000
14	Dedicated Funds and Accounts Appropriation	\$232,000
15	TOTAL APPROPRIATION	\$1,057,000

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

18 (1) The appropriations in this section are provided solely to
19 increase agency and institution appropriations in accordance with the
20 schedules in LEAP Omnibus Document S-LCL 01 dated April 12, 2011, which
21 is hereby incorporated by reference. The office of financial
22 management shall allocate the moneys appropriated in this section in
23 the amounts specified and adjust appropriation schedules accordingly.
24 The office of financial management shall make any further allotment
25 adjustments necessary to reflect agency mergers or consolidations
26 assumed in this act.

27 (2) The appropriations in this section reflect additional
28 retirement system contributions resulting from Senate Bill No. 5882
29 (local government employees). If the bill is not enacted by June 30,
30 2011, the amounts provided in this section shall lapse.

31 NEW SECTION. **Sec. 722.** A new section is added to 2011 c ... (ESHB
32 1175) (uncodified) to read as follows:

33 **FOR THE OFFICE OF FINANCIAL MANAGEMENT--TRANSPORTATION EMPLOYEES--**
34 **RETIREMENT SYSTEM CONTRIBUTIONS**

35	Dedicated Funds and Accounts Appropriation	(\$64,000)
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1 The appropriation in this section is subject to the following
2 conditions and limitations:

3 (1) The appropriation in this section is provided solely to reduce
4 agency and institution appropriations in accordance with the schedules
5 in LEAP Transportation Document S-RTA 02 dated April 12, 2011, which is
6 hereby incorporated by reference. The office of financial management
7 shall allocate the moneys appropriated in this section in the amounts
8 specified and adjust appropriation schedules accordingly.

9 (2) The appropriation in this section reflects reduced retirement
10 system contributions resulting from Senate Bill No. 5852 (public
11 employment of retirees). If the bill is not enacted by June 30, 2011,
12 this section shall not take effect.

13 NEW SECTION. **Sec. 723. FOR THE OFFICE OF FINANCIAL MANAGEMENT--**
14 **SCHOOL EMPLOYEES--CONTRIBUTIONS TO RETIREMENT SYSTEMS**

15	General Fund--State Appropriation (FY 2012)	(\$600,000)
16	General Fund--State Appropriation (FY 2013)	(\$900,000)
17	TOTAL APPROPRIATION	(\$1,500,000)

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

20 (1) The appropriations in this section are provided solely for
21 adjustments to allocations to reflect retirement system employer
22 contribution rate changes. The office of financial management shall
23 reduce allotments for the office of the superintendent of public
24 instruction by these amounts. The allotment reductions under this
25 section shall be placed in unallotted status and remain unexpended.

26 (2) The appropriations in this section reflect reduced retirement
27 system contributions resulting from Senate Bill No. 5852 (public
28 employment of retirees). If the bill is not enacted by June 30, 2011,
29 this section shall not take effect.

30 NEW SECTION. **Sec. 724. FOR THE OFFICE OF FINANCIAL MANAGEMENT--**
31 **RETIREMENT SYSTEM CONTRIBUTIONS**

32	General Fund--State Appropriation (FY 2012)	(\$155,000)
33	General Fund--State Appropriation (FY 2013)	(\$188,000)
34	General Fund--Federal Appropriation	(\$75,000)
35	General Fund--Private/Local Appropriation	(\$7,000)
36	Dedicated Funds and Accounts Appropriation	(\$113,000)

1 TOTAL APPROPRIATION (\$538,000)

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

4 (1) The appropriations in this section are provided solely to
5 reduce agency and institution appropriations in accordance with the
6 schedules in LEAP Omnibus Document S-RTA 01 dated April 12, 2011, which
7 is hereby incorporated by reference. The office of financial
8 management shall allocate the moneys appropriated in this section in
9 the amounts specified and adjust appropriation schedules accordingly.

10 (2) The appropriations in this section reflect reduced retirement
11 system contributions resulting from Senate Bill No. 5852 (public
12 employment of retirees). If the bill is not enacted by June 30, 2011,
13 this section shall not take effect.

14 NEW SECTION. **Sec. 725.** A new section is added to 2011 c ... (ESHB
15 1175) (uncodified) to read as follows:

16 **FOR THE OFFICE OF FINANCIAL MANAGEMENT--TRANSPORTATION EMPLOYEE SALARY**
17 **REDUCTIONS**

18 Dedicated Funds and Accounts Appropriation (\$17,856,000)

19 The appropriation in this section is solely for the purposes
20 designated in this section and is subject to the following conditions
21 and limitations:

22 (1) The appropriation in this section is provided solely to reduce
23 agency appropriations in the transportation appropriations act to
24 reflect savings associated with a 3.0 percent salary reduction for
25 state employees as provided in Senate Bill No. 5860 (state government
26 employee compensation).

27 (2) The appropriation from dedicated funds and accounts shall be
28 made in the amounts specified and from the dedicated funds and accounts
29 specified in LEAP Transportation Document S-Sal 02 dated April 12,
30 2011, which is hereby incorporated by reference. The office of
31 financial management shall allocate the moneys appropriated in this
32 section in the amounts specified and to the state agencies specified in
33 LEAP Transportation Document S-Sal 02 and adjust appropriation
34 schedules accordingly. The office of financial management shall make
35 any further allotment adjustments necessary to reflect agency mergers
36 or consolidations assumed in this act.

1 NEW SECTION. **Sec. 726.** **FOR THE OFFICE OF FINANCIAL MANAGEMENT--**

2 **EMPLOYEE SALARY REDUCTIONS**

3 General Fund--State Appropriation (FY 2012) (\$87,777,000)
4 General Fund--State Appropriation (FY 2013) (\$88,076,000)
5 General Fund--Federal Appropriation (\$27,464,000)
6 General Fund--Private/Local Appropriation (\$2,658,000)
7 Education Legacy Trust Account--State Appropriation . . . (\$1,228,000)
8 Dedicated Funds and Accounts Appropriation (\$44,254,000)
9 TOTAL APPROPRIATION (\$251,457,000)

10 The appropriations in this section are solely for the purposes
11 designated in this section and are subject to the following conditions
12 and limitations:

13 (1) The appropriations in this section are provided solely to
14 reduce agency and institution appropriations to reflect savings
15 associated with a 3.0 percent salary reduction for state employees as
16 provided in Senate Bill No. 5860 (state government employee
17 compensation).

18 (2) Appropriations also reflect a 3.0 percent cost saving in higher
19 education compensation expenditures pursuant to Senate Bill No. 5860
20 (state government employee compensation).

21 (3) The appropriation from dedicated funds and accounts shall be
22 made in the amounts specified and from the dedicated funds and accounts
23 specified in LEAP Omnibus Document S-Sal 01 dated April 6, 2011, which
24 is hereby incorporated by reference. The office of financial
25 management shall allocate the moneys appropriated in this section in
26 the amounts specified and to the state agencies specified in LEAP
27 Omnibus Document H-Sal 01 and adjust appropriation schedules
28 accordingly. The office of financial management shall make any further
29 allotment adjustments necessary to reflect agency mergers or
30 consolidations assumed in this act.

31 NEW SECTION. **Sec. 727.** A new section is added to 2011 c ... (ESHB
32 1175) (uncodified) to read as follows:

33 **FOR THE OFFICE OF FINANCIAL MANAGEMENT--TRANSPORTATION EMPLOYEES**
34 **RETIREMENT SYSTEM CONTRIBUTIONS**

35 Dedicated Funds and Accounts Appropriation (\$11,562,000)

36 The appropriation in this section is solely for the purposes

1 designated in this section and is subject to the following conditions
2 and limitations:

3 (1) The appropriation in this section is provided solely to reduce
4 agency appropriations in the transportation appropriations act to
5 reflect retirement system employer contribution rate changes. The
6 appropriation from dedicated funds and accounts shall be made in the
7 amounts specified and from the dedicated funds and accounts specified
8 in LEAP Transportation Document S-GLU 02 dated April 12, 2011, which is
9 hereby incorporated by reference. The office of financial management
10 shall allocate the moneys appropriated in this section in the amounts
11 specified and to the state agencies specified in LEAP Transportation
12 Document S-GLU 02 and adjust appropriation schedules accordingly.

13 (2) The appropriation in this section reflect reduced retirement
14 system contributions resulting from Senate Bill No. 5920 (limiting
15 annual increase amounts). If the bill is not enacted by June 30, 2011,
16 this section shall not take effect.

17 **NEW SECTION. Sec. 728. FOR THE OFFICE OF FINANCIAL MANAGEMENT--**
18 **STATE EMPLOYEES--TEMPORARY LAYOFFS**

19	General Fund--State Appropriation (FY 2012)	(\$20,282,000)
20	General Fund--State Appropriation (FY 2013)	(\$20,302,000)
21	General Fund--Federal Appropriation	(\$5,746,000)
22	General Fund--Private/Local Appropriation	(\$579,000)
23	Dedicated Funds and Accounts Appropriation	(\$12,082,000)
24	TOTAL APPROPRIATION	(\$58,991,000)

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

27 (1) The appropriations in this section are provided solely to
28 reduce agency and institution appropriations in accordance with the
29 schedules in LEAP Omnibus Document S-TL3 dated April 12, 2011, which is
30 hereby incorporated by reference. The office of financial management
31 shall allocate the moneys appropriated in this section in the amounts
32 specified and adjust appropriation schedules accordingly. The office
33 of financial management shall make any further allotment adjustments
34 necessary to reflect agency mergers or consolidations assumed in this
35 act.

36 (2) The appropriations in this section reflect savings as a result

1 of temporary layoffs for state employees as provided in Senate Bill No.
2 5860 (state government employee compensation).

3 NEW SECTION. **Sec. 729. FOR THE OFFICE OF FINANCIAL MANAGEMENT--**
4 **MANAGEMENT EFFICIENCIES**

5 The office of financial management shall develop a plan to achieve
6 \$14,836,000 in state general fund reductions in management staffing and
7 other efficiencies in addition to the administrative savings in this
8 act. It is the intent of the legislature that the reduction plan
9 developed and implemented in accordance with this section shall focus
10 on achieving management efficiencies and will avoid, to the extent
11 possible, direct impact on client services and program operations. In
12 implementing the administrative and programmatic reductions in this
13 act, the legislature intends that agencies use new and best practices
14 in their executive and management workforce based on their agency
15 mission. It is the intent of the legislature that agencies
16 continuously evaluate management and administrative reforms, such as
17 delayering and streamlining of support functions, that will result in
18 increased efficiency and better address the structural changes in the
19 nature of work and employment in many state agencies. State agencies
20 can anticipate continuous legislative policy and fiscal committee
21 examination of the architecture and cost of the state's career and
22 executive workforce, and shall be prepared to provide relevant
23 information in hearings and work sessions and for the annual department
24 of personnel report. From the appropriations in this act, the office
25 of financial management shall reduce general fund--state allotments for
26 fiscal year 2012 by \$7,418,000 and for fiscal year 2013 by \$7,418,000
27 in accordance with the schedules in LEAP Omnibus Document SME dated
28 April 8, 2011. The allotment reductions shall be placed in reserve
29 status and remain unexpended.

30 NEW SECTION. **Sec. 730. FOR THE OFFICE OF FINANCIAL MANAGEMENT--**
31 **CONTRACTING FOR SERVICES**

32 The office of financial management shall work with the appropriate
33 state agencies to generate savings of \$1,875,000 from the state general
34 fund as a result of contracting for purchasing services by contract.
35 From appropriations in this act, the office of financial management
36 shall reduce general fund--state allotments by \$1,875,000 for fiscal

1 year 2013 to reflect savings from purchasing services by contract for
2 bulk printing and mail, real estate lease brokering, and motor pool
3 fleet management as required by this act. The allotment reductions
4 shall be placed in unallotted status and remain unexpended.

5 NEW SECTION. **Sec. 731. FOR THE OFFICE OF FINANCIAL MANAGEMENT--**
6 **ATTORNEY GENERAL CHARGES**

7	General Fund--State Appropriation (FY 2012)	\$2,490,000
8	General Fund--State Appropriation (FY 2013)	\$2,490,000
9	General Fund--Federal Appropriation	\$1,226,000
10	General Fund--Private/Local Appropriation	\$94,000
11	Special Account Revolving Appropriation	\$4,032,000
12	TOTAL APPROPRIATION	\$10,332,000

13 The appropriations in this section are subject to the following
14 conditions and limitations: The appropriations in this section reflect
15 increases in agency appropriations related to the state agency legal
16 services. The office of financial management shall increase allotments
17 in the amounts specified, and to the state agencies specified in LEAP
18 omnibus document S-SAG, dated April 12, 2011, and adjust appropriation
19 schedules accordingly. The office of financial management shall make
20 any further allotment adjustments necessary to reflect agency mergers
21 or consolidations assumed in this act.

22 NEW SECTION. **Sec. 732. FOR THE OFFICE OF FINANCIAL MANAGEMENT--**
23 **STATE AUDITOR CHARGES**

24	General Fund--State Appropriation (FY 2012)	\$2,030,000
25	General Fund--State Appropriation (FY 2013)	\$2,030,000
26	General Fund--Federal Appropriation	\$996,000
27	General Fund--Private/Local Appropriation	\$76,000
28	Special Account Revolving Appropriation	\$3,272,000
29	TOTAL APPROPRIATION	\$8,404,000

30 The appropriations in this section are subject to the following
31 conditions and limitations: The appropriations in this section reflect
32 increases in agency appropriations related to the state auditor
33 services. The office of financial management shall increase allotments
34 in the amounts specified, and to the state agencies specified in LEAP
35 omnibus document S-SAU, dated April 12, 2011, and adjust appropriation

1 schedules accordingly. The office of financial management shall make
2 any further allotment adjustments necessary to reflect agency mergers
3 or consolidations assumed in this act.

4 NEW SECTION. **Sec. 733. FOR THE OFFICE OF FINANCIAL MANAGEMENT--**
5 **TRANSITIONAL HOUSING OPERATING AND RENT ACCOUNT**

6	General Fund--State Appropriation (FY 2012)	\$4,250,000
7	General Fund--State Appropriation (FY 2013)	\$4,250,000
8	TOTAL APPROPRIATION	\$8,500,000

9 The appropriations in this section are subject to the following
10 conditions and limitations: The appropriations are provided solely for
11 expenditure into the transitional housing operating and rent account.

12 NEW SECTION. **Sec. 734. FOR THE OFFICE OF FINANCIAL MANAGEMENT--**
13 **SCHOOL EMPLOYEES--SALARY SAVINGS**

14	General Fund--State Appropriation (FY 2012)	(\$1,443,000)
15	General Fund--State Appropriation (FY 2013)	(\$1,804,000)
16	TOTAL APPROPRIATION	(\$3,247,000)

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

19 (1) The appropriations in this section are provided solely for
20 adjustments to allocations to school districts as a result of salary
21 savings associated with additional teacher retirements resulting from
22 the incentives provided by Senate Bill No. 5846 (health benefit
23 subsidies). The office of financial management shall reduce allotments
24 for the office of the superintendent of public instruction by these
25 amounts. The allotment reductions under this section shall be placed
26 in unallotted status and remain unexpended.

27 (2) Actual salary savings are expected to be greater than the
28 amounts contained in this section due to costs associated with subsidy
29 payments and other benefits for retirees.

30 (3) The appropriations in this section reflect reduced retirement
31 system contributions resulting from the provisions of Senate Bill No.
32 5846 (health benefit subsidies). If the bill is not enacted by June
33 30, 2011, this section does not take effect.

34 NEW SECTION. **Sec. 735. FOR THE OFFICE OF FINANCIAL MANAGEMENT--**
35 **INDUSTRIAL INSURANCE SAVINGS**

1 From the appropriations in this act, the office of financial
2 management shall reduce general fund--state allotments for fiscal year
3 2012 by \$8,038,000 and for fiscal year 2013 by \$8,038,000 to reflect
4 savings in the industrial insurance costs of state agencies resulting
5 from the implementation of Engrossed Senate Bill No. 5566 (long-term
6 disability of injured workers). The allotment reductions shall be
7 placed in reserve status and remain unexpended. If the bill is not
8 enacted by June 30, 2011, this section shall not take effect.

(End of part)

PART VIII

OTHER TRANSFERS AND APPROPRIATIONS

NEW SECTION. Sec. 801. FOR THE STATE TREASURER--STATE REVENUES FOR DISTRIBUTION

Table with 2 columns: Description and Amount. Rows include: General Fund Appropriation for fire insurance premium distributions (\$8,368,000), General Fund Appropriation for public utility district excise tax distributions (\$49,418,000), General Fund Appropriation for prosecuting attorney distributions (\$6,281,000), General Fund Appropriation for boating safety and education distributions (\$4,000,000), General Fund Appropriation for other tax distributions (\$58,000), General Fund Appropriation for habitat conservation program distributions (\$3,000,000), Death Investigations Account Appropriation for distribution to counties for publicly funded autopsies (\$2,960,000), Aquatic Lands Enhancement Account Appropriation for harbor improvement revenue distribution (\$160,000), Timber Tax Distribution Account Appropriation for distribution to "timber" counties (\$40,421,000), County Criminal Justice Assistance Appropriation (\$69,801,000), Municipal Criminal Justice Assistance Appropriation (\$26,950,000), City-County Assistance Account Appropriation for local government financial assistance distribution (\$16,589,000), Liquor Excise Tax Account Appropriation for liquor excise tax distribution (\$52,152,000), Streamlined Sales and Use Tax Mitigation Account Appropriation for distribution to local taxing jurisdictions to mitigate the unintended revenue redistribution effect of the sourcing law changes (\$49,635,000), Columbia River Water Delivery Account Appropriation for the Confederated Tribes of the Colville Reservation (\$7,441,000), Columbia River Water Delivery Account Appropriation for

1 the Spokane Tribe of Indians \$4,748,000
2 Liquor Revolving Account Appropriation for liquor
3 profits distribution \$69,318,000
4 TOTAL APPROPRIATION \$411,301,000

5 The total expenditures from the state treasury under the
6 appropriations in this section shall not exceed the funds available
7 under statutory distributions for the stated purposes.

8 NEW SECTION. **Sec. 802. FOR THE STATE TREASURER--FOR THE COUNTY**
9 **CRIMINAL JUSTICE ASSISTANT ACCOUNT**

10 Impaired Driver Safety Account Appropriation \$2,501,000

11 The appropriation in this section is subject to the following
12 conditions and limitations: The amount appropriated in this section
13 shall be distributed quarterly during the 2011-13 biennium in
14 accordance with RCW 82.14.310. This funding is provided to counties
15 for the costs of implementing criminal justice legislation including,
16 but not limited to: Chapter 206, Laws of 1998 (drunk driving
17 penalties); chapter 207, Laws of 1998 (DUI penalties); chapter 208,
18 Laws of 1998 (deferred prosecution); chapter 209, Laws of 1998
19 (DUI/license suspension); chapter 210, Laws of 1998 (ignition interlock
20 violations); chapter 211, Laws of 1998 (DUI penalties); chapter 212,
21 Laws of 1998 (DUI penalties); chapter 213, Laws of 1998 (intoxication
22 levels lowered); chapter 214, Laws of 1998 (DUI penalties); and chapter
23 215, Laws of 1998 (DUI provisions).

24 NEW SECTION. **Sec. 803. FOR THE STATE TREASURER--MUNICIPAL**
25 **CRIMINAL JUSTICE ASSISTANT ACCOUNT**

26 Impaired Driver Safety Account Appropriation \$1,666,000

27 The appropriation in this section is subject to the following
28 conditions and limitations: The amount appropriated in this section
29 shall be distributed quarterly during the 2011-2013 biennium to all
30 cities ratably based on population as last determined by the office of
31 financial management. The distributions to any city that substantially
32 decriminalizes or repeals its criminal code after July 1, 1990, and
33 that does not reimburse the county for costs associated with criminal
34 cases under RCW 3.50.800 or 3.50.805(2), shall be made to the county in
35 which the city is located. This funding is provided to cities for the

1 costs of implementing criminal justice legislation including, but not
2 limited to: Chapter 206, Laws of 1998 (drunk driving penalties);
3 chapter 207, Laws of 1998 (DUI penalties); chapter 208, Laws of 1998
4 (deferred prosecution); chapter 209, Laws of 1998 (DUI/license
5 suspension); chapter 210, Laws of 1998 (ignition interlock violations);
6 chapter 211, Laws of 1998 (DUI penalties); chapter 212, Laws of 1998
7 (DUI penalties); chapter 213, Laws of 1998 (intoxication levels
8 lowered); chapter 214, Laws of 1998 (DUI penalties); and chapter 215,
9 Laws of 1998 (DUI provisions).

10 NEW SECTION. **Sec. 804. FOR THE STATE TREASURER--FEDERAL REVENUES**
11 **FOR DISTRIBUTION**

12 General Fund Appropriation for federal flood control
13 funds distribution \$74,000
14 General Fund Appropriation for federal grazing fees
15 distribution \$2,430,000
16 Forest Reserve Fund Appropriation for federal forest
17 reserve fund distribution \$29,175,000
18 TOTAL APPROPRIATION \$31,679,000

19 The total expenditures from the state treasury under the
20 appropriations in this section shall not exceed the funds available
21 under statutory distributions for the stated purposes.

22 NEW SECTION. **Sec. 805. FOR THE STATE TREASURER--TRANSFERS**

23 State Treasurer's Service Account: For transfer to
24 the state general fund, \$10,000,000 for fiscal
25 year 2012 and \$15,000,000 for fiscal year 2013 \$25,000,000
26 Waste Reduction, Recycling, and Litter Control
27 Account: For transfer to the state general
28 fund, \$2,000,000 for fiscal year 2012 and
29 \$2,000,000 for fiscal year 2013 \$4,000,000
30 Aquatics Lands Enhancement Account: For transfer to
31 the state general fund, \$3,500,000 for fiscal
32 year 2012 and \$3,500,000 for fiscal year 2013 \$7,000,000
33 Drinking Water Assistance Account: For transfer to
34 the drinking water assistance repayment account \$38,000,000
35 Economic Development Strategic Reserve Account: For
36 transfer to the state general fund, \$2,100,000

1 for fiscal year 2012 and \$2,100,000 for fiscal
2 year 2013 \$4,200,000
3 General Fund: For transfer to the streamlined sales
4 and use tax account, \$24,846,000 for fiscal year
5 2012 and \$24,789,000 for fiscal year 2013 \$49,635,000
6 Public Works Assistance Account: For transfer to the
7 water pollution control revolving account,
8 \$7,750,000 for fiscal year 2012 and \$7,750,000 for
9 fiscal year 2013 \$15,500,000
10 The Charitable, Educational, Penal, and Reformatory
11 Institutions Account: For transfer to the state
12 general fund, \$4,500,000 for fiscal year 2012 and
13 \$4,500,000 for fiscal year 2013 \$9,000,000
14 Thurston County Capital Facilities Account: For
15 transfer to the state general fund, \$4,000,000
16 for fiscal year 2012 and \$4,000,000 for fiscal
17 year 2013 \$8,000,000
18 Public Works Assistance Account: For transfer to the
19 drinking water assistance account, \$8,000,000 for
20 fiscal year 2012 and \$8,000,000 for fiscal year
21 2013 \$16,000,000
22 Liquor Control Board Construction and Maintenance
23 Account: For transfer to the state general fund,
24 \$500,000 for fiscal year 2012 and \$500,000 for
25 fiscal year 2013 \$1,000,000
26 Education Savings Account: For transfer to the state
27 general fund, \$22,500,000 for fiscal year 2012
28 and \$22,500,000 for fiscal year 2013 \$45,000,000
29 Department of Retirement Systems Expense Account:
30 For transfer to the state general fund, \$250,000
31 for fiscal year 2012 and \$250,000 for fiscal year
32 2013 \$500,000
33 Education Construction Account: For transfer to the
34 state general fund, \$102,000,000 for fiscal year
35 2012 and \$102,000,000 for fiscal year 2013 \$204,000,000
36 Public Works Assistance Account: For transfer to the
37 state general fund, \$25,000,000 for fiscal year 2012
38 and \$25,000,000 for fiscal year 2013 \$50,000,000

1 Home Security Fund Account: For transfer to the
2 lifeline opportunity and assistance account,
3 \$7,181,000 for fiscal year 2012 and \$7,180,000
4 for fiscal year 2013 \$14,458,000
5 Affordable Housing For All Account: For transfer to
6 the home security fund, \$1,000,000 for fiscal year
7 2012 and \$1,000,000 for fiscal year 2013 \$2,000,000
8 Cleanup Settlement Account: For transfer to the state
9 efficiency and restructuring account, \$8,455,000
10 for fiscal year 2012 and \$8,376,000 for fiscal year
11 2013 \$16,831,000
12 General Fund: For transfer to the life sciences
13 discovery fund, \$10,000,000 for fiscal year
14 2012 and \$10,000,000 for fiscal year 2013 \$20,000,000

15 The transfer to the life sciences discovery fund is subject to the
16 following conditions:

17 (1) All new grants awarded during the 2011-2013 fiscal biennium
18 shall support and accelerate the commercialization of an identifiable
19 product;

20 (2) Prior to the awarding of new grants, the life sciences
21 discovery fund authority must seek the input of the executive director
22 of the Washington economic development commission;

23 (3) Upon the recommendation of the Washington economic development
24 commission, funds may be used for the recruitment of life sciences
25 researchers who have a history of commercialization of new
26 technologies, to public research institutions in the state;

27 (4) Funds may be used to collaborate and contract with innovate
28 Washington in commercializing life sciences technology and promoting
29 biomedical manufacturing;

30 (5) Funds may be granted to public and private entities for the
31 purpose of leveraging private funds to the highest degree possible.
32 Proposals involving a startup company or corporate participant must be
33 given a higher priority;

34 (6) The life sciences discovery fund authority must develop a
35 payment system that allows both regular payments and payments based on
36 deliverables for the purpose of assisting with initial project costs;
37 and

1 (7) By December 1, 2013, the life sciences discovery fund must
2 report to the fiscal and economic development committees of the
3 legislature on the impact of grant awards on commercialization.

(End of part)

1 **PART IX**
2 **MISCELLANEOUS**

3 NEW SECTION. **Sec. 901. EXPENDITURE AUTHORIZATIONS**

4 The appropriations contained in this act are maximum expenditure
5 authorizations. Pursuant to RCW 43.88.037, moneys disbursed from the
6 treasury on the basis of a formal loan agreement shall be recorded as
7 loans receivable and not as expenditures for accounting purposes. To
8 the extent that moneys are disbursed on a loan basis, the corresponding
9 appropriation shall be reduced by the amount of loan moneys disbursed
10 from the treasury during the 2009-2011 fiscal biennium.

11 NEW SECTION. **Sec. 902. EMERGENCY FUND ALLOCATIONS**

12 Whenever allocations are made from the governor's emergency fund
13 appropriation to an agency that is financed in whole or in part by
14 other than general fund moneys, the director of financial management
15 may direct the repayment of such allocated amount to the general fund
16 from any balance in the fund or funds which finance the agency. An
17 appropriation is not necessary to effect such repayment.

18 NEW SECTION. **Sec. 903. STATUTORY APPROPRIATIONS**

19 In addition to the amounts appropriated in this act for revenues
20 for distribution, state contributions to the law enforcement officers'
21 and fire fighters' retirement system plan 2, and bond retirement and
22 interest including ongoing bond registration and transfer charges,
23 transfers, interest on registered warrants, and certificates of
24 indebtedness, there is also appropriated such further amounts as may be
25 required or available for these purposes under any statutory formula or
26 under chapters 39.94 and 39.96 RCW or any proper bond covenant made
27 under law.

28 NEW SECTION. **Sec. 904. BOND EXPENSES**

29 In addition to such other appropriations as are made by this act,
30 there is hereby appropriated to the state finance committee from
31 legally available bond proceeds in the applicable construction or

1 building funds and accounts such amounts as are necessary to pay the
2 expenses incurred in the issuance and sale of the subject bonds.

3 NEW SECTION. **Sec. 905. VOLUNTARY RETIREMENT, SEPARATION, AND**
4 **DOWNSHIFTING INCENTIVES**

5 As a management tool to reduce costs and make more effective use of
6 resources, while improving employee productivity and morale, agencies
7 may implement a voluntary retirement, separation, and/or downshifting
8 incentive program that is cost neutral or results in cost savings over
9 a two-year period following the commencement of the program, provided
10 that such a program is approved by the director of financial
11 management. Agencies participating in this authorization may offer
12 voluntary retirement, separation, and/or downshifting incentives and
13 options according to procedures and guidelines established by the
14 office of financial management, in consultation with the department of
15 personnel and the department of retirement systems. The options may
16 include, but are not limited to, financial incentives for: Voluntary
17 separation or retirement, voluntary leave without pay, voluntary work
18 week or work hour reduction, voluntary downward movement, or temporary
19 separation for development purposes. An employee does not have a
20 contractual right to a financial incentive offered pursuant to this
21 section. Offers shall be reviewed and monitored jointly by the
22 department of personnel and the department of retirement systems.
23 Agencies are required to submit a report by June 30, 2013, to the
24 legislature and the office of financial management on the outcome of
25 their approved incentive program. The report should include
26 information on the details of the program including the cost of the
27 incentive per participant, the total cost to the state, and the
28 projected or actual net dollar savings over the 2011-2013 biennium.

29 NEW SECTION. **Sec. 906. COLLECTIVE BARGAINING AGREEMENTS NOT**
30 **IMPAIRED**

31 Nothing in this act prohibits the expenditure of any funds by an
32 agency or institution of the state for benefits guaranteed by any
33 collective bargaining agreement in effect on the effective date of this
34 section.

35 NEW SECTION. **Sec. 907. COLLECTIVE BARGAINING AGREEMENTS**

1 The following sections represent the results of the 2011-2013
2 collective bargaining process required under the provisions of chapters
3 41.80 and 41.56 RCW. Provisions of the collective bargaining
4 agreements contained in this act are described in general terms. Only
5 major economic terms are included in the descriptions. These
6 descriptions do not contain the complete contents of the agreements.
7 The collective bargaining agreements or the continuation of terms and
8 conditions of the 2009-2011 agreements contained in Part IX of this act
9 may also be funded by expenditures from nonappropriated accounts. If
10 positions are funded with lidded grants or dedicated fund sources with
11 insufficient revenue, additional funding from other sources is not
12 provided.

13 NEW SECTION. **Sec. 908. COLLECTIVE BARGAINING AGREEMENTS--WFSE,**
14 **TEAMSTERS, UFCW, WAFWP, IFPTE 17, COALITION OF UNIONS**

15 Agreements have been reached between the governor and the following
16 unions: Washington federation of state employees, teamsters local
17 union 117, united food and commercial workers, Washington association
18 of fish and wildlife professionals, international federation of
19 professional and technical engineers local 17, and the coalition of
20 unions, under the provisions of chapter 41.80 RCW for the 2011-2013
21 biennium subject to union internal processes/procedures. Funding is
22 reduced to reflect a 3.0 percent temporary salary reduction for all
23 employees making \$2,500 or more per month covered under the agreements
24 for fiscal years 2012 and 2013 through June 29, 2013. Effective June
25 30, 2013, the salary schedules effective July 1, 2009, through June 30,
26 2011 will be reinstated. Temporary salary reduction leave is granted
27 for the term of the 2011-2013 agreement.

28 NEW SECTION. **Sec. 909. COLLECTIVE BARGAINING AGREEMENT--SEIU**
29 **HEALTHCARE 1199NW**

30 An agreement has been reached between the governor and the service
31 employees international union healthcare 1199nw under the provisions of
32 chapter 41.80 RCW for the 2011-2013 biennium subject to union internal
33 processes/procedures. Funding is reduced to reflect 8 days of leave
34 without pay per year for fiscal years 2012 and 2013.

35 NEW SECTION. **Sec. 910. COLLECTIVE BARGAINING AGREEMENT--TERMS**

1 **AND CONDITIONS**

2 No agreements have been reached between the governor and the
3 following unions: Washington public employees association, Washington
4 public employees association higher education community college
5 coalition, Washington federation of state employees higher education
6 community college coalition, Washington federation of state employees
7 Central Washington University, Washington federation of state employees
8 Western Washington University, Washington federation of state employees
9 The Evergreen State College, and public school employees Western
10 Washington University, under the provisions of chapter 41.80 RCW for
11 the 2011-2013 biennium. Appropriations in this act provide funding to
12 continue the terms and conditions of the 2009-2011 general government
13 and higher education agreements negotiated by the office of financial
14 management's labor relations office under the provisions of chapter
15 41.80 RCW. For fiscal year 2012, appropriations have been reduced in
16 an amount equal to a 3 percent salary reduction for all represented
17 employees making \$2,500 or more per month. This reduction will be
18 implemented according to the terms and conditions of the 2009-2011
19 agreements. For fiscal year 2013, funding is reduced to reflect a 3.0
20 percent temporary salary reduction for all employees making \$2,500 or
21 more per month through June 29, 2013. Effective June 30, 2013, the
22 salary schedules effective July 1, 2009, through June 30, 2011, will be
23 reinstated. Temporary salary reduction leave is granted for fiscal
24 year 2013. These changes will be implemented according to law.

25 NEW SECTION. **Sec. 911. COLLECTIVE BARGAINING AGREEMENT--WSP**
26 **TROOPERS ASSOCIATION**

27 No agreement has been reached between the governor and the
28 Washington state patrol trooper's association under the provisions of
29 chapter 41.56 RCW for the 2011-2013 biennium. Appropriations in this
30 act for the Washington state patrol provide funding to continue the
31 provisions of the 2009-2011 agreement.

32 NEW SECTION. **Sec. 912. COLLECTIVE BARGAINING AGREEMENT--WSP**
33 **LIEUTENANTS ASSOCIATION**

34 No agreement has been reached between the governor and the
35 Washington state patrol lieutenant's association under the provisions

1 of chapter 41.56 RCW for the 2011-2013 biennium. Appropriations in
2 this act for the Washington state patrol provide funding to continue
3 the provisions of the 2009-2011 agreement.

4 NEW SECTION. **Sec. 913. COLLECTIVE BARGAINING AGREEMENT FOR**
5 **NONSTATE EMPLOYEES--SEIU LOCAL 925 CHILDCARE WORKERS**

6 An agreement has been reached between the governor and the service
7 employees international union local 925 under the provisions of chapter
8 41.56 RCW for the 2011-2013 biennium, subject to union internal
9 processes/procedures. Funding for an increase in the state's health
10 care contribution for childcare workers is included in the budget.

11 NEW SECTION. **Sec. 914. COLLECTIVE BARGAINING AGREEMENT FOR**
12 **NONSTATE EMPLOYEES--WSRCC ADULT FAMILY HOMES**

13 Appropriations in this act reflect the collective bargaining
14 agreement reached between the governor and the Washington state
15 residential care council under the provisions of chapter 41.56 RCW for
16 the 2011-2013 biennium. For those covered under this agreement,
17 economic provisions are the same as the terms and conditions in the
18 2009-2011 agreement.

19 NEW SECTION. **Sec. 915. AGREEMENTS AND TERMS AND CONDITIONS NOT**
20 **NEGOTIATED BY THE OFFICE OF FINANCIAL MANAGEMENT'S LABOR RELATIONS**
21 **OFFICE**

22 No agreements under chapter 41.80 RCW have been reached between the
23 University of Washington, Washington State University, except as
24 specifically set forth in this act, Eastern Washington University, and
25 the Yakima Valley community college with their respective exclusive
26 bargaining representatives under the provisions of chapter 41.80 RCW
27 for the 2011-2013 biennium. Appropriations in this act provide funding
28 to continue the terms and conditions of the 2009-2011 agreements. For
29 fiscal years 2012, appropriations have been reduced in an amount equal
30 to a 3 percent salary reduction for all represented employees making
31 \$2,500 or more per month. This reduction will be implemented according
32 to the terms and conditions of the 2009-2011 agreements. For fiscal
33 year 2013, funding is reduced in an amount equal to a 3 percent salary
34 reduction for all represented employees making \$2,500 or more per
35 month. This reduction will be implemented according to law.

1 NEW SECTION. **Sec. 916. COLLECTIVE BARGAINING AGREEMENT--CENTRAL**
2 **WASHINGTON UNIVERSITY PUBLIC SCHOOL EMPLOYEES OF WASHINGTON**

3 An agreement has been reached between Central Washington University
4 and the public school employees of Washington under the provisions of
5 chapter 41.80 RCW for the 2011-2013 biennium subject to union internal
6 processes/procedures. Funding is reduced to reflect a 3.0 percent
7 temporary salary reduction for all employees making \$2,500 or more per
8 month for fiscal years 2012 and 2013 through June 29, 2013. Effective
9 June 30, 2013, the salary schedules effective July 1, 2009 through June
10 30, 2011 will be reinstated. Temporary salary reduction leave is
11 granted for the term of the 2011-2013 agreement.

12 NEW SECTION. **Sec. 917. COLLECTIVE BARGAINING AGREEMENT--**
13 **WASHINGTON STATE UNIVERSITY POLICE GUILD**

14 An agreement has been reached between Washington State University
15 and the Washington State University police guild. The financial
16 provisions of the 2009-2011 remain in place for the 2011-2013 biennium.

17 NEW SECTION. **Sec. 918. COMPENSATION--NONREPRESENTED EMPLOYEES--**
18 **INSURANCE BENEFITS**

19 Appropriations for state agencies in this act are sufficient for
20 nonrepresented state employee health benefits for state agencies,
21 including institutions of higher education, and are subject to the
22 following conditions and limitations:

23 (1)(a) The monthly employer funding rate for insurance benefit
24 premiums, public employees' benefits board administration, and the
25 uniform medical plan, shall not exceed \$850 per eligible employee for
26 fiscal year 2012. For fiscal year 2013 the monthly employer funding
27 rate shall not exceed \$850 per eligible employee.

28 (b) In order to achieve the level of funding provided for health
29 benefits, the public employees' benefits board shall require any or all
30 of the following: Employee premium copayments, increases in point-of-
31 service cost sharing, the implementation of managed competition, or
32 make other changes to benefits consistent with RCW 41.05.065.

33 (c) The health care authority shall deposit any moneys received on
34 behalf of the uniform medical plan as a result of rebates on
35 prescription drugs, audits of hospitals, subrogation payments, or any
36 other moneys recovered as a result of prior uniform medical plan claims

1 payments, into the public employees' and retirees' insurance account to
2 be used for insurance benefits. Such receipts shall not be used for
3 administrative expenditures.

4 (2) The health care authority, subject to the approval of the
5 public employees' benefits board, shall provide subsidies for health
6 benefit premiums to eligible retired or disabled public employees and
7 school district employees who are eligible for medicare, pursuant to
8 RCW 41.05.085. For calendar years 2012 and 2013, the subsidy shall be
9 \$150.00 per month.

10 (3) Technical colleges, school districts, and educational service
11 districts shall remit to the health care authority for deposit into the
12 public employees' and retirees' insurance account established in RCW
13 41.05.120 the following amounts:

14 (a) For each full-time employee, \$66.01 per month beginning
15 September 1, 2011, and \$67.91 beginning September 1, 2012;

16 (b) For each part-time employee, who at the time of the remittance
17 is employed in an eligible position as defined in RCW 41.32.010 or
18 41.40.010 and is eligible for employer fringe benefit contributions for
19 basic benefits, \$66.01 each month beginning September 1, 2011, and
20 \$67.91 beginning September 1, 2012, prorated by the proportion of
21 employer fringe benefit contributions for a full-time employee that the
22 part-time employee receives. The remittance requirements specified in
23 this subsection shall not apply to employees of a technical college,
24 school district, or educational service district who purchase insurance
25 benefits through contracts with the health care authority.

26 NEW SECTION. **Sec. 919. COMPENSATION--REPRESENTED EMPLOYEES**
27 **OUTSIDE SUPER COALITION--INSURANCE BENEFITS**

28 Appropriations for state agencies in this act are sufficient for
29 represented employees outside the super coalition for health benefits,
30 and are subject to the following conditions and limitations:

31 (1)(a) The monthly employer funding rate for insurance benefit
32 premiums, public employees' benefits board administration, and the
33 uniform medical plan, shall not exceed \$850 per eligible employee for
34 fiscal year 2012. For fiscal year 2013 the monthly employer funding
35 rate shall not exceed \$850 per eligible employee.

36 (b) In order to achieve the level of funding provided for health
37 benefits, the public employees' benefits board shall require any or all

1 of the following: Employee premium copayments, increases in point-of-
2 service cost sharing, the implementation of managed competition, or
3 make other changes to benefits consistent with RCW 41.05.065.

4 (c) The health care authority shall deposit any moneys received on
5 behalf of the uniform medical plan as a result of rebates on
6 prescription drugs, audits of hospitals, subrogation payments, or any
7 other moneys recovered as a result of prior uniform medical plan claims
8 payments, into the public employees' and retirees' insurance account to
9 be used for insurance benefits. Such receipts shall not be used for
10 administrative expenditures.

11 (2) The health care authority, subject to the approval of the
12 public employees' benefits board, shall provide subsidies for health
13 benefit premiums to eligible retired or disabled public employees and
14 school district employees who are eligible for medicare, pursuant to
15 RCW 41.05.085. For calendar years 2012 and 2013, the subsidy shall be
16 \$150.00 per month.

17 (3) Technical colleges, school districts, and educational service
18 districts shall remit to the health care authority for deposit into the
19 public employees' and retirees' insurance account established in RCW
20 41.05.120 the following amounts:

21 (a) For each full-time employee, \$66.01 per month beginning
22 September 1, 2011, and \$67.91 beginning September 1, 2012;

23 (b) For each part-time employee, who at the time of the remittance
24 is employed in an eligible position as defined in RCW 41.32.010 or
25 41.40.010 and is eligible for employer fringe benefit contributions for
26 basic benefits, \$66.01 each month beginning September 1, 2011, and
27 \$67.91 beginning September 1, 2012, prorated by the proportion of
28 employer fringe benefit contributions for a full-time employee that the
29 part-time employee receives. The remittance requirements specified in
30 this subsection shall not apply to employees of a technical college,
31 school district, or educational service district who purchase insurance
32 benefits through contracts with the health care authority.

33 NEW SECTION. **Sec. 920. COMPENSATION--REPRESENTED EMPLOYEES--**
34 **SUPER COALITION--INSURANCE BENEFITS**

35 The collective bargaining agreement negotiated with the super
36 coalition under chapter 41.80 RCW includes employer premiums at 85
37 percent of the total weighted average of the projected health care

1 premiums across all plans and tiers. Appropriations in this act for
2 state agencies, including institutions of higher education are
3 sufficient to fund state employees health benefits for employees
4 represented by the super coalition on health benefits, and are subject
5 to the following conditions and limitations:

6 (1)(a) The monthly employer funding rate for insurance benefit
7 premiums, public employees' benefits board administration, and the
8 uniform medical plan, shall not exceed \$850 per eligible employee for
9 fiscal year 2012. For fiscal year 2013 the monthly employer funding
10 rate shall not exceed \$850 per eligible employee.

11 (b) In order to achieve the level of funding provided for health
12 benefits, the public employees' benefits board shall require any or all
13 of the following: Employee premium copayments, increases in point-of-
14 service cost sharing, the implementation of managed competition, or
15 make other changes to benefits consistent with RCW 41.05.065.

16 (c) The health care authority shall deposit any moneys received on
17 behalf of the uniform medical plan as a result of rebates on
18 prescription drugs, audits of hospitals, subrogation payments, or any
19 other moneys recovered as a result of prior uniform medical plan claims
20 payments, into the public employees' and retirees' insurance account to
21 be used for insurance benefits. Such receipts shall not be used for
22 administrative expenditures.

23 (2) The health care authority, subject to the approval of the
24 public employees' benefits board, shall provide subsidies for health
25 benefit premiums to eligible retired or disabled public employees and
26 school district employees who are eligible for medicare, pursuant to
27 RCW 41.05.085. For calendar years 2012 and 2013, the subsidy shall be
28 \$150.00 per month.

29 NEW SECTION. **Sec. 921. COLLECTIVE BARGAINING AGREEMENTS**

30 For the collective bargaining agreements negotiated with the state
31 for the 2011-2013 fiscal biennium under chapters 41.56, 41.80, or
32 74.39A RCW, the governor may request funds necessary to implement the
33 terms and conditions of an agreement submitted to the office of
34 financial management after October 1st if that agreement is determined
35 to be feasible financially to the state by the director of financial
36 management.

1 **Sec. 922.** RCW 41.50.110 and 2009 c 564 s 924 are each amended to
2 read as follows:

3 (1) Except as provided by RCW 41.50.255 and subsection (6) of this
4 section, all expenses of the administration of the department, the
5 expenses of administration of the retirement systems, and the expenses
6 of the administration of the office of the state actuary created in
7 chapters 2.10, 2.12, 41.26, 41.32, 41.40, 41.34, 41.35, 41.37, 43.43,
8 and 44.44 RCW shall be paid from the department of retirement systems
9 expense fund.

10 (2) In order to reimburse the department of retirement systems
11 expense fund on an equitable basis the department shall ascertain and
12 report to each employer, as defined in RCW 41.26.030, 41.32.010,
13 41.35.010, 41.37.010, or 41.40.010, the sum necessary to defray its
14 proportional share of the entire expense of the administration of the
15 retirement system that the employer participates in during the ensuing
16 biennium or fiscal year whichever may be required. Such sum is to be
17 computed in an amount directly proportional to the estimated entire
18 expense of the administration as the ratio of monthly salaries of the
19 employer's members bears to the total salaries of all members in the
20 entire system. It shall then be the duty of all such employers to
21 include in their budgets or otherwise provide the amounts so required.

22 (3) The department shall compute and bill each employer, as defined
23 in RCW 41.26.030, 41.32.010, 41.35.010, 41.37.010, or 41.40.010, at the
24 end of each month for the amount due for that month to the department
25 of retirement systems expense fund and the same shall be paid as are
26 its other obligations. Such computation as to each employer shall be
27 made on a percentage rate of salary established by the department.
28 However, the department may at its discretion establish a system of
29 billing based upon calendar year quarters in which event the said
30 billing shall be at the end of each such quarter.

31 (4) The director may adjust the expense fund contribution rate for
32 each system at any time when necessary to reflect unanticipated costs
33 or savings in administering the department.

34 (5) An employer who fails to submit timely and accurate reports to
35 the department may be assessed an additional fee related to the
36 increased costs incurred by the department in processing the deficient
37 reports. Fees paid under this subsection shall be deposited in the
38 retirement system expense fund.

1 (a) Every six months the department shall determine the amount of
2 an employer's fee by reviewing the timeliness and accuracy of the
3 reports submitted by the employer in the preceding six months. If
4 those reports were not both timely and accurate the department may
5 prospectively assess an additional fee under this subsection.

6 (b) An additional fee assessed by the department under this
7 subsection shall not exceed fifty percent of the standard fee.

8 (c) The department shall adopt rules implementing this section.

9 (6) Expenses other than those under RCW 41.34.060(3) shall be paid
10 pursuant to subsection (1) of this section.

11 (7) During the ((2007-2009 and)) 2009-2011 and 2011-2013 fiscal
12 biennia, the legislature may transfer from the department of retirement
13 systems' expense fund to the state general fund such amounts as reflect
14 the excess fund balance of the fund.

15 **Sec. 923.** RCW 41.60.050 and 1991 sp.s. c 16 s 918 are each amended
16 to read as follows:

17 The legislature shall appropriate from the department of personnel
18 service fund for the payment of administrative costs of the
19 productivity board. However, during the ((1991-93)) 2011-2013 fiscal
20 biennium, the ((~~administrative costs~~)) operations of the productivity
21 board shall be ((~~appropriated from the savings recovery account~~))
22 suspended.

23 **Sec. 924.** RCW 41.80.010 and 2010 c 104 s 1 are each amended to
24 read as follows:

25 (1) For the purpose of negotiating collective bargaining agreements
26 under this chapter, the employer shall be represented by the governor
27 or governor's designee, except as provided for institutions of higher
28 education in subsection (4) of this section.

29 (2)(a) If an exclusive bargaining representative represents more
30 than one bargaining unit, the exclusive bargaining representative shall
31 negotiate with each employer representative as designated in subsection
32 (1) of this section one master collective bargaining agreement on
33 behalf of all the employees in bargaining units that the exclusive
34 bargaining representative represents. For those exclusive bargaining
35 representatives who represent fewer than a total of five hundred
36 employees each, negotiation shall be by a coalition of all those

1 exclusive bargaining representatives. The coalition shall bargain for
2 a master collective bargaining agreement covering all of the employees
3 represented by the coalition. The governor's designee and the
4 exclusive bargaining representative or representatives are authorized
5 to enter into supplemental bargaining of agency-specific issues for
6 inclusion in or as an addendum to the master collective bargaining
7 agreement, subject to the parties' agreement regarding the issues and
8 procedures for supplemental bargaining. This section does not prohibit
9 cooperation and coordination of bargaining between two or more
10 exclusive bargaining representatives.

11 (b) This subsection (2) does not apply to exclusive bargaining
12 representatives who represent employees of institutions of higher
13 education, except when the institution of higher education has elected
14 to exercise its option under subsection (4) of this section to have its
15 negotiations conducted by the governor or governor's designee under the
16 procedures provided for general government agencies in subsections (1)
17 through (3) of this section.

18 (c) If five hundred or more employees of an independent state
19 elected official listed in RCW 43.01.010 are organized in a bargaining
20 unit or bargaining units under RCW 41.80.070, the official shall be
21 consulted by the governor or the governor's designee before any
22 agreement is reached under (a) of this subsection concerning
23 supplemental bargaining of agency specific issues affecting the
24 employees in such bargaining unit.

25 (3) The governor shall submit a request for funds necessary to
26 implement the compensation and fringe benefit provisions in the master
27 collective bargaining agreement or for legislation necessary to
28 implement the agreement. Requests for funds necessary to implement the
29 provisions of bargaining agreements shall not be submitted to the
30 legislature by the governor unless such requests:

31 (a) Have been submitted to the director of the office of financial
32 management by October 1 prior to the legislative session at which the
33 requests are to be considered; and

34 (b) Have been certified by the director of the office of financial
35 management as being feasible financially for the state.

36 The legislature shall approve or reject the submission of the
37 request for funds as a whole. The legislature shall not consider a
38 request for funds to implement a collective bargaining agreement unless

1 the request is transmitted to the legislature as part of the governor's
2 budget document submitted under RCW 43.88.030 and 43.88.060. If the
3 legislature rejects or fails to act on the submission, either party may
4 reopen all or part of the agreement or the exclusive bargaining
5 representative may seek to implement the procedures provided for in RCW
6 41.80.090.

7 (4)(a)(i) For the purpose of negotiating agreements for
8 institutions of higher education, the employer shall be the respective
9 governing board of each of the universities, colleges, or community
10 colleges or a designee chosen by the board to negotiate on its behalf.

11 (ii) A governing board of a university or college may elect to have
12 its negotiations conducted by the governor or governor's designee under
13 the procedures provided for general government agencies in subsections
14 (1) through (3) of this section, except that:

15 (A) The governor or the governor's designee and an exclusive
16 bargaining representative shall negotiate one master collective
17 bargaining agreement for all of the bargaining units of employees of a
18 university or college that the representative represents; or

19 (B) If the parties mutually agree, the governor or the governor's
20 designee and an exclusive bargaining representative shall negotiate one
21 master collective bargaining agreement for all of the bargaining units
22 of employees of more than one university or college that the
23 representative represents.

24 (iii) A governing board of a community college may elect to have
25 its negotiations conducted by the governor or governor's designee under
26 the procedures provided for general government agencies in subsections
27 (1) through (3) of this section.

28 (b) Prior to entering into negotiations under this chapter, the
29 institutions of higher education or their designees shall consult with
30 the director of the office of financial management regarding financial
31 and budgetary issues that are likely to arise in the impending
32 negotiations.

33 (c)(i) If appropriations are necessary to implement the
34 compensation and fringe benefit provisions of the bargaining agreements
35 reached between institutions of higher education and exclusive
36 bargaining representatives agreed to under the provisions of this
37 chapter, the governor shall submit a request for such funds to the

1 legislature according to the provisions of subsection (3) of this
2 section, except as provided in (c)(ii) of this subsection.

3 (ii) In the case of a bargaining unit of employees of institutions
4 of higher education in which the exclusive bargaining representative is
5 certified during or after the conclusion of a legislative session, the
6 legislature may act upon the compensation and fringe benefit provisions
7 of the unit's initial collective bargaining agreement if those
8 provisions are agreed upon and submitted to the office of financial
9 management and legislative budget committees before final legislative
10 action on the biennial or supplemental operating budget by the sitting
11 legislature.

12 (5) There is hereby created a joint committee on employment
13 relations, which consists of two members with leadership positions in
14 the house of representatives, representing each of the two largest
15 caucuses; the chair and ranking minority member of the house
16 appropriations committee, or its successor, representing each of the
17 two largest caucuses; two members with leadership positions in the
18 senate, representing each of the two largest caucuses; and the chair
19 and ranking minority member of the senate ways and means committee, or
20 its successor, representing each of the two largest caucuses. The
21 governor shall periodically consult with the committee regarding
22 appropriations necessary to implement the compensation and fringe
23 benefit provisions in the master collective bargaining agreements, and
24 upon completion of negotiations, advise the committee on the elements
25 of the agreements and on any legislation necessary to implement the
26 agreements.

27 (6) If, after the compensation and fringe benefit provisions of an
28 agreement are approved by the legislature, a significant revenue
29 shortfall occurs resulting in reduced appropriations, as declared by
30 proclamation of the governor or by resolution of the legislature, both
31 parties shall immediately enter into collective bargaining for a
32 mutually agreed upon modification of the agreement.

33 (7) After the expiration date of a collective bargaining agreement
34 negotiated under this chapter, all of the terms and conditions
35 specified in the collective bargaining agreement remain in effect until
36 the effective date of a subsequently negotiated agreement, not to
37 exceed one year from the expiration date stated in the agreement.
38 Thereafter, the employer may unilaterally implement according to law.

1 (8) For the 2011-2013 fiscal biennium, a collective bargaining
2 agreement related to employee health care benefits negotiated between
3 the employer and coalition pursuant to RCW 41.80.020(3) regarding the
4 dollar amount expended on behalf of each employee shall be a separate
5 agreement for which the governor may request funds necessary to
6 implement the agreement. If such an agreement is negotiated and funded
7 by the legislature, this agreement will supersede any terms and
8 conditions of an expired 2009-2011 biennial master collective
9 bargaining agreement under this chapter regarding health care benefits.

10 **Sec. 925.** RCW 41.80.020 and 2010 c 283 s 16 are each amended to
11 read as follows:

12 (1) Except as otherwise provided in this chapter, the matters
13 subject to bargaining include wages, hours, and other terms and
14 conditions of employment, and the negotiation of any question arising
15 under a collective bargaining agreement.

16 (2) The employer is not required to bargain over matters pertaining
17 to:

18 (a) Health care benefits or other employee insurance benefits,
19 except as required in subsection (3) of this section;

20 (b) Any retirement system or retirement benefit; or

21 (c) Rules of the director of personnel or the Washington personnel
22 resources board adopted under section 203, chapter 354, Laws of 2002.

23 (3) Matters subject to bargaining include the number of names to be
24 certified for vacancies, promotional preferences, and the dollar amount
25 expended on behalf of each employee for health care benefits. However,
26 except as provided otherwise in this subsection for institutions of
27 higher education, negotiations regarding the number of names to be
28 certified for vacancies, promotional preferences, and the dollar amount
29 expended on behalf of each employee for health care benefits shall be
30 conducted between the employer and one coalition of all the exclusive
31 bargaining representatives subject to this chapter. The exclusive
32 bargaining representatives for employees that are subject to chapter
33 47.64 RCW shall bargain the dollar amount expended on behalf of each
34 employee for health care benefits with the employer as part of the
35 coalition under this subsection. Any such provision agreed to by the
36 employer and the coalition shall be included in all master collective
37 bargaining agreements negotiated by the parties. For institutions of

1 higher education, promotional preferences and the number of names to be
2 certified for vacancies shall be bargained under the provisions of RCW
3 41.80.010(4). For agreements covering the 2011-2013 fiscal biennium,
4 any agreement between the employer and the coalition regarding the
5 dollar amount expended on behalf of each employee for health care
6 benefits is a separate agreement and shall not be included in the
7 master collective bargaining agreements negotiated by the parties.

8 (4) The employer and the exclusive bargaining representative shall
9 not agree to any proposal that would prevent the implementation of
10 approved affirmative action plans or that would be inconsistent with
11 the comparable worth agreement that provided the basis for the salary
12 changes implemented beginning with the 1983-1985 biennium to achieve
13 comparable worth.

14 (5) The employer and the exclusive bargaining representative shall
15 not bargain over matters pertaining to management rights established in
16 RCW 41.80.040.

17 (6) Except as otherwise provided in this chapter, if a conflict
18 exists between an executive order, administrative rule, or agency
19 policy relating to wages, hours, and terms and conditions of employment
20 and a collective bargaining agreement negotiated under this chapter,
21 the collective bargaining agreement shall prevail. A provision of a
22 collective bargaining agreement that conflicts with the terms of a
23 statute is invalid and unenforceable.

24 (7) This section does not prohibit bargaining that affects
25 contracts authorized by RCW 41.06.142.

26 **Sec. 926.** RCW 43.08.190 and 2010 c 222 s 3 are each amended to
27 read as follows:

28 There is hereby created a fund within the state treasury to be
29 known as the "state treasurer's service fund." Such fund shall be used
30 solely for the payment of costs and expenses incurred in the operation
31 and administration of the state treasurer's office.

32 Moneys shall be allocated monthly and placed in the state
33 treasurer's service fund equivalent to a maximum of one percent of the
34 trust and treasury average daily cash balances from the earnings
35 generated under the authority of RCW 43.79A.040 and 43.84.080 other
36 than earnings generated from investment of balances in funds and
37 accounts specified in RCW 43.79A.040(4)(c). The allocation shall

1 precede the distribution of the remaining earnings as prescribed under
2 RCW 43.79A.040 and 43.84.092. The state treasurer shall establish a
3 uniform allocation rate for all funds and accounts; except that the
4 state treasurer may negotiate a different allocation rate with any
5 state agency that has independent authority over funds not statutorily
6 required to be held in the state treasury or in the custody of the
7 state treasurer. In no event shall the rate be less than the actual
8 costs incurred by the state treasurer's office. If no rate is
9 separately negotiated, the default rate for any funds held shall be the
10 rate set for funds held pursuant to statute.

11 During the 2009-2011 fiscal biennium and the 2011-2013 fiscal
12 biennium, the legislature may transfer from the state treasurer's
13 service fund to the state general fund such amounts as reflect the
14 excess fund balance of the fund.

15 **Sec. 927.** RCW 43.09.475 and 2009 c 564 s 929 are each amended to
16 read as follows:

17 The performance audits of government account is hereby created in
18 the custody of the state treasurer. Revenue identified in RCW
19 82.08.020(5) and 82.12.0201 shall be deposited in the account. Money
20 in the account shall be used to fund the performance audits and follow-
21 up performance audits under RCW 43.09.470 and shall be expended by the
22 state auditor in accordance with chapter 1, Laws of 2006. Only the
23 state auditor or the state auditor's designee may authorize
24 expenditures from the account. The account is subject to allotment
25 procedures under chapter 43.88 RCW, but an appropriation is not
26 required for expenditures. During the 2009-2011 fiscal biennium, the
27 legislature may transfer from the performance audits of government
28 account to the state general fund such amounts as deemed to be
29 appropriate or necessary. During 2011-2013 fiscal biennium, the
30 performance audits of government account may be appropriated for fraud
31 investigations in the state auditor's office and the department of
32 social and health services, audit and collection functions in the
33 department of revenue, and audits of school districts. In addition,
34 during the 2011-2013 fiscal biennium the account may be used to fund
35 the office of financial management's contract for the compliance audit
36 of the state auditor.

1 **Sec. 928.** RCW 43.19.501 and 2009 c 564 s 932 are each amended to
2 read as follows:

3 The Thurston county capital facilities account is created in the
4 state treasury. The account is subject to the appropriation and
5 allotment procedures under chapter 43.88 RCW. Moneys in the account
6 may be expended for capital projects in facilities owned and managed by
7 the department of general administration in Thurston county. For the
8 2007-2009 biennium, moneys in the account may be used for predesign
9 identified in section 1037, chapter 328, Laws of 2008.

10 During the 2009-2011 and 2011-2013 fiscal (~~(biennium)~~) biennia, the
11 legislature may transfer from the Thurston county capital facilities
12 account to the state general fund such amounts as reflect the excess
13 fund balance of the account.

14 **Sec. 929.** RCW 43.20A.725 and 2010 1st sp.s. c 37 s 921 are each
15 amended to read as follows:

16 (1) The department, through the sole authority of the office or its
17 successor organization, shall maintain a program whereby an individual
18 of school age or older who possesses a hearing or speech impairment is
19 provided with telecommunications equipment, software, and/or peripheral
20 devices, digital or otherwise, that is determined by the office to be
21 necessary for such a person to access and use telecommunications
22 transmission services effectively.

23 (2) The department, through the sole authority of the office or its
24 successor organization, shall maintain a program where
25 telecommunications relay services of a human or electronic nature will
26 be provided to connect hearing impaired, deaf-blind, or speech impaired
27 persons with persons who do not have a hearing or speech impairment.
28 Such telecommunications relay services shall provide the ability for an
29 individual who has a hearing or speech impairment to engage in voice,
30 tactile, or visual communication by wire or radio with a hearing
31 individual in a manner that is functionally equivalent to the ability
32 of an individual who does not have a hearing or speech impairment to
33 communicate using voice or visual communication services by wire or
34 radio subject to subsection (4)(b) of this section.

35 (3) The telecommunications relay service and equipment distribution
36 program may operate in such a manner as to provide communications
37 transmission opportunities that are capable of incorporating new

1 technologies that have demonstrated benefits consistent with the intent
2 of this chapter and are in the best interests of the citizens of this
3 state.

4 (4) The office shall administer and control the award of money to
5 all parties incurring costs in implementing and maintaining
6 telecommunications services, programs, equipment, and technical support
7 services according to this section. The relay service contract shall
8 be awarded to an individual company registered as a telecommunications
9 company by the utilities and transportation commission, to a group of
10 registered telecommunications companies, or to any other company or
11 organization determined by the office as qualified to provide relay
12 services, contingent upon that company or organization being approved
13 as a registered telecommunications company prior to final contract
14 approval. The relay system providers and telecommunications equipment
15 vendors shall be selected on the basis of cost-effectiveness and
16 utility to the greatest extent possible under the program and technical
17 specifications established by the office.

18 (a) To the extent funds are available under the then-current rate
19 and not otherwise held in reserve or required for other purposes
20 authorized by this chapter, the office may award contracts for
21 communications and related services and equipment for hearing impaired
22 or speech impaired individuals accessing or receiving services provided
23 by, or contracted for, the department to meet access obligations under
24 Title 2 of the federal Americans with disabilities act or related
25 federal regulations.

26 (b) The office shall perform its duties under this section with the
27 goal of achieving functional equivalency of access to and use of
28 telecommunications services similar to the enjoyment of access to and
29 use of such services experienced by an individual who does not have a
30 hearing or speech impairment only to the extent that funds are
31 available under the then-current rate and not otherwise held in reserve
32 or required for other purposes authorized by this chapter.

33 (5) The program shall be funded by a telecommunications relay
34 service (TRS) excise tax applied to each switched access line provided
35 by the local exchange companies. The office shall determine, in
36 consultation with the office's program advisory committee, the budget
37 needed to fund the program on an annual basis, including both
38 operational costs and a reasonable amount for capital improvements such

1 as equipment upgrade and replacement. The budget proposed by the
2 office, together with documentation and supporting materials, shall be
3 submitted to the office of financial management for review and
4 approval. The approved budget shall be given by the department in an
5 annual budget to the department of revenue no later than March 1st
6 prior to the beginning of the fiscal year. The department of revenue
7 shall then determine the amount of telecommunications relay service
8 excise tax to be placed on each switched access line and shall inform
9 local exchange companies and the utilities and transportation
10 commission of this amount no later than May 1st. The department of
11 revenue shall determine the amount of telecommunications relay service
12 excise tax to be collected in the following fiscal year by dividing the
13 total of the program budget, as submitted by the office, by the total
14 number of switched access lines in the prior calendar year, as reported
15 to the department of revenue under chapter 82.14B RCW, and shall not
16 exercise any further oversight of the program under this subsection
17 other than administering the collection of the telecommunications relay
18 service excise tax as provided in RCW 82.72.010 through 82.72.090. The
19 telecommunications relay service excise tax shall not exceed nineteen
20 cents per month per access line. The telecommunications relay service
21 excise tax shall be separately identified on each ratepayer's bill with
22 the following statement: "Funds federal ADA requirement." All
23 proceeds from the telecommunications relay service excise tax shall be
24 put into a fund to be administered by the office through the
25 department. During the 2009-2011 and 2011-2013 fiscal (~~(biennium)~~)
26 biennia, the funds may also be used to provide individualized
27 employment services and employment-related counseling to people with
28 disabilities, and technical assistance to employers about the
29 employment of people with disabilities. "Switched access line" has the
30 meaning provided in RCW 82.14B.020.

31 (6) The telecommunications relay service program and equipment
32 vendors shall provide services and equipment consistent with the
33 requirements of federal law for the operation of both interstate and
34 intrastate telecommunications services for the hearing impaired or
35 speech impaired. The department and the utilities and transportation
36 commission shall be responsible for ensuring compliance with federal
37 requirements and shall provide timely notice to the legislature of any
38 legislation that may be required to accomplish compliance.

1 (7) The department shall adopt rules establishing eligibility
2 criteria, ownership obligations, financial contributions, and a program
3 for distribution to individuals requesting and receiving such
4 telecommunications devices distributed by the office, and other rules
5 necessary to administer programs and services consistent with this
6 chapter.

7 **Sec. 930.** RCW 43.79.201 and 2009 c 564 s 935 are each amended to
8 read as follows:

9 (1) The charitable, educational, penal and reformatory institutions
10 account is hereby created, in the state treasury, into which account
11 there shall be deposited all moneys arising from the sale, lease or
12 transfer of the land granted by the United States government to the
13 state for charitable, educational, penal and reformatory institutions
14 by section 17 of the enabling act, or otherwise set apart for such
15 institutions, except all moneys arising from the sale, lease, or
16 transfer of that certain one hundred thousand acres of such land
17 assigned for the support of the University of Washington by chapter 91,
18 Laws of 1903 and section 9, chapter 122, Laws of 1893.

19 (2) If feasible, not less than one-half of all income to the
20 charitable, educational, penal, and reformatory institutions account
21 shall be appropriated for the purpose of providing housing, including
22 repair and renovation of state institutions, for persons with mental
23 illness or developmental disabilities, or youth who are blind, deaf, or
24 otherwise disabled. If moneys are appropriated for community-based
25 housing, the moneys shall be appropriated to the department of
26 (~~community, trade, and economic development~~) commerce for the housing
27 assistance program under chapter 43.185 RCW. During the 2009-2011 and
28 2011-2013 fiscal (~~biennium~~) biennia, the legislature may transfer
29 from the charitable, educational, penal and reformatory institutions
30 account to the state general fund such amounts as reflect excess fund
31 balance of the (~~fund [account]~~) account.

32 **Sec. 931.** RCW 43.79.465 and 2010 1st sp.s. c 37 s 929 are each
33 amended to read as follows:

34 The education savings account is created in the state treasury.
35 The account shall consist of all moneys appropriated to the account by
36 the legislature.

1 (1) Ten percent of legislative appropriations to the education
2 savings account shall be distributed as follows: (a) Fifty percent to
3 the distinguished professorship trust fund under RCW 28B.76.565; (b)
4 seventeen percent to the graduate fellowship trust fund under RCW
5 28B.76.610; and (c) thirty-three percent to the college faculty awards
6 trust fund under RCW 28B.50.837.

7 (2) The remaining moneys in the education savings account may be
8 appropriated solely for (a) common school construction projects that
9 are eligible for funding from the common school construction account,
10 (b) technology improvements in the common schools, (c) during the 2001-
11 03 fiscal biennium, technology improvements in public higher education
12 institutions, (d) during the 2007-2009 fiscal biennium, the legislature
13 may transfer from the education savings account to the state general
14 fund such amounts as reflect the excess fund balance of the account
15 attributable to unspent state general fund appropriations for fiscal
16 year 2008, ~~((and))~~ (e) for fiscal year 2010, the legislature may
17 transfer from the education savings account to the state general fund
18 such amounts as reflect the fund balance of the account attributable to
19 unspent general fund appropriations for fiscal year 2009; and (f) for
20 fiscal years 2012 and 2013, the legislature may transfer from the
21 education savings account to the state general fund such amounts as
22 reflect the fund balance of the account attributable to unspent general
23 fund appropriations for fiscal years 2011 and 2012.

24 **Sec. 932.** RCW 43.79.480 and 2009 c 564 s 937 and 2009 c 479 s 30
25 are each reenacted and amended to read as follows:

26 (1) Moneys received by the state of Washington in accordance with
27 the settlement of the state's legal action against tobacco product
28 manufacturers, exclusive of costs and attorneys' fees, shall be
29 deposited in the ~~((tobacco settlement account created in this section))~~
30 state general fund except as these moneys are sold or assigned under
31 chapter 43.340 RCW.

32 ~~((The tobacco settlement account is created in the state~~
33 ~~treasury. Moneys in the tobacco settlement account may only be~~
34 ~~transferred to the state general fund, and to the tobacco prevention~~
35 ~~and control account for purposes set forth in this section. The~~
36 ~~legislature shall transfer amounts received as strategic contribution~~
37 ~~payments as defined in RCW 43.350.010 to the life sciences discovery~~

1 ~~fund created in RCW 43.350.070. During the 2009-2011 fiscal biennium,~~
2 ~~the legislature may transfer less than the entire strategic~~
3 ~~contribution payments.~~

4 ~~(3))~~ The tobacco prevention and control account is created in the
5 state treasury. The source of revenue for this account is moneys
6 transferred to the account (~~from the tobacco settlement account~~),
7 investment earnings, donations to the account, and other revenues as
8 directed by law. Expenditures from the account are subject to
9 appropriation. (~~During the 2009-2011 fiscal biennium, the legislature~~
10 ~~may transfer from the tobacco prevention and control account to the~~
11 ~~state general fund such amounts as represent the excess fund balance of~~
12 ~~the account.~~)

13 NEW SECTION. **Sec. 933.** On the effective date of this section, all
14 moneys in the tobacco settlement account shall be deposited in the
15 general fund.

16 **Sec. 934.** RCW 43.88.150 and 1995 c 6 s 1 are each amended to read
17 as follows:

18 (1) For those agencies that make expenditures from both
19 appropriated and nonappropriated funds for the same purpose, the
20 governor shall direct such agencies to charge their expenditures in
21 such ratio, as between appropriated and nonappropriated funds, as will
22 conserve appropriated funds. This subsection does not apply to
23 institutions of higher education, as defined in RCW 28B.10.016, except
24 during the 2011-2013 fiscal biennium.

25 (2) Unless otherwise provided by law, if state moneys are
26 appropriated for a capital project and matching funds or other
27 contributions are required as a condition of the receipt of the state
28 moneys, the state moneys shall be disbursed in proportion to and only
29 to the extent that the matching funds or other contributions have been
30 received and are available for expenditure.

31 (3) The office of financial management shall adopt guidelines for
32 the implementation of this section. The guidelines may account for
33 federal matching requirements or other requirements to spend other
34 moneys in a particular manner.

1 **Sec. 935.** RCW 43.135.045 and 2010 1st sp.s. c 27 s 5 are each
2 amended to read as follows:

3 The education construction fund is hereby created in the state
4 treasury.

5 (1) Funds may be appropriated from the education construction fund
6 exclusively for common school construction or higher education
7 construction. During the 2007-2009 fiscal biennium, funds may also be
8 used for higher education facilities preservation and maintenance.
9 During the 2009-2011 (~~fiscal biennium~~) and 2011-2013 fiscal biennia,
10 the legislature may transfer from the education construction fund to
11 the state general fund such amounts as reflect the excess fund balance
12 of the fund.

13 (2) Funds may be appropriated for any other purpose only if
14 approved by a two-thirds vote of each house of the legislature and if
15 approved by a vote of the people at the next general election. An
16 appropriation approved by the people under this subsection shall result
17 in an adjustment to the state expenditure limit only for the fiscal
18 period for which the appropriation is made and shall not affect any
19 subsequent fiscal period.

20 (3) Funds for the student achievement program in RCW 28A.505.210
21 and 28A.505.220 shall be appropriated to the superintendent of public
22 instruction strictly for distribution to school districts to meet the
23 provisions set out in the student achievement act. Allocations shall
24 be made on an equal per full-time equivalent student basis to each
25 school district.

26 (4) After July 1, 2010, the state treasurer shall transfer one
27 hundred two million dollars from the general fund to the education
28 construction fund by June 30th of each year.

29 **Sec. 936.** RCW 43.155.050 and 2010 1st sp.s. c 37 s 932 and 2010
30 1st sp.s. c 36 s 6007 are each reenacted and amended to read as
31 follows:

32 The public works assistance account is hereby established in the
33 state treasury. Money may be placed in the public works assistance
34 account from the proceeds of bonds when authorized by the legislature
35 or from any other lawful source. Money in the public works assistance
36 account shall be used to make loans and to give financial guarantees to
37 local governments for public works projects. Moneys in the account may

1 also be appropriated to provide for state match requirements under
2 federal law for projects and activities conducted and financed by the
3 board under the drinking water assistance account. Not more than
4 fifteen percent of the biennial capital budget appropriation to the
5 public works board from this account may be expended or obligated for
6 preconstruction loans, emergency loans, or loans for capital facility
7 planning under this chapter; of this amount, not more than ten percent
8 of the biennial capital budget appropriation may be expended for
9 emergency loans and not more than one percent of the biennial capital
10 budget appropriation may be expended for capital facility planning
11 loans. For the 2007-2009 biennium, moneys in the account may be used
12 for grants for projects identified in section 138, chapter 488, Laws of
13 2005 and section 1033, chapter 520, Laws of 2007. During the 2009-2011
14 fiscal biennium, sums in the public works assistance account may be
15 used for the water pollution control revolving fund program match in
16 section 3013, chapter 36, Laws of 2010 1st sp. sess. During the 2009-
17 2011 fiscal biennium, the legislature may transfer from the job
18 development fund to the general fund such amounts as reflect the excess
19 fund balance of the fund. During the 2011-2013 fiscal biennium, the
20 legislature may transfer from the public works assistance account to
21 the general fund, the water pollution control revolving account, and
22 the drinking water assistance account such amounts as reflect the
23 excess fund balance of the account.

24 NEW SECTION. Sec. 937. Section 936 (RCW 43.155.050) of this act
25 takes effect June 30, 2011.

26 **Sec. 938.** RCW 43.185C.060 and 2007 c 427 s 6 are each amended to
27 read as follows:

28 The home security fund account is created in the state treasury,
29 subject to appropriation. The state's portion of the surcharge
30 established in RCW 36.22.179 and 36.22.1791 must be deposited in the
31 account. Expenditures from the account may be used only for homeless
32 housing programs as described in this chapter. During the 2011-2013
33 fiscal biennium, the legislature may transfer from the home security
34 fund account to the lifeline opportunity and assistance account such
35 amounts as reflect the excess fund balance of the account.

1 **Sec. 939.** RCW 43.185C.190 and 2007 c 427 s 2 are each amended to
2 read as follows:

3 The affordable housing for all account is created in the state
4 treasury, subject to appropriation. The state's portion of the
5 surcharges established in RCW 36.22.178 shall be deposited in the
6 account. Expenditures from the account may only be used for affordable
7 housing programs. During the 2011-2013 fiscal biennium, moneys in the
8 account may be transferred to the home security fund.

9 **Sec. 940.** RCW 43.330.250 and 2009 c 565 s 13 and 2009 c 564 s 943
10 are each reenacted and amended to read as follows:

11 (1) The economic development strategic reserve account is created
12 in the state treasury to be used only for the purposes of this section.

13 (2) Only the governor, with the recommendation of the director of
14 the department of commerce and the economic development commission, may
15 authorize expenditures from the account.

16 (3) Expenditures from the account shall be made in an amount
17 sufficient to fund a minimum of one staff position for the economic
18 development commission and to cover any other operational costs of the
19 commission.

20 (4) During the 2009-2011 (~~fiscal biennium~~) and 2011-2013 fiscal
21 biennia, moneys in the account may also be transferred into the state
22 general fund.

23 (5) Expenditures from the account may be made to prevent closure of
24 a business or facility, to prevent relocation of a business or facility
25 in the state to a location outside the state, or to recruit a business
26 or facility to the state. Expenditures may be authorized for:

27 (a) Workforce development;

28 (b) Public infrastructure needed to support or sustain the
29 operations of the business or facility; and

30 (c) Other lawfully provided assistance, including, but not limited
31 to, technical assistance, environmental analysis, relocation
32 assistance, and planning assistance. Funding may be provided for such
33 assistance only when it is in the public interest and may only be
34 provided under a contractual arrangement ensuring that the state will
35 receive appropriate consideration, such as an assurance of job creation
36 or retention.

37 (6) The funds shall not be expended from the account unless:

1 (a) The circumstances are such that time does not permit the
2 director of the department of commerce or the business or facility to
3 secure funding from other state sources;

4 (b) The business or facility produces or will produce significant
5 long-term economic benefits to the state, a region of the state, or a
6 particular community in the state;

7 (c) The business or facility does not require continuing state
8 support;

9 (d) The expenditure will result in new jobs, job retention, or
10 higher incomes for citizens of the state;

11 (e) The expenditure will not supplant private investment; and

12 (f) The expenditure is accompanied by private investment.

13 (7) No more than three million dollars per year may be expended
14 from the account for the purpose of assisting an individual business or
15 facility pursuant to the authority specified in this section.

16 (8) If the account balance in the strategic reserve account exceeds
17 fifteen million dollars at any time, the amount in excess of fifteen
18 million dollars shall be transferred to the education construction
19 account.

20 **Sec. 941.** RCW 43.350.070 and 2011 c 5 s 916 are each amended to
21 read as follows:

22 The life sciences discovery fund is created in the custody of the
23 state treasurer. Only the board or the board's designee may authorize
24 expenditures from the fund. Expenditures from the fund may be made
25 only for purposes of this chapter. Administrative expenses of the
26 authority, including staff support, may be paid only from the fund.
27 Revenues to the fund consist of transfers made by the legislature
28 (~~from strategic contribution payments deposited in the tobacco~~
29 ~~settlement account under RCW 43.79.480~~) into the account, moneys
30 received pursuant to contribution agreements entered into pursuant to
31 RCW 43.350.030, moneys received from gifts, grants, and bequests, and
32 interest earned on the fund. During the 2009-2011 fiscal biennium, the
33 legislature may transfer to other state funds or accounts such amounts
34 as represent the excess balance of the life sciences discovery fund.

35 **Sec. 942.** RCW 66.08.170 and 2009 c 564 s 947 are each amended to
36 read as follows:

1 There shall be a fund, known as the "liquor revolving fund", which
2 shall consist of all license fees, permit fees, penalties, forfeitures,
3 and all other moneys, income, or revenue received by the board. The
4 state treasurer shall be custodian of the fund. All moneys received by
5 the board or any employee thereof, except for change funds and an
6 amount of petty cash as fixed by the board within the authority of law
7 shall be deposited each day in a depository approved by the state
8 treasurer and transferred to the state treasurer to be credited to the
9 liquor revolving fund. During the 2009-2011 fiscal biennium, the
10 legislature may transfer funds from the liquor revolving account [fund]
11 to the state general fund and may direct an additional amount of liquor
12 profits to be distributed to local governments. Neither the transfer
13 of funds nor the additional distribution of liquor profits to local
14 governments during the 2009-2011 fiscal biennium may reduce the excess
15 fund distributions that otherwise would occur under RCW 66.08.190.
16 During the 2011-2013 fiscal biennium, the state treasurer shall
17 transfer from the liquor revolving fund to the state general fund
18 forty-two million five hundred thousand dollars for fiscal year 2012
19 and forty-two million five hundred thousand dollars for fiscal year
20 2013. The transfer during the 2011-2013 fiscal biennium may not reduce
21 the excess fund distributions that otherwise would occur under RCW
22 66.08.190. Sales to licensees are exempt from any liquor price
23 increases that may result from the transfer of funds from the liquor
24 revolving fund to the state general fund during the 2011-2013 fiscal
25 biennium. Disbursements from the revolving fund shall be on
26 authorization of the board or a duly authorized representative thereof.
27 In order to maintain an effective expenditure and revenue control the
28 liquor revolving fund shall be subject in all respects to chapter 43.88
29 RCW but no appropriation shall be required to permit expenditures and
30 payment of obligations from such fund.

31 **Sec. 943.** RCW 66.08.190 and 2003 1st sp.s. c 25 s 927 are each
32 amended to read as follows:

33 (1) Except for revenues generated by the 2003 surcharge of
34 \$0.42/liter on retail sales of spirits that (~~shall~~) must be
35 distributed to the state general fund during the 2003-2005 biennium,
36 when excess funds are distributed, all moneys subject to distribution
37 (~~shall~~) must be disbursed as follows:

1 (a) Three-tenths of one percent to border areas under RCW
2 66.08.195; and

3 (b) Except as provided in subsection (4) of this section, from the
4 amount remaining after distribution under (a) of this subsection, (i)
5 fifty percent to the general fund of the state, (ii) ten percent to the
6 counties of the state, and (iii) forty percent to the incorporated
7 cities and towns of the state.

8 (2) During the months of June, September, December, and March of
9 each year, prior to disbursing the distribution to incorporated cities
10 and towns under subsection (1)(b) of this section, the treasurer
11 (~~shall~~) must deduct from that distribution an amount that will fund
12 that quarter's allotments under RCW 43.88.110 from any legislative
13 appropriation from the city and town research services account. The
14 treasurer (~~shall~~) must deposit the amount deducted into the city and
15 town research services account.

16 (3) The governor may notify and direct the state treasurer to
17 withhold the revenues to which the counties and cities are entitled
18 under this section if the counties or cities are found to be in
19 noncompliance pursuant to RCW 36.70A.340.

20 (4) During the 2011-2013 fiscal biennium, from the amount remaining
21 after distribution under subsection (1)(a) of this section, (a) 51.7
22 percent to the general fund of the state, (b) 9.7 percent to the
23 counties of the state, and (c) 38.6 percent to the incorporated cities
24 and towns of the state.

25 **Sec. 944.** RCW 66.08.235 and 2005 c 151 s 4 are each amended to
26 read as follows:

27 The liquor control board construction and maintenance account is
28 created within the state treasury. The liquor control board shall
29 deposit into this account a portion of the board's markup, as
30 authorized by chapter 66.16 RCW, placed upon liquor as determined by
31 the board. Moneys in the account may be spent only after
32 appropriation. The liquor control board shall use deposits to this
33 account to fund construction and maintenance of a centralized
34 distribution center for liquor products intended for sale through the
35 board's liquor store and contract liquor store system. During the
36 (~~2001-2003~~) 2011-2013 fiscal biennium, the legislature may transfer
37 from the liquor control board construction and maintenance account to

1 the state general fund such amounts as reflect the (~~appropriations~~
2 ~~reductions made by the 2002 supplemental appropriations act for~~
3 ~~administrative efficiencies and savings~~) excess fund balance of the
4 account.

5 **Sec. 945.** RCW 67.70.260 and 2002 c 371 s 919 are each amended to
6 read as follows:

7 There is hereby created the lottery administrative account in the
8 state treasury. The account shall be managed, controlled, and
9 maintained by the director. The legislature may appropriate from the
10 account for the payment of costs incurred in the operation and
11 administration of the lottery. During the 2001-2003 fiscal biennium,
12 the legislature may transfer from the lottery administrative account to
13 the state general fund such amounts as reflect the appropriations
14 reductions made by the 2002 supplemental appropriations act for
15 administrative efficiencies and savings. During the 2011-2013 fiscal
16 biennium, the lottery administrative account may also be used to fund
17 an independent forecast of the lottery revenues conducted by the
18 economic and revenue forecast council.

19 **Sec. 946.** RCW 70.93.180 and 2010 1st sp.s. c 37 s 945 are each
20 amended to read as follows:

21 (1) There is hereby created an account within the state treasury to
22 be known as the "waste reduction, recycling, and litter control
23 account". Moneys in the account may be spent only after appropriation.
24 Expenditures from the waste reduction, recycling, and litter control
25 account shall be used as follows:

26 (a) Fifty percent to the department of ecology, for use by the
27 departments of ecology, natural resources, revenue, transportation, and
28 corrections, and the parks and recreation commission, for use in litter
29 collection programs, to be distributed under RCW 70.93.220. The amount
30 to the department of ecology shall also be used for a central
31 coordination function for litter control efforts statewide, for the
32 biennial litter survey under RCW 70.93.200(8), and for statewide public
33 awareness programs under RCW 70.93.200(7). The amount to the
34 department shall also be used to defray the costs of administering the
35 funding, coordination, and oversight of local government programs for
36 waste reduction, litter control, and recycling, so that local

1 governments can apply one hundred percent of their funding to achieving
2 program goals. The amount to the department of revenue shall be used
3 to enforce compliance with the litter tax imposed in chapter 82.19 RCW;

4 (b) Twenty percent to the department for local government funding
5 programs for waste reduction, litter control, and recycling activities
6 by cities and counties under RCW 70.93.250, to be administered by the
7 department of ecology; and

8 (c) Thirty percent to the department of ecology for waste reduction
9 and recycling efforts.

10 (2) All taxes imposed in RCW 82.19.010 and fines and bail
11 forfeitures collected or received pursuant to this chapter shall be
12 deposited in the waste reduction, recycling, and litter control account
13 and used for the programs under subsection (1) of this section.

14 (3) Not less than five percent and no more than ten percent of the
15 amount appropriated into the waste reduction, recycling, and litter
16 control account every biennium shall be reserved for capital needs,
17 including the purchase of vehicles for transporting crews and for
18 collecting litter and solid waste. Capital funds shall be distributed
19 among state agencies and local governments according to the same
20 criteria provided in RCW 70.93.220 for the remainder of the funds, so
21 that the most effective waste reduction, litter control, and recycling
22 programs receive the most funding. The intent of this subsection is to
23 provide funds for the purchase of equipment that will enable the
24 department to account for the greatest return on investment in terms of
25 reaching a zero litter goal.

26 (4) During the 2009-2011 fiscal biennium, the legislature may
27 transfer from the waste reduction, recycling, and litter control
28 account to the state general fund such amounts as reflect the excess
29 fund balance of the account. Additionally, during the 2009-2011 fiscal
30 biennium, subsection (1)(a), (b), and (c) of this section is suspended.

31 (5) During the 2011-2013 fiscal biennium, the legislature may
32 transfer from the waste reduction, recycling, and litter control
33 account to the state general fund such amounts as reflect the excess
34 fund balance of the account. Additionally, during the 2011-2013 fiscal
35 biennium, subsection (1)(a), (b), and (c) of this section is suspended.

36 **Sec. 947.** RCW 70.105D.070 and 2010 1st sp.s. c 37 s 942 are each
37 amended to read as follows:

1 (1) The state toxics control account and the local toxics control
2 account are hereby created in the state treasury.

3 (2) The following moneys shall be deposited into the state toxics
4 control account: (a) Those revenues which are raised by the tax
5 imposed under RCW 82.21.030 and which are attributable to that portion
6 of the rate equal to thirty-three one-hundredths of one percent; (b)
7 the costs of remedial actions recovered under this chapter or chapter
8 70.105A RCW; (c) penalties collected or recovered under this chapter;
9 and (d) any other money appropriated or transferred to the account by
10 the legislature. Moneys in the account may be used only to carry out
11 the purposes of this chapter, including but not limited to the
12 following activities:

13 (i) The state's responsibility for hazardous waste planning,
14 management, regulation, enforcement, technical assistance, and public
15 education required under chapter 70.105 RCW;

16 (ii) The state's responsibility for solid waste planning,
17 management, regulation, enforcement, technical assistance, and public
18 education required under chapter 70.95 RCW;

19 (iii) The hazardous waste cleanup program required under this
20 chapter;

21 (iv) State matching funds required under the federal cleanup law;

22 (v) Financial assistance for local programs in accordance with
23 chapters 70.95, 70.95C, 70.95I, and 70.105 RCW;

24 (vi) State government programs for the safe reduction, recycling,
25 or disposal of hazardous wastes from households, small businesses, and
26 agriculture;

27 (vii) Hazardous materials emergency response training;

28 (viii) Water and environmental health protection and monitoring
29 programs;

30 (ix) Programs authorized under chapter 70.146 RCW;

31 (x) A public participation program, including regional citizen
32 advisory committees;

33 (xi) Public funding to assist potentially liable persons to pay for
34 the costs of remedial action in compliance with cleanup standards under
35 RCW 70.105D.030(2)(e) but only when the amount and terms of such
36 funding are established under a settlement agreement under RCW
37 70.105D.040(4) and when the director has found that the funding will

1 achieve both (A) a substantially more expeditious or enhanced cleanup
2 than would otherwise occur, and (B) the prevention or mitigation of
3 unfair economic hardship;

4 (xii) Development and demonstration of alternative management
5 technologies designed to carry out the hazardous waste management
6 priorities of RCW 70.105.150;

7 (xiii) During the 2009-2011 and 2011-2013 fiscal ~~((biennium))~~
8 biennia, shoreline update technical assistance; ~~((and))~~

9 (xiv) During the 2009-2011 fiscal biennium, multijurisdictional
10 permitting teams; and

11 (xv) During the 2011-2013 fiscal biennium, actions for reducing
12 public exposure to toxic air pollution.

13 (3) The following moneys shall be deposited into the local toxics
14 control account: Those revenues which are raised by the tax imposed
15 under RCW 82.21.030 and which are attributable to that portion of the
16 rate equal to thirty-seven one-hundredths of one percent.

17 (a) Moneys deposited in the local toxics control account shall be
18 used by the department for grants or loans to local governments for the
19 following purposes in descending order of priority:

- 20 (i) Remedial actions;
- 21 (ii) Hazardous waste plans and programs under chapter 70.105 RCW;
- 22 (iii) Solid waste plans and programs under chapters 70.95, 70.95C,
23 70.95I, and 70.105 RCW;

24 (iv) Funds for a program to assist in the assessment and cleanup of
25 sites of methamphetamine production, but not to be used for the initial
26 containment of such sites, consistent with the responsibilities and
27 intent of RCW 69.50.511; and

28 (v) Cleanup and disposal of hazardous substances from abandoned or
29 derelict vessels, defined for the purposes of this section as vessels
30 that have little or no value and either have no identified owner or
31 have an identified owner lacking financial resources to clean up and
32 dispose of the vessel, that pose a threat to human health or the
33 environment.

34 (b) Funds for plans and programs shall be allocated consistent with
35 the priorities and matching requirements established in chapters
36 70.105, 70.95C, 70.95I, and 70.95 RCW, except that any applicant that
37 is a Puget Sound partner, as defined in RCW 90.71.010, along with any
38 project that is referenced in the action agenda developed by the Puget

1 Sound partnership under RCW 90.71.310, shall, except as conditioned by
2 RCW 70.105D.120, receive priority for any available funding for any
3 grant or funding programs or sources that use a competitive bidding
4 process. During the 2007-2009 fiscal biennium, moneys in the account
5 may also be used for grants to local governments to retrofit public
6 sector diesel equipment and for storm water planning and implementation
7 activities.

8 (c) To expedite cleanups throughout the state, the department shall
9 partner with local communities and liable parties for cleanups. The
10 department is authorized to use the following additional strategies in
11 order to ensure a healthful environment for future generations:

12 (i) The director may alter grant-matching requirements to create
13 incentives for local governments to expedite cleanups when one of the
14 following conditions exists:

15 (A) Funding would prevent or mitigate unfair economic hardship
16 imposed by the clean-up liability;

17 (B) Funding would create new substantial economic development,
18 public recreational, or habitat restoration opportunities that would
19 not otherwise occur; or

20 (C) Funding would create an opportunity for acquisition and
21 redevelopment of vacant, orphaned, or abandoned property under RCW
22 70.105D.040(5) that would not otherwise occur;

23 (ii) The use of outside contracts to conduct necessary studies;

24 (iii) The purchase of remedial action cost-cap insurance, when
25 necessary to expedite multiparty clean-up efforts.

26 (d) To facilitate and expedite cleanups using funds from the local
27 toxics control account, during the 2009-2011 fiscal biennium the
28 director may establish grant-funded accounts to hold and disperse local
29 toxics control account funds and funds from local governments to be
30 used for remedial actions.

31 (4) Except for unanticipated receipts under RCW 43.79.260 through
32 43.79.282, moneys in the state and local toxics control accounts may be
33 spent only after appropriation by statute.

34 (5) Except during the 2009-2011 fiscal biennium, one percent of the
35 moneys deposited into the state and local toxics control accounts shall
36 be allocated only for public participation grants to persons who may be
37 adversely affected by a release or threatened release of a hazardous
38 substance and to not-for-profit public interest organizations. The

1 primary purpose of these grants is to facilitate the participation by
2 persons and organizations in the investigation and remedying of
3 releases or threatened releases of hazardous substances and to
4 implement the state's solid and hazardous waste management priorities.
5 No grant may exceed sixty thousand dollars. Grants may be renewed
6 annually. Moneys appropriated for public participation from either
7 account which are not expended at the close of any biennium shall
8 revert to the state toxics control account.

9 (6) No moneys deposited into either the state or local toxics
10 control account may be used for solid waste incinerator feasibility
11 studies, construction, maintenance, or operation, or, after January 1,
12 2010, for projects designed to address the restoration of Puget Sound,
13 funded in a competitive grant process, that are in conflict with the
14 action agenda developed by the Puget Sound partnership under RCW
15 90.71.310.

16 (7) The department shall adopt rules for grant or loan issuance and
17 performance.

18 (8) During the 2007-2009 and 2009-2011 fiscal biennia, the
19 legislature may transfer from the local toxics control account to
20 either the state general fund or the oil spill prevention account, or
21 both such amounts as reflect excess fund balance in the account.

22 (9) During the 2009-2011 fiscal biennium, the local toxics control
23 account may also be used for a standby rescue tug at Neah Bay, local
24 government shoreline update grants, private and public sector diesel
25 equipment retrofit, and oil spill prevention, preparedness, and
26 response activities.

27 (10) During the 2009-2011 fiscal biennium, the legislature may
28 transfer from the state toxics control account to the state general
29 fund such amounts as reflect the excess fund balance in the account.

30 (11) During the 2011-2013 fiscal biennium, the local toxics control
31 account may also be used for local government shoreline update grants
32 and actions for reducing public exposure to toxic air pollution.

33 **Sec. 948.** RCW 70.105D.130 and 2010 1st sp.s. c 37 s 947 are each
34 amended to read as follows:

35 (1) The cleanup settlement account is created in the state
36 treasury. The account is not intended to replace the state toxics
37 control account established under RCW 70.105D.070. All receipts from

1 the sources identified in subsection (2) of this section must be
2 deposited into the account. Moneys in the account may be spent only
3 after appropriation. Expenditures from the account may be used only as
4 identified in subsection (4) of this section.

5 (2) The following receipts must be deposited into the cleanup
6 settlement account:

7 (a) Receipts from settlements or court orders that direct payment
8 to the account and resolve a person's liability or potential liability
9 under this chapter for either or both of the following:

10 (i) Conducting future remedial action at a specific facility, if it
11 is not feasible to require the person to conduct the remedial action
12 based on the person's financial insolvency, limited ability to pay, or
13 insignificant contribution under RCW 70.105D.040(4)(a);

14 (ii) Assessing or addressing the injury to natural resources caused
15 by the release of a hazardous substance from a specific facility; and

16 (b) Receipts from investment of the moneys in the account.

17 (3) If a settlement or court order does not direct payment of
18 receipts described in subsection (2)(a) of this section into the
19 cleanup settlement account, then the receipts from any payment to the
20 state must be deposited into the state toxics control account.

21 (4) Expenditures from the cleanup settlement account may only be
22 used to conduct remedial actions at the specific facility or to assess
23 or address the injury to natural resources caused by the release of
24 hazardous substances from that facility for which the moneys were
25 deposited in the account. Conducting remedial actions or assessing or
26 addressing injury to natural resources includes direct expenditures and
27 indirect expenditures such as department oversight costs. During the
28 2009-2011 and 2011-2013 fiscal (~~biennium~~) biennia, the legislature
29 may transfer excess fund balances in the account into the state
30 efficiency and restructuring account. Transfers of excess fund
31 balances made under this section shall be made only to the extent
32 amounts transferred with required repayments do not impair the ten-year
33 spending plan administered by the department of ecology for
34 environmental remedial actions dedicated for any designated clean-up
35 site associated with the Everett smelter and Tacoma smelter, including
36 plumes, or former Asarco mine sites. The cleanup settlement account
37 must be repaid with interest under provisions of the state efficiency
38 and restructuring account.

1 (5) The department shall track moneys received, interest earned,
2 and moneys expended separately for each facility.

3 (6) After the department determines that all remedial actions at a
4 specific facility, and all actions assessing or addressing injury to
5 natural resources caused by the release of hazardous substances from
6 that facility, are completed, including payment of all related costs,
7 any moneys remaining for the specific facility must be transferred to
8 the state toxics control account established under RCW 70.105D.070.

9 (7) The department shall provide the office of financial management
10 and the fiscal committees of the legislature with a report by October
11 31st of each year regarding the activity within the cleanup settlement
12 account during the previous fiscal year.

13 **Sec. 949.** RCW 79.64.040 and 2009 c 564 s 957 are each amended to
14 read as follows:

15 (1) The board shall determine the amount deemed necessary in order
16 to achieve the purposes of this chapter and shall provide by rule for
17 the deduction of this amount from the moneys received from all leases,
18 sales, contracts, licenses, permits, easements, and rights-of-way
19 issued by the department and affecting state lands and aquatic lands,
20 provided that no deduction shall be made from the proceeds from
21 agricultural college lands.

22 (2) Moneys received as deposits from successful bidders, advance
23 payments, and security under RCW 79.15.100, 79.15.080, and 79.11.150
24 prior to December 1, 1981, which have not been subjected to deduction
25 under this section are not subject to deduction under this section.

26 (3) Except as otherwise provided in subsection (5) of this section,
27 the deductions authorized under this section shall not exceed twenty-
28 five percent of the moneys received by the department in connection
29 with any one transaction pertaining to state lands and aquatic lands
30 other than second-class tide and shore lands and the beds of navigable
31 waters, and fifty percent of the moneys received by the department
32 pertaining to second-class tide and shore lands and the beds of
33 navigable waters.

34 (4) In the event that the department sells logs using the contract
35 harvesting process described in RCW 79.15.500 through 79.15.530, the
36 moneys received subject to this section are the net proceeds from the
37 contract harvesting sale.

1 (5) During the 2009-2011 fiscal biennium and fiscal year 2012, the
2 twenty-five percent limitation on deductions set in subsection (3) of
3 this section may be increased (~~(up)~~) to (~~(thirty)~~) twenty-seven percent
4 by the board.

5 **Sec. 950.** RCW 79.105.150 and 2010 1st sp.s. c 37 s 949 are each
6 amended to read as follows:

7 (1) After deduction for management costs as provided in RCW
8 79.64.040 and payments to towns under RCW 79.115.150(2), all moneys
9 received by the state from the sale or lease of state-owned aquatic
10 lands and from the sale of valuable material from state-owned aquatic
11 lands shall be deposited in the aquatic lands enhancement account which
12 is hereby created in the state treasury. After appropriation, these
13 funds shall be used solely for aquatic lands enhancement projects; for
14 the purchase, improvement, or protection of aquatic lands for public
15 purposes; for providing and improving access to the lands; and for
16 volunteer cooperative fish and game projects. During the 2009-2011 and
17 2011-2013 fiscal (~~(biennium)~~) biennia, the aquatic lands enhancement
18 account may also be used for scientific research as part of the
19 adaptive management process and for developing a planning report for
20 McNeil Island. During the 2009-2011 (~~(fiscal biennium)~~) and 2011-2013
21 fiscal biennia, the legislature may transfer from the aquatic lands
22 enhancement account to the state general fund such amounts as reflect
23 excess fund balance of the account.

24 (2) In providing grants for aquatic lands enhancement projects, the
25 recreation and conservation funding board shall:

26 (a) Require grant recipients to incorporate the environmental
27 benefits of the project into their grant applications;

28 (b) Utilize the statement of environmental benefits, consideration,
29 except as provided in RCW 79.105.610, of whether the applicant is a
30 Puget Sound partner, as defined in RCW 90.71.010, whether a project is
31 referenced in the action agenda developed by the Puget Sound
32 partnership under RCW 90.71.310, and except as otherwise provided in
33 RCW 79.105.630, and effective one calendar year following the
34 development and statewide availability of model evergreen community
35 management plans and ordinances under RCW 35.105.050, whether the
36 applicant is an entity that has been recognized, and what gradation of

1 recognition was received, in the evergreen community recognition
2 program created in RCW 35.105.030 in its prioritization and selection
3 process; and

4 (c) Develop appropriate outcome-focused performance measures to be
5 used both for management and performance assessment of the grants.

6 (3) To the extent possible, the department should coordinate its
7 performance measure system with other natural resource-related agencies
8 as defined in RCW 43.41.270.

9 (4) The department shall consult with affected interest groups in
10 implementing this section.

11 (5) After January 1, 2010, any project designed to address the
12 restoration of Puget Sound may be funded under this chapter only if the
13 project is not in conflict with the action agenda developed by the
14 Puget Sound partnership under RCW 90.71.310.

15 **Sec. 951.** RCW 80.36.430 and 2011 c 5 s 919 are each amended to
16 read as follows:

17 (1) The Washington telephone assistance program shall be funded by
18 a telephone assistance excise tax on all switched access lines and by
19 funds from any federal government or other programs for this purpose.
20 Switched access lines are defined in RCW 82.14B.020. The telephone
21 assistance excise tax shall be applied equally to all residential and
22 business access lines not to exceed fourteen cents per month. The
23 department shall submit an approved annual budget for the Washington
24 telephone assistance program to the department of revenue no later than
25 March 1st prior to the beginning of each fiscal year. The department
26 of revenue shall then determine the amount of telephone assistance
27 excise tax to be placed on each switched access line and shall inform
28 local exchange companies and the utilities and transportation
29 commission of this amount no later than May 1st. The department of
30 revenue shall determine the amount of telephone assistance excise tax
31 by dividing the total of the program budget funded by the telephone
32 assistance excise tax, as submitted by the department, by the total
33 number of switched access lines in the prior calendar year. The
34 telephone assistance excise tax shall be separately identified on each
35 ratepayer's bill as the "Washington telephone assistance program." All
36 money collected from the telephone assistance excise tax shall be

1 transferred to a telephone assistance fund administered by the
2 department.

3 (2) Local exchange companies shall bill the fund for their expenses
4 incurred in offering the telephone assistance program, including
5 administrative and program expenses. The department shall disburse the
6 money to the local exchange companies. The department is exempted from
7 having to conclude a contract with local exchange companies in order to
8 effect this reimbursement. The department shall recover its
9 administrative costs from the fund. The department may specify by rule
10 the range and extent of administrative and program expenses that will
11 be reimbursed to local exchange companies.

12 (3) The department shall enter into an agreement with the
13 department of commerce for an amount not to exceed eight percent of the
14 prior fiscal year's total revenue for the administrative and program
15 expenses of providing community service voice mail services. The
16 community service voice mail service may include toll-free lines in
17 community action agencies through which recipients can access their
18 community service voice mailboxes at no charge.

19 (4) During the 2009-2011 (~~biennium~~) and 2011-2013 biennia, the
20 department shall enter into an agreement with the WIN 211 organization
21 for operational support. During the 2011-2013 biennium, the department
22 shall provide five hundred thousand dollars per fiscal year for this
23 purpose.

24 (5) During the 2009-2011 biennium, the telephone assistance fund
25 shall also be used in support of the economic services administration
26 call centers and related operations.

27 **Sec. 952.** RCW 82.08.160 and 1982 1st ex.s. c 35 s 4 are each
28 amended to read as follows:

29 (1) On or before the twenty-fifth day of each month, all taxes
30 collected under RCW 82.08.150 during the preceding month (~~shall~~) must
31 be remitted to the state department of revenue, to be deposited with
32 the state treasurer. Except as provided in subsection (2) of this
33 section, upon receipt of such moneys the state treasurer (~~shall~~) must
34 credit sixty-five percent of the sums collected and remitted under RCW
35 82.08.150 (1) and (2) and one hundred percent of the sums collected and
36 remitted under RCW 82.08.150 (3) and (4) to the state general fund and

1 thirty-five percent of the sums collected and remitted under RCW
2 82.08.150 (1) and (2) to a fund which is hereby created to be known as
3 the "liquor excise tax fund."

4 (2) During the 2011-2013 fiscal biennium, 66.19 percent of the sums
5 collected and remitted under RCW 82.08.150 (1) and (2) must be
6 deposited in the state general fund and the remainder collected and
7 remitted under RCW 82.08.150 (1) and (2) must be deposited in the
8 liquor excise tax fund.

9 **Sec. 953.** RCW 82.14.310 and 2005 c 282 s 49 are each amended to
10 read as follows:

11 (1) The county criminal justice assistance account is created in
12 the state treasury. Beginning in fiscal year 2000, the state treasurer
13 (~~shall~~) must transfer into the county criminal justice assistance
14 account from the general fund the sum of twenty-three million two
15 hundred thousand dollars divided into four equal deposits occurring on
16 July 1, October 1, January 1, and April 1. For each fiscal year
17 thereafter, the state treasurer (~~shall~~) must increase the total
18 transfer by the fiscal growth factor, as defined in RCW 43.135.025,
19 forecast for that fiscal year by the office of financial management in
20 November of the preceding year.

21 (2) The moneys deposited in the county criminal justice assistance
22 account for distribution under this section, less any moneys
23 appropriated for purposes under subsection (4) of this section,
24 (~~shall~~) must be distributed at such times as distributions are made
25 under RCW 82.44.150 and on the relative basis of each county's funding
26 factor as determined under this subsection.

27 (a) A county's funding factor is the sum of:

28 (i) The population of the county, divided by one thousand, and
29 multiplied by two-tenths;

30 (ii) The crime rate of the county, multiplied by three-tenths; and

31 (iii) The annual number of criminal cases filed in the county
32 superior court, for each one thousand in population, multiplied by
33 five-tenths.

34 (b) Under this section and RCW 82.14.320 and 82.14.330:

35 (i) The population of the county or city (~~shall be~~) is as last
36 determined by the office of financial management;

1 (ii) The crime rate of the county or city is the annual occurrence
2 of specified criminal offenses, as calculated in the most recent annual
3 report on crime in Washington state as published by the Washington
4 association of sheriffs and police chiefs, for each one thousand in
5 population;

6 (iii) The annual number of criminal cases filed in the county
7 superior court (~~shall~~) must be determined by the most recent annual
8 report of the courts of Washington, as published by the administrative
9 office of the courts;

10 (iv) Distributions and eligibility for distributions in the (~~1989-~~
11 ~~91~~) 1989-1991 biennium (~~shall~~) must be based on 1988 figures for
12 both the crime rate as described under (ii) of this subsection and the
13 annual number of criminal cases that are filed as described under (iii)
14 of this subsection. Future distributions (~~shall~~) must be based on
15 the most recent figures for both the crime rate as described under (ii)
16 of this subsection and the annual number of criminal cases that are
17 filed as described under (iii) of this subsection.

18 (3) Moneys distributed under this section (~~shall~~) must be
19 expended exclusively for criminal justice purposes and (~~shall~~) may
20 not be used to replace or supplant existing funding. Criminal justice
21 purposes are defined as activities that substantially assist the
22 criminal justice system, which may include circumstances where
23 ancillary benefit to the civil or juvenile justice system occurs, and
24 which includes (a) domestic violence services such as those provided by
25 domestic violence programs, community advocates, and legal advocates,
26 as defined in RCW 70.123.020, and (b) during the 2001-2003 fiscal
27 biennium, juvenile dispositional hearings relating to petitions for at-
28 risk youth, truancy, and children in need of services. Existing
29 funding for purposes of this subsection is defined as calendar year
30 1989 actual operating expenditures for criminal justice purposes.
31 Calendar year 1989 actual operating expenditures for criminal justice
32 purposes exclude the following: Expenditures for extraordinary events
33 not likely to reoccur, changes in contract provisions for criminal
34 justice services, beyond the control of the local jurisdiction
35 receiving the services, and major nonrecurring capital expenditures.

36 (4) Not more than five percent of the funds deposited to the county
37 criminal justice assistance account (~~shall~~) may be available for
38 appropriations for enhancements to the state patrol crime laboratory

1 system and the continuing costs related to these enhancements. Funds
2 appropriated from this account for such enhancements (~~shall~~) may not
3 supplant existing funds from the state general fund.

4 (5) During the 2011-2013 fiscal biennium, the amount that would
5 otherwise be transferred into the county criminal justice assistance
6 account from the general fund under subsection (1) of this section must
7 be reduced by 3.4 percent.

8 **Sec. 954.** RCW 82.14.320 and 1998 c 321 s 12 are each amended to
9 read as follows:

10 (1) The municipal criminal justice assistance account is created in
11 the state treasury. Beginning in fiscal year 2000, the state treasurer
12 (~~shall~~) must transfer into the municipal criminal justice assistance
13 account for distribution under this section from the general fund the
14 sum of four million six hundred thousand dollars divided into four
15 equal deposits occurring on July 1, October 1, January 1, and April 1.
16 For each fiscal year thereafter, the state treasurer (~~shall~~) must
17 increase the total transfer by the fiscal growth factor, as defined in
18 RCW 43.135.025, forecast for that fiscal year by the office of
19 financial management in November of the preceding year.

20 (2) No city may receive a distribution under this section from the
21 municipal criminal justice assistance account unless:

22 (a) The city has a crime rate in excess of one hundred twenty-five
23 percent of the statewide average as calculated in the most recent
24 annual report on crime in Washington state as published by the
25 Washington association of sheriffs and police chiefs;

26 (b) The city has levied the tax authorized in RCW 82.14.030(2) at
27 the maximum rate or the tax authorized in RCW 82.46.010(3) at the
28 maximum rate; and

29 (c) The city has a per capita yield from the tax imposed under RCW
30 82.14.030(1) at the maximum rate of less than one hundred fifty percent
31 of the statewide average per capita yield for all cities from such
32 local sales and use tax.

33 (3) The moneys deposited in the municipal criminal justice
34 assistance account for distribution under this section, less any moneys
35 appropriated for purposes under subsection (7) of this section,
36 (~~shall~~) must be distributed at such times as distributions are made

1 under RCW 82.44.150. The distributions (~~shall~~) must be made as
2 follows:

3 (a) Unless reduced by this subsection, thirty percent of the moneys
4 (~~shall~~) must be distributed ratably based on population as last
5 determined by the office of financial management to those cities
6 eligible under subsection (2) of this section that have a crime rate
7 determined under subsection (2)(a) of this section which is greater
8 than one hundred seventy-five percent of the statewide average crime
9 rate. No city may receive more than fifty percent of any moneys
10 distributed under this subsection (a) but, if a city distribution is
11 reduced as a result of exceeding the fifty percent limitation, the
12 amount not distributed (~~shall~~) must be distributed under (b) of this
13 subsection.

14 (b) The remainder of the moneys, including any moneys not
15 distributed in subsection (2)(a) of this section, (~~shall~~) must be
16 distributed to all cities eligible under subsection (2) of this section
17 ratably based on population as last determined by the office of
18 financial management.

19 (4) No city may receive more than thirty percent of all moneys
20 distributed under subsection (3) of this section.

21 (5) Notwithstanding other provisions of this section, the
22 distributions to any city that substantially decriminalizes or repeals
23 its criminal code after July 1, 1990, and that does not reimburse the
24 county for costs associated with criminal cases under RCW 3.50.800 or
25 3.50.805(2), (~~shall~~) must be made to the county in which the city is
26 located.

27 (6) Moneys distributed under this section (~~shall~~) must be
28 expended exclusively for criminal justice purposes and (~~shall~~) may
29 not be used to replace or supplant existing funding. Criminal justice
30 purposes are defined as activities that substantially assist the
31 criminal justice system, which may include circumstances where
32 ancillary benefit to the civil justice system occurs, and which
33 includes domestic violence services such as those provided by domestic
34 violence programs, community advocates, and legal advocates, as defined
35 in RCW 70.123.020, and publications and public educational efforts
36 designed to provide information and assistance to parents in dealing
37 with runaway or at-risk youth. Existing funding for purposes of this
38 subsection is defined as calendar year 1989 actual operating

1 expenditures for criminal justice purposes. Calendar year 1989 actual
2 operating expenditures for criminal justice purposes exclude the
3 following: Expenditures for extraordinary events not likely to
4 reoccur, changes in contract provisions for criminal justice services,
5 beyond the control of the local jurisdiction receiving the services,
6 and major nonrecurring capital expenditures.

7 (7) Not more than five percent of the funds deposited to the
8 municipal criminal justice assistance account (~~shall~~) may be
9 available for appropriations for enhancements to the state patrol crime
10 laboratory system and the continuing costs related to these
11 enhancements. Funds appropriated from this account for such
12 enhancements (~~shall~~) may not supplant existing funds from the state
13 general fund.

14 (8) During the 2011-2013 fiscal biennium, the amount that would
15 otherwise be transferred into the municipal criminal justice assistance
16 account from the general fund under subsection (1) of this section must
17 be reduced by 3.4 percent.

18 **Sec. 955.** RCW 82.14.330 and 2003 c 90 s 1 are each amended to read
19 as follows:

20 (1)(a) Beginning in fiscal year 2000, the state treasurer (~~shall~~)
21 must transfer into the municipal criminal justice assistance account
22 for distribution under this section from the general fund the sum of
23 four million six hundred thousand dollars divided into four equal
24 deposits occurring on July 1, October 1, January 1, and April 1. For
25 each fiscal year thereafter, the state treasurer (~~shall~~) must
26 increase the total transfer by the fiscal growth factor, as defined in
27 RCW 43.135.025, forecast for that fiscal year by the office of
28 financial management in November of the preceding year. The moneys
29 deposited in the municipal criminal justice assistance account for
30 distribution under this section, less any moneys appropriated for
31 purposes under subsection (4) of this section, (~~shall~~) must be
32 distributed to the cities of the state as follows:

33 (~~(a)~~) (i) Twenty percent appropriated for distribution (~~shall~~)
34 must be distributed to cities with a three-year average violent crime
35 rate for each one thousand in population in excess of one hundred fifty
36 percent of the statewide three-year average violent crime rate for each
37 one thousand in population. The three-year average violent crime rate

1 (~~shall~~) must be calculated using the violent crime rates for each of
2 the preceding three years from the annual reports on crime in
3 Washington state as published by the Washington association of sheriffs
4 and police chiefs. Moneys (~~shall~~) must be distributed under this
5 subsection (1)(a) ratably based on population as last determined by the
6 office of financial management, but no city may receive more than one
7 dollar per capita. Moneys remaining undistributed under this
8 subsection at the end of each calendar year (~~shall~~) must be
9 distributed to the criminal justice training commission to reimburse
10 participating city law enforcement agencies with ten or fewer full-time
11 commissioned patrol officers the cost of temporary replacement of each
12 officer who is enrolled in basic law enforcement training, as provided
13 in RCW 43.101.200.

14 (~~(b)~~) (ii) Sixteen percent (~~shall~~) must be distributed to
15 cities ratably based on population as last determined by the office of
16 financial management, but no city may receive less than one thousand
17 dollars.

18 (b) The moneys deposited in the municipal criminal justice
19 assistance account for distribution under this subsection (~~shall~~) (1)
20 must be distributed at such times as distributions are made under RCW
21 82.44.150.

22 (c) Moneys distributed under this subsection (~~shall~~) (1) must be
23 expended exclusively for criminal justice purposes and (~~shall~~) may
24 not be used to replace or supplant existing funding. Criminal justice
25 purposes are defined as activities that substantially assist the
26 criminal justice system, which may include circumstances where
27 ancillary benefit to the civil justice system occurs, and which
28 includes domestic violence services such as those provided by domestic
29 violence programs, community advocates, and legal advocates, as defined
30 in RCW 70.123.020. Existing funding for purposes of this subsection is
31 defined as calendar year 1989 actual operating expenditures for
32 criminal justice purposes. Calendar year 1989 actual operating
33 expenditures for criminal justice purposes exclude the following:
34 Expenditures for extraordinary events not likely to reoccur, changes in
35 contract provisions for criminal justice services, beyond the control
36 of the local jurisdiction receiving the services, and major
37 nonrecurring capital expenditures.

1 (2)(a) In addition to the distributions under subsection (1) of
2 this section:

3 ((+a)) (i) Ten percent ((shall)) must be distributed on a per
4 capita basis to cities that contract with another governmental agency
5 for the majority of the city's law enforcement services. Cities that
6 subsequently qualify for this distribution ((shall)) must notify the
7 department of ((community, trade, and economic development)) commerce
8 by November 30th for the upcoming calendar year. The department of
9 ((community, trade, and economic development shall)) commerce must
10 provide a list of eligible cities to the state treasurer by December
11 31st. The state treasurer ((shall)) must modify the distribution of
12 these funds in the following year. Cities have the responsibility to
13 notify the department of ((community, trade, and economic development))
14 commerce of any changes regarding these contractual relationships.
15 Adjustments in the distribution formula to add or delete cities may be
16 made only for the upcoming calendar year; no adjustments may be made
17 retroactively.

18 ((+b)) (ii) The remaining fifty-four percent ((shall)) must be
19 distributed to cities and towns by the state treasurer on a per capita
20 basis. These funds ((shall)) must be used for: ((+i)) (A) Innovative
21 law enforcement strategies; ((+ii)) (B) programs to help at-risk
22 children or child abuse victim response programs; and ((+iii)) (C)
23 programs designed to reduce the level of domestic violence or to
24 provide counseling for domestic violence victims.

25 (b) The moneys deposited in the municipal criminal justice
26 assistance account for distribution under this subsection (2), less any
27 moneys appropriated for purposes under subsection (4) of this section,
28 ((shall)) must be distributed at the times as distributions are made
29 under RCW 82.44.150. Moneys remaining undistributed under this
30 subsection at the end of each calendar year ((shall)) must be
31 distributed to the criminal justice training commission to reimburse
32 participating city law enforcement agencies with ten or fewer full-time
33 commissioned patrol officers the cost of temporary replacement of each
34 officer who is enrolled in basic law enforcement training, as provided
35 in RCW 43.101.200.

36 (c) If a city is found by the state auditor to have expended funds
37 received under this subsection (2) in a manner that does not comply
38 with the criteria under which the moneys were received, the city

1 ((shall be)) is ineligible to receive future distributions under this
2 subsection (2) until the use of the moneys are justified to the
3 satisfaction of the director or are repaid to the state general fund.

4 (3) Notwithstanding other provisions of this section, the
5 distributions to any city that substantially decriminalizes or repeals
6 its criminal code after July 1, 1990, and that does not reimburse the
7 county for costs associated with criminal cases under RCW 3.50.800 or
8 3.50.805(2), ((shall)) must be made to the county in which the city is
9 located.

10 (4) Not more than five percent of the funds deposited to the
11 municipal criminal justice assistance account ((shall)) may be
12 available for appropriations for enhancements to the state patrol crime
13 laboratory system and the continuing costs related to these
14 enhancements. Funds appropriated from this account for such
15 enhancements ((shall)) may not supplant existing funds from the state
16 general fund.

17 (5) During the 2011-2013 fiscal biennium, the amount that would
18 otherwise be transferred into the municipal criminal justice assistance
19 account from the general fund under subsection (1) of this section must
20 be reduced by 3.4 percent.

21 **Sec. 956.** RCW 82.14.390 and 2008 c 48 s 1 are each amended to read
22 as follows:

23 (1) Except as provided in subsection (7) of this section, the
24 governing body of a public facilities district (a) created before July
25 31, 2002, under chapter 35.57 or 36.100 RCW that commences construction
26 of a new regional center, or improvement or rehabilitation of an
27 existing new regional center, before January 1, 2004; (b) created
28 before July 1, 2006, under chapter 35.57 RCW in a county or counties in
29 which there are no other public facilities districts on June 7, 2006,
30 and in which the total population in the public facilities district is
31 greater than ninety thousand that commences construction of a new
32 regional center before February 1, 2007; (c) created under the
33 authority of RCW 35.57.010(1)(d); or (d) created before September 1,
34 2007, under chapter 35.57 or 36.100 RCW, in a county or counties in
35 which there are no other public facilities districts on July 22, 2007,
36 and in which the total population in the public facilities district is
37 greater than seventy thousand, that commences construction of a new

1 regional center before January 1, 2009, or before January 1, 2011, in
2 the case of a new regional center in a county designated by the
3 president as a disaster area in December 2007, may impose a sales and
4 use tax in accordance with the terms of this chapter. The tax is in
5 addition to other taxes authorized by law and (~~shall~~) must be
6 collected from those persons who are taxable by the state under
7 chapters 82.08 and 82.12 RCW upon the occurrence of any taxable event
8 within the public facilities district. The rate of tax (~~shall~~) may
9 not exceed 0.033 percent of the selling price in the case of a sales
10 tax or value of the article used in the case of a use tax.

11 (2)(a) The governing body of a public facilities district imposing
12 a sales and use tax under the authority of this section may increase
13 the rate of tax up to 0.037 percent if, within three fiscal years of
14 July 1, 2008, the department determines that, as a result of RCW
15 82.14.490 and the chapter 6, Laws of 2007 amendments to RCW 82.14.020,
16 a public facilities district's sales and use tax collections for fiscal
17 years after July 1, 2008, have been reduced by a net loss of at least
18 0.50 percent from the fiscal year before July 1, 2008. The fiscal year
19 in which this section becomes effective is the first fiscal year after
20 July 1, 2008.

21 (b) The department (~~shall~~) must determine sales and use tax
22 collection net losses under this section as provided in RCW 82.14.500
23 (2) and (3). The department (~~shall~~) must provide written notice of
24 its determinations to public facilities districts. Determinations by
25 the department of a public facilities district's sales and use tax
26 collection net losses as a result of RCW 82.14.490 and the chapter 6,
27 Laws of 2007 amendments to RCW 82.14.020 are final and not appealable.

28 (c) A public facilities district may increase its rate of tax after
29 it has received written notice from the department as provided in (b)
30 of this subsection. The increase in the rate of tax must be made in
31 0.001 percent increments and must be the least amount necessary to
32 mitigate the net loss in sales and use tax collections as a result of
33 RCW 82.14.490 and the chapter 6, Laws of 2007 amendments to RCW
34 82.14.020. The increase in the rate of tax is subject to RCW
35 82.14.055.

36 (3) The tax imposed under subsection (1) of this section (~~shall~~)
37 must be deducted from the amount of tax otherwise required to be
38 collected or paid over to the department of revenue under chapter 82.08

1 or 82.12 RCW. The department of revenue (~~shall~~) must perform the
2 collection of such taxes on behalf of the county at no cost to the
3 public facilities district. During the 2011-2013 fiscal biennium,
4 distributions by the state to a public facilities district based on the
5 additional rate authorized in subsection (2) of this section must be
6 reduced by 3.4 percent.

7 (4) No tax may be collected under this section before August 1,
8 2000. The tax imposed in this section (~~shall~~) expires when the bonds
9 issued for the construction of the regional center and related parking
10 facilities are retired, but not more than twenty-five years after the
11 tax is first collected.

12 (5) Moneys collected under this section (~~shall~~) may only be used
13 for the purposes set forth in RCW 35.57.020 and must be matched with an
14 amount from other public or private sources equal to thirty-three
15 percent of the amount collected under this section(~~, provided that~~);
16 however, amounts generated from nonvoter approved taxes authorized
17 under chapter 35.57 RCW or nonvoter approved taxes authorized under
18 chapter 36.100 RCW (~~shall~~) do not constitute a public or private
19 source. For the purpose of this section, public or private sources
20 includes, but is not limited to cash or in-kind contributions used in
21 all phases of the development or improvement of the regional center,
22 land that is donated and used for the siting of the regional center,
23 cash or in-kind contributions from public or private foundations, or
24 amounts attributed to private sector partners as part of a public and
25 private partnership agreement negotiated by the public facilities
26 district.

27 (6) The combined total tax levied under this section (~~shall~~) may
28 not be greater than 0.037 percent. If both a public facilities
29 district created under chapter 35.57 RCW and a public facilities
30 district created under chapter 36.100 RCW impose a tax under this
31 section, the tax imposed by a public facilities district created under
32 chapter 35.57 RCW (~~shall~~) must be credited against the tax imposed by
33 a public facilities district created under chapter 36.100 RCW.

34 (7) A public facilities district created under chapter 36.100 RCW
35 is not eligible to impose the tax under this section if the legislative
36 authority of the county where the public facilities district is located
37 has imposed a sales and use tax under RCW 82.14.0485 or 82.14.0494.

1 **Sec. 957.** RCW 82.14.500 and 2007 c 6 s 903 are each amended to
2 read as follows:

3 (1)(a) In order to mitigate local sales tax revenue net losses as
4 a result of the sourcing provisions of the streamlined sales and use
5 tax agreement under this title, the state treasurer (~~shall~~), on July
6 1, 2011, and each July 1st thereafter, must transfer into the
7 streamlined sales and use tax mitigation account from the general fund
8 (~~the sum of thirty one million six hundred thousand dollars on July 1,~~
9 ~~2008. On July 1, 2009, and each July 1st thereafter, the state~~
10 ~~treasurer shall transfer into the streamlined sales and use tax~~
11 ~~mitigation account from the general fund~~) the sum required to mitigate
12 actual net losses as determined under this section.

13 (b) During the 2011-2013 fiscal biennium, the amount that would
14 otherwise be transferred under (a) of this subsection must be reduced
15 by 3.4 percent.

16 (2) Beginning July 1, 2008, and continuing until the department
17 determines annual losses under subsection (3) of this section, the
18 department (~~shall~~) must determine the amount of local sales tax net
19 loss each local taxing jurisdiction experiences as a result of the
20 sourcing provisions of the streamlined sales and use tax agreement
21 under this title each calendar quarter. The department (~~shall~~) must
22 determine losses by analyzing and comparing data from tax return
23 information and tax collections for each local taxing jurisdiction
24 before and after July 1, 2008, on a calendar quarter basis. The
25 department's analysis may be revised and supplemented in consultation
26 with the oversight committee as provided in subsection (4) of this
27 section. To determine net losses, the department (~~shall~~) must reduce
28 losses by the amount of voluntary compliance revenue for the calendar
29 quarter analyzed. Beginning December 31, 2008, distributions (~~shall~~)
30 must be made quarterly from the streamlined sales and use tax
31 mitigation account by the state treasurer, as directed by the
32 department, to each local taxing jurisdiction, other than public
33 facilities districts for losses in respect to taxes imposed under the
34 authority of RCW 82.14.390, in an amount representing its net losses
35 for the previous calendar quarter. Distributions (~~shall~~) must be
36 made on the last working day of each calendar quarter and (~~shall~~)
37 must cease when distributions under subsection (3) of this section
38 begin.

1 (3)(a) By December 31, 2009, or such later date the department in
2 consultation with the oversight committee determines that sufficient
3 data is available, the department (~~shall~~) must determine each local
4 taxing jurisdiction's annual loss. The department (~~shall~~) must
5 determine annual losses by comparing at least twelve months of data
6 from tax return information and tax collections for each local taxing
7 jurisdiction before and after July 1, 2008. The department (~~shall~~)
8 is not (~~be~~) required to determine annual losses on a recurring basis,
9 but may make any adjustments to annual losses as it deems proper as a
10 result of the annual reviews provided in (b) of this subsection.
11 Beginning the calendar quarter in which the department determines
12 annual losses, and each calendar quarter thereafter, distributions
13 (~~shall~~) must be made from the streamlined sales and use tax
14 mitigation account by the state treasurer on the last working day of
15 the calendar quarter, as directed by the department, to each local
16 taxing jurisdiction, other than public facilities districts for losses
17 in respect to taxes imposed under the authority of RCW 82.14.390, in an
18 amount representing one-fourth of the jurisdiction's annual loss
19 reduced by voluntary compliance revenue reported during the previous
20 calendar quarter.

21 (b) The department's analysis of annual losses (~~shall~~) must be
22 reviewed by December 1st of each year and may be revised and
23 supplemented in consultation with the oversight committee as provided
24 in subsection (4) of this section.

25 (4) The department (~~shall~~) must convene an oversight committee to
26 assist in the determination of losses. The committee (~~shall~~)
27 includes one representative of one city whose revenues are increased,
28 one representative of one city whose revenues are reduced, one
29 representative of one county whose revenues are increased, one
30 representative of one county whose revenues are decreased, one
31 representative of one transportation authority under RCW 82.14.045
32 whose revenues are increased, and one representative of one
33 transportation authority under RCW 82.14.045 whose revenues are
34 reduced, as a result of RCW 82.14.490 and the chapter 6, Laws of 2007
35 amendments to RCW 82.14.020. Beginning July 1, 2008, the oversight
36 committee (~~shall~~) must meet quarterly with the department to review
37 and provide additional input and direction on the department's analyses
38 of losses. Local taxing jurisdictions may also present to the

1 oversight committee additional information to improve the department's
2 analyses of the jurisdiction's loss. Beginning January 1, 2010, the
3 oversight committee (~~shall~~) must meet at least annually with the
4 department by December 1st.

5 (5) The rule-making provisions of chapter 34.05 RCW do not apply to
6 this section.

7 **Sec. 958.** RCW 82.45.060 and 2005 c 450 s 1 are each amended to
8 read as follows:

9 There is imposed an excise tax upon each sale of real property at
10 the rate of one and twenty-eight one-hundredths percent of the selling
11 price. An amount equal to six and one-tenth percent of the proceeds of
12 this tax to the state treasurer (~~shall~~) must be deposited in the
13 public works assistance account created in RCW 43.155.050. Except as
14 otherwise provided in this section, an amount equal to one and six-
15 tenths percent of the proceeds of this tax to the state treasurer
16 (~~shall~~) must be deposited in the city-county assistance account
17 created in RCW 43.08.290. During the 2011-2013 fiscal biennium, 1.546
18 percent of the proceeds of this tax to the state treasurer must be
19 deposited in the city-county assistance account.

20 **Sec. 959.** RCW 86.26.007 and 2009 c 564 s 961 are each amended to
21 read as follows:

22 The flood control assistance account is hereby established in the
23 state treasury. At the beginning of the 2005-2007 fiscal biennium, the
24 state treasurer shall transfer three million dollars from the general
25 fund to the flood control assistance account. Each biennium thereafter
26 the state treasurer shall transfer four million dollars from the
27 general fund to the flood control assistance account, except that
28 during the 2009-2011 and 2011-2013 fiscal (~~biennium~~) biennia, the
29 state treasurer shall transfer two million dollars from the general
30 fund to the flood control assistance account. Moneys in the flood
31 control assistance account may be spent only after appropriation for
32 purposes specified under this chapter.

33 **Sec. 960.** RCW 90.71.370 and 2010 1st sp.s. c 36 s 6013 are each
34 amended to read as follows:

35 (1) By December 1, 2008, and by September 1st of each even-numbered

1 year beginning in 2010, the council shall provide to the governor and
2 the appropriate fiscal committees of the senate and house of
3 representatives its recommendations for the funding necessary to
4 implement the action agenda in the succeeding biennium. The
5 recommendations shall:

6 (a) Identify the funding needed by action agenda element;

7 (b) Address funding responsibilities among local, state, and
8 federal governments, as well as nongovernmental funding; and

9 (c) Address funding needed to support the work of the partnership,
10 the panel, the ecosystem work group, and entities assisting in
11 coordinating local efforts to implement the plan.

12 (2) In the 2008 report required under subsection (1) of this
13 section, the council shall include recommendations for projected
14 funding needed through 2020 to implement the action agenda; funding
15 needs for science panel staff; identify methods to secure stable and
16 sufficient funding to meet these needs; and include proposals for new
17 sources of funding to be dedicated to Puget Sound protection and
18 recovery. In preparing the science panel staffing proposal, the
19 council shall consult with the panel.

20 (3) By November 1st of each odd-numbered year beginning in 2009,
21 the council shall produce a state of the Sound report that includes, at
22 a minimum:

23 (a) An assessment of progress by state and nonstate entities in
24 implementing the action agenda, including accomplishments in the use of
25 state funds for action agenda implementation;

26 (b) A description of actions by implementing entities that are
27 inconsistent with the action agenda and steps taken to remedy the
28 inconsistency;

29 (c) The comments by the panel on progress in implementing the plan,
30 as well as findings arising from the assessment and monitoring program;

31 (d) A review of citizen concerns provided to the partnership and
32 the disposition of those concerns;

33 (e) A review of the expenditures of funds to state agencies for the
34 implementation of programs affecting the protection and recovery of
35 Puget Sound, and an assessment of whether the use of the funds is
36 consistent with the action agenda; and

37 (f) An identification of all funds provided to the partnership, and

1 recommendations as to how future state expenditures for all entities,
2 including the partnership, could better match the priorities of the
3 action agenda.

4 (4)(a) The council shall review state programs that fund facilities
5 and activities that may contribute to action agenda implementation. By
6 November 1, 2009, the council shall provide initial recommendations
7 regarding program changes to the governor and appropriate fiscal and
8 policy committees of the senate and house of representatives. By
9 November 1, 2010, the council shall provide final recommendations
10 regarding program changes, including proposed legislation to implement
11 the recommendation, to the governor and appropriate fiscal and policy
12 committees of the senate and house of representatives.

13 (b) The review in this subsection shall be conducted with the
14 active assistance and collaboration of the agencies administering these
15 programs, and in consultation with local governments and other entities
16 receiving funding from these programs:

17 (i) Water pollution control facilities financing, chapter 70.146
18 RCW;

19 (ii) The water pollution control revolving fund, chapter 90.50A
20 RCW;

21 (iii) The public works assistance account, chapter 43.155 RCW;

22 (iv) The aquatic lands enhancement account, RCW 79.105.150;

23 (v) The state toxics control account and local toxics control
24 account and clean-up program, chapter 70.105D RCW;

25 (vi) The acquisition of habitat conservation and outdoor recreation
26 land, chapter 79A.15 RCW;

27 (vii) The salmon recovery funding board, RCW 77.85.110 through
28 77.85.150;

29 (viii) The community economic revitalization board, chapter 43.160
30 RCW;

31 (ix) Other state financial assistance to water quality-related
32 projects and activities; and

33 (x) Water quality financial assistance from federal programs
34 administered through state programs or provided directly to local
35 governments in the Puget Sound basin.

36 (c) The council's review shall include but not be limited to:

37 (i) Determining the level of funding and types of projects and

1 activities funded through the programs that contribute to
2 implementation of the action agenda;

3 (ii) Evaluating the procedures and criteria in each program for
4 determining which projects and activities to fund, and their
5 relationship to the goals and priorities of the action agenda;

6 (iii) Assessing methods for ensuring that the goals and priorities
7 of the action agenda are given priority when program funding decisions
8 are made regarding water quality-related projects and activities in the
9 Puget Sound basin and habitat-related projects and activities in the
10 Puget Sound basin;

11 (iv) Modifying funding criteria so that projects, programs, and
12 activities that are inconsistent with the action agenda are ineligible
13 for funding;

14 (v) Assessing ways to incorporate a strategic funding approach for
15 the action agenda within the outcome-focused performance measures
16 required by RCW 43.41.270 in administering natural resource-related and
17 environmentally based grant and loan programs.

18 (5) During the 2009-2011 fiscal biennium, the council's review must
19 result in a ranking of projects affecting the protection and recovery
20 of the Puget Sound basin that are proposed in the governor's capital
21 budget submitted under RCW 43.88.060. The ranking shall include
22 recommendations for reallocation of total requested funds for Puget
23 Sound basin projects to achieve the greatest positive outcomes for
24 protection and recovery of Puget Sound and shall be submitted to the
25 appropriate fiscal committees of the legislature no later than February
26 1, 2011.

27 (6) During the 2011-2013 fiscal biennium, the council shall by
28 November 1, 2012, produce the state of the sound report as defined in
29 subsection (3) of this section.

30 NEW SECTION. Sec. 961. BUDGET SUSTAINABILITY. The full
31 disclosure of the long-term fiscal impacts of budget proposals under
32 consideration by the legislature will improve the informed
33 participation in the budget process of the citizens of the state and
34 their legislators and contribute to the sustainable use of the state's
35 limited fiscal resources. For each proposed omnibus operating
36 appropriations bill reported by a legislative fiscal committee or
37 approved by either house of the legislature during the 2012 and 2013

1 legislative sessions, the relevant fiscal committee shall provide a
2 public report that documents the policy-level proposals in the bill and
3 the cost of each proposal in the current fiscal biennium and the
4 estimated cost in the next ensuing fiscal biennium. This information
5 shall also be provided by the governor for each proposed omnibus
6 operating appropriations bill submitted to the legislature by the
7 governor for the 2012 and 2013 legislative sessions.

(End of part)

PART X

GENERAL GOVERNMENT

Sec. 1001. 2010 2nd sp.s. c 1 s 101 (uncodified) is amended to read as follows:

FOR THE HOUSE OF REPRESENTATIVES

General Fund--State Appropriation (FY 2010)	\$33,505,000
General Fund--State Appropriation (FY 2011)	(\$30,934,000)
	<u>\$30,918,000</u>
TOTAL APPROPRIATION	(\$64,439,000)
	<u>\$64,423,000</u>

Sec. 1002. 2010 2nd sp.s. c 1 s 102 (uncodified) is amended to read as follows:

FOR THE SENATE

General Fund--State Appropriation (FY 2010)	\$24,960,000
General Fund--State Appropriation (FY 2011)	(\$24,020,000)
	<u>\$24,008,000</u>
TOTAL APPROPRIATION	(\$48,980,000)
	<u>\$48,968,000</u>

Sec. 1003. 2010 2nd sp.s. c 1 s 106 (uncodified) is amended to read as follows:

FOR THE SUPREME COURT

General Fund--State Appropriation (FY 2010)	\$6,912,000
General Fund--State Appropriation (FY 2011)	(\$6,844,000)
	<u>\$6,965,000</u>
TOTAL APPROPRIATION	(\$13,756,000)
	<u>\$13,877,000</u>

The appropriations in this section are subject to the following conditions and limitations: It is the intent of the legislature that the reductions in appropriations in this section shall be achieved, to the greatest extent possible, by reducing those state government administrative costs that do not affect direct client services or direct service delivery or programs. The agency shall, to the greatest

1 extent possible, reduce spending in those areas that shall have the
2 least impact on implementing its mission.

3 **Sec. 1004.** 2010 2nd sp.s. c 1 s 107 (uncodified) is amended to
4 read as follows:

5 **FOR THE LAW LIBRARY**

6	General Fund--State Appropriation (FY 2010)	\$1,925,000
7	General Fund--State Appropriation (FY 2011)	(\$1,592,000)
8		<u>\$1,596,000</u>
9	TOTAL APPROPRIATION	(\$3,517,000)
10		<u>\$3,521,000</u>

11 The appropriations in this section are subject to the following
12 conditions and limitations: It is the intent of the legislature that
13 the reductions in appropriations in this section shall be achieved, to
14 the greatest extent possible, by reducing those state government
15 administrative costs that do not affect direct client services or
16 direct service delivery or programs. The agency shall, to the greatest
17 extent possible, reduce spending in those areas that shall have the
18 least impact on implementing its mission.

19 **Sec. 1005.** 2010 2nd sp.s. c 1 s 108 (uncodified) is amended to
20 read as follows:

21 **FOR THE COURT OF APPEALS**

22	General Fund--State Appropriation (FY 2010)	\$15,632,000
23	General Fund--State Appropriation (FY 2011)	(\$15,517,000)
24		<u>\$15,593,000</u>
25	TOTAL APPROPRIATION	(\$31,149,000)
26		<u>\$31,225,000</u>

27 The appropriations in this section are subject to the following
28 conditions and limitations: It is the intent of the legislature that
29 the reductions in appropriations in this section shall be achieved, to
30 the greatest extent possible, by reducing those state government
31 administrative costs that do not affect direct client services or
32 direct service delivery or programs. The agency shall, to the greatest
33 extent possible, reduce spending in those areas that shall have the
34 least impact on implementing its mission.

1 **Sec. 1006.** 2011 c 5 s 106 (uncodified) is amended to read as
2 follows:

3 **FOR THE ADMINISTRATOR FOR THE COURTS**

4	General Fund--State Appropriation (FY 2010)	\$52,644,000
5	General Fund--State Appropriation (FY 2011)	(\$49,260,000)
6		<u>\$49,196,000</u>
7	General Fund--Federal Appropriation	\$979,000
8	Judicial Information Systems Account--State	
9	Appropriation	\$33,406,000
10	Judicial Stabilization Trust Account--State	
11	Appropriation	\$6,598,000
12	TOTAL APPROPRIATION	(\$142,887,000)
13		<u>\$142,823,000</u>

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

16 (1) \$1,800,000 of the general fund--state appropriation for fiscal
17 year 2010 and \$1,387,000 of the general fund--state appropriation for
18 fiscal year 2011 are provided solely for school districts for petitions
19 to juvenile court for truant students as provided in RCW 28A.225.030
20 and 28A.225.035. The office of the administrator for the courts shall
21 develop an interagency agreement with the superintendent of public
22 instruction to allocate the funding provided in this subsection.
23 Allocation of this money to school districts shall be based on the
24 number of petitions filed. This funding includes amounts school
25 districts may expend on the cost of serving petitions filed under RCW
26 28A.225.030 by certified mail or by personal service or for the
27 performance of service of process for any hearing associated with RCW
28 28A.225.030. Absences from school occurring in the months of May and
29 June 2011 do not count towards the number of absences allowed under RCW
30 28A.225.030. Reductions in appropriations in this section reflect
31 reduced workload associated with filing petitions generated through
32 absences occurring in May and June.

33 (2)(a) \$8,252,000 of the general fund--state appropriation for
34 fiscal year 2010 and \$7,534,000 of the general fund--state
35 appropriation for fiscal year 2011 are provided solely for distribution
36 to county juvenile court administrators to fund the costs of processing
37 truancy, children in need of services, and at-risk youth petitions.
38 The administrator for the courts, in conjunction with the juvenile

1 court administrators, shall develop an equitable funding distribution
2 formula. The formula shall neither reward counties with higher than
3 average per-petition processing costs nor shall it penalize counties
4 with lower than average per-petition processing costs.

5 (b) Each fiscal year during the 2009-11 fiscal biennium, each
6 county shall report the number of petitions processed and the total
7 actual costs of processing truancy, children in need of services, and
8 at-risk youth petitions. Counties shall submit the reports to the
9 administrator for the courts no later than 45 days after the end of the
10 fiscal year. The administrator for the courts shall electronically
11 transmit this information to the chairs and ranking minority members of
12 the house of representatives appropriations committee and the senate
13 ways and means committee no later than 60 days after a fiscal year
14 ends. These reports are deemed informational in nature and are not for
15 the purpose of distributing funds.

16 (3) The distributions made under this subsection and distributions
17 from the county criminal justice assistance account made pursuant to
18 section 801 of this act constitute appropriate reimbursement for costs
19 for any new programs or increased level of service for purposes of RCW
20 43.135.060.

21 (4) \$5,700,000 of the judicial information systems account--state
22 appropriation is provided solely for modernization and integration of
23 the judicial information system.

24 (a) Of this amount, \$1,700,000 is for the development of a
25 comprehensive enterprise-level information technology strategy and
26 detailed business and operational plans in support of that strategy,
27 and \$4,000,000 is to continue to modernize and integrate current
28 systems and enhance case management functionality on an incremental
29 basis.

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

34 (c) The judicial information system committee shall review project
35 progress on a regular basis and may require quality assurance plans.
36 The judicial information systems committee shall provide a report to
37 the appropriate committees of the legislature no later than November 1,
38 2011, on the status of the judicial information system modernization

1 and integration, and the consistency of the project with the state's
2 architecture, infrastructure and statewide enterprise view of service
3 delivery.

4 (d) \$100,000 of the judicial information systems account--state
5 appropriation is provided solely for the administrative office of the
6 courts, in coordination with the judicial information system committee,
7 to conduct an independent third-party executive-level review of the
8 judicial information system. This review shall examine, at a minimum,
9 the scope of the current project plan, governance structure, and
10 organizational change management procedures. The review will also
11 benchmark the system plans against similarly sized projects in other
12 states or localities, review the large scale program risks, and
13 estimate life cycle costs, including capital and on-going operational
14 expenditures.

15 (5) \$3,000,000 of the judicial information systems account--state
16 appropriation is provided solely for replacing computer equipment at
17 state courts, and at state judicial agencies. The administrator for
18 the courts shall prioritize equipment replacement purchasing and shall
19 fund those items that are most essential or critical. By October 1,
20 2010, the administrative office of the courts shall report to the
21 appropriate legislative fiscal committees on expenditures for equipment
22 under this subsection.

23 (6) \$12,000 of the judicial information systems account--state
24 appropriation is provided solely to implement Engrossed Substitute
25 House Bill No. 1954 (sealing juvenile records). If the bill is not
26 enacted by June 30, 2009, the amount provided in this subsection shall
27 lapse.

28 ~~(7) ((\$106,000 of the general fund--state appropriation for fiscal~~
29 ~~year 2010 and \$106,000 of the general fund--state appropriation for~~
30 ~~fiscal year 2011 are provided solely for the twenty-third superior~~
31 ~~court judge position in Pierce county. The funds appropriated in this~~
32 ~~subsection shall be expended only if the judge is appointed and serving~~
33 ~~on the bench.~~

34 (+8)) It is the intent of the legislature that the reductions in
35 appropriations in this section shall be achieved, to the greatest
36 extent possible, by reducing those state government administrative
37 costs that do not affect direct client services or direct service

1 delivery or programs. The agency shall, to the greatest extent
2 possible, reduce spending in those areas that shall have the least
3 impact on implementing its mission.

4 ~~((+9))~~ (8) \$44,000 of the judicial information systems account--
5 state appropriation is provided solely to implement chapter 272, Laws
6 of 2010 (SHB 2680; guardianship).

7 ~~((+10))~~ (9) \$274,000 of the general fund--state appropriation for
8 fiscal year 2011 is provided solely for the office of public
9 guardianship to provide guardianship services for low-income
10 incapacitated persons.

11 ~~((+11))~~ (10) \$3,797,000 of the judicial information systems
12 account--state appropriation is provided solely for continued planning
13 and implementation of improvements to the court case management system.

14 ~~((+12))~~ (11) In accordance with RCW 43.135.055, the administrative
15 office of the courts is authorized to adopt and increase the fees set
16 forth in and previously authorized in section 6, chapter 491, Laws of
17 2009.

18 **Sec. 1007.** 2011 c 5 s 107 (uncodified) is amended to read as
19 follows:

20 **FOR THE SECRETARY OF STATE**

21	General Fund--State Appropriation (FY 2010)	\$21,105,000
22	General Fund--State Appropriation (FY 2011)	(\$13,612,000)
23		<u>\$14,727,000</u>
24	General Fund--Federal Appropriation	\$8,082,000
25	Archives and Records Management Account--State	
26	Appropriation	\$8,990,000
27	Charitable Organization Education Account--State	
28	Appropriation	\$76,000
29	Department of Personnel Service Account--State	
30	Appropriation	\$757,000
31	Election Account--State Appropriation	\$77,000
32	Local Government Archives Account--State	
33	Appropriation	\$11,515,000
34	Election Account--Federal Appropriation	\$31,163,000
35	TOTAL APPROPRIATION	(\$95,377,000)
36		<u>\$96,492,000</u>

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

3 (1) \$4,101,000 of the general fund--state appropriation for fiscal
4 year 2010 is provided solely to reimburse counties for the state's
5 share of primary and general election costs and the costs of conducting
6 mandatory recounts on state measures. Counties shall be reimbursed
7 only for those odd-year election costs that the secretary of state
8 validates as eligible for reimbursement.

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

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

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

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

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

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

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

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

10 (5) \$76,000 of the charitable organization education account--state
11 appropriation for fiscal year 2011 is provided solely to implement
12 Second Substitute House Bill No. 2576 (corporation and charity fees).
13 If the bill is not enacted by June 30, 2010, the amount provided in
14 this subsection shall lapse.

15 (6) \$77,000 of the general fund--state appropriation for fiscal
16 year 2011 is provided solely for deposit to the election account.

17 **Sec. 1008.** 2011 c 5 s 108 (uncodified) is amended to read as
18 follows:

19 **FOR THE PUBLIC DISCLOSURE COMMISSION**

20	General Fund--State Appropriation (FY 2010)	\$2,249,000
21	General Fund--State Appropriation (FY 2011)	(\$1,969,000)
22		<u>\$1,967,000</u>
23	TOTAL APPROPRIATION	(\$4,218,000)
24		<u>\$4,216,000</u>

25 **Sec. 1009.** 2011 c 5 s 113 (uncodified) is amended to read as
26 follows:

27 **FOR THE ATTORNEY GENERAL**

28	General Fund--State Appropriation (FY 2010)	\$5,732,000
29	General Fund--State Appropriation (FY 2011)	(\$5,272,000)
30		<u>\$5,268,000</u>
31	General Fund--Federal Appropriation	\$4,026,000
32	New Motor Vehicle Arbitration Account--State	
33	Appropriation	\$1,350,000
34	Legal Services Revolving Account--State	
35	Appropriation	(\$224,523,000)
36		<u>\$225,760,000</u>

1	Tobacco Prevention and Control Account--State	
2	Appropriation	\$270,000
3	TOTAL APPROPRIATION	((\$241,173,000))
4		<u>\$242,406,000</u>

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

7 (1) The attorney general shall report each fiscal year on actual
8 legal services expenditures and actual attorney staffing levels for
9 each agency receiving legal services. The report shall be submitted to
10 the office of financial management and the fiscal committees of the
11 senate and house of representatives no later than ninety days after the
12 end of each fiscal year. As part of its by agency report to the
13 legislative fiscal committees and the office of financial management,
14 the office of the attorney general shall include information detailing
15 the agency's expenditures for its agency-wide overhead and a breakdown
16 by division of division administration expenses.

17 (2) Prior to entering into any negotiated settlement of a claim
18 against the state that exceeds five million dollars, the attorney
19 general shall notify the director of financial management and the
20 chairs of the senate committee on ways and means and the house of
21 representatives committee on ways and means.

22 (3) The office of the attorney general is authorized to expend
23 \$2,100,000 from the Zyprexa and other cy pres awards towards consumer
24 protection costs in accordance with uses authorized in the court
25 orders.

26 (4) The attorney general shall annually report to the fiscal
27 committees of the legislature all new cy pres awards and settlements
28 and all new accounts, disclosing their intended uses, balances, the
29 nature of the claim or account, proposals, and intended timeframes for
30 the expenditure of each amount. The report shall be distributed
31 electronically and posted on the attorney general's web site. The
32 report shall not be printed on paper or distributed physically.

33 (5) The executive ethics board must produce a report by the end of
34 the calendar year for the legislature regarding performance measures on
35 the efficiency and effectiveness of the board, as well as on
36 performance measures to measure and monitor the ethics and integrity of
37 all state agencies.

1 (6) \$53,000 of the legal services revolving account--state
2 appropriation is provided solely to implement Engrossed Second
3 Substitute House Bill No. 3026 (school district compliance with state
4 and federal civil rights laws).

5 **Sec. 1010.** 2011 c 5 s 114 (uncodified) is amended to read as
6 follows:

7 **FOR THE CASELOAD FORECAST COUNCIL**

8	General Fund--State Appropriation (FY 2010)	\$766,000
9	General Fund--State Appropriation (FY 2011)	(\$660,000)
10		<u>\$658,000</u>
11	TOTAL APPROPRIATION	(\$1,426,000)
12		<u>\$1,424,000</u>

13 The appropriations in this section are subject to the following
14 conditions and limitations: \$13,000 of the general fund--state
15 appropriation for fiscal year 2010 and \$7,000 of the general
16 fund--state appropriation for fiscal year 2011 are for the
17 implementation of Second Substitute House Bill No. 2106 (improving
18 child welfare outcomes through the phased implementation of strategic
19 and proven reforms). If the bill is not enacted by June 30, 2009, the
20 amounts provided in this subsection shall lapse.

21 **Sec. 1011.** 2011 c 5 s 115 (uncodified) is amended to read as
22 follows:

23 **FOR THE DEPARTMENT OF COMMERCE**

24	General Fund--State Appropriation (FY 2010)	\$49,670,000
25	General Fund--State Appropriation (FY 2011)	(\$36,739,000)
26		<u>\$36,710,000</u>
27	General Fund--Federal Appropriation	\$385,601,000
28	General Fund--Private/Local Appropriation	\$10,972,000
29	Public Works Assistance Account--State	
30	Appropriation	\$2,974,000
31	Tourism Development and Promotion Account--State	
32	Appropriation	\$798,000
33	Drinking Water Assistance Administrative	
34	Account--State Appropriation	\$433,000
35	Lead Paint Account--State Appropriation	\$35,000
36	Building Code Council Account--State Appropriation	\$688,000

1	Home Security Fund Account--State Appropriation	\$24,486,000
2	Affordable Housing for All Account--State	
3	Appropriation	\$11,896,000
4	Washington Auto Theft Prevention Authority	
5	Account--State Appropriation	\$300,000
6	Independent Youth Housing Account--State Appropriation	\$220,000
7	County Research Services Account--State Appropriation	\$469,000
8	Community Preservation and Development Authority	
9	Account--State Appropriation	\$350,000
10	Financial Fraud and Identity Theft Crimes Investigation	
11	and Prosecution Account--State Appropriation	\$1,166,000
12	Low-Income Weatherization Assistance Account--State	
13	Appropriation	\$6,882,000
14	City and Town Research Services Account--State	
15	Appropriation	\$2,246,000
16	Manufacturing Innovation and Modernization	
17	Account--State Appropriation	\$230,000
18	Community and Economic Development Fee Account--State	
19	Appropriation	\$6,922,000
20	Washington Housing Trust Account--State	
21	Appropriation	\$15,348,000
22	Prostitution Prevention and Intervention Account--	
23	State Appropriation	\$125,000
24	Public Facility Construction Loan Revolving	
25	Account--State Appropriation	\$754,000
26	TOTAL APPROPRIATION	((\$559,304,000))
27		<u>\$559,275,000</u>

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

30 (1) \$2,378,000 of the general fund--state appropriation for fiscal
31 year 2010 and \$2,117,000 of the general fund--state appropriation for
32 fiscal year 2011 are provided solely for a contract with the Washington
33 technology center for work essential to the mission of the Washington
34 technology center and conducted in partnership with universities.

35 (2) Repayments of outstanding loans granted under RCW 43.63A.600,
36 the mortgage and rental assistance program, shall be remitted to the
37 department, including any current revolving account balances. The
38 department shall collect payments on outstanding loans, and deposit

1 them into the state general fund. Repayments of funds owed under the
2 program shall be remitted to the department according to the terms
3 included in the original loan agreements.

4 (3) \$100,000 of the general fund--state appropriation for fiscal
5 year 2010 and \$89,000 of the general fund--state appropriation for
6 fiscal year 2011 are provided solely to implement section 2(7) of
7 Engrossed Substitute House Bill No. 1959 (land use and transportation
8 planning for marine container ports).

9 (4) \$102,000 of the building code council account--state
10 appropriation is provided solely for the implementation of sections 3
11 and 7 of Engrossed Second Substitute Senate Bill No. 5854 (built
12 environment pollution). If sections 3 and 7 of the bill are not
13 enacted by June 30, 2009, the amounts provided in this subsection shall
14 lapse.

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

28 (b) \$6,787,000 of the general fund--federal appropriation is
29 provided solely for the state energy program, including not less than
30 \$5,000,000 to provide credit enhancements consistent with the
31 provisions of Engrossed Second Substitute Senate Bill No. 5649 (energy
32 efficiency in buildings).

33 (c) Of the general fund--federal appropriation the department shall
34 provide: \$14,500,000 to the Washington State University for the
35 purpose of making grants for pilot projects providing community-wide
36 urban, residential, and commercial energy efficiency upgrades
37 consistent with the provisions of Engrossed Second Substitute Senate
38 Bill No. 5649 (energy efficiency in buildings); \$500,000 to Washington

1 State University to conduct farm energy assessments. In contracting
2 with the Washington State University for the provision of these
3 services, the total administration of Washington State University and
4 the department shall not exceed 3 percent of the amounts provided.

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

9 (e) \$10,646,000 of the general fund--federal appropriation is
10 provided pursuant to the energy efficiency and conservation block grant
11 under the American reinvestment and recovery act. The department may
12 use up to \$3,000,000 of the amount provided in this subsection to
13 provide technical assistance for energy programs administered by the
14 agency under the American reinvestment and recovery act.

15 (6) \$14,000 of the general fund--state appropriation for fiscal
16 year 2010 is provided solely for the implementation of Engrossed Second
17 Substitute Senate Bill No. 5560 (state agency climate leadership). If
18 the bill is not enacted by June 30, 2009, the amount provided in this
19 subsection shall lapse.

20 (7) \$22,400,000 of the general fund--federal appropriation is
21 provided solely for the justice assistance grant program and is
22 contingent upon the department transferring: \$1,200,000 to the
23 department of corrections for security threat mitigation, \$2,336,000 to
24 the department of corrections for offender reentry, \$1,960,000 to the
25 Washington state patrol for law enforcement activities, \$2,087,000 to
26 the department of social and health services, division of alcohol and
27 substance abuse for drug courts, and \$428,000 to the department of
28 social and health services for sex abuse recognition training. The
29 remaining funds shall be distributed by the department to local
30 jurisdictions.

31 (8) \$20,000 of the general fund--state appropriation for fiscal
32 year 2010 and \$18,000 of the general fund--state appropriation for
33 fiscal year 2011 are provided solely for a grant to KCTS public
34 television to support Spanish language programming and the V-me Spanish
35 language channel.

36 (9) \$500,000 of the general fund--state appropriation for fiscal
37 year 2010 and \$447,000 of the general fund--state appropriation for
38 fiscal year 2011 are provided solely for a grant to resolution

1 Washington to building statewide capacity for alternative dispute
2 resolution centers and dispute resolution programs that guarantee that
3 citizens have access to low-cost resolution as an alternative to
4 litigation.

5 (10) \$30,000 of the general fund--state appropriation for fiscal
6 year 2010 is provided solely for implementation of Engrossed Second
7 Substitute Senate Bill No. 6015 (commercialization of technology). If
8 the bill is not enacted by June 30, 2009, the amount provided in this
9 subsection shall lapse.

10 (11) By June 30, 2011, the department shall request information
11 that describes what jurisdictions have adopted, or are in the process
12 of adopting, plans that address RCW 36.70A.020 and helps achieve the
13 greenhouse gas emission reductions established in RCW 70.235.020. This
14 information request in this subsection applies to jurisdictions that
15 are required to review and if necessary revise their comprehensive
16 plans in accordance with RCW 36.70A.130.

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

23 (13) \$50,000 of the general fund--state appropriation for fiscal
24 year 2010 and \$35,000 of the general fund--state appropriation for
25 fiscal year 2011 are provided solely for a grant for the state's
26 participation in the Pacific Northwest economic region.

27 (14) \$712,000 of the general fund--state appropriation for fiscal
28 year 2010 and \$559,000 of the general fund--state appropriation for
29 fiscal year 2011 are provided solely to the office of crime victims
30 advocacy. These funds shall be contracted with the 39 county
31 prosecuting attorneys' offices to support victim-witness services. The
32 funds must be prioritized to ensure a full-time victim-witness
33 coordinator in each county. The office may retain only the amount
34 currently allocated for this activity for administrative costs.

35 (15) \$306,000 of the general fund--state appropriation for fiscal
36 year 2010 and \$274,000 of the general fund--state appropriation for
37 fiscal year 2011 are provided solely for a grant to the retired senior
38 volunteer program.

1 (16) \$65,000 of the general fund--state appropriation for fiscal
2 year 2010 is provided solely for a contract with a food distribution
3 program for communities in the southwestern portion of the state and
4 for workers impacted by timber and salmon fishing closures and
5 reductions. The department may not charge administrative overhead or
6 expenses to the funds provided in this subsection.

7 (17) \$371,000 of the general fund--state appropriation for fiscal
8 year 2010 and \$290,000 of the general fund--state appropriation for
9 fiscal year 2011 are provided solely to the northwest agriculture
10 business center.

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

14 (19) \$212,000 of the general fund--federal appropriation is
15 provided solely for implementation of Second Substitute House Bill No.
16 1172 (development rights transfer). If the bill is not enacted by June
17 30, 2009, the amount provided in this subsection shall lapse.

18 (20) \$69,000 of the general fund--state appropriation for fiscal
19 year 2010 and \$60,000 of the general fund--state appropriation for
20 fiscal year 2011 are provided solely for implementation of Engrossed
21 Second Substitute House Bill No. 2227 (evergreen jobs act). If the
22 bill is not enacted by June 30, 2009, the amounts provided in this
23 subsection shall lapse.

24 (21) \$350,000 of the community development and preservation
25 authority account--state appropriation is provided solely for a grant
26 to a community development authority established under chapter 43.167
27 RCW. The community preservation and development's board of directors
28 may contract with nonprofit community organizations to aid in
29 mitigating the effects of increased public impact on urban
30 neighborhoods due to events in stadia that have a capacity of over
31 50,000 spectators.

32 (22) \$300,000 of the Washington auto theft prevention authority
33 account--state appropriation is provided solely for a contract with a
34 community group to build local community capacity and economic
35 development within the state by strengthening political relationships
36 between economically distressed communities and governmental
37 institutions. The community group shall identify opportunities for
38 collaboration and initiate activities and events that bring community

1 organizations, local governments, and state agencies together to
2 address the impacts of poverty, political disenfranchisement, and
3 economic inequality on communities of color. These funds must be
4 matched by other nonstate sources on an equal basis.

5 (23) \$1,800,000 of the home security fund--state appropriation is
6 provided for transitional housing assistance or partial payments for
7 rental assistance under the independent youth housing program.

8 (24) \$5,000,000 of the home security fund--state appropriation is
9 provided solely for the operation, repair, and staffing of shelters in
10 the homeless family shelter program.

11 (25) \$253,000 of the general fund--state appropriation for fiscal
12 year 2010 and \$253,000 of the general fund--state appropriation for
13 fiscal year 2011 are provided solely for the Washington new Americans
14 program.

15 (26) \$438,000 of the general fund--state appropriation for fiscal
16 year 2010 and \$394,000 of the general fund--state appropriation for
17 fiscal year 2011 are provided solely for the Washington asset building
18 coalitions.

19 (27) \$3,231,000 of the general fund--state appropriation for fiscal
20 year 2010 and \$2,953,000 of the general fund--state appropriation for
21 fiscal year 2011 are provided solely for associate development
22 organizations.

23 (28) \$5,400,000 of the community and economic development fee
24 account is provided as follows: \$1,000,000 is provided solely for the
25 department of commerce for services for homeless families through the
26 Washington families fund; \$2,600,000 is provided solely for housing
27 trust fund operations and maintenance; \$800,000 is provided solely for
28 housing trust fund portfolio management; \$500,000 is provided solely
29 for foreclosure counseling and support; and \$500,000 is provided solely
30 for use as a reserve in the account.

31 (29) \$237,000 of the general fund--state appropriation for fiscal
32 year 2011 is provided solely for the department to administer a
33 competitive grant program to fund economic development activities
34 designed to further regional cluster growth and to integrate its
35 sector-based and cluster-based strategies with its support for the
36 development of innovation partnership zones. Grant recipients must
37 provide matching funds equal to the size of the grant. Grants may be
38 awarded to support the formation of sector associations or cluster

1 associations, the identification of the technology and
2 commercialization needs of a sector or cluster, facilitating working
3 relationships between a sector association or cluster association and
4 an innovation partnership zone, expanding the operations of an
5 innovation partnership zone, and developing and implementing plans to
6 meet the technology development and commercialization needs of industry
7 sectors, industry clusters, and innovation partnership zones. The
8 projects receiving grants must not duplicate the purpose or efforts of
9 industry skill panels but priority must be given to applicants that
10 complement industry skill panels and will use the grant funds to build
11 linkages and joint projects.

12 (30) \$62,000 of the general fund--state appropriation for fiscal
13 year 2011 is provided solely to:

14 (a) Develop a rural manufacturer export outreach program in
15 conjunction with impact Washington. The program must provide outreach
16 services to rural manufacturers in Washington to inform them of the
17 importance of and opportunities in international trade, and to inform
18 them of the export assistance programs available to assist these
19 businesses to become exporters; and

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

23 (31) \$750,000 of the general fund--state appropriation for fiscal
24 year 2011 is provided solely to implement the provisions of chapter 13,
25 Laws of 2010 (global health program).

26 (32) \$50,000 of the general fund--state appropriation for fiscal
27 year 2011 is provided solely for the creation of the Washington
28 entrepreneurial development and small business reference service in the
29 department of commerce.

30 (a) The department must:

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

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

37 (B) Disseminate information about available entrepreneurial
38 development and small business assistance services, programs, and

1 resources via in-person presentations and electronic and printed
2 materials and undertake other activities to raise awareness of
3 entrepreneurial training and small business assistance offerings; and

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

8 (ii) Assist providers of entrepreneurial development and small
9 business assistance services in applying for federal and private
10 funding to support the entrepreneurial development and small business
11 assistance activities in the state;

12 (iii) Distribute awards for excellence in entrepreneurial training
13 and small business assistance; and

14 (iv) Report to the governor, the economic development commission,
15 the work force training and education coordinating board, and the
16 appropriate legislative committees its recommendations for statutory
17 changes necessary to enhance operational efficiencies or enhance
18 coordination related to entrepreneurial development and small business
19 assistance.

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

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

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

1 **Sec. 1012.** 2010 2nd sp.s. c 1 s 116 (uncodified) is amended to
2 read as follows:

3 **FOR THE OFFICE OF FINANCIAL MANAGEMENT**

4	General Fund--State Appropriation (FY 2010)	\$21,089,000
5	General Fund--State Appropriation (FY 2011)	(\$18,285,000)
6		<u>\$17,996,000</u>
7	General Fund--Federal Appropriation	\$27,103,000
8	General Fund--Private/Local Appropriation	\$1,270,000
9	State Auditing Services Revolving	
10	Account--State Appropriation	\$25,000
11	Economic Development Strategic Reserve Account--	
12	State Appropriation	\$278,000
13	TOTAL APPROPRIATION	(\$68,050,000)
14		<u>\$67,761,000</u>

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

17 (1) \$188,000 of the general fund--state appropriation for fiscal
18 year 2010 is provided solely for the implementation of Second
19 Substitute Senate Bill No. 5945 (Washington health partnership plan).

20 If the bill is not enacted by June 30, 2009, the amount provided in
21 this subsection shall lapse.

22 (2) The office of financial management shall conduct a study on
23 alternatives for consolidating or transferring activities and
24 responsibilities of the state lottery commission, state horse racing
25 commission, state liquor control board, and the state gambling
26 commission to achieve cost savings and regulatory efficiencies. In
27 conducting the study, the office of financial management shall consult
28 with the legislative fiscal committees. Further, the office of
29 financial management shall establish an advisory group to include, but
30 not be limited to, representatives of affected businesses, state
31 agencies or entities, local governments, and stakeholder groups. The
32 office of financial management shall submit a final report to the
33 governor and the legislative fiscal committees by November 15, 2009.

34 (3) \$110,000 of the general fund--state appropriation for fiscal
35 year 2011 is provided solely to implement Second Substitute Senate Bill
36 No. 6578 (multiagency permitting teams). If the bill is not enacted by
37 June 30, 2010, the amount provided in this subsection shall lapse.

1 (4) The office of financial management shall, with the assistance
2 of the natural resources cabinet as created in executive order 09-07,
3 reduce the number of facilities being leased by the state by
4 consolidating, wherever possible, regional offices and storage
5 facilities of the natural resource agencies. The office of financial
6 management and the natural resources cabinet shall submit a report on
7 the progress of this effort and the associated savings to the
8 appropriate fiscal committees of the legislature no later than December
9 1, 2010.

10 (5)(a) \$50,000 of the general fund--state appropriation for fiscal
11 year 2010 and \$150,000 of the general fund--state appropriation for
12 fiscal year 2011 are provided solely for the purposes of the office of
13 financial management:

14 (i) Conducting a technical and financial analysis of the state's
15 plan for the consolidated state data center and office building; and

16 (ii) Developing a strategic business plan outlining the various
17 options for use of the site that maximize taxpayer value consistent
18 with the terms of the finance lease and related agreements.

19 (b) The analysis required in (a)(i) of this subsection must consist
20 of, at a minimum, an assessment of the following issues:

21 (i) The total capital and operational costs for the proposed data
22 center and office building;

23 (ii) The occupancy rate for the consolidated state data center, as
24 compared to total capacity, that will result in revenue exceeding total
25 capital and operating expenses;

26 (iii) The potential reallocation of resources that could result
27 from the consolidation of state data centers and office space; and

28 (iv) The potential return on investment for the consolidated state
29 data center and office building that may be realized without impairing
30 any existing contractual rights under the terms of the financing lease
31 and related agreements.

32 (c) This review must build upon the analysis and migration strategy
33 for the consolidated state data center being prepared for the
34 department of information services.

35 (d) The strategic plan must be submitted to the governor and the
36 legislature by December 1, 2010.

37 (6) Appropriations in this section include amounts sufficient to

1 implement Engrossed Substitute House Bill No. 3178 (technology
2 efficiencies).

3 **Sec. 1013.** 2011 c 5 s 117 (uncodified) is amended to read as
4 follows:

5 **FOR THE OFFICE OF ADMINISTRATIVE HEARINGS**

6 Administrative Hearings Revolving Account--State
7 Appropriation (~~(\$34,468,000)~~)
8 \$34,805,000

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

15 **Sec. 1014.** 2011 c 5 s 118 (uncodified) is amended to read as
16 follows:

17 **FOR THE COMMISSION ON HISPANIC AFFAIRS**

18 General Fund--State Appropriation (FY 2010) \$250,000
19 General Fund--State Appropriation (FY 2011) (~~(\$227,000)~~)
20 \$226,000
21 TOTAL APPROPRIATION (~~(\$477,000)~~)
22 \$476,000

23 **Sec. 1015.** 2011 c 5 s 119 (uncodified) is amended to read as
24 follows:

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

26 General Fund--State Appropriation (FY 2010) \$243,000
27 General Fund--State Appropriation (FY 2011) (~~(\$210,000)~~)
28 \$221,000
29 TOTAL APPROPRIATION (~~(\$453,000)~~)
30 \$464,000

31 **Sec. 1016.** 2011 c 5 s 120 (uncodified) is amended to read as
32 follows:

33 **FOR THE DEPARTMENT OF REVENUE**

34 General Fund--State Appropriation (FY 2010) \$109,472,000

1	General Fund--State Appropriation (FY 2011)	((\$107,662,000))
2		<u>\$107,169,000</u>
3	Timber Tax Distribution Account--State Appropriation	\$5,933,000
4	Waste Reduction/Recycling/Litter Control--State	
5	Appropriation	\$130,000
6	Waste Tire Removal Account--State Appropriation	\$2,000
7	Real Estate Excise Tax Grant Account--State	
8	Appropriation	\$3,429,000
9	State Toxics Control Account--State Appropriation	\$87,000
10	Oil Spill Prevention Account--State Appropriation	\$19,000
11	TOTAL APPROPRIATION	((\$226,734,000))
12		<u>\$226,241,000</u>

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

15 (1) \$469,000 of the general fund--state appropriation for fiscal
16 year 2010 and \$374,000 of the general fund--state appropriation for
17 fiscal year 2011 are for the implementation of Substitute Senate Bill
18 No. 5368 (annual property revaluation). If the bill is not enacted by
19 June 30, 2009, the amounts in this subsection shall lapse.

20 (2) \$4,653,000 of the general fund--state appropriation for fiscal
21 year 2010 and \$4,242,000 of the general fund--state appropriation for
22 fiscal year 2011 are for the implementation of revenue enhancement
23 strategies. The strategies must include increased out-of-state
24 auditing and compliance, the purchase of third party data sources for
25 enhanced audit selection, and increased traditional auditing and
26 compliance efforts.

27 (3) \$3,127,000 of the general fund--state appropriation for fiscal
28 year 2010 and \$1,737,000 of the general fund--state appropriation for
29 fiscal year 2011 are for the implementation of Senate Bill No. 6173
30 (sales tax compliance). If the bill is not enacted by June 30, 2009,
31 the amounts provided in this subsection shall lapse.

32 (4) \$1,294,000 of the general fund--state appropriation for fiscal
33 year 2010 and \$3,085,000 of the general fund--state appropriation for
34 fiscal year 2011 are for the implementation of Second Engrossed
35 Substitute Senate Bill No. 6143 (excise tax law modifications). If the
36 bill is not enacted by June 30, 2010, the amounts provided in this
37 subsection shall lapse.

1 (5) \$163,000 of the general fund--state appropriation for fiscal
2 year 2011 is provided solely to implement Substitute Senate Bill No.
3 6846 (enhanced 911 services). If the bill is not enacted by June 30,
4 2010, the amount provided in this subsection shall lapse.

5 (6) \$304,000 of the general fund--state appropriation for fiscal
6 year 2011 is provided solely for making the necessary preparations for
7 implementation of the working families tax exemption pursuant to RCW
8 82.08.0206 in 2012.

9 **Sec. 1017.** 2011 c 5 s 121 (uncodified) is amended to read as
10 follows:

11 **FOR THE BOARD OF TAX APPEALS**

12	General Fund--State Appropriation (FY 2010)	\$1,346,000
13	General Fund--State Appropriation (FY 2011)	(\$1,195,000)
14		<u>\$1,194,000</u>
15	TOTAL APPROPRIATION	(\$2,541,000)
16		<u>\$2,540,000</u>

17 **Sec. 1018.** 2011 c 5 s 122 (uncodified) is amended to read as
18 follows:

19 **FOR THE DEPARTMENT OF GENERAL ADMINISTRATION**

20	General Fund--State Appropriation (FY 2010)	\$815,000
21	General Fund--State Appropriation (FY 2011)	(\$3,527,000)
22		<u>\$3,524,000</u>
23	General Fund--Federal Appropriation	\$2,956,000
24	Building Code Council Account--State Appropriation	\$875,000
25	General Fund--Private/Local Appropriation	\$84,000
26	General Administration Service Account--State	
27	Appropriation	\$31,397,000
28	TOTAL APPROPRIATION	(\$39,654,000)
29		<u>\$39,651,000</u>

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

32 (1) \$28,000 of the general fund--state appropriation for fiscal
33 year 2010 and \$14,000 of the general fund--state appropriation for
34 fiscal year 2011 are provided solely for the purposes of section 8 of
35 Engrossed Second Substitute Senate Bill No. 5854 (built environment

1 pollution). If section 8 of the bill is not enacted by June 30, 2009,
2 the amounts provided in this subsection shall lapse.

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

17 (3) \$84,000 of the general fund--private/local appropriation and
18 \$593,000 of the building code council account--state appropriation are
19 provided solely to implement Engrossed Second Substitute House Bill No.
20 2658 (refocusing the department of commerce, including transferring
21 programs). If the bill is not enacted by June 30, 2010, the amounts
22 provided in this subsection shall lapse.

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

26 **Sec. 1019.** 2011 c 5 s 125 (uncodified) is amended to read as
27 follows:

28 **FOR THE MILITARY DEPARTMENT**

29	General Fund--State Appropriation (FY 2010)	\$9,350,000
30	General Fund--State Appropriation (FY 2011)	(\$7,898,000)
31		<u>\$7,890,000</u>
32	General Fund--Federal Appropriation	\$168,599,000
33	Enhanced 911 Account--State Appropriation	\$44,508,000
34	Disaster Response Account--State Appropriation	\$28,350,000
35	Disaster Response Account--Federal Appropriation	\$114,496,000
36	Military Department Rent and Lease Account--State	
37	Appropriation	\$612,000

1	Military Department Active State Service Account--Federal	
2	Appropriation	\$592,000
3	Worker and Community Right-to-Know Account--State	
4	Appropriation	\$341,000
5	Nisqually Earthquake Account--State Appropriation	\$307,000
6	Nisqually Earthquake Account--Federal Appropriation	\$1,067,000
7	TOTAL APPROPRIATION	(\$376,120,000)
8		<u>\$376,112,000</u>

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

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

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

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

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

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

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

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

21 **Sec. 1020.** 2011 c 5 s 126 (uncodified) is amended to read as
22 follows:

23 **FOR THE PUBLIC EMPLOYMENT RELATIONS COMMISSION**

24	General Fund--State Appropriation (FY 2010)	\$2,667,000
25	General Fund--State Appropriation (FY 2011)	(\$2,345,000)
26		<u>\$2,344,000</u>
27	Higher Education Personnel Services Account--State	
28	Appropriation	\$250,000
29	Department of Personnel Service Account--State	
30	Appropriation	\$3,263,000
31	TOTAL APPROPRIATION	(\$8,525,000)
32		<u>\$8,524,000</u>

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

1 **Sec. 1021.** 2011 c 5 s 127 (uncodified) is amended to read as
2 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)	(\$1,230,000)
6		<u>\$1,197,000</u>
7	General Fund--Federal Appropriation	\$2,293,000
8	General Fund--Private/Local Appropriation	\$14,000
9	TOTAL APPROPRIATION	(\$4,908,000)
10		<u>\$4,875,000</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. 1022.** 2011 c 5 s 128 (uncodified) is amended to read as
18 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		<u>\$1,331,000</u>
23	TOTAL APPROPRIATION	(\$2,976,000)
24		<u>\$2,973,000</u>

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

(End of part)

1 **PART XI**
2 **HUMAN SERVICES**

3 **Sec. 1101.** 2010 1st sp.s. c 37 s 201 (uncodified) is amended to
4 read as follows:

5 **FOR THE DEPARTMENT OF SOCIAL AND HEALTH SERVICES. (1)**

6 Appropriations made in this act to the department of social and health
7 services shall initially be allotted as required by this act.
8 Subsequent allotment modifications shall not include transfers of
9 moneys between sections of this act except as expressly provided in
10 this act, nor shall allotment modifications permit moneys that are
11 provided solely for a specified purpose to be used for other than that
12 purpose.

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

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

32 (4) The department is authorized to develop an integrated health
33 care program designed to slow the progression of illness and disability
34 and better manage medicaid expenditures for the aged and disabled
35 population. Under this Washington medicaid integration partnership

1 (WMIP), the department may combine and transfer such medicaid funds
2 appropriated under sections 204, 206, 208, and 209 of this act as may
3 be necessary to finance a unified health care plan for the WMIP program
4 enrollment. The WMIP pilot projects shall not exceed a daily
5 enrollment of 6,000 persons, nor expand beyond one county, during the
6 2009-2011 biennium. The amount of funding assigned to the pilot
7 projects from each program may not exceed the average per capita cost
8 assumed in this act for individuals covered by that program,
9 actuarially adjusted for the health condition of persons enrolled in
10 the pilot project, times the number of clients enrolled in the pilot
11 project. In implementing the WMIP pilot projects, the department may:
12 (a) Withhold from calculations of "available resources" as set forth in
13 RCW 71.24.025 a sum equal to the capitated rate for individuals
14 enrolled in the pilots; and (b) employ capitation financing and risk-
15 sharing arrangements in collaboration with health care service
16 contractors licensed by the office of the insurance commissioner and
17 qualified to participate in both the medicaid and medicare programs.
18 The department shall conduct an evaluation of the WMIP, measuring
19 changes in participant health outcomes, changes in patterns of service
20 utilization, participant satisfaction, participant access to services,
21 and the state fiscal impact.

22 (5)(a) The appropriations to the department of social and health
23 services in this act shall be expended for the programs and in the
24 amounts specified in this act. However, after May 1, (~~(2010)~~) 2011,
25 unless specifically prohibited by this act, the department may transfer
26 general fund--state appropriations for fiscal year (~~(2010)~~) 2011 among
27 programs after approval by the director of financial management.
28 However, the department shall not transfer state moneys that are
29 provided solely for a specified purpose except as expressly provided in
30 (b) of this subsection.

31 (b) To the extent that transfers under (a) of this subsection are
32 insufficient to fund actual expenditures in excess of fiscal year
33 (~~(2010)~~) 2011 caseload forecasts and utilization assumptions in the
34 medical assistance, long-term care, foster care, adoptions support, and
35 child support programs, the department may transfer state moneys that
36 are provided solely for a specified purpose. The department shall not
37 transfer funds, and the director of financial management shall not
38 approve the transfer, unless the transfer is consistent with the

1 objective of conserving, to the maximum extent possible, the
 2 expenditure of state funds. The director of financial management shall
 3 notify the appropriate fiscal committees of the senate and house of
 4 representatives in writing seven days prior to approving any allotment
 5 modifications or transfers under this subsection. The written
 6 notification shall include a narrative explanation and justification of
 7 the changes, along with expenditures and allotments by budget unit and
 8 appropriation, both before and after any allotment modifications or
 9 transfers.

10 (6) The legislature finds that medicaid payment rates, as
 11 calculated by the department pursuant to the appropriations in this
 12 act, bear a reasonable relationship to the costs incurred by
 13 efficiently and economically operated facilities for providing quality
 14 services and will be sufficient to enlist enough providers so that care
 15 and services are available to the extent that such care and services
 16 are available to the general population in the geographic area. The
 17 legislature finds that cost reports, payment data from the federal
 18 government, historical utilization, economic data, and clinical input
 19 constitute reliable data upon which to determine the payment rates.

20 **Sec. 1102.** 2011 c 5 s 201 (uncodified) is amended to read as
 21 follows:

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

24	General Fund--State Appropriation (FY 2010)	\$315,002,000
25	General Fund--State Appropriation (FY 2011)	((\$287,643,000))
26		<u>\$285,342,000</u>
27	General Fund--Federal Appropriation	((\$494,136,000))
28		<u>\$494,749,000</u>
29	General Fund--Private/Local Appropriation	\$3,320,000
30	Home Security Fund Appropriation	\$8,406,000
31	Domestic Violence Prevention Account--State	
32	Appropriation	\$1,154,000
33	Education Legacy Trust Account--State Appropriation	\$725,000
34	TOTAL APPROPRIATION	((\$1,110,386,000))
35		<u>\$1,108,698,000</u>

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

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

15 (2) \$369,000 of the general fund--state appropriation for fiscal
16 year 2010, \$343,000 of the general fund--state appropriation for fiscal
17 year 2011, and \$306,000 of the general fund--federal appropriation are
18 provided solely for up to three nonfacility-based programs for the
19 training, consultation, support, and recruitment of biological, foster,
20 and adoptive parents of children through age three in need of special
21 care as a result of substance abuse by their mothers, except that each
22 program may serve up to three medically fragile nonsubstance-abuse-
23 affected children. In selecting nonfacility-based programs, preference
24 shall be given to programs whose federal or private funding sources
25 have expired or that have successfully performed under the existing
26 pediatric interim care program.

27 (3) \$2,500,000 of the general fund--state appropriation for fiscal
28 year 2010 and \$46,000 of the general fund--state appropriation for
29 fiscal year 2011, and \$2,098,000 of the home security fund--state
30 appropriation are provided solely for secure crisis residential
31 centers. Within appropriated amounts, the department shall collaborate
32 with providers to maintain no less than forty-five beds that are
33 geographically representative of the state. The department shall
34 examine current secure crisis residential staffing requirements,
35 flexible payment options, center specific waivers, and other
36 appropriate methods to accomplish this outcome.

37 (4) A maximum of \$69,190,000 of the general fund--state
38 appropriations and \$54,443,000 of the general fund--federal

1 appropriations for the 2009-11 biennium shall be expended for
2 behavioral rehabilitative services and these amounts are provided
3 solely for this purpose. The department shall work with behavioral
4 rehabilitative service providers to safely keep youth with emotional,
5 behavioral, or medical needs at home, with relatives, or with other
6 permanent placement resources and decrease the length of service
7 through improved emotional, behavioral, or medical outcomes for
8 children in behavioral rehabilitative services in order to achieve the
9 appropriated levels.

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

13 (b) The department and the contracted provider shall mutually agree
14 and establish an exit date for when the child is to exit the behavioral
15 rehabilitative service provider. The department and the contracted
16 provider should mutually agree, to the greatest extent possible, on a
17 viable placement for the child to go to once the child's treatment
18 process has been completed. The child shall exit only when the
19 emotional, behavioral, or medical condition has improved or if the
20 provider has not shown progress toward the outcomes specified in the
21 signed contract at the time of exit. This subsection (b) does not
22 prevent or eliminate the department's responsibility for removing the
23 child from the provider if the child's emotional, behavioral, or
24 medical condition worsens or is threatened.

25 (c) The department is encouraged to use performance-based contracts
26 with incentives directly tied to outcomes described in this section.
27 The contracts should incentivize contracted providers to accept the
28 hardest to serve children and incentivize improvement in children's
29 emotional, mental, and medical well-being within the established exit
30 date. The department is further encouraged to increase the use of
31 behavioral rehabilitative service group homes, wrap around services to
32 facilitate and support placement of youth at home with relatives, or
33 other permanent resources, and other means to control expenditures.

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

37 (5) Within amounts provided for the foster care and adoption
38 support programs, the department shall control reimbursement decisions

1 for foster care and adoption support cases such that the aggregate
2 average cost per case for foster care and for adoption support does not
3 exceed the amounts assumed in the projected caseload expenditures.

4 (6) \$13,387,000 of the general fund--state appropriation for fiscal
5 year 2011 and \$6,231,000 of the general fund--federal appropriation are
6 provided solely for the department to provide contracted prevention and
7 early intervention services. The legislature recognizes the need for
8 flexibility as the department transitions to performance-based
9 contracts. The following services are included in the prevention and
10 early intervention block grant: Crisis family intervention services,
11 family preservation services, intensive family preservation services,
12 evidence-based programs, public health nurses, and early family support
13 services. The legislature intends for the department to maintain and
14 build on existing evidence-based and research-based programs with the
15 goal of utilizing contracted prevention and intervention services to
16 keep children safe at home and to safely reunify families. Priority
17 shall be given to proven intervention models, including evidence-based
18 prevention and early intervention programs identified by the Washington
19 state institute for public policy and the department. The department
20 shall include information on the number, type, and outcomes of the
21 evidence-based programs being implemented in its reports on child
22 welfare reform efforts and shall provide the legislature and governor
23 a report regarding the allocation of resources in this subsection by
24 September 30, 2010. The department shall expend federal funds under
25 this subsection in compliance with federal regulations.

26 (7) \$36,000 of the general fund--state appropriation for fiscal
27 year 2010, \$34,000 of the general fund--state appropriation for fiscal
28 year 2011, and \$29,000 of the general fund--federal appropriation are
29 provided solely for the implementation of chapter 465, Laws of 2007
30 (child welfare).

31 (8) \$125,000 of the general fund--state appropriation for fiscal
32 year 2010 and \$118,000 of the general fund--state appropriation for
33 fiscal year 2011 are provided solely for continuum of care services.
34 \$100,000 of this amount is for Casey family partners and \$25,000 of
35 this amount is for volunteers of America crosswalk in fiscal year 2010.
36 \$95,000 of this amount is for Casey family partners and \$23,000 of this
37 amount is for volunteers of America crosswalk in fiscal year 2011.

1 (9) \$1,904,000 of the general fund--state appropriation for fiscal
2 year 2010, \$1,441,000 of the general fund--state appropriation for
3 fiscal year 2011, and \$335,000 of the general fund--federal
4 appropriation are provided solely to contract with medical
5 professionals for comprehensive safety assessments of high-risk
6 families and for foster care assessments. The safety assessments will
7 use validated assessment tools to guide intervention decisions through
8 the identification of additional safety and risk factors. The
9 department will maintain the availability of comprehensive foster care
10 assessments and follow up services for children in out-of-home care who
11 do not have permanent plans, comprehensive safety assessments for
12 families receiving in-home child protective services or family
13 voluntary services, and comprehensive safety assessments for families
14 with an infant age birth to fifteen days where the infant was, at
15 birth, diagnosed as substance exposed and the department received an
16 intake referral related to the infant due to the substance exposure.
17 The department must consolidate contracts, streamline administration,
18 and explore efficiencies to achieve savings.

19 (10) \$7,679,000 of the general fund--state appropriation for fiscal
20 year 2010, \$6,226,000 of the general fund--state appropriation for
21 fiscal year 2011, and \$4,658,000 of the general fund--federal
22 appropriation are provided solely for court-ordered supervised visits
23 between parents and dependent children and for sibling visits. The
24 department shall work collaboratively with the juvenile dependency
25 courts and revise the supervised visit reimbursement procedures to stay
26 within appropriations without impeding reunification outcomes between
27 parents and dependent children. The department shall report to the
28 legislative fiscal committees on September 30, 2010, and December 30,
29 2010, the number of children in foster care who receive supervised
30 visits, their frequency, length of time of each visit, and whether
31 reunification is attained.

32 (11) \$145,000 of the general fund--state appropriation for fiscal
33 year 2010, \$817,000 of the general fund--state appropriation for fiscal
34 year 2011, and \$668,000 of the home security fund--state appropriation
35 is provided solely for street youth program services.

36 (12) \$1,522,000 of the general fund--state appropriation for fiscal
37 year 2010, \$1,256,000 of the general fund--state appropriation for
38 fiscal year 2011, and \$1,372,000 of the general fund--federal

1 appropriation are provided solely for the department to recruit foster
2 parents. The recruitment efforts shall include collaborating with
3 community-based organizations and current or former foster parents to
4 recruit foster parents.

5 (13) \$493,000 of the general fund--state appropriation for fiscal
6 year 2010, \$102,000 of the general fund--state appropriation for fiscal
7 year 2011, \$466,000 of the general fund--private/local appropriation,
8 \$182,000 of the general fund--federal appropriation, and \$725,000 of
9 the education legacy trust account--state appropriation are provided
10 solely for children's administration to contract with an educational
11 advocacy provider with expertise in foster care educational outreach.
12 Funding is provided solely for contracted education coordinators to
13 assist foster children in succeeding in K-12 and higher education
14 systems. Funding shall be prioritized to regions with high numbers of
15 foster care youth and/or regions where backlogs of youth that have
16 formerly requested educational outreach services exist. The department
17 shall utilize private matching funds to maintain educational advocacy
18 services.

19 (14) \$1,273,000 of the home security fund account--state
20 appropriation is provided solely for HOPE beds.

21 (15) \$4,234,000 of the home security fund account--state
22 appropriation is provided solely for the crisis residential centers.

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

29 (17) Within the amounts appropriated in this section, the
30 department shall contract for a pilot project with family and community
31 networks in Whatcom county and up to four additional counties to
32 provide services. The pilot project shall be designed to provide a
33 continuum of services that reduce out-of-home placements and the
34 lengths of stay for children in out-of-home placement. The department
35 and the community networks shall collaboratively select the additional
36 counties for the pilot project and shall collaboratively design the
37 contract. Within the framework of the pilot project, the contract
38 shall seek to maximize federal funds. The pilot project in each county

1 shall include the creation of advisory and management teams which
2 include members from neighborhood-based family advisory committees,
3 residents, parents, youth, providers, and local and regional department
4 staff. The Whatcom county team shall facilitate the development of
5 outcome-based protocols and policies for the pilot project and develop
6 a structure to oversee, monitor, and evaluate the results of the pilot
7 projects. The department shall report the costs and savings of the
8 pilot project to the appropriate committees of the legislature by
9 November 1 of each year.

10 (18) \$157,000 of the general fund--state appropriation for fiscal
11 year 2010 and \$78,000 of the general fund--state appropriation for
12 fiscal year 2011 are provided solely for the department to contract
13 with a nonprofit entity for a reunification pilot project in Whatcom
14 and Skagit counties. The contract for the reunification pilot project
15 shall include a rate of \$46.16 per hour for evidence-based
16 interventions, in combination with supervised visits, to provide 3,564
17 hours of services to reduce the length of stay for children in the
18 child welfare system. The contract shall also include evidence-based
19 intensive parenting skills building services and family support case
20 management services for 38 families participating in the reunification
21 pilot project. The contract shall include the flexibility for the
22 nonprofit entity to subcontract with trained providers.

23 (19) \$303,000 of the general fund--state appropriation for fiscal
24 year 2010, \$392,000 of the general fund--state appropriation for fiscal
25 year 2011, and \$241,000 of the general fund--federal appropriation are
26 provided solely to implement Engrossed Substitute House Bill No. 1961
27 (increasing adoptions act). If the bill is not enacted by June 30,
28 2009, the amounts provided in this subsection shall lapse.

29 (20) \$98,000 of the general fund--state appropriation for fiscal
30 year 2010 and \$49,000 of the general fund--state appropriation for
31 fiscal year 2011 are provided solely for the department to contract
32 with an agency that is working in partnership with, and has been
33 evaluated by, the University of Washington school of social work to
34 implement promising practice constellation hub models of foster care
35 support.

36 (21) The legislature intends for the department to reduce the time
37 a child remains in the child welfare system. The department shall
38 establish a measurable goal and report progress toward meeting that

1 goal to the legislature by January 15 of each fiscal year of the
2 2009-11 fiscal biennium. To the extent that actual caseloads exceed
3 those assumed in this section, it is the intent of the legislature to
4 address those issues in a manner similar to all other caseload
5 programs.

6 (22) \$715,000 of the general fund--state appropriation for fiscal
7 year 2010 and \$671,000 of the general fund--state appropriation for
8 fiscal year 2011 are provided solely for services provided through
9 children's advocacy centers.

10 (23) \$10,000 of the general fund--state appropriation for fiscal
11 year 2011 and \$3,000 of the general fund--federal appropriation are
12 provided solely for implementation of chapter 224, Laws of 2010
13 (confinement alternatives). If the bill is not enacted by June 30,
14 2010, the amounts provided in this subsection shall lapse.

15 (24) \$1,867,000 of the general fund--state appropriation for fiscal
16 year 2010, \$1,677,000 of the general fund--state appropriation for
17 fiscal year 2011, and \$4,379,000 of the general fund--federal
18 appropriation are provided solely for the department to contract for
19 medicaid treatment child care (MTCC) services. Children's
20 administration case workers, local public health nurses and case
21 workers from the temporary assistance for needy families program shall
22 refer children to MTCC services, as long as the children meet the
23 eligibility requirements as outlined in the Washington state plan for
24 the MTCC services.

25 (25) The department shall contract for at least one pilot project
26 with adolescent services providers to deliver a continuum of short-term
27 crisis stabilization services. The pilot project shall include
28 adolescent services provided through secure crisis residential centers,
29 crisis residential centers, and hope beds. The department shall work
30 with adolescent service providers to maintain availability of
31 adolescent services and maintain the delivery of services in a
32 geographically representative manner. The department shall examine
33 current staffing requirements, flexible payment options, center-
34 specific licensing waivers, and other appropriate methods to achieve
35 savings and streamline the delivery of services. The legislature
36 intends for the pilot project to provide flexibility to the department
37 to improve outcomes and to achieve more efficient utilization of
38 existing resources, while meeting the statutory goals of the adolescent

1 services programs. The department shall provide an update to the
2 appropriate legislative committees and governor on the status of the
3 pilot project implementation by December 1, 2010.

4 (26) To ensure expenditures remain within available funds
5 appropriated in this section as required by RCW 74.13A.005 and
6 74.13A.020, the secretary shall not set the amount of any adoption
7 assistance payment or payments, made pursuant to RCW 26.33.320 and
8 74.13A.005 through 74.13A.080, to more than ninety percent of the
9 foster care maintenance payment for that child had he or she remained
10 in a foster family home during the same period. This subsection does
11 not apply to adoption assistance agreements in existence on the
12 effective date of this section.

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

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

22 **Sec. 1103.** 2011 c 5 s 202 (uncodified) is amended to read as
23 follows:

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

26	General Fund--State Appropriation (FY 2010)	\$103,437,000
27	General Fund--State Appropriation (FY 2011)	((\$90,240,000))
28		<u>\$89,127,000</u>
29	General Fund--Federal Appropriation	((\$1,715,000))
30		<u>\$1,734,000</u>
31	General Fund--Private/Local Appropriation	((\$1,899,000))
32		<u>\$1,931,000</u>
33	Washington Auto Theft Prevention Authority Account--	
34	State Appropriation	\$3,896,000
35	Juvenile Accountability Incentive Account--Federal	
36	Appropriation	\$2,805,000
37	State Efficiency and Restructuring Account--State	

1	Appropriation	\$4,958,000
2	TOTAL APPROPRIATION	(\$208,950,000)
3		<u>\$207,888,000</u>

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

6 (1) \$353,000 of the general fund--state appropriation for fiscal
7 year 2010 and \$331,000 of the general fund--state appropriation for
8 fiscal year 2011 are provided solely for deposit in the county criminal
9 justice assistance account for costs to the criminal justice system
10 associated with the implementation of chapter 338, Laws of 1997
11 (juvenile code revisions). The amounts provided in this subsection are
12 intended to provide funding for county adult court costs associated
13 with the implementation of chapter 338, Laws of 1997 and shall be
14 distributed in accordance with RCW 82.14.310.

15 (2) \$3,408,000 of the general fund--state appropriation for fiscal
16 year 2010 and \$2,716,000 of the general fund--state appropriation for
17 fiscal year 2011 are provided solely for the implementation of chapter
18 338, Laws of 1997 (juvenile code revisions). The amounts provided in
19 this subsection are intended to provide funding for county impacts
20 associated with the implementation of chapter 338, Laws of 1997 and
21 shall be distributed to counties as prescribed in the current
22 consolidated juvenile services (CJS) formula.

23 (3) \$3,716,000 of the general fund--state appropriation for fiscal
24 year 2010 and \$3,482,000 of the general fund--state appropriation for
25 fiscal year 2011 are provided solely to implement community juvenile
26 accountability grants pursuant to chapter 338, Laws of 1997 (juvenile
27 code revisions). Funds provided in this subsection may be used solely
28 for community juvenile accountability grants, administration of the
29 grants, and evaluations of programs funded by the grants.

30 (4) \$1,427,000 of the general fund--state appropriation for fiscal
31 year 2010 and \$1,130,000 of the general fund--state appropriation for
32 fiscal year 2011 are provided solely to implement alcohol and substance
33 abuse treatment programs for locally committed offenders. The juvenile
34 rehabilitation administration shall award these moneys on a competitive
35 basis to counties that submitted a plan for the provision of services
36 approved by the division of alcohol and substance abuse. The juvenile
37 rehabilitation administration shall develop criteria for evaluation of

1 plans submitted and a timeline for awarding funding and shall assist
2 counties in creating and submitting plans for evaluation.

3 (5) \$3,066,000 of the general fund--state appropriation for fiscal
4 year 2010 and \$2,873,000 of the general fund--state appropriation for
5 fiscal year 2011 are provided solely for grants to county juvenile
6 courts for the following programs identified by the Washington state
7 institute for public policy (institute) in its October 2006 report:
8 "Evidence-Based Public Policy Options to Reduce Future Prison
9 Construction, Criminal Justice Costs and Crime Rates": Functional
10 family therapy, multi-systemic therapy, aggression replacement training
11 and interagency coordination programs, or other programs with a
12 positive benefit-cost finding in the institute's report. County
13 juvenile courts shall apply to the juvenile rehabilitation
14 administration for funding for program-specific participation and the
15 administration shall provide grants to the courts consistent with the
16 per-participant treatment costs identified by the institute.

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

29 (7)(a) For the fiscal year ending June 30, 2011, the juvenile
30 rehabilitation administration shall administer a block grant, rather
31 than categorical funding, of consolidated juvenile service funds,
32 community juvenile accountability act grants, the chemical dependency
33 disposition alternative funds, the mental health disposition
34 alternative, and the sentencing disposition alternative for the purpose
35 of serving youth adjudicated in the juvenile justice system. In making
36 the block grant, the juvenile rehabilitation administration shall
37 follow the following formula and will prioritize evidence-based
38 programs and disposition alternatives and take into account juvenile

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

19 (b) It is the intent of the legislature that the juvenile
20 rehabilitation administration phase the implementation of the formula
21 provided in subsection (1) of this section by including a stop-loss
22 formula of three percent in fiscal year 2011, five percent in fiscal
23 year 2012, and five percent in fiscal year 2013. It is further the
24 intent of the legislature that the evidence-based expansion grants be
25 incorporated into the block grant formula by fiscal year 2013 and SSODA
26 remain separate unless changes would result in increasing the cost
27 benefit savings to the state as identified in (c) of this subsection.

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

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

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

33 (e) By December 1, 2010, the Washington state institute for public
34 policy shall report to the office of financial management and
35 appropriate committees of the legislature on the administration of the
36 block grant authorized in this subsection. The report shall include
37 the criteria used for allocating the funding as a block grant and the

1 participation targets and actual participation in the programs subject
2 to the block grant.

3 (8) \$3,700,000 of the Washington auto theft prevention authority
4 account--state appropriation is provided solely for competitive grants
5 to community-based organizations to provide at-risk youth intervention
6 services, including but not limited to, case management, employment
7 services, educational services, and street outreach intervention
8 programs. Projects funded should focus on preventing, intervening, and
9 suppressing behavioral problems and violence while linking at-risk
10 youth to pro-social activities. The department may not expend more
11 than \$1,850,000 per fiscal year. The costs of administration must not
12 exceed four percent of appropriated funding for each grant recipient.
13 Each entity receiving funds must report to the juvenile rehabilitation
14 administration on the number and types of youth served, the services
15 provided, and the impact of those services upon the youth and the
16 community.

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

24 **Sec. 1104.** 2011 c 5 s 203 (uncodified) is amended to read as
25 follows:

26 **FOR THE DEPARTMENT OF SOCIAL AND HEALTH SERVICES--MENTAL HEALTH**
27 **PROGRAM**

28 (1) COMMUNITY SERVICES/REGIONAL SUPPORT NETWORKS

29	General Fund--State Appropriation (FY 2010)	\$273,648,000
30	General Fund--State Appropriation (FY 2011)	(\$263,993,000)
31		<u>\$271,260,000</u>
32	General Fund--Federal Appropriation	(\$520,024,000)
33		<u>\$513,373,000</u>
34	General Fund--Private/Local Appropriation	\$16,951,000
35	Hospital Safety Net Assessment Fund--State	
36	Appropriation	\$3,476,000
37	TOTAL APPROPRIATION	(\$1,078,092,000)

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

(a) \$113,689,000 of the general fund--state appropriation for fiscal year 2010 and \$101,089,000 of the general fund--state appropriation for fiscal year 2011 are provided solely for persons and services not covered by the medicaid program. This is a reduction of \$11,606,000 each fiscal year from the nonmedicaid funding that was allocated for expenditure by regional support networks during fiscal year 2009 prior to supplemental budget reductions. This \$11,606,000 reduction shall be distributed among regional support networks proportional to each network's share of the total state population. To the extent possible, levels of regional support network spending shall be maintained in the following priority order: (i) Crisis and commitment services; (ii) community inpatient services; and (iii) residential care services, including personal care and emergency housing assistance.

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

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

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

1 networks at western state hospital shall be 617 per day during the
2 first quarter of fiscal year 2010, 587 per day through the second
3 quarter of fiscal year 2011, and 557 per day thereafter. Beds in the
4 program for adaptive living skills (PALS) are not included in the
5 preceding bed allocations. The department shall separately charge
6 regional support networks for persons served in the PALS program.

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

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

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

22 (h) \$750,000 of the general fund--state appropriation for fiscal
23 year 2010 and \$703,000 of the general fund--state appropriation for
24 fiscal year 2011 are provided solely to continue performance-based
25 incentive contracts to provide appropriate community support services
26 for individuals with severe mental illness who were discharged from the
27 state hospitals as part of the expanding community services initiative.
28 These funds will be used to enhance community residential and support
29 services provided by regional support networks through other state and
30 federal funding.

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

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

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

4 (iii) Mental health services provided in nursing facilities to
5 individuals with dementia, and consultation to facility staff treating
6 those individuals; and

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

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

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

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

34 (l) In developing the new medicaid managed care rates under which
35 the public mental health managed care system will operate during the
36 five years beginning in fiscal year 2011, the department should seek to
37 estimate the reasonable and necessary cost of efficiently and
38 effectively providing a comparable set of medically necessary mental

1 health benefits to persons of different acuity levels regardless of
2 where in the state they live. Actual prior period spending in a
3 regional administrative area shall not be a key determinant of future
4 payment rates. The department shall report to the office of financial
5 management and to the relevant fiscal and policy committees of the
6 legislature on its proposed new waiver and mental health managed care
7 rate-setting approach by October 1, 2009, and again at least sixty days
8 prior to implementation of new capitation rates.

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

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

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

1 as client scheduling, client intake, client reception, client records-
2 keeping, and facilities maintenance.

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

15 (2) INSTITUTIONAL SERVICES

16	General Fund--State Appropriation (FY 2010)	\$119,423,000
17	General Fund--State Appropriation (FY 2011)	((\$112,514,000))
18		<u>\$111,365,000</u>
19	General Fund--Federal Appropriation	((\$152,195,000))
20		<u>\$154,399,000</u>
21	General Fund--Private/Local Appropriation	((\$63,873,000))
22		<u>\$64,789,000</u>
23	TOTAL APPROPRIATION	((\$448,005,000))
24		<u>\$449,976,000</u>

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

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

30 (b) \$231,000 of the general fund--state appropriation for fiscal
31 year 2008 and \$216,000 of the general fund--state appropriation for
32 fiscal year 2009 are provided solely for a community partnership
33 between western state hospital and the city of Lakewood to support
34 community policing efforts in the Lakewood community surrounding
35 western state hospital. The amounts provided in this subsection (2)(b)
36 are for the salaries, benefits, supplies, and equipment for one full-
37 time investigator, one full-time police officer, and one full-time
38 community service officer at the city of Lakewood.

1 (c) \$45,000 of the general fund--state appropriation for fiscal
2 year 2010 and \$42,000 of the general fund--state appropriation for
3 fiscal year 2011 are provided solely for payment to the city of
4 Lakewood for police services provided by the city at western state
5 hospital and adjacent areas.

6 (d) \$187,000 of the general fund--state appropriation for fiscal
7 year 2011 is provided solely for support of the psychiatric security
8 review panel established pursuant to Senate Bill No. 6610. If Senate
9 Bill No. 6610 is not enacted by June 30, 2010, the amount provided in
10 this subsection shall lapse.

11 (3) SPECIAL PROJECTS

12 General Fund--State Appropriation (FY 2010)	\$1,819,000
13 General Fund--State Appropriation (FY 2011)	\$1,961,000
14 General Fund--Federal Appropriation	(\$2,142,000)
15	<u>\$2,538,000</u>
16 TOTAL APPROPRIATION	(\$5,922,000)
17	<u>\$6,318,000</u>

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

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

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

29 (c) \$56,000 of the general fund--state appropriation for fiscal
30 year 2011 is provided solely for the department to contract with the
31 Washington state institute for public policy for completion of the
32 research reviews to be conducted in accordance with chapter 263, Laws
33 of 2010.

34 (d) \$56,000 of the general fund--state appropriation for fiscal
35 year 2011 is provided solely for the department to contract with the
36 Washington state institute for public policy for completion of the
37 research reviews to be conducted in accordance with section 1, chapter
38 280, Laws of 2010.

1 (e) \$56,000 of the general fund--state appropriation for fiscal
 2 year 2011 is provided solely for implementation of sections 2 and 3,
 3 chapter 280, Laws of 2010. The department shall use these funds to
 4 contract with the Washington state institute for public policy for
 5 completion of an assessment of (i) the extent to which the number of
 6 persons involuntarily committed for 3, 14, and 90 days is likely to
 7 increase as a result of the revised commitment standards; (ii) the
 8 availability of community treatment capacity to accommodate that
 9 increase; (iii) strategies for cost-effectively leveraging state,
 10 local, and private resources to increase community involuntary
 11 treatment capacity; and (iv) the extent to which increases in
 12 involuntary commitments are likely to be offset by reduced utilization
 13 of correctional facilities, publicly-funded medical care, and state
 14 psychiatric hospitalizations.

15 (4) PROGRAM SUPPORT

16	General Fund--State Appropriation (FY 2010)	\$4,078,000
17	General Fund--State Appropriation (FY 2011)	(\$3,722,000)
18		<u>\$4,002,000</u>
19	General Fund--Federal Appropriation	(\$7,207,000)
20		<u>\$6,920,000</u>
21	TOTAL APPROPRIATION	(\$15,007,000)
22		<u>\$15,000,000</u>

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

31 **Sec. 1105.** 2011 c 5 s 204 (uncodified) is amended to read as
 32 follows:

33 **FOR THE DEPARTMENT OF SOCIAL AND HEALTH SERVICES--DEVELOPMENTAL**
 34 **DISABILITIES PROGRAM**

35 (1) COMMUNITY SERVICES

36	General Fund--State Appropriation (FY 2010)	\$307,348,000
37	General Fund--State Appropriation (FY 2011)	(\$321,752,000)

1		<u>\$329,639,000</u>
2	General Fund--Federal Appropriation	((\$890,274,000))
3		<u>\$870,232,000</u>
4	TOTAL APPROPRIATION	((\$1,519,374,000))
5		<u>\$1,507,219,000</u>

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

8 (a) Individuals receiving services as supplemental security income
9 (SSI) state supplemental payments shall not become eligible for medical
10 assistance under RCW 74.09.510 due solely to the receipt of SSI state
11 supplemental payments.

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

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

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

36 (d) \$302,000 of the general fund--state appropriation for fiscal
37 year 2010, \$831,000 of the general fund--state appropriation for fiscal
38 year 2011, and \$1,592,000 of the general fund--federal appropriation

1 are provided solely for health care benefits pursuant to a collective
2 bargaining agreement negotiated with the exclusive bargaining
3 representative of individual providers established under RCW
4 74.39A.270.

5 (e)(i) \$682,000 of the general fund--state appropriation for fiscal
6 year 2010, \$1,651,000 of the general fund--state appropriation for
7 fiscal year 2011, and \$1,678,000 of the general fund--federal
8 appropriation are provided solely for the state's contribution to the
9 training partnership, as provided in RCW 74.39A.360, pursuant to a
10 collective bargaining agreement negotiated with the exclusive
11 bargaining representative of individual providers established under RCW
12 74.39A.270.

13 (ii) The federal portion of the amounts in this subsection (~~((g))~~)
14 is contingent upon federal approval of participation in contributions
15 to the trust and shall remain unallotted and placed in reserve status
16 until the office of financial management and the department of social
17 and health services receive federal approval.

18 (iii) Expenditures for the purposes specified in this subsection
19 (~~((g))~~) shall not exceed the amounts provided in this subsection.

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

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

37 (h) The department shall not pay a home care agency licensed under

1 chapter 70.127 RCW for personal care services provided by a family
2 member, pursuant to Substitute House Bill No. 2361 (modifying state
3 payments for in-home care).

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

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

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

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

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

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

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

34 (l) \$116,000 of the general fund--state appropriation for fiscal
35 year 2010, \$2,133,000 of the general fund--state appropriation for
36 fiscal year 2011, and \$1,772,000 of the general fund--federal
37 appropriation are provided solely for employment services and required
38 waiver services. Priority consideration for this new funding shall be

1 young adults with developmental disabilities living with their family
2 who need employment opportunities and assistance after high school
3 graduation. Services shall be provided for both waiver and nonwaiver
4 clients.

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

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

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

20 (2) INSTITUTIONAL SERVICES

21	General Fund--State Appropriation (FY 2010)	\$61,422,000
22	General Fund--State Appropriation (FY 2011)	(\$62,551,000)
23		<u>\$66,554,000</u>
24	General Fund--Federal Appropriation	(\$205,440,000)
25		<u>\$200,262,000</u>
26	General Fund--Private/Local Appropriation	(\$22,357,000)
27		<u>\$22,657,000</u>
28	TOTAL APPROPRIATION	(\$351,770,000)
29		<u>\$350,895,000</u>

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

32 (a) Individuals receiving services as supplemental security income
33 (SSI) state supplemental payments shall not become eligible for medical
34 assistance under RCW 74.09.510 due solely to the receipt of SSI state
35 supplemental payments.

36 (b) The developmental disabilities program is authorized to use
37 funds appropriated in this subsection to purchase goods and supplies

1 through direct contracting with vendors when the program determines it
2 is cost-effective to do so.

3 (c) \$721,000 of the general fund--state appropriation for fiscal
4 year 2010 and \$721,000 of the general fund--state appropriation for
5 fiscal year 2011 are provided solely for the department to fulfill its
6 contracts with the school districts under chapter 28A.190 RCW to
7 provide transportation, building space, and other support services as
8 are reasonably necessary to support the educational programs of
9 students living in residential habilitation centers.

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

16 (3) PROGRAM SUPPORT

17	General Fund--State Appropriation (FY 2010)	\$1,407,000
18	General Fund--State Appropriation (FY 2011)	\$1,341,000
19	General Fund--Federal Appropriation	(\$1,263,000)
20		<u>\$1,277,000</u>
21	TOTAL APPROPRIATION	(\$4,011,000)
22		<u>\$4,025,000</u>

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

30 (4) SPECIAL PROJECTS

31	General Fund--Federal Appropriation	(\$10,171,000)
32		<u>\$10,157,000</u>

33 The appropriation in this subsection is subject to the following
34 conditions and limitations: The appropriations in this subsection are
35 available solely for the infant toddler early intervention program and
36 the money follows the person program as defined by this federal grant.

1 **Sec. 1106.** 2011 c 5 s 205 (uncodified) is amended to read as
2 follows:

3 **FOR THE DEPARTMENT OF SOCIAL AND HEALTH SERVICES--AGING AND ADULT**
4 **SERVICES PROGRAM**

5	General Fund--State Appropriation (FY 2010)	\$616,837,000
6	General Fund--State Appropriation (FY 2011)	((\$606,962,000))
7		<u>\$647,131,000</u>
8	General Fund--Federal Appropriation	((\$1,917,607,000))
9		<u>\$1,922,938,000</u>
10	General Fund--Private/Local Appropriation	\$18,013,000
11	Traumatic Brain Injury Account--State Appropriation	\$4,136,000
12	<u>Skilled Nursing Facility Safety Net Assessment</u>	
13	<u>Fund--State Appropriation</u>	<u>\$13,988,000</u>
14	TOTAL APPROPRIATION	((\$3,163,555,000))
15		<u>\$3,223,043,000</u>

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

18 (1) For purposes of implementing chapter 74.46 RCW, the weighted
19 average nursing facility payment rate shall not exceed \$169.85 for
20 fiscal year 2010 and shall not exceed ((~~\$161.86~~)) \$167.02 for fiscal
21 year 2011, including the rate add-on described in subsection (12) of
22 this section. There will be no adjustments for economic trends and
23 conditions in fiscal years 2010 and 2011. The economic trends and
24 conditions factor or factors defined in the biennial appropriations act
25 shall not be compounded with the economic trends and conditions factor
26 or factors defined in any other biennial appropriations acts before
27 applying it to the component rate allocations established in accordance
28 with chapter 74.46 RCW. When no economic trends and conditions factor
29 for either fiscal year is defined in a biennial appropriations act, no
30 economic trends and conditions factor or factors defined in any earlier
31 biennial appropriations act shall be applied solely or compounded to
32 the component rate allocations established in accordance with chapter
33 74.46 RCW.

34 (a) \$2,093,000 of the skilled nursing facility safety net
35 assessment fund--state appropriation and \$2,609,000 of the general
36 fund--federal appropriation are provided solely for an acuity based
37 add-on to the direct care rate. The department shall determine the
38 resident acuity add-on pursuant to House Bill No. 1722 or Substitute

1 Senate Bill No. 5581 (nursing home safety net assessment) using a nine
2 percent add-on for facilities in the highest acuity quartile, a six
3 percent add-on for facilities in the next quartile, three percent for
4 facilities in the next quartile, and a negative one percent add-on for
5 facilities in the lowest acuity quartile. If House Bill No. 1722 or
6 Substitute Senate Bill No. 5581 (nursing home safety net assessment) is
7 not enacted, the amounts provided in this subsection shall lapse. For
8 fiscal year 2011, this add-on shall not be included in the rate limit
9 specified in this subsection and shall not be included in settlement
10 calculations for calendar year 2011.

11 (b) \$844,000 of the skilled nursing facility safety net assessment
12 fund--state appropriation and \$1,053,000 of the general fund--federal
13 appropriation are provided solely for a rate enhancement available to
14 all nursing facilities participating in the state's medicaid program.
15 The add-on shall be calculated as follows: Seven percent add-on to the
16 direct care rate, three percent add-on to the therapy care rate, and
17 five percent add-on to each of the support services, and operations
18 components. If House Bill No. 1722 or Substitute Senate Bill No. 5581
19 (nursing home safety net assessment) is not enacted, the amounts
20 provided in this subsection shall lapse. For fiscal year 2011, this
21 add-on shall not be included in the rate limit specified in this
22 subsection and shall not be included in settlement calculations for
23 calendar year 2011.

24 (c) The rate add-ons provided in (a) and (b) of this subsection are
25 discretionary and are provided in addition to the base nursing facility
26 rate. The legislature has examined actual nursing facility cost
27 information and finds that the nursing facility rates funded pursuant
28 to the budget dials specified in (a) of this subsection are sufficient
29 to reimburse efficient and economically operating homes. The
30 legislature's choice to fund the add-ons specified in (a) and (b) of
31 this subsection in any year is not indicative of an obligation to fund
32 the add-ons in any subsequent year.

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

1 (3) In accordance with chapter 74.46 RCW, the department shall
2 issue no additional certificates of capital authorization for fiscal
3 year 2010 and no new certificates of capital authorization for fiscal
4 year 2011 and shall grant no rate add-ons to payment rates for capital
5 improvements not requiring a certificate of need and a certificate of
6 capital authorization for fiscal year 2011.

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

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

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

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

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

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

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

1 (b) \$3,070,000 of the general fund--state appropriation for fiscal
2 year 2011 and \$4,980,000 of the general fund--federal appropriation are
3 provided solely for the department to partially restore the reduction
4 to in-home care that are taken in (a) of this subsection. The
5 department will use the same formula to restore personal care hours
6 that it used to reduce personal care hours.

7 (7) \$536,000 of the general fund--state appropriation for fiscal
8 year 2010, \$1,477,000 of the general fund--state appropriation for
9 fiscal year 2011, and \$2,830,000 of the general fund--federal
10 appropriation are provided solely for health care benefits pursuant to
11 a collective bargaining agreement negotiated with the exclusive
12 bargaining representative of individual providers established under RCW
13 74.39A.270.

14 (8)(a) \$1,212,000 of the general fund--state appropriation for
15 fiscal year 2010, \$2,934,000 of the general fund--state appropriation
16 for fiscal year 2011, and \$2,982,000 of the general fund--federal
17 appropriation are provided solely for the state's contribution to the
18 training partnership, as provided in RCW 74.39A.360, pursuant to a
19 collective bargaining agreement negotiated with the exclusive
20 bargaining representative of individual providers established under RCW
21 74.39A.270.

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

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

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

1 (9) Within the amounts appropriated in this section, the department
2 may expand the new freedom waiver program to accommodate new waiver
3 recipients throughout the state. As possible, and in compliance with
4 current state and federal laws, the department shall allow current
5 waiver recipients to transfer to the new freedom waiver.

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

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

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

37 (13) \$1,840,000 of the general fund--state appropriation for fiscal
38 year 2010 and \$1,759,000 of the general fund--state appropriation for

1 fiscal year 2011 are provided solely for operation of the volunteer
2 services program. Funding shall be prioritized towards serving
3 populations traditionally served by long-term care services to include
4 senior citizens and persons with disabilities.

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

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

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

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

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

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

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

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

36 (18) \$209,000 of the general fund--state appropriation for fiscal
37 year 2010, \$732,000 of the general fund--state appropriation for fiscal
38 year 2011, and \$1,293,000 of the general fund--federal appropriation

1 are provided solely to implement Engrossed House Bill No. 2194
2 (extraordinary medical placement for offenders). The department shall
3 work in partnership with the department of corrections to identify
4 services and find placements for offenders who are released through the
5 extraordinary medical placement program. The department shall
6 collaborate with the department of corrections to identify and track
7 cost savings to the department of corrections, including medical cost
8 savings and to identify and track expenditures incurred by the aging
9 and disability services program for community services and by the
10 medical assistance program for medical expenses. A joint report
11 regarding the identified savings and expenditures shall be provided to
12 the office of financial management and the appropriate fiscal
13 committees of the legislature by November 30, 2010. If this bill is
14 not enacted by June 30, 2009, the amounts provided in this subsection
15 shall lapse.

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

20 (a) \$1,035,000 of the general fund--private/local appropriation
21 assumes that the current annual renewal license fee for nursing
22 facilities shall be increased to \$327 per bed beginning in fiscal year
23 2011.

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

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

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

1 (22) For calendar year 2009, the department shall calculate split
2 settlements covering two periods January 1, 2009, through June 30,
3 2009, and July 1, 2009, through December 31, 2009. For the second
4 period beginning July 1, 2009, the department may partially or totally
5 waive settlements only in specific cases where a nursing home can
6 demonstrate significant decreases in costs from the first period.

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

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

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

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

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

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

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

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

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

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

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

26 **Sec. 1107.** 2011 c 5 s 206 (uncodified) is amended to read as
27 follows:

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

30	General Fund--State Appropriation (FY 2010)	\$564,242,000
31	General Fund--State Appropriation (FY 2011)	((\$540,549,000))
32		<u>\$567,683,000</u>
33	General Fund--Federal Appropriation	((\$1,219,423,000))
34		<u>\$1,268,032,000</u>
35	General Fund--Private/Local Appropriation	\$37,816,000
36	Administrative Contingency Account--State	
37	Appropriation	\$24,336,000

1 TOTAL APPROPRIATION ((~~\$2,386,366,000~~))
2 \$2,462,109,000

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

5 (1) \$303,393,000 of the general fund--state appropriation for
6 fiscal year 2010, ((~~\$285,057,000~~)) \$285,699,000 of the general fund--
7 state appropriation for fiscal year 2011 net of child support pass-
8 through recoveries, \$24,336,000 of the administrative contingency
9 account--state appropriation, and ((~~\$778,606,000~~)) \$863,146,000 of the
10 general fund--federal appropriation are provided solely for all
11 components of the WorkFirst program. The department shall use moneys
12 from the administrative contingency account for WorkFirst job placement
13 services provided by the employment security department. Within the
14 amounts provided for the WorkFirst program, the department may provide
15 assistance using state-only funds for families eligible for temporary
16 assistance for needy families. In addition, within the amounts
17 provided for WorkFirst the department shall:

18 (a) ((~~Establish a career services work transition program;~~
19 ~~(b)~~)) Continue to implement WorkFirst program improvements that are

20 designed to achieve progress against outcome measures specified in RCW
21 74.08A.410. Outcome data regarding job retention and wage progression
22 shall be reported quarterly to appropriate fiscal and policy committees
23 of the legislature for families who leave assistance, measured after 12
24 months, 24 months, and 36 months. The department shall also report the
25 percentage of families who have returned to temporary assistance for
26 needy families after 12 months, 24 months, and 36 months;

27 ((~~(e)~~)) (b) Submit a report electronically by October 1, 2009, to
28 the fiscal committees of the legislature containing a spending plan for
29 the WorkFirst program. The plan shall identify how spending levels in
30 the 2009-2011 biennium will be adjusted to stay within available
31 federal grant levels and the appropriated state-fund levels;

32 ((~~(d)~~)) (c) Provide quarterly fiscal reports to the office of
33 financial management and the legislative fiscal committees detailing
34 information on the amount expended from general fund--state and general
35 fund--federal by activity.

36 (2) The department may establish a career services work transition
37 program.

1 (3) The department and the office of financial management shall
2 electronically report quarterly the expenditures, maintenance of effort
3 allotments, expenditure amounts, and caseloads for the WorkFirst
4 program to the legislative fiscal committees.

5 (~~(+3)~~) (4) \$16,783,000 of the general fund--state appropriation
6 for fiscal year 2011 and (~~(\$62,000,000)~~) \$19,027,000 of the general
7 fund--federal appropriation are provided solely for all components of
8 the WorkFirst program in order to maintain services to January 2011.
9 The legislature intends to work with the governor to design and
10 implement fiscal and programmatic modifications to provide for the
11 sustainability of the program. The funding in this subsection assumes
12 that no other expenditure reductions will be made prior to January 2011
13 other than those assumed in the appropriation levels in this act.

14 (~~(+4)~~) (5) \$94,322,000 of the general fund--state appropriation
15 for fiscal year 2010 and (~~(\$76,979,000)~~) \$94,104,000 of the general
16 fund--state appropriation for fiscal year 2011, net of recoveries, are
17 provided solely for cash assistance and other services to recipients in
18 the cash program pursuant to chapter 8, Laws of 2010 1st sp. sess.
19 (security lifeline act), including persons in the unemployable,
20 expedited, and aged, blind, and disabled components of the program. It
21 is the intent of the legislature that the lifeline incapacity
22 determination and progressive evaluation process regulations be
23 carefully designed to accurately identify those persons who have been
24 or will be incapacitated for at least ninety days. The incapacity
25 determination and progressive evaluation process regulations in effect
26 on January 1, 2010, cannot be amended until at least September 30,
27 2010; except that provisions related to the use of administrative
28 review teams may be amended, and obsolete terminology and functional
29 assessment language may be updated on or after July 1, 2010, in a
30 manner that only minimally impacts the outcome of incapacity
31 evaluations. After September 30, 2010, the incapacity determination
32 and progressive evaluation process regulations may be amended only if
33 the reports under (a) and (b) of this subsection have been submitted,
34 and find that expenditures will exceed the appropriated level by three
35 percent or more.

36 (a) The department and the caseload forecast council shall, by
37 September 21, 2010, submit a report to the legislature based upon the
38 most recent caseload forecast and actual expenditure data available, as

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

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

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

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

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

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

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

33 (c) Within these amounts:

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

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

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

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

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

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

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

36 ~~((+5))~~ (6) \$750,000 of the general fund--state appropriation for
37 fiscal year 2010 and \$500,000 of the general fund--state appropriation
38 for fiscal year 2011 are provided solely for naturalization services.

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

10 (~~(7)~~) (8) The appropriations in this section reflect reductions
11 in the appropriations for the economic services administration's
12 administrative expenses. It is the intent of the legislature that
13 these reductions shall be achieved, to the greatest extent possible, by
14 reducing those administrative costs that do not affect direct client
15 services or direct service delivery or program.

16 (~~(8)~~) (9) \$855,000 of the general fund--state appropriation for
17 fiscal year 2011, \$719,000 of the general fund--federal appropriation,
18 and \$2,907,000 of the general fund--private/local appropriation are
19 provided solely for the implementation of the opportunity portal, the
20 food stamp employment and training program, and the disability lifeline
21 program under Second Substitute House Bill No. 2782 (security lifeline
22 act). If the bill is not enacted by June 30, 2010, the amounts
23 provided in this subsection shall lapse.

24 (~~(9)~~) (10) \$100,000 of the general fund--state appropriation for
25 fiscal year 2011 is provided solely for the department to award grants
26 to small mutual assistance or small community-based organizations that
27 contract with the department for immigrant and refugee assistance
28 services. The funds shall be awarded to provide funding for community
29 groups to provide transitional assistance, language skills, and other
30 resources to improve refugees' economic self-sufficiency through the
31 effective use of social services, financial services, and medical
32 assistance.

33 (~~(10)~~) (11) To ensure expenditures remain within available funds
34 appropriated in this section, the legislature establishes the benefit
35 under the state food assistance program, made pursuant to RCW
36 74.08A.120, to be fifty percent of the federal supplemental nutrition
37 assistance program benefit amount.

1 **Sec. 1108.** 2011 c 5 s 207 (uncodified) is amended to read as
2 follows:

3 **FOR THE DEPARTMENT OF SOCIAL AND HEALTH SERVICES--ALCOHOL AND**
4 **SUBSTANCE ABUSE PROGRAM**

5	General Fund--State Appropriation (FY 2010)	\$81,982,000
6	General Fund--State Appropriation (FY 2011)	(\$77,065,000)
7		<u>\$77,818,000</u>
8	General Fund--Federal Appropriation	(\$151,574,000)
9		<u>\$152,619,000</u>
10	General Fund--Private/Local Appropriation	\$2,718,000
11	Criminal Justice Treatment Account--State	
12	Appropriation	\$17,743,000
13	Problem Gambling Account--State Appropriation	\$1,456,000
14	TOTAL APPROPRIATION	(\$332,538,000)
15		<u>\$334,336,000</u>

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

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

23 (2) Within the amounts appropriated in this section, the department
24 shall continue to provide for chemical dependency treatment services
25 for adult medicaid eligible and general assistance-unemployable
26 patients.

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

33 (4) Funding is provided for the implementation of the lifeline
34 program under Second Substitute House Bill No. 2782 (security lifeline
35 act). If the bill is not enacted by June 30, 2010, the amount provided
36 in this subsection shall lapse.

37 (5) \$3,500,000 of the general fund--federal appropriation (from the

1 substance abuse prevention and treatment federal block grant) is
2 provided solely for the continued funding of existing county drug and
3 alcohol use prevention programs.

4 **Sec. 1109.** 2011 c 5 s 208 (uncodified) is amended to read as
5 follows:

6 **FOR THE DEPARTMENT OF SOCIAL AND HEALTH SERVICES--MEDICAL ASSISTANCE**
7 **PROGRAM**

8	General Fund--State Appropriation (FY 2010)	\$1,697,203,000
9	General Fund--State Appropriation (FY 2011)	((\$1,737,303,000))
10		<u>\$1,816,016,000</u>
11	General Fund--Federal Appropriation	((\$6,047,405,000))
12		<u>\$5,901,950,000</u>
13	General Fund--Private/Local Appropriation	((\$38,509,000))
14		<u>\$37,397,000</u>
15	Emergency Medical Services and Trauma Care Systems	
16	Trust Account--State Appropriation	\$15,075,000
17	Tobacco Prevention and Control Account--	
18	State Appropriation	((\$4,464,000))
19		<u>\$3,798,000</u>
20	Hospital Safety Net Assessment Fund--State	
21	Appropriation	((\$260,057,000))
22		<u>\$254,974,000</u>
23	TOTAL APPROPRIATION	((\$9,800,016,000))
24		<u>\$9,726,413,000</u>

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

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

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

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

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

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

31 (6) \$649,000 of the general fund--federal appropriation and
32 \$644,000 of the general fund--state appropriation for fiscal year 2011
33 are provided solely for grants to rural hospitals. The department
34 shall distribute the funds under a formula that provides a relatively
35 larger share of the available funding to hospitals that (a) serve a
36 disproportionate share of low-income and medically indigent patients,
37 and (b) have relatively smaller net financial margins, to the extent
38 allowed by the federal medicaid program.

1 (7) \$5,729,000 of the general fund--state appropriation for fiscal
2 year 2011, and \$5,776,000 of the general fund--federal appropriation
3 are provided solely for grants to nonrural hospitals. The department
4 shall distribute the funds under a formula that provides a relatively
5 larger share of the available funding to hospitals that (a) serve a
6 disproportionate share of low-income and medically indigent patients,
7 and (b) have relatively smaller net financial margins, to the extent
8 allowed by the federal medicaid program.

9 (8) The department shall continue the inpatient hospital certified
10 public expenditures program for the 2009-11 biennium. The program
11 shall apply to all public hospitals, including those owned or operated
12 by the state, except those classified as critical access hospitals or
13 state psychiatric institutions. The department shall submit reports to
14 the governor and legislature by November 1, 2009, and by November 1,
15 2010, that evaluate whether savings continue to exceed costs for this
16 program. If the certified public expenditures (CPE) program in its
17 current form is no longer cost-effective to maintain, the department
18 shall submit a report to the governor and legislature detailing
19 cost-effective alternative uses of local, state, and federal resources
20 as a replacement for this program. During fiscal year 2010 and fiscal
21 year 2011, hospitals in the program shall be paid and shall retain one
22 hundred percent of the federal portion of the allowable hospital cost
23 for each medicaid inpatient fee-for-service claim payable by medical
24 assistance and one hundred percent of the federal portion of the
25 maximum disproportionate share hospital payment allowable under federal
26 regulations. Inpatient medicaid payments shall be established using an
27 allowable methodology that approximates the cost of claims submitted by
28 the hospitals. Payments made to each hospital in the program in each
29 fiscal year of the biennium shall be compared to a baseline amount.
30 The baseline amount will be determined by the total of (a) the
31 inpatient claim payment amounts that would have been paid during the
32 fiscal year had the hospital not been in the CPE program based on the
33 reimbursement rates developed, implemented, and consistent with
34 policies approved in the 2009-11 biennial operating appropriations act
35 (chapter 564, Laws of 2009) and in effect on July 1, 2009, (b) one half
36 of the indigent assistance disproportionate share hospital payment
37 amounts paid to and retained by each hospital during fiscal year 2005,
38 and (c) all of the other disproportionate share hospital payment

1 amounts paid to and retained by each hospital during fiscal year 2005
2 to the extent the same disproportionate share hospital programs exist
3 in the 2009-11 biennium. If payments during the fiscal year exceed the
4 hospital's baseline amount, no additional payments will be made to the
5 hospital except the federal portion of allowable disproportionate share
6 hospital payments for which the hospital can certify allowable match.
7 If payments during the fiscal year are less than the baseline amount,
8 the hospital will be paid a state grant equal to the difference between
9 payments during the fiscal year and the applicable baseline amount.
10 Payment of the state grant shall be made in the applicable fiscal year
11 and distributed in monthly payments. The grants will be recalculated
12 and redistributed as the baseline is updated during the fiscal year.
13 The grant payments are subject to an interim settlement within eleven
14 months after the end of the fiscal year. A final settlement shall be
15 performed. To the extent that either settlement determines that a
16 hospital has received funds in excess of what it would have received as
17 described in this subsection, the hospital must repay the excess
18 amounts to the state when requested. \$20,403,000 of the general
19 fund--state appropriation for fiscal year 2010, of which \$6,570,000 is
20 appropriated in section ((204(1))) 1104(1) of this act, and
21 ((\$29,480,000)) \$15,113,000 of the general fund--state appropriation
22 for fiscal year 2011, of which \$6,570,000 is appropriated in section
23 ((204(1))) 1104(1) of this act, are provided solely for state grants
24 for the participating hospitals. CPE hospitals will receive the
25 inpatient and outpatient reimbursement rate restorations in section 9
26 and rate increases in section 10(1)(b) of Engrossed Second Substitute
27 House Bill No. 2956 (hospital safety net assessment) funded through the
28 hospital safety net assessment fund rather than through the baseline
29 mechanism specified in this subsection.

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

33 (10) \$93,000 of the general fund--state appropriation for fiscal
34 year 2010 and \$93,000 of the general fund--federal appropriation are
35 provided solely for the department to pursue a federal Medicaid waiver
36 pursuant to Second Substitute Senate Bill No. 5945 (Washington health
37 partnership plan). If the bill is not enacted by June 30, 2009, the
38 amounts provided in this subsection shall lapse.

1 (11) The department shall require managed health care systems that
2 have contracts with the department to serve medical assistance clients
3 to limit any reimbursements or payments the systems make to providers
4 not employed by or under contract with the systems to no more than the
5 medical assistance rates paid by the department to providers for
6 comparable services rendered to clients in the fee-for-service delivery
7 system.

8 (12) A maximum of (~~(\$241,141,000)~~) \$247,809,000 in total funds from
9 the general fund--state, general fund--federal, and tobacco and
10 prevention control account--state appropriations may be expended in the
11 fiscal biennium for the medical program pursuant to chapter 8, Laws of
12 2010 1st sp. sess. (security lifeline act), and these amounts are
13 provided solely for this program. Of these amounts, \$10,749,000 of the
14 general fund--state appropriation for fiscal year 2010 and \$10,892,000
15 of the general fund--federal appropriation are provided solely for
16 payments to hospitals for providing outpatient services to low income
17 patients who are recipients of lifeline benefits. Pursuant to RCW
18 74.09.035, the department shall not expend for the lifeline medical
19 care services program any amounts in excess of the amounts provided in
20 this subsection.

21 (13) Mental health services shall be included in the services
22 provided through the managed care system for lifeline clients under
23 chapter 8, Laws of 2010 1st sp. sess. In transitioning lifeline
24 clients to managed care, the department shall attempt to deliver care
25 to lifeline clients through medical homes in community and migrant
26 health centers. The department, in collaboration with the carrier,
27 shall seek to improve the transition rate of lifeline clients to the
28 federal supplemental security income program. The department shall
29 renegotiate the contract with the managed care plan that provides
30 services for lifeline clients to maximize state retention of future
31 hospital savings as a result of improved care coordination. The
32 department, in collaboration with stakeholders, shall propose a new
33 name for the lifeline program.

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

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

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

7 (17) \$24,356,000 of the general fund--private/local appropriation
8 and \$35,707,000 of the general fund--federal appropriation are provided
9 solely for the implementation of professional services supplemental
10 payment programs. The department shall seek a medicaid state plan
11 amendment to create a professional services supplemental payment
12 program for University of Washington medicine professional providers no
13 later than July 1, 2009. The department shall apply federal rules for
14 identifying the shortfall between current fee-for-service medicaid
15 payments to participating providers and the applicable federal upper
16 payment limit. Participating providers shall be solely responsible for
17 providing the local funds required to obtain federal matching funds.
18 Any incremental costs incurred by the department in the development,
19 implementation, and maintenance of this program will be the
20 responsibility of the participating providers. Participating providers
21 will retain the full amount of supplemental payments provided under
22 this program, net of any potential costs for any related audits or
23 litigation brought against the state. The department shall report to
24 the governor and the legislative fiscal committees on the prospects for
25 expansion of the program to other qualifying providers as soon as
26 feasibility is determined but no later than December 31, 2009. The
27 report will outline estimated impacts on the participating providers,
28 the procedures necessary to comply with federal guidelines, and the
29 administrative resource requirements necessary to implement the
30 program. The department will create a process for expansion of the
31 program to other qualifying providers as soon as it is determined
32 feasible by both the department and providers but no later than June
33 30, 2010.

34 (18) \$9,075,000 of the general fund--state appropriation for fiscal
35 year 2010, \$8,588,000 of the general fund--state appropriation for
36 fiscal year 2011, and \$39,747,000 of the general fund--federal
37 appropriation are provided solely for development and implementation of

1 a replacement system for the existing medicaid management information
2 system. The amounts provided in this subsection are conditioned on the
3 department satisfying the requirements of section 902 of this act.

4 (19) \$506,000 of the general fund--state appropriation for fiscal
5 year 2011 and \$657,000 of the general fund--federal appropriation are
6 provided solely for the implementation of Second Substitute House Bill
7 No. 1373 (children's mental health). If the bill is not enacted by
8 June 30, 2009, the amounts provided in this subsection shall lapse.

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

14 (21) The department may, on a case-by-case basis and in the best
15 interests of the child, set payment rates for medically intensive home
16 care services to promote access to home care as an alternative to
17 hospitalization. Expenditures related to these increased payments
18 shall not exceed the amount the department would otherwise pay for
19 hospitalization for the child receiving medically intensive home care
20 services.

21 (22) \$425,000 of the general fund--state appropriation for fiscal
22 year 2010 and \$790,000 of the general fund--federal appropriation are
23 provided solely to continue children's health coverage outreach and
24 education efforts under RCW 74.09.470. These efforts shall rely on
25 existing relationships and systems developed with local public health
26 agencies, health care providers, public schools, the women, infants,
27 and children program, the early childhood education and assistance
28 program, child care providers, newborn visiting nurses, and other
29 community-based organizations. The department shall seek
30 public-private partnerships and federal funds that are or may become
31 available to provide on-going support for outreach and education
32 efforts under the federal children's health insurance program
33 reauthorization act of 2009.

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

36 (24) The department will pursue a competitive procurement process
37 for antihemophilic products, emphasizing evidence-based medicine and

1 protection of patient access without significant disruption in
2 treatment.

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

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

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

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

25 (29) \$260,036,000 of the hospital safety net assessment fund--state
26 appropriation and \$255,448,000 of the general fund--federal
27 appropriation are provided solely for the implementation of Engrossed
28 Second Substitute House Bill No. 2956 (hospital safety net assessment).
29 If the bill is not enacted by June 30, 2010, the amounts provided in
30 this subsection shall lapse.

31 (30) \$79,000 of the general fund--state appropriation for fiscal
32 year 2010 and \$53,000 of the general fund--federal appropriation are
33 provided solely to implement Substitute House Bill No. 1845 (medical
34 support obligations).

35 (31) \$63,000 of the general fund--state appropriation for fiscal
36 year 2010, \$583,000 of the general fund--state appropriation for fiscal
37 year 2011, and \$864,000 of the general fund--federal appropriation are
38 provided solely to implement Engrossed House Bill No. 2194

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

15 (32) \$73,000 of the general fund--state appropriation for fiscal
16 year 2011 and \$50,000 of the general fund--federal appropriation is
17 provided solely for supplemental services that will be provided to
18 offenders in lieu of a prison sentence pursuant to chapter 224, Laws of
19 2010 (Substitute Senate Bill No. 6639).

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

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

30 (35) \$331,000 of the general fund--state appropriation for fiscal
31 year 2010, \$331,000 of the general fund--state appropriation for fiscal
32 year 2011, and \$1,228,000 of the general fund--federal appropriation
33 are provided solely for the department to support the activities of the
34 Washington poison center. The department shall seek federal authority
35 to receive matching funds from the federal government through the
36 children's health insurance program.

37 (36) \$528,000 of the general fund--state appropriation and

1 \$2,955,000 of the general fund--federal appropriation are provided
2 solely for the implementation of the lifeline program under chapter 8,
3 Laws of 2010 1st sp. sess. (security lifeline act).

4 (37) Reductions in dental services are to be achieved by focusing
5 on the fastest growing areas of dental care. Reductions in
6 preventative care, particularly for children, will be avoided to the
7 extent possible.

8 (38) \$1,307,000 of the general fund--state appropriation for fiscal
9 year 2011 and \$1,770,000 of the general fund--federal appropriation are
10 provided solely to continue to provide dental services in calendar year
11 2011 for qualifying adults with developmental disabilities. Services
12 shall include preventive, routine, and emergent dental care, and
13 support for continued operation of the dental education in care of
14 persons with disabilities (DECOD) program at the University of
15 Washington.

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

19 (40)(a) The department, in coordination with the health care
20 authority, shall actively continue to negotiate a medicaid section 1115
21 waiver with the federal centers for medicare and medicaid services that
22 would provide federal matching funds for services provided to persons
23 enrolled in the basic health plan under chapter 70.47 RCW and the
24 medical care services program under RCW 74.09.035.

25 (b) If the waiver in (a) of this subsection is granted, the
26 department and the health care authority may implement the waiver if it
27 allows the program to remain within appropriated levels, after
28 providing notice of its terms and conditions to the relevant policy and
29 fiscal committees of the legislature in writing thirty days prior to
30 the planned implementation date of the waiver.

31 (41) \$704,000 of the general fund--state appropriation for fiscal
32 year 2010, \$812,000 of the general fund--state appropriation for fiscal
33 year 2011, and \$1,516,000 of the general fund--federal appropriation
34 are provided solely for maintaining employer-sponsored insurance
35 program staff, coordination of benefits unit staff, the payment
36 integrity audit team, and family planning nursing.

37 (42) Every effort shall be made to maintain current employment
38 levels and achieve administrative savings through vacancies and

1 employee attrition. Efficiencies shall be implemented as soon as
2 possible in order to minimize actual reduction in force. The
3 department shall implement a management strategy that minimizes
4 disruption of service and negative impacts on employees.

5 (43) \$1,199,000 of the general fund--private/local appropriation
6 for fiscal year 2011 and \$1,671,000 of the general fund--federal
7 appropriation are provided solely to support medical airlift services.

8 (44) \$5,000,000 of the general fund--state appropriation for fiscal
9 year 2011 and \$7,191,000 of the general fund--federal appropriation are
10 provided solely for payments to federally qualified health clinics and
11 rural health centers under a new alternative payment methodology that
12 ~~((the department shall develop in consultation with the legislature and
13 the office of financial management))~~ reimburses the clinics and centers
14 at rates that are five percent higher than the rates that would be
15 provided under the federal prospective payment system.

16 (45) \$33,000 of the general fund--state appropriation for fiscal
17 year 2011 and \$61,000 of the general fund--federal appropriation are
18 provided solely to continue operation by a nonprofit organization of a
19 toll-free line that assists families to learn about and enroll in apple
20 health for kids, which provides publicly funded medical and dental care
21 for families with incomes below 300 percent of the federal poverty
22 level.

23 (46) \$150,000 of the general fund--~~((state))~~ private/local
24 appropriation for fiscal year 2011 and \$150,000 of the general fund--
25 federal appropriation are provided solely for initiation of a
26 prescriptive practices improvement collaborative focusing upon atypical
27 antipsychotics and other medications commonly used in the treatment of
28 severe and persistent mental illnesses among adults. The project shall
29 promote collaboration among community mental health centers, other
30 major prescribers of atypical antipsychotic medications to adults
31 enrolled in state medical assistance programs, and psychiatrists,
32 pharmacists, and other specialists at the University of Washington
33 department of psychiatry and/or other research universities. The
34 collaboration shall include patient-specific prescriber consultations
35 by psychiatrists and pharmacists specializing in treatment of severe
36 and persistent mental illnesses among adults; production of profiles to
37 assist prescribers and clinics track their prescriptive practices and
38 their patients' medication use and adherence relative to evidence-based

1 practice guidelines, other prescribers, and patients at other clinics;
2 and in-service seminars at which participants can share and increase
3 their knowledge of evidence-based and other effective prescriptive
4 practices. For purposes of this effort, the department shall enter
5 into an interagency agreement with the office of the attorney general
6 for expenditure of \$150,000 of the state's proceeds of the cy pres
7 settlement in State of Washington vs. AstraZeneca (Seroquel).

8 (47) \$75,000 of the general fund--state appropriation for fiscal
9 year 2011 and \$75,000 of the general fund--federal appropriation are
10 provided solely to assist with development and implementation of
11 evidence-based strategies regarding the appropriate, safe, and
12 effective role of C-section surgeries and early induced labor in births
13 and neonatal care. The strategies shall be identified and implemented
14 in consultation with clinical research specialists, physicians,
15 hospitals, advanced registered nurse practitioners, and organizations
16 concerned with maternal and child health.

17 (48) \$700,000 of the general fund--state appropriation for fiscal
18 year 2011 and \$700,000 of the general fund--federal appropriation are
19 provided solely to pay federally designated rural health clinics their
20 full encounter rate for prenatal and well-child visits, whether
21 delivered under a managed care contract or fee-for-service, effective
22 January 1, 2011. In reconciling managed care enhancement payments for
23 calendar year 2009, the department shall treat well-child and prenatal
24 care visits as encounters subject to the clinic's encounter rate.

25 **Sec. 1110.** 2011 c 5 s 209 (uncodified) is amended to read as
26 follows:

27 **FOR THE DEPARTMENT OF SOCIAL AND HEALTH SERVICES--VOCATIONAL**
28 **REHABILITATION PROGRAM**

29	General Fund--State Appropriation (FY 2010)	\$10,327,000
30	General Fund--State Appropriation (FY 2011)	(\$9,443,000)
31		<u>\$9,438,000</u>
32	General Fund--Federal Appropriation	\$107,848,000
33	Telecommunications Devices for the Hearing and	
34	Speech Impaired--State Appropriation	\$6,056,000
35	TOTAL APPROPRIATION	(\$133,674,000)
36		<u>\$133,669,000</u>

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

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

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

15 **Sec. 1111.** 2011 c 5 s 210 (uncodified) is amended to read as
16 follows:

17 **FOR THE DEPARTMENT OF SOCIAL AND HEALTH SERVICES--SPECIAL COMMITMENT**
18 **PROGRAM**

19	General Fund--State Appropriation (FY 2010)	\$48,827,000
20	General Fund--State Appropriation (FY 2011)	(\$48,536,000)
21		<u>\$49,131,000</u>
22	TOTAL APPROPRIATION	(\$97,363,000)
23		<u>\$97,958,000</u>

24 **Sec. 1112.** 2011 c 5 s 211 (uncodified) is amended to read as
25 follows:

26 **FOR THE DEPARTMENT OF SOCIAL AND HEALTH SERVICES--ADMINISTRATION AND**
27 **SUPPORTING SERVICES PROGRAM**

28	General Fund--State Appropriation (FY 2010)	\$33,579,000
29	General Fund--State Appropriation (FY 2011)	(\$27,745,000)
30		<u>\$25,308,000</u>
31	General Fund--Federal Appropriation	(\$51,304,000)
32		<u>\$49,594,000</u>
33	General Fund--Private/Local Appropriation	\$1,121,000
34	Institutional Impact Account--State Appropriation	\$22,000
35	TOTAL APPROPRIATION	(\$113,771,000)
36		<u>\$109,624,000</u>

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

8 (1) \$333,000 of the general fund--state appropriation for fiscal
9 year 2010 and (~~(\$300,000)~~) \$281,000 of the general fund--state
10 appropriation for fiscal year 2011 are provided solely for the
11 Washington state mentors program to continue its public-private
12 partnerships to provide technical assistance and training to mentoring
13 programs that serve at-risk youth.

14 (2) \$445,000 of the general fund--state appropriation for fiscal
15 year 2010 and (~~(\$445,000)~~) \$417,000 of the general fund--state
16 appropriation for fiscal year 2011 are provided solely for funding of
17 the teamchild project through the governor's juvenile justice advisory
18 committee.

19 (3) \$178,000 of the general fund--state appropriation for fiscal
20 year 2010 and (~~(\$178,000)~~) \$167,000 of the general fund--state
21 appropriation for fiscal year 2011 are provided solely for the juvenile
22 detention alternatives initiative.

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

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

33 **Sec. 1113.** 2011 c 5 s 212 (uncodified) is amended to read as
34 follows:

35 **FOR THE DEPARTMENT OF SOCIAL AND HEALTH SERVICES--PAYMENTS TO OTHER**
36 **AGENCIES PROGRAM**

37 General Fund--State Appropriation (FY 2010) \$61,985,000

1 General Fund--State Appropriation (FY 2011) ((~~\$63,793,000~~))
2 \$65,210,000
3 General Fund--Federal Appropriation ((~~\$56,855,000~~))
4 \$56,321,000
5 TOTAL APPROPRIATION ((~~\$182,633,000~~))
6 \$183,516,000

7 **Sec. 1114.** 2011 c 5 s 213 (uncodified) is amended to read as
8 follows:

9 **FOR THE STATE HEALTH CARE AUTHORITY**

10 General Fund--State Appropriation (FY 2010) \$208,258,000
11 General Fund--State Appropriation (FY 2011) ((~~\$108,749,000~~))
12 \$112,085,000
13 General Fund--Federal Appropriation ((~~\$31,975,000~~))
14 \$35,215,000
15 State Health Care Authority Administration Account--
16 State Appropriation \$34,880,000
17 Medical Aid Account--State Appropriation \$527,000
18 Basic Health Plan Stabilization Account--State
19 Appropriation \$6,000,000
20 TOTAL APPROPRIATION ((~~\$390,389,000~~))
21 \$396,965,000

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

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

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

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

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

21 (4)(a) In order to maximize the funding appropriated for the basic
22 health plan, the health care authority is directed to make
23 modifications that will reduce the total number of subsidized enrollees
24 to approximately 65,000 by January 1, 2010. In addition to the reduced
25 enrollment, other modifications may include changes in enrollee premium
26 obligations, changes in benefits, enrollee cost-sharing, and
27 termination of the enrollment of individuals concurrently enrolled in
28 a medical assistance program as provided in Substitute House Bill No.
29 2341.

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

35 (c) If the waiver in (b) of this subsection is granted, the health
36 care authority may implement the waiver if it allows the program to
37 remain within appropriated levels, after providing notice of its terms

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

4 (5) \$250,000 of the general fund--state appropriation for fiscal
5 year 2010 and \$250,000 of the general fund--state appropriation for
6 fiscal year 2011 are provided solely for the implementation of
7 Substitute Senate Bill No. 5360 (community collaboratives). If the
8 bill is not enacted by June 30, 2009, the amounts provided in this
9 section shall lapse.

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

14 (7) \$20,000 of the general fund--state appropriation for fiscal
15 year 2010 and \$63,000 of the general fund--state appropriation for
16 fiscal year 2011 are provided solely for the implementation of chapter
17 220, Laws of 2010 (accountable care organizations).

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

24 (9) \$1,500,000 of the general fund--federal appropriation is
25 provided solely for planning and implementation of a health benefit
26 exchange under the federal patient protection and affordable care act.
27 Within the amounts provided in this subsection, funds used by the
28 authority for information technology projects are conditioned on the
29 authority satisfying the requirements of section 902, chapter 564, Laws
30 of 2009.

31 **Sec. 1115.** 2011 c 5 s 214 (uncodified) is amended to read as
32 follows:

33	FOR THE HUMAN RIGHTS COMMISSION	
34	General Fund--State Appropriation (FY 2010)	\$2,638,000
35	General Fund--State Appropriation (FY 2011)	(\$2,353,000)
36		<u>\$2,350,000</u>
37	General Fund--Federal Appropriation	\$1,584,000

1 TOTAL APPROPRIATION ((~~\$6,575,000~~))
2 \$6,572,000

3 **Sec. 1116.** 2011 c 5 s 215 (uncodified) is amended to read as
4 follows:

5 **FOR THE CRIMINAL JUSTICE TRAINING COMMISSION**

6 General Fund--State Appropriation (FY 2010) \$17,273,000
7 General Fund--State Appropriation (FY 2011) ((~~\$16,721,000~~))
8 \$16,803,000
9 General Fund--Federal Appropriation \$143,000
10 General Fund--Private/Local Appropriation ((~~\$1,378,000~~))
11 \$1,382,000
12 Death Investigations Account--State Appropriation \$148,000
13 Municipal Criminal Justice Assistance Account--
14 State Appropriation \$460,000
15 Washington Auto Theft Prevention Authority Account--
16 State Appropriation \$6,432,000
17 TOTAL APPROPRIATION ((~~\$42,555,000~~))
18 \$42,641,000

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

21 (1) \$1,191,000 of the general fund--state appropriation for fiscal
22 year 2010 is provided solely for the Washington association of sheriffs
23 and police chiefs to continue to develop, maintain, and operate the
24 jail booking and reporting system (JBRS) and the statewide automated
25 victim information and notification system (SAVIN).

26 (2) \$5,000,000 of the general fund--state appropriation for fiscal
27 year 2010 and \$5,000,000 of the general fund--state appropriation for
28 fiscal year 2011, are provided to the Washington association of
29 sheriffs and police chiefs solely to verify the address and residency
30 of registered sex offenders and kidnapping offenders under RCW
31 9A.44.130. The Washington association of sheriffs and police chiefs
32 shall:

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

- 36 (i) For level I offenders, every twelve months;
- 37 (ii) For level II offenders, every six months; and

1 (iii) For level III offenders, every three months.

2 For the purposes of this subsection, unclassified offenders and
3 kidnapping offenders shall be considered at risk level I unless in the
4 opinion of the local jurisdiction a higher classification is in the
5 interest of public safety.

6 (b) Collect performance data from all participating jurisdictions
7 sufficient to evaluate the efficiency and effectiveness of the address
8 and residency verification program; and

9 (c) Submit a report on the effectiveness of the address and
10 residency verification program to the governor and the appropriate
11 committees of the house of representatives and senate by December 31,
12 each year.

13 The Washington association of sheriffs and police chiefs may retain up
14 to three percent of the amount provided in this subsection for the cost
15 of administration. Any funds not disbursed for address and residency
16 verification or retained for administration may be allocated to local
17 prosecutors for the prosecution costs associated with failing-
18 to-register offenses.

19 (3) \$30,000 of the general fund--state appropriation for fiscal
20 year 2010 is provided solely for the implementation of Second
21 Substitute House Bill No. 2078 (persons with developmental disabilities
22 in correctional facilities or jails). If the bill is not enacted by
23 June 30, 2009, the amount provided in this subsection shall lapse.

24 (4) (~~(\$171,000)~~) \$75,000 of the general fund--local appropriation
25 is provided solely to purchase ammunition for the basic law enforcement
26 academy. Jurisdictions with one hundred or more full-time commissioned
27 officers shall reimburse to the criminal justice training commission
28 the costs of ammunition, based on the average cost of ammunition per
29 cadet, for cadets that they enroll in the basic law enforcement
30 academy.

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

33 **Sec. 1117.** 2011 c 5 s 216 (uncodified) is amended to read as
34 follows:

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

36 General Fund--State Appropriation (FY 2010) \$24,975,000

37 General Fund--State Appropriation (FY 2011) (~~(\$18,120,000)~~)

1		<u>\$17,876,000</u>
2	General Fund--Federal Appropriation	\$11,316,000
3	Asbestos Account--State Appropriation	\$923,000
4	Electrical License Account--State Appropriation	\$36,977,000
5	Farm Labor Revolving Account--Private/Local Appropriation . . .	\$28,000
6	Worker and Community Right-to-Know Account--	
7	State Appropriation	\$1,987,000
8	Public Works Administration Account--State	
9	Appropriation	\$6,021,000
10	Manufactured Home Installation Training Account--	
11	State Appropriation	((\$143,000))
12		<u>\$135,000</u>
13	Accident Account--State Appropriation	\$250,509,000
14	Accident Account--Federal Appropriation	\$13,621,000
15	Medical Aid Account--State Appropriation	\$249,232,000
16	Medical Aid Account--Federal Appropriation	\$3,186,000
17	Plumbing Certificate Account--State Appropriation	\$1,704,000
18	Pressure Systems Safety Account--State Appropriation	\$4,144,000
19	TOTAL APPROPRIATION	((\$622,886,000))
20		<u>\$622,634,000</u>

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

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

30 (2) \$424,000 of the accident account--state appropriation and
31 \$76,000 of the medical aid account--state appropriation are provided
32 solely for implementation of a community agricultural worker safety
33 grant at the department of agriculture. The department shall enter
34 into an interagency agreement with the department of agriculture to
35 implement the grant.

36 (3) \$4,850,000 of the medical aid account--state appropriation is
37 provided solely to continue the program of safety and health as
38 authorized by RCW 49.17.210 to be administered under rules adopted

1 pursuant to chapter 34.05 RCW, provided that projects funded involve
2 workplaces insured by the medical aid fund, and that priority is given
3 to projects fostering accident prevention through cooperation between
4 employers and employees or their representatives.

5 (4) \$150,000 of the medical aid account--state appropriation is
6 provided solely for the department to contract with one or more
7 independent experts to evaluate and recommend improvements to the
8 rating plan under chapter 51.18 RCW, including analyzing how risks are
9 pooled, the effect of including worker premium contributions in
10 adjustment calculations, incentives for accident and illness
11 prevention, return-to-work practices, and other sound risk-management
12 strategies that are consistent with recognized insurance principles.

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

19 (6) The appropriations in this section reflect reductions in the
20 appropriations for the department of labor and industries'
21 administrative expenses. It is the intent of the legislature that
22 these reductions shall be achieved, to the greatest extent possible, by
23 reducing administrative costs only.

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

34 (8) \$194,000 of the accident account--state appropriation and
35 \$192,000 of the medical aid account--state appropriation are provided
36 solely for implementation of Senate Bill No. 5346 (health care
37 administrative procedures).

1 (9) \$131,000 of the accident account--state appropriation and
2 \$128,000 of the medical aid account--state appropriation are provided
3 solely for implementation of Senate Bill No. 5613 (stop work orders).

4 (10) \$68,000 of the accident account--state appropriation and
5 \$68,000 of the medical aid account--state appropriation are provided
6 solely for implementation of Senate Bill No. 5688 (registered domestic
7 partners).

8 (11) \$320,000 of the accident account--state appropriation and
9 \$147,000 of the medical aid account--state appropriation are provided
10 solely for implementation of Senate Bill No. 5873 (apprenticeship
11 utilization).

12 (12) \$73,000 of the general fund--state appropriation for fiscal
13 year 2010, \$66,000 of the general fund--state appropriation for fiscal
14 year 2011, \$606,000 of the accident account--state appropriation, and
15 \$600,000 of the medical aid account--state appropriation are provided
16 solely for the implementation of House Bill No. 1555 (underground
17 economy).

18 (13) \$574,000 of the accident account--state appropriation and
19 \$579,000 of the medical account--state appropriation are provided
20 solely for the implementation of House Bill No. 1402 (industrial
21 insurance appeals).

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

26 (15) \$16,000 of the general fund--state appropriation for fiscal
27 year 2010 and \$50,000 of the general fund--state appropriation for
28 fiscal year 2011 are provided solely for the crime victims compensation
29 program to pay claims for mental health services for crime victim
30 compensation program clients who have an established relationship with
31 a mental health provider and subsequently obtain coverage under the
32 medicaid program or the medical care services program under chapter
33 74.09 RCW. Prior to making such payment, the program must have
34 determined that payment for the specific treatment or provider is not
35 available under the medicaid or medical care services program. In
36 addition, the program shall make efforts to contact any healthy options
37 or medical care services health plan in which the client may be

1 enrolled to help the client obtain authorization to pay the claim on an
2 out-of-network basis.

3 (16) \$48,000 of the accident account--state appropriation and
4 \$48,000 of the medical aid account--state appropriation are provided
5 solely for the implementation of Substitute House Bill No. 2789
6 (issuance of subpoenas for purposes of agency investigations of
7 underground economic activity). If the bill is not enacted by June 30,
8 2010, the amount provided in this subsection shall lapse.

9 (17) \$71,000 of the general fund--state appropriation for fiscal
10 year 2011 is provided solely for implementation of Senate Bill No. 6349
11 (farm internship program). If the bill is not enacted by June 30,
12 2010, the amount provided in this subsection shall lapse.

13 (18) \$127,000 of the general fund--state appropriation for fiscal
14 year 2010 and \$133,000 of the general fund--state appropriation for
15 fiscal year 2011 are provided solely for the department to provide
16 benefits in excess of the cap established by sections 1 and 2, chapter
17 122, Laws of 2010. These benefits shall be paid for claimants who were
18 determined eligible for and who were receiving crime victims'
19 compensation benefits because they were determined to be permanently
20 and totally disabled, as defined by RCW 51.08.160, prior to April 1,
21 2010. The director shall establish, by May 1, 2010, a process to aid
22 crime victims' compensation recipients in identifying and applying for
23 appropriate alternative benefit programs.

24 (19) \$155,000 of the public works administration account--state
25 appropriation is provided solely for the implementation of Engrossed
26 House Bill No. 2805 (offsite prefabricated items). If the bill is not
27 enacted by June 30, 2010, the amount provided in this subsection shall
28 lapse.

29 **Sec. 1118.** 2011 c 5 s 217 (uncodified) is amended to read as
30 follows:

31 **FOR THE INDETERMINATE SENTENCE REVIEW BOARD**

32	General Fund--State Appropriation (FY 2010)	\$1,882,000
33	General Fund--State Appropriation (FY 2011)	(\$1,659,000)
34		<u>\$1,657,000</u>
35	TOTAL APPROPRIATION	(\$3,541,000)
36		<u>\$3,539,000</u>

1 **Sec. 1119.** 2011 c 5 s 218 (uncodified) is amended to read as
2 follows:

3 **FOR THE DEPARTMENT OF VETERANS AFFAIRS**

4 (1) HEADQUARTERS

5	General Fund--State Appropriation (FY 2010)	\$1,913,000
6	General Fund--State Appropriation (FY 2011)	(\$1,865,000)
7		<u>\$1,755,000</u>
8	Charitable, Educational, Penal, and Reformatory	
9	Institutions Account--State Appropriation	\$10,000
10	TOTAL APPROPRIATION	(\$3,788,000)
11		<u>\$3,678,000</u>

12 The appropriations in this subsection are subject to the following
13 conditions and limitations: In addition to other reductions, the
14 appropriations in this section reflect reductions targeted specifically
15 to state government administrative costs. These administrative
16 reductions shall be achieved, to the greatest extent possible, by
17 reducing those administrative costs that do not affect direct client
18 services or direct service delivery or programs.

19 (2) FIELD SERVICES

20	General Fund--State Appropriation (FY 2010)	\$4,885,000
21	General Fund--State Appropriation (FY 2011)	\$4,964,000
22	General Fund--Federal Appropriation	\$2,382,000
23	General Fund--Private/Local Appropriation	\$4,512,000
24	Veterans Innovations Program Account--State	
25	Appropriation	\$897,000
26	Veteran Estate Management Account--Private/Local	
27	Appropriation	\$1,072,000
28	TOTAL APPROPRIATION	\$18,712,000

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

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

35 (b) \$648,000 of the veterans innovations program account--state
36 appropriation is provided solely for the department to continue support
37 for returning combat veterans through the veterans innovation program,

1 including emergency financial assistance through the defenders' fund
2 and long-term financial assistance through the competitive grant
3 program.

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

10 (3) INSTITUTIONAL SERVICES

11	General Fund--State Appropriation (FY 2010)	\$3,318,000
12	(General Fund--State Appropriation (FY 2011)	\$1,793,000)
13	General Fund--Federal Appropriation	(\$50,931,000)
14		<u>\$52,965,000</u>
15	General Fund--Private/Local Appropriation	(\$34,189,000)
16		<u>\$34,791,000</u>
17	TOTAL APPROPRIATION	(\$90,231,000)
18		<u>\$91,074,000</u>

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

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

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

30 **Sec. 1120.** 2011 c 5 s 219 (uncodified) is amended to read as
31 follows:

32 **FOR THE DEPARTMENT OF HEALTH**

33	General Fund--State Appropriation (FY 2010)	\$98,414,000
34	General Fund--State Appropriation (FY 2011)	(\$72,427,000)
35		<u>\$72,269,000</u>
36	General Fund--Federal Appropriation	(\$564,379,000)
37		<u>\$567,818,000</u>

1	General Fund--Private/Local Appropriation	\$162,237,000
2	Hospital Data Collection Account--State Appropriation	\$218,000
3	Health Professions Account--State Appropriation	\$82,850,000
4	Aquatic Lands Enhancement Account--State Appropriation	\$603,000
5	Emergency Medical Services and Trauma Care Systems	
6	Trust Account--State Appropriation	\$13,206,000
7	Safe Drinking Water Account--State Appropriation	\$2,731,000
8	Drinking Water Assistance Account--Federal	
9	Appropriation	\$22,862,000
10	Waterworks Operator Certification--State	
11	Appropriation	\$1,522,000
12	Drinking Water Assistance Administrative Account--	
13	State Appropriation	\$326,000
14	State Toxics Control Account--State Appropriation	\$4,348,000
15	Medical Test Site Licensure Account--State	
16	Appropriation	\$2,261,000
17	Youth Tobacco Prevention Account--State Appropriation	\$1,512,000
18	Public Health Supplemental Account--Private/Local	
19	Appropriation	\$3,804,000
20	Community and Economic Development Fee Account--State	
21	Appropriation	\$298,000
22	Accident Account--State Appropriation	\$292,000
23	Medical Aid Account--State Appropriation	\$48,000
24	Tobacco Prevention and Control Account--State	
25	Appropriation	\$41,196,000
26	Biotoxin Account--State Appropriation	\$1,163,000
27	TOTAL APPROPRIATION	((\$1,076,697,000))
28		<u>\$1,079,978,000</u>

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

31 (1) The department of health shall not initiate any services that
32 will require expenditure of state general fund moneys unless expressly
33 authorized in this act or other law. The department of health and the
34 state board of health shall not implement any new or amended rules
35 pertaining to primary and secondary school facilities until the rules
36 and a final cost estimate have been presented to the legislature, and
37 the legislature has formally funded implementation of the rules through
38 the omnibus appropriations act or by statute. The department may seek,

1 receive, and spend, under RCW 43.79.260 through 43.79.282, federal
2 moneys not anticipated in this act as long as the federal funding does
3 not require expenditure of state moneys for the program in excess of
4 amounts anticipated in this act. If the department receives
5 unanticipated unrestricted federal moneys, those moneys shall be spent
6 for services authorized in this act or in any other legislation that
7 provides appropriation authority, and an equal amount of appropriated
8 state moneys shall lapse. Upon the lapsing of any moneys under this
9 subsection, the office of financial management shall notify the
10 legislative fiscal committees. As used in this subsection,
11 "unrestricted federal moneys" includes block grants and other funds
12 that federal law does not require to be spent on specifically defined
13 projects or matched on a formula basis by state funds.

14 (2) In accordance with RCW 43.70.250 and 43.135.055, the department
15 is authorized to establish and raise fees in fiscal year 2011 as
16 necessary to meet the actual costs of conducting business and the
17 appropriation levels in this section. This authorization applies to
18 fees for the review of sewage tank designs, fees related to regulation
19 and inspection of farmworker housing, and fees associated with the
20 following professions: Acupuncture, dental, denturist, mental health
21 counselor, nursing, nursing assistant, optometry, radiologic
22 technologist, recreational therapy, respiratory therapy, social worker,
23 cardiovascular invasive specialist, and practitioners authorized under
24 chapter 18.240 RCW.

25 (3) Pursuant to RCW 43.135.055 and RCW 43.70.250, the department is
26 authorized to establish fees by the amount necessary to fully support
27 the cost of activities related to the administration of long-term care
28 worker certification. The department is further authorized to increase
29 fees by the amount necessary to implement the regulatory requirements
30 of the following bills: House Bill No. 1414 (health care assistants),
31 House Bill No. 1740 (dental residency licenses), and House Bill No.
32 1899 (retired active physician licenses).

33 (4) \$764,000 of the health professions account--state appropriation
34 is provided solely for the medical quality assurance commission to
35 maintain disciplinary staff and associated costs sufficient to reduce
36 the backlog of disciplinary cases and to continue to manage the
37 disciplinary caseload of the commission.

1 (5) \$57,000 of the general fund--state appropriation for fiscal
2 year 2010 and \$54,000 of the general fund--state appropriation for
3 fiscal year 2011 are provided solely for the midwifery licensure and
4 regulatory program to offset a reduction in revenue from fees. The
5 department shall convene the midwifery advisory committee on a
6 quarterly basis to address issues related to licensed midwifery. The
7 appropriations in this section assume that the current application and
8 renewal fee for midwives shall be increased by fifty dollars and all
9 other fees for midwives be adjusted accordingly.

10 (6) Funding for the human papillomavirus vaccine shall not be
11 included in the department's universal vaccine purchase program in
12 fiscal year 2010. Remaining funds for the universal vaccine purchase
13 program shall be used to continue the purchase of all other vaccines
14 included in the program until May 1, 2010, at which point state funding
15 for the universal vaccine purchase program shall be discontinued.

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

24 (8) The department shall eliminate outreach activities for the
25 health care directives registry and use the remaining amounts to
26 maintain the contract for the registry and minimal staffing necessary
27 to administer the basic entry functions for the registry.

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

31 (10) Pursuant to RCW 43.135.055 and 43.70.125, the department is
32 authorized to adopt rules to establish a fee schedule to apply to
33 applicants for initial certification surveys of health care facilities
34 for purposes of receiving federal health care program reimbursement.
35 The fees shall only apply when the department has determined that
36 federal funding is not sufficient to compensate the department for the
37 cost of conducting initial certification surveys. The fees for initial
38 certification surveys may be established as follows: Up to \$1,815 for

1 ambulatory surgery centers, up to \$2,015 for critical access hospitals,
2 up to \$980 for end stage renal disease facilities, up to \$2,285 for
3 home health agencies, up to \$2,285 for hospice agencies, up to \$2,285
4 for hospitals, up to \$520 for rehabilitation facilities, up to \$690 for
5 rural health clinics, and up to \$7,000 for transplant hospitals.

6 (11) Funding for family planning grants for fiscal year 2011 is
7 reduced in the expectation that federal funding shall become available
8 to expand coverage of services for individuals through programs at the
9 department of social and health services. In the event that such
10 funding is not provided, the legislature intends to continue funding
11 through a supplemental appropriation at fiscal year 2010 levels.
12 \$4,360,000 of the general fund--state appropriation is provided solely
13 for the department of health-funded family planning clinic grants due
14 to federal funding not becoming available.

15 (12) \$16,000,000 of the tobacco prevention and control
16 account--state appropriation is provided solely for local health
17 jurisdictions to conduct core public health functions as defined in RCW
18 43.70.514.

19 (13) \$100,000 of the health professions account appropriation is
20 provided solely for implementation of Substitute House Bill No. 1414
21 (health care assistants). If the bill is not enacted by June 30, 2009,
22 the amount provided in this subsection shall lapse.

23 (14) \$42,000 of the health professions account--state appropriation
24 is provided solely to implement Substitute House Bill No. 1740
25 (dentistry license issuance). If the bill is not enacted by June 30,
26 2009, the amount provided in this section shall lapse.

27 (15) \$23,000 of the health professions account--state appropriation
28 is provided solely to implement Second Substitute House Bill No. 1899
29 (retired active physician licenses). If the bill is not enacted by
30 June 30, 2009, the amount provided in this section shall lapse.

31 (16) \$12,000 of the general fund--state appropriation for fiscal
32 year 2010 and \$67,000 of the general fund--private/local appropriation
33 are provided solely to implement House Bill No. 1510 (birth
34 certificates). If the bill is not enacted by June 30, 2009, the amount
35 provided in this section shall lapse.

36 (17) \$31,000 of the health professions account is provided for the
37 implementation of Second Substitute Senate Bill No. 5850 (human

1 trafficking). If the bill is not enacted by June 2009, the amount
2 provided in this subsection shall lapse.

3 (18) \$282,000 of the health professions account is provided for the
4 implementation of Substitute Senate Bill No. 5752 (dentists cost
5 recovery). If the bill is not enacted by June 2009, the amount
6 provided in this subsection shall lapse.

7 (19) \$106,000 of the health professions account is provided for the
8 implementation of Substitute Senate Bill No. 5601 (speech language
9 assistants). If the bill is not enacted by June 2009, the amount
10 provided in this subsection shall lapse.

11 (20) Subject to existing resources, the department of health is
12 encouraged to examine, in the ordinary course of business, current and
13 prospective programs, treatments, education, and awareness of
14 cardiovascular disease that are needed for a thriving and healthy
15 Washington.

16 (21) \$390,000 of the health professions account--state
17 appropriation is provided solely to implement chapter 169, Laws of 2010
18 (nursing assistants). The amount provided in this subsection is from
19 fee revenue authorized by Engrossed Substitute Senate Bill No. 6582.

20 (22) \$10,000 of the health professions account--state appropriation
21 for fiscal year 2010 and \$40,000 of the health professions
22 account--state appropriation for fiscal year 2011 are provided solely
23 for the department to study cost effective options for collecting
24 demographic data related to the health care professions workforce to be
25 submitted to the legislature by December 1, 2010.

26 (23) \$66,000 of the health professions account--state appropriation
27 is provided solely to implement chapter 209, Laws of 2010 (pain
28 management).

29 (24) \$10,000 of the health professions account--state appropriation
30 is provided solely to implement chapter 92, Laws of 2010
31 (cardiovascular invasive specialists).

32 (25) \$23,000 of the general fund--state appropriation is provided
33 solely to implement chapter 182, Laws of 2010 (tracking ephedrine,
34 etc.).

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

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

8 (28) \$400,000 of the state toxics control account--state
9 appropriation is provided solely for granting to a willing local public
10 entity to provide emergency water supplies or water treatment for
11 households with individuals at high public health risk from nitrate-
12 contaminated wells in the lower Yakima basin.

13 (29) \$100,000 of the state toxics control account--state
14 appropriation is provided solely for an interagency contract to the
15 department of ecology to grant to agencies involved in improving
16 groundwater quality in the lower Yakima Valley. These agencies will
17 develop a local plan for improving water quality and reducing nitrate
18 contamination. The department of ecology will report to the
19 appropriate committees of the legislature and to the office of
20 financial management no later than December 1, 2010, summarizing
21 progress towards developing and implementing this plan.

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

25 NEW SECTION. **Sec. 1121.** A new section is added to 2009 c 564
26 (uncodified) to read as follows:

27 **FOR THE DEPARTMENT OF CORRECTIONS**

28 The appropriations to the department of corrections in this act
29 shall be expended for the programs and in the amounts specified herein.
30 However, after May 1, 2011, after approval by the director of financial
31 management and unless specifically prohibited by this act, the
32 department may transfer general fund--state appropriations for fiscal
33 year 2011 between programs. The department shall not transfer funds,
34 and the director of financial management shall not approve the
35 transfer, unless the transfer is consistent with the objective of
36 conserving, to the maximum extent possible, the expenditure of state
37 funds and not federal funds. The director of financial management

1 shall notify the appropriate fiscal committees of the senate and house
2 of representatives in writing seven days prior to approving any
3 deviations from appropriation levels. The written notification shall
4 include a narrative explanation and justification of the changes, along
5 with expenditures and allotments by budget unit and appropriation, both
6 before and after any allotment modifications or transfers.

7 **Sec. 1122.** 2011 c 5 s 220 (uncodified) is amended to read as
8 follows:

9 **FOR THE DEPARTMENT OF CORRECTIONS**

10 (1) ADMINISTRATION AND SUPPORT SERVICES

11 General Fund--State Appropriation (FY 2010)	\$55,772,000
12 General Fund--State Appropriation (FY 2011)	(\$51,929,000)
	<u>\$48,131,000</u>
14 TOTAL APPROPRIATION	(\$107,701,000)
	<u>\$103,903,000</u>

15

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

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

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

36 (2) CORRECTIONAL OPERATIONS

37 General Fund--State Appropriation (FY 2010) \$458,503,000

1	General Fund--State Appropriation (FY 2011)	((\$562,084,000))
2		<u>\$568,330,000</u>
3	General Fund--Federal Appropriation	((\$186,651,000))
4		<u>\$186,652,000</u>
5	Washington Auto Theft Prevention Authority Account--	
6	State Appropriation	\$5,936,000
7	State Efficiency and Restructuring Account--State	
8	Appropriation	\$34,522,000
9	TOTAL APPROPRIATION	((\$1,247,696,000))
10		<u>\$1,253,943,000</u>

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

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

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

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

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

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

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

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

22 (h) The appropriations in this subsection are based on savings
23 assumed from the closure of the McNeil Island corrections center, the
24 Ahtanum View corrections center, and the Pine Lodge corrections center
25 for women.

26 (3) COMMUNITY SUPERVISION

27	General Fund--State Appropriation (FY 2010)	\$150,729,000
28	General Fund--State Appropriation (FY 2011)	(\$134,840,000)
29		<u>\$133,549,000</u>
30	TOTAL APPROPRIATION	(\$285,569,000)
31		<u>\$284,278,000</u>

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

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

1 (b) \$2,083,000 of the general fund--state appropriation for fiscal
2 year 2010 and \$2,083,000 of the general fund--state appropriation for
3 fiscal year 2011 are provided solely to implement Senate Bill No. 5525
4 (state institutions/release). If the bill is not enacted by June 30,
5 2009, the amounts provided in this subsection shall lapse.

6 (c) The appropriations in this subsection are based upon savings
7 assumed from the implementation of Engrossed Substitute Senate Bill No.
8 5288 (supervision of offenders).

9 (d) \$2,791,000 of the general fund--state appropriation for fiscal
10 year 2010 and \$2,680,000 of the general fund--state appropriation for
11 fiscal year 2011 are provided solely for evidence-based community
12 programs and for community justice centers as part of the offender
13 re-entry initiative.

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

23 (f) \$984,000 of the general fund--state appropriation for fiscal
24 year 2011 is provided solely for supplemental services that will be
25 provided to offenders in lieu of a prison sentence, pursuant to chapter
26 224, Laws of 2010 (confinement alternatives).

27 (4) CORRECTIONAL INDUSTRIES

28	General Fund--State Appropriation (FY 2010)	\$2,574,000
29	General Fund--State Appropriation (FY 2011)	(\$2,441,000)
30		<u>\$2,642,000</u>
31	TOTAL APPROPRIATION	(\$5,015,000)
32		<u>\$5,216,000</u>

33 The appropriations in this subsection are subject to the following
34 conditions and limitations: \$132,000 of the general fund--state
35 appropriation for fiscal year 2010 and \$132,000 of the general
36 fund--state appropriation for fiscal year 2011 are provided solely for
37 transfer to the jail industries board. The board shall use the amounts
38 provided only for administrative expenses, equipment purchases, and

1 technical assistance associated with advising cities and counties in
2 developing, promoting, and implementing consistent, safe, and efficient
3 offender work programs.

4 (5) INTERAGENCY PAYMENTS

5	General Fund--State Appropriation (FY 2010)	\$40,728,000
6	General Fund--State Appropriation (FY 2011)	(\$38,629,000)
7		<u>\$38,995,000</u>
8	TOTAL APPROPRIATION	(\$79,357,000)
9		<u>\$79,723,000</u>

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

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

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

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

22 **Sec. 1123.** 2011 c 5 s 221 (uncodified) is amended to read as
23 follows:

24 **FOR THE DEPARTMENT OF SERVICES FOR THE BLIND**

25	General Fund--State Appropriation (FY 2010)	\$2,504,000
26	General Fund--State Appropriation (FY 2011)	(\$2,160,000)
27		<u>\$2,158,000</u>
28	General Fund--Federal Appropriation	(\$18,116,000)
29		<u>\$18,416,000</u>
30	General Fund--Private/Local Appropriation	\$30,000
31	TOTAL APPROPRIATION	(\$22,810,000)
32		<u>\$23,108,000</u>

33 **Sec. 1124.** 2011 c 5 s 222 (uncodified) is amended to read as
34 follows:

35 **FOR THE SENTENCING GUIDELINES COMMISSION**

36	General Fund--State Appropriation (FY 2010)	\$962,000
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1 General Fund--State Appropriation (FY 2011) ((~~\$844,000~~))
2 \$843,000
3 TOTAL APPROPRIATION ((~~\$1,806,000~~))
4 \$1,805,000

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

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

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

28 (b) The commission shall submit the analysis described in section
29 15 of Engrossed Substitute Senate Bill No. 5288 no later than December
30 1, 2011.

31 (3) Within the amounts appropriated in this section, the sentencing
32 guidelines commission shall survey the practices of other states
33 relating to offenders who violate any conditions of their community
34 custody. In conducting the survey, the sentencing guidelines
35 commission shall perform a review of the research studies to determine
36 if a mandatory minimum confinement policy is an evidence-based
37 practice, investigate the implementation of such a policy in other

1 states, and estimate the fiscal impacts of implementing such a policy
2 in Washington state. The sentencing guidelines commission shall report
3 its findings to the governor and the legislature by December 1, 2010.

4 **Sec. 1125.** 2011 c 5 s 223 (uncodified) is amended to read as
5 follows:

6 **FOR THE EMPLOYMENT SECURITY DEPARTMENT**

7	General Fund--State Appropriation (FY 2010)	\$2,054,000
8	General Fund--State Appropriation (FY 2011)	(\$4,735,000)
9		<u>\$4,219,000</u>
10	General Fund--Federal Appropriation	(\$324,135,000)
11		<u>\$327,109,000</u>
12	General Fund--Private/Local Appropriation	\$33,640,000
13	Unemployment Compensation Administration Account--	
14	Federal Appropriation	(\$348,000,000)
15		<u>\$370,397,000</u>
16	Administrative Contingency Account--State Appropriation . . .	\$345,000
17	Employment Service Administrative Account--State	
18	Appropriation	\$37,775,000
19	TOTAL APPROPRIATION	(\$750,684,000)
20		<u>\$775,539,000</u>

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

23 (1) \$59,829,000 of the unemployment compensation administration
24 account--federal appropriation is provided from amounts made available
25 to the state by section 903 (d) and (f) of the social security act
26 (Reed act). This amount is authorized to continue current unemployment
27 insurance functions and department services to employers and job
28 seekers.

29 (2) \$17,327,000 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 fund the replacement of the
33 unemployment insurance tax information system (TAXIS) for the
34 employment security department. This section is subject to section 902
35 of this act. After the effective date of this section, the employment
36 security department may not incur further obligations for the

1 replacement of the unemployment insurance tax information system
2 (TAXIS). Nothing in this act prohibits the department from meeting
3 obligations incurred prior to the effective date of this section.

4 (3) \$110,000 of the unemployment compensation administration
5 account--federal appropriation is provided solely for implementation of
6 Senate Bill No. 5804 (leaving part time work voluntarily).

7 (4) \$1,263,000 of the unemployment compensation administration
8 account--federal appropriation is provided solely for implementation of
9 Senate Bill No. 5963 (unemployment insurance).

10 (5) \$159,000 of the unemployment compensation account--federal
11 appropriation is provided solely for the implementation of House Bill
12 No. 1555 (underground economy) from funds made available to the state
13 by section 903(d) of the social security act (Reed act).

14 (6) \$295,000 of the administrative contingency--state appropriation
15 for fiscal year 2010 is provided solely for the implementation of House
16 Bill No. 2227 (evergreen jobs act).

17 (7) \$2,000,000 of the general fund--state appropriation for fiscal
18 year 2010 and (~~(\$4,682,000)~~) \$4,182,000 of the general fund--state
19 appropriation for fiscal year 2011 are provided solely for the
20 implementation of Senate Bill No. 5809 (WorkForce employment and
21 training).

22 (8) \$444,000 of the unemployment compensation administration
23 account--federal appropriation is provided solely for the
24 implementation of Substitute Senate Bill No. 6524 (unemployment
25 insurance penalties and contribution rates) from funds made available
26 to the state by section 903 (d) or (f) of the social security act (Reed
27 12 act). If the bill is not enacted by June 30, 2010, the amount
28 provided in this subsection shall lapse.

29 (9) \$232,000 of the unemployment compensation administration
30 account--federal appropriation from funds made available to the state
31 by section 903(c) or (f) of the social security act (Reed act) is
32 provided solely for the implementation of Substitute House Bill No.
33 2789 (underground economic activity). If the bill is not enacted by
34 June 30, 2010, the amount provided in this subsection shall lapse.

35 (10) \$577,000 of the unemployment compensation administration
36 account--federal appropriation is from amounts available to the state
37 by section 903 (d), (f), and (g) of the social security act (Reed act).

1 This amount is provided solely for implementation of chapter 4, Laws
2 of 2011 (unemployment insurance program).

3 (11) \$11,000 of the unemployment compensation administration
4 account--federal appropriation is from amounts available to the state
5 by section 903 (d), (f), and (g) of the social security act (Reed act).

6 This amount is provided solely for implementation of chapter 4, Laws of
7 2011 (unemployment insurance program).

(End of part)

PART XII
NATURAL RESOURCES

Sec. 1201. 2011 c 5 s 301 (uncodified) is amended to read as follows:

FOR THE DEPARTMENT OF ECOLOGY

General Fund--State Appropriation (FY 2010)	\$58,552,000
General Fund--State Appropriation (FY 2011)	(\$46,925,000)
	<u>\$46,392,000</u>
General Fund--Federal Appropriation	\$82,079,000
General Fund--Private/Local Appropriation	\$16,688,000
Special Grass Seed Burning Research Account--State Appropriation	\$14,000
Reclamation Account--State Appropriation	(\$3,649,000)
	<u>\$3,640,000</u>
Flood Control Assistance Account--State Appropriation	\$1,943,000
State Emergency Water Projects Revolving Account-- State Appropriation	\$240,000
Waste Reduction/Recycling/Litter Control--State Appropriation	(\$12,467,000)
	<u>\$12,440,000</u>
State Drought Preparedness Account--State Appropriation	\$4,000,000
State and Local Improvements Revolving Account (Water Supply Facilities)--State Appropriation	\$424,000
Freshwater Aquatic Algae Control Account--State Appropriation	\$508,000
Water Rights Tracking System Account--State Appropriation	\$116,000
Site Closure Account--State Appropriation	\$922,000
Wood Stove Education and Enforcement Account--State Appropriation	\$582,000
Worker and Community Right-to-Know Account--State Appropriation	\$1,663,000
State Toxics Control Account--State Appropriation	(\$106,642,000)
	<u>\$106,391,000</u>

1	State Toxics Control Account--Private/Local	
2	Appropriation	\$379,000
3	Local Toxics Control Account--State	
4	Appropriation	((\$24,690,000))
5		<u>\$24,670,000</u>
6	Water Quality Permit Account--State	
7	Appropriation	((\$37,018,000))
8		<u>\$36,899,000</u>
9	Underground Storage Tank Account--State	
10	Appropriation	((\$3,270,000))
11		<u>\$3,259,000</u>
12	Biosolids Permit Account--State Appropriation	\$1,866,000
13	Hazardous Waste Assistance Account--State	
14	Appropriation	((\$5,880,000))
15		<u>\$5,858,000</u>
16	Air Pollution Control Account--State Appropriation	\$1,565,000
17	Oil Spill Prevention Account--State	
18	Appropriation	((\$10,599,000))
19		<u>\$10,568,000</u>
20	Air Operating Permit Account--State	
21	Appropriation	((\$2,758,000))
22		<u>\$2,748,000</u>
23	Freshwater Aquatic Weeds Account--State Appropriation	\$1,693,000
24	Oil Spill Response Account--State Appropriation	\$7,077,000
25	Metals Mining Account--State Appropriation	\$14,000
26	Water Pollution Control Revolving Account--State	
27	Appropriation	\$535,000
28	Water Pollution Control Revolving Account--Federal	
29	Appropriation	\$2,210,000
30	Water Rights Processing Account--State Appropriation	\$68,000
31	TOTAL APPROPRIATION	((\$437,036,000))
32		<u>\$436,003,000</u>

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

35 (1) \$170,000 of the oil spill prevention account--state
36 appropriation is provided solely for a contract with the University of
37 Washington's sea grant program to continue an educational program

1 targeted to small spills from commercial fishing vessels, ferries,
2 cruise ships, ports, and marinas.

3 (2) \$240,000 of the woodstove education and enforcement
4 account--state appropriation is provided solely for citizen outreach
5 efforts to improve understanding of burn curtailments, the proper use
6 of wood heating devices, and public awareness of the adverse health
7 effects of woodsmoke pollution.

8 (3) \$3,000,000 of the general fund--private/local appropriation is
9 provided solely for contracted toxic-site cleanup actions at sites
10 where multiple potentially liable parties agree to provide funding.

11 (4) \$3,600,000 of the local toxics account--state appropriation is
12 provided solely for the standby emergency rescue tug stationed at Neah
13 Bay.

14 (5) \$811,000 of the state toxics account--state appropriation is
15 provided solely for oversight of toxic cleanup at facilities that
16 treat, store, and dispose of hazardous wastes.

17 (6) \$1,456,000 of the state toxics account--state appropriation is
18 provided solely for toxic cleanup at sites where willing parties
19 negotiate prepayment agreements with the department and provide
20 necessary funding.

21 (7) \$558,000 of the state toxics account--state appropriation and
22 \$3,000,000 of the local toxics account--state appropriation are
23 provided solely for grants and technical assistance to Puget Sound-area
24 local governments engaged in updating shoreline master programs.

25 (8) \$950,000 of the state toxics control account--state
26 appropriation is provided solely for measuring water and habitat
27 quality to determine watershed health and assist salmon recovery,
28 beginning in fiscal year 2011.

29 (9) RCW 70.105.280 authorizes the department to assess reasonable
30 service charges against those facilities that store, treat, incinerate,
31 or dispose of dangerous or extremely hazardous waste that involves both
32 a nonradioactive hazardous component and a radioactive component.
33 Service charges may not exceed the costs to the department in carrying
34 out the duties in RCW 70.105.280. The current service charges do not
35 meet the costs of the department to carry out its duties. Pursuant to
36 RCW 43.135.055 and 70.105.280, the department is authorized to increase
37 the service charges no greater than 18 percent for fiscal year 2010 and
38 no greater than 15 percent for fiscal year 2011. Such service charges

1 shall include all costs of public participation grants awarded to
2 qualified entities by the department pursuant to RCW 70.105D.070(5) for
3 facilities at which such grants are recognized as a component of a
4 community relations or public participation plan authorized or required
5 as an element of a consent order, federal facility agreement or agreed
6 order entered into or issued by the department pursuant to any federal
7 or state law governing investigation and remediation of releases of
8 hazardous substances. Public participation grants funded by such
9 service charges shall be in addition to, and not in place of, any other
10 grants made pursuant to RCW 70.105D.070(5). Costs for the public
11 participation grants shall be billed individually to the mixed waste
12 facility associated with the grant.

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

19 (11) \$63,000 of the state toxics control account--state
20 appropriation is provided solely for implementation of Substitute
21 Senate Bill No. 5797 (solid waste handling permits). If the bill is
22 not enacted by June 30, 2009, the amount provided in this subsection
23 shall lapse.

24 (12) \$225,000 of the general fund--state appropriation for fiscal
25 year 2010 and \$181,000 of the general fund--state appropriation for
26 fiscal year 2011 are provided solely for implementation of Engrossed
27 Second Substitute Bill No. 5560 (agency climate leadership). If the
28 bill is not enacted by June 30, 2009, the amounts provided in this
29 subsection shall lapse.

30 (13) \$150,000 of the general fund--state appropriation for fiscal
31 year 2010 and \$141,000 of the general fund--state appropriation for
32 fiscal year 2011 are provided solely for watershed planning
33 implementation grants to continue ongoing efforts to develop and
34 implement water agreements in the Nooksack Basin and the Bertrand
35 watershed. These amounts are intended to support project
36 administration; monitoring; negotiations in the Nooksack watershed
37 between tribes, the department, and affected water users; continued

1 implementation of a flow augmentation project; plan implementation in
2 the Fishtrap watershed; and the development of a water bank.

3 (14) \$215,000 of the general fund--state appropriation for fiscal
4 year 2010 and \$220,000 of the general fund--state appropriation for
5 fiscal year 2011 are provided solely to provide watershed planning
6 implementation grants for WRIA 32 to implement Substitute House Bill
7 No. 1580 (pilot local water management program). If the bill is not
8 enacted by June 30, 2009, the amounts provided in this subsection shall
9 lapse.

10 (15) \$200,000 of the general fund--state appropriation for fiscal
11 year 2010 and \$187,000 of the general fund--state appropriation for
12 fiscal year 2011 are provided solely for the purpose of supporting the
13 trust water rights program and processing trust water right transfer
14 applications that improve instream flow.

15 (16)(a) The department shall convene a stock water working group
16 that includes: Legislators, four members representing agricultural
17 interests, three members representing environmental interests, the
18 attorney general or designee, the director of the department of ecology
19 or designee, the director of the department of agriculture or designee,
20 and affected federally recognized tribes shall be invited to send
21 participants.

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

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

28 (17) \$73,000 of the water quality permit account--state
29 appropriation is provided solely to implement Substitute House Bill No.
30 1413 (water discharge fees). If the bill is not enacted by June 30,
31 2009, the amount provided in this subsection shall lapse.

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

37 (19) The department shall track any changes in costs, wages, and
38 benefits that would have resulted if House Bill No. 1716 (public

1 contract living wages), as introduced in the 2009 regular session of
2 the legislature, were enacted and made applicable to contracts and
3 related subcontracts entered into, renewed, or extended during the
4 2009-11 biennium. The department shall submit a report to the house of
5 representatives commerce and labor committee and the senate labor,
6 commerce, and consumer protection committee by December 1, 2011. The
7 report shall include data on any aggregate changes in wages and
8 benefits that would have resulted during the 2009-11 biennium.

9 (20) Within amounts appropriated in this section the department
10 shall develop recommendations by December 1, 2009, for a convenient and
11 effective mercury-containing light recycling program for residents,
12 small businesses, and small school districts throughout the state. The
13 department shall consider options including but not limited to, a
14 producer-funded program, a recycler-supported or recycle fee program,
15 a consumer fee at the time of purchase, general fund appropriations, or
16 a currently existing dedicated account. The department shall involve
17 and consult with stakeholders including persons who represent
18 retailers, waste haulers, recyclers, mercury-containing light
19 manufacturers or wholesalers, cities, counties, environmental
20 organizations and other interested parties. The department shall
21 report its findings and recommendations for a recycling program for
22 mercury-containing lights to the appropriate committees of the
23 legislature by December 1, 2009.

24 (21) \$140,000 of the freshwater aquatic algae control
25 account--state appropriation is provided solely for grants to cities,
26 counties, tribes, special purpose districts, and state agencies for
27 capital and operational expenses used to manage and study excessive
28 saltwater algae with an emphasis on the periodic accumulation of sea
29 lettuce on Puget Sound beaches.

30 (22) By December 1, 2009, the department in consultation with local
31 governments shall conduct a remedial action grant financing
32 alternatives report. The report shall address options for financing the
33 remedial action grants identified in the department's report, entitled
34 "House Bill 1761, Model Toxics Control Accounts Ten-Year Financing
35 Plan" and shall include but not be limited to the following: (a)
36 Capitalizing cleanup costs using debt insurance; (b) capitalizing
37 cleanup costs using prefunded cost-cap insurance; (c) other contractual

1 instruments with local governments; and (d) an assessment of overall
2 economic benefits of the remedial action grants funded using the
3 instruments identified in this section.

4 (23) \$220,000 of the site closure account--state appropriation is
5 provided solely for litigation expenses associated with the lawsuit
6 filed by energy solutions, inc., against the Northwest interstate
7 compact on low-level radioactive waste management and its executive
8 director.

9 (24) \$68,000 of the water rights processing account--state
10 appropriation is provided solely for implementation of Engrossed Second
11 Substitute Senate Bill No. 6267 (water rights processing). If the bill
12 is not enacted by June 30, 2010, the amount provided in this subsection
13 shall lapse.

14 (25) \$10,000 of the state toxics control account--state
15 appropriation is provided solely for implementation of Engrossed
16 Substitute Senate Bill No. 5543 (mercury-containing lights). If the
17 bill is not enacted by June 30, 2010, the amount provided in this
18 subsection shall lapse.

19 (26) \$300,000 of the state toxics control account--state
20 appropriation is provided solely for piloting and evaluating two
21 coordinated, multijurisdictional permitting teams for nontransportation
22 projects.

23 (27)(a) \$4,000,000 of the state drought preparedness account--state
24 appropriation is provided solely for response to a drought declaration
25 pursuant to chapter 43.83B RCW. If such a drought declaration occurs,
26 the department of ecology may provide funding to public bodies as
27 defined in RCW 43.83B.050 in connection with projects and measures
28 designed to alleviate drought conditions that may affect public health
29 and safety, drinking water supplies, agricultural activities, or fish
30 and wildlife survival.

31 (b) Projects or measures for which funding will be provided must be
32 connected with a water system, water source, or water body that is
33 receiving, or has been projected to receive, less than seventy-five
34 percent of normal water supply, as the result of natural drought
35 conditions. This reduction in water supply must be such that it is
36 causing, or will cause, undue hardship for the entities or fish or
37 wildlife depending on the water supply. The department shall issue

1 guidelines outlining grant program and matching fund requirements
2 within ten days of a drought declaration.

3 (28) In accordance with RCW 43.135.055, the department is
4 authorized to increase the fees set forth in and previously authorized
5 in section 302(10), chapter 564, Laws of 2009.

6 (29) In accordance with RCW 43.135.055, the department is
7 authorized to adopt and increase the fees set forth in and previously
8 authorized in sections 3, 5, 7, and 12, chapter 285, Laws of 2010.

9 **Sec. 1202.** 2011 c 5 s 302 (uncodified) is amended to read as
10 follows:

11 **FOR THE STATE PARKS AND RECREATION COMMISSION**

12	General Fund--State Appropriation (FY 2010)	\$23,176,000
13	General Fund--State Appropriation (FY 2011)	(\$18,309,000)
14		<u>\$18,275,000</u>
15	General Fund--Federal Appropriation	\$6,892,000
16	General Fund--Private/Local Appropriation	\$73,000
17	Winter Recreation Program Account--State Appropriation . . .	\$1,556,000
18	Off Road Vehicle Account--State Appropriation	\$239,000
19	Snowmobile Account--State Appropriation	\$4,842,000
20	Aquatic Lands Enhancement Account--State Appropriation	\$368,000
21	Recreation Resources Account--State Appropriation	\$9,469,000
22	NOVA Program Account--State Appropriation	\$9,164,000
23	Parks Renewal and Stewardship Account--State	
24	Appropriation	\$72,975,000
25	Parks Renewal and Stewardship Account--Private/Local	
26	Appropriation	\$300,000
27	TOTAL APPROPRIATION	(\$147,363,000)
28		<u>\$147,329,000</u>

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

31 (1) \$79,000 of the general fund--state appropriation for fiscal
32 year 2010 and \$74,000 of the general fund--state appropriation for
33 fiscal year 2011 are provided solely for a grant for the operation of
34 the Northwest avalanche center.

35 (2) Proceeds received from voluntary donations given by motor
36 vehicle registration applicants shall be used solely for the operation
37 and maintenance of state parks.

1 (3) With the passage of Substitute House Bill No. 2339 (state parks
2 system donation), the legislature finds that it has provided sufficient
3 funds to ensure that all state parks remain open during the 2009-11
4 biennium. The commission shall not close state parks unless the bill
5 is not enacted by June 30, 2009, or revenue collections are
6 insufficient to fund the ongoing operation of state parks. By January
7 10, 2010, the commission shall provide a report to the legislature on
8 their budget and resources related to operating parks for the remainder
9 of the biennium.

10 (4) The commission shall work with the department of general
11 administration to evaluate the commission's existing leases with the
12 intention of increasing net revenue to state parks. The commission
13 shall provide to the office of financial management and the legislative
14 fiscal committees no later than September 30, 2009, a list of leases
15 the commission proposes be managed by the department of general
16 administration.

17 **Sec. 1203.** 2011 c 5 s 303 (uncodified) is amended to read as
18 follows:

19 **FOR THE RECREATION AND CONSERVATION FUNDING BOARD**

20	General Fund--State Appropriation (FY 2010)	\$1,486,000
21	General Fund--State Appropriation (FY 2011)	(((\$1,312,000))
22		<u>\$1,311,000</u>
23	General Fund--Federal Appropriation	\$10,427,000
24	General Fund--Private/Local Appropriation	\$250,000
25	Aquatic Lands Enhancement Account--State Appropriation	\$278,000
26	Firearms Range Account--State Appropriation	\$39,000
27	Recreation Resources Account--State Appropriation	\$2,738,000
28	NOVA Program Account--State Appropriation	\$1,059,000
29	TOTAL APPROPRIATION	(((\$17,589,000))
30		<u>\$17,588,000</u>

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

33 (1) \$204,000 of the general fund--state appropriation for fiscal
34 year 2010 and \$194,000 of the general fund--state appropriation for
35 fiscal year 2011 are provided solely for the implementation of
36 Substitute House Bill No. 2157 (salmon recovery). If the bill is not

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

3 (2) The recreation and conservation office, under the direction of
4 the salmon recovery funding board, shall assess watershed and regional-
5 scale capacity issues relating to the support and implementation of
6 salmon recovery. The assessment shall examine priority setting and
7 incentives to further promote coordination to ensure that effective and
8 efficient mechanisms for delivery of salmon recovery funding board
9 funds are being utilized. The salmon recovery funding board shall
10 distribute its operational funding to the appropriate entities based on
11 this assessment.

12 (3) The recreation and conservation office shall negotiate an
13 agreement with the Puget Sound partnership to consolidate or share
14 certain administrative functions currently performed by each agency
15 independently. The agencies shall proportionately share the costs of
16 such shared functions. Examples of shared functions may include, but
17 are not limited to, support for personnel, information technology,
18 grant and contract management, invasive species work, legislative
19 coordination, and policy and administrative support of various boards
20 and councils.

21 **Sec. 1204.** 2010 2nd sp.s. c 1 s 305 (uncodified) is amended to
22 read as follows:

23 **FOR THE ENVIRONMENTAL HEARINGS OFFICE**

24	General Fund--State Appropriation (FY 2010)	\$1,108,000
25	General Fund--State Appropriation (FY 2011)	(\$1,035,000)
26		<u>\$1,034,000</u>
27	TOTAL APPROPRIATION	(\$2,143,000)
28		<u>\$2,142,000</u>

29 The appropriations in this section are subject to the following
30 conditions and limitations: \$46,000 of the general fund--state
31 appropriation for fiscal year 2010 is provided solely for tenant
32 improvement costs associated with moving the office to a new location.

33 **Sec. 1205.** 2010 2nd sp.s. c 1 s 306 (uncodified) is amended to
34 read as follows:

35 **FOR THE CONSERVATION COMMISSION**

36	General Fund--State Appropriation (FY 2010)	\$7,556,000
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1	General Fund--State Appropriation (FY 2011)	((\$6,751,000))
2		<u>\$6,750,000</u>
3	General Fund--Federal Appropriation	\$1,178,000
4	TOTAL APPROPRIATION	((\$15,485,000))
5		<u>\$15,484,000</u>

6 The appropriations in this section are subject to the following
7 conditions and limitations: In order to maintain a high degree of
8 customer service and accountability for conservation districts,
9 \$125,000 is to support the conservation commission's administrative
10 activities related to the processing of conservation district invoices
11 and budgeting.

12 **Sec. 1206.** 2011 c 5 s 304 (uncodified) is amended to read as
13 follows:

14 **FOR THE DEPARTMENT OF FISH AND WILDLIFE**

15	General Fund--State Appropriation (FY 2010)	\$41,263,000
16	General Fund--State Appropriation (FY 2011)	((\$30,560,000))
17		<u>\$31,053,000</u>
18	General Fund--Federal Appropriation	\$88,799,000
19	General Fund--Private/Local Appropriation	\$47,211,000
20	Off Road Vehicle Account--State Appropriation	\$413,000
21	Aquatic Lands Enhancement Account--State Appropriation . . .	\$6,739,000
22	Recreational Fisheries Enhancement--State	
23	Appropriation	\$3,472,000
24	Warm Water Game Fish Account--State Appropriation	\$2,861,000
25	Eastern Washington Pheasant Enhancement Account--	
26	State Appropriation	\$851,000
27	Aquatic Invasive Species Enforcement Account--State	
28	Appropriation	\$207,000
29	Aquatic Invasive Species Prevention Account--State	
30	Appropriation	\$833,000
31	Wildlife Account--State Appropriation	\$86,998,000
32	Wildlife Account--Federal Appropriation	\$101,000
33	Wildlife Account--Private/Local Appropriation	\$39,000
34	Game Special Wildlife Account--State Appropriation	\$2,367,000
35	Game Special Wildlife Account--Federal Appropriation	\$3,426,000
36	Game Special Wildlife Account--Private/Local	
37	Appropriation	\$487,000

1 Wildlife Rehabilitation Account--State Appropriation \$269,000
2 Regional Fisheries Salmonid Recovery Account--
3 Federal Appropriation \$5,001,000
4 Oil Spill Prevention Account--State Appropriation \$876,000
5 Oyster Reserve Land Account--State Appropriation \$916,000
6 TOTAL APPROPRIATION ((~~\$323,689,000~~))
7 \$324,182,000

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

10 (1) \$294,000 of the aquatic lands enhancement account--state
11 appropriation is provided solely for the implementation of hatchery
12 reform recommendations defined by the hatchery scientific review group.

13 (2) \$355,000 of the general fund--state appropriation for fiscal
14 year 2010 and \$422,000 of the general fund--state appropriation for
15 fiscal year 2011 are provided solely for the department to implement a
16 pilot project with the Confederated Tribes of the Colville Reservation
17 to develop expanded recreational fishing opportunities on Lake Rufus
18 Woods and its northern shoreline and to conduct joint enforcement of
19 lake fisheries on Lake Rufus Woods and adjoining waters, pursuant to
20 state and tribal intergovernmental agreements developed under the
21 Columbia River water supply program. For the purposes of the pilot
22 project:

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

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

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

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

34 (e) The Colville Tribes have agreed to recognize a fishing license
35 issued under RCW 77.32.470 or RCW 77.32.490 as satisfying the nontribal
36 member fishing permit requirements of Colville tribal law on the
37 reservation portion of the waters of Lake Rufus Woods and at designated
38 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. 1207.** 2011 c 5 s 305 (uncodified) is amended to read as
11 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)	(\$37,321,000)
15		<u>\$37,302,000</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	\$478,000
35	NOVA Program Account--State Appropriation	\$974,000
36	Derelict Vessel Removal Account--State Appropriation	\$1,749,000
37	Agricultural College Trust Management Account--	

1	State Appropriation	\$1,941,000
2	TOTAL APPROPRIATION	(\$276,566,000)
3		<u>\$276,547,000</u>

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

6 (1) \$1,355,000 of the general fund--state appropriation for fiscal
7 year 2010 and \$327,000 of the general fund--state appropriation for
8 fiscal year 2011 are provided solely for deposit into the agricultural
9 college trust management account and are provided solely to manage
10 approximately 70,700 acres of Washington State University's
11 agricultural college trust lands.

12 (2) \$22,670,000 of the general fund--state appropriation for fiscal
13 year 2010, \$15,089,000 of the general fund--state appropriation for
14 fiscal year 2011, and \$5,000,000 of the disaster response account--
15 state appropriation are provided solely for emergency fire suppression.
16 None of the general fund and disaster response account amounts provided
17 in this subsection may be used to fund agency indirect and
18 administrative expenses. Agency indirect and administrative costs
19 shall be allocated among the agency's remaining accounts and
20 appropriations. The department of natural resources shall submit a
21 quarterly report to the office of financial management and the
22 legislative fiscal committees detailing information on current and
23 planned expenditures from the disaster response account. This work
24 shall be done in coordination with the military department.

25 (3) \$5,000,000 of the forest and fish support account--state
26 appropriation is provided solely for adaptive management, monitoring,
27 and participation grants to tribes. If federal funding for this
28 purpose is reinstated, the amount provided in this subsection shall
29 lapse.

30 (4) \$600,000 of the derelict vessel removal account--state
31 appropriation is provided solely for removal of derelict and abandoned
32 vessels that have the potential to contaminate Puget Sound.

33 (5) \$666,000 of the general fund--federal appropriation is provided
34 solely to implement House Bill No. 2165 (forest biomass energy
35 project). If the bill is not enacted by June 30, 2009, the amount
36 provided in this subsection shall lapse.

37 (6) \$5,000 of the general fund--state appropriation for fiscal year
38 2010 and \$5,000 of the general fund--state appropriation for fiscal

1 year 2011 are provided solely to implement Substitute House Bill No.
2 1038 (specialized forest products). If the bill is not enacted by June
3 30, 2009, the amounts provided in this subsection shall lapse.

4 (7) \$440,000 of the state general fund--state appropriation for
5 fiscal year 2010 and \$440,000 of the state general fund--state
6 appropriation for fiscal year 2011 are provided solely for forest work
7 crews that support correctional camps and are contingent upon
8 continuing operations of Naselle youth camp at the level provided in
9 fiscal year 2008. The department shall consider using up to \$2,000,000
10 of the general fund--federal appropriation to support and utilize
11 correctional camp crews to implement natural resource projects approved
12 by the federal government for federal stimulus funding.

13 (8) The department of natural resources shall dispose of the King
14 Air aircraft it currently owns. Before disposal and within existing
15 funds, the department shall transfer specialized equipment for fire
16 surveillance to the department of fish and wildlife's Partenavia
17 aircraft. Disposal of the aircraft must occur no later than June 30,
18 2010, and the proceeds from the sale of the aircraft shall be deposited
19 into the forest and fish support account.

20 (9) \$30,000 of the general fund--state appropriation for fiscal
21 year 2010 and \$28,000 of the general fund--state appropriation for
22 fiscal year 2011 are provided solely for implementation of Engrossed
23 Second Substitute Bill No. 5560 (agency climate leadership). If the
24 bill is not enacted by June 30, 2009, the amounts provided in this
25 subsection shall lapse.

26 (10) \$1,030,000 of the aquatic lands enhancement account--state
27 appropriation for fiscal year 2011 is provided solely for continuing
28 scientific studies already underway as part of the adaptive management
29 process. Funds may not be used to initiate new studies unless the
30 department secures new federal funding for the adaptive management
31 process.

32 (11) Within available funds, the department of natural resources
33 shall review the statutory method for determining aquatic lands lease
34 rates for private marinas, public marinas not owned and operated by
35 port districts, yacht clubs, and other entities leasing state land for
36 boat moorage. The review shall consider alternative methods for
37 determining rents for these entities for a fair distribution of rent,

1 consistent with the department management mandates for state aquatic
2 lands.

3 (12) \$37,000 of the general fund--state appropriation for fiscal
4 year 2011 and \$100,000 of the aquatic lands enhancement account--state
5 appropriation are provided solely to install up to twenty mooring buoys
6 in Eagle Harbor and to remove abandoned boats, floats, and other
7 trespassing structures.

8 (13) By October 1, 2010, the department shall enter into an
9 interagency agreement with the department of fish and wildlife for
10 providing land management services on the department of fish and
11 wildlife's wildlife conservation and recreation lands. Land management
12 services may include but are not limited to records management, real
13 estate services such as surveying, and land acquisition and disposal
14 services. The interagency agreement shall describe business processes,
15 service delivery expectations, cost, and timing. A draft agreement
16 shall be submitted to the office of financial management and the
17 appropriate fiscal committees of the legislature by July 1, 2010.

18 (14) \$41,000 of the forest development account--state
19 appropriation, \$44,000 of the resources management cost account--state
20 appropriation, and \$2,000 of the agricultural college trust management
21 account--state appropriation are provided solely for the implementation
22 of Second Substitute House Bill No. 2481 (DNR forest biomass
23 agreements). If the bill is not enacted by June 30, 2010, the amount
24 provided in this subsection shall lapse.

25 **Sec. 1208.** 2011 c 5 s 306 (uncodified) is amended to read as
26 follows:

27 **FOR THE DEPARTMENT OF AGRICULTURE**

28	General Fund--State Appropriation (FY 2010)	\$12,320,000
29	General Fund--State Appropriation (FY 2011)	(\$15,391,000)
30		<u>\$15,366,000</u>
31	General Fund--Federal Appropriation	\$21,047,000
32	General Fund--Private/Local Appropriation	\$193,000
33	Aquatic Lands Enhancement Account--State Appropriation . . .	\$2,564,000
34	State Toxics Control Account--State Appropriation	\$4,724,000
35	Water Quality Permit Account--State Appropriation	\$61,000
36	TOTAL APPROPRIATION	(\$56,300,000)
37		<u>\$56,275,000</u>

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

3 (1) \$350,000 of the aquatic lands enhancement account appropriation
4 is provided solely for funding to the Pacific county noxious weed
5 control board to eradicate remaining spartina in Willapa Bay.

6 (2) \$19,000 of the general fund--state appropriation for fiscal
7 year 2010 and \$6,000 of the general fund--state appropriation for
8 fiscal year 2011 are provided solely to implement Substitute Senate
9 Bill No. 5797 (solid waste handling permits). If the bill is not
10 enacted by June 30, 2009, the amounts provided in this subsection shall
11 lapse.

12 (3) The department is authorized to establish or increase the
13 following fees in the 2009-11 biennium as necessary to meet the actual
14 costs of conducting business: Christmas tree grower licensing, nursery
15 dealer licensing, plant pest inspection and testing, and commission
16 merchant licensing.

17 (4) \$5,179,000 of the general fund--state appropriation for fiscal
18 year 2011 and \$2,782,000 of the general fund--federal appropriation are
19 provided solely for implementation of Substitute Senate Bill No. 6341
20 (food assistance/department of agriculture). Within amounts
21 appropriated in this subsection, \$65,000 of the general fund--state
22 appropriation for fiscal year 2011 is provided solely for a contract
23 with a food distribution program for communities in the southwestern
24 portion of the state and for workers impacted by timber and salmon
25 fishing closures and reductions. The department may not charge
26 administrative overhead or expenses to this contract. If the bill is
27 not enacted by June 30, 2010, the amounts provided in this subsection
28 shall lapse.

29 (5) The department shall, if public or private funds are available,
30 partner with eligible public and private entities with experience in
31 food collection and distribution to review funding sources for eight
32 full-time volunteers in the AmeriCorps VISTA program to conduct
33 outreach to local growers, agricultural donors, and community
34 volunteers. Public and private partners shall also be utilized to
35 coordinate gleaning unharvested tree fruits and fresh produce for
36 distribution to individuals throughout Washington state.

37 (6) When reducing laboratory activities and functions, the

1 department shall not impact any research or analysis pertaining to
2 bees.

3 **Sec. 1209.** 2011 c 5 s 307 (uncodified) is amended to read as
4 follows:

5 **FOR THE PUGET SOUND PARTNERSHIP**

6	General Fund--State Appropriation (FY 2010)	\$3,143,000
7	General Fund--State Appropriation (FY 2011)	(\$2,528,000)
8		<u>\$2,525,000</u>
9	General Fund--Federal Appropriation	\$8,096,000
10	Aquatic Lands Enhancement Account--State Appropriation	\$493,000
11	State Toxics Control Account--State Appropriation	\$794,000
12	TOTAL APPROPRIATION	(\$15,054,000)
13		<u>\$15,051,000</u>

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

16 (1) \$305,000 of the general fund--state appropriation for fiscal
17 year 2010 is provided solely for measuring water and habitat quality to
18 determine watershed health and assist salmon recovery.

19 (2) \$794,000 of the state toxics control account--state
20 appropriation is provided solely for activities that contribute to
21 Puget Sound protection and recovery, including provision of independent
22 advice and assessment of the state's oil spill prevention,
23 preparedness, and response programs, including review of existing
24 activities and recommendations for any necessary improvements. The
25 partnership may carry out this function through an existing committee,
26 such as the ecosystem coordination board or the leadership council, or
27 may appoint a special advisory council. Because this is a unique
28 statewide program, the partnership may invite participation from
29 outside the Puget Sound region.

30 (3) Within the amounts appropriated in this section, the Puget
31 Sound partnership shall facilitate an ongoing monitoring consortium to
32 integrate monitoring efforts for storm water, water quality, watershed
33 health, and other indicators to enhance monitoring efforts in Puget
34 Sound.

35 (4) The Puget Sound partnership shall work with Washington State
36 University and the environmental protection agency to secure funding
37 for the beach watchers program.

1 (5) \$839,000 of the general fund--state appropriation for fiscal
2 year 2010 and \$608,000 of the general fund--state appropriation for
3 fiscal year 2011 are provided solely to support public education and
4 volunteer programs. The partnership is directed to distribute the
5 majority of funding as grants to local organizations, local
6 governments, and education, communication, and outreach network
7 partners. The partnership shall track progress for this activity
8 through the accountability system of the Puget Sound partnership.

9 (6) The Puget Sound partnership shall negotiate an agreement with
10 the recreation and conservation office to consolidate or share certain
11 administrative functions currently performed by each agency
12 independently. The agencies shall proportionately share the costs of
13 such shared functions. Examples of shared functions may include, but
14 are not limited to, support for personnel, information technology,
15 grant and contract management, invasive species work, legislative
16 coordination, and policy and administrative support of various boards
17 and councils.

(End of part)

PART XIII
TRANSPORTATION

Sec. 1301. 2011 c 5 s 401 (uncodified) is amended to read as follows:

FOR THE DEPARTMENT OF LICENSING

General Fund--State Appropriation (FY 2010)	\$1,436,000
General Fund--State Appropriation (FY 2011)	(\$1,322,000)
	<u>\$1,320,000</u>
Architects' License Account--State Appropriation	\$923,000
Professional Engineers' Account--State	
Appropriation	\$3,568,000
Real Estate Commission Account--State Appropriation	\$9,987,000
Master License Account--State Appropriation	\$15,718,000
Uniform Commercial Code Account--State Appropriation	\$3,090,000
Real Estate Education Account--State Appropriation	\$276,000
Real Estate Appraiser Commission Account--State	
Appropriation	\$1,683,000
Business and Professions Account--State Appropriation	\$15,188,000
Real Estate Research Account--State Appropriation	\$471,000
Geologists' Account--State Appropriation	\$53,000
Derelict Vessel Removal Account--State Appropriation	\$31,000
TOTAL APPROPRIATION	(\$53,746,000)
	<u>\$53,744,000</u>

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

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

(2) \$1,352,000 of the business and professions account--state appropriation is provided solely to implement Substitute Senate Bill No. 5391 (tattoo and body piercing). If the bill is not enacted by June 30, 2009, the amount provided in this subsection shall lapse.

(3) \$358,000 of the business and professions account--state

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. 1302.** 2011 c 5 s 402 (uncodified) is amended to read as
15 follows:

16 **FOR THE STATE PATROL**

17	General Fund--State Appropriation (FY 2010)	\$38,977,000
18	General Fund--State Appropriation (FY 2011)	((\$33,292,000))
19		<u>\$32,867,000</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	((\$131,603,000))
37		<u>\$131,178,000</u>

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

3 (1) \$200,000 of the fire service training account--state
4 appropriation is provided solely for two FTEs in the office of the
5 state director of fire protection to exclusively review K-12
6 construction documents for fire and life safety in accordance with the
7 state building code. It is the intent of this appropriation to provide
8 these services only to those districts that are located in counties
9 without qualified review capabilities.

10 (2) \$8,000,000 of the disaster response account--state
11 appropriation is provided solely for Washington state fire service
12 resource mobilization costs incurred in response to an emergency or
13 disaster authorized under RCW 43.43.960 and 43.43.964. The state
14 patrol shall submit a report quarterly to the office of financial
15 management and the legislative fiscal committees detailing information
16 on current and planned expenditures from this account. This work shall
17 be done in coordination with the military department.

18 (3) The 2010 legislature will review the use of king air planes by
19 the executive branch and the adequacy of funding in this budget
20 regarding maintaining and operating the planes to successfully
21 accomplish their mission.

22 (4) The appropriations in this section reflect reductions in the
23 appropriations for the agency's administrative expenses. It is the
24 intent of the legislature that these reductions shall be achieved, to
25 the greatest extent possible, by reducing those administrative costs
26 that do not affect direct client services or direct service delivery or
27 programs.

28 (5) \$400,000 of the fire service training account--state
29 appropriation is provided solely for the firefighter apprenticeship
30 training program.

31 (6) \$48,000 of the fingerprint identification account--state
32 appropriation is provided solely to implement Substitute House Bill No.
33 1621 (consumer loan companies). If the bill is not enacted by June 30,
34 2009, the amounts provided in this subsection shall lapse.

35 (7) In accordance with RCW 43.43.942, 46.52.085, and 43.135.055,
36 the state patrol is authorized to increase the following fees in fiscal
37 year 2011 as necessary to meet the actual costs of conducting business

1 and the appropriation levels in this section: Collision records
2 requests; fire training academy courses; and fire training academy dorm
3 accommodations.

4 (8) \$24,000 of the fingerprint identification account--state
5 appropriation is provided solely for implementation of chapter 47, Laws
6 of 2010 (criminal background checks).

(End of part)

PART XIV
EDUCATION

Sec. 1401. 2011 c 5 s 501 (uncodified) is amended to read as follows:

FOR THE SUPERINTENDENT OF PUBLIC INSTRUCTION

General Fund--State Appropriation (FY 2010)	\$35,415,000
General Fund--State Appropriation (FY 2011)	(\$30,196,000)
	<u>\$30,336,000</u>
General Fund--Federal Appropriation	\$87,081,000
TOTAL APPROPRIATION	(\$152,692,000)
	<u>\$152,832,000</u>

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

(1) A maximum of \$23,096,000 of the general fund--state appropriation for fiscal year 2010 and \$20,070,000 of the general fund--state appropriation for fiscal year 2011 is for state agency operations.

(a) \$11,226,000 of the general fund--state appropriation for fiscal year 2010 and \$9,709,000 of the general fund--state appropriation for fiscal year 2011 are provided solely for the operation and expenses of the office of the superintendent of public instruction.

(i) Within the amounts provided in this subsection, the superintendent shall recognize the extraordinary accomplishments of four students who have demonstrated a strong understanding of the civics essential learning requirements to receive the Daniel J. Evans civic education award.

(ii) Within amounts appropriated in this subsection (1)(a), the office of the superintendent of public instruction, consistent with WAC 392-121-182 (alternative learning experience requirements) which requires documentation of alternative learning experience student headcount and full-time equivalent (FTE) enrollment claimed for basic education funding, shall provide, monthly, accurate monthly headcount and FTE enrollments for students in alternative learning experience (ALE) programs as well as information about resident and serving districts.

1 (iii) Within amounts provided in this subsection (1)(a), the state
2 superintendent of public instruction shall share best practices with
3 school districts regarding strategies for increasing efficiencies and
4 economies of scale in school district noninstructional operations
5 through shared service arrangements and school district cooperatives,
6 as well as other practices.

7 (b) \$25,000 of the general fund--state appropriation for fiscal
8 year 2011 is provided to the office of the superintendent of public
9 instruction solely to convene a science, technology, engineering, and
10 mathematics (STEM) working group to develop a comprehensive plan with
11 a shared vision, goals, and measurable objectives to improve policies
12 and practices to ensure that a pathway is established for elementary
13 schools, middle schools, high schools, postsecondary degree programs,
14 and careers in the areas of STEM, including improving practices for
15 recruiting, preparing, hiring, retraining, and supporting teachers and
16 instructors while creating pathways to boost student success, close the
17 achievement gap, and prepare every student to be college and career
18 ready. The working group shall be composed of the director of STEM at
19 the office of the superintendent of public instruction who shall be the
20 chair of the working group, and at least one representative from the
21 state board of education, professional educator standards board, state
22 board of community and technical colleges, higher education
23 coordinating board, workforce training and education coordinating
24 board, the achievement gap oversight and accountability committee, and
25 others with appropriate expertise. The working group shall develop a
26 comprehensive plan and a report with recommendations, including a
27 timeline for specific actions to be taken, which is due to the governor
28 and the appropriate committees of the legislature by December 1, 2010.

29 (c) \$920,000 of the general fund--state appropriation for fiscal
30 year 2010 and \$491,000 of the general fund--state appropriation for
31 fiscal year 2011 are provided solely for research and development
32 activities associated with the development of options for new school
33 finance systems, including technical staff, reprogramming, and analysis
34 of alternative student funding formulae. Within this amount is
35 \$150,000 for the state board of education for further development of
36 accountability systems, and \$150,000 for the professional educator
37 standards board for continued development of teacher certification and
38 evaluation systems.

1 (d) \$965,000 of the general fund--state appropriation for fiscal
2 year 2010 and \$887,000 of the general fund--state appropriation for
3 fiscal year 2011 are provided solely for the operation and expenses of
4 the state board of education, including basic education assistance
5 activities.

6 (e) \$5,366,000 of the general fund--state appropriation for fiscal
7 year 2010 and \$3,103,000 of the general fund--state appropriation for
8 fiscal year 2011 are provided solely to the professional educator
9 standards board for the following:

10 (i) \$1,070,000 in fiscal year 2010 and \$985,000 in fiscal year 2011
11 are for the operation and expenses of the Washington professional
12 educator standards board;

13 (ii) \$4,106,000 of the general fund--state appropriation for fiscal
14 year 2010 and \$1,936,000 of the general fund--state appropriation for
15 fiscal year 2011 are for conditional scholarship loans and mentor
16 stipends provided through the alternative routes to certification
17 program administered by the professional educator standards board,
18 including the pipeline for paraeducators program and the retooling to
19 teach conditional loan programs. Funding within this subsection
20 (1)(f)(ii) is also provided for the recruiting Washington teachers
21 program.

22 (iii) \$102,000 of the general fund--state appropriation for fiscal
23 year 2010 is provided for the implementation of Second Substitute
24 Senate Bill No. 5973 (student achievement gap). \$94,000 of the general
25 fund--state appropriation for fiscal year 2011 is provided solely for
26 the ongoing work of the achievement gap oversight and accountability
27 committee and implementation of the committee's recommendations.

28 (f) \$1,349,000 of the general fund--state appropriation for fiscal
29 year 2010 and \$144,000 of the general fund--state appropriation for
30 fiscal year 2011 are provided solely for replacement of the
31 apportionment system, which includes the processes that collect school
32 district budget and expenditure information, staffing characteristics,
33 and the student enrollments that drive the funding process.

34 (g) \$1,140,000 of the general fund--state appropriation for fiscal
35 year 2010 and \$1,227,000 of the general fund--state appropriation for
36 fiscal year 2011 are provided solely for the creation of a statewide
37 data base of longitudinal student information. This amount is

1 conditioned on the department satisfying the requirements in section
2 902 of this act.

3 (h) \$75,000 of the general fund--state appropriation for fiscal
4 year 2010 is provided solely to promote the financial literacy of
5 students. The effort will be coordinated through the financial
6 education public-private partnership. It is expected that
7 nonappropriated funds available to the public-private partnership will
8 be sufficient to continue financial literacy activities.

9 (i) To the maximum extent possible, in adopting new agency rules or
10 making any changes to existing rules or policies related to the fiscal
11 provisions in the administration of part V of this act, the office of
12 the superintendent of public instruction shall attempt to request
13 approval through the normal legislative budget process.

14 (j) \$44,000 of the general fund--state appropriation for fiscal
15 year 2010 and \$45,000 of the general fund--state appropriation for
16 fiscal year 2011 are provided solely for the implementation of
17 Substitute Senate Bill No. 5248 (enacting the interstate compact on
18 educational opportunity for military children).

19 (k) \$700,000 of the general fund--state appropriation for fiscal
20 year 2010 and \$700,000 of the general fund--state appropriation for
21 fiscal year 2011 are provided solely for the implementation of
22 Substitute Senate Bill No. 5410 (online learning).

23 (l) \$25,000 of the general fund--state appropriation for fiscal
24 year 2010 and \$12,000 of the general fund--state appropriation for
25 fiscal year 2011 are provided solely for project citizen, a program
26 sponsored by the national conference of state legislatures and the
27 center for civic education to promote participation in government by
28 middle school students.

29 (m) \$2,518,000 of the general fund--state appropriation for fiscal
30 year 2011 is provided solely for the implementation of Substitute House
31 Bill No. 2776 (K-12 education funding). If the bill is not enacted by
32 June 30, 2010, the amount provided in this subsection shall lapse.

33 (n) \$89,000 of the general fund--state appropriation for fiscal
34 year 2011 is provided solely for the implementation of Engrossed Second
35 Substitute House Bill No. 3026 (state and federal civil rights laws).
36 If the bill is not enacted by June 30, 2010, the amount provided in
37 this subsection shall lapse.

1 (o) Beginning in the 2010-11 school year, the superintendent of
2 public instruction shall require all districts receiving general
3 apportionment funding for alternative learning experience (ALE)
4 programs as defined in WAC 392-121-182 to provide separate financial
5 accounting of expenditures for the ALE programs offered in district or
6 with a provider, including but not limited to private companies and
7 multidistrict cooperatives.

8 (p) \$55,000 of the general fund--state appropriation for fiscal
9 year 2011 is provided to the office of the superintendent of public
10 instruction solely to convene a technical working group to establish
11 standards, guidelines, and definitions for what constitutes a basic
12 education program for highly capable students and the appropriate
13 funding structure for such a program, and to submit recommendations to
14 the legislature for consideration. The working group may convene
15 advisory subgroups on specific topics as necessary to assure
16 participation and input from a broad array of diverse stakeholders.
17 The working group must consult with and seek input from nationally
18 recognized experts; researchers and academics on the unique
19 educational, emotional, and social needs of highly capable students and
20 how to identify such students; representatives of national
21 organizations and associations for educators of or advocates for highly
22 capable students; school district representatives who are educators,
23 counselors, and classified school employees involved with highly
24 capable programs; parents of students who have been identified as
25 highly capable; representatives from the federally recognized tribes;
26 and representatives of cultural, linguistic, and racial minority groups
27 and the community of persons with disabilities. The working group
28 shall make recommendations to the quality education council and to
29 appropriate committees of the legislature by December 1, 2010. The
30 recommendations shall take into consideration that access to the
31 program for highly capable students is not an individual entitlement
32 for any particular student. The recommendations shall seek to minimize
33 underrepresentation of any particular demographic or socioeconomic
34 group by better identification, not lower standards or quotas, and
35 shall include the following:

36 (i) Standardized state-level identification procedures, standards,
37 criteria, and benchmarks, including a definition or definitions of a

1 highly capable student. Students who are both highly capable and are
2 students of color, are poor, or have a disability must be addressed;

3 (ii) Appropriate programs and services that have been shown by
4 research and practice to be effective with highly capable students but
5 maintain options and flexibility for school districts, where possible;

6 (iii) Program administration, management, and reporting
7 requirements for school districts;

8 (iv) Appropriate educator qualifications, certification
9 requirements, and professional development and support for educators
10 and other staff who are involved in programs for highly capable
11 students;

12 (v) Self-evaluation models to be used by school districts to
13 determine the effectiveness of the program and services provided by the
14 school district for highly capable programs;

15 (vi) An appropriate state-level funding structure; and

16 (vii) Other topics deemed to be relevant by the working group.

17 (q) \$1,000,000 of the general fund--state appropriation for fiscal
18 year 2011 is provided solely for contracting with a college scholarship
19 organization with expertise in conducting outreach to students
20 concerning eligibility for the Washington college bound scholarship
21 consistent with chapter 405, Laws of 2007.

22 (r) \$24,000 of the general fund--state appropriation for fiscal
23 year 2010 is provided solely for implementation of Substitute Senate
24 Bill No. 6759 (requiring a plan for a voluntary program of early
25 learning as a part of basic education). If the bill is not enacted by
26 June 30, 2010, the amounts provided in this subsection (1)(r) shall
27 lapse.

28 (s) \$950,000 of the general fund--state appropriation for fiscal
29 year 2010 (~~(is)~~) and \$150,000 of the general fund--state appropriation
30 for fiscal year 2011 are provided solely for office of the attorney
31 general costs related to *McCleary v. State of Washington*.

32 (2) \$12,320,000 of the general fund--state appropriation for fiscal
33 year 2010, \$10,127,000 of the general fund--state appropriation for
34 fiscal year 2011, and \$55,890,000 of the general fund--federal
35 appropriation are for statewide programs.

36 (a) HEALTH AND SAFETY

37 (i) \$2,541,000 of the general fund--state appropriation for fiscal
38 year 2010 and \$2,381,000 of the general fund--state appropriation for

1 fiscal year 2011 are provided solely for a corps of nurses located at
2 educational service districts, as determined by the superintendent of
3 public instruction, to be dispatched to the most needy schools to
4 provide direct care to students, health education, and training for
5 school staff.

6 (ii) \$100,000 of the general fund--state appropriation for fiscal
7 year 2010 and \$94,000 of the general fund--state appropriation for
8 fiscal year 2011 are provided solely for a school safety training
9 program provided by the criminal justice training commission. The
10 commission, in collaboration with the school safety center advisory
11 committee, shall provide the school safety training for all school
12 administrators and school safety personnel, including school safety
13 personnel hired after the effective date of this section.

14 (iii) \$9,670,000 of the general fund--federal appropriation is
15 provided for safe and drug free schools and communities grants for drug
16 and violence prevention activities and strategies.

17 (iv) \$96,000 of the general fund--state appropriation for fiscal
18 year 2010 and \$90,000 of the general fund--state appropriation for
19 fiscal year 2011 are provided solely for the school safety center in
20 the office of the superintendent of public instruction subject to the
21 following conditions and limitations:

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

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

34 (v) \$70,000 of the general fund--state appropriation for fiscal
35 year 2010 is provided solely for the youth suicide prevention program.

36 (vi) \$50,000 of the general fund--state appropriation for fiscal
37 year 2010 and \$47,000 of the general fund--state appropriation for

1 fiscal year 2011 are provided solely for a nonviolence and leadership
2 training program provided by the institute for community leadership.

3 (b) TECHNOLOGY

4 (i) \$1,842,000 of the general fund--state appropriation for fiscal
5 year 2010 and \$1,635,000 of the general fund--state appropriation for
6 fiscal year 2011 are provided solely for K-20 telecommunications
7 network technical support in the K-12 sector to prevent system failures
8 and avoid interruptions in school utilization of the data processing
9 and video-conferencing capabilities of the network. These funds may be
10 used to purchase engineering and advanced technical support for the
11 network.

12 (ii) \$1,475,000 of the general fund--state appropriation for fiscal
13 year 2010, \$1,045,000 of the general fund--state appropriation for
14 fiscal year 2011, and \$435,000 of the general fund--federal
15 appropriation are provided solely for implementing a comprehensive data
16 system to include financial, student, and educator data. The office of
17 the superintendent of public instruction will convene a data governance
18 group to create a comprehensive needs-requirement document, conduct a
19 gap analysis, and define operating rules and a governance structure for
20 K-12 data collections.

21 (c) GRANTS AND ALLOCATIONS

22 (i) \$1,329,000 of the general fund--state appropriation for fiscal
23 year 2010 and \$664,000 of the general fund--state appropriation for
24 fiscal year 2011 are provided solely for the special services pilot
25 project to include up to seven participating districts. The office of
26 the superintendent of public instruction shall allocate these funds to
27 the district or districts participating in the pilot program according
28 to the provisions of RCW 28A.630.016.

29 (ii) \$750,000 of the general fund--state appropriation for fiscal
30 year 2010 and \$750,000 of the general fund--state appropriation for
31 fiscal year 2011 are provided solely for the Washington state achievers
32 scholarship program. The funds shall be used to support community
33 involvement officers that recruit, train, and match community volunteer
34 mentors with students selected as achievers scholars.

35 (iii) \$25,000 of the general fund--state appropriation for fiscal
36 year 2010 is provided solely for developing and disseminating
37 curriculum and other materials documenting women's role in World War
38 II.

1 (iv) \$175,000 of the general fund--state appropriation for fiscal
2 year 2010 and \$87,000 of the general fund--state appropriation for
3 fiscal year 2011 are provided solely for incentive grants for districts
4 and pilot projects to develop preapprenticeship programs. Incentive
5 grant awards up to \$10,000 each shall be used to support the program's
6 design, school/business/labor agreement negotiations, and recruiting
7 high school students for preapprenticeship programs in the building
8 trades and crafts.

9 (v) \$2,898,000 of the general fund--state appropriation for fiscal
10 year 2010 and \$2,924,000 of the general fund--state appropriation for
11 fiscal year 2011 are provided solely for the dissemination of the
12 navigation 101 curriculum to all districts. The funding shall support
13 electronic student planning tools and software for analyzing the impact
14 of navigation 101 on student performance, as well as grants to a
15 maximum of one hundred school districts each year, based on progress
16 and need for the implementation of the navigation 101 program. The
17 implementation grants shall be awarded to a cross-section of school
18 districts reflecting a balance of geographic and demographic
19 characteristics. Within the amounts provided, the office of the
20 superintendent of public instruction will create a navigation 101
21 accountability model to analyze the impact of the program.

22 (vi) \$627,000 of the general fund--state appropriation for fiscal
23 year 2010 and \$225,000 of the general fund--state appropriation for
24 fiscal year 2011 are provided solely for implementation of a statewide
25 program for comprehensive dropout prevention, intervention, and
26 retrieval.

27 (vii) \$40,000 of the general fund--state appropriation for fiscal
28 year 2010 is provided solely for program initiatives to address the
29 educational needs of Latino students and families. Using the full
30 amounts of the appropriations under this subsection (2)(c)(vii), the
31 office of the superintendent of public instruction shall contract with
32 the Seattle community coalition of compaña quetzal to provide for three
33 initiatives: (A) Early childhood education; (B) parent leadership
34 training; and (C) high school success and college preparation programs.

35 (viii) \$60,000 of the general fund--state appropriation for fiscal
36 year 2010 is provided solely for a pilot project to encourage bilingual
37 high school students to pursue public school teaching as a profession.
38 Using the full amounts of the appropriation under this subsection, the

1 office of the superintendent of public instruction shall contract with
2 the Latino/a educational achievement project (LEAP) to work with school
3 districts to identify and mentor not fewer than fifty bilingual
4 students in their junior year of high school, encouraging them to
5 become bilingual instructors in schools with high English language
6 learner populations. Students shall be mentored by bilingual teachers
7 and complete a curriculum developed and approved by the participating
8 districts.

9 (ix) \$145,000 of the general fund--state appropriation for fiscal
10 year 2010 and \$37,000 of the general fund--state appropriation for
11 fiscal year 2011 are provided solely to the office of the
12 superintendent of public instruction to enhance the reading skills of
13 students with dyslexia by implementing the findings of the dyslexia
14 pilot program. Funds shall be used to provide information and training
15 to classroom teachers and reading specialists, for development of a
16 dyslexia handbook, and to take other statewide actions to improve the
17 reading skills of students with dyslexia. The training program shall
18 be delivered regionally through the educational service districts.

19 (x) \$97,000 of the general fund--state appropriation for fiscal
20 year 2010 and \$48,000 of the general fund--state appropriation for
21 fiscal year 2011 are provided solely to support vocational student
22 leadership organizations.

23 (xi) \$100,000 of the general fund--state appropriation for fiscal
24 year 2011 is provided solely for drop-out prevention programs at the
25 office of the superintendent of public instruction including the jobs
26 for America's graduates (JAG) program.

27 **Sec. 1402.** 2011 c 5 s 502 (uncodified) is amended to read as
28 follows:

29 **FOR THE SUPERINTENDENT OF PUBLIC INSTRUCTION--FOR GENERAL**
30 **APPORTIONMENT**

31	General Fund--State Appropriation (FY 2010)	\$5,126,153,000
32	General Fund--State Appropriation (FY 2011)	((\$4,887,369,000))
33		<u>\$4,623,555,000</u>
34	General Fund--Federal Appropriation	\$208,098,000
35	TOTAL APPROPRIATION	((\$10,221,620,000))
36		<u>\$9,957,806,000</u>

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

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

6 (b) The appropriations in this section include federal funds
7 provided through section 101 of Public Law No. 111-226 (education jobs
8 fund), which shall be used to support general apportionment program
9 funding. In distributing general apportionment allocations under this
10 section for the 2010-11 school year, the superintendent shall include
11 the entire allocation from the federal funds provided through section
12 101 of Public Law No. 111-226 (education jobs fund) as part of each
13 district's general apportionment allocation.

14 (2) Allocations for certificated staff salaries for the 2009-10 and
15 2010-11 school years shall be determined using formula-generated staff
16 units calculated pursuant to this subsection. Staff allocations for
17 small school enrollments in (e) through (g) of this subsection shall be
18 reduced for vocational full-time equivalent enrollments. Staff
19 allocations for small school enrollments in grades K-6 shall be the
20 greater of that generated under (a) of this subsection, or under (d)
21 and (e) of this subsection. Certificated staffing allocations shall be
22 as follows:

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

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

29 (ii)(A)(I) For districts that enroll fewer than 25 percent of their
30 total full-time equivalent student enrollment in grades K through three
31 in digital or online learning programs as defined in WAC 392-121-182,
32 as in effect on November 1, 2009: For the 2009-10 school year, fifty-
33 three and two-tenths certificated instructional staff units per
34 thousand full-time equivalent students in grades K through three and,
35 for the portion of the 2010-11 school year from September 1, 2010,
36 through January 31, 2011, fifty and seventy-five one-hundredths
37 certificated instructional staff units per thousand full-time
38 equivalent students in grades K through three.

1 (II) For all other districts for the 2009-10 school year, a minimum
2 of forty-nine certificated instructional staff units per 1,000
3 full-time equivalent (FTE) students in grades K through three, with
4 additional certificated instructional staff units to equal the
5 documented staffing level in grades K through three, up to a maximum of
6 fifty-three and two-tenths certificated instructional staff units per
7 1,000 FTE students.

8 For the portion of the 2010 school year from September 1, 2010,
9 through January 31, 2011, a minimum of forty-nine certificated
10 instructional staff units per thousand full-time equivalent students in
11 grades K through three, with additional certificated instructional
12 staff units to equal the documented staffing level in grades K through
13 three, up to a maximum of fifty and seventy-five one-hundredths
14 certificated instructional staff units per thousand full-time
15 equivalent students in grades K through three.

16 (B)(I) For districts that enroll fewer than 25 percent of their
17 total full-time equivalent student enrollment in grade four in digital
18 or online learning programs defined in WAC 392-121-182 as in effect on
19 November 1, 2009: For the 2009-10 school year, fifty-three and
20 two-tenths certificated instructional staff units per thousand full-
21 time equivalent students in grade four, and for the portion of the
22 2010-11 school year from September 1, 2010, through January 31, 2011,
23 forty-six and twenty-seven one-hundredths certificated instructional
24 staff units per thousand full-time equivalent students in grade four.

25 (II) For all other districts:

26 For the 2009-10 school year, a minimum of forty-six certificated
27 instructional staff units per 1,000 full-time equivalent (FTE) students
28 in grade four, and additional certificated instructional staff units to
29 equal the documented staffing level in grade four, up to a maximum of
30 fifty-three and two-tenths certificated instructional staff units per
31 1,000 FTE students.

32 For the portion of the 2010-11 school year from September 1, 2010,
33 through January 31, 2011, a minimum of forty-six certificated
34 instructional staff units per 1,000 full-time equivalent (FTE) students
35 in grade four, and additional certificated instructional staff units to
36 equal the documented staffing level in grade four, up to a maximum of
37 forty-six and twenty-seven one-hundredths certificated instructional
38 staff units per 1,000 FTE students;

1 (iii) For the portion of the 2010-11 school year beginning February
2 1, 2010:

3 (A) Forty-nine certificated instructional staff units per thousand
4 full-time equivalent students in grades kindergarten through three;

5 (B) Forty-six certificated instructional staff units per thousand
6 full-time equivalent students in grade 4;

7 (iv) All allocations for instructional staff units per thousand
8 full-time equivalent students above forty-nine in grades kindergarten
9 through three and forty-six in grade four shall occur in apportionments
10 in the monthly periods prior to February 1, 2011;

11 (v) Forty-six certificated instructional staff units per thousand
12 full-time equivalent students in grades 5-12;

13 (vi) Certificated staff allocations in this subsection (2)(a)
14 exceeding the statutory minimums established in RCW 28A.150.260 shall
15 not be considered part of basic education;

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

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

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

28 (B) Middle school vocational STEM programs approved by the
29 superintendent of public instruction, a maximum of 0.92 certificated
30 instructional staff units and 0.8 certificated administrative staff
31 units for each 19.5 full-time equivalent vocational students; and

32 (C) Skills center programs meeting the standards for skills center
33 funding established in January 1999 by the superintendent of public
34 instruction with a waiver allowed for skills centers in current
35 operation that are not meeting this standard until the 2010-11 school
36 year, 0.92 certificated instructional staff units and 0.08 certificated
37 administrative units for each 16.67 full-time equivalent vocational
38 students;

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

6 (iii) Indirect cost charges by a school district to
7 vocational-secondary programs and vocational middle-school shall not
8 exceed 15 percent of the combined basic education and vocational
9 enhancement allocations of state funds;

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

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

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

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

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

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

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

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

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

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

21 (g) For each nonhigh school district having an enrollment of more
22 than seventy annual average full-time equivalent students and less than
23 one hundred eighty students, operating a grades K-8 program or a grades
24 1-8 program, an additional one-half of a certificated instructional
25 staff unit; and

26 (h) For each nonhigh school district having an enrollment of more
27 than fifty annual average full-time equivalent students and less than
28 one hundred eighty students, operating a grades K-6 program or a grades
29 1-6 program, an additional one-half of a certificated instructional
30 staff unit.

31 (3) Allocations for classified salaries for the 2009-10 and 2010-11
32 school years shall be calculated using formula-generated classified
33 staff units determined as follows:

34 (a) For enrollments generating certificated staff unit allocations
35 under subsection (2)(e) through (h) of this section, one classified
36 staff unit for each 2.94 certificated staff units allocated under such
37 subsections;

1 (b) For all other enrollment in grades K-12, including vocational
2 full-time equivalent enrollments, one classified staff unit for each
3 58.75 average annual full-time equivalent students; and

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

8 (4) Fringe benefit allocations shall be calculated at a rate of
9 14.43 percent in the 2009-10 school year and 14.43 percent in the
10 2010-11 school year for certificated salary allocations provided under
11 subsection (2) of this section, and a rate of 16.59 percent in the
12 2009-10 school year and 16.59 percent in the 2010-11 school year for
13 classified salary allocations provided under subsection (3) of this
14 section.

15 (5) Insurance benefit allocations shall be calculated at the
16 maintenance rate specified in section 504(2) of this act, based on the
17 number of benefit units determined as follows:

18 (a) The number of certificated staff units determined in subsection
19 (2) of this section; and

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

26 (6)(a) For nonemployee-related costs associated with each
27 certificated staff unit allocated under subsection (2)(a), (b), and (d)
28 through (g) of this section, there shall be provided a maximum of
29 \$10,179 per certificated staff unit in the 2009-10 school year and a
30 maximum of \$10,424 per certificated staff unit in the 2010-11 school
31 year.

32 (b) For nonemployee-related costs associated with each vocational
33 certificated staff unit allocated under subsection (2)(c)(i)(A) of this
34 section, there shall be provided a maximum of \$24,999 per certificated
35 staff unit in the 2009-10 school year and a maximum of \$25,399 per
36 certificated staff unit in the 2010-11 school year.

37 (c) For nonemployee-related costs associated with each vocational
38 certificated staff unit allocated under subsection (2)(c)(i)(B) of this

1 section, there shall be provided a maximum of \$19,395 per certificated
2 staff unit in the 2009-10 school year and a maximum of \$19,705 per
3 certificated staff unit in the 2010-11 school year.

4 (7) Allocations for substitute costs for classroom teachers shall
5 be distributed at a maintenance rate of \$607.44 for the 2009-10 and
6 2010-11 school years per allocated classroom teachers exclusive of
7 salary increase amounts provided in section 504 of this act. Solely
8 for the purposes of this subsection, allocated classroom teachers shall
9 be equal to the number of certificated instructional staff units
10 allocated under subsection (2) of this section, multiplied by the ratio
11 between the number of actual basic education certificated teachers and
12 the number of actual basic education certificated instructional staff
13 reported statewide for the prior school year.

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

23 (9) Funding in this section is sufficient to provide additional
24 service year credits to educational staff associates pursuant to
25 chapter 403, Laws of 2007.

26 (10)(a) The superintendent may distribute a maximum of \$5,452,000
27 outside the basic education formula during fiscal years 2010 and 2011
28 as follows:

29 (i) For fire protection for school districts located in a fire
30 protection district as now or hereafter established pursuant to chapter
31 52.04 RCW, a maximum of \$567,000 may be expended in fiscal year 2010
32 and a maximum of \$576,000 may be expended in fiscal year 2011;

33 (ii) For summer vocational programs at skills centers, a maximum of
34 \$2,385,000 may be expended for the 2010 fiscal year and a maximum of
35 \$600,000 for the 2011 fiscal year;

36 (iii) A maximum of \$403,000 may be expended for school district
37 emergencies; and

1 (iv) A maximum of \$485,000 for fiscal year 2010 and \$436,000 for
2 fiscal year 2011 may be expended for programs providing skills training
3 for secondary students who are enrolled in extended day school-to-work
4 programs, as approved by the superintendent of public instruction. The
5 funds shall be allocated at a rate not to exceed \$500 per full-time
6 equivalent student enrolled in those programs.

7 (b) Funding in this section is sufficient to fund a maximum of 1.6
8 FTE enrollment for skills center students pursuant to chapter 463, Laws
9 of 2007.

10 (11) For purposes of RCW 84.52.0531, the increase per full-time
11 equivalent student is 4.0 percent from the 2008-09 school year to the
12 2009-10 school year and 4.0 percent from the 2009-10 school year to the
13 2010-11 school year.

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

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

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

28 (13) General apportionment payments to the Steilacoom historical
29 school district shall reflect changes to operation of the Harriet
30 Taylor elementary school consistent with the timing of reductions in
31 correctional facility capacity and staffing.

32 (14) (~~(\$2,500,000)~~) \$15,500,000 of the general fund--state
33 appropriation for fiscal year 2011 is provided solely for the
34 superintendent for financial contingency funds for eligible school
35 districts. Of the amount provided in this subsection, \$2,500,000 is
36 for school districts needing financial assistance as a result of budget
37 reductions included in this act. Of the amount provided in this
38 subsection, \$13,000,000 is for school districts needing financial

1 assistance as a result of delaying a portion of the June apportionment
2 payment. The financial contingency funds shall be allocated to
3 eligible districts in the form of an advance of their respective
4 general apportionment allocations.

5 (a) Eligibility:

6 The superintendent shall determine a district's eligibility for
7 receipt of financial contingency funds, and districts shall be eligible
8 only if the following conditions are met:

9 (i) A petition is submitted by the school district as provided in
10 RCW 28A.510.250 and WAC 392-121-436; and

11 (ii) The district's projected general fund balance for the month of
12 March is less than one-half of one percent of its budgeted general fund
13 expenditures as submitted to the superintendent for the 2010-11 school
14 year on the F-196 report.

15 (b) Calculations:

16 The superintendent shall calculate the financial contingency
17 allocation to each district as the lesser of:

18 (i) The amount set forth in the school district's resolution;

19 (ii) An amount not to exceed 10 percent of the total amount to
20 become due and apportionable to the district from September 1st through
21 August 31st of the current school year;

22 (iii) The highest negative monthly cash and investment balance of
23 the general fund between the date of the resolution and May 31st of the
24 school year based on projections approved by the county treasurer and
25 the educational service district.

26 (c) Repayment:

27 For any amount allocated to a district in state fiscal year 2011,
28 the superintendent shall deduct in state fiscal year 2012 from the
29 district's general apportionment the amount of the emergency
30 contingency allocation and any earnings by the school district on the
31 investment of a temporary cash surplus due to the emergency contingency
32 allocation. Repayments or advances will be accomplished by a reduction
33 in the school district's apportionment payments on or before June 30th
34 of the school year following the distribution of the emergency
35 contingency allocation. All disbursements, repayments, and outstanding
36 allocations to be repaid of the emergency contingency pool shall be
37 reported to the office of financial management and the appropriate

1 fiscal committees of the legislature on July 1st and January 1st of
2 each year.

3 **Sec. 1403.** 2010 1st sp.s. c 37 s 504 (uncodified) is amended to
4 read as follows:

5 **FOR THE SUPERINTENDENT OF PUBLIC INSTRUCTION--FOR SCHOOL EMPLOYEE**
6 **COMPENSATION ADJUSTMENTS**

7	General Fund--State Appropriation (FY 2010)	(\$4,414,000)
8	General Fund--State Appropriation (FY 2011)	((-\$1,806,000))
9		<u>(\$1,539,000)</u>
10	General Fund--Federal Appropriation	(\$1,000)
11	TOTAL APPROPRIATION	((-\$6,221,000))
12		<u>(\$5,954,000)</u>

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

15 (1)(a) Additional salary adjustments as necessary to fund the base
16 salaries for certificated instructional staff as listed for each
17 district in LEAP Document 2, defined in section 503(2)(b) of this act.
18 Allocations for these salary adjustments shall be provided to all
19 districts that are not grandfathered to receive salary allocations
20 above the statewide salary allocation schedule, and to certain
21 grandfathered districts to the extent necessary to ensure that salary
22 allocations for districts that are currently grandfathered do not fall
23 below the statewide salary allocation schedule.

24 (b) Additional salary adjustments to certain districts as necessary
25 to fund the per full-time-equivalent salary allocations for
26 certificated administrative staff as listed for each district in LEAP
27 Document 2, defined in section 503(2)(b) of this act. These
28 adjustments shall ensure a minimum salary allocation for certificated
29 administrative staff of \$57,986 in the 2009-10 school year and \$57,986
30 in the 2010-11 school year.

31 (c) Additional salary adjustments to certain districts as necessary
32 to fund the per full-time-equivalent salary allocations for classified
33 staff as listed for each district in LEAP Document 2, defined in
34 section 503(2)(b) of this act. These salary adjustments ensure a
35 minimum salary allocation for classified staff of \$31,865 in the 2009-
36 10 school year and \$31,865 in the 2010-11 school year.

1 (d) The appropriations in this subsection (1) include associated
2 incremental fringe benefit allocations at rates 13.79 percent for the
3 2009-10 school year and 13.79 percent for the 2010-11 school year for
4 certificated staff and 13.09 percent for the 2009-10 school year and
5 13.09 percent for the 2010-11 school year for classified staff.

6 (e) The appropriations in this section include the increased or
7 decreased portion of salaries and incremental fringe benefits for all
8 relevant state-funded school programs in part V of this act. Changes
9 for general apportionment (basic education) are based on the salary
10 allocation schedules and methodology in sections 502 and 503 of this
11 act. Changes for special education result from changes in each
12 district's basic education allocation per student. Changes for
13 educational service districts and institutional education programs are
14 determined by the superintendent of public instruction using the
15 methodology for general apportionment salaries and benefits in sections
16 502 and 503 of this act. The appropriations in this section provide
17 incremental fringe benefit alterations based on formula adjustments as
18 follows:

	School Year	
	2009-10	2010-11
19 Pupil Transportation (per weighted pupil mile)	\$0	\$0
20 Highly Capable (per formula student)	(\$1.49)	(\$2.98)
21 Transitional Bilingual Education (per eligible bilingual student)	(\$3.93)	(\$7.86)
22 Learning Assistance (per formula student)	(\$1.18)	(\$2.36)

23 (f) The appropriations in this section include no salary
24 adjustments for substitute teachers.

25 (2) \$44,213,000 is provided for adjustments to insurance benefit
26 allocations. The maintenance rate for insurance benefit allocations is
27 \$732.00 per month for the 2009-10 and 2010-11 school years. The
28 appropriations in this section provide for a rate increase to \$745.00
29 per month for the 2009-10 school year and \$768.00 per month for the
30 2010-11 school year. The adjustments to health insurance benefits are
31 at the following rates:
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	School Year	
	2009-10	2010-11
Pupil Transportation (per weighted pupil mile)	\$0.12	\$0.33
Highly Capable (per formula student)	\$0.79	\$2.22
Transitional Bilingual Education (per eligible bilingual student)	\$2.11	\$5.83
Learning Assistance (per formula student)	\$0.54	\$1.49

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

Sec. 1404. 2011 c 5 s 503 (uncodified) is amended to read as follows:

FOR THE SUPERINTENDENT OF PUBLIC INSTRUCTION--FOR PUPIL TRANSPORTATION

General Fund--State Appropriation (FY 2010)	\$317,116,000
General Fund--State Appropriation (FY 2011)	(\$296,408,000)
	<u>\$297,393,000</u>
TOTAL APPROPRIATION	(\$613,524,000)
	<u>\$614,509,000</u>

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

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

(2) A maximum of \$878,000 of this fiscal year 2010 appropriation and a maximum of \$803,000 of the fiscal year 2011 appropriation may be expended for regional transportation coordinators and related activities. The transportation coordinators shall ensure that data submitted by school districts for state transportation funding shall, to the greatest extent practical, reflect the actual transportation activity of each district.

(3) Allocations for transportation of students shall be based on reimbursement rates of \$48.15 per weighted mile in the 2009-10 school year and \$48.37 per weighted mile in the 2010-11 school year exclusive of salary and benefit adjustments provided in section 504 of this act. Allocations for transportation of students transported more than one

1 radius mile shall be based on weighted miles as determined by
2 superintendent of public instruction multiplied by the per mile
3 reimbursement rates for the school year pursuant to the formulas
4 adopted by the superintendent of public instruction. Allocations for
5 transportation of students living within one radius mile shall be based
6 on the number of enrolled students in grades kindergarten through five
7 living within one radius mile of their assigned school multiplied by
8 the per mile reimbursement rate for the school year multiplied by 1.29.

9 (4) The office of the superintendent of public instruction shall
10 provide reimbursement funding to a school district only after the
11 superintendent of public instruction determines that the school bus was
12 purchased from the list established pursuant to RCW 28A.160.195(2) or
13 a comparable competitive bid process based on the lowest price quote
14 based on similar bus categories to those used to establish the list
15 pursuant to RCW 28A.160.195.

16 (5) The superintendent of public instruction shall base
17 depreciation payments for school district buses on the pre-sales tax
18 five-year average of lowest bids in the appropriate category of bus.
19 In the final year on the depreciation schedule, the depreciation
20 payment shall be based on the lowest bid in the appropriate bus
21 category for that school year.

22 (6) Funding levels in this section reflect reductions from the
23 implementation of Substitute House Bill No. 1292 (authorizing waivers
24 from the one hundred eighty-day school year requirement in order to
25 allow four-day school weeks).

26 **Sec. 1405.** 2011 c 5 s 504 (uncodified) is amended to read as
27 follows:

28 **FOR THE SUPERINTENDENT OF PUBLIC INSTRUCTION--FOR SCHOOL FOOD SERVICE**
29 **PROGRAMS**

30	General Fund--State Appropriation (FY 2010)	\$3,159,000
31	General Fund--State Appropriation (FY 2011)	\$7,111,000
32	General Fund--Federal Appropriation	(\$448,588,000)
33		<u>\$505,188,000</u>
34	TOTAL APPROPRIATION	(\$458,858,000)
35		<u>\$515,458,000</u>

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

1 (1) \$3,000,000 of the general fund--state appropriation for fiscal
2 year 2010 is provided for state matching money for federal child
3 nutrition programs.

4 (2) \$100,000 of the general fund--state appropriation for fiscal
5 year 2010 is provided for summer food programs for children in low-
6 income areas.

7 (3) \$59,000 of the general fund--state appropriation for fiscal
8 year 2010 is provided solely to reimburse school districts for school
9 breakfasts served to students enrolled in the free or reduced price
10 meal program pursuant to chapter 287, Laws of 2005 (requiring school
11 breakfast programs in certain schools).

12 (4) \$7,111,000 of the general fund--state appropriation for fiscal
13 year 2011 is provided solely for state matching money for federal child
14 nutrition programs, and may support the meals for kids program through
15 the following allowable uses:

16 (a) Elimination of breakfast copays for eligible public school
17 students and lunch copays for eligible public school students in grades
18 kindergarten through third grade who are eligible for reduced price
19 lunch;

20 (b) Assistance to school districts and authorized public and
21 private nonprofit organizations for supporting summer food service
22 programs, and initiating new summer food service programs in low-income
23 areas; and

24 (c) Reimbursements to school districts for school breakfasts served
25 to students eligible for free and reduced price lunch, pursuant to
26 chapter 287, Laws of 2005.

27 **Sec. 1406.** 2011 c 5 s 505 (uncodified) is amended to read as
28 follows:

29 **FOR THE SUPERINTENDENT OF PUBLIC INSTRUCTION--FOR SPECIAL EDUCATION**
30 **PROGRAMS**

31	General Fund--State Appropriation (FY 2010)	\$632,136,000
32	General Fund--State Appropriation (FY 2011)	(\$626,099,000)
33		<u>\$627,316,000</u>
34	General Fund--Federal Appropriation	(\$664,601,000)
35		<u>\$675,618,000</u>
36	Education Legacy Trust Account--State	
37	Appropriation	\$756,000

1 TOTAL APPROPRIATION ((~~\$1,923,592,000~~))
2 \$1,935,826,000

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

5 (1) Funding for special education programs is provided on an excess
6 cost basis, pursuant to RCW 28A.150.390. School districts shall ensure
7 that special education students as a class receive their full share of
8 the general apportionment allocation accruing through sections 502 and
9 504 of this act. To the extent a school district cannot provide an
10 appropriate education for special education students under chapter
11 28A.155 RCW through the general apportionment allocation, it shall
12 provide services through the special education excess cost allocation
13 funded in this section.

- 14 (2)(a) The superintendent of public instruction shall ensure that:
15 (i) Special education students are basic education students first;
16 (ii) As a class, special education students are entitled to the
17 full basic education allocation; and
18 (iii) Special education students are basic education students for
19 the entire school day.

20 (b) The superintendent of public instruction shall continue to
21 implement the full cost method of excess cost accounting, as designed
22 by the committee and recommended by the superintendent, pursuant to
23 section 501(1)(k), chapter 372, Laws of 2006.

24 (3) Each fiscal year appropriation includes such funds as are
25 necessary to complete the school year ending in the fiscal year and for
26 prior fiscal year adjustments.

27 (4) The superintendent of public instruction shall distribute state
28 funds to school districts based on two categories: (a) The first
29 category includes (i) children birth through age two who are eligible
30 for the optional program for special education eligible developmentally
31 delayed infants and toddlers, and (ii) students eligible for the
32 mandatory special education program and who are age three or four, or
33 five and not yet enrolled in kindergarten; and (b) the second category
34 includes students who are eligible for the mandatory special education
35 program and who are age five and enrolled in kindergarten and students
36 age six through 21.

37 (5)(a) For the 2009-10 and 2010-11 school years, the superintendent
38 shall make allocations to each district based on the sum of:

1 (i) A district's annual average headcount enrollment of students
2 ages birth through four and those five year olds not yet enrolled in
3 kindergarten, as defined in subsection (4) of this section, multiplied
4 by the district's average basic education allocation per full-time
5 equivalent student, multiplied by 1.15; and

6 (ii) A district's annual average full-time equivalent basic
7 education enrollment multiplied by the funded enrollment percent
8 determined pursuant to subsection (6)(b) of this section, multiplied by
9 the district's average basic education allocation per full-time
10 equivalent student multiplied by 0.9309.

11 (b) For purposes of this subsection, "average basic education
12 allocation per full-time equivalent student" for a district shall be
13 based on the staffing ratios required by RCW 28A.150.260 and shall not
14 include enhancements, secondary vocational education, or small schools
15 in the 2009-10 school year. In the 2010-11 school year, the per
16 student allocation under this subsection (5)(b) shall include the same
17 factors as in the 2009-10 school year, but shall also include the
18 classified staff enhancements included in section 502(3)(b).

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

21 (a) "Annual average full-time equivalent basic education
22 enrollment" means the resident enrollment including students enrolled
23 through choice (RCW 28A.225.225) and students from nonhigh districts
24 (RCW 28A.225.210) and excluding students residing in another district
25 enrolled as part of an interdistrict cooperative program (RCW
26 28A.225.250).

27 (b) "Enrollment percent" means the district's resident special
28 education annual average enrollment, excluding the birth through age
29 four enrollment and those five year olds not yet enrolled in
30 kindergarten, as a percent of the district's annual average full-time
31 equivalent basic education enrollment.

32 Each district's general fund--state funded special education
33 enrollment shall be the lesser of the district's actual enrollment
34 percent or 12.7 percent.

35 (7) At the request of any interdistrict cooperative of at least 15
36 districts in which all excess cost services for special education
37 students of the districts are provided by the cooperative, the maximum
38 enrollment percent shall be calculated in accordance with subsection

1 (6)(b) of this section, and shall be calculated in the aggregate rather
2 than individual district units. For purposes of this subsection, the
3 average basic education allocation per full-time equivalent student
4 shall be calculated in the aggregate rather than individual district
5 units.

6 (8) To the extent necessary, \$19,512,000 of the general fund--state
7 appropriation and \$29,574,000 of the general fund--federal
8 appropriation are provided for safety net awards for districts with
9 demonstrated needs for special education funding beyond the amounts
10 provided in subsection (5) of this section. If the federal safety net
11 awards based on the federal eligibility threshold exceed the federal
12 appropriation in this subsection (8) in any fiscal year, the
13 superintendent shall expend all available federal discretionary funds
14 necessary to meet this need. Safety net funds shall be awarded by the
15 state safety net oversight committee subject to the following
16 conditions and limitations:

17 (a) The committee shall consider unmet needs for districts that can
18 convincingly demonstrate that all legitimate expenditures for special
19 education exceed all available revenues from state funding formulas.
20 In the determination of need, the committee shall also consider
21 additional available revenues from federal sources. Differences in
22 program costs attributable to district philosophy, service delivery
23 choice, or accounting practices are not a legitimate basis for safety
24 net awards. In the determination of need, the committee shall require
25 that districts demonstrate that they are maximizing their eligibility
26 for all state and federal revenues related to services for special
27 education-eligible students. Awards associated with (b) and (c) of
28 this subsection shall not exceed the total of a district's specific
29 determination of need.

30 (b) The committee shall then consider the extraordinary high cost
31 needs of one or more individual special education students.
32 Differences in costs attributable to district philosophy, service
33 delivery choice, or accounting practices are not a legitimate basis for
34 safety net awards.

35 (c) Using criteria developed by the committee, the committee shall
36 then consider extraordinary costs associated with communities that draw
37 a larger number of families with children in need of special education

1 services. The safety net awards to school districts shall be adjusted
2 to reflect amounts awarded under (b) of this subsection.

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

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

8 (f) Safety net awards shall be adjusted based on the percent of
9 potential medicaid eligible students billed as calculated by the
10 superintendent in accordance with chapter 318, Laws of 1999. The state
11 safety net oversight committee shall ensure that safety net
12 documentation and awards are based on current medicaid revenue amounts.

13 (g) Beginning with the 2010-11 school year award cycle, the office
14 of the superintendent of public instruction shall make award
15 determinations for state safety net funding in August of each school
16 year. Determinations on school district eligibility for state safety
17 net awards shall be based on analysis of actual expenditure data from
18 the current school year.

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

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

26 (a) One staff from the office of superintendent of public
27 instruction;

28 (b) Staff of the office of the state auditor who shall be nonvoting
29 members of the committee; and

30 (c) One or more representatives from school districts or
31 educational service districts knowledgeable of special education
32 programs and funding.

33 (11) The office of the superintendent of public instruction shall
34 review and streamline the application process to access safety net
35 funds, provide technical assistance to school districts, and annually
36 survey school districts regarding improvement to the process.

37 (12) A maximum of \$678,000 may be expended from the general
38 fund--state appropriations to fund 5.43 full-time equivalent teachers

1 and 2.1 full-time equivalent aides at children's orthopedic hospital
2 and medical center. This amount is in lieu of money provided through
3 the home and hospital allocation and the special education program.

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

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

14 (15) \$262,000 of the general fund--state appropriation for fiscal
15 year 2010 and \$251,000 of the general fund--state appropriation for
16 fiscal year 2011 are provided solely for two additional full-time
17 equivalent staff to support the work of the safety net committee and to
18 provide training and support to districts applying for safety net
19 awards.

20 (16) \$50,000 of the general fund--state appropriation for fiscal
21 year 2010, \$50,000 of the general fund--state appropriation for fiscal
22 2011, and \$100,000 of the general fund--federal appropriation shall be
23 expended to support a special education ombudsman program within the
24 office of superintendent of public instruction.

25 **Sec. 1407.** 2010 1st sp.s. c 37 s 509 (uncodified) is amended to
26 read as follows:

27 **FOR THE SUPERINTENDENT OF PUBLIC INSTRUCTION--FOR LOCAL EFFORT**
28 **ASSISTANCE**

29	General Fund--State Appropriation (FY 2010)	\$93,141,000
30	General Fund--State Appropriation (FY 2011)	(\$286,911,000)
31		<u>\$285,980,000</u>
32	General Fund--Federal Appropriation	\$157,043,000
33	TOTAL APPROPRIATION	(\$537,095,000)
34		<u>\$536,164,000</u>

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

1 (1) \$157,043,000 of the general fund--federal appropriation for
2 fiscal year 2010 is provided solely for American recovery and
3 reinvestment act of 2009 (ARRA) fiscal stabilization funds to restore
4 state reductions for local effort assistance payments.

5 (2) \$21,808,000 of the general fund--state appropriation for fiscal
6 year 2011 is provided solely for implementation of Substitute House
7 Bill No. 2893 (school levies). If the bill is not enacted by June 30,
8 2010, the amount provided in this subsection shall lapse.

9 **Sec. 1408.** 2010 1st sp.s. c 37 s 510 (uncodified) is amended to
10 read as follows:

11 **FOR THE SUPERINTENDENT OF PUBLIC INSTRUCTION--FOR INSTITUTIONAL**
12 **EDUCATION PROGRAMS**

13	General Fund--State Appropriation (FY 2010)	\$18,059,000
14	General Fund--State Appropriation (FY 2011)	(\$19,006,000)
15		<u>\$20,063,000</u>
16	TOTAL APPROPRIATION	(\$37,065,000)
17		<u>\$38,122,000</u>

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

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

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

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

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

35 (5) \$228,000 of the general fund--state appropriation for fiscal
36 year 2010 and ~~(\$228,000)~~ \$509,000 of the general fund--state
37 appropriation for fiscal year 2011 are provided solely to maintain at

1 least one certificated instructional staff and related support services
2 at an institution whenever the K-12 enrollment is not sufficient to
3 support one full-time equivalent certificated instructional staff to
4 furnish the educational program. The following types of institutions
5 are included: Residential programs under the department of social and
6 health services for developmentally disabled juveniles, programs for
7 juveniles under the department of corrections, and programs for
8 juveniles under the juvenile rehabilitation administration.

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

11 **Sec. 1409.** 2011 c 5 s 507 (uncodified) is amended to read as
12 follows:

13 **FOR THE SUPERINTENDENT OF PUBLIC INSTRUCTION--FOR PROGRAMS FOR HIGHLY**
14 **CAPABLE STUDENTS**

15	General Fund--State Appropriation (FY 2010)	\$9,189,000
16	General Fund--State Appropriation (FY 2011)	(\$9,162,000)
17		<u>\$9,137,000</u>
18	TOTAL APPROPRIATION	(\$18,351,000)
19		<u>\$18,326,000</u>

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

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

25 (2) Allocations for school district programs for highly capable
26 students shall be distributed at a maximum rate of \$401.08 per funded
27 student for the 2009-10 school year and \$401.08 per funded student for
28 the 2010-11 school year, exclusive of salary and benefit adjustments
29 pursuant to section 504 of this act. For the 2009-10 and 2010-11
30 school years, the number of funded students shall be a maximum of 2.314
31 percent of each district's full-time equivalent basic education
32 enrollment.

33 (3) \$90,000 of the fiscal year 2010 appropriation and \$81,000 of
34 the fiscal year 2011 appropriation are provided for the Washington
35 destination imagination network and future problem-solving programs.

36 (4) \$170,000 of the fiscal year 2010 appropriation and \$153,000 of

1 the fiscal year 2011 appropriation are provided for the centrum program
2 at Fort Worden state park.

3 **Sec. 1410.** 2011 c 5 s 508 (uncodified) is amended to read as
4 follows:

5 **FOR THE SUPERINTENDENT OF PUBLIC INSTRUCTION--EDUCATION REFORM**
6 **PROGRAMS**

7	General Fund--State Appropriation (FY 2010)	\$93,642,000
8	General Fund--State Appropriation (FY 2011)	(\$85,691,000)
9		<u>\$83,143,000</u>
10	General Fund--Federal Appropriation	\$154,627,000
11	Education Legacy Trust Account--State	
12	Appropriation	(\$98,981,000)
13		<u>\$98,610,000</u>
14	TOTAL APPROPRIATION	(\$432,941,000)
15		<u>\$430,022,000</u>

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

18 (1) \$35,804,000 of the general fund--state appropriation for fiscal
19 year 2010, \$31,850,000 of the general fund--state appropriation for
20 fiscal year 2011, \$1,350,000 of the education legacy trust
21 account--state appropriation, and \$17,869,000 of the general
22 fund--federal appropriation are provided solely for development and
23 implementation of the Washington state assessment system, including:
24 (i) Development and implementation of retake assessments for high
25 school students who are not successful in one or more content areas;
26 and (ii) development and implementation of alternative assessments or
27 appeals procedures to implement the certificate of academic
28 achievement. The superintendent of public instruction shall report
29 quarterly on the progress on development and implementation of
30 alternative assessments or appeals procedures. Within these amounts,
31 the superintendent of public instruction shall contract for the early
32 return of 10th grade student assessment results, on or around June 10th
33 of each year.

34 (2) \$3,249,000 of the general fund--state appropriation for fiscal
35 year 2010 and \$3,249,000 of the general fund--state appropriation for
36 fiscal year 2011 are provided solely for the design of the state

1 assessment system and the implementation of end of course assessments
2 for high school math.

3 (3) Within amounts provided in subsections (1) and (2) of this
4 section, the superintendent of public instruction, in consultation with
5 the state board of education, shall develop a statewide high school
6 end-of-course assessment measuring student achievement of the state
7 science standards in biology to be implemented statewide in the 2011-12
8 school year. By December 1, 2010, the superintendent of public
9 instruction shall recommend whether additional end-of-course
10 assessments in science should be developed and in which content areas.
11 Any recommendation for additional assessments must include an
12 implementation timeline and the projected cost to develop and
13 administer the assessments.

14 (4) \$1,014,000 of the education legacy trust account appropriation
15 is provided solely for allocations to districts for salaries and
16 benefits for the equivalent of two additional professional development
17 days for fourth and fifth grade teachers during the 2008-2009 school
18 year. The allocations shall be made based on the calculations of
19 certificated instructional staff units for fourth and fifth grade
20 provided in section 502 of this act and on the calculations of
21 compensation provided in sections 503 and 504 of this act. Districts
22 may use the funding to support additional days for professional
23 development as well as job-embedded forms of professional development.

24 (5) \$3,241,000 of the education legacy trust fund appropriation is
25 provided solely for allocations to districts for salaries and benefits
26 for the equivalent of three additional professional development days
27 for middle and high school math and science teachers during the 2008-
28 2009 school year, as well as specialized training for one math and
29 science teacher in each middle school and high school during the 2008-
30 2009 school year. Districts may use the funding to support additional
31 days for professional development as well as job-embedded forms of
32 professional development.

33 (6) \$3,773,000 of the education legacy trust account--state
34 appropriation is provided solely for a math and science instructional
35 coaches program pursuant to chapter 396, Laws of 2007. Funding shall
36 be used to provide grants to schools and districts to provide salaries,
37 benefits, and professional development activities for up to twenty-five
38 instructional coaches in middle and high school math and twenty-five

1 instructional coaches in middle and high school science in each year of
2 the biennium; and up to \$300,000 may be used by the office of the
3 superintendent of public instruction to administer and coordinate the
4 program.

5 (7) \$1,740,000 of the general fund--state appropriation for fiscal
6 year 2010 (~~and \$1,775,000 of the general fund--state appropriation for~~
7 ~~fiscal year 2011 are~~) is provided solely to allow approved middle and
8 junior high school career and technical education programs to receive
9 enhanced vocational funding. The office of the superintendent of
10 public instruction shall provide allocations to districts for middle
11 and junior high school students in accordance with the funding formulas
12 provided in section 502 of this act. If Second Substitute Senate Bill
13 No. 5676 is enacted the allocations are formula-driven, otherwise the
14 office of the superintendent shall consider the funding provided in
15 this subsection as a fixed amount, and shall adjust funding to stay
16 within the amounts provided in this subsection. Beginning in school
17 year 2010-11, middle and junior high vocational programs will be funded
18 out of general apportionment.

19 (8) \$139,000 of the general fund--state appropriation for fiscal
20 year 2010 and \$93,000 of the general fund--state appropriation for
21 fiscal year 2011 are provided solely for (a) staff at the office of the
22 superintendent of public instruction to coordinate and promote efforts
23 to develop integrated math, science, technology, and engineering
24 programs in schools and districts across the state; and (b) grants of
25 \$2,500 to provide twenty middle and high school teachers each year
26 professional development training for implementing integrated math,
27 science, technology, and engineering program in their schools.

28 (9) \$1,473,000 of the general fund--state appropriation for fiscal
29 year 2010 and \$197,000 of the general fund--state appropriation for
30 fiscal year 2011 are provided solely for the Washington state
31 leadership and assistance for science education reform (LASER) regional
32 partnership activities coordinated at the Pacific science center,
33 including instructional material purchases, teacher and principal
34 professional development, and school and community engagement events.
35 Funding shall be distributed to the various LASER activities in a
36 manner proportional to LASER program spending during the 2007-2009
37 biennium.

1 (10) (~~(\$88,981,000)~~) \$88,610,000 of the education legacy trust
2 account--state appropriation is provided solely for grants for
3 voluntary full-day kindergarten at the highest poverty schools, as
4 provided in chapter 400, Laws of 2007. The office of the
5 superintendent of public instruction shall provide allocations to
6 districts for recipient schools in accordance with the funding formulas
7 provided in section 502 of this act. Each kindergarten student who
8 enrolls for the voluntary full-day program in a recipient school shall
9 count as one-half of one full-time equivalent student for the purpose
10 of making allocations under this subsection. Although the allocations
11 are formula-driven, the office of the superintendent shall consider the
12 funding provided in this subsection as a fixed amount, and shall limit
13 the number of recipient schools so as to stay within the amounts
14 appropriated each fiscal year in this subsection. The funding provided
15 in this subsection is estimated to provide full-day kindergarten
16 programs for 20 percent of kindergarten enrollment. Funding priority
17 shall be given to schools with the highest poverty levels, as measured
18 by prior year free and reduced priced lunch eligibility rates in each
19 school. Additionally, as a condition of funding, school districts must
20 agree to provide the full-day program to the children of parents who
21 request it in each eligible school. For the purposes of calculating a
22 school district levy base, funding provided in this subsection shall be
23 considered a state block grant program under RCW 84.52.0531.

24 (a) Of the amounts provided in this subsection, a maximum of
25 \$272,000 may be used for administrative support of the full-day
26 kindergarten program within the office of the superintendent of public
27 instruction.

28 (b) Student enrollment pursuant to this program shall not be
29 included in the determination of a school district's overall K-12 FTE
30 for the allocation of student achievement programs and other funding
31 formulas unless specifically stated.

32 (11) \$700,000 of the general fund--state appropriation for fiscal
33 year 2010 and \$450,000 of the general fund--state appropriation for
34 fiscal year 2011 are provided solely for the development of a
35 leadership academy for school principals and administrators. The
36 superintendent of public instruction shall contract with an independent
37 organization to design, field test, and implement a state-of-the-art
38 education leadership academy that will be accessible throughout the

1 state. Initial development of the content of the academy activities
2 shall be supported by private funds. Semiannually the independent
3 organization shall report on amounts committed by foundations and
4 others to support the development and implementation of this program.
5 Leadership academy partners, with varying roles, shall include the
6 state level organizations for school administrators and principals, the
7 superintendent of public instruction, the professional educator
8 standards board, and others as the independent organization shall
9 identify.

10 (12) \$105,754,000 of the general fund--federal appropriation is
11 provided for preparing, training, and recruiting high quality teachers
12 and principals under Title II of the no child left behind act.

13 (13) \$1,960,000 of the general fund--state appropriation for fiscal
14 year 2010 and \$761,000 of the general fund--state appropriation for
15 fiscal year 2011 are provided solely to the office of the
16 superintendent of public instruction for focused assistance. The
17 office of the superintendent of public instruction shall conduct
18 educational audits of low-performing schools and enter into performance
19 agreements between school districts and the office to implement the
20 recommendations of the audit and the community. Funding in this
21 subsection shall be used for focused assistance programs for individual
22 schools or school districts. The office of the superintendent of
23 public instruction shall report to the fiscal committees of the
24 legislature by September 1, 2011, providing an accounting of the uses
25 of focused assistance funds during the 2009-11 fiscal biennium,
26 including a list of schools served and the types of services provided.

27 (14) \$1,667,000 of the general fund--state appropriation for fiscal
28 year 2010 is provided solely to eliminate the lunch co-pay for students
29 in grades kindergarten through third grade that are eligible for
30 reduced price lunch.

31 (15) \$5,285,000 of the general fund--state appropriation for fiscal
32 year 2010 is provided solely for: (a) The meals for kids program under
33 RCW 28A.235.145 through 28A.235.155; (b) to eliminate the breakfast co-
34 pay for students eligible for reduced price lunch; and (c) for
35 additional assistance for school districts initiating a summer food
36 service program.

37 (16) \$1,003,000 of the general fund--state appropriation for fiscal
38 year 2010 and \$528,000 of the general fund--state appropriation for

1 fiscal year 2011 are provided solely for the Washington reading corps.
2 The superintendent shall allocate reading corps members to low-
3 performing schools and school districts that are implementing
4 comprehensive, proven, research-based reading programs. Two or more
5 schools may combine their Washington reading corps programs. Grants
6 provided under this section may be used by school districts for
7 expenditures from September 2009 through August 31, 2011.

8 (17) \$3,269,000 of the general fund--state appropriation for fiscal
9 year 2010 and \$3,594,000 of the general fund--state appropriation for
10 fiscal year 2011 are provided solely for grants to school districts to
11 provide a continuum of care for children and families to help children
12 become ready to learn. Grant proposals from school districts shall
13 contain local plans designed collaboratively with community service
14 providers. If a continuum of care program exists in the area in which
15 the school district is located, the local plan shall provide for
16 coordination with existing programs to the greatest extent possible.
17 Grant funds shall be allocated pursuant to RCW 70.190.040.

18 (18) \$1,861,000 of the general fund--state appropriation for fiscal
19 year 2010 and \$1,836,000 of the general fund--state appropriation for
20 fiscal year 2011 are provided solely for improving technology
21 infrastructure, monitoring and reporting on school district technology
22 development, promoting standards for school district technology,
23 promoting statewide coordination and planning for technology
24 development, and providing regional educational technology support
25 centers, including state support activities, under chapter 28A.650 RCW.

26 (19) \$225,000 of the general fund--state appropriation for fiscal
27 year 2010 and \$150,000 of the general fund--state appropriation for
28 fiscal year 2011 are provided solely for the operation of the center
29 for the improvement of student learning pursuant to RCW 28A.300.130.

30 (20) \$246,000 of the education legacy trust account--state
31 appropriation is provided solely for costs associated with the office
32 of the superintendent of public instruction's statewide director of
33 technology position.

34 (21)(a) \$28,715,000 of the general fund--state appropriation for
35 fiscal year 2010 and (~~(\$36,168,000)~~) \$35,395,000 of the general fund--
36 state appropriation for fiscal year 2011 are provided solely for the
37 following bonuses for teachers who hold valid, unexpired certification

1 from the national board for professional teaching standards and who are
2 teaching in a Washington public school, subject to the following
3 conditions and limitations:

4 (i) For national board certified teachers, a bonus of \$5,000 per
5 teacher beginning in the 2007-08 school year and adjusted for inflation
6 in each school year thereafter in which Initiative 732 cost of living
7 adjustments are provided;

8 (ii) An additional \$5,000 annual bonus shall be paid to national
9 board certified teachers who teach in either: (A) High schools where
10 at least 50 percent of student headcount enrollment is eligible for
11 federal free or reduced price lunch, (B) middle schools where at least
12 60 percent of student headcount enrollment is eligible for federal free
13 or reduced price lunch, or (C) elementary schools where at least 70
14 percent of student headcount enrollment is eligible for federal free or
15 reduced price lunch;

16 (iii) The superintendent of public instruction shall adopt rules to
17 ensure that national board certified teachers meet the qualifications
18 for bonuses under (a)(ii) of this subsection for less than one full
19 school year receive bonuses in a pro-rated manner; and

20 (iv) During the 2009-10 and 2010-11 school years, and within the
21 available state and federal appropriations, certificated instructional
22 staff who have met the eligibility requirements and have applied for
23 certification from the national board for professional teaching
24 standards may receive a conditional two thousand dollars or the amount
25 set by the office of the superintendent of public instruction to
26 contribute toward the current assessment fee, not including the initial
27 up-front candidacy payment. The fee shall be an advance on the first
28 annual bonus under RCW 28A.405.415. The assessment fee for national
29 certification is provided in addition to compensation received under a
30 district's salary schedule adopted in accordance with RCW 28A.405.200
31 and shall not be included in calculations of a district's average
32 salary and associated salary limitation under RCW 28A.400.200.
33 Recipients who fail to receive certification after three years are
34 required to repay the assessment fee, not including the initial up-
35 front candidacy payment, as set by the national board for professional
36 teaching standards and administered by the office of the superintendent
37 of public instruction. The office of the superintendent of public

1 instruction shall adopt rules to define the terms for initial grant of
2 the assessment fee and repayment, including applicable fees.

3 (b) Included in the amounts provided in this subsection are amounts
4 for mandatory fringe benefits.

5 (22) \$2,475,000 of the general fund--state appropriation for fiscal
6 year 2010 and \$456,000 of the general fund--state appropriation for
7 fiscal year 2011 are provided solely for secondary career and technical
8 education grants pursuant to chapter 170, Laws of 2008. This funding
9 may additionally be used to support FIRST Robotics programs. In fiscal
10 year 2011, if equally matched by private donations, \$300,000 of the
11 appropriation shall be used to support FIRST Robotics programs,
12 including FIRST Robotics professional development.

13 (23) \$75,000 of the general fund--state appropriation for fiscal
14 year 2011 is provided solely for the implementation of House Bill No.
15 2621 (K-12 school resource programs). If the bill is not enacted by
16 June 30, 2010, the amount provided in this subsection shall lapse.

17 (24) \$300,000 of the general fund--state appropriation for fiscal
18 year 2010 is provided solely for the local farms-healthy kids program
19 as described in chapter 215, Laws of 2008. The program is suspended in
20 the 2011 fiscal year, and not eliminated.

21 (25) \$2,348,000 of the general fund--state appropriation for fiscal
22 year 2010 and \$1,000,000 of the general fund--state appropriation for
23 fiscal year 2011 are provided solely for a beginning educator support
24 program. School districts and/or regional consortia may apply for
25 grant funding beginning in the 2009-10 school year. The superintendent
26 shall implement this program in 5 to 15 school districts and/or
27 regional consortia. The program provided by a district and/or regional
28 consortia shall include: A paid orientation; assignment of a qualified
29 mentor; development of a professional growth plan for each beginning
30 teacher aligned with professional certification; release time for
31 mentors and new teachers to work together, and teacher observation time
32 with accomplished peers. \$250,000 may be used to provide state-wide
33 professional development opportunities for mentors and beginning
34 educators. The superintendent of public instruction shall adopt rules
35 to establish and operate a research-based beginning educator support
36 program no later than August 31, 2009. OSPI must evaluate the
37 program's progress and may contract for this work. A report to the

1 legislature about the beginning educator support program is due
2 November 1, 2010.

3 (26) \$390,000 of the education legacy trust account--state
4 appropriation is provided solely for the development and implementation
5 of diagnostic assessments, consistent with the recommendations of the
6 Washington assessment of student learning work group.

7 (27) Funding within this section is provided for implementation of
8 Engrossed Substitute Senate Bill No. 5414 (statewide assessments and
9 curricula).

10 (28) \$530,000 of the general fund--state appropriation for fiscal
11 year 2010 and \$265,000 of the general fund--state appropriation for
12 fiscal year 2011 are provided solely for the leadership internship
13 program for superintendents, principals, and program administrators.

14 (29) Funding for the community learning center program, established
15 in RCW 28A.215.060, and providing grant funding for the 21st century
16 after-school program, is suspended and not eliminated.

17 (30) \$2,357,000 of the general fund--state appropriation for fiscal
18 year 2011 is provided solely for implementation of Engrossed Second
19 Substitute Senate Bill No. 6696 (education reform). Of the amount
20 provided, \$142,000 is provided to the professional educators' standards
21 board and \$120,000 is provided to the system of the educational service
22 districts, to fulfill their respective duties under the bill.

23 **Sec. 1411.** 2010 1st sp.s. c 37 s 514 (uncodified) is amended to
24 read as follows:

25 **FOR THE SUPERINTENDENT OF PUBLIC INSTRUCTION--FOR TRANSITIONAL**
26 **BILINGUAL PROGRAMS**

27	General Fund--State Appropriation (FY 2010)	\$76,419,000
28	General Fund--State Appropriation (FY 2011)	(\$77,672,000)
29		<u>\$79,912,000</u>
30	General Fund--Federal Appropriation	\$65,263,000
31	TOTAL APPROPRIATION	(\$219,354,000)
32		<u>\$221,594,000</u>

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

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

1 (2) The superintendent shall distribute a maximum of \$901.46 per
2 eligible bilingual student in the 2009-10 school year and \$901.46 in
3 the 2010-11 school year, exclusive of salary and benefit adjustments
4 provided in section 504 of this act.

5 (3) The superintendent may withhold up to 1.5 percent of the school
6 year allocations to school districts in subsection (2) of this section,
7 and adjust the per eligible pupil rates in subsection (2) of this
8 section accordingly, solely for the central provision of assessments as
9 provided in RCW 28A.180.090 (1) and (2).

10 (4) \$70,000 of the amounts appropriated in this section are
11 provided solely to track current and former transitional bilingual
12 program students.

13 (5) The general fund--federal appropriation in this section is
14 provided for migrant education under Title I Part C and English
15 language acquisition, and language enhancement grants under Title III
16 of the elementary and secondary education act.

17 **Sec. 1412.** 2010 1st sp.s. c 37 s 515 (uncodified) is amended to
18 read as follows:

19 **FOR THE SUPERINTENDENT OF PUBLIC INSTRUCTION--FOR THE LEARNING**
20 **ASSISTANCE PROGRAM**

21	General Fund--State Appropriation (FY 2010)	\$103,865,000
22	General Fund--State Appropriation (FY 2011)	(\$110,312,000)
23		<u>\$114,240,000</u>
24	General Fund--Federal Appropriation	(\$553,925,000)
25		<u>\$580,425,000</u>
26	Education Legacy Trust Account--State Appropriation	\$47,980,000
27	TOTAL APPROPRIATION	(\$816,082,000)
28		<u>\$846,510,000</u>

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

31 (1) The general fund--state appropriations in this section are
32 subject to the following conditions and limitations:

33 (a) The appropriations include such funds as are necessary to
34 complete the school year ending in the fiscal year and for prior fiscal
35 year adjustments.

36 (b) Funding for school district learning assistance programs shall
37 be allocated at maximum rates of \$281.71 per funded student for the

1 2009-10 school year and \$283.00 per funded student for the 2010-11
2 school year exclusive of salary and benefit adjustments provided under
3 section 504 of this act.

4 (c) A school district's funded students for the learning assistance
5 program shall be the sum of the following as appropriate:

6 (i) The district's full-time equivalent enrollment in grades K-12
7 for the prior school year multiplied by the district's percentage of
8 October headcount enrollment in grades K-12 eligible for free or
9 reduced price lunch in the prior school year; and

10 (ii) If, in the prior school year, the district's percentage of
11 October headcount enrollment in grades K-12 eligible for free or
12 reduced price lunch exceeded forty percent, subtract forty percent from
13 the district's percentage and multiply the result by the district's K-
14 12 annual average full-time equivalent enrollment for the prior school
15 year.

16 (d) In addition to the amounts allocated in (b) and (c) of this
17 subsection, an additional amount shall be allocated to school districts
18 with high concentrations of poverty and English language learner
19 students, subject to the following rules and conditions:

20 (i) To qualify for additional funding under this subsection, a
21 district's October headcount enrollment in grades kindergarten through
22 grade twelve must have at least twenty percent enrolled in the
23 transitional bilingual instruction program based on an average of the
24 program headcount taken in October and May of the prior school year;
25 and must also have at least forty percent eligible for free or reduced
26 price lunch based on October headcount enrollment in grades
27 kindergarten through twelve in the prior school year.

28 (ii) Districts meeting the specifications in (d)(i) of this
29 subsection shall receive additional funded students for the learning
30 assistance program at the rates specified in subsection (1)(b) of this
31 section. The number of additional funded student units shall be
32 calculated by subtracting twenty percent from the district's percent
33 transitional bilingual instruction program enrollment as defined in
34 (d)(i) of this subsection, and the resulting percent shall be
35 multiplied by the district's kindergarten through twelve annual average
36 full-time equivalent enrollment for the prior school year.

37 (2) Allocations made pursuant to subsection (1) of this section
38 shall be adjusted to reflect ineligible applications identified through

1 the annual income verification process required by the national school
2 lunch program, as recommended in the report of the state auditor on the
3 learning assistance program dated February, 2010.

4 (3) The general fund--federal appropriation in this section is
5 provided for Title I Part A allocations of the no child left behind act
6 of 2001.

7 (4) A school district may carry over from one year to the next up
8 to 10 percent of the general fund--state or education legacy trust
9 funds allocated under this program; however, carryover funds shall be
10 expended for the learning assistance program.

11 (5) School districts are encouraged to coordinate the use of these
12 funds with other federal, state, and local sources to serve students
13 who are below grade level and to make efficient use of resources in
14 meeting the needs of students with the greatest academic deficits.

15 (6) Within amounts appropriated in this section, funding is
16 provided for the implementation of extended learning programs required
17 in chapter 328, Laws of 2008.

18 **Sec. 1413.** 2010 1st sp.s. c 37 s 516 (uncodified) is amended to
19 read as follows:

20 **FOR THE SUPERINTENDENT OF PUBLIC INSTRUCTION--FOR STUDENT ACHIEVEMENT**
21 **PROGRAMS**

22	General Fund--State Appropriation (FY 2010)	\$19,000
23	General Fund--State Appropriation (FY 2011)	(\$25,730,000)
24		<u>\$25,417,000</u>
25	General Fund--Federal Appropriation	\$200,295,000
26	TOTAL APPROPRIATION	(\$226,044,000)
27		<u>\$225,731,000</u>

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

30 (1) Funding for school district student achievement programs shall
31 be allocated at a maximum rate of \$131.16 per FTE student for the 2009-
32 10 school year and \$0 per FTE student for the 2010-11 school year. For
33 the purposes of this section, FTE student refers to the annual average
34 full-time equivalent enrollment of the school district in grades
35 kindergarten through twelve for the prior school year, as reported to
36 the office of the superintendent of public instruction by August 31st
37 of the previous school year.

1 (2) The appropriation is allocated for the following uses as
2 specified in RCW 28A.505.210:

3 (a) To reduce class size by hiring certificated elementary
4 classroom teachers in grades K-4 and paying nonemployee-related costs
5 associated with those new teachers;

6 (b) To make selected reductions in class size in grades 5-12, such
7 as small high school writing classes;

8 (c) To provide extended learning opportunities to improve student
9 academic achievement in grades K-12, including, but not limited to,
10 extended school year, extended school day, before-and-after-school
11 programs, special tutoring programs, weekend school programs, summer
12 school, and all-day kindergarten;

13 (d) To provide additional professional development for educators
14 including additional paid time for curriculum and lesson redesign and
15 alignment, training to ensure that instruction is aligned with state
16 standards and student needs, reimbursement for higher education costs
17 related to enhancing teaching skills and knowledge, and mentoring
18 programs to match teachers with skilled, master teachers. The funding
19 shall not be used for salary increases or additional compensation for
20 existing teaching duties, but may be used for extended year and
21 extended day teaching contracts;

22 (e) To provide early assistance for children who need
23 prekindergarten support in order to be successful in school; or

24 (f) To provide improvements or additions to school building
25 facilities which are directly related to the class size reductions and
26 extended learning opportunities under (a) through (c) of this
27 subsection (2).

28 (3) The superintendent of public instruction shall distribute the
29 school year allocation according to the monthly apportionment schedule
30 defined in RCW 28A.510.250.

31 (4) \$200,295,000 of the general fund--federal appropriation for
32 fiscal year 2010 is provided solely for American recovery and
33 reinvestment act of 2009 (ARRA) fiscal stabilization funds to restore
34 state reductions for the student achievement program.

35 **Sec. 1414.** 2010 1st sp.s. c 37 s 517 (uncodified) is amended to
36 read as follows:

37 **FOR THE SUPERINTENDENT OF PUBLIC INSTRUCTION**

1 (1) Appropriations made in this act to the office of the
2 superintendent of public instruction shall initially be allotted as
3 required by this act. Subsequent allotment modifications shall not
4 include transfers of moneys between sections of this act, except as
5 expressly provided in subsection (2) of this section.

6 (2) The appropriations to the office of the superintendent of
7 public instruction in this act shall be expended for the programs and
8 amounts specified in this act. However, after May 1, (~~2010~~) 2011,
9 unless specifically prohibited by this act and after approval by the
10 director of financial management, the superintendent of public
11 instruction may transfer state general fund appropriations for fiscal
12 year (~~2010~~) 2011 among the following programs to meet the
13 apportionment schedule for a specified formula in another of these
14 programs: General apportionment; employee compensation adjustments;
15 pupil transportation; special education programs; institutional
16 education programs; transitional bilingual programs; and student
17 achievement and learning assistance programs.

18 (3) The director of financial management shall notify the
19 appropriate legislative fiscal committees in writing prior to approving
20 any allotment modifications or transfers under this section.

(End of part)

PART XV
HIGHER EDUCATION

Sec. 1501. 2011 c 5 s 601 (uncodified) is amended to read as follows:

FOR THE UNIVERSITY OF WASHINGTON

General Fund--State Appropriation (FY 2010)	\$269,571,000
General Fund--State Appropriation (FY 2011)	(\$259,706,000)
	<u>\$259,552,000</u>
General Fund--Federal Appropriation	\$43,971,000
Education Legacy Trust Account--State Appropriation	\$54,534,000
Accident Account--State Appropriation	\$6,750,000
Medical Aid Account--State Appropriation	\$6,540,000
Biotoxin Account--State Appropriation	\$449,000
TOTAL APPROPRIATION	(\$641,521,000)
	<u>\$641,367,000</u>

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

(1) In implementing the appropriations in this section, the president and regents shall seek to minimize impacts on student services and instructional programs by maximizing reductions in administration and other non-instructional activities.

(2) Because higher education is an essential driver of economic recovery and development, the university shall maintain, and endeavor to increase, enrollment and degree production levels at or beyond their academic year 2008-09 levels in the following high-demand fields: Biological and biomedical sciences; computer and information sciences; education with specializations in special education, math, or science; engineering and engineering technology; health professions and related clinical sciences; and mathematics and statistics.

(3) \$75,000 of the general fund--state appropriation for fiscal year 2010 and \$75,000 of the general fund--state appropriation for fiscal year 2011 are provided solely for forestry research by the Olympic natural resources center.

(4) \$150,000 of the general fund--state appropriation for fiscal year 2010 is provided solely for the William D. Ruckelshaus center for

1 facilitation, support, and analysis to support the nurse staffing
2 steering committee in its work to apply best practices related to
3 patient safety and nurse staffing.

4 (5) \$54,000 of the general fund--state appropriation for fiscal
5 year 2010 and \$54,000 of the general fund--state appropriation for
6 fiscal year 2011 are provided solely for the University of Washington
7 geriatric education center to provide a voluntary adult family home
8 certification program. In addition to the minimum qualifications
9 required under RCW 70.128.120, individuals participating in the
10 voluntary adult family home certification program shall complete fifty-
11 two hours of class requirements as established by the University of
12 Washington geriatric education center. Individuals completing the
13 requirements of RCW 70.128.120 and the voluntary adult family home
14 certification program shall be issued a certified adult family home
15 license by the department of social and health services. The
16 department of social and health services shall adopt rules implementing
17 the provisions of this subsection.

18 (6) \$50,000 of the general fund--state appropriation for fiscal
19 year 2010 and \$52,000 of the general fund--state appropriation for
20 fiscal year 2011 are provided solely for the center for international
21 trade in forest products in the college of forest resources.

22 (7) \$250,000 of the general fund--state appropriation for fiscal
23 year 2011 is provided solely for joint planning to increase the number
24 of residency positions and programs in eastern Washington and Spokane
25 within the existing Washington, Wyoming, Alaska, Montana, Idaho (WWAMI)
26 regional medical education program partnership between the University
27 of Washington school of medicine, Washington State University, and area
28 physicians and hospitals. The joint planning efforts are to include
29 preparation of applications for new residency programs in family
30 medicine, internal medicine, obstetrics, psychiatry and general
31 surgery; business plans for those new programs; and for increasing the
32 number of positions in existing programs among regional academic and
33 hospital partners and networks. The results of the joint planning
34 efforts, including the status of the application preparation and
35 business plan, must be reported to the house of representatives
36 committee on higher education and the senate committee on higher
37 education and workforce development by December 1, 2010.

1 (8) \$25,000 of the general fund--state appropriation for fiscal
2 year 2011 is provided solely for implementation of chapter 164, Laws of
3 2010 (local government infrastructure). The University of Washington
4 shall use a qualified researcher to report the percentage probability
5 that the application's assumptions and estimates of jobs created and
6 increased tax receipts will be achieved by the projects. In making
7 this report, the qualified researcher shall work with the department of
8 revenue and the applicants to develop a series of factors that are
9 based on available economic metrics and sound principles.

10 (9) Appropriations in section 609 of this act reflect reductions to
11 the state need grant. The University of Washington shall use locally
12 held funds to provide a commensurate amount of aid to eligible students
13 who would have received state need grant payments through the
14 appropriations in section 609 of this act.

15 By September 1, 2011, the University of Washington shall report to
16 the appropriate legislative fiscal and policy committees regarding the
17 implementation of this section. The report shall provide detail on the
18 number of students provided aid under this subsection and the amount of
19 aid provided to each student.

20 **Sec. 1502.** 2011 c 5 s 602 (uncodified) is amended to read as
21 follows:

22 **FOR WASHINGTON STATE UNIVERSITY**

23	General Fund--State Appropriation (FY 2010)	\$169,462,000
24	General Fund--State Appropriation (FY 2011)	(\$170,699,000)
25		<u>\$170,590,000</u>
26	General Fund--Federal Appropriation	\$15,772,000
27	Education Legacy Trust Account--State Appropriation	\$34,435,000
28	TOTAL APPROPRIATION	(\$390,368,000)
29		<u>\$390,259,000</u>

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

32 (1) In implementing the appropriations in this section, the
33 president and regents shall seek to minimize impacts on student
34 services and instructional programs by maximizing reductions in
35 administration and other non-instructional activities.

36 (2) Because higher education is an essential driver of economic
37 recovery and development, the university shall maintain, and endeavor

1 to increase, enrollment and degree production levels at or beyond their
2 academic year 2008-09 levels in the following high-demand fields:
3 Biological and biomedical sciences; computer and information sciences;
4 education with specializations in special education, math, or science;
5 engineering and engineering technology; health professions and related
6 clinical sciences; and mathematics and statistics.

7 (3) When implementing reductions for fiscal year 2010 and fiscal
8 year 2011, Washington State University shall minimize reductions to
9 extension services and agriculture extension services. Agriculture
10 extension includes:

11 (a) Faculty with extension appointments working within the
12 following departments in the college of agricultural, human, and
13 natural resource sciences with extension appointments: Animal
14 sciences, crop and soil sciences, entomology, horticulture, and plant
15 pathology;

16 (b) The portion of county extension educators' appointments
17 assigned to the "agricultural programs" area;

18 (c) Staff with extension appointments and extension operating
19 allocations located at the irrigated agriculture research and extension
20 center (Prosser), northwest Washington research and extension center
21 (Mt. Vernon), and tree fruit research and extension center (Wenatchee);
22 and

23 (d) Extension contributions to the center for precision
24 agricultural systems, center for sustaining agriculture and natural
25 resources, and the agriculture weather network.

26 (4) \$75,000 of the general fund--state appropriation for fiscal
27 year 2010 and \$75,000 of the general fund--state appropriation for
28 fiscal year 2011 are provided solely for research related to honeybee
29 colony collapse disease.

30 (5) Appropriations in section 609 of this act reflect reductions to
31 the state need grant. Washington State University shall use locally
32 held funds to provide a commensurate amount of aid to eligible students
33 who would have received state need grant payments through the
34 appropriations in section 609 of this act.

35 By September 1, 2011, Washington State University shall report to
36 the appropriate legislative fiscal and policy committees regarding the
37 implementation of this section. The report shall provide detail on the

1 number of students provided aid under this subsection and the amount of
2 aid provided to each student.

3 **Sec. 1503.** 2011 c 5 s 603 (uncodified) is amended to read as
4 follows:

5 **FOR EASTERN WASHINGTON UNIVERSITY**

6	General Fund--State Appropriation (FY 2010)	\$34,689,000
7	General Fund--State Appropriation (FY 2011)	(\$35,126,000)
8		<u>\$35,106,000</u>
9	General Fund--Federal Appropriation	\$5,522,000
10	Education Legacy Trust Account--State Appropriation	\$16,041,000
11	TOTAL APPROPRIATION	(\$91,378,000)
12		<u>\$91,358,000</u>

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

15 (1) In implementing the appropriations in this section, the
16 president and governing board shall seek to minimize impacts on student
17 services and instructional programs by maximizing reductions in
18 administration and other non-instructional activities.

19 (2) Because higher education is an essential driver of economic
20 recovery and development, the university shall maintain, and endeavor
21 to increase, enrollment and degree production levels at or beyond their
22 academic year 2008-09 levels in the following high-demand fields:
23 Biological and biomedical sciences; computer and information sciences;
24 education with specializations in special education, math, or science;
25 engineering and engineering technology; health professions and related
26 clinical sciences; and mathematics and statistics.

27 (3) At least \$200,000 of the general fund--state appropriation for
28 fiscal year 2010 and at least \$200,000 of the general fund--state
29 appropriation for fiscal year 2011 shall be expended on the northwest
30 autism center.

31 (4) Appropriations in section 609 of this act reflect reductions to
32 the state need grant. Eastern Washington University shall use locally
33 held funds to provide a commensurate amount of aid to eligible students
34 who would have received state need grant payments through the
35 appropriations in section 609 of this act.

36 By September 1, 2011, Eastern Washington University shall report to
37 the appropriate legislative fiscal and policy committees regarding the

1 implementation of this section. The report shall provide detail on the
2 number of students provided aid under this subsection and the amount of
3 aid provided to each student.

4 **Sec. 1504.** 2011 c 5 s 604 (uncodified) is amended to read as
5 follows:

6 **FOR CENTRAL WASHINGTON UNIVERSITY**

7	General Fund--State Appropriation (FY 2010)	\$30,289,000
8	General Fund--State Appropriation (FY 2011)	(\$32,383,000)
9		<u>\$32,337,000</u>
10	General Fund--Federal Appropriation	\$6,975,000
11	Education Legacy Trust Account--State Appropriation	\$19,012,000
12	TOTAL APPROPRIATION	(\$88,659,000)
13		<u>\$88,613,000</u>

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

16 (1) In implementing the appropriations in this section, the
17 president and governing board shall seek to minimize impacts on student
18 services and instructional programs by maximizing reductions in
19 administration and other non-instructional activities.

20 (2) Because higher education is an essential driver of economic
21 recovery and development, the university shall maintain, and endeavor
22 to increase, enrollment and degree production levels at or beyond their
23 academic year 2008-09 levels in the following high-demand fields:
24 Biological and biomedical sciences; computer and information sciences;
25 education with specializations in special education, math, or science;
26 engineering and engineering technology; health professions and related
27 clinical sciences; and mathematics and statistics.

28 (3) Appropriations in section 609 of this act reflect reductions to
29 the state need grant. Central Washington University shall use locally
30 held funds to provide a commensurate amount of aid to eligible students
31 who would have received state need grant payments through the
32 appropriations in section 609 of this act.

33 By September 1, 2011, Central Washington University shall report to
34 the appropriate legislative fiscal and policy committees regarding the
35 implementation of this section. The report shall provide detail on the
36 number of students provided aid under this subsection and the amount of
37 aid provided to each student.

1 **Sec. 1505.** 2011 c 5 s 605 (uncodified) is amended to read as
2 follows:

3 **FOR THE EVERGREEN STATE COLLEGE**

4	General Fund--State Appropriation (FY 2010)	\$20,514,000
5	General Fund--State Appropriation (FY 2011)	((\$17,728,000))
6		<u>\$17,714,000</u>
7	General Fund--Federal Appropriation	\$2,366,000
8	Education Legacy Trust Account--State Appropriation	\$5,417,000
9	TOTAL APPROPRIATION	((\$46,025,000))
10		<u>\$46,011,000</u>

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

13 (1) In implementing the appropriations in this section, the
14 president and governing board shall seek to minimize impacts on student
15 services and instructional programs by maximizing reductions in
16 administration and other non-instructional activities.

17 (2) Because higher education is an essential driver of economic
18 recovery and development, the college shall maintain, and endeavor to
19 increase, enrollment and degree production levels at or beyond their
20 academic year 2008-09 levels in the following high-demand fields:
21 Biological and biomedical sciences; computer and information sciences;
22 education with specializations in special education, math, or science;
23 engineering and engineering technology; health professions and related
24 clinical sciences; and mathematics and statistics.

25 (3)(a) At least \$100,000 of the general fund--state appropriation
26 for fiscal year 2010 shall be expended on the labor education and
27 research center.

28 (b) In fiscal year 2011 the labor education and research center
29 shall be transferred from The Evergreen State College to south Seattle
30 community college.

31 (4) \$100,000 of the general fund--state appropriation for fiscal
32 year 2010 and \$100,000 of the general fund--state appropriation for
33 fiscal year 2011 are provided solely for the Washington state institute
34 for public policy to report to the legislature regarding efficient and
35 effective programs and policies. The report shall calculate the return
36 on investment to taxpayers from evidence-based prevention and
37 intervention programs and policies that influence crime, K-12 education
38 outcomes, child maltreatment, substance abuse, mental health, public

1 health, public assistance, employment, and housing. The institute for
2 public policy shall provide the legislature with a comprehensive list
3 of programs and policies that improve these outcomes for children and
4 adults in Washington and result in more cost-efficient use of public
5 resources. The institute shall submit interim reports by December 15,
6 2009, and October 1, 2010, and a final report by June 30, 2011. The
7 institute may receive additional funds from a private organization for
8 the purpose of conducting this study.

9 (5) To the extent federal or private funding is available for this
10 purpose, the Washington state institute for public policy and the
11 center for reinventing public education at the University of Washington
12 shall examine the relationship between participation in pension systems
13 and teacher quality and mobility patterns in the state. The department
14 of retirement systems shall facilitate researchers' access to necessary
15 individual-level data necessary to effectively conduct the study. The
16 researchers shall ensure that no individually identifiable information
17 will be disclosed at any time. An interim report on project findings
18 shall be completed by November 15, 2010, and a final report shall be
19 submitted to the governor and to the relevant committees of the
20 legislature by October 15, 2011.

21 (6) At least \$200,000 of the general fund--state appropriation for
22 fiscal year 2010 and at least \$200,000 of the general fund--state
23 appropriation for fiscal year 2011 shall be expended on the Washington
24 center for undergraduate education.

25 (7) \$15,000 of the general fund--state appropriation for fiscal
26 year 2010 is provided solely for the Washington state institute for
27 public policy to examine the need for and methods to increase the
28 availability of nonfood items, such as personal hygiene supplies,
29 soaps, paper products, and other items, to needy persons in the state.
30 The study shall examine existing private and public programs that
31 provide such products, and develop recommendations for the most cost-
32 effective incentives for private and public agencies to increase local
33 distribution outlets and local and regional networks of supplies. A
34 final report shall be delivered to the legislature and the governor by
35 December 1, 2009.

36 (8) \$17,000 of the general fund--state appropriation for fiscal
37 year 2010 and \$42,000 of the general fund--state appropriation for
38 fiscal year 2011 are provided to the Washington state institute for

1 public policy to implement Second Substitute House Bill No. 2106 (child
2 welfare outcomes). If the bill is not enacted by June 30, 2009, the
3 amounts provided in this subsection shall lapse.

4 (9) \$54,000 of the general fund--state appropriation for fiscal
5 year 2010 and \$23,000 of the general fund--state appropriation for
6 fiscal year 2011 are provided solely to implement Substitute Senate
7 Bill No. 5882 (racial disproportionality). If the bill is not enacted
8 by June 30, 2009, the amounts provided in this subsection shall lapse.

9 (10) \$75,000 of the general fund--state appropriation for fiscal
10 year 2010 is provided solely for the Washington state institute of
11 public policy to evaluate the adequacy of and access to financial aid
12 and independent living programs for youth in foster care. The
13 examination shall include opportunities to improve efficiencies within
14 these programs. The institute shall report its findings by December 1,
15 2009.

16 (11) \$75,000 of the general fund--state appropriation for fiscal
17 year 2010 is provided solely for the Washington state institute for
18 public policy to conduct an assessment of the general assistance
19 unemployable program and other similar programs. The assessment shall
20 include a review of programs in other states that provide similar
21 services and will include recommendations on promising approaches that
22 both improve client outcomes and reduce state costs. A report is due
23 by December 1, 2009.

24 (12) To the extent funds are available, the Washington state
25 institute for public policy is encouraged to continue the longitudinal
26 analysis of long-term mental health outcomes directed in chapter 334,
27 Laws of 2001 (mental health performance audit), to build upon the
28 evaluation of the impacts of chapter 214, Laws of 1999 (mentally ill
29 offenders); and to assess program outcomes and cost effectiveness of
30 the children's mental health pilot projects as required by chapter 372,
31 Laws of 2006.

32 (13) \$50,000 of the general fund--state appropriation for fiscal
33 year 2011 is provided solely for the institute for public policy to
34 provide research support to the council on quality education.

35 (14) At least \$119,207 of the general fund--state appropriation for
36 fiscal year 2011 shall be expended on the longhouse center.

37 (15) At least \$103,146 of the general fund--state appropriation for

1 fiscal year 2011 shall be expended on the Northwest Indian applied
2 research institute.

3 (16) Appropriations in section 609 of this act reflect reductions
4 to the state need grant. The Evergreen State College shall use locally
5 held funds to provide a commensurate amount of aid to eligible students
6 who would have received state need grant payments through the
7 appropriations in section 609 of this act.

8 By September 1, 2011, The Evergreen State College shall report to
9 the appropriate legislative fiscal and policy committees regarding the
10 implementation of this section. The report shall provide detail on the
11 number of students provided aid under this subsection and the amount of
12 aid provided to each student.

13 **Sec. 1506.** 2011 c 5 s 606 (uncodified) is amended to read as
14 follows:

15 **FOR WESTERN WASHINGTON UNIVERSITY**

16	General Fund--State Appropriation (FY 2010)	\$43,146,000
17	General Fund--State Appropriation (FY 2011)	(\$46,359,000)
18		<u>\$46,310,000</u>
19	General Fund--Federal Appropriation	\$8,885,000
20	Education Legacy Trust Account--State Appropriation	\$12,917,000
21	TOTAL APPROPRIATION	(\$111,307,000)
22		<u>\$111,258,000</u>

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

25 (1) In implementing the appropriations in this section, the
26 president and governing board shall seek to minimize impacts on student
27 services and instructional programs by maximizing reductions in
28 administration and other non-instructional activities.

29 (2) Because higher education is an essential driver of economic
30 recovery and development, the university shall maintain, and endeavor
31 to increase, enrollment and degree production levels at or beyond their
32 academic year 2008-09 levels in the following high-demand fields:
33 Biological and biomedical sciences; computer and information sciences;
34 education with specializations in special education, math, or science;
35 engineering and engineering technology; health professions and related
36 clinical sciences; and mathematics and statistics.

1 (3) Appropriations in section 609 of this act reflect reductions to
2 the state need grant. Western Washington University shall use locally
3 held funds to provide a commensurate amount of aid to eligible students
4 who would have received state need grant payments through the
5 appropriations in section 609 of this act.

6 By September 1, 2011, Western Washington University shall report to
7 the appropriate legislative fiscal and policy committees regarding the
8 implementation of this section. The report shall provide detail on the
9 number of students provided aid under this subsection and the amount of
10 aid provided to each student.

11 **Sec. 1507.** 2011 c 5 s 607 (uncodified) is amended to read as
12 follows:

13 **FOR THE STATE BOARD FOR COMMUNITY AND TECHNICAL COLLEGES**

14	General Fund--State Appropriation (FY 2010)	\$631,804,000
15	General Fund--State Appropriation (FY 2011)	(\$603,296,000)
16		<u>\$603,511,000</u>
17	General Fund--Federal Appropriation	\$17,171,000
18	Education Legacy Trust Account--State Appropriation	\$95,035,000
19	Opportunity Express Account--State Appropriation	\$18,556,000
20	TOTAL APPROPRIATION	(\$1,365,862,000)
21		<u>\$1,366,077,000</u>

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

24 (1) \$28,761,000 of the general fund--state appropriation for fiscal
25 year 2010, \$28,761,000 of the general fund--state appropriation for
26 fiscal year 2011, and \$17,556,000 of the opportunity express account--
27 state appropriation are provided solely as special funds for training
28 and related support services, including financial aid, as specified in
29 RCW 28C.04.390. Funding is provided to support at least 6,200 full-
30 time equivalent students in fiscal year 2010 and at least 9,984 full-
31 time equivalent students in fiscal year 2011.

32 (2) \$2,725,000 of the general fund--state appropriation for fiscal
33 year 2010 and \$2,725,000 of the general fund--state appropriation for
34 fiscal year 2011 are provided solely for administration and customized
35 training contracts through the job skills program. The state board
36 shall make an annual report by January 1st of each year to the governor
37 and to the appropriate policy and fiscal committees of the legislature

1 regarding implementation of this section, listing the scope of grant
2 awards, the distribution of funds by educational sector and region of
3 the state, and the results of the partnerships supported by these
4 funds.

5 (3) Of the amounts appropriated in this section, \$3,500,000 is
6 provided solely for the student achievement initiative.

7 (4) When implementing the appropriations in this section, the state
8 board and the trustees of the individual community and technical
9 colleges shall minimize impact on academic programs, maximize
10 reductions in administration, and shall at least maintain, and endeavor
11 to increase, enrollment opportunities and degree and certificate
12 production in high employer-demand fields of study at their academic
13 year 2008-09 levels.

14 (5) Within the board's 2009-11 biennial budget allocation to
15 Bellevue College, and pursuant to RCW 28B.50.810, the college may
16 implement, on a tuition and fee basis, an additional applied
17 baccalaureate degree in interior design. This program is intended to
18 provide students with additional opportunities to earn baccalaureate
19 degrees and to respond to emerging job and economic growth
20 opportunities. The program reviews and approval decisions required by
21 RCW 28B.50.810 (3) and (4) shall be completed by July 31, 2009, so that
22 the degree may be offered during the 2009-10 academic year.

23 (6) In accordance with the recommendations of the higher education
24 coordinating board's 2008 *Kitsap region higher education center study*,
25 the state board shall facilitate development of university centers by
26 allocating thirty 2-year and 4-year partnership full-time enrollment
27 equivalencies to Olympic College and ten 2-year and 4-year partnership
28 full-time enrollment equivalencies to Peninsula College. The colleges
29 shall use the allocations to establish a partnership with a
30 baccalaureate university or universities for delivery of upper division
31 degree programs in the Kitsap region. The Olympic and Peninsula
32 Community College districts shall additionally work together to ensure
33 coordinated development of these and other future baccalaureate
34 opportunities through coordinated needs assessment, planning, and
35 scheduling.

36 (7) By September 1, 2009, the state board for community and
37 technical colleges, the higher education coordinating board, and the
38 office of financial management shall review and to the extent necessary

1 revise current 2009-11 performance measures and targets based on the
2 level of state, tuition, and other resources appropriated or authorized
3 in this act and in the omnibus 2009-11 omnibus capital budget act. The
4 boards and the office of financial management shall additionally
5 develop new performance targets for the 2011-13 and the 2013-15 biennia
6 that will guide and measure the community and technical college
7 system's contributions to achievement of the state's higher education
8 master plan goals.

9 (8) \$2,250,000 of the general fund--state appropriation for fiscal
10 year 2010 and \$2,250,000 of the general fund--state appropriation for
11 fiscal year 2011 are provided solely for the hospital employee
12 education and training program under which labor, management, and
13 college partnerships develop or expand and evaluate training programs
14 for incumbent hospital workers that lead to careers in nursing and
15 other high-demand health care occupations. The board shall report
16 student progress, outcomes, and costs to the relevant fiscal and policy
17 committees of the legislature by November 2009 and November 2010.

18 (9) Community and technical colleges are not required to send mass
19 mailings of course catalogs to residents of their districts. Community
20 and technical colleges shall consider lower cost alternatives, such as
21 mailing postcards or brochures that direct individuals to online
22 information and other ways of acquiring print catalogs.

23 (10) \$1,112,000 of the general fund--state appropriation for fiscal
24 year 2010 and \$1,113,000 of the general fund--state appropriation for
25 fiscal year 2011 are provided solely for the state board to enhance
26 online distance learning and open courseware technology. Funds shall
27 be used to support open courseware, open textbooks, open licenses to
28 increase access, affordability and quality of courses in higher
29 education. The state board for community and technical colleges shall
30 select the most appropriate courses to support open courseware based
31 solely upon criteria of maximizing the value of instruction and
32 reducing costs of textbooks and other instructional materials for the
33 greatest number of students in higher education, regardless of the type
34 of institution those students attend.

35 (11) \$158,000 of the general fund--state appropriation for fiscal
36 year 2011 is provided solely to implement House Bill No. 2694 (B.S. in
37 nursing/university center). If the bill is not enacted by June 30,
38 2010, the amount provided in this subsection shall lapse.

1 (12)(a) The labor education and research center is transferred from
2 The Evergreen State College to south Seattle community college and
3 shall begin operations on July 1, 2010.

4 (b) At least \$164,000 of the general fund--state appropriation for
5 fiscal year 2011 shall be expended on the labor education and research
6 center to provide outreach programs and direct educational and research
7 services to labor unions and worker-centered organizations.

8 (13) \$1,000,000 of the opportunity express account--state
9 appropriation is provided solely for the opportunity grant program as
10 specified in RCW 28B.50.271.

11 (14) \$1,750,000 of the general fund--state appropriation for fiscal
12 year 2011 is provided solely for the state board for community and
13 technical colleges to contract with the aerospace training and research
14 center on Paine field in Everett, Washington to support industry-
15 identified training in the aerospace sector.

16 (15) Sufficient amounts are provided in this section to implement
17 the food stamp employment and training program under Second Substitute
18 House Bill No. 2782 (security lifeline act).

19 (16) Appropriations in section 609 of this act reflect reductions
20 to the state need grant. The state board for community and technical
21 colleges shall use locally held funds to provide a commensurate amount
22 of aid to eligible students who would have received state need grant
23 payments through the appropriations in section 609 of this act.

24 By September 1, 2011, the state board for community and technical
25 colleges shall report to the appropriate legislative fiscal and policy
26 committees regarding the implementation of this section. The report
27 shall provide detail on the number of students provided aid under this
28 subsection and the amount of aid provided to each student.

29 **Sec. 1508.** 2011 c 5 s 608 (uncodified) is amended to read as
30 follows:

31 **FOR THE HIGHER EDUCATION COORDINATING BOARD--POLICY COORDINATION AND**
32 **ADMINISTRATION**

33	General Fund--State Appropriation (FY 2010)	\$6,402,000
34	General Fund--State Appropriation (FY 2011)	(\$5,183,000)
35		<u>\$5,339,000</u>
36	General Fund--Federal Appropriation	\$4,332,000
37	TOTAL APPROPRIATION	(\$15,917,000)

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

(1) Within the funds appropriated in this section, the higher education coordinating board shall complete a system design planning project that defines how the current higher education delivery system can be shaped and expanded over the next ten years to best meet the needs of Washington citizens and businesses for high quality and accessible post-secondary education. The board shall propose policies and specific, fiscally feasible implementation recommendations to accomplish the goals established in the *2008 strategic master plan for higher education*. The project shall specifically address the roles, missions, and instructional delivery systems both of the existing and of proposed new components of the higher education system; the extent to which specific academic programs should be expanded, consolidated, or discontinued and how that would be accomplished; the utilization of innovative instructional delivery systems and pedagogies to reach both traditional and nontraditional students; and opportunities to consolidate institutional administrative functions. The study recommendations shall also address the proposed location, role, mission, academic program, and governance of any recommended new campus, institution, or university center. During the planning process, the board shall inform and actively involve the chairs from the senate and house of representatives committees on higher education, or their designees. The board shall report the findings and recommendations of this system design planning project to the governor and the appropriate committees of the legislature by December 1, 2009.

(2) \$146,000 of the general fund--state appropriation for fiscal year 2010 and \$65,000 of the general fund--state appropriation for fiscal year 2011 are provided solely for the higher education coordinating board to administer Engrossed Second Substitute House Bill No. 2021 (revitalizing student financial aid). If the bill is not enacted by June 30, 2009, the amounts provided in this subsection shall lapse.

(3) \$167,000 of the general fund--state appropriation for fiscal year 2010 and \$67,000 of the general fund--state appropriation for fiscal year 2011 are provided solely to implement Engrossed Second

1 Substitute House Bill No. 1946 (regarding higher education online
2 technology). If the bill is not enacted by June 30, 2009, the amounts
3 provided in this subsection shall lapse.

4 (4) \$350,000 of the general fund--state appropriation for fiscal
5 year 2010 and \$200,000 of the general fund--state appropriation for
6 fiscal year 2011 are provided solely for the higher education
7 coordinating board to contract with the Pacific Northwest university of
8 health sciences to conduct training and education of health care
9 professionals to promote osteopathic physician services in rural and
10 underserved areas of the state.

11 **Sec. 1509.** 2011 c 5 s 609 (uncodified) is amended to read as
12 follows:

13 **FOR THE HIGHER EDUCATION COORDINATING BOARD--FINANCIAL AID AND GRANT**
14 **PROGRAMS**

15	General Fund--State Appropriation (FY 2010)	\$188,332,000
16	General Fund--State Appropriation (FY 2011)	(\$96,833,000)
17		<u>\$182,683,000</u>
18	General Fund--Federal Appropriation	\$13,129,000
19	Education Legacy Trust Account--State	
20	Appropriation	(\$116,060,000)
21		<u>\$30,210,000</u>
22	Opportunity Pathways Account--State Appropriation	\$73,500,000
23	TOTAL APPROPRIATION	\$487,854,000

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

26 (1) \$178,726,000 of the general fund--state appropriation for
27 fiscal year 2010, \$95,187,000 of the general fund--state appropriation
28 for fiscal year 2011, \$109,188,000 of the education legacy trust
29 account appropriation, \$73,500,000 of the opportunity pathways
30 appropriation, and \$2,545,000 of the general fund--federal
31 appropriation are provided solely for student financial aid payments
32 under the state need grant; the state work study program including up
33 to a four percent administrative allowance; the Washington scholars
34 program; and the Washington award for vocational excellence. State
35 need grant and the Washington award for vocational excellence shall be
36 adjusted to offset the cost of the resident undergraduate tuition

1 increases, limited to those tuition increases authorized under this
2 act. The Washington scholars program shall provide awards sufficient
3 to offset ninety percent of the total tuition and fee award.

4 (2)(a) Within the funds appropriated in this section, eligibility
5 for the state need grant shall include students with family incomes at
6 or below 70 percent of the state median family income (MFI), adjusted
7 for family size. Awards for all students shall be adjusted by the
8 estimated amount by which Pell grant increases exceed projected
9 increases in the noninstructional costs of attendance. Awards for
10 students with incomes between 51 and 70 percent of the state median
11 shall be prorated at the following percentages of the award amount
12 granted to those with incomes below 51 percent of the MFI: 70 percent
13 for students with family incomes between 51 and 55 percent MFI; 65
14 percent for students with family incomes between 56 and 60 percent MFI;
15 60 percent for students with family incomes between 61 and 65 percent
16 MFI; and 50 percent for students with family incomes between 66 and 70
17 percent MFI.

18 (b) Grant awards for students at private four-year colleges shall
19 be set at the same level as the student would receive if attending one
20 of the public research universities.

21 (3) To the maximum extent practicable, the board shall provide
22 state work study subsidies only to resident students during the 2010-11
23 academic year. Additionally, in order to provide work opportunities to
24 as many resident students as possible, the board is encouraged to
25 increase the proportion of student wages that is to be paid by both
26 proprietary and nonprofit, public, and private employers.

27 (4) \$3,872,000 of the education legacy trust account--state
28 appropriation is provided solely for the passport to college
29 scholarship program pursuant to chapter 28B.117 RCW. The higher
30 education coordinating board shall contract with a college scholarship
31 organization with expertise in managing scholarships for low-income,
32 high-potential students and foster care children and young adults to
33 administer the program. Of the amount in this subsection, \$39,000 is
34 provided solely for the higher education coordinating board for
35 administration of the contract and the remaining shall be contracted
36 out to the organization for the following purposes:

37 (a) \$384,000 is provided solely for program administration, and

1 (b) \$3,449,000 is provided solely for student financial aid for up
2 to 151 students and to fund student support services. Funds are
3 provided for student scholarships, provider training, and for incentive
4 payments to the colleges they attend for individualized student support
5 services which may include, but are not limited to, college and career
6 advising, counseling, tutoring, costs incurred for students while
7 school is not in session, personal expenses, health insurance, and
8 emergency services.

9 (5) \$1,250,000 of the general fund--state appropriation for fiscal
10 year 2010 is provided solely for the health professional scholarship
11 and loan program. The funds provided in this subsection shall be: (a)
12 Prioritized for health care deliver sites demonstrating a commitment to
13 serving the uninsured; and (b) allocated between loan repayments and
14 scholarships proportional to current program allocations.

15 (6) For fiscal year 2010 and fiscal year 2011, the board shall
16 defer loan or conditional scholarship repayments to the future teachers
17 conditional scholarship and loan repayment program for up to one year
18 for each participant if the participant has shown evidence of efforts
19 to find a teaching job but has been unable to secure a teaching job per
20 the requirements of the program.

21 (7) \$246,000 of the general fund--state appropriation for fiscal
22 year 2010 and \$246,000 of the general fund--state appropriation for
23 fiscal year 2011 are for community scholarship matching grants and its
24 administration. To be eligible for the matching grant, nonprofit
25 groups organized under section 501(c)(3) of the federal internal
26 revenue code must demonstrate they have raised at least \$2,000 in new
27 moneys for college scholarships after the effective date of this
28 section. Groups may receive no more than one \$2,000 matching grant per
29 year and preference shall be given to groups affiliated with
30 scholarship America. Up to a total of \$46,000 per year of the amount
31 appropriated in this section may be awarded to a nonprofit community
32 organization to administer scholarship matching grants, with preference
33 given to an organization affiliated with scholarship America.

34 (8) \$500,000 of the general fund--state appropriation for fiscal
35 year 2010 and \$500,000 of the general fund--state appropriation for
36 fiscal year 2011 are provided solely for state need grants provided to
37 students enrolled in three to five credit-bearing quarter credits, or

1 the equivalent semester credits. Total state expenditures on this
2 program shall not exceed the amounts provided in this subsection.

3 (9) \$2,500,000 of the education legacy trust account--state
4 appropriation is provided solely for the gaining early awareness and
5 readiness for undergraduate programs project.

6 (10) \$75,000 of the general fund--state appropriation for fiscal
7 year 2010 is provided solely for higher education student child care
8 matching grants under chapter 28B.135 RCW.

9 (11) \$200,000 of the general fund--state appropriation for fiscal
10 year 2011 is provided solely for continuation of the leadership 1000
11 scholarship sponsorship and matching program.

12 (12) In 2010 and 2011, the board shall continue to designate
13 Washington scholars and scholar-alternates and to recognize them at
14 award ceremonies as provided in RCW 28A.600.150, but state funding is
15 provided for award of only one scholarship per legislative district
16 during the 2010-11 academic year. After the 2010-11 academic year, and
17 as provided in RCW 28B.76.660, the board may distribute grants to these
18 eligible students to the extent that funds are appropriated for this
19 purpose.

20 (13) Fiscal year 2011 appropriations in this section reflect
21 general fund-state reductions to the state need grant. In implementing
22 these reductions, the board shall reduce state need grant payments to
23 each of the following institutions in the following amounts:

24	University of Washington	\$5,658,000
25	Washington State University	\$3,718,000
26	Eastern Washington University	\$765,000
27	Central Washington University	\$705,000
28	The Evergreen State College	\$386,000
29	Western Washington University	\$1,010,000
30	State Board for Community and Technical Colleges	\$13,143,000

31 If any of these institutions has received state need grant payments
32 in excess of the amount to which it is entitled after application of
33 the reductions in this section, that institution shall remit to the
34 board the amount of the overpayment.

35 **Sec. 1510.** 2011 c 5 s 612 (uncodified) is amended to read as
36 follows:

1 **FOR THE DEPARTMENT OF EARLY LEARNING**

2	General Fund--State Appropriation (FY 2010)	\$60,400,000
3	General Fund--State Appropriation (FY 2011)	(\$19,335,000)
4		<u>\$19,302,000</u>
5	General Fund--Federal Appropriation	\$266,004,000
6	Opportunity Pathways Account--State Appropriation	\$40,000,000
7	TOTAL APPROPRIATION	(\$385,739,000)
8		<u>\$385,706,000</u>

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

11 (1) \$54,878,000 of the general fund--state appropriation for fiscal
12 year 2010 and \$14,405,000 of the general fund--state appropriation for
13 fiscal year 2011, and \$40,000,000 of the opportunity pathways account
14 appropriation are provided solely for early childhood education and
15 assistance program services. This appropriation temporarily reduces
16 the number of slots for the 2009-11 fiscal biennium for the early
17 childhood education and assistance program. The department shall
18 reduce slots where providers serve both federal headstart and early
19 childhood education and assistance program children, to the greatest
20 extent possible, in order to achieve no reduction of slots across the
21 state. The amounts in this subsection also reflect reductions to the
22 administrative expenditures for the early childhood education and
23 assistance program. The department shall reduce administrative
24 expenditures, to the greatest extent possible, prior to reducing early
25 childhood education and assistance program slots. Of these amounts,
26 \$10,284,000 is a portion of the biennial amount of state matching
27 dollars required to receive federal child care and development fund
28 grant dollars.

29 (2) \$1,000,000 of the general fund--federal appropriation is
30 provided to the department to contract with Thrive by Five, Washington
31 for a pilot project for a quality rating and improvement system to
32 provide parents with information they need to choose quality child care
33 and education programs and to improve the quality of early care and
34 education programs. The department in collaboration with Thrive by
35 Five shall operate the pilot projects in King, Yakima, Clark, Spokane,
36 and Kitsap counties. The department shall use child care development
37 fund quality money for this purpose.

1 (3) \$425,000 of the general fund--state appropriation for fiscal
2 year 2010, \$213,000 of the general fund--state appropriation for fiscal
3 year 2011, and \$850,000 of the general fund--federal appropriation are
4 provided solely for child care resource and referral network services.
5 The general fund--federal funding represents moneys from the American
6 recovery and reinvestment act of 2009 (child care development block
7 grant).

8 (4) \$750,000 of the general fund--state appropriation for fiscal
9 year 2010 and \$1,500,000 of the general fund--federal appropriation are
10 provided solely for the career and wage ladder program created by
11 chapter 507, Laws of 2005. The general fund--federal funding
12 represents moneys from the American recovery and reinvestment act of
13 2009 (child care development block grant).

14 (5) \$50,000 of the general fund--state appropriation for fiscal
15 year 2010 and \$50,000 of the general fund--state appropriation for
16 fiscal year 2011 are provided solely for the department to work with
17 stakeholders and the office of the superintendent of public instruction
18 to identify and test a kindergarten assessment process and tools in
19 geographically diverse school districts. School districts may
20 participate in testing the kindergarten assessment process on a
21 voluntary basis. The department shall report to the legislature on the
22 kindergarten assessment process not later than January 15, 2011.
23 Expenditure of amounts provided in this subsection is contingent on
24 receipt of an equal match from private sources. As matching funds are
25 made available, the department may expend the amounts provided in this
26 subsection.

27 (6) \$1,600,000 of the general fund--federal appropriation is
28 provided solely for the department to fund programs to improve the
29 quality of infant and toddler child care through training, technical
30 assistance, and child care consultation.

31 (7) \$200,000 of the general fund--state appropriation for fiscal
32 year 2010 and \$200,000 of the general fund--state appropriation for
33 fiscal year 2011 are provided solely to develop and provide culturally
34 relevant supports for parents, family, and other caregivers.

35 (8) The legislature notes that the department of early learning is
36 developing a plan for improving child care licensing and is consulting,
37 as practicable, with parents, licensed child care providers, and
38 stakeholders from the child care community. The plan shall outline the

1 processes and specify the resources necessary for improvements such as
2 continuing licenses, child care licensing technology, and weighted
3 child care regulations, including development of risk-based decision
4 making models and inclusive, evidence-based rule making. The
5 department shall submit to the appropriate committees of the
6 legislature a plan by January 15, 2011.

7 (9) The department is the lead agency for and recipient of the
8 federal child care and development fund grant. Amounts within this
9 grant shall be used to fund child care licensing, quality initiatives,
10 agency administration, and other costs associated with child care
11 subsidies. The department shall transfer a portion of this grant to
12 the department of social and health services to partially fund the
13 child care subsidies paid by the department of social and health
14 services on behalf of the department of early learning.

15 (10) The department shall use child care development fund money to
16 satisfy the federal audit requirement of the improper payments act
17 (IPIA) of 2002. In accordance with the IPIA's rules, the money spent
18 on the audits will not count against the five percent state limit on
19 administrative expenditures.

20 (11) Within available amounts, the department in consultation with
21 the office of financial management and the department of social and
22 health services shall report quarterly enrollments and active caseload
23 for the working connections child care program to the legislative
24 fiscal committees. The report shall also identify the number of cases
25 participating in both temporary assistance for needy families and
26 working connections child care.

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

33 (13) \$500,000 of the general fund--state appropriation for fiscal
34 year 2011 is provided solely for the department to contract with the
35 private-public partnership established in chapter 43.215 RCW for home
36 visitation programs. Of this amount, \$200,000 of the general fund--
37 state appropriation for fiscal year 2011 is provided solely for

1 expenditure into the home visiting services account created in Part IX
2 of this act to be used for contracts for home visitation with the
3 private-public partnership.

4 (14) In accordance to RCW 43.215.255(2) and 43.135.055, the
5 department is authorized to increase child care center licensure fees
6 by fifty-two dollars for the first twelve children and an additional
7 four dollars per additional child in fiscal year 2011 for costs to the
8 department for the licensure activity, including costs of necessary
9 inspection.

10 (15) In accordance with RCW 43.135.055, the department of early
11 learning is authorized to adopt and increase the fees set forth in and
12 previously authorized in section 3, chapter 231, Laws of 2010.

13 (16) As of January 31, 2011, the department may not adopt, enforce,
14 or implement any rules or policies restricting the eligibility of
15 consumers for child care subsidy benefits to a countable income level
16 below one hundred seventy-five percent of the federal poverty
17 guidelines.

18 **Sec. 1511.** 2011 c 5 s 613 (uncodified) is amended to read as
19 follows:

20 **FOR THE STATE SCHOOL FOR THE BLIND**

21	General Fund--State Appropriation (FY 2010)	\$5,902,000
22	General Fund--State Appropriation (FY 2011)	((\$5,509,000))
23		<u>\$5,506,000</u>
24	General Fund--Private/Local Appropriation	\$1,942,000
25	TOTAL APPROPRIATION	((\$13,353,000))
26		<u>\$13,350,000</u>

27 The appropriations in this section are subject to the following
28 conditions and limitations: \$271,000 of the general fund--
29 private/local appropriation is provided solely for the school for the
30 blind to offer short course programs, allowing students the opportunity
31 to leave their home schools for short periods and receive intensive
32 training. The school for the blind shall provide this service to the
33 extent that it is funded by contracts with school districts and
34 educational services districts.

35 **Sec. 1512.** 2011 c 5 s 614 (uncodified) is amended to read as
36 follows:

1 **FOR THE WASHINGTON STATE CENTER FOR CHILDHOOD DEAFNESS AND HEARING**
2 **LOSS**

3	General Fund--State Appropriation (FY 2010)	\$8,593,000
4	General Fund--State Appropriation (FY 2011)	(\$8,230,000)
5		<u>\$8,226,000</u>
6	General Fund--Private/Local Appropriation	\$526,000
7	TOTAL APPROPRIATION	(\$17,349,000)
8		<u>\$17,345,000</u>

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

11 (1) \$210,000 of the general fund--private/local appropriation is
12 provided solely for the operation of the shared reading video outreach
13 program. The school for the deaf shall provide this service to the
14 extent it is funded by contracts with school districts and educational
15 service districts.

16 (2) \$25,000 of the general fund--state appropriation for fiscal
17 year 2010 and \$25,000 of the general fund--state appropriation for
18 fiscal year 2011 are provided solely for implementation of Engrossed
19 Second Substitute House Bill No. 1879 (deaf and hard of hearing). If
20 the bill is not enacted by June 30, 2009, the amounts provided in this
21 subsection shall lapse.

22 **Sec. 1513.** 2011 c 5 s 615 (uncodified) is amended to read as
23 follows:

24 **FOR THE WASHINGTON STATE ARTS COMMISSION**

25	General Fund--State Appropriation (FY 2010)	\$1,844,000
26	General Fund--State Appropriation (FY 2011)	(\$1,230,000)
27		<u>\$1,228,000</u>
28	General Fund--Federal Appropriation	(\$1,944,000)
29		<u>\$2,107,000</u>
30	General Fund--Private/Local Appropriation	\$1,052,000
31	TOTAL APPROPRIATION	(\$6,070,000)
32		<u>\$6,210,000</u>

33 The appropriations in this section are subject to the following
34 conditions and limitations: It is the intent of the legislature that
35 the reductions in appropriations in this section shall be achieved, to
36 the greatest extent possible, by reducing those administrative costs
37 that do not affect direct client services or direct service delivery or

1 programs. The agency shall, to the greatest extent possible, reduce
2 spending in those areas that shall have the least impact on
3 implementing its mission.

4 **Sec. 1514.** 2011 c 5 s 616 (uncodified) is amended to read as
5 follows:

6 **FOR THE WASHINGTON STATE HISTORICAL SOCIETY**

7	General Fund--State Appropriation (FY 2010)	\$2,592,000
8	General Fund--State Appropriation (FY 2011)	(\$2,381,000)
9		<u>\$2,379,000</u>
10	TOTAL APPROPRIATION	(\$4,973,000)
11		<u>\$4,971,000</u>

12 The appropriations in this section are subject to the following
13 conditions and limitations: It is the intent of the legislature that
14 the reductions in appropriations in this section shall be achieved, to
15 the greatest extent possible, by reducing those administrative costs
16 that do not affect direct client services or direct service delivery or
17 programs. The agency shall, to the greatest extent possible, reduce
18 spending in those areas that shall have the least impact on
19 implementing its mission.

20 **Sec. 1515.** 2011 c 5 s 617 (uncodified) is amended to read as
21 follows:

22 **FOR THE EASTERN WASHINGTON STATE HISTORICAL SOCIETY**

23	General Fund--State Appropriation (FY 2010)	\$1,612,000
24	General Fund--State Appropriation (FY 2011)	(\$1,490,000)
25		<u>\$1,489,000</u>
26	TOTAL APPROPRIATION	(\$3,102,000)
27		<u>\$3,101,000</u>

28 The appropriations in this section are subject to the following
29 conditions and limitations: It is the intent of the legislature that
30 the reductions in appropriations in this section shall be achieved, to
31 the greatest extent possible, by reducing those administrative costs
32 that do not affect direct client services or direct service delivery or
33 programs. The agency shall, to the greatest extent possible, reduce

1 spending in those areas that shall have the least impact on
2 implementing its mission.

(End of part)

PART XVI

SPECIAL APPROPRIATIONS

Sec. 1601. 2010 1st sp.s. c 37 s 701 (uncodified) is amended to read as follows:

FOR THE STATE TREASURER--BOND RETIREMENT AND INTEREST, AND ONGOING BOND REGISTRATION AND TRANSFER CHARGES: FOR DEBT SUBJECT TO THE DEBT LIMIT

Table with 2 columns: Description and Amount. Rows include General Fund--State Appropriation (FY 2010) \$842,590,000, General Fund--State Appropriation (FY 2011) ((\$894,284,000)), State Building Construction Account--State Appropriation \$11,707,000, Columbia River Basin Water Supply Development Account--State Appropriation \$117,000, Hood Canal Aquatic Rehabilitation Bond Account--State Appropriation \$11,000, State Taxable Building Construction Account--State Appropriation \$1,136,000, Gardner-Evans Higher Education Construction Account--State Appropriation \$260,000, Debt-Limit Reimbursable Bond Retirement Account--State Appropriation \$2,612,000, and TOTAL APPROPRIATION ((\$1,752,717,000)) resulting in \$1,736,833,000.

The appropriations in this section are subject to the following conditions and limitations: The general fund appropriations are for expenditure into the debt-limit general fund bond retirement account. The entire general fund--state appropriation for fiscal year 2010 shall be expended into the debt-limit general fund bond retirement account by June 30, 2010.

Sec. 1602. 2010 1st sp.s. c 37 s 702 (uncodified) is amended to read as follows:

FOR THE STATE TREASURER--BOND RETIREMENT AND INTEREST, AND ONGOING

1	BOND REGISTRATION AND TRANSFER CHARGES: FOR GENERAL OBLIGATION DEBT TO	
2	BE REIMBURSED AS PRESCRIBED BY STATUTE	
3	General Fund--State Appropriation (FY 2010)	\$26,436,000
4	General Fund--State Appropriation (FY 2011)	(\$27,773,000)
5		<u>\$27,709,000</u>
6	School Construction and Skill Centers Building	
7	Account--State Appropriation	\$477,000
8	Nondebt-Limit Reimbursable Bond Retirement Account--	
9	State Appropriation	(\$140,872,000)
10		<u>\$135,872,000</u>
11	TOTAL APPROPRIATION	(\$195,558,000)
12		<u>\$190,494,000</u>

13 The appropriations in this section are subject to the following
14 conditions and limitations: The general fund appropriation is for
15 expenditure into the nondebt-limit general fund bond retirement
16 account. The entire general fund--state appropriation for fiscal year
17 2010 shall be expended into the nondebt-limit general fund bond
18 retirement account by June 30, 2010.

19 **Sec. 1603.** 2010 1st sp.s. c 37 s 703 (uncodified) is amended to
20 read as follows:

21	FOR THE STATE TREASURER--BOND RETIREMENT AND INTEREST, AND ONGOING	
22	BOND REGISTRATION AND TRANSFER CHARGES: FOR BOND SALE EXPENSES	
23	General Fund--State Appropriation (FY 2010)	\$1,357,000
24	General Fund--State Appropriation (FY 2011)	\$1,357,000
25	State Building Construction Account--State	
26	Appropriation	\$1,273,000
27	Columbia River Basin Water Supply Development	
28	Account--State Appropriation	(\$9,000)
29		<u>\$13,000</u>
30	Hood Canal Aquatic Rehabilitation Bond Account--	
31	State Appropriation	\$1,000
32	State Taxable Building Construction Account--State	
33	Appropriation	(\$72,000)
34		<u>\$131,000</u>
35	Gardner-Evans Higher Education Construction	
36	Account--State Appropriation	\$18,000
37	School Construction and Skill Centers Building	

1 Account--State Appropriation ((~~\$30,000~~))
2 \$51,000
3 TOTAL APPROPRIATION ((~~\$4,117,000~~))
4 \$4,201,000

5 **Sec. 1604.** 2010 1st sp.s. c 37 s 709 (uncodified) is amended to
6 read as follows:

7 **FOR SUNDRY CLAIMS.** The following sums, or so much thereof as may
8 be necessary, are appropriated from the general fund, unless otherwise
9 indicated, for relief of various individuals, firms, and corporations
10 for sundry claims. These appropriations are to be disbursed on
11 vouchers approved by the director of financial management, except as
12 otherwise provided, as follows:

13 (1) Reimbursement of criminal defendants acquitted on the basis of
14 self-defense, pursuant to RCW 9A.16.110:

- 15 (a) Gerald S. Morrow, claim number 99970006 \$20,567
- 16 (b) Darrell R. Baumgart, claim number 99970007 \$4,528
- 17 (c) William Davis, claim number 99970008 \$8,093
- 18 (d) Gene T. Strader, claim number 99970009 \$33,875
- 19 (e) Cecilio Cortez, claim number 99970012 \$17,055
- 20 (f) Alexander D. Coble, claim number 99970013 \$302,110
- 21 (g) James W. Jolly, claim number 99970017 \$28,884
- 22 (h) James Jay Olsen, claim number 99970018 \$97,220
- 23 (i) Todd E. Miller, claim number 99970019 \$6,957
- 24 (j) Sean S. DeHart, claim number 99970021 \$52,062
- 25 (k) Thomas L. Raglin, Jr., claim number 99970022 \$4,360
- 26 (l) Matthew Smitham, claim number 99970016 \$8,100
- 27 (m) John R. Frederick, claim number 99970020 \$7,719
- 28 (n) Justin C. Federmeier, claim number 99970023 \$29,728
- 29 (o) David R. Palmer, claim number 99970024 \$4,250
- 30 (p) Ian K. Berghoffer, claim number 99970026 \$33,455
- 31 (q) Darryl L. Koenen, claim number 99970027 \$23,077
- 32 (r) Lee J. Stites, claim number 99970028 \$7,502
- 33 (s) Bobby G. Ewing, claim number 99970029 \$51,093
- 34 (t) Dylan Friesz, claim number 99970030 \$10,200
- 35 (u) Kevin L. Lund, claim number 99970031 \$11,402
- 36 (v) Rodney C. Price, claim number 99970033 \$11,250
- 37 (w) Matthew S. Lovacs, claim number 99970034 \$25,700

1	<u>(x) Christopher A. Peeler, claim number 99970035</u>	<u>\$47,923</u>
2	<u>(y) Dwayne Myatt-Perez, claim number 99970036</u>	<u>\$70,000</u>
3	<u>(z) Roland L. Savage, claim number 99970037</u>	<u>\$48,752</u>
4	<u>(aa) Horace G. Graham, claim number 99970038</u>	<u>\$7,674</u>
5	<u>(bb) Kenneth L. Werner, claim number 99900039</u>	<u>\$33,162</u>
6	<u>(cc) Mark A. Peterson, claim number 99970040</u>	<u>\$61,940</u>
7	<u>(dd) Phillip C. Sly, claim number 99970042</u>	<u>\$3,349</u>
8	<u>(ee) Sandra Colebourn, claim number 99970043</u>	<u>\$10,615</u>
9	<u>(ff) Joseph B. Wiggins, claim number 99970044</u>	<u>\$3,500</u>
10	(2) Payment of death benefit, pursuant to RCW 41.04.017: Estate of	
11	Erik Anderson, claim number 99970014	\$150,000

12 **Sec. 1605.** 2010 1st sp.s. c 37 s 710 (uncodified) is amended to
13 read as follows:

14 **STRATEGIC PRINTING STRATEGY.** (1) The office of financial
15 management shall work with the appropriate state agencies to generate
16 savings of \$1,500,000 from the state general fund that can arise from
17 a strategic printing strategy. (~~From appropriations in this act, the~~
18 ~~office of financial management shall reduce general fund state~~
19 ~~allotments by \$1,500,000 for fiscal year 2011 to reflect the savings~~
20 ~~from the strategic printing strategy. The allotment reductions shall~~
21 ~~be placed in unallotted status and remain unexpended.))~~)

22 (2) The office of financial management, with the assistance of the
23 department of information services and the department of printing,
24 shall conduct an analysis of the state's printing processes to identify
25 the most reasonable strategies of attaining a statewide savings target
26 of \$1,500,000 without affecting direct program activities. The
27 strategies shall include, but not be limited to, standardizing
28 envelopes, utilizing print management, and streamlining processes.
29 Pursuant to RCW 41.06.142(3), the strategies shall also include, on the
30 approval of the office of financial management, pilot projects to
31 authorize state agencies and institutions to directly acquire printing
32 services. The analysis shall identify savings by agency and fund that
33 will result from the implementation of a strategic printing strategy.
34 The results of this analysis shall then be provided to the director of
35 financial management and appropriate legislative committees by July 1,
36 2010. The director shall use the analysis as the basis to achieve the
37 savings identified in subsection (1) of this section.

1 **Sec. 1606.** 2011 c 5 s 703 (uncodified) is amended to read as
2 follows:

3 **INFORMATION TECHNOLOGY**

4 Pursuant to section 11, chapter 282, Laws of 2010 (state government
5 technology use), the office of financial management shall work with the
6 appropriate state agencies to generate savings of \$30,000,000 from
7 technology efficiencies from the state general fund. From
8 appropriations in this act, the office of financial management shall
9 reduce general fund--state allotments by (~~(\$24,841,000)~~) \$16,209,000
10 for fiscal year 2011. The office of financial management shall,
11 utilizing existing fund balance, reduce the data processing revolving
12 account rates in an amount to reflect up to half of the reductions
13 identified in this section. The office of financial management may use
14 savings or existing fund balances from information technology accounts
15 to achieve savings in this section. The allotment reductions shall be
16 placed in unallotted status and remain unexpended. Nothing in this
17 section is intended to impact revenue collection efforts by the
18 department of revenue.

19 **Sec. 1607.** 2009 c 564 s 719 (uncodified) is amended to read as
20 follows:

21	FOR THE OFFICE OF FINANCIAL MANAGEMENT--O'BRIEN BUILDING IMPROVEMENT	
22	General Fund--State Appropriation (FY 2010)	\$1,435,000
23	General Fund--State Appropriation (FY 2011)	((\$1,435,000))
24		<u>\$1,884,000</u>
25	TOTAL APPROPRIATION	((\$2,870,000))
26		<u>\$3,319,000</u>

27 The appropriations in this section are subject to the following
28 conditions and limitations: The appropriations are provided solely for
29 expenditure into the general administration services account for
30 payment of principal, interest, and financing expenses associated with
31 the certificate of participation for the O'Brien building improvement,
32 project number 20081007.

(End of part)

PART XVII

OTHER TRANSFERS AND APPROPRIATIONS

Sec. 1701. 2010 1st sp.s. c 37 s 801 (uncodified) is amended to read as follows:

FOR THE STATE TREASURER--STATE REVENUES FOR DISTRIBUTION

General Fund Appropriation for fire insurance	
premium distributions	((\$7,572,000))
	<u>\$7,888,000</u>
General Fund Appropriation for public utility	
district excise tax distributions	((\$47,342,000))
	<u>\$45,125,000</u>
General Fund Appropriation for prosecuting	
attorney distributions	((\$6,281,000))
	<u>\$5,804,000</u>
General Fund Appropriation for boating safety	
and education distributions	((\$4,854,000))
	<u>\$3,954,000</u>
General Fund Appropriation for other tax	
distributions	((\$50,000))
	<u>\$55,000</u>
General Fund Appropriation for habitat conservation	
program distributions	((\$3,000,000))
	<u>\$2,642,000</u>
Death Investigations Account Appropriation for	
distribution to counties for publicly funded	
autopsies	\$2,544,000
Aquatic Lands Enhancement Account Appropriation for	
harbor improvement revenue distribution	\$170,000
Timber Tax Distribution Account Appropriation for	
distribution to "timber" counties	((\$36,651,000))
	<u>\$31,519,000</u>
County Criminal Justice Assistance Appropriation	((\$68,528,000))
	<u>\$66,216,000</u>
Municipal Criminal Justice Assistance	
Appropriation	((\$27,175,000))

1		<u>\$25,510,000</u>
2	City-County Assistance Account Appropriation for local	
3	government financial assistance distribution . . .	((\$27,366,000))
4		<u>\$23,845,000</u>
5	Liquor Excise Tax Account Appropriation for liquor	
6	excise tax distribution	((\$58,268,000))
7		<u>\$58,822,000</u>
8	Streamline Sales and Use Tax Account Appropriation for	
9	distribution to local taxing jurisdictions to	
10	mitigate the unintended revenue redistribution	
11	effect of the sourcing law changes	((\$50,056,000))
12		<u>\$51,535,000</u>
13	Columbia River Water Delivery Account Appropriation	
14	for the Confederated Tribes of the Colville	
15	Reservation	((\$7,315,000))
16		<u>\$7,257,000</u>
17	Columbia River Water Delivery Account Appropriation	
18	for the Spokane Tribe of Indians	((\$4,644,000))
19		<u>\$4,704,000</u>
20	Liquor Revolving Account Appropriation for liquor	
21	profits distribution	((\$68,741,000))
22		<u>\$64,670,000</u>
23	Liquor Revolving Account Appropriation for additional	
24	liquor profits distribution to local governments . . .	\$18,677,000
25	TOTAL APPROPRIATION	((\$439,234,000))
26		<u>\$420,937,000</u>

27 The total expenditures from the state treasury under the
28 appropriations in this section shall not exceed the funds available
29 under statutory distributions for the stated purposes.

30 **Sec. 1702.** 2009 c 564 s 802 (uncodified) is amended to read as
31 follows:

32 **FOR THE STATE TREASURER--FOR THE COUNTY CRIMINAL JUSTICE ASSISTANCE**
33 **ACCOUNT**

34	Impaired Driver Safety Account Appropriation	((\$2,351,000))
35		<u>\$2,467,000</u>

36 The appropriation in this section is subject to the following
37 conditions and limitations: The amount appropriated in this section

1 shall be distributed quarterly during the 2009-11 biennium in
2 accordance with RCW 82.14.310. This funding is provided to counties
3 for the costs of implementing criminal justice legislation including,
4 but not limited to: Chapter 206, Laws of 1998 (drunk driving
5 penalties); chapter 207, Laws of 1998 (DUI penalties); chapter 208,
6 Laws of 1998 (deferred prosecution); chapter 209, Laws of 1998
7 (DUI/license suspension); chapter 210, Laws of 1998 (ignition interlock
8 violations); chapter 211, Laws of 1998 (DUI penalties); chapter 212,
9 Laws of 1998 (DUI penalties); chapter 213, Laws of 1998 (intoxication
10 levels lowered); chapter 214, Laws of 1998 (DUI penalties); and chapter
11 215, Laws of 1998 (DUI provisions).

12 **Sec. 1703.** 2009 c 564 s 803 (uncodified) is amended to read as
13 follows:

14 **FOR THE STATE TREASURER--FOR THE MUNICIPAL CRIMINAL JUSTICE ASSISTANCE**
15 **ACCOUNT**

16 Impaired Driver Safety Account Appropriation (~~(\$1,543,000)~~)
17 \$1,645,000

18 The appropriation in this section is subject to the following
19 conditions and limitations: The amount appropriated in this section
20 shall be distributed quarterly during the 2009-11 biennium to all
21 cities ratably based on population as last determined by the office of
22 financial management. The distributions to any city that substantially
23 decriminalizes or repeals its criminal code after July 1, 1990, and
24 that does not reimburse the county for costs associated with criminal
25 cases under RCW 3.50.800 or 3.50.805(2), shall be made to the county in
26 which the city is located. This funding is provided to cities for the
27 costs of implementing criminal justice legislation including, but not
28 limited to: Chapter 206, Laws of 1998 (drunk driving penalties);
29 chapter 207, Laws of 1998 (DUI penalties); chapter 208, Laws of 1998
30 (deferred prosecution); chapter 209, Laws of 1998 (DUI/license
31 suspension); chapter 210, Laws of 1998 (ignition interlock violations);
32 chapter 211, Laws of 1998 (DUI penalties); chapter 212, Laws of 1998
33 (DUI penalties); chapter 213, Laws of 1998 (intoxication levels
34 lowered); chapter 214, Laws of 1998 (DUI penalties); and chapter 215,
35 Laws of 1998 (DUI provisions).

1 NEW SECTION. **Sec. 1704.** 2010 1st sp.s. c 37 s 802 (uncodified) is
2 repealed.

3 **Sec. 1705.** 2011 c 5 s 801 (uncodified) is amended to read as
4 follows:

5 **FOR THE STATE TREASURER--TRANSFERS**

6 State Treasurer's Service Account: For transfer to the
7 state general fund, \$16,400,000 for fiscal year
8 2010 and \$29,400,000 for fiscal year 2011 \$45,800,000

9 Waste Reduction, Recycling and Litter Control Account:
10 For transfer to the state general fund, \$3,000,000
11 for fiscal year 2010 and \$3,000,000 for fiscal year
12 2011 \$6,000,000

13 State Toxics Control Account: For transfer to the
14 state general fund, \$15,340,000 for fiscal year
15 2010 and \$37,780,000 for fiscal year 2011 \$53,120,000

16 Local Toxics Control Account: For transfer to the
17 state general fund, \$37,060,000 for fiscal year
18 2010 and \$65,759,000 for fiscal year 2011 \$102,819,000

19 Education Construction Account: For transfer to the
20 state general fund, \$105,228,000 for fiscal year
21 2010 and \$106,451,000 for fiscal year 2011 \$211,679,000

22 Aquatics Lands Enhancement Account: For transfer to
23 the state general fund, \$8,520,000 for fiscal
24 year 2010 and \$12,550,000 for fiscal year 2011 \$21,070,000

25 Drinking Water Assistance Account: For transfer to
26 the drinking water assistance repayment account \$28,600,000

27 Economic Development Strategic Reserve Account: For
28 transfer to the state general fund, \$2,500,000 for
29 fiscal year 2010 and \$3,900,000 for fiscal year
30 2011 \$6,400,000

31 Tobacco Settlement Account: For transfer to the state
32 general fund, in an amount not to exceed by more
33 than \$26,000,000 the actual amount of the annual
34 payment to the tobacco settlement account \$204,098,000

35 Tobacco Settlement Account: For transfer to the life
36 sciences discovery fund, in an amount not to exceed
37 \$26,000,000 less than the actual amount of the

1 fiscal year 2010, an amount not to exceed
 2 the actual cash balance not comprised of or
 3 needed to match private contributions \$1,800,000
 4 Financial Services Regulation Account: For transfer
 5 to the state general fund, \$2,000,000 for fiscal
 6 year 2010 and \$7,000,000 for fiscal year 2011 \$9,000,000
 7 Data Processing Revolving Fund: For transfer to
 8 the state general fund, \$5,632,000 for fiscal
 9 year 2010 and \$4,159,000 for fiscal year 2011 \$9,791,000
 10 Public Service Revolving Account: For transfer to
 11 the state general fund, \$8,000,000 for fiscal
 12 year 2010 and \$7,000,000 for fiscal year 2011 \$15,000,000
 13 Water Quality Capital Account: For transfer to the
 14 state general fund, \$278,000 for fiscal year 2011 \$278,000
 15 Performance Audits of Government Account: For
 16 transfer to the state general fund, \$10,000,000
 17 for fiscal year 2010 and \$7,000,000
 18 for fiscal year 2011 \$17,000,000
 19 Job Development Account: For transfer to the
 20 state general fund, \$20,930,000 for fiscal
 21 year 2010 \$20,930,000
 22 Savings Incentive Account: For transfer to the
 23 state general fund, \$10,117,000 for fiscal
 24 year 2010 and \$32,075,000 for fiscal year
 25 2011 \$42,192,000
 26 Education Savings Account: For transfer to the
 27 state general fund, \$90,690,000
 28 for fiscal year 2010 and \$53,384,000 for fiscal
 29 year 2011 \$144,074,000
 30 Cleanup Settlement Account: For transfer to the
 31 state efficiency and restructuring account for
 32 fiscal year 2011 \$39,480,000
 33 Disaster Response Account: For transfer to the
 34 state drought preparedness account, \$4,000,000
 35 for fiscal year 2010 \$4,000,000
 36 Washington State Convention and Trade Center Account:
 37 For transfer to the state general fund, \$10,000,000
 38 for fiscal year 2011. The transfer in this section

1 shall occur on June 30, 2011, only if by that date
 2 the Washington state convention and trade center is
 3 not transferred to a public facilities district
 4 pursuant to Substitute Senate Bill No. 6889
 5 (convention and trade center) \$10,000,000
 6 Institutional Welfare/Betterment Account: For transfer
 7 to the state general fund, \$2,000,000 for fiscal
 8 year 2010 and \$2,000,000 for fiscal year 2011 \$4,000,000
 9 Future Teacher Conditional Scholarship Account: For
 10 transfer to the state general fund, \$2,150,000
 11 for fiscal year 2010 and \$2,150,000 for fiscal
 12 year 2011 \$4,300,000
 13 Fingerprint Identification Account: For transfer
 14 to the state general fund, \$800,000 for fiscal
 15 year 2011 \$800,000
 16 Prevent or Reduce Owner-Occupied Foreclosure
 17 Program Account: For transfer to the financial
 18 education public-private partnership account for
 19 fiscal year 2010, an amount not to exceed the actual
 20 cash balance of the fund as of June 30, 2010 \$300,000
 21 Nisqually Earthquake Account: For transfer to the
 22 state general fund for fiscal year 2011 \$696,000
 23 Disaster Response Account: For transfer to the state
 24 general fund for fiscal year 2011 \$14,500,000
 25 Washington Auto Theft Prevention Account: For
 26 transfer to the state general fund, \$1,500,000
 27 for fiscal year 2011 \$1,500,000
 28 Tourism Enterprise Account: For transfer to the
 29 state general fund, \$590,000 for fiscal year
 30 2011 \$590,000
 31 Tourism Development and Promotion Account: For
 32 transfer to the state general fund, \$205,000
 33 for fiscal year 2011 \$205,000
 34 Life Sciences Discovery Fund: For transfer to
 35 the basic health plan stabilization account \$6,000,000
 36 Life Sciences Discovery Fund: For transfer to
 37 the state general fund for fiscal year 2011 \$2,200,000
 38 Industrial Insurance Premium Refund Account: For

1 transfer to the state general fund, \$4,500,000
2 for fiscal year 2011 \$4,500,000
3 Distressed County Assistance Account: For transfer
4 to the state general fund, \$205,000 for
5 fiscal year 2011 \$ 205,000
6 State Drought Preparedness Account: For transfer to
7 the state general fund, \$4,000,000 for fiscal
8 year 2011 \$4,000,000
9 Freshwater Aquatic Algae Control Account: For
10 transfer to the state general fund, \$400,000 for
11 fiscal year 2011 \$400,000
12 Freshwater Aquatic Weeds Account: For transfer to
13 the state general fund, \$300,000 for fiscal
14 year 2011 \$300,000
15 Liquor Control Board Construction and Maintenance
16 Account: For transfer to the state general fund
17 for fiscal year 2011 \$3,000,000

(End of part)

INDEX	PAGE #
ADMINISTRATOR FOR THE COURTS	4, 237
AGREEMENTS NOT NEGOTIATED BY OFM'S LABOR RELATIONS OFFICE	182
ATTORNEY GENERAL	12, 242
BELATED CLAIMS	159
BOARD FOR VOLUNTEER FIREFIGHTERS	24
BOARD OF ACCOUNTANCY	22
BOARD OF INDUSTRIAL INSURANCE APPEALS	71
BOARD OF TAX APPEALS	21, 257
BOND EXPENSES	178
CASELOAD FORECAST COUNCIL	13, 244
CENTRAL WASHINGTON UNIVERSITY	145, 421
CITIZENS' COMMISSION ON SALARIES FOR ELECTED OFFICIALS	12
COLLECTIVE BARGAINING AGREEMENT FOR NONSTATE EMPLOYEES	
SEIU LOCAL 925 CHILDCARE WORKERS	182
WSRCC ADULT FAMILY HOMES	182
COLLECTIVE BARGAINING AGREEMENT	
CENTRAL WASHINGTON UNIVERSITY PUBLIC SCHOOL EMPLOYEES OF WASHINGTON	183
SEIU HEALTHCARE 1199NW	180
TERMS AND CONDITIONS	180
WASHINGTON STATE UNIVERSITY POLICE GUILD	183
WSP LIEUTENANTS ASSOCIATION	181
WSP TROOPERS ASSOCIATION	181
COLLECTIVE BARGAINING AGREEMENTS	179, 186
COLLECTIVE BARGAINING AGREEMENTS NOT IMPAIRED	179
COLLECTIVE BARGAINING AGREEMENTS	
WFSE, TEAMSTERS, UFCW, WAFWP, IFPTE 17, COALITION OF UNIONS	180
COLUMBIA RIVER GORGE COMMISSION	84
COMMISSION ON AFRICAN-AMERICAN AFFAIRS	19, 255
COMMISSION ON ASIAN PACIFIC AMERICAN AFFAIRS	10
COMMISSION ON HISPANIC AFFAIRS	19, 255
COMMISSION ON JUDICIAL CONDUCT	4
COMPENSATION	
NONREPRESENTED EMPLOYEES--INSURANCE BENEFITS	183
REPRESENTED EMPLOYEES OUTSIDE SUPER COALITION--INSURANCE BENEFITS	184, 185
CONSERVATION COMMISSION	87, 354
CONSOLIDATED TECHNOLOGY SERVICES AGENCY	21

COUNCIL FOR HIGHER EDUCATION	148
COURT OF APPEALS	4, 236
CRIMINAL JUSTICE TRAINING COMMISSION	72, 322
DEPARTMENT OF AGRICULTURE	363
DEPARTMENT OF AGRICULTURE	94
DEPARTMENT OF ARCHAEOLOGY AND HISTORIC PRESERVATION	25, 261
DEPARTMENT OF COMMERCE	13, 244
DEPARTMENT OF CORRECTIONS	79, 335, 336
DEPARTMENT OF EARLY LEARNING	149, 435
DEPARTMENT OF ECOLOGY	84, 345
DEPARTMENT OF ENTERPRISE SERVICES	25
DEPARTMENT OF FISH AND WILDLIFE	355
DEPARTMENT OF FISH AND WILDLIFE	88
DEPARTMENT OF GENERAL ADMINISTRATION	257
DEPARTMENT OF HEALTH	76, 329
COUNTY PUBLIC HEALTH ASSISTANCE	157
DEPARTMENT OF LABOR AND INDUSTRIES	73, 323
DEPARTMENT OF LICENSING	96, 367
DEPARTMENT OF NATURAL RESOURCES	91, 360
DEPARTMENT OF RETIREMENT SYSTEMS	
CONTRIBUTIONS TO RETIREMENT SYSTEMS	158
DEPARTMENT OF RETIREMENT SYSTEMS--OPERATIONS	20
DEPARTMENT OF REVENUE	20, 255
DEPARTMENT OF SERVICES FOR THE BLIND	82, 340
DEPARTMENT OF SOCIAL AND HEALTH SERVICES	28, 262
ADMINISTRATION AND SUPPORTING SERVICES PROGRAM	68, 317
AGING AND ADULT SERVICES PROGRAM	48, 290
ALCOHOL AND SUBSTANCE ABUSE PROGRAM	57, 304
CHILDREN AND FAMILY SERVICES PROGRAM	29, 264
DEVELOPMENTAL DISABILITIES PROGRAM	42, 284
ECONOMIC SERVICES PROGRAM	54, 298
JUVENILE REHABILITATION PROGRAM	31, 272
MEDICAL ASSISTANCE	58
MEDICAL ASSISTANCE PROGRAM	305
MENTAL HEALTH PROGRAM	36, 277
PAYMENTS TO OTHER AGENCIES PROGRAM	69, 318
SPECIAL COMMITMENT PROGRAM	68, 317
VOCATIONAL REHABILITATION PROGRAM	67, 316
DEPARTMENT OF VETERANS AFFAIRS	75, 328

EASTERN WASHINGTON STATE HISTORICAL SOCIETY	152, 440
EASTERN WASHINGTON UNIVERSITY	145, 420
ECONOMIC AND REVENUE FORECAST COUNCIL	16
EMERGENCY FUND ALLOCATIONS	178
EMPLOYMENT SECURITY DEPARTMENT	82, 342
ENVIRONMENTAL AND LAND USE HEARINGS OFFICE	87
ENVIRONMENTAL HEARINGS OFFICE	354
EVERGREEN STATE COLLEGE	146
EXPENDITURE AUTHORIZATIONS	178
FOR THE WASHINGTON STATE HISTORICAL SOCIETY	152
FORENSIC INVESTIGATION COUNCIL	22
GOVERNOR ' S OFFICE OF INDIAN AFFAIRS	10
GROWTH MANAGEMENT HEARINGS BOARD	261
HIGHER EDUCATION COORDINATING BOARD	
FINANCIAL AID AND GRANTS	431
POLICY COORDINATION AND ADMIN	429
HORSE RACING COMMISSION	22
HOUSE OF REPRESENTATIVES	2, 235
HUMAN RIGHTS COMMISSION	71, 321
INCENTIVE SAVINGS	
FY 2012	156
FY 2013	156
INDETERMINATE SENTENCE REVIEW BOARD	327
INFORMATION TECHNOLOGY	446
INNOVATE WASHINGTON	27
INSURANCE COMMISSIONER	22
JOINT LEGISLATIVE AUDIT AND REVIEW COMMITTEE	2
JOINT LEGISLATIVE SYSTEMS COMMITTEE	3
LAW LIBRARY	4, 236
LEGISLATIVE EVALUATION AND ACCOUNTABILITY PROGRAM COMMITTEE	3
LIEUTENANT GOVERNOR	8
LIQUOR CONTROL BOARD	23
MILITARY DEPARTMENT	23, 258
OFFICE OF ADMINISTRATIVE HEARINGS	19, 255
OFFICE OF CIVIL LEGAL AID	7
OFFICE OF FINANCIAL MANAGEMENT	17, 253
AGENCY REALLOCATION AND REALIGNMENT COMMISSION	160
ATTORNEY GENERAL CHARGES	169
CONTRACTING FOR SERVICES	168

CONTRIBUTIONS TO RETIREMENT SYSTEMS	159
DISASTER RESPONSE ACCOUNT	155
EDUCATION TECHNOLOGY REVOLVING ACCOUNT	155
EMERGENCY FUND	155
EMPLOYEE SALARY REDUCTIONS	166
EXTRAORDINARY CRIMINAL JUSTICE COSTS	160
FIRE CONTINGENCY	154
INDUSTRIAL INSURANCE SAVINGS	170
MANAGEMENT EFFICIENCIES	168
O 'BRIEN BUILDING IMPROVEMENT	156, 446
RETIREMENT SYSTEM CONTRIBUTIONS	163, 164
SCHOOL EMPLOYEES | | CONTRIBUTIONS TO RETIREMENT SYSTEMS	164
SCHOOL EMPLOYEES | | SALARY SAVINGS	170
STATE AUDITOR CHARGES	169
STATE DATA CENTER RATE INCREASES	160
STATE EFFICIENCY AND RESTRUCTURING REPAYMENT	162
STATE EMPLOYEES | | TEMPORARY LAYOFFS	167
TRANSITIONAL HOUSING OPERATING AND RENT ACCOUNT	170
TRANSPORTATION EMPLOYEE SALARY REDUCTIONS	165
TRANSPORTATION EMPLOYEES RETIREMENT SYSTEM CONTRIBUTIONS	166
TRANSPORTATION EMPLOYEES | | RETIREMENT SYSTEM CONTRIBUTIONS	162, 163
OFFICE OF MINORITY AND WOMEN ' S BUSINESS ENTERPRISES	21
OFFICE OF PUBLIC DEFENSE	6
OFFICE OF STUDENT FINANCIAL ASSISTANCE	148
OFFICE OF THE GOVERNOR	8
OFFICE OF THE STATE ACTUARY	3
PROGRAMS FOR HIGHLY CAPABLE STUDENTS	127
PUBLIC BACCALAUREATE INSTITUTIONS	139
PUBLIC DISCLOSURE COMMISSION	8, 242
PUBLIC EMPLOYMENT RELATIONS COMMISSION	25, 260
PUGET SOUND PARTNERSHIP	365
PUGET SOUND PARTNERSHIP	94
RECREATION AND CONSERVATION FUNDING BOARD	87, 353
REDISTRICTING COMMISSION	3
SECRETARY OF STATE	8, 240
SENATE	2, 235
SENTENCING GUIDELINES COMMISSION	340
STATE AUDITOR	11
STATE BOARD FOR COMMUNITY AND TECHNICAL COLLEGES	141, 142, 426

STATE HEALTH CARE AUTHORITY	69, 319
STATE INVESTMENT BOARD	21
STATE PARKS AND RECREATION COMMISSION	86, 352
STATE PATROL	97, 368
STATE SCHOOL FOR THE BLIND	151, 438
STATE TREASURER	11
BOND RETIREMENT AND INTEREST	442, 443
BOND RETIREMENT AND INTEREST: DEBT REIMBURSED AS PRESCRIBED BY STATUTE . . .	154
BOND RETIREMENT AND INTEREST: DEBT REIMBURSED BY ENTERPRISE ACTIVITIES . .	153
BOND RETIREMENT AND INTEREST: DEBT SUBJECT TO THE DEBT LIMIT	153
BOND RETIREMENT AND INTEREST: FOR BOND SALE EXPENSES	154
COUNTY CRIMINAL JUSTICE ASSISTANCE ACCOUNT	448
COUNTY CRIMINAL JUSTICE ASSISTANT ACCOUNT	173
FEDERAL REVENUES FOR DISTRIBUTION	174
MUNICIPAL CRIMINAL JUSTICE ASSISTANCE ACCOUNT	449
MUNICIPAL CRIMINAL JUSTICE ASSISTANT ACCOUNT	173
STATE REVENUES FOR DISTRIBUTION	172, 447
TRANSFERS	174, 450
STATUTE LAW COMMITTEE	3
STATUTORY APPROPRIATIONS	178
SUNDRY CLAIMS	444
SUPERINTENDENT OF PUBLIC INSTRUCTION	99, 135, 371, 414
BASIC EDUCATION EMPLOYEE COMPENSATION	115
EDUCATION REFORM PROGRAMS	127, 402
EDUCATIONAL SERVICE DISTRICTS	125
GENERAL APPORTIONMENT	103, 380
INSTITUTIONAL EDUCATION PROGRAMS	126, 400
LEARNING ASSISTANCE PROGRAM	134
LOCAL EFFORT ASSISTANCE	125, 399
MISCELLANEOUS PURPOSES--NO CHILD LEFT BEHIND ACT	127
PROGRAMS FOR HIGHLY CAPABLE STUDENTS	401
PUPIL TRANSPORTATION	120, 392
SCHOOL EMPLOYEE COMPENSATION ADJUSTMENTS	118, 390
SCHOOL FOOD SERVICE PROGRAMS	121, 393
SPECIAL EDUCATION PROGRAMS	122, 394
STUDENT ACHIEVEMENT PROGRAMS	413
THE LEARNING ASSISTANCE PROGRAM	411
TRANSITIONAL BILINGUAL PROGRAMS	132, 410
SUPREME COURT	4, 235

THE EVERGREEN STATE COLLEGE 422
UNIVERSITY OF WASHINGTON 143, 416
UTILITIES AND TRANSPORTATION COMMISSION 23
VOLUNTARY RETIREMENT, SEPARATION, AND DOWNSHIFTING INCENTIVES 179
WASHINGTON POLLUTION LIABILITY INSURANCE PROGRAM 94
WASHINGTON STATE ARTS COMMISSION 151, 439
WASHINGTON STATE CENTER FOR CHILDHOOD DEAFNESS AND HEARING LOSS 151, 439
WASHINGTON STATE HISTORICAL SOCIETY 440
WASHINGTON STATE LOTTERY 19
WASHINGTON STATE UNIVERSITY 144, 418
WESTERN WASHINGTON UNIVERSITY 148, 425
WORK FORCE TRAINING AND EDUCATION COORDINATING BOARD 149

ESHB 1087 - S COMM AMD
By Committee on Ways & Means

1 On page 1, line 1 of the title, after "matters;" strike the
2 remainder of the title and insert "amending RCW 41.50.110, 41.60.050,
3 41.80.010, 41.80.020, 43.08.190, 43.09.475, 43.19.501, 43.20A.725,
4 43.79.201, 43.79.465, 43.88.150, 43.135.045, 43.185C.060, 43.185C.190,
5 43.350.070, 66.08.170, 66.08.190, 66.08.235, 67.70.260, 70.93.180,
6 70.105D.070, 70.105D.130, 79.64.040, 79.105.150, 80.36.430, 82.08.160,
7 82.14.310, 82.14.320, 82.14.330, 82.14.390, 82.14.500, 82.45.060,
8 86.26.007, and 90.71.370; reenacting and amending RCW 43.79.480,
9 43.155.050, and 43.330.250; amending 2011 c 5 ss 106, 107, 108, 113,
10 114, 115, 117, 118, 119, 120, 121, 122, 125, 126, 127, 128, 201, 202,
11 203, 204, 205, 206, 207, 208, 209, 210, 211, 212, 213, 214, 215, 216,
12 217, 218, 219, 220, 221, 222, 223, 301, 302, 303, 304, 305, 306, 307,
13 401, 402, 501, 502, 503, 504, 505, 507, 508, 601, 602, 603, 604, 605,
14 606, 607, 608, 609, 612, 613, 614, 615, 616, 617, 703, and 801
15 (uncodified); amending 2010 2nd sp.s. c 1 ss 101, 102, 106, 107, 108,
16 116, 305, and 306 (uncodified); amending 2010 1st sp.s. c 37 ss 201,
17 504, 509, 510, 514, 515, 516, 517, 701, 702, 703, 709, 710, 801, and
18 802 (uncodified); amending 2009 c 564 ss 719, 802, and 803

1 (uncodified); adding a new section to 2009 c 564 (uncodified); adding
2 new sections to 2011 c ... (ESHB 1175) (uncodified); creating new
3 sections; repealing 2010 1st sp.s. c 37 s 802 (uncodified); making
4 appropriations; providing an effective date; and declaring an
5 emergency."

--- END ---