



Proposed Striking Amendment to HB 1057

By Representative Hunter

June 5, 2013

Office of Program Research

HB 1057 - H COMM AMD

By Committee on Appropriations

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 2013, and ending June 30, 2015, except as otherwise provided, out of
11 the several funds of the state hereinafter named.

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

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

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

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

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

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

26 **PART I**

27 **GENERAL GOVERNMENT**

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

2	General Fund--State Appropriation (FY 2014)	\$30,797,000
3	General Fund--State Appropriation (FY 2015)	\$31,192,000
4	Motor Vehicle Account--State Appropriation	\$1,765,000
5	TOTAL APPROPRIATION	\$63,754,000

6 The appropriations in this section are subject to the following
7 conditions and limitations: \$8,000 of the general fund--state
8 appropriation for fiscal year 2014 and \$7,000 of the general fund--
9 state appropriation for fiscal year 2015 are provided solely for member
10 reimbursement, staff support, or other expenses associated with the
11 work of the joint legislative executive committee on planning for aging
12 and disability issues that is established in section 130 of this act.

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

14	General Fund--State Appropriation (FY 2014)	\$21,158,000
15	General Fund--State Appropriation (FY 2015)	\$23,489,000
16	Motor Vehicle Account--State Appropriation	\$1,514,000
17	TOTAL APPROPRIATION	\$46,161,000

18 The appropriations in this section are subject to the following
19 conditions and limitations: \$8,000 of the general fund--state
20 appropriation for fiscal year 2014 and \$7,000 of the general fund--
21 state appropriation for fiscal year 2015 are provided solely for member
22 reimbursement, staff support, or other expenses associated with the
23 work of the joint legislative executive committee on planning for aging
24 and disability issues that is established in section 130 of this act.

25 NEW SECTION. **Sec. 103. FOR THE JOINT LEGISLATIVE AUDIT AND REVIEW**
26 **COMMITTEE**

27	General Fund--State Appropriation (FY 2014)	\$62,000
28	General Fund--State Appropriation (FY 2015)	\$119,000
29	Performance Audits of Government Account--State	
30	Appropriation	\$5,641,000
31	Medical Aid Account--State Appropriation	\$332,000
32	Accident Account--State Appropriation	\$332,000
33	TOTAL APPROPRIATION	\$6,486,000

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

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

5 (2) The joint legislative audit and review committee shall conduct
6 an audit of Washington's state research universities. The purpose of
7 the audit is to identify cost and profit centers within, and in
8 partnership with, the research universities. The audit must focus on
9 public funds; student fees, in particular tuition; and auxiliary
10 enterprises, which for the purposes of the audit at the University of
11 Washington includes University of Washington medical center, the
12 internal lending program, the W fund, and the center for
13 commercialization. The audit at each university must achieve the
14 following:

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

19 (b) Obtain the university's definition of auxiliary enterprises and
20 determine the number of auxiliary enterprises, including the University
21 of Washington medical center, the University of Washington internal
22 lending program, the W fund, and the center for commercialization, that
23 exist in the university system, the methods the university uses to
24 track revenue and expenditures of auxiliary enterprises, and the
25 policies and practices the university has in place to ensure that state
26 funding is not used to supplement or guarantee projects or programs
27 authorized by auxiliary enterprises;

28 (c) Identify how much money is being spent on undergraduate
29 education and to what extent undergraduate education is subsidizing
30 graduate education; and

31 (d) Determine how tuition funds are being used and to what extent
32 they are being used to fund the University of Washington medical
33 center, the University of Washington internal lending program, the W
34 fund, and the center for commercialization and to back bonds authorized
35 by the university.

36 (3) \$332,000 of the medical aid account--state appropriation and
37 \$332,000 of the accident account--state appropriation are provided for
38 the purposes of chapter 37, Laws of 2011 (workers' compensation).

1 (4) \$98,000 of the general fund--state appropriation for fiscal
2 year 2014 and \$225,000 of the general fund--state appropriation for
3 fiscal year 2015 are provided for consultant and staff costs related to
4 the economic analysis of tax preferences as directed by chapter 43.136
5 RCW.

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

11 (6) By June 30, 2014, the committee shall conduct a study of the
12 electricity cost impacts for each qualifying utility to meet the 2016
13 and 2020 renewable resource and conservation targets under chapter
14 19.285 RCW. The study must also include an analysis of the impacts on
15 each utility's commercial, industrial, and residential customers,
16 including an additional analysis of the impacts on low-income
17 residential customers.

18 NEW SECTION. **Sec. 104. FOR THE LEGISLATIVE EVALUATION AND**
19 **ACCOUNTABILITY PROGRAM COMMITTEE**

20	General Fund--State Appropriation (FY 2014)	\$1,653,000
21	General Fund--State Appropriation (FY 2015)	\$1,814,000
22	TOTAL APPROPRIATION	\$3,467,000

23 NEW SECTION. **Sec. 105. FOR THE JOINT LEGISLATIVE SYSTEMS**
24 **COMMITTEE**

25	General Fund--State Appropriation (FY 2014)	\$8,004,000
26	General Fund--State Appropriation (FY 2015)	\$7,988,000
27	TOTAL APPROPRIATION	\$15,992,000

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

29	Department of Retirement Systems Expense	
30	Account--State Appropriation	\$3,534,000

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

32	General Fund--State Appropriation (FY 2014)	\$3,895,000
33	General Fund--State Appropriation (FY 2015)	\$4,116,000
34	TOTAL APPROPRIATION	\$8,011,000

1 NEW SECTION. **Sec. 108. FOR THE OFFICE OF LEGISLATIVE SUPPORT**
2 **SERVICES**

3	General Fund--State Appropriation (FY 2014)	\$3,686,000
4	General Fund--State Appropriation (FY 2015)	\$3,695,000
5	TOTAL APPROPRIATION	\$7,381,000

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

7 In order to achieve operating efficiencies within the financial
8 resources available to the legislative branch, the executive rules
9 committee of the house of representatives and the facilities and
10 operations committee of the senate by joint action may transfer funds
11 among the house of representatives, senate, joint legislative audit and
12 review committee, legislative evaluation and accountability program
13 committee, joint transportation committee, office of the state actuary,
14 joint legislative systems committee, statute law committee, and office
15 of legislative support services.

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

17	General Fund--State Appropriation (FY 2014)	\$6,911,000
18	General Fund--State Appropriation (FY 2015)	\$6,857,000
19	TOTAL APPROPRIATION	\$13,768,000

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

21	General Fund--State Appropriation (FY 2014)	\$1,481,000
22	General Fund--State Appropriation (FY 2015)	\$1,471,000
23	TOTAL APPROPRIATION	\$2,952,000

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

25	General Fund--State Appropriation (FY 2014)	\$1,068,000
26	General Fund--State Appropriation (FY 2015)	\$996,000
27	TOTAL APPROPRIATION	\$2,064,000

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

29	General Fund--State Appropriation (FY 2014)	\$15,795,000
30	General Fund--State Appropriation (FY 2015)	\$15,732,000
31	TOTAL APPROPRIATION	\$31,527,000

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

2	General Fund--State Appropriation (FY 2014)	\$52,770,000
3	General Fund--State Appropriation (FY 2015)	\$52,562,000
4	General Fund--Federal Appropriation	\$2,125,000
5	General Fund--Private/Local Appropriation	\$658,000
6	Judicial Information Systems Account--State	
7	Appropriation	\$44,737,000
8	Judicial Stabilization Trust Account--State	
9	Appropriation	\$6,691,000
10	TOTAL APPROPRIATION	\$159,543,000

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

13 (1) \$1,500,000 of the judicial information systems account--state
14 appropriation is provided solely for development and implementation of
15 the information network hub project.

16 (2) \$2,138,000 of the judicial information systems account--state
17 appropriation is provided solely for replacement of computer equipment,
18 including servers, routers, and storage system upgrades.

19 (3) The administrative office of the courts, in conjunction with
20 the office of the chief information officer, shall analyze the
21 feasibility and associated costs of moving the judicial branch servers
22 and data center equipment to the state data center. Amounts provided
23 in subsections (1) and (2) of this section may not be expended until
24 the office of the chief information officer approves the expenditures.

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

30 (5) \$1,199,000 of the judicial information systems account--state
31 appropriation is provided solely for replacing computer equipment at
32 state courts and state judicial agencies.

33 (6) \$108,000 of the general fund--state appropriation for fiscal
34 year 2014 and \$108,000 of the general fund--state appropriation for
35 fiscal year 2015 are provided solely for the implementation of House
36 Bill No. 1159 (superior court judges Whatcom county). If the bill is
37 not enacted by June 30, 2013, the amounts provided in this subsection

1 shall lapse. The funds provided in this subsection shall be expended
2 only if the fourth superior court judge position in Whatcom county is
3 appointed and serving on the bench.

4 (7) \$108,000 of the general fund--state appropriation for fiscal
5 year 2014 and \$108,000 of the general fund--state appropriation for
6 fiscal year 2015 are provided solely for the implementation of House
7 Bill No. 1175 (superior court judges Benton/Franklin counties). If the
8 bill is not enacted by June 30, 2013, the amounts provided in this
9 subsection shall lapse. The funds provided in this subsection shall be
10 expended only if the seventh superior court judge position in Benton
11 and Franklin counties jointly is appointed and serving on the bench.

12 (8) \$11,300,000 of the judicial information systems account--state
13 appropriation is provided solely for continued implementation of the
14 superior court case management system project. The administrative
15 office of the courts, in consultation with the judicial information
16 systems committee, the superior court case management system project
17 steering committee, and the office of the chief information officer
18 shall develop a revised charter to implement the next phases of the
19 superior court case management system. The revised charter shall
20 insure that the superior court case management system project steering
21 committee continues to provide contract oversight, in collaboration
22 with the judicial information system committee, through the
23 implementation period and various phases of the project. Oversight
24 responsibilities throughout the various phases of the project must
25 include, but are not limited to, vendor management, contract and
26 deliverable management, and assuring satisfaction of the business and
27 technical needs at the local level. The superior court case management
28 system project steering committee may solicit input from user groups as
29 deemed appropriate. The revised charter shall be approved by the
30 judicial information systems committee.

31 (9) \$1,399,000 of the general fund--state appropriation for fiscal
32 year 2014 and \$1,399,000 of the general fund--state appropriation for
33 fiscal year 2015 are provided solely for school districts for petitions
34 to juvenile court for truant students as provided in RCW 28A.225.030
35 and 28A.225.035. The administrator for the courts shall develop an
36 interagency agreement with the superintendent of public instruction to
37 allocate the funding provided in this subsection. Allocation of this
38 money to school districts shall be based on the number of petitions

1 filed. This funding includes amounts school districts may expend on
2 the cost of serving petitions filed under RCW 28A.225.030 by certified
3 mail or by personal service or for the performance of service of
4 process for any hearing associated with RCW 28A.225.030.

5 (10)(a) \$7,313,000 of the general fund--state appropriation for
6 fiscal year 2014 and \$7,313,000 of the general fund--state
7 appropriation for fiscal year 2015 are provided solely for distribution
8 to county juvenile court administrators to fund the costs of processing
9 truancy, children in need of services, and at-risk youth petitions.
10 The administrator for the courts, in conjunction with the juvenile
11 court administrators, shall develop an equitable funding distribution
12 formula. The formula shall neither reward counties with higher than
13 average per-petition processing costs nor shall it penalize counties
14 with lower than average per-petition processing costs.

15 (b) Each fiscal year during the 2013-2015 fiscal biennium, each
16 county shall report the number of petitions processed and the total
17 actual costs of processing truancy, children in need of services, and
18 at-risk youth petitions. Counties shall submit the reports to the
19 administrator for the courts no later than 45 days after the end of the
20 fiscal year. The administrator for the courts shall electronically
21 transmit this information to the chairs and ranking minority members of
22 the house of representatives and senate fiscal committees no later than
23 60 days after a fiscal year ends. These reports are deemed
24 informational in nature and are not for the purpose of distributing
25 funds.

26 (11) \$274,000 of the general fund--state appropriation for fiscal
27 year 2014 and \$274,000 of the general fund--state appropriation for
28 fiscal year 2015 are provided solely for the office of public
29 guardianship to continue guardianship services for those low-income
30 incapacitated persons who were receiving services on June 30, 2013.

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

32	General Fund--State Appropriation (FY 2014)	\$30,460,000
33	General Fund--State Appropriation (FY 2015)	\$33,774,000
34	Judicial Stabilization Trust Account--State	
35	Appropriation	\$3,648,000
36	General Fund--Federal Appropriation	\$152,000
37	TOTAL APPROPRIATION	\$68,034,000

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

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

10	General Fund--State Appropriation (FY 2014)	\$10,862,000
11	General Fund--State Appropriation (FY 2015)	\$10,870,000
12	Judicial Stabilization Trust Account--State	
13	Appropriation	\$1,454,000
14	TOTAL APPROPRIATION	\$23,186,000

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

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

24	General Fund--State Appropriation (FY 2014)	\$5,690,000
25	General Fund--State Appropriation (FY 2015)	\$5,232,000
26	Economic Development Strategic Reserve Account--State	
27	Appropriation	\$4,000,000
28	TOTAL APPROPRIATION	\$14,922,000

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

31 (1) \$4,000,000 of the economic development strategic reserve
32 account appropriation is provided solely for efforts to assist with
33 currently active industrial recruitment efforts that will bring new
34 jobs to the state or will retain headquarter locations of major
35 companies currently housed in the state.

1 (2) \$684,000 of the general fund--state appropriation for fiscal
2 year 2014 and \$684,000 of the general fund--state appropriation for
3 fiscal year 2015 are provided solely for the office of the education
4 ombudsman.

5 (3) \$239,000 of the general fund--state appropriation for fiscal
6 year 2014 is provided solely for implementation of Engrossed Second
7 Substitute Senate Bill No. 5802 (greenhouse gas emissions). If the
8 bill is not enacted by June 30, 2013, the amount provided in this
9 subsection shall lapse.

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

11	General Fund--State Appropriation (FY 2014)	\$654,000
12	General Fund--State Appropriation (FY 2015)	\$660,000
13	General Fund--Private/Local Appropriation	\$90,000
14	TOTAL APPROPRIATION	\$1,404,000

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

16	General Fund--State Appropriation (FY 2014)	\$2,082,000
17	General Fund--State Appropriation (FY 2015)	\$2,022,000
18	TOTAL APPROPRIATION	\$4,104,000

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

20	General Fund--State Appropriation (FY 2014)	\$10,585,000
21	General Fund--State Appropriation (FY 2015)	\$8,804,000
22	General Fund--Federal Appropriation	\$7,425,000
23	Public Records Efficiency, Preservation, and Access	
24	Account--State Appropriation	\$7,369,000
25	Charitable Organization Education Account--State	
26	Appropriation	\$364,000
27	Local Government Archives Account--State	
28	Appropriation	\$8,475,000
29	Election Account--Federal Appropriation	\$12,018,000
30	Washington State Heritage Center Account--State	
31	Appropriation	\$8,860,000
32	TOTAL APPROPRIATION	\$63,900,000

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

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

7 (2)(a) \$1,847,000 of the general fund--state appropriation for
8 fiscal year 2014 and \$1,926,000 of the general fund--state
9 appropriation for fiscal year 2015 are provided solely for contracting
10 with a nonprofit organization to produce gavel-to-gavel television
11 coverage of state government deliberations and other events of
12 statewide significance during the 2013-2015 fiscal biennium. The
13 funding level for each year of the contract shall be based on the
14 amount provided in this subsection. The nonprofit organization shall
15 be required to raise contributions or commitments to make
16 contributions, in cash or in kind, in an amount equal to forty percent
17 of the state contribution. The office of the secretary of state may
18 make full or partial payment once all criteria in this subsection have
19 been satisfactorily documented.

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

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

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

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

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

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

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

6 NEW SECTION. **Sec. 121. FOR THE GOVERNOR'S OFFICE OF INDIAN**
7 **AFFAIRS**

8	General Fund--State Appropriation (FY 2014)	\$253,000
9	General Fund--State Appropriation (FY 2015)	\$249,000
10	TOTAL APPROPRIATION	\$502,000

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

22 NEW SECTION. **Sec. 122. FOR THE COMMISSION ON ASIAN PACIFIC**
23 **AMERICAN AFFAIRS**

24	General Fund--State Appropriation (FY 2014)	\$213,000
25	General Fund--State Appropriation (FY 2015)	\$208,000
26	TOTAL APPROPRIATION	\$421,000

27 NEW SECTION. **Sec. 123. FOR THE STATE TREASURER**

28	State Treasurer's Service Account--State	
29	Appropriation	\$15,702,000

30 The appropriation in this section is subject to the following
31 conditions and limitations: \$150,000 of the state treasurer's service
32 account--state appropriation is provided solely for legal fees related
33 to additional legal assistance due to changes in federal financial
34 regulations and an increase in complex and high profile litigation.

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

2	General Fund--State Appropriation (FY 2014)	\$728,000
3	General Fund--State Appropriation (FY 2015)	\$733,000
4	State Auditing Services Revolving Account--State	
5	Appropriation	\$9,589,000
6	Performance Audit of Government Account--State	
7	Appropriation	\$58,000
8	TOTAL APPROPRIATION	\$11,108,000

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

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

16 (2) \$728,000 of the general fund--state appropriation for fiscal
17 year 2014 and \$733,000 of the general fund--state appropriation for
18 fiscal year 2015 are provided solely for staff and related costs to
19 verify the accuracy of reported school district data submitted for
20 state 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 NEW SECTION. **Sec. 125. FOR THE CITIZENS' COMMISSION ON SALARIES**
35 **FOR ELECTED OFFICIALS**

36	General Fund--State Appropriation (FY 2014)	\$141,000
37	General Fund--State Appropriation (FY 2015)	\$172,000

1 TOTAL APPROPRIATION \$313,000

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

3 General Fund--State Appropriation (FY 2014) \$10,053,000

4 General Fund--State Appropriation (FY 2015) \$9,769,000

5 General Fund--Federal Appropriation \$7,114,000

6 New Motor Vehicle Arbitration Account--State
7 Appropriation \$999,000

8 Legal Services Revolving Account--State
9 Appropriation \$191,670,000

10 Tobacco Prevention and Control Account--State
11 Appropriation \$271,000

12 Medicaid Fraud Penalty Account--State Appropriation \$2,279,000

13 Public Services Revolving Account--State
14 Appropriation \$2,093,000

15 TOTAL APPROPRIATION \$224,248,000

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

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

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

33 (3) The attorney general shall annually report to the fiscal
34 committees of the legislature all new *cy pres* awards and settlements
35 and all new accounts, disclosing their intended uses, balances, the
36 nature of the claim or account, proposals, and intended timeframes for

1 the expenditure of each amount. The report shall be distributed
2 electronically and posted on the attorney general's web site. The
3 report shall not be printed on paper or distributed physically.

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

16 (5) \$424,000 of the legal services revolving account--state
17 appropriation is provided solely for replacement of a portion of the
18 computers. The amount provided in this subsection is conditioned on
19 the department satisfying the requirements of the project management
20 oversight standards and policies established by the office of the chief
21 information officer and the provisions of section 945 of this act,
22 personal computer acquisition and replacement.

23 (6) \$609,000 of the legal services revolving account--state
24 appropriation is provided solely for upgrades to software programs.
25 The amount provided in this subsection is conditioned on the department
26 satisfying the requirements of the project management oversight
27 standards and policies established by the office of the chief
28 information officer.

29 (7) \$131,000 of the legal services revolving account--state
30 appropriation is provided solely for the implementation of Engrossed
31 Second Substitute Senate Bill No. 5405 (extended foster care). If the
32 bill is not enacted by June 30, 2013, the amount provided in this
33 subsection shall lapse.

34 (8) \$50,000 of the general fund--state appropriation for fiscal
35 year 2014 and \$50,000 of the general fund--state appropriation for
36 fiscal year 2015 are provided solely for the implementation of
37 Engrossed Substitute House Bill No. 1341 (wrongful imprisonment). If

1 the bill is not enacted by June 30, 2013, the amount provided in this
2 subsection shall lapse.

3 (9) \$189,000 of the legal services revolving account--state
4 appropriation is provided solely for the implementation of Substitute
5 House Bill No. 1420 (transportation improvement projects). If the bill
6 is not enacted by June 30, 2013, the amount provided in this subsection
7 shall lapse.

8 (10) \$2,093,000 of the public service revolving account--state
9 appropriation is provided solely for the work of the public counsel
10 section of the office of the attorney general.

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

12	General Fund--State Appropriation (FY 2014)	\$1,260,000
13	General Fund--State Appropriation (FY 2015)	\$1,233,000
14	TOTAL APPROPRIATION	\$2,493,000

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

16	General Fund--State Appropriation (FY 2014)	\$67,184,000
17	General Fund--State Appropriation (FY 2015)	\$64,447,000
18	General Fund--Federal Appropriation	\$265,034,000
19	General Fund--Private/Local Appropriation	\$5,646,000
20	Public Works Assistance Account--State	
21	Appropriation	\$7,242,000
22	Drinking Water Assistance Administrative	
23	Account--State Appropriation	\$445,000
24	Lead Paint Account--State Appropriation	\$147,000
25	Building Code Council Account--State Appropriation	\$13,000
26	Home Security Fund Account--State Appropriation	\$30,456,000
27	Affordable Housing for All Account--State	
28	Appropriation	\$11,916,000
29	Financial Fraud and Identity Theft Crimes Investigation	
30	and Prosecution Account--State Appropriation	\$969,000
31	Low-Income Weatherization Assistance Account--State	
32	Appropriation	\$1,882,000
33	Community and Economic Development Fee Account--State	
34	Appropriation	\$5,303,000
35	Washington Housing Trust Account--State	
36	Appropriation	\$19,599,000

1	Prostitution Prevention and Intervention Account--	
2	State Appropriation	\$98,000
3	Public Facility Construction Loan Revolving	
4	Account--State Appropriation	\$985,000
5	Washington Community Technology Opportunity Account--	
6	Private/Local Appropriation	\$10,000
7	Liquor Revolving Account--State Appropriation	\$5,605,000
8	TOTAL APPROPRIATION	\$486,981,000

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

11 (1) Repayments of outstanding mortgage and rental assistance
12 program loans administered by the department under RCW 43.63A.640 shall
13 be remitted to the department, including any current revolving account
14 balances. The department shall collect payments on outstanding loans,
15 and deposit them into the state general fund. Repayments of funds owed
16 under the program shall be remitted to the department according to the
17 terms included in the original loan agreements.

18 (2) \$500,000 of the general fund--state appropriation for fiscal
19 year 2014 and \$500,000 of the general fund--state appropriation for
20 fiscal year 2015 are provided solely for a grant to resolution
21 Washington to building statewide capacity for alternative dispute
22 resolution centers and dispute resolution programs that guarantee that
23 citizens have access to low-cost resolution as an alternative to
24 litigation.

25 (3) \$306,000 of the general fund--state appropriation for fiscal
26 year 2014 and \$306,000 of the general fund--state appropriation for
27 fiscal year 2015 are provided solely for a grant to the retired senior
28 volunteer program.

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

32 (5) \$1,800,000 of the home security fund--state appropriation is
33 provided for transitional housing assistance or partial payments for
34 rental assistance under the independent youth housing program.

35 (6) \$5,000,000 of the home security fund--state appropriation is
36 for the operation, repair, and staffing of shelters in the homeless
37 family shelter program.

1 (7) \$198,000 of the general fund--state appropriation for fiscal
2 year 2014 and \$198,000 of the general fund--state appropriation for
3 fiscal year 2015 are provided solely for the Washington new Americans
4 program.

5 (8) \$2,949,000 of the general fund--state appropriation for fiscal
6 year 2014 and \$2,949,000 of the general fund--state appropriation for
7 fiscal year 2015 are provided solely for associate development
8 organizations.

9 (9) \$234,000 of the general fund--state appropriation for fiscal
10 year 2014 and \$233,000 of the general fund--state appropriation for
11 fiscal year 2015 are provided solely for the Washington asset building
12 coalitions.

13 (10) \$32,027,000 of the general fund--state appropriation for
14 fiscal year 2014 and \$32,027,000 of the general fund--state
15 appropriation for fiscal year 2015 are provided solely for the
16 essential needs and housing support program created in chapter 36, 2011
17 1st sp. sess. The department of commerce shall contract for these
18 services with counties or community-based organizations involved in
19 providing essential needs and housing supports to low-income persons
20 who meet eligibility pursuant to chapter 36, 2011 1st sp. sess. The
21 department shall limit the funding used for administration of the
22 program to no more than five percent. Counties and community
23 providers shall limit the funding used for administration of the
24 program to no more than seven percent.

25 (a) Of the amounts provided in this subsection, \$5,000,000 is
26 provided solely for essential needs to clients who meet the eligibility
27 established in chapter 36, 2011 1st sp. sess. Counties and
28 community-based organizations shall distribute basic essential products
29 in a manner that prevents abuse. To the greatest extent possible, the
30 counties or community-based organizations shall leverage local or
31 private funds, and volunteer support to acquire and distribute the
32 basic essential products.

33 (b) Of the amounts provided in this subsection, \$59,000,000 is
34 provided solely for housing support services to individuals who are
35 homeless or who may become homeless, and are eligible for services
36 under this program pursuant to chapter 36, 2011 1st sp. sess.

37 (11) \$5,605,000 of the liquor revolving account--state

1 appropriation is provided solely for the department to contract with
2 the municipal research and services center of Washington.

3 (12) \$500,000 of the general fund--state appropriation for fiscal
4 year 2014 and \$500,000 of the general fund--state appropriation for
5 fiscal year 2015 are provided solely for the purposes of purchasing
6 contracted services to expand and promote the tourism industry in the
7 state of Washington.

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

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

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

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

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

21 (b) The department may not use more than 4 percent of the funds to
22 administer, monitor, and report the outcomes of the services. The
23 department must electronically submit performance metrics by January 1,
24 2014, and report the outcomes of the services by January 1, 2015, to
25 the economic development committees of the legislature.

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

32 (13) \$250,000 of the general fund--state appropriation for fiscal
33 year 2014 and \$250,000 of the general fund--state appropriation for
34 fiscal year 2015 are provided solely for the purposes of expanding
35 foreign trade offices and providing sector-based export assistance to
36 businesses. The department must engage Oregon, Idaho, Montana, Alaska,
37 Hawaii, British Columbia, Alberta, Saskatchewan, and Yukon as well as
38 associate development organizations, the small business development

1 centers export readiness centers, the export finance assistance center
2 of Washington, chambers of commerce, international trade organizations,
3 and ports to leverage the funds provided and maximize the investment in
4 foreign outreach. For each dollar expended the department must receive
5 a one hundred percent match. The match may be provided by the
6 department through nongeneral fund sources, or any partnering
7 governments or organizations. The department must develop performance
8 metrics and measure at a minimum, business hand-offs between partners
9 for the provision of additional services, the number of assisted
10 businesses, the number of assisted businesses that export, and the
11 amount of assisted export sales. The measurements must also include an
12 analysis of the sectors served and results.

13 (14) \$500,000 of the general fund--state appropriation for fiscal
14 year 2014 and \$500,000 of the general fund--state appropriation for
15 fiscal year 2015 are provided solely for facilitating technology
16 transfer and commercialization activities, and supporting business
17 growth in technology sectors.

18 (a) The department must contract with the innovate Washington
19 foundation. Expenditure of state moneys must be provided for following
20 services:

21 (i) Supporting businesses in securing federal and private funds to
22 support product research and commercialization, developing and
23 integrating technology in new or enhanced products and services, and
24 launching those products and services in sustainable businesses in the
25 state;

26 (ii) Establishing public-private partnerships and programmatic
27 activities that increase the competitiveness of state industries;

28 (iii) Working with utilities, district energy providers, the
29 utilities and transportation commission, and the state energy office to
30 improve the alignment of investments in clean energy technologies with
31 existing state policies;

32 (iv) Administering technology and innovation grant and loan
33 programs including bridge funding programs for the state's technology
34 sector;

35 (v) Working with impact Washington to ensure that customers have
36 ready access to each other's services; and

37 (vi) Reaching out to firms operating in the state's innovation
38 partnership zones.

1 (b) The department may not use more than 4 percent of the funds to
2 administer, monitor, and report the outcomes of the services provided.
3 The department must electronically submit performance metrics by
4 January 1, 2014, and report the outcomes of the services by January 1,
5 2015, to the economic development committees of the legislature.

6 (15) \$250,000 of the general fund--state appropriation for fiscal
7 year 2014 and \$250,000 of the general fund--state appropriation for
8 fiscal year 2015 are provided solely to the northwest agriculture
9 business center. Expenditure of state moneys is contingent upon the
10 northwest agriculture business center providing a fifty percent cash
11 match for each state dollar.

12 (16) \$72,000 of the prostitution prevention and intervention
13 account is provided solely for implementation of Engrossed Substitute
14 House Bill No. 1291 (sex trade victims). If the bill is not enacted by
15 June 30, 2013, the amount provided in this subsection shall lapse.

16 (17) \$49,000 of the general fund--state appropriation for fiscal
17 year 2014 and \$49,000 of the general fund--state appropriation for
18 fiscal year 2015 are provided solely for implementation of House Bill
19 No. 1818 (business and government streamlining). If the bill is not
20 enacted by June 30, 2013, the amounts provided in this subsection shall
21 lapse.

22 (18) \$100,000 of the general fund--state appropriation for fiscal
23 year 2014 is provided solely for the department to conduct an economic
24 cluster analysis of the policies impacting the financial services
25 sector with the objective of building and strengthening the industry's
26 presence in Washington. The department shall examine regulatory,
27 workforce, tax and infrastructure issues and determine strategies to
28 encourage the industry, including private equity, wealth management,
29 and hedge firms and related entities from other states and
30 internationally to locate in Washington. The department shall report
31 to the legislature by December 1, 2013, with recommendations for
32 legislative action.

33 (19) \$50,000 of the general fund--state appropriation for fiscal
34 year 2014 and \$50,000 of the general fund--state appropriation for
35 fiscal year 2015 are provided solely for the department to develop an
36 economic cluster strategy to leverage the state's unique maritime
37 assets, geography, history, and infrastructure. Goals include growing
38 employment, targeted economic activity, environmental considerations,

1 tax revenue to state and local governments, and quality of life
2 associated with the maritime sector by working with the industry to
3 understand workforce needs, parity considerations with Oregon and
4 British Columbia, and tax structure and regulatory barriers. The
5 department will report its findings to the appropriate committees of
6 the legislature no later than December 1, 2014.

7 (20) \$2,000,000 of the Washington housing trust account--state
8 appropriation is provided solely for the department of commerce for
9 services to homeless families through the Washington families fund.

10 (21) \$5,000,000 of the home security account--state appropriation
11 is provided solely for the department of commerce to provide emergency
12 assistance to homeless families in the temporary assistance for needy
13 families program.

14 (22) \$75,000 of the general fund--state appropriation for fiscal
15 year 2014 is provided solely for the department to convene a workgroup
16 consisting of the former members of the Washington economic development
17 commission. The workgroup shall meet a minimum of two times to provide
18 advice and input to the director, governor, and legislature on the
19 economic development strategy for the state. The workgroup may also
20 recommend methods to provide future input on economic development
21 strategies and initiatives for the state within available department
22 resources.

23 (23) \$4,000,000 of the general fund--state appropriation for fiscal
24 year 2014 and \$850,000 of the general fund--state appropriation for
25 fiscal year 2015 are provided solely for purposes of creating and
26 operating a community health care and education and innovation center
27 at the Pacific Medical Center in Seattle. Amounts provided in this
28 subsection must be used for lease, maintenance, operations, and other
29 required related expenses for Seattle community colleges allied health
30 programs and other related uses identified by the department of
31 commerce. The department is authorized to enter into a thirty-year
32 lease for the Pacific Medical Center property.

33 (24) Within the appropriations in this section, the department
34 shall, by December 1, 2013, develop a comprehensive start-up Washington
35 strategy to facilitate the growth of start-ups and enhance the state's
36 competitiveness in recruiting and retaining businesses that start up in
37 Washington. This shall include but is not limited to: B&O tax relief,
38 capital investment, regulatory burdens, workforce and infrastructure

1 needs and support. Start-up businesses interactions with state
2 government and other public entities as a customer shall also be
3 considered.

4 NEW SECTION. **Sec. 129. FOR THE ECONOMIC AND REVENUE FORECAST**
5 **COUNCIL**

6	General Fund--State Appropriation (FY 2014)	\$764,000
7	General Fund--State Appropriation (FY 2015)	\$803,000
8	Lottery Administrative Account--State Appropriation	\$50,000
9	TOTAL APPROPRIATION	\$1,617,000

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

11	General Fund--State Appropriation (FY 2014)	\$18,258,000
12	General Fund--State Appropriation (FY 2015)	\$17,749,000
13	General Fund--Federal Appropriation	\$31,341,000
14	General Fund--Private/Local Appropriation	\$370,000
15	Economic Development Strategic Reserve Account--State	
16	Appropriation	\$289,000
17	Personnel Service Fund--State Appropriation	\$8,670,000
18	Data Processing Revolving Account--State	
19	Appropriation	\$6,023,000
20	Higher Education Personnel Services Account--State	
21	Appropriation	\$1,497,000
22	Performance Audits of Government Account--State	
23	Appropriation	\$4,000,000
24	TOTAL APPROPRIATION	\$88,197,000

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

27 (1) The office of financial management shall prepare a report
28 outlining alternative methods of procuring health benefits for home
29 care workers, including individual providers and agency providers. In
30 preparing the report, the office of financial management shall consult
31 with the department of social and health services, representatives of
32 individual home care providers, and agency home care providers.

33 Along with a summary of the current method of providing benefits,
34 the report must include an analysis of the policy and fiscal
35 implications of accessing health benefits through the Washington health
36 benefits exchange. The report must also provide an analysis of a

1 medicaid section 1115 waiver with the federal centers for medicare and
2 medicaid services that would provide additional medicaid matching funds
3 for individual provider home care workers who are provided with health
4 care benefits through a collective bargaining agreement negotiated with
5 the state under chapter 74.39A RCW, but would otherwise be eligible for
6 medicaid under the federal expanded eligibility provisions that take
7 effect January 1, 2014.

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

10 (2) \$39,000 of the general fund--state appropriation for fiscal
11 year 2014 and \$7,000 of the general fund--state appropriation for
12 fiscal year 2015 are provided solely for member reimbursement, staff
13 support, or other expenses associated with the work of the joint
14 legislative executive committee on planning for aging and disability
15 issues that is established by this subsection.

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

18 (i) Four members of the senate, with the leaders of the two largest
19 caucuses each appointing two members. Four members of the house of
20 representatives, with the leaders of the two largest caucuses each
21 appointing two members;

22 (ii) A member from the office of the governor, appointed by the
23 governor;

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

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

28 (v) The director of the department of retirement systems or his or
29 her designee.

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

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

37 (i) Establish a profile of Washington's current population of older

1 people and people with disabilities and a projection of population
2 growth through 2030;

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

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

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

15 (v) Identify policy options to create financing mechanisms for
16 long-term services and supports that will promote additional private
17 responsibility for individuals and families to meet their needs for
18 service;

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

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

24 (d) The committee shall consult with the office of the insurance
25 commissioner, the caseload forecast council, and other appropriate
26 entities with specialized knowledge of the needs and growth trends of
27 the aging population and people with disabilities.

28 (e) Staff support for the committee shall be provided by the office
29 of program research, senate committee services, the office of financial
30 management, and the department of social and health services. The
31 committee members may be reimbursed for travel expenses as authorized
32 under RCW 43.03.050 and 43.03.060, and chapter 44.04 RCW as
33 appropriate.

34 (f) The committee shall issue an interim report to the legislature
35 by December 10, 2013, and issue final recommendations to the governor
36 and relevant standing committees of the legislature by December 10,
37 2014.

1 (3) \$300,000 of the general fund--state appropriation for fiscal
2 year 2014 is provided solely for implementation of Engrossed Second
3 Substitute Senate Bill No. 5802 (greenhouse gas emissions). If the
4 bill is not enacted by June 30, 2013, the amount provided in this
5 subsection shall lapse.

6 (4) \$536,000 of the general fund--state appropriation for fiscal
7 year 2014 is provided solely for a study of the state's medical and
8 public assistance eligibility systems and infrastructure with the goal
9 of simplifying procedures, improving customer service, and reducing
10 state expenditures. The study must also examine which state entities
11 play various roles in the eligibility and data verification processes
12 in order to determine if eligibility processes can be further
13 streamlined in light of changes related to the federal affordable care
14 act. The study must identify how costs will be allocated between state
15 and federal funding sources and options for maximizing federal
16 participation. The office of financial management shall provide a
17 report on its findings and recommendations to the relevant policy and
18 fiscal committees of the legislature by January 1, 2014.

19 (5)(a) The legislature finds that the state's nationally recognized
20 student achievement initiative has led to significant improvements at
21 two-year institutions of higher education. With the goal of creating
22 such efficiencies within the four-year institutions of higher
23 education, the office of financial management shall convene, in
24 coordination with the joint committee on higher education and the
25 student achievement council, a technical incentive funding model task
26 force to propose an incentive funding model for the four-year
27 institutions of higher education. The model will provide new incentive
28 funding to four-year institutions of higher education that demonstrate
29 improvement on existing performance measures and control resident
30 undergraduate tuition growth. Participation in the program is
31 voluntary; however, funding appropriated for this program shall only be
32 available to those institutions that have chosen to participate in the
33 program.

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

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

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

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

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

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

- 6 (A) Performance in specific metrics;
- 7 (B) Control and reduction where possible of resident undergraduate
8 and graduate tuition; and

9 (C) Efficient utilization of classrooms laboratories, online and
10 other high technology instructional methods.

11 (ii) A methodology for allocating funding for performance as
12 specified in subsection (2)(a)(i) of this section that is based on
13 performance metrics reported in the accountability monitoring and
14 reporting system established in RCW 28B.77.090 and that recognizes each
15 institution's unique mission by measuring each institution's
16 performance in these metrics against their past performance.

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

20 (iv) A methodology for establishing a baseline level of state
21 funding that:

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

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

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

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

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

35 NEW SECTION. **Sec. 131. FOR THE OFFICE OF ADMINISTRATIVE HEARINGS**
36 Administrative Hearings Revolving Account--State
37 Appropriation \$37,826,000

1 TOTAL APPROPRIATION \$37,826,000

2 The appropriations in this section are subject to the following
3 conditions and limitations: \$151,000 of the administrative hearings
4 revolving account--state appropriation is provided solely for
5 replacement of computer equipment, including servers, routers, and
6 storage system upgrades. The amount provided in this subsection is
7 conditioned on the department satisfying the requirements of the
8 project management oversight standards and policies established by the
9 office of the chief information officer.

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

11 Lottery Administrative Account--State
12 Appropriation \$25,745,000

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

15 (1) \$596,000 of the lottery administrative account--state
16 appropriation is provided solely for the replacement of the lottery's
17 gaming systems vendor contract.

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

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

21 General Fund--State Appropriation (FY 2014) \$238,000
22 General Fund--State Appropriation (FY 2015) \$236,000
23 TOTAL APPROPRIATION \$474,000

24 NEW SECTION. **Sec. 134. FOR THE COMMISSION ON AFRICAN-AMERICAN**
25 **AFFAIRS**

26 General Fund--State Appropriation (FY 2014) \$233,000
27 General Fund--State Appropriation (FY 2015) \$225,000
28 TOTAL APPROPRIATION \$458,000

29 NEW SECTION. **Sec. 135. FOR THE DEPARTMENT OF RETIREMENT**
30 **SYSTEMS--OPERATIONS**

31 Department of Retirement Systems Expense
32 Account--State Appropriation \$50,641,000

1 The appropriation in this section is subject to the following
2 conditions and limitations: \$72,000 of the department of retirement
3 systems expense account--state appropriation is provided solely for the
4 administrative costs associated with implementation of Substitute House
5 Bill No. 2018 (regarding additional contribution rates for employers of
6 the Washington state retirement systems). If the bill is not enacted
7 by June 30, 2013, the amount provided in this subsection shall lapse.

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

9	General Fund--State Appropriation (FY 2014)	\$108,228,000
10	General Fund--State Appropriation (FY 2015)	\$112,688,000
11	Timber Tax Distribution Account--State Appropriation	\$6,111,000
12	Waste Reduction/Recycling/Litter Control--State	
13	Appropriation	\$132,000
14	State Toxics Control Account--State Appropriation	\$93,000
15	Master License Fund--State Appropriation	\$17,145,000
16	TOTAL APPROPRIATION	\$244,397,000

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

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

22 (2) \$604,000 of the general fund--state appropriation for fiscal
23 year 2014, \$6,147,000 of the general fund--state appropriation for
24 fiscal year 2015, and \$4,853,000 of the master license fund--state
25 appropriation are provided solely for the replacement of the
26 department's legacy business systems. The amounts provided in this
27 subsection are conditioned on the department satisfying the
28 requirements of the project management oversight standards and policies
29 established by the office of the chief information officer.

30 (3) Within the amounts appropriated within this section, the
31 department shall ensure agents of sellers collect and remit the taxes
32 imposed on retail sales under Title 82 RCW, regardless of whether or
33 not the agent has actual or constructive possession or control of the
34 property, product, or services sold.

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

36	General Fund--State Appropriation (FY 2014)	\$1,217,000
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1 General Fund--State Appropriation (FY 2015) \$1,182,000
 2 TOTAL APPROPRIATION \$2,399,000

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

5 OMWBE Enterprises Account--State Appropriation \$4,083,000

6 The appropriation in this section is subject to the following
 7 conditions and limitations: \$200,000 of the minority and women's
 8 business enterprises account--state appropriation is provided for
 9 implementation of a certification program for small business
 10 enterprises. The agency will collaborate with the department of
 11 transportation to certify small businesses as small business
 12 enterprises. Funding for this work is provided through interagency
 13 agreement with the state department of transportation.

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

15 General Fund--State Appropriation (FY 2014) \$150,000
 16 General Fund--State Appropriation (FY 2015) \$150,000
 17 General Fund--Federal Appropriation \$4,497,000
 18 Insurance Commissioners Regulatory Account--State
 19 Appropriation \$49,631,000
 20 TOTAL APPROPRIATION \$54,428,000

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

22 State Investment Board Expense Account--State
 23 Appropriation \$36,063,000

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

25 Liquor Revolving Account--State Appropriation \$66,269,000
 26 General Fund--Federal Appropriation \$945,000
 27 General Fund--Private/Local Appropriation \$25,000
 28 TOTAL APPROPRIATION \$67,239,000

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

- 31 (1) \$2,494,000 of the liquor revolving account--state appropriation
 32 is provided solely for the liquor control board to implement Initiative
 33 Measure No. 502.

1 (2) Within the amounts appropriated in this section from the liquor
2 revolving account--state appropriation, the liquor control board must
3 work with the department of revenue, the department of health, and
4 affected stakeholders to develop proposed legislation regarding the
5 integration of a regulated medical marijuana market with the
6 recreational marijuana market.

7 At minimum, the proposed legislation should address the following:

8 (a) Agency requirements to regulate medical marijuana and health
9 care providers and administer and collect taxes;

10 (b) Licensing and regulation provisions for medical marijuana
11 producers, processors, and retailers;

12 (c) Regulations regarding the oversight of health care
13 professionals that authorize the use of medical marijuana for their
14 patients;

15 (d) Rules regarding collective gardens, possession amounts, and age
16 limits; and

17 (e) Implementation of a tax structure for the medical marijuana
18 market.

19 The board shall submit the proposed legislation to the legislature by
20 December 15, 2013.

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

23	General Fund--Federal Appropriation	\$150,000
24	General Fund--Private/Local Appropriation	\$11,231,000
25	Public Service Revolving Account--State	
26	Appropriation	\$28,080,000
27	Pipeline Safety Account--State Appropriation	\$4,413,000
28	Pipeline Safety Account--Federal Appropriation	\$1,940,000
29	TOTAL APPROPRIATION	\$45,814,000

30 The appropriations in this section are subject to the following
31 conditions and limitations: The commission shall work with the Idaho
32 public utilities commission and the public utility commission of Oregon
33 to identify common regulatory functions that can be performed jointly,
34 with the goal of formalizing an agreement that protects essential
35 services while increasing regulatory effectiveness and efficiencies
36 through economies of scale. The commission is authorized to enter into

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

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

4	General Fund--State Appropriation (FY 2014)	\$1,880,000
5	General Fund--State Appropriation (FY 2015)	\$1,887,000
6	General Fund--Federal Appropriation	\$140,187,000
7	Enhanced 911 Account--State Appropriation	\$59,518,000
8	Disaster Response Account--State Appropriation	\$14,539,000
9	Disaster Response Account--Federal Appropriation	\$53,253,000
10	Military Department Rent and Lease Account--State	
11	Appropriation	\$615,000
12	Worker and Community Right-to-Know Account--State	
13	Appropriation	\$2,995,000
14	TOTAL APPROPRIATION	\$274,874,000

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

17 (1) \$14,539,000 of the disaster response account--state
18 appropriation and \$53,253,000 of the disaster response account--federal
19 appropriation may be spent only on disasters declared by the governor
20 and with the approval of the office of financial management. The
21 military department shall submit a report to the office of financial
22 management and the legislative fiscal committees on October 1st and
23 February 1st of each year detailing information on the disaster
24 response account, including: (a) The amount and type of deposits into
25 the account; (b) the current available fund balance as of the reporting
26 date; and (c) the projected fund balance at the end of the 2014-2015
27 biennium based on current revenue and expenditure patterns.

28 (2) \$75,000,000 of the general fund--federal appropriation is
29 provided solely for homeland security, subject to the following
30 conditions:

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

34 (b) The department shall submit an annual report to the office of
35 financial management and the legislative fiscal committees detailing
36 the governor's domestic security advisory group recommendations;

1 homeland security revenues and expenditures, including estimates of
2 total federal funding for the state; and incremental changes from the
3 previous estimate.

4 (3) \$200,000 of worker and community right-to-know--state
5 appropriation is provided solely to establish one FTE to initiate and
6 coordinate a statewide continuity of operations program for state
7 government.

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

10	General Fund--State Appropriation (FY 2014)	\$1,977,000
11	General Fund--State Appropriation (FY 2015)	\$2,042,000
12	Higher Education Personnel Services Account--State	
13	Appropriation	\$521,000
14	Department of Personnel Service Account--State	
15	Appropriation	\$3,305,000
16	TOTAL APPROPRIATION	\$7,845,000

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

18	Certified Public Accountants' Account--State	
19	Appropriation	\$2,702,000

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

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

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

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

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

2 Horse Racing Commission Operating Account--State

3 Appropriation \$3,558,000

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

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

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

12 General Fund--State Appropriation (FY 2015) \$3,635,000

13 Building Code Council Account--State Appropriation \$1,576,000

14 TOTAL APPROPRIATION \$8,865,000

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

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

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

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

1 10-06. The council shall not consider any proposed code amendment or
2 take any other action not authorized by statute or in compliance with
3 the standards established in executive order 10-06. No member of the
4 council may receive compensation, per diem, or reimbursement for
5 activities other than physical attendance at those meetings of the
6 state building code council or the council's designated committees, at
7 which the opportunity for public comment is provided generally and on
8 all agenda items upon which the council proposes to take action.

9 (b) Pursuant to Substitute House Bill No. 1618 (concerning the
10 building code council account) there is imposed a fee of five dollars
11 and fifty cents on each building permit issued by a county or a city,
12 plus an additional surcharge of two dollars for each residential unit,
13 but not including the first unit, on each building containing more than
14 one residential unit, and a fee of eight dollars for each
15 nonresidential permit issued. \$348,000 of the building code council
16 account--state appropriation is provided solely for the increase in
17 fees, pursuant to House Bill No. 1618. If the bill is not enacted by
18 June 30, 2013, the amounts provided in this subsection shall lapse.

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

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

26 (6) The department shall adjust billings for self-insurance
27 premiums to transportation agencies to reflect rate reductions assumed
28 in this act.

29 (7) \$2,400,000 of the data processing revolving account
30 appropriation is provided solely for the implementation of a pilot
31 program to implement a strategy and action plan to modernize the
32 state's enterprise financial and administrative systems. The
33 department, the office of financial management, and the office of the
34 chief information officer, will lead the planning effort and establish
35 advisory committees composed of key stakeholders. The plan will
36 include an assessment of the readiness of state government to conduct
37 a business transformation and system replacement project of this scale.
38 The plan shall incorporate the objectives of lean management and should

1 include recommendations on: Project scope, phasing and timeline,
2 expected outcomes and measures of success, product strategy, budget and
3 financing strategy options, risk mitigation, staffing and organization,
4 and strategies to close readiness gaps. The department shall submit
5 the implementation plan to the fiscal committees of the legislature by
6 December 15, 2013.

7 The amounts provided in this subsection are conditioned on the
8 department satisfying the requirements of the project management
9 oversight standards and policies established by the office of the chief
10 information officer.

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

18 (9) From the fee charged to master contract vendors, the department
19 shall transfer to the office of minority and women's business
20 enterprises in equal monthly installments of \$2,058,000 in fiscal year
21 2014 and \$2,025,000 in fiscal year 2015.

22 (10) The legislature intends to review for purchase and to conduct
23 a boundary survey and appraisal of parcel number one and surrounding
24 property on McNeil Island related to maintaining the secure sex
25 offender facility, real estate transactional work for the deeds between
26 the state and federal government involving McNeil Island, and
27 transition planning to move toward decision-making to realign
28 conveyances for state ownership of McNeil Island. The department of
29 enterprise services is authorized to bill appropriate state agencies
30 for this parcel review and appraisal and the department shall provide
31 an estimate to the legislative fiscal committees by October 1, 2013.

32 NEW SECTION. **Sec. 149. FOR THE BOARD FOR VOLUNTEER FIREFIGHTERS**
33 Volunteer Firefighters' and Reserve Officers'
34 Administrative Account--State Appropriation \$1,045,000

35 NEW SECTION. **Sec. 150. FOR THE DEPARTMENT OF ARCHAEOLOGY AND**

1 **HISTORIC PRESERVATION**

2	General Fund--State Appropriation (FY 2014)	\$1,343,000
3	General Fund--State Appropriation (FY 2015)	\$1,246,000
4	General Fund--Federal Appropriation	\$1,951,000
5	General Fund--Private/Local Appropriation	\$14,000
6	TOTAL APPROPRIATION	\$4,554,000

7 The appropriations in this section are subject to the following
8 conditions and limitations: \$50,000 of the general fund--state
9 appropriation for fiscal year 2014 is provided solely to study the role
10 of cultural resources assessment as part of the state and local
11 governmental environmental review, planning, and permitting process.
12 The agency will create a public outreach process with affected
13 governmental entities, businesses, and stakeholders. The agency will
14 review state laws from around the country on cultural resources. The
15 agency will deliver its report with legislative recommendations to the
16 legislature by November 30, 2013.

(End of part)

1 department may combine and transfer such medicaid funds appropriated
2 under sections 204, 206, 208, and 213 of this act as may be necessary
3 to finance a unified health care plan for the WMIP and the MICP program
4 enrollment. The WMIP pilot projects shall not exceed a daily
5 enrollment of 6,000 persons, nor expand beyond one county during the
6 2013-2015 fiscal biennium. The amount of funding assigned from each
7 program may not exceed the average per capita cost assumed in this act
8 for individuals covered by that program, actuarially adjusted for the
9 health condition of persons enrolled, times the number of clients
10 enrolled. In implementing the WMIP and the MICP, the health care
11 authority and the department may: (i) Withhold from calculations of
12 "available resources" as set forth in RCW 71.24.025 a sum equal to the
13 capitated rate for enrolled individuals; and (ii) employ capitation
14 financing and risk-sharing arrangements in collaboration with health
15 care service contractors licensed by the office of the insurance
16 commissioner and qualified to participate in both the medicaid and
17 medicare programs.

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

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

1 are available to the general population in the geographic area. The
2 legislature finds that cost reports, payment data from the federal
3 government, historical utilization, economic data, and clinical input
4 constitute reliable data upon which to determine the payment rates.

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

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

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

26	General Fund--State Appropriation (FY 2014)	\$297,361,000
27	General Fund--State Appropriation (FY 2015)	\$297,189,000
28	General Fund--Federal Appropriation	\$489,867,000
29	General Fund--Private/Local Appropriation	\$1,354,000
30	Home Security Fund Account--State Appropriation	\$10,741,000
31	Domestic Violence Prevention Account--State	
32	Appropriation	\$1,240,000
33	Child and Family Reinvestment Account--State	
34	Appropriation	\$8,013,000
35	TOTAL APPROPRIATION	\$1,105,765,000

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

3 (iii) Monitoring education progress of participating youth;

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

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

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

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

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

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

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

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

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

35	General Fund--State Appropriation (FY 2014)	\$89,791,000
36	General Fund--State Appropriation (FY 2015)	\$90,462,000
37	General Fund--Federal Appropriation	\$3,464,000

1	General Fund--Private/Local Appropriation	\$1,982,000
2	Washington Auto Theft Prevention Authority Account--	
3	State Appropriation	\$196,000
4	Reinvesting in Youth--State Appropriation	\$383,000
5	Juvenile Accountability Incentive Account--Federal	
6	Appropriation	\$2,801,000
7	TOTAL APPROPRIATION	\$189,079,000

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

10 (1) \$331,000 of the general fund--state appropriation for fiscal
11 year 2014 and \$331,000 of the general fund--state appropriation for
12 fiscal year 2015 are provided solely for deposit in the county criminal
13 justice assistance account for costs to the criminal justice system
14 associated with the implementation of chapter 338, Laws of 1997
15 (juvenile code revisions). The amounts provided in this subsection are
16 intended to provide funding for county adult court costs associated
17 with the implementation of chapter 338, Laws of 1997 and shall be
18 distributed in accordance with RCW 82.14.310.

19 (2) \$2,716,000 of the general fund--state appropriation for fiscal
20 year 2014 and \$2,716,000 of the general fund--state appropriation for
21 fiscal year 2015 are provided solely for the implementation of chapter
22 338, Laws of 1997 (juvenile code revisions). The amounts provided in
23 this subsection are intended to provide funding for county impacts
24 associated with the implementation of chapter 338, Laws of 1997 and
25 shall be distributed to counties as prescribed in the current
26 consolidated juvenile services (CJS) formula.

27 (3) \$3,482,000 of the general fund--state appropriation for fiscal
28 year 2014 and \$3,482,000 of the general fund--state appropriation for
29 fiscal year 2015 are provided solely to implement community juvenile
30 accountability grants pursuant to chapter 338, Laws of 1997 (juvenile
31 code revisions). Funds provided in this subsection may be used solely
32 for community juvenile accountability grants, administration of the
33 grants, and evaluations of programs funded by the grants.

34 (4) \$1,130,000 of the general fund--state appropriation for fiscal
35 year 2014 and \$1,130,000 of the general fund--state appropriation for
36 fiscal year 2015 are provided solely to implement alcohol and substance
37 abuse treatment programs for locally committed offenders. The juvenile
38 rehabilitation administration shall award these moneys on a competitive

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

6 (5) \$3,123,000 of the general fund--state appropriation for fiscal
7 year 2014 and \$3,123,000 of the general fund--state appropriation for
8 fiscal year 2015 are provided solely for grants to county juvenile
9 courts for the following programs identified by the Washington state
10 institute for public policy (institute) in its October 2006 report:
11 "Evidence-Based Public Policy Options to Reduce Future Prison
12 Construction, Criminal Justice Costs and Crime Rates": Functional
13 family therapy, multi-systemic therapy, aggression replacement training
14 and interagency coordination programs, or other programs with a
15 positive benefit-cost finding in the institute's report. County
16 juvenile courts shall apply to the juvenile rehabilitation
17 administration for funding for program-specific participation and the
18 administration shall provide grants to the courts consistent with the
19 per-participant treatment costs identified by the institute.

20 (6) \$1,537,000 of the general fund--state appropriation for fiscal
21 year 2014 and \$1,537,000 of the general fund--state appropriation for
22 fiscal year 2015 are provided solely for expansion of the following
23 treatments and therapies in juvenile rehabilitation administration
24 programs identified by the Washington state institute for public policy
25 in its October 2006 report: "Evidence-Based Public Policy Options to
26 Reduce Future Prison Construction, Criminal Justice Costs and Crime
27 Rates": Multidimensional treatment foster care, family integrated
28 transitions, and aggression replacement training, or other programs
29 with a positive benefit-cost finding in the institute's report. The
30 administration may concentrate delivery of these treatments and
31 therapies at a limited number of programs to deliver the treatments in
32 a cost-effective manner.

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

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

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

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

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

27 (8) The juvenile courts and administrative office of the courts
28 shall collect and distribute information related to program outcome and
29 provide access to these data systems to the juvenile rehabilitation
30 administration and Washington state institute for public policy.
31 Consistent with chapter 13.50 RCW, all confidentiality agreements
32 necessary to implement this information-sharing shall be approved
33 within 30 days of the effective date of this section. The agreements
34 between administrative office of the courts, the juvenile courts, and
35 the juvenile rehabilitation administration shall be executed to ensure
36 that the juvenile rehabilitation administration receives the data that
37 the juvenile rehabilitation administration identifies as needed to
38 comply with this subsection. This includes, but is not limited to,

1 information by program at the statewide aggregate level, individual
2 court level, and individual client level for the purpose of the
3 juvenile rehabilitation administration providing quality assurance and
4 oversight for the locally committed youth block grant and associated
5 funds and at times as specified by the juvenile rehabilitation
6 administration as necessary to carry out these functions. The data
7 shall be provided in a manner that reflects the collaborative work the
8 juvenile rehabilitation administration and juvenile courts have
9 developed regarding program outcomes that reinforce the greatest cost
10 benefit to the state in the implementation of evidence-based practices
11 and disposition alternatives.

12 (9) \$445,000 of the general fund--state appropriation for fiscal
13 year 2014 and \$445,000 of the general fund--state appropriation for
14 fiscal year 2015 are provided solely for funding of the teamchild
15 project.

16 (10) \$178,000 of the general fund--state appropriation for fiscal
17 year 2014 and \$178,000 of the general fund--state appropriation for
18 fiscal year 2015 are provided solely for the juvenile detention
19 alternatives initiative.

20 (11) \$300,000 of the general fund--state appropriation for fiscal
21 year 2014 and \$300,000 of the general fund--state appropriation for
22 fiscal year 2015 are provided solely for a grant program focused on
23 criminal street gang prevention and intervention. The Washington state
24 partnership council on juvenile justice may award grants under this
25 subsection. The council shall give priority to applicants who have
26 demonstrated the greatest problems with criminal street gangs.
27 Applicants composed of, at a minimum, one or more local governmental
28 entities and one or more nonprofit, nongovernmental organizations that
29 have a documented history of creating and administering effective
30 criminal street gang prevention and intervention programs may apply for
31 funding under this subsection.

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

34 (1) COMMUNITY SERVICES/REGIONAL SUPPORT NETWORKS

35	General Fund--State Appropriation (FY 2014)	\$327,428,000
36	General Fund--State Appropriation (FY 2015)	\$312,256,000
37	General Fund--Federal Appropriation	\$558,901,000

1 General Fund--Private/Local Appropriation \$17,864,000
2 TOTAL APPROPRIATION \$1,216,449,000

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

5 (a) \$105,265,000 of the general fund--state appropriation for
6 fiscal year 2014 and \$85,895,000 of the general fund--state
7 appropriation for fiscal year 2015 are provided solely for persons and
8 services not covered by the medicaid program. To the extent possible,
9 levels of regional support network spending shall be maintained in the
10 following priority order: Crisis and commitment services; community
11 inpatient services; and residential care services, including personal
12 care and emergency housing assistance. This is a reduction in flexible
13 nonmedicaid funding of \$4,077,000 for fiscal year 2014 and \$23,446,000
14 for fiscal year 2015. This reduction reflects offsets in state funding
15 related to services that will now be funded with federal dollars
16 through the affordable care act medicaid expansion. This reduction
17 shall be distributed as follows:

18 (i) The \$4,077,000 reduction in fiscal year 2014 and \$11,723,000 of
19 the reduction in fiscal year 2015 must be distributed among regional
20 support networks based on a formula that equally weights each regional
21 support networks proportion of individuals who become newly eligible
22 and enroll in medicaid under the expansion provisions of the affordable
23 care act in fiscal year 2014 and each regional support network's
24 spending of flexible nonmedicaid funding on services that would be
25 reimbursable for federal medicaid matching funds if provided to
26 medicaid enrollees in the 2011-2013 fiscal biennium.

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

32 (b) \$6,590,000 of the general fund--state appropriation for fiscal
33 year 2014, \$6,590,000 of the general fund--state appropriation for
34 fiscal year 2015, and \$7,620,000 of the general fund--federal
35 appropriation are provided solely for the department and regional
36 support networks to continue to contract for implementation of high-
37 intensity programs for assertive community treatment (PACT) teams. In
38 determining the proportion of medicaid and nonmedicaid funding provided

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

12 (c) \$5,850,000 of the general fund--state appropriation for fiscal
13 year 2014, \$5,850,000 of the general fund--state appropriation for
14 fiscal year 2015, and \$1,300,000 of the general fund--federal
15 appropriation are provided solely for the western Washington regional
16 support networks to provide either community- or hospital campus-based
17 services for persons who require the level of care previously provided
18 by the program for adaptive living skills (PALS) at western state
19 hospital.

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

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

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

33 (g) \$750,000 of the general fund--state appropriation for fiscal
34 year 2014 and \$750,000 of the general fund--state appropriation for
35 fiscal year 2015 are provided solely to continue performance-based
36 incentive contracts to provide appropriate community support services
37 for individuals with severe mental illness who were discharged from the
38 state hospitals as part of the expanding community services initiative.

1 These funds will be used to enhance community residential and support
2 services provided by regional support networks through other state and
3 federal funding.

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

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

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

15 (iii) Mental health services provided in nursing facilities to
16 individuals with dementia, and consultation to facility staff treating
17 those individuals; and

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

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

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

28 (j) Regional support networks may use local funds to earn
29 additional federal medicaid match, provided the locally matched rate
30 does not exceed the upper-bound of their federally allowable rate
31 range, and provided that the enhanced funding is used only to provide
32 medicaid state plan or waiver services to medicaid clients.
33 Additionally, regional support networks may use a portion of the state
34 funds allocated in accordance with (a) of this subsection to earn
35 additional medicaid match, but only to the extent that the application
36 of such funds to medicaid services does not diminish the level of
37 crisis and commitment, community inpatient, residential care, and

1 outpatient services presently available to persons not eligible for
2 medicaid.

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

9 (l) \$523,000 of the general fund--state appropriation for fiscal
10 year 2014, \$775,000 of the general fund--state appropriation for fiscal
11 year 2015, and \$854,000 of the general fund--federal appropriation are
12 provided solely for implementation of sections 3 through 5 of chapter
13 289, Laws of 2013 (E2SHB 1114). Regional support networks must use
14 this funding for the development of intensive community programs that
15 allow individuals to be diverted or transitioned from the state
16 hospitals in accordance with plans approved by the department. If
17 chapter 289, Laws of 2013 (E2SHB 1114) is not enacted by June 30, 2013,
18 the amounts provided in this subsection shall lapse.

19 (m) \$5,986,000 of the general fund--state appropriation for fiscal
20 year 2014, \$11,592,000 of the general fund--state appropriation for
21 fiscal year 2015, and \$10,160,000 of the general fund--federal
22 appropriation are provided solely for implementation of chapter 335,
23 Laws of 2013 (ESSB 5480). Regional support networks must use this
24 funding for the development of intensive community programs that allow
25 individuals to be diverted or transitioned from the state hospitals in
26 accordance with plans approved by the department.

27 (n) Due to recent approval of federal medicaid matching funds for
28 the disability lifeline and the alcohol and drug abuse treatment
29 support act programs, the department shall charge regional support
30 networks for only the state share rather than the total cost of
31 community psychiatric hospitalization for persons enrolled in those
32 programs.

33 (2) INSTITUTIONAL SERVICES

34	General Fund--State Appropriation (FY 2014)	\$133,592,000
35	General Fund--State Appropriation (FY 2015)	\$131,116,000
36	General Fund--Federal Appropriation	\$149,867,000
37	General Fund--Private/Local Appropriation	\$63,097,000
38	TOTAL APPROPRIATION	\$477,672,000

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

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

6 (b) \$231,000 of the general fund--state appropriation for fiscal
7 year 2014 and \$231,000 of the general fund--state appropriation for
8 fiscal year 2015 are provided solely for a community partnership
9 between western state hospital and the city of Lakewood to support
10 community policing efforts in the Lakewood community surrounding
11 western state hospital. The amounts provided in this subsection (2)(b)
12 are for the salaries, benefits, supplies, and equipment for one full-
13 time investigator, one full-time police officer, and one full-time
14 community service officer at the city of Lakewood.

15 (c) \$45,000 of the general fund--state appropriation for fiscal
16 year 2014 and \$45,000 of the general fund--state appropriation for
17 fiscal year 2015 are provided solely for payment to the city of
18 Lakewood for police services provided by the city at western state
19 hospital and adjacent areas.

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

25 (3) SPECIAL PROJECTS

26	General Fund--State Appropriation (FY 2014)	\$1,163,000
27	General Fund--State Appropriation (FY 2015)	\$1,164,000
28	General Fund--Federal Appropriation	\$6,108,000
29	TOTAL APPROPRIATION	\$8,435,000

30 The appropriations in this subsection are subject to the following
31 conditions and limitations: \$1,161,000 of the general fund--state
32 appropriation for fiscal year 2014 and \$1,161,000 of the general fund--
33 state appropriation for fiscal year 2015 are provided solely for
34 children's evidence-based mental health services.

35 (4) PROGRAM SUPPORT

36	General Fund--State Appropriation (FY 2014)	\$5,287,000
37	General Fund--State Appropriation (FY 2015)	\$4,791,000

1	General Fund--Federal Appropriation	\$7,719,000
2	General Fund--Private/Local Appropriation	\$502,000
3	TOTAL APPROPRIATION	\$18,299,000

4 (a) The appropriations in this subsection are subject to the
5 following conditions and limitations: In accordance with RCW
6 43.20B.110, 43.135.055, and 71.24.035, the department is authorized to
7 adopt license and certification fees in fiscal years 2014 and 2015 to
8 support the costs of the regulatory program. The department's fee
9 schedule shall have differential rates for providers with proof of
10 accreditation from organizations that the department has determined to
11 have substantially equivalent standards to those of the department,
12 including but not limited to the joint commission on accreditation of
13 health care organizations, the commission on accreditation of
14 rehabilitation facilities, and the council on accreditation. To
15 reflect the reduced costs associated with regulation of accredited
16 programs, the department's fees for organizations with such proof of
17 accreditation must reflect the lower costs of licensing for these
18 programs than for other organizations which are not accredited.

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

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

28 (d) In developing the new medicaid managed care rates under which
29 the public mental health managed care system will operate, the
30 department must seek to estimate the reasonable and necessary cost of
31 efficiently and effectively providing a comparable set of medically
32 necessary mental health benefits to persons of different acuity levels
33 regardless of where in the state they live. The department must report
34 to the office of financial management and to the relevant fiscal and
35 policy committees of the legislature on its proposed new mental health
36 managed care rate-setting approach by August 1, 2013, and again at
37 least sixty days prior to implementation of new capitation rates.

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

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

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

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

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

29 (1) COMMUNITY SERVICES

30 General Fund--State Appropriation (FY 2014)	\$442,565,000
31 General Fund--State Appropriation (FY 2015)	\$461,713,000
32 General Fund--Federal Appropriation	\$826,039,000
33 General Fund--Private/Local Appropriation	\$81,000
34 TOTAL APPROPRIATION	\$1,730,398,000

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

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

5 (b) In accordance with RCW 18.51.050, 18.20.050, 70.128.060, and
6 43.135.055, the department is authorized to increase nursing facility,
7 assisted living facility, and adult family home fees as necessary to
8 fully support the actual costs of conducting the licensure, inspection,
9 and regulatory programs. The license fees may not exceed the
10 department's annual licensing and oversight activity costs and shall
11 include the department's cost of paying providers for the amount of the
12 license fee attributed to medicaid clients.

13 (i) The current annual renewal license fee for adult family homes
14 shall be increased to \$241 per bed beginning in fiscal year 2014 and
15 \$242 per bed beginning in fiscal year 2015. A processing fee of \$2,750
16 shall be charged to each adult family home when the home is initially
17 licensed. This fee is nonrefundable.

18 (ii) The current annual renewal license fee for assisted living
19 facilities shall be increased to \$113 per bed beginning in fiscal year
20 2014 and \$114 per bed beginning in fiscal year 2015.

21 (iii) The current annual renewal license fee for nursing facilities
22 shall be increased to \$389 per bed beginning in fiscal year 2014 and
23 \$403 per bed beginning in fiscal year 2015.

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

32 (d) \$6,500,000 of the general fund--state appropriation for fiscal
33 year 2014 and \$6,500,000 of the general fund--state appropriation for
34 fiscal year 2015 are provided solely for the individual and family
35 services program. In order to maximize the number of clients served by
36 the program, the department must utilize past experience about award
37 utilization to guide the number of authorized awards, and must change
38 the maximum annual dollar amount awarded to each service priority

1 level. Changes to the award levels must be designed to limit the
2 average annual award for clients in the program during the 2013-2015
3 fiscal biennium to 60 percent of the average annual cost for clients in
4 the 2011-2013 fiscal biennium. Clients who are not receiving paid
5 services from the department, who are on the wait list for individual
6 and family services, and who are ineligible for medicaid personal care
7 may be added to the individual and family services program during the
8 2013-2015 fiscal biennium, provided the projected expenditures for the
9 ensuing biennium do not exceed \$13,000,000 of general fund--state. The
10 department must ensure that award levels are consistent for clients in
11 the individual and family services program and clients receiving a
12 state supplementary payment in lieu of individual and family services.
13 The department shall adopt rules to implement the terms of this
14 subsection. The department must electronically report to the
15 appropriate committees of the legislature within 45 days following each
16 fiscal year quarter, the number of persons served by the program, the
17 average cost of persons served by the program, the services received by
18 persons in the program, and the number of clients who had not
19 previously received paid services who have been added to the program.

20 (e) No later than December 31, 2013, the department shall report to
21 the appropriate fiscal committees of the legislature with a strategy to
22 reduce the rate disparity between urban and suburban residential
23 service providers. The report shall include a proposal for a rate
24 component that recognizes differences in costs as they relate to the
25 geographical location of the provider; however, the proposed component
26 shall use a geographical variable that is more granular than the
27 provider's county.

28 (f) \$1,547,000 of the general fund--state appropriation for fiscal
29 year 2015, and \$4,790,000 of the general fund--federal appropriation
30 are provided solely for a payment system that satisfies medicaid
31 requirements regarding time reporting for W-2 providers. The amounts
32 provided in this subsection are conditioned on the department
33 satisfying the requirements of the project management oversight
34 standards and policies established by the office of the chief
35 information officer.

36 (g) \$1,707,000 of the general fund--state appropriation for fiscal
37 year 2014, \$2,670,000 of the general fund--state appropriation for
38 fiscal year 2015, and \$4,376,000 of the general fund--federal

1 appropriation are provided solely for the homecare agency parity
2 impacts of the service employees international union healthcare 775nw
3 arbitration award.

4 (2) INSTITUTIONAL SERVICES

5	General Fund--State Appropriation (FY 2014)	\$85,347,000
6	General Fund--State Appropriation (FY 2015)	\$85,390,000
7	General Fund--Federal Appropriation	\$160,629,000
8	General Fund--Private/Local Appropriation	\$23,041,000
9	TOTAL APPROPRIATION	\$354,407,000

10 The appropriations in this subsection are subject to the following
11 conditions and limitations: Individuals receiving services as
12 supplemental security income (SSI) state supplemental payments shall
13 not become eligible for medical assistance under RCW 74.09.510 due
14 solely to the receipt of SSI state supplemental payments.

15 (3) PROGRAM SUPPORT

16	General Fund--State Appropriation (FY 2014)	\$1,943,000
17	General Fund--State Appropriation (FY 2015)	\$1,999,000
18	General Fund--Federal Appropriation	\$1,960,000
19	TOTAL APPROPRIATION	\$5,902,000

20 (4) SPECIAL PROJECTS

21	General Fund--State Appropriation (FY 2014)	\$1,400,000
22	General Fund--State Appropriation (FY 2015)	\$1,400,000
23	General Fund--Federal Appropriation	\$1,200,000
24	TOTAL APPROPRIATION	\$4,000,000

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

27	General Fund--State Appropriation (FY 2014)	\$875,867,000
28	General Fund--State Appropriation (FY 2015)	\$932,091,000
29	General Fund--Federal Appropriation	\$1,948,189,000
30	General Fund--Private/Local Appropriation	\$32,308,000
31	Traumatic Brain Injury Account--State Appropriation	\$3,393,000
32	Skilled Nursing Facility Safety Net Trust Account--State	
33	Appropriation	\$88,000,000
34	TOTAL APPROPRIATION	\$3,879,848,000

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

1 (1) For purposes of implementing chapter 74.46 RCW, the weighted
2 average nursing facility payment rate shall not exceed \$171.35 for
3 fiscal year 2014 and shall not exceed \$171.58 for fiscal year 2015,
4 including the rate add-ons described in (a) and (b) of this subsection.
5 However, if the waiver requested from the federal centers for medicare
6 and medicaid services in relation to the safety net assessment is for
7 any reason disapproved, the weighted average nursing facility payment
8 rate shall not exceed \$162.43 for fiscal year 2014 and shall not exceed
9 \$163.58 for fiscal year 2015. There will be no adjustments for
10 economic trends and conditions in fiscal years 2014 and 2015. The
11 economic trends and conditions factor or factors defined in the
12 biennial appropriations act shall not be compounded with the economic
13 trends and conditions factor or factors defined in any other biennial
14 appropriations acts before applying it to the component rate
15 allocations established in accordance with chapter 74.46 RCW. When no
16 economic trends and conditions factor for either fiscal year is defined
17 in a biennial appropriations act, no economic trends and conditions
18 factor or factors defined in any earlier biennial appropriations act
19 shall be applied solely or compounded to the component rate allocations
20 established in accordance with chapter 74.46 RCW.

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

33 (b) The department shall do a comparative analysis of the facility-
34 based payment rates calculated on July 1, 2013, using the payment
35 methodology defined in chapter 74.46 RCW and as funded in the omnibus
36 appropriations act, excluding the comparative add-on, acuity add-on,
37 and safety net reimbursement, to the facility-based payment rates in
38 effect June 30, 2010. If the facility-based payment rate calculated on

1 July 1, 2013, is smaller than the facility-based payment rate on June
2 30, 2010, then the difference shall be provided to the individual
3 nursing facilities as an add-on payment per medicaid resident day.

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

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

18 (e) The rate add-on provided in (c) of this subsection is subject
19 to the reconciliation and settlement process provided in RCW
20 74.46.022(6).

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

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

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

1 (a) The current annual renewal license fee for adult family homes
2 shall be increased to \$241 per bed beginning in fiscal year 2014 and
3 \$242 per bed beginning in fiscal year 2015. A processing fee of \$2,750
4 shall be charged to each adult family home when the home is initially
5 licensed. This fee is nonrefundable.

6 (b) The current annual renewal license fee for assisted living
7 facilities shall be increased to \$113 per bed beginning in fiscal year
8 2014 and \$114 per bed beginning in fiscal year 2015.

9 (c) The current annual renewal license fee for nursing facilities
10 shall be increased to \$389 per bed beginning in fiscal year 2014 and
11 \$403 per bed beginning in fiscal year 2015.

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

16 (5) \$30,640,000 of the general fund--state appropriation for fiscal
17 year 2014, \$48,633,000 of the general fund--state appropriation for
18 fiscal year 2015, and \$79,273,000 of the general fund--federal
19 appropriation are provided solely for the implementation of the
20 agreement reached between the governor and the service employees
21 international union healthcare 775nw through an interest arbitration
22 decision under the provisions of chapters 74.39A and 41.56 RCW for the
23 2013-2015 fiscal biennium.

24 (6) \$1,840,000 of the general fund--state appropriation for fiscal
25 year 2014 and \$1,877,000 of the general fund--state appropriation for
26 fiscal year 2015 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 (7) \$4,894,000 of the general fund--state appropriation for fiscal
31 year 2015, and \$15,150,000 of the general fund--federal appropriation
32 are provided solely for a payment system that satisfies medicaid
33 requirements regarding time reporting for W-2 providers. The amounts
34 provided in this subsection are conditioned on the department
35 satisfying the requirements of the project management oversight
36 standards and policies established by the office of the chief
37 information officer.

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

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

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

18 (11) \$36,000 of the general fund--state appropriation for fiscal
19 year 2014, \$17,000 of the general fund--state appropriation for fiscal
20 year 2015, and \$45,000 of the general fund--federal appropriation are
21 provided solely for member reimbursement, staff support, or other
22 expenses associated with the work of the joint legislative executive
23 committee on planning for aging and disability issues that is
24 established in section 130 of this act.

25 (12) \$240,000 of the general fund--state appropriation for fiscal
26 year 2014, \$1,342,000 of the general fund--state appropriation for
27 fiscal year 2015, and \$1,468,000 of the general fund--federal
28 appropriation are provided solely to implement chapter 320, Laws of
29 2013 (ESHB 1519) and chapter 338, Laws of 2013 (2SSB 5732).

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

32	General Fund--State Appropriation (FY 2014)	\$413,184,000
33	General Fund--State Appropriation (FY 2015)	\$418,321,000
34	General Fund--Federal Appropriation	\$1,208,882,000
35	General Fund--Private/Local Appropriation	\$30,594,000
36	TOTAL APPROPRIATION	\$2,070,981,000

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

3 (1)(a) \$196,090,000 of the general fund--state appropriation for
4 fiscal year 2014, \$193,441,000 of the general fund--state appropriation
5 for fiscal year 2015, and \$730,098,000 of the general fund--federal
6 appropriation are provided solely for all components of the WorkFirst
7 program. Within the amounts provided for the WorkFirst program, the
8 department may provide assistance using state-only funds for families
9 eligible for temporary assistance for needy families. The department
10 must create a WorkFirst budget structure that allows for transparent
11 tracking of budget units and subunits of expenditures where these units
12 and subunits are mutually exclusive from other department budget units.
13 The budget structure must include budget units for the following: Cash
14 assistance, child care, WorkFirst activities, and administration of the
15 program. Within these budget units, the department must develop
16 program index codes for specific activities and develop allotments and
17 track expenditures using these codes. The department shall report to
18 the office of financial management and the relevant fiscal and policy
19 committees of the legislature prior to adopting the new structure. The
20 secretary of the department of social and health services, working with
21 WorkFirst partner agencies and in collaboration with the WorkFirst
22 oversight task force, shall develop a plan for maximizing the following
23 outcomes and shall report back to the legislature by November 1, 2013.
24 The outcomes to be measured are: (i) Increased employment; (ii)
25 completion of education or post-secondary training; (iii) completion of
26 barrier removal activity including drug and alcohol or mental health
27 treatment; (iv) housing stability; (v) child care or education
28 stability for the children of temporary assistance for needy families
29 recipients; (vi) reduced rate of return after exit from the WorkFirst
30 program; and (vii) work participation requirements.

31 (b) \$442,888,000 of the amounts in (a) of this subsection are
32 provided solely for assistance to clients, including grants, diversion
33 cash assistance, and additional diversion emergency assistance
34 including but not limited to assistance authorized under RCW
35 74.08A.210. The department may use state funds to provide support to
36 working families that are eligible for temporary assistance for needy
37 families but otherwise not receiving cash assistance.

1 (c) \$173,019,000 of the amounts in (a) of this subsection are
2 provided solely for WorkFirst job search, education and training
3 activities, barrier removal services, limited English proficiency
4 services, and tribal assistance under RCW 74.08A.040. The department
5 must allocate this funding based on client outcomes and cost
6 effectiveness measures.

7 (d) \$362,111,000 of the amounts in (a) of this subsection are
8 provided solely for the working connections child care program under
9 RCW 43.215.135.

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

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

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

34 (4) On December 1, 2011, and annually thereafter, the department
35 must report to the legislature on all sources of funding available for
36 both refugee and immigrant services and naturalization services during
37 the current fiscal year and the amounts expended to date by service

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

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

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

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

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

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

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

35	General Fund--State Appropriation (FY 2014)	\$72,591,000
36	General Fund--State Appropriation (FY 2015)	\$62,360,000
37	General Fund--Federal Appropriation	\$277,410,000

1	General Fund--Private/Local Appropriation	\$13,559,000
2	Criminal Justice Treatment Account--State	
3	Appropriation	\$14,568,000
4	Problem Gambling Account--State Appropriation	\$1,450,000
5	TOTAL APPROPRIATION	\$441,938,000

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

8 (1) Within the amounts appropriated in this section, the department
9 may contract with the University of Washington and community-based
10 providers for the provision of the parent-child assistance program or
11 other specialized chemical dependency case management providers for
12 pregnant, post-partum, and parenting women. For all contractors: (a)
13 Service and other outcome data must be provided to the department by
14 request; (b) program modifications needed to maximize access to federal
15 medicaid matching funds will be phased in over the course of the 2013-
16 2015 fiscal biennium; and (c) indirect charges for administering the
17 program shall not exceed ten percent of the total contract amount.

18 (2) Within the amounts appropriated in this section, the department
19 shall continue to provide for chemical dependency treatment services
20 for adult medicaid eligible, pregnant and parenting women, disability
21 lifeline, and alcoholism and drug addiction treatment and support act,
22 and medical care services clients.

23 (3) In accordance with RCW 70.96A.090 and 43.135.055, the
24 department is authorized to adopt fees for the review and approval of
25 treatment programs in fiscal years 2014 and 2015 as necessary to
26 support the costs of the regulatory program. The department's fee
27 schedule shall have differential rates for providers with proof of
28 accreditation from organizations that the department has determined to
29 have substantially equivalent standards to those of the department,
30 including but not limited to the joint commission on accreditation of
31 health care organizations, the commission on accreditation of
32 rehabilitation facilities, and the council on accreditation. To
33 reflect the reduced costs associated with regulation of accredited
34 programs, the department's fees for organizations with such proof of
35 accreditation must reflect the lower cost of licensing for these
36 programs than for other organizations which are not accredited.

37 (4) \$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 (5) \$2,600,000 of the general fund--state appropriation for fiscal
5 year 2014 is provided solely for the department to transition 128 beds
6 from settings that are considered institutions for mental diseases to
7 facilities with no more than 16 beds that are able to claim federal
8 match for services provided to medicaid clients or individuals covered
9 under the department's section 1115 medicaid waiver. The department
10 may conduct a request for proposal process to fulfill this requirement
11 and adopt rates that are comparable to the pilot projects implemented
12 in the 2011-13 fiscal biennium. The department may use these funds to
13 assist with the costs of providers in setting up or converting to 16-
14 bed facilities. This funding may also be used for providers that are
15 developing new capacity for clients who will become eligible for
16 services under the affordable care act medicaid expansion. The number
17 of beds available for pregnant and parenting women must not be reduced.

18 (6) \$283,000 of the criminal justice treatment account
19 appropriation is provided solely for transitional funding for the
20 family drug court in Pierce county.

21 (7) Within the amounts appropriated in this section, the department
22 shall contract with the Washington state institute for public policy
23 for a long-term efficacy study of the chemical dependency treatment
24 programs funded by the division of alcohol and substance abuse. The
25 study shall focus on how many program participants successfully
26 complete dependency programs and how long they abstain from use of
27 drugs and alcohol.

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

30	General Fund--State Appropriation (FY 2014)	\$16,478,000
31	General Fund--State Appropriation (FY 2015)	\$16,568,000
32	General Fund--Federal Appropriation	\$99,413,000
33	TOTAL APPROPRIATION	\$132,459,000

34 The appropriations in this section are subject to the following
35 conditions and limitations: \$5,006,000 of the general fund--state
36 appropriation for fiscal year 2014 and \$5,094,000 of the general fund--

1 state appropriation for fiscal year 2015 are provided solely for
2 services and support to individuals who are deaf, hard of hearing, or
3 deaf-blind.

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

6	General Fund--State Appropriation (FY 2014)	\$36,706,000
7	General Fund--State Appropriation (FY 2015)	\$36,140,000
8	TOTAL APPROPRIATION	\$72,846,000

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

11 (1) The department shall transfer the stewardship of McNeil Island
12 to the department of corrections industries program. The transferred
13 responsibilities shall include marine operations, waste water
14 treatment, water treatment, road maintenance, and any other general
15 island maintenance that is not site specific to the operations of the
16 special commitment center or the Pierce county secure community
17 transition facility. Facility maintenance within the perimeter of the
18 special commitment center shall remain the responsibility of the
19 department of social and health services.

20 (2) \$3,120,000 of the general fund--state appropriation for fiscal
21 year 2014 and \$3,120,000 of the general fund--state appropriation for
22 fiscal year 2015 are provided solely for operational costs specific to
23 island operations of the special commitment center and the Pierce
24 county secure community transition facility. The department shall
25 establish an accounting structure that enables it to track and report
26 on costs specific to island operations.

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

29	General Fund--State Appropriation (FY 2014)	\$30,045,000
30	General Fund--State Appropriation (FY 2015)	\$29,477,000
31	General Fund--Federal Appropriation	\$37,148,000
32	General Fund--Private/Local Appropriation	\$654,000
33	TOTAL APPROPRIATION	\$97,324,000

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

1 (1) \$395,000 of the general fund--state appropriation for fiscal
2 year 2014, \$228,000 of the general fund--state appropriation for fiscal
3 year 2015, and \$335,000 of the general fund--federal appropriation are
4 provided solely to implement Engrossed Substitute House Bill No. 1519
5 (service coordination organizations) or Second Substitute Senate Bill
6 No. 5732 (adult behavioral health). If neither of the bills is enacted
7 by June 30, 2013, the amounts provided in this subsection shall lapse.

8 (2) \$300,000 of the general fund--state appropriation for fiscal
9 year 2014 and \$300,000 of the general fund--state appropriation for
10 fiscal year 2015 are provided solely for the Washington state mentors
11 program to continue its public-private partnerships to provide
12 technical assistance and training to mentoring programs that serve
13 at-risk youth.

14 (3) \$82,000 of the general fund--state appropriation for fiscal
15 year 2014, \$44,000 of the general fund--state appropriation for fiscal
16 year 2015, and \$28,000 of the general fund--federal appropriation are
17 provided solely to develop a report on state efforts to prevent and
18 control diabetes. The department, the health care authority, and the
19 department of health shall submit a coordinated report to the governor
20 and the appropriate committees of the legislature by December 31, 2014,
21 on the following:

22 (a) The financial impacts and reach that diabetes of all types and
23 undiagnosed gestational diabetes are having on the programs
24 administered by each agency and individuals, including children with
25 mothers with undiagnosed gestational diabetes, enrolled in those
26 programs. Items in this assessment must include: (i) The number of
27 lives with diabetes and undiagnosed gestational diabetes impacted or
28 covered by the programs administered by each agency; (ii) the number of
29 lives with diabetes, or at risk for diabetes, and family members
30 impacted by prevention and diabetes control programs implemented by
31 each agency; (iii) the financial toll or impact diabetes and its
32 complications, and undiagnosed gestational diabetes and the
33 complications experienced during labor to children of mothers with
34 gestational diabetes places on these programs in comparison to other
35 chronic diseases and conditions; and (iv) the financial toll or impact
36 diabetes and its complications, and diagnosed gestational diabetes and
37 the complications experienced during labor to children of mothers with
38 gestational diabetes places on these programs;

1 (b) An assessment of the benefits of implemented and existing
2 programs and activities aimed at controlling all types of diabetes and
3 preventing the disease. This assessment must also document the amount
4 and source for any funding directed to each agency for the programs and
5 activities aimed at reaching those with diabetes of all types;

6 (c) A description of the level of coordination existing between the
7 agencies on activities, programmatic activities, and messaging on
8 managing, treating, or preventing all types of diabetes and its
9 complications;

10 (d) The development or revision of detailed policy-related action
11 plans and budget recommendations for battling diabetes and undiagnosed
12 gestational diabetes that includes a range of actionable items for
13 consideration by the legislature. The plans and budget recommendations
14 must identify proposed action steps to reduce the impact of diabetes,
15 prediabetes, related diabetes complications, and undiagnosed
16 gestational diabetes. The plans and budget recommendations must also
17 identify expected outcomes of the action steps proposed in the
18 following biennium while also establishing benchmarks for controlling
19 and preventing all types of diabetes; and

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

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

25	General Fund--State Appropriation (FY 2014)	\$60,470,000
26	General Fund--State Appropriation (FY 2015)	\$60,511,000
27	General Fund--Federal Appropriation	\$55,264,000
28	TOTAL APPROPRIATION	\$176,245,000

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

30	General Fund--State Appropriation (FY 2014)	\$2,137,710,000
31	General Fund--State Appropriation (FY 2015)	\$2,135,241,000
32	General Fund--Federal Appropriation	\$7,213,604,000
33	General Fund--Private/Local Appropriation	\$57,808,000
34	Emergency Medical Services and Trauma Care Systems	
35	Trust Account--State Appropriation	\$15,082,000
36	Hospital Safety Net Assessment Fund--State	

1	Appropriation	\$668,967,000
2	Health Benefit Exchange Account--State Appropriation . . .	\$110,668,000
3	State Health Care Authority Administration Account--	
4	State Appropriation	\$34,846,000
5	Medical Aid Account--State Appropriation	\$528,000
6	Medicaid Fraud Penalty Account--State Appropriation	\$21,206,000
7	TOTAL APPROPRIATION	\$12,395,660,000

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

10 (1) Within the amounts appropriated in this section, the authority
11 shall implement the medicaid expansion defined in the social security
12 act, section 1902(a)(10)(A)(i)(VIII).

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

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

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

32 (c) The administrator shall take at least the following actions to
33 assure that persons participating in the basic health plan are eligible
34 for the level of assistance they receive: (a) Require submission of
35 (i) income tax returns, and recent pay history, from all applicants, or
36 (ii) other verifiable evidence of earned and unearned income from those
37 persons not required to file income tax returns; (b) check employment
38 security payroll records at least once every twelve months on all

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

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

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

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

34 (5) In determining financial eligibility for medicaid-funded
35 services, the health care authority is authorized to disregard
36 recoveries by Holocaust survivors of insurance proceeds or other
37 assets, as defined in RCW 48.104.030.

1 (6) 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 (7) When a person is ineligible for medicaid solely by reason of
5 residence in an institution for mental diseases, the health care
6 authority shall provide the person with the same benefits as he or she
7 would receive if eligible for medicaid, using state-only funds to the
8 extent necessary.

9 (8) \$4,261,000 of the general fund--state appropriation for fiscal
10 year 2014, \$4,261,000 of the general fund--state appropriation for
11 fiscal year 2015, and \$8,522,000 of the general fund--federal
12 appropriation are provided solely for low-income disproportionate share
13 hospital payments.

14 (9) \$400,000 of the general fund--state appropriation for fiscal
15 year 2014, \$400,000 of the general fund--state appropriation for fiscal
16 year 2015, and \$800,000 of the general fund--federal appropriation are
17 provided solely for disproportionate share hospital payments to rural
18 hospitals certified by the centers for medicare and medicaid services
19 as sole community hospitals as of January 1, 2013, with less than one
20 hundred fifty acute care licensed beds in fiscal year 2011 that do not
21 participate in the certified public expenditures program.

22 (10) \$50,000 of the general fund--state appropriation for fiscal
23 year 2014 and \$50,000 of the general fund--state appropriation for
24 fiscal year 2015 are provided solely for grants to rural hospitals in
25 Clallam county that were certified by the centers for medicare and
26 medicaid services as sole community hospitals as of January 1, 2013,
27 with less than one hundred fifty acute care licensed beds in fiscal
28 year 2011.

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

34 (12) \$6,000,000 of the general fund--federal appropriation is
35 provided solely for supplemental payments to nursing homes operated by
36 public hospital districts. The public hospital district shall be
37 responsible for providing the required nonfederal match for the
38 supplemental payment, and the payments shall not exceed the maximum

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

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

1 fiscal year of the biennium shall be compared to a baseline amount.
2 The baseline amount will be determined by the total of (a) the
3 inpatient claim payment amounts that would have been paid during the
4 fiscal year had the hospital not been in the CPE program based on the
5 reimbursement rates developed, implemented, and consistent with
6 policies approved in the 2013-2015 biennial operating appropriations
7 act and in effect on July 1, 2013, (b) one-half of the indigent
8 assistance disproportionate share hospital payment amounts paid to and
9 retained by each hospital during fiscal year 2005, and (c) all of the
10 other disproportionate share hospital payment amounts paid to and
11 retained by each hospital during fiscal year 2005 to the extent the
12 same disproportionate share hospital programs exist in the 2013-2015
13 fiscal biennium. If payments during the fiscal year exceed the
14 hospital's baseline amount, no additional payments will be made to the
15 hospital except the federal portion of allowable disproportionate share
16 hospital payments for which the hospital can certify allowable match.
17 If payments during the fiscal year are less than the baseline amount,
18 the hospital will be paid a state grant equal to the difference between
19 payments during the fiscal year and the applicable baseline amount.
20 Payment of the state grant shall be made in the applicable fiscal year
21 and distributed in monthly payments. The grants will be recalculated
22 and redistributed as the baseline is updated during the fiscal year.
23 The grant payments are subject to an interim settlement within eleven
24 months after the end of the fiscal year. A final settlement shall be
25 performed. To the extent that either settlement determines that a
26 hospital has received funds in excess of what it would have received as
27 described in this subsection, the hospital must repay the excess
28 amounts to the state when requested. \$5,319,000 of the general
29 fund--state appropriation for fiscal year 2014, of which \$6,570,000 is
30 appropriated in section 204(1) of this act, and \$1,141,000 of the
31 general fund--state appropriation for fiscal year 2015, of which
32 \$6,570,000 is appropriated in section 204(1) of this act, are provided
33 solely for state grants for the participating hospitals.

34 (14) The health care authority shall seek public-private
35 partnerships and federal funds that are or may become available to
36 provide on-going support for outreach and education efforts under the
37 federal children's health insurance program reauthorization act of
38 2009.

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

13 (16) \$170,000 of the general fund--state appropriation for fiscal
14 year 2014, \$121,000 of the general fund--state appropriation for fiscal
15 year 2015, and \$292,000 of the general fund--federal appropriation are
16 provided solely to implement Engrossed Substitute House Bill No. 1519
17 (service coordination organizations) and Second Substitute Senate Bill
18 No. 5732 (behavioral health services). If neither of the bills is
19 enacted by June 30, 2013, the amounts provided in this subsection shall
20 lapse.

21 (17) \$57,000 of the general fund--state appropriation for fiscal
22 year 2014, \$40,000 of the general fund--state appropriation for fiscal
23 year 2015, and \$55,000 of the general fund--federal appropriation are
24 provided solely to develop a report on state efforts to prevent and
25 control diabetes. The authority, the department of social and health
26 services, and the department of health shall submit a coordinated
27 report to the governor and the appropriate committees of the
28 legislature by December 31, 2014, on the following:

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

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

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

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

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

27 (e) An estimate of savings, efficiencies, costs, and budgetary
28 savings and resources required to implement the plans and budget
29 recommendations identified in (d) of this subsection (15).

30 (18) \$25,000 of the general fund--state appropriation for fiscal
31 year 2014 and \$25,000 of the general fund--federal appropriation are
32 provided solely for the development of recommendations for funding
33 integrated school nursing and outreach services. The authority shall
34 collaborate with the office of the superintendent of public instruction
35 to develop recommendations for increasing federal financial
36 participation for providing nursing services in schools with the goals
37 of integrating nursing and outreach services and supporting one nurse
38 for every four hundred fifty students in elementary schools and one

1 nurse for every seven hundred fifty students in secondary schools. In
2 developing these recommendations, the authority shall inquire with the
3 federal centers for medicare and medicaid services about state plan
4 amendment or waiver options for receiving additional federal matching
5 funds for school nursing services provided to children enrolled in
6 apple health for kids. The recommendations shall include proposals for
7 funding training and reimbursement for nurses that provide outreach
8 services to help eligible students enroll in apple health for kids and
9 other social services programs. The authority and the office of the
10 superintendent of public instruction shall provide these
11 recommendations to the governor and the legislature by December 1,
12 2013.

13 (19) \$430,000 of the general fund--state appropriation for fiscal
14 year 2014 and \$500,000 of the general fund--federal appropriation are
15 provided solely to complete grant requirements for the health
16 information exchange.

17 (20) \$143,000 of the general fund--state appropriation for fiscal
18 year 2014 and \$423,000 of the general fund--federal appropriation are
19 provided solely for the rebasing of outpatient and inpatient payment
20 methods.

21 (21) \$822,000 of the general fund--state appropriation for fiscal
22 year 2014, \$341,000 of the general fund--state appropriation for fiscal
23 year 2015, and \$9,710,000 of the general fund--federal appropriation
24 are provided solely to implement the conversion to the tenth version of
25 the world health organization's international classification of
26 diseases.

27 (22) \$111,000 of the general fund--state appropriation for fiscal
28 year 2014, \$35,000 of the general fund--state appropriation for fiscal
29 year 2015, and \$359,000 of the general fund--federal appropriation are
30 provided solely to update the medicaid information technology
31 architecture state self-assessment and to develop the five year road
32 map for the medicaid information technology architecture architect.

33 (23) \$62,000 of the general fund--state appropriation for fiscal
34 year 2014, \$62,000 of the general fund--state appropriation for fiscal
35 year 2015, and \$126,000 of the general fund--federal appropriation are
36 provided solely to support the Robert Bree collaborative's efforts to
37 disseminate evidence-based best practices for preventing and treating
38 health problems.

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

5 (25) The authority shall seek a medicaid state plan amendment to
6 create a professional services supplemental payment managed care
7 program for professional services delivered to managed care recipients
8 by University of Washington medicine and other public professional
9 providers. This program shall be effective as soon as administratively
10 possible and shall operate concurrently with the existing professional
11 services supplemental payment program. The authority shall apply
12 federal rules for identifying the difference between average commercial
13 rates and fee-for-service medicaid payments. This difference will be
14 multiplied by the number of managed care encounters and incorporated
15 into the managed care plan capitation rates by a certified actuary.
16 The managed care plans will pay the providers the difference
17 attributable to the increased capitation rate. Participating providers
18 shall be solely responsible for providing the local funds required to
19 obtain federal matching funds. Any incremental costs incurred by the
20 authority in the development, implementation, and maintenance of this
21 program shall be the responsibility of the participating providers.
22 Participating providers shall retain the full amount of supplemental
23 payments provided under this program, net of any costs related to the
24 program that are disallowed due to audits or litigation against the
25 state.

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

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

32 (28) The authority shall facilitate enrollment under the medicaid
33 expansion for clients applying for or receiving state funded services
34 from the authority and its contractors. Prior to open enrollment, the
35 authority shall coordinate with the department of social and health
36 services to provide referrals to the Washington health benefit exchange
37 for clients that will be ineligible for the medicaid expansion but are

1 enrolled in coverage that will be eliminated in the transition to the
2 medicaid expansion.

3 (29) \$90,000 of the general fund--state appropriation for fiscal
4 year 2014, \$90,000 of the general fund--state appropriation for fiscal
5 year 2015, and \$180,000 of the general fund--federal appropriation are
6 provided solely to continue operation by a nonprofit organization of a
7 toll-free hotline that assists families to learn about and enroll in
8 the apple health for kids program.

9 (30) The appropriations in this section reflect savings and
10 efficiencies by transferring children receiving medical care provided
11 through fee-for-service to medical care provided through managed care.

12 (31) \$150,000 of the general fund--state appropriation for fiscal
13 year 2014, \$436,000 of the general fund--state appropriation for fiscal
14 year 2015, and \$170,561,000 of the general fund--federal appropriation
15 are provided solely for the provider incentive program and other
16 initiatives related to the health information technology medicaid plan.

17 (32) The authority shall purchase a brand name drug when it
18 determines that the cost of the brand name drug after rebates is less
19 than the cost of generic alternatives and that purchase of the brand
20 rather than generic version can save at least \$250,000. The authority
21 may purchase generic alternatives when changes in market prices make
22 the price of the brand name drug after rebates more expensive than the
23 generic alternatives.

24 (33) The authority shall not subject antiretroviral drugs used to
25 treat HIV/AIDS, anticancer medications used to kill or slow the growth
26 of cancerous cells, antihemophilic drugs, or transplant drugs to the
27 preferred drug list, a drug formulary, or to any new access
28 limitations.

29 (34) \$1,531,000 of the general fund--state appropriation for fiscal
30 year 2014, \$280,000 of the general fund--state appropriation for fiscal
31 year 2015, and \$10,803,000 of the general fund--federal appropriation
32 are provided solely to implement phase two of the project to create a
33 single provider payment system that consolidates medicaid medical and
34 social services payments and replaces the social service payment
35 system. The amounts provided in this subsection are conditioned on the
36 authority satisfying the requirements of the project management
37 oversight standards and policies established by the office of the chief
38 information officer.

1 (35) Within the amounts appropriated in this section, the health
2 care authority and the department of social and health services shall
3 implement the state option to provide health homes for enrollees with
4 chronic conditions under section 2703 of the federal affordable care
5 act. The total state match for enrollees who are dually-eligible for
6 both medicare and medicaid and not enrolled in managed care shall be no
7 more than the net savings to the state from the enhanced match rate for
8 its medicaid-only managed care enrollees under section 2703.

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

26 (37) Within the amounts appropriated in this section, the authority
27 shall reimburse for primary care services provided by naturopathic
28 physicians.

29 (38) Within amounts appropriated, the health care authority shall
30 conduct a review of its management and staffing structure to identify
31 efficiencies and opportunities to reduce full time equivalent employees
32 and other administrative costs. A report summarizing the review and
33 the authority's recommendations to reduce costs and full time
34 equivalent employees must be submitted to the governor and legislature
35 by November 1, 2013.

36 (39) \$19,250,000 of the health benefit exchange account--state
37 appropriation and \$2,750,000 of the general fund--federal appropriation

1 are provided solely to support the operations of the Washington health
2 benefit exchange from January 1, 2015, to June 30, 2015.

3 (40) \$1,540,000 of the general fund--state appropriation for fiscal
4 year 2014, \$946,000 of the general fund--state appropriation for fiscal
5 year 2015, \$930,000 of the health benefit exchange account--state
6 appropriation, and \$10,743,000 of the general fund--federal
7 appropriation are provided solely for the medicaid and children's
8 health insurance program shares of costs allocated from the health
9 benefit exchange. The amounts provided in this subsection shall lapse
10 if Engrossed Substitute House Bill No. 1947 (Washington health benefit
11 exchange) is not enacted by June 30, 2013, and the office of financial
12 management determines by January 1, 2013, that the charges to enrollees
13 and the state under the health benefit exchange's self-sustaining
14 methodology exceed 3.4 percent of premiums paid.

15 (41) Within the amounts appropriated in this section, the authority
16 shall continue to provide coverage for pregnant teens that cannot
17 qualify for medicaid or the federal children's health insurance
18 program.

19 (42) Upon implementation of the medicaid expansion under subsection
20 (1) of this section, the breast and cervical cancer treatment program
21 is eliminated. To maintain continuity of coverage, the authority shall
22 offer the option to stay in a fee-for-service program to clients that
23 are already enrolled in the breast and cervical cancer treatment
24 program and will be transitioned into the new adult group upon
25 implementation of the medicaid expansion. The authority will continue
26 to provide coverage to clients that are already enrolled in the breast
27 and cervical cancer treatment program at the time of program
28 elimination until their courses of treatment are completed.

29 (43) \$40,000 of the general fund--state appropriation for fiscal
30 year 2014 and \$40,000 of the general fund--federal appropriation are
31 provided solely for the authority to create a new position to provide
32 adequate oversight and assistance to managed care organizations, rural
33 health clinics, and federally qualified health centers under a new
34 administratively streamlined payment methodology. Effective July 1,
35 2013, or upon obtaining any necessary federal approval, but in no case
36 during the first quarter of a calendar year, the authority shall
37 implement an administratively streamlined payment methodology for
38 federally qualified health centers and rural health clinics. State

1 payments to managed care organizations shall include the full encounter
2 payments for federally qualified health centers and rural health
3 clinics as defined in the medicaid state plan and in accordance with
4 section 1902(bb) of the social security act (42 U.S.C. 1396a(bb)). For
5 any services eligible for encounter payments, as defined in the
6 medicaid state plan, managed care organizations shall be required to
7 pay at least the full published encounter rates directly to each clinic
8 or center. The authority will require participating managed care
9 organizations to reimburse federally qualified health centers and rural
10 health clinics for clean claims in strict adherence to the timeliness
11 of payment standards established under contract and specified for the
12 medicaid fee-for-service program in section 1902(a)(37) of the social
13 security act (42 U.S.C. 1396a(a)(37)), 42 C.F.R. Sec. 447.46, and
14 specified for health carriers in WAC 284-43-321. The authority shall
15 exercise all necessary options under its existing sanctions policy to
16 enforce timely payment of claims. The authority shall ensure necessary
17 staff and resources are identified to actively monitor and enforce the
18 timeliness and accuracy of payments to federally qualified health
19 centers and rural health clinics. By January 1, 2014, and after
20 collaboration with federally qualified health centers, rural health
21 clinics, managed care plans, and the centers for medicare and medicaid
22 services, the authority will produce a report that provides options for
23 a new payment methodology that rewards innovation and outcomes over
24 volume of services delivered, and which maintains the integrity of the
25 rural health clinic program as outlined under federal law. The report
26 will detail necessary federal authority for implementation and provide
27 the benefits and drawbacks of each option.

28 (44) Sufficient amounts are appropriated in this section to remove
29 the mental health visit limit and to provide the shingles vaccine and
30 screening, brief intervention, and referral to treatment benefits that
31 are available in the medicaid alternative benefit plan in the current
32 medicaid benefit plan beginning January 1, 2014. The authority shall
33 monitor the costs of the habilitative benefit as part of the
34 forecasting process but shall not provide this benefit in the current
35 medicaid benefit plan without a direct appropriation in the omnibus
36 appropriations act.

37 (45) The appropriations in this section reflect savings and
38 efficiencies achieved by modifying dispensing methods of contraceptive

1 drugs. The authority must make arrangements for all medicaid programs
 2 offered through managed care plans or fee-for-service programs to
 3 require dispensing of contraceptive drugs with a one-year supply
 4 provided at one time unless a patient requests a smaller supply or the
 5 prescribing physician instructs that the patient must receive a smaller
 6 supply. Contracts with managed care plans must allow on-site
 7 dispensing of the prescribed contraceptive drugs at family planning
 8 clinics. Dispensing practices must follow clinical guidelines for
 9 appropriate prescribing and dispensing to ensure the health of the
 10 patient while maximizing access to effective contraceptive drugs.

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

12	General Fund--State Appropriation (FY 2014)	\$2,077,000
13	General Fund--State Appropriation (FY 2015)	\$2,002,000
14	General Fund--Federal Appropriation	\$2,190,000
15	TOTAL APPROPRIATION	\$6,269,000

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

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

23	Worker and Community Right-to-Know Account--State	
24	Appropriation	\$10,000
25	Accident Account--State Appropriation	\$19,790,000
26	Medical Aid Account--State Appropriation	\$19,790,000
27	TOTAL APPROPRIATION	\$39,590,000

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

30	General Fund--State Appropriation (FY 2014)	\$14,360,000
31	General Fund--State Appropriation (FY 2015)	\$14,274,000
32	General Fund--Private/Local Appropriation	\$3,059,000
33	Death Investigations Account--State Appropriation	\$148,000
34	Municipal Criminal Justice Assistance Account--	
35	State Appropriation	\$460,000

1	Washington Auto Theft Prevention Authority Account--	
2	State Appropriation	\$8,597,000
3	TOTAL APPROPRIATION	\$40,898,000

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

6 (1) \$5,000,000 of the general fund--state appropriation for fiscal
7 year 2014 and \$5,000,000 of the general fund--state appropriation for
8 fiscal year 2015, are provided to the Washington association of
9 sheriffs and police chiefs solely to verify the address and residency
10 of registered sex offenders and kidnapping offenders under RCW
11 9A.44.130.

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

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

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

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

1 program, using the best practices in school safety, for all school
2 safety personnel. The commission shall provide research-related
3 programs in school safety and security issues beneficial to both law
4 enforcement and schools.

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

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

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

19	General Fund--State Appropriation (FY 2014)	\$17,054,000
20	General Fund--State Appropriation (FY 2015)	\$17,668,000
21	General Fund--Federal Appropriation	\$11,876,000
22	Asbestos Account--State Appropriation	\$367,000
23	Electrical License Account--State Appropriation	\$37,177,000
24	Farm Labor Contractor Account--State Appropriation	\$28,000
25	Worker and Community Right-to-Know Account--	
26	State Appropriation	\$904,000
27	Public Works Administration Account--State	
28	Appropriation	\$6,261,000
29	Manufactured Home Installation Training Account--	
30	State Appropriation	\$354,000
31	Accident Account--State Appropriation	\$260,561,000
32	Accident Account--Federal Appropriation	\$13,626,000
33	Medical Aid Account--State Appropriation	\$279,402,000
34	Medical Aid Account--Federal Appropriation	\$3,186,000
35	Plumbing Certificate Account--State Appropriation	\$1,735,000
36	Pressure Systems Safety Account--State	
37	Appropriation	\$4,200,000

1 TOTAL APPROPRIATION \$654,399,000

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

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

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

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

19 (4) \$465,000 of the accident account--state appropriation and
20 \$355,000 of the medical aid account--state appropriation are provided
21 solely for the logging safety initiative effort and the goal of
22 reducing the frequency and severity of injuries in manual or
23 nonmechanized logging. \$200,000 of the medical aid account--state
24 appropriation provided in this subsection may come from unspent safety
25 and health investment program grants and is not subject to the process
26 established in RCW 49.17.243. The department of labor and industries
27 shall use \$620,000 of the amounts provided in this subsection in the
28 calculation of workers' compensation premiums for the forest products
29 industry and any other appropriate risk classes in future biennia. The
30 department shall submit a report to the legislature by December 31,
31 2014, on the approach of using a third-party safety certification
32 vendor, and on the accomplishments, work to date, and future plans of
33 the logging safety task force. The report must identify options for
34 future funding of the program and provide a permanent funding
35 recommendation.

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

37 (1) HEADQUARTERS

1	General Fund--State Appropriation (FY 2014)	\$1,996,000
2	General Fund--State Appropriation (FY 2015)	\$1,906,000
3	Charitable, Educational, Penal, and Reformatory	
4	Institutions Account--State Appropriation	\$10,000
5	TOTAL APPROPRIATION	\$3,912,000

6	(2) FIELD SERVICES	
7	General Fund--State Appropriation (FY 2014)	\$5,340,000
8	General Fund--State Appropriation (FY 2015)	\$5,321,000
9	General Fund--Federal Appropriation	\$3,460,000
10	General Fund--Private/Local Appropriation	\$4,425,000
11	Veteran Estate Management Account--Private/Local	
12	Appropriation	\$1,105,000
13	TOTAL APPROPRIATION	\$19,651,000

14 The appropriations in this subsection are subject to the following
15 conditions and limitations: \$300,000 of the general fund--state
16 appropriation for fiscal year 2014 and \$300,000 of the general fund--
17 state appropriation for fiscal year 2015 are provided solely to provide
18 crisis and emergency relief and education, training, and employment
19 assistance to veterans and their families in their communities through
20 the veterans innovation program.

21	(3) INSTITUTIONAL SERVICES	
22	General Fund--State Appropriation (FY 2014)	\$102,000
23	General Fund--State Appropriation (FY 2015)	\$20,000
24	General Fund--Federal Appropriation	\$69,102,000
25	General Fund--Private/Local Appropriation	\$39,209,000
26	TOTAL APPROPRIATION	\$108,433,000

27	<u>NEW SECTION.</u> Sec. 219. FOR THE DEPARTMENT OF HEALTH	
28	General Fund--State Appropriation (FY 2014)	\$60,937,000
29	General Fund--State Appropriation (FY 2015)	\$59,468,000
30	General Fund--Federal Appropriation	\$536,270,000
31	General Fund--Private/Local Appropriation	\$139,534,000
32	Hospital Data Collection Account--State Appropriation	\$222,000
33	Health Professions Account--State Appropriation	\$104,223,000
34	Aquatic Lands Enhancement Account--State Appropriation	\$604,000
35	Emergency Medical Services and Trauma Care Systems	
36	Trust Account--State Appropriation	\$12,320,000

1	Safe Drinking Water Account--State Appropriation	\$5,273,000
2	Drinking Water Assistance Account--Federal	
3	Appropriation	\$14,820,000
4	Waterworks Operator Certification--State	
5	Appropriation	\$1,561,000
6	Drinking Water Assistance Administrative Account--	
7	State Appropriation	\$340,000
8	Site Closure Account--State Appropriation	\$159,000
9	Biotoxin Account--State Appropriation	\$1,323,000
10	State Toxics Control Account--State Appropriation	\$3,805,000
11	Medical Test Site Licensure Account--State	
12	Appropriation	\$3,389,000
13	Youth Tobacco Prevention Account--State Appropriation	\$1,512,000
14	Public Health Supplemental Account--Private/Local	
15	Appropriation	\$3,236,000
16	Accident Account--State Appropriation	\$304,000
17	Medical Aid Account--State Appropriation	\$50,000
18	Medicaid Fraud Penalty Account--State	
19	Appropriation	\$973,000
20	TOTAL APPROPRIATION	\$950,323,000

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

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

1 any moneys under this subsection, the office of financial management
2 shall notify the legislative fiscal committees. As used in this
3 subsection, "unrestricted federal moneys" includes block grants and
4 other funds that federal law does not require to be spent on
5 specifically defined projects or matched on a formula basis by state
6 funds.

7 (b) The joint administrative rules review committee shall review
8 the new or amended rules pertaining to primary and secondary school
9 facilities under (a) of this subsection. The review committee shall
10 determine whether (i) the rules are within the intent of the
11 legislature as expressed by the statute that the rule implements, (ii)
12 the rule has been adopted in accordance with all applicable provisions
13 of law, or (iii) that the agency is using a policy or interpretive
14 statement in place of a rule. The rules review committee shall report
15 to the appropriate policy and fiscal committees of the legislature the
16 results of committee's review and any recommendations that the
17 committee deems advisable.

18 (2) In accordance with RCW 43.70.250 and 43.135.055, the department
19 is authorized to establish and raise fees in fiscal year 2014 as
20 necessary to meet the actual costs of conducting business and the
21 appropriation levels in this section. This authorization applies to
22 fees required for newborn screening, and fees associated with the
23 following professions: Agency affiliated counselors; certified
24 counselors; and certified advisors.

25 (3)(a) \$50,000 of the medicaid fraud penalty account--state
26 appropriation is provided solely for the department to integrate the
27 prescription monitoring program into the coordinated care electronic
28 tracking program developed in response to section 213, chapter 7, Laws
29 of 2012, 2nd sp. sess., commonly referred to as the seven best
30 practices in emergency medicine.

31 (b) The integration must provide prescription monitoring program
32 data to emergency department personnel when the patient registers in
33 the emergency department. Such exchange may be a private or public
34 joint venture, including the use of the state health information
35 exchange.

36 (c) As part of the integration, the department shall request
37 insurers and third-party administrators that provide coverage to

1 residents of Washington state to provide the following to the
2 coordinated care electronic tracking program:

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

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

10 (4) \$270,000 of the general fund--state appropriation for fiscal
11 year 2014 is provided solely for the Washington autism alliance to
12 assist autistic individuals and families with autistic children during
13 the transition to federal health reform.

14 (5) \$6,000 of the general fund--state appropriation for fiscal year
15 2014 and \$5,000 of the general fund--state appropriation for fiscal
16 year 2015 are provided solely for the department to convene a work
17 group to study and recommend language for standardized clinical
18 affiliation agreements for clinical placements associated with the
19 education and training of physicians licensed under chapter 18.71 RCW,
20 osteopathic physicians and surgeons licensed under chapter 18.57 RCW,
21 and nurses licensed under chapter 18.79 RCW. The work group shall
22 develop one recommended standardized clinical affiliation agreement for
23 each profession or one recommended standardized clinical affiliation
24 agreement for all three professions.

25 (a) When choosing members of the work group, the department shall
26 consult with the health care personnel shortage task force and shall
27 attempt to ensure that the membership of the work group is
28 geographically diverse. The work group must, at a minimum, include
29 representatives of the following:

30 (i) Two-year institutions of higher education;
31 (ii) Four-year institutions of higher education;
32 (iii) The University of Washington medical school;
33 (iv) The college of osteopathic medicine at the Pacific Northwest
34 University of Health Sciences;

35 (v) The health care personnel shortage task force;
36 (vi) Statewide organizations representing hospitals and other
37 facilities that accept clinical placements;

38 (vii) A statewide organization representing physicians;

1 (viii) A statewide organization representing osteopathic physicians
2 and surgeons;

3 (ix) A statewide organization representing nurses;

4 (x) A labor organization representing nurses; and

5 (xi) Any other groups deemed appropriate by the department in
6 consultation with the health care personnel shortage task force.

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

10 (6) \$65,000 of the general fund--state appropriation for fiscal
11 year 2014 and \$65,000 of the general fund--state appropriation for
12 fiscal year 2015 are for the midwifery licensure and regulatory program
13 to supplement revenue from fees. Current annual fees for new or
14 renewed licenses for the midwifery program, except for online access to
15 HEAL-WA, may increase by no more than the rate of inflation as measured
16 by the consumer price index. The department shall convene the
17 midwifery advisory committee on a quarterly basis to address issues
18 related to licensed midwifery.

19 (7) During the 2013-2015 fiscal biennium, each person subject to
20 RCW 43.70.110(3)(c) is required to pay only one surcharge of up to
21 twenty-five dollars annually for the purposes of RCW 43.70.112,
22 regardless of how many professional licenses the person holds.

23 (8) \$35,000 of the health professions account--state appropriation
24 is provided solely for the implementation of House Bill No. 1003
25 (health professions licensees). If the bill is not enacted by June 30,
26 2013, the amount provided in this subsection shall lapse.

27 (9) \$10,000 of the health professions account--state appropriation
28 is provided solely for the implementation of Substitute House Bill No.
29 1270 (board of denturists). If the bill is not enacted by June 30,
30 2013, the amount provided in this subsection shall lapse.

31 (10) \$10,000 of the health professions account--state appropriation
32 is provided solely for the implementation of Substitute House Bill No.
33 1271 (denturism). If the bill is not enacted by June 30, 2013, the
34 amount provided in this subsection shall lapse.

35 (11) \$11,000 of the health professions account--state appropriation
36 is provided solely for the implementation of House Bill No. 1330
37 (dental hygienists, assistants). If the bill is not enacted by June
38 30, 2013, the amount provided in this subsection shall lapse.

1 (12) \$1,008,000 of the health professions account--state
2 appropriation is provided solely for the implementation of Substitute
3 House Bill No. 1343 (nurses surcharge). If the bill is not enacted by
4 June 30, 2013, the amount provided in this subsection shall lapse.

5 (13) \$34,000 of the health professions account--state appropriation
6 is provided solely for the implementation of Substitute House Bill No.
7 1376 (suicide assessment training). If the bill is not enacted by June
8 30, 2013, the amount provided in this subsection shall lapse.

9 (14) \$10,000 of the health professions account--state appropriation
10 is provided solely for the implementation of Engrossed Substitute House
11 Bill No. 1515 (medical assistants). If the bill is not enacted by June
12 30, 2013, the amount provided in this subsection shall lapse.

13 (15) \$2,185,000 of the health professions account--state
14 appropriation is provided solely for the implementation of Second
15 Substitute House Bill No. 1518 (disciplinary authorities). If the bill
16 is not enacted by June 30, 2013, the amount provided in this subsection
17 shall lapse.

18 (16) \$141,000 of the general fund--private/local appropriation is
19 provided solely for the implementation of Substitute House Bill No.
20 1525 (birth certificates and information). If the bill is not enacted
21 by June 30, 2013, the amount provided in this subsection shall lapse.

22 (17) \$220,000 of the health professions account--state
23 appropriation is provided solely for the implementation of House Bill
24 No. 1534 (impaired dentist program). If the bill is not enacted by
25 June 30, 2013, the amount provided in this subsection shall lapse.

26 (18) \$51,000 of the health professions account--state appropriation
27 is provided solely for the implementation of House Bill No. 1609 (board
28 of pharmacy). If the bill is not enacted by June 30, 2013, the amount
29 provided in this subsection shall lapse.

30 (19) \$12,000 of the health professions account--state appropriation
31 is provided solely for the implementation of Substitute House Bill No.
32 1629 (home care continuing education). If the bill is not enacted by
33 June 30, 2013, the amount provided in this subsection shall lapse.

34 (20) \$18,000 of the health professions account--state appropriation
35 is provided solely for the implementation of Substitute House Bill No.
36 1737 (physician assistants). If the bill is not enacted by June 30,
37 2013, the amount provided in this subsection shall lapse.

1 (21) \$77,000 of the general fund--state appropriation for fiscal
2 year 2014 and \$38,000 of the general fund--state appropriation for
3 fiscal year 2015 are provided solely to develop a report on state
4 efforts to prevent and control diabetes. The department, the health
5 care authority, and the department of social and health services shall
6 submit a coordinated report to the governor and the appropriate
7 committees of the legislature by December 31, 2014, on the following:

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

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

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

34 (d) The development or revision of detailed policy-related action
35 plans and budget recommendations for battling diabetes and undiagnosed
36 gestational diabetes that includes a range of actionable items for
37 consideration by the legislature. The plans and budget recommendations
38 must identify proposed action steps to reduce the impact of diabetes,

1 prediabetes, related diabetes complications, and undiagnosed
2 gestational diabetes. The plans and budget recommendations must also
3 identify expected outcomes of the action steps proposed in the
4 following biennium while also establishing benchmarks for controlling
5 and preventing all types of diabetes; and

6 (e) An estimate of savings, efficiencies, costs, and budgetary
7 savings and resources required to implement the plans and budget
8 recommendations identified in (d) of this subsection (24).

9 (22) Within the general fund--state amounts appropriated in this
10 section, the department of health will develop and administer the
11 certified home care aide examination translated into at least seven
12 languages in addition to the languages in which the examination is
13 available on the effective date of this act. The purpose of offering
14 the examination in additional languages is to encourage an adequate
15 supply of certified home care aides to meet diverse long-term care
16 client needs.

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

18 (1) ADMINISTRATION AND SUPPORT SERVICES

19 General Fund--State Appropriation (FY 2014)	\$57,085,000
20 General Fund--State Appropriation (FY 2015)	\$55,585,000
21 TOTAL APPROPRIATION	\$112,670,000

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

24 (a) \$35,000 of the general fund--state appropriation for fiscal
25 year 2014 and \$35,000 of the general fund-- state appropriation for
26 fiscal year 2015 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 (b) \$150,000 of the general fund--state appropriation for fiscal
37 year 2014 and \$75,000 of the general fund--state appropriation for

1 fiscal year 2015 are provided solely for the department to contract
2 with a consultant who can facilitate and provide project expertise on
3 the implementation of community and prison based offender programming
4 that follows the risk-needs-responsivity model.

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

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

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

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

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

36 (vi) The department shall hold the consultant on retainer to assist
37 the department as needed throughout the implementation process. The
38 consultant shall review quarterly the actual implementation compared to

1 the written implementation plan and shall provide a report to the
2 secretary of the department. The department shall provide reports to
3 the office of financial management and legislative fiscal committees as
4 follows:

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

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

9 (2) CORRECTIONAL OPERATIONS

10	General Fund--State Appropriation (FY 2014)	\$606,143,000
11	General Fund--State Appropriation (FY 2015)	\$607,085,000
12	General Fund--Federal Appropriation	\$3,322,000
13	Washington Auto Theft Prevention Authority Account--	
14	State Appropriation	\$7,586,000
15	State Toxics Control--State Appropriation	\$105,000
16	TOTAL APPROPRIATION	\$1,224,241,000

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

19 (a) During the 2013-2015 fiscal biennium, when contracts are
20 established or renewed for offender pay phone and other telephone
21 services provided to inmates, the department shall select the
22 contractor or contractors primarily based on the following factors:

23 (i) The lowest rate charged to both the inmate and the person paying
24 for the telephone call; and (ii) the lowest commission rates paid to
25 the department, while providing reasonable compensation to cover the
26 costs of the department to provide the telephone services to inmates
27 and provide sufficient revenues for the activities funded from the
28 institutional welfare betterment account.

29 (b) By December 1, 2013, the department of corrections shall
30 provide a report to the office of financial management and the
31 appropriate fiscal and policy committees of the legislature that
32 evaluates the department's inmate intake processes and expenditures and
33 makes recommendations for improvements. The evaluation must include an
34 analysis of lean management processes that, if adopted, could improve
35 the efficiency and cost effectiveness of inmate intake.

36 (c) By December 1, 2013, the department of corrections shall
37 provide a report to the office of financial management and the
38 appropriate fiscal and policy committees of the legislature that

1 evaluates the department's use of partial confinement and work release
2 programs and makes recommendations for improving public safety and
3 decreasing recidivism through increasing participation in partial
4 confinement re-entry and work release programs. In making its
5 recommendations, the department shall identify:

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

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

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

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

16 (d) By December 1, 2013, the department of corrections shall
17 provide a report to the office of financial management and the
18 appropriate fiscal and policy committees of the legislature that
19 evaluates the department's community parenting alternative program, and
20 makes recommendations for increasing participation in the program with
21 the goals of increasing public safety and decreasing recidivism. The
22 evaluation shall include recommendations for increasing the placement
23 of eligible offenders into the program and increasing eligibility to
24 other populations. In making its recommendations, the department shall
25 identify the percent of the eligible population currently entering the
26 program, outcomes to-date for program participants, and potential cost
27 savings from increasing placement of offenders into the program.

28 (e) The department of corrections shall contract with local and
29 tribal governments for the provision of jail capacity to house
30 offenders who violate the terms of their community supervision. A
31 contract shall not have a cost of incarceration in excess of \$85 per
32 day per offender. A contract shall not have a year-to-year increase in
33 excess of three percent per year. The contracts may include rates for
34 the medical care of offenders which exceed the daily cost of
35 incarceration and the limitation on year-to-year increase, provided
36 that medical payments conform to the department's offender health plan,
37 pharmacy formulary, and all off-site medical expenses are preapproved
38 by department utilization management staff.

1 (f) The department of corrections shall issue a competitive
2 solicitation by August 1, 2013, to contract with local jurisdictions
3 for the use of inmate bed capacity in lieu of prison beds operated by
4 the state. The department may contract for up to 300 beds statewide to
5 the extent that it is at no net cost to the department. The contracts
6 shall be for beds in western Washington and eastern Washington. The
7 duration of the contracts may be for up to four years. The department
8 shall not pay a rate greater than \$65 per day for all costs associated
9 with the offender while in the local correctional facility to include
10 programming and health care costs, or the equivalent of \$65 per day per
11 bed including programming and health care costs for full units. The
12 capacity provided at local correctional facilities must be for
13 offenders who the department of corrections defines as medium security
14 offenders. Local jurisdictions must provide health care to offenders
15 that meet standards set by the department. The department will report
16 to legislative fiscal committees and the office of financial management
17 by November 1, 2013, to provide a status update on implementation.

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

29 (h) \$1,026,000 of the general fund--state appropriation for fiscal
30 year 2014 and \$781,000 of the general fund--state appropriation for
31 fiscal year 2015 are provided solely to expand the piloted
32 risk-needs-responsivity model to include the use of cognitive
33 behavioral therapy with evidence-based programming at two minimum
34 security prison facilities and at the Monroe correctional complex.

35 (i) \$24,563,000 of the general fund--state appropriation for fiscal
36 year 2014 and \$25,606,000 of the general fund--state appropriation for
37 fiscal year 2015 are provided solely for offender programming.
38 Pursuant to section 220(1) of this act, the department shall develop

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

7 (j) \$36,000 of the general fund--state appropriation for fiscal
8 year 2014 and \$36,000 of the general fund--state appropriation for
9 fiscal year 2015 are provided solely for implementation of Engrossed
10 Senate Bill No. 5484 (assault in the third-degree). If the bill is not
11 enacted by June 30, 2013, the amounts provided in this subsection shall
12 lapse.

13 (k) \$244,000 of the general fund--state appropriation for fiscal
14 year 2014 is provided solely for the costs incurred by Snohomish county
15 for *State v. Scherf*.

16 (3) COMMUNITY SUPERVISION

17	General Fund--State Appropriation (FY 2014)	\$129,472,000
18	General Fund--State Appropriation (FY 2015)	\$131,102,000
19	County Criminal Justice Assistance Account--State	\$1,906,000
20	Ignition Interlock Device Revolving Account--State	\$2,200,000
21	TOTAL APPROPRIATION	\$264,680,000

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

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

32 (b) \$4,186,000 of the general fund--state appropriation for fiscal
33 year 2014 and \$6,362,000 of the general fund--state appropriation for
34 fiscal year 2015 must be expended on evidence-based programs that
35 follow the risk-needs-responsivity model. The department is authorized
36 to use up to ten percent of these funds as necessary to secure physical
37 space as needed to maximize program delivery of evidence-based
38 treatment to all high-risk, high-need offenders in community

1 supervision. Funding may be prioritized by the department to any
2 program recognized as evidence-based for adult offenders by the
3 Washington state institute for public policy.

4 (c) \$16,513,000 of the general fund--state appropriation for fiscal
5 year 2014 and \$16,527,000 of the general fund--state appropriation for
6 fiscal year 2015 are provided solely for offender programming.
7 Pursuant to section 220 (1) of this act, the department shall develop
8 and implement a written comprehensive plan for offender programming
9 that prioritizes programs which follow the risk-needs-responsivity
10 model, are evidence-based, and have measurable outcomes. The
11 department is authorized to discontinue ineffective programs and to
12 repurpose underspent funds according to the priorities in the written
13 plan.

14 (4) CORRECTIONAL INDUSTRIES

15	General Fund--State Appropriation (FY 2014)	\$6,472,000
16	General Fund--State Appropriation (FY 2015)	\$7,060,000
17	TOTAL APPROPRIATION	\$13,532,000

18 The appropriations in this subsection are subject to the following
19 conditions and limitations: \$2,985,000 of the general fund--state
20 appropriation for fiscal year 2014 and \$3,583,000 of the general fund--
21 state appropriation for fiscal year 2015 are provided solely for the
22 stewardship of McNeil island. The department shall assume
23 responsibility of all island maintenance excluding site specific
24 maintenance operations for the special commitment center and the Pierce
25 county secure transitional facility. The department shall as part of
26 its industries program provide job skills to offenders while providing
27 the minimum maintenance and preservation necessary for the state to
28 remain in compliance with the federal deed for McNeil island. The
29 department shall report on efficiencies and potential cost reductions
30 to the office of financial management and legislative fiscal committees
31 by December 15, 2013.

32 (5) INTERAGENCY PAYMENTS

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

36 The appropriations in this subsection are subject to the following
37 conditions and limitations: The state prison medical facilities may

1 use funds appropriated in this subsection to purchase goods and
2 supplies through hospital or other group purchasing organizations when
3 it is cost effective to do so.

4 NEW SECTION. **Sec. 221. FOR THE DEPARTMENT OF SERVICES FOR THE**
5 **BLIND**

6	General Fund--State Appropriation (FY 2014)	\$2,242,000
7	General Fund--State Appropriation (FY 2015)	\$2,202,000
8	General Fund--Federal Appropriation	\$21,080,000
9	General Fund--Private/Local Appropriation	\$60,000
10	TOTAL APPROPRIATION	\$25,584,000

11 NEW SECTION. **Sec. 222. FOR THE EMPLOYMENT SECURITY DEPARTMENT**

12	General Fund--Federal Appropriation	\$270,061,000
13	General Fund--Private/Local Appropriation	\$34,229,000
14	Unemployment Compensation Administration Account--	
15	Federal Appropriation	\$320,596,000
16	Administrative Contingency Account--State	
17	Appropriation	\$22,771,000
18	Employment Service Administrative Account--State	
19	Appropriation	\$35,851,000
20	TOTAL APPROPRIATION	\$683,508,000

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

23 (1) \$12,386,000 of the unemployment compensation administration
24 account--federal appropriation is from amounts made available to the
25 state by section 903(g) of the social security act (Reed act). This
26 amount is provided solely for the replacement of the unemployment
27 insurance tax information system for the employment security
28 department. The amounts provided in this subsection are conditioned on
29 the department satisfying the requirements of the project management
30 oversight standards and policies established by the office of the chief
31 information officer.

32 (2) \$3,735,000 of the unemployment compensation account--federal
33 appropriation is from amounts made available to the state by section
34 903(g) of the social security act (Reed act). This amount is provided
35 solely for the replacement of call center technology to improve the

1 integration of the telephone and computing systems to increase
2 efficiency and improve customer service.

3 (3) \$182,000 of the employment services administrative account--
4 state appropriation is provided for costs associated with the second
5 stage of the review and evaluation of the training benefits program as
6 directed in section 15(2), chapter 4, Laws of 2011 (unemployment
7 insurance program). This second stage shall be developed and conducted
8 by the joint legislative audit and review committee and shall consist
9 of further work on the process study and net-impact/cost-benefit
10 analysis components of the evaluation.

11 (4) \$240,000 of the administrative contingency account--state
12 appropriation is provided solely for the employment security department
13 to contract with a center for workers in King county. The amount
14 appropriated in this subsection shall be used by the contracted center
15 for workers to support initiatives that generate high-skill, high-wage
16 jobs; improve workforce and training systems; improve service delivery
17 for dislocated workers; and build alliances with community and
18 environmental organizations.

19 (5) The department is prohibited from expending amounts
20 appropriated in this section for implementation of chapter 49.86 RCW.

(End of part)

PART III
NATURAL RESOURCES

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

General Fund--State Appropriation (FY 2014)	\$444,000
General Fund--State Appropriation (FY 2015)	\$448,000
General Fund--Federal Appropriation	\$31,000
General Fund--Private/Local Appropriation	\$875,000
TOTAL APPROPRIATION	\$1,798,000

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

General Fund--State Appropriation (FY 2014)	\$30,854,000
General Fund--State Appropriation (FY 2015)	\$30,568,000
General Fund--Federal Appropriation	\$105,314,000
General Fund--Private/Local Appropriation	\$16,927,000
Reclamation Account--State Appropriation	\$3,740,000
Flood Control Assistance Account--State Appropriation	\$1,987,000
State Emergency Water Projects Revolving Account--State Appropriation	\$40,000
Waste Reduction/Recycling/Litter Control--State Appropriation	\$9,734,000
State Drought Preparedness Account--State Appropriation	\$204,000
State and Local Improvements Revolving Account (Water Supply Facilities)--State Appropriation	\$427,000
Aquatic Algae Control Account--State Appropriation	\$513,000
Water Rights Tracking System Account--State Appropriation	\$46,000
Site Closure Account--State Appropriation	\$557,000
Wood Stove Education and Enforcement Account--State Appropriation	\$613,000
Worker and Community Right-to-Know Account--State Appropriation	\$1,703,000
Water Rights Processing Account--State Appropriation	\$135,000
State Toxics Control Account--State Appropriation	\$148,333,000
State Toxics Control Account--Private/Local Appropriation	\$980,000

1	Local Toxics Control Account--State Appropriation	\$27,337,000
2	Water Quality Permit Account--State Appropriation	\$41,039,000
3	Underground Storage Tank Account--State Appropriation	\$3,353,000
4	Biosolids Permit Account--State Appropriation	\$1,850,000
5	Hazardous Waste Assistance Account--State	
6	Appropriation	\$6,046,000
7	Air Pollution Control Account--State Appropriation	\$3,130,000
8	Oil Spill Prevention Account--State Appropriation	\$5,692,000
9	Air Operating Permit Account--State Appropriation	\$3,136,000
10	Freshwater Aquatic Weeds Account--State Appropriation	\$1,410,000
11	Oil Spill Response Account--State Appropriation	\$7,076,000
12	Water Pollution Control Revolving Account--State	
13	Appropriation	\$357,000
14	Water Pollution Control Revolving Account--Federal	
15	Appropriation	\$1,509,000
16	Water Pollution Control Revolving Administration	
17	Account--State Appropriation	\$1,021,000
18	TOTAL APPROPRIATION	\$455,631,000

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 4.55 percent in fiscal year
30 2014 and 4.63 percent in fiscal year 2015; and reasonably available
31 control technology fee.

32 (3) \$1,981,000 of the state toxics control account--state
33 appropriation is for the department to provide training regarding the
34 benefits of low-impact development including, but not limited to, when
35 the use of low-impact development is appropriate and feasible, and the
36 design, installation, maintenance, and best practices of low-impact
37 development. The department will consult with Washington State
38 University extension low-impact development technical center and others

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

14 (4) \$440,000 of the state toxics control account--state
15 appropriation is provided solely for administering the water pollution
16 control facilities financial assistance program authorized in chapter
17 90.50A RCW.

18 (5) \$350,000 of the state toxics control account--state
19 appropriation is provided solely for the Spokane river regional toxics
20 task force to support their efforts to address elevated levels of
21 polychlorinated biphenyls in the Spokane river. Funding will be used
22 to determine the extent of the cleanup required, implement cleanup
23 actions to meet applicable water quality standards, and prevent
24 recontamination.

25 (6) \$516,000 of the state toxics control account--state
26 appropriation is provided solely for the department to support an
27 ultrafine particulate study to determine how, if at all, the biomass
28 cogeneration facilities in Port Townsend and Port Angeles may impact
29 air quality and the health of citizens in the region.

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

35 NEW SECTION. **Sec. 303. FOR THE STATE PARKS AND RECREATION**
36 **COMMISSION**

37 General Fund--State Appropriation (FY 2014) \$11,929,000

1	General Fund--State Appropriation (FY 2015)	\$11,929,000
2	General Fund--Federal Appropriation	\$6,017,000
3	Winter Recreation Program Account--State Appropriation . . .	\$2,065,000
4	ORV and Nonhighway Vehicle Account--State Appropriation . . .	\$215,000
5	Snowmobile Account--State Appropriation	\$4,860,000
6	Aquatic Lands Enhancement Account--State Appropriation	\$363,000
7	Parks Renewal and Stewardship Account--State	
8	Appropriation	\$93,298,000
9	Parks Renewal and Stewardship Account--Private/Local	
10	Appropriation	\$300,000
11	TOTAL APPROPRIATION	\$130,976,000

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

14 (1) \$79,000 of the general fund--state appropriation for fiscal
15 year 2014 and \$79,000 of the general fund--state appropriation for
16 fiscal year 2015 are provided solely for a grant for the operation of
17 the Northwest weather and avalanche center.

18 (2) Prior to closing any state park, the commission must notify all
19 affected local governments and relevant nonprofit organizations of the
20 intended closure and provide an opportunity for the notified local
21 governments and nonprofit organizations to elect to acquire, or enter
22 into, a maintenance and operating contract with the commission that
23 would allow the park to remain open.

24 (3) The commission shall prepare a report on its efforts to
25 increase revenue from all sources, including the discover pass. The
26 report shall also include a status update on the fiscal health of the
27 state parks system, and shall be submitted to the office of financial
28 management and the appropriate committees of the legislature by October
29 28, 2013.

30 NEW SECTION. **Sec. 304. FOR THE RECREATION AND CONSERVATION**
31 **FUNDING BOARD**

32	General Fund--State Appropriation (FY 2014)	\$823,000
33	General Fund--State Appropriation (FY 2015)	\$816,000
34	General Fund--Federal Appropriation	\$3,430,000
35	General Fund--Private/Local Appropriation	\$24,000
36	Aquatic Lands Enhancement Account--State Appropriation	\$480,000
37	Firearms Range Account--State Appropriation	\$37,000

1 Recreation Resources Account--State Appropriation \$3,089,000
 2 NOVA Program Account--State Appropriation \$965,000
 3 TOTAL APPROPRIATION \$9,664,000

4 NEW SECTION. **Sec. 305. FOR THE ENVIRONMENTAL AND LAND USE**
 5 **HEARINGS OFFICE**

6 General Fund--State Appropriation (FY 2014) \$2,227,000
 7 General Fund--State Appropriation (FY 2015) \$2,153,000
 8 TOTAL APPROPRIATION \$4,380,000

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

10 General Fund--State Appropriation (FY 2014) \$6,841,000
 11 General Fund--State Appropriation (FY 2015) \$6,746,000
 12 General Fund--Federal Appropriation \$2,301,000
 13 TOTAL APPROPRIATION \$15,888,000

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
 17 conservation commission, in consultation with conservation districts,
 18 must submit to the office of financial management and legislative
 19 fiscal committees by December 10, 2013, a report containing proposals
 20 for the consolidation of conservation districts within counties in
 21 which there is more than one district. The report must include details
 22 on the anticipated future savings that would be expected from
 23 consolidating districts starting on July 1, 2014.

24 (2) \$300,000 of the general fund--state appropriation for fiscal
 25 year 2014 and \$246,000 of the general fund--state appropriation for
 26 fiscal year 2015 are provided solely to implement the voluntary
 27 stewardship program in Thurston and Chelan counties. These amounts may
 28 not be used to fund agency indirect and administrative expenses.

29 (3) \$1,000,000 of the general fund--federal appropriation is
 30 provided solely to implement the voluntary stewardship program
 31 statewide. The commission shall place the appropriation in this
 32 subsection in unallotted status, and may not allot any of these funds
 33 until the federal government has provided funding to the commission for
 34 the purpose of implementing the voluntary stewardship program.

35 (4) The conservation commission must evaluate the current system
 36 for the election of conservation district board supervisors and

1 recommend improvements to ensure the highest degree of public
 2 involvement in these elections. The commission must engage with
 3 stakeholder groups and conservation districts to gather a set of
 4 options for improvement to district elections, which must include an
 5 option aligning district elections with state and local general
 6 elections. The commission must submit a report detailing the options
 7 to the office of financial management and appropriate committees of the
 8 legislature by December 10, 2013.

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

10	General Fund--State Appropriation (FY 2014)	\$30,521,000
11	General Fund--State Appropriation (FY 2015)	\$29,299,000
12	General Fund--Federal Appropriation	\$107,753,000
13	General Fund--Private/Local Appropriation	\$58,890,000
14	ORV and Nonhighway Vehicle Account--State Appropriation . . .	\$399,000
15	Aquatic Lands Enhancement Account--State	
16	Appropriation	\$15,928,000
17	Recreational Fisheries Enhancement--State Appropriation . . .	\$2,595,000
18	Warm Water Game Fish Account--State Appropriation	\$2,513,000
19	Eastern Washington Pheasant Enhancement Account--State	
20	Appropriation	\$849,000
21	Aquatic Invasive Species Enforcement Account--State	
22	Appropriation	\$209,000
23	Aquatic Invasive Species Prevention Account--State	
24	Appropriation	\$738,000
25	State Wildlife Account--State Appropriation	\$103,510,000
26	Special Wildlife Account--State Appropriation	\$2,406,000
27	Special Wildlife Account--Federal Appropriation	\$500,000
28	Special Wildlife Account--Private/Local Appropriation	\$3,447,000
29	Wildlife Rehabilitation Account--State Appropriation	\$259,000
30	State Toxics Control Account--State Appropriation	\$1,224,000
31	Hydraulic Project Approval Account--State Appropriation . . .	\$674,000
32	Regional Fisheries Enhancement Salmonid Recovery	
33	Account--Federal Appropriation	\$5,001,000
34	Oil Spill Prevention Account--State Appropriation	\$918,000
35	Oyster Reserve Land Account--State Appropriation	\$774,000
36	TOTAL APPROPRIATION	\$368,407,000

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

3 (1) \$130,000 of the general fund--state appropriation for fiscal
4 year 2014 and \$130,000 of the general fund--state appropriation for
5 fiscal year 2015 are provided solely to pay for emergency fire
6 suppression costs. These amounts may not be used to fund agency
7 indirect and administrative expenses.

8 (2) Prior to submitting its 2015-2017 biennial operating and
9 capital budget request related to state fish hatcheries to the office
10 of financial management, the department shall contract with the
11 hatchery scientific review group (HSRG) to review this request. This
12 review shall: (a) Determine if the proposed requests are consistent
13 with HSRG recommendations; (b) prioritize the components of the
14 requests based on their contributions to protecting wild salmonid
15 stocks and meeting the recommendations of the HSRG; and (c) evaluate
16 whether the proposed requests are being made in the most cost effective
17 manner. The department shall provide a copy of the HSRG review to the
18 office of financial management with their agency budget proposal.

19 (3) \$400,000 of the general fund--state appropriation for fiscal
20 year 2014 and \$400,000 of the general fund--state appropriation for
21 fiscal year 2015 are provided solely for a state match to support the
22 Puget Sound nearshore partnership between the department and the U.S.
23 army corps of engineers.

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

29 (5) During the 2013-2015 fiscal biennium, the department must
30 retain ownership and continue to occupy the downtown Olympia office
31 building at 600 Capitol Way.

32 (6) \$1,000,000 of the state wildlife account--state appropriation
33 is provided solely to the department for resources that serve to
34 promote and engage nonlethal deterrence methods relating to wolf and
35 livestock interaction with a priority given to funding cooperative
36 agreements with livestock producers, and for providing compensation for
37 injury or loss of livestock caused by wolves as prescribed in chapter
38 77.36 RCW.

1 (7) \$180,000 of the state wildlife account--state appropriation is
2 provided solely for the department to contract with a community-based
3 organization to disseminate information about apex predators in the
4 North Cascades.

5 (8) \$100,000 of the general fund--state appropriation for fiscal
6 year 2014 and \$100,000 of the general fund--state appropriation for
7 fiscal year 2015 are provided solely for the transfer of trout from the
8 Clark's Creek hatchery to the Lakewood hatchery.

9 (9) \$200,000 of the general fund--state appropriation for fiscal
10 year 2014 and \$200,000 of the general fund--state appropriation for
11 fiscal year 2015 are provided solely to the department for the
12 production of Steelhead, Coho, and Chinook at the Clark's Creek
13 hatchery.

14 (10) \$200,000 of the state wildlife account--state appropriation,
15 \$50,000 of the general fund--state appropriation for fiscal year 2014,
16 and \$50,000 of the general fund--state appropriation for fiscal year
17 2015 are provided solely for the department to increase production of
18 juvenile fall Chinook on the Cowlitz river. The funds provided may be
19 used to match or leverage funds from private or public sources for the
20 same purpose.

21 (11) \$596,000 of the general fund--state appropriation for fiscal
22 year 2014 and \$596,000 of the general fund--state appropriation for
23 fiscal year 2015 are provided solely for weed assessments and for
24 payments in lieu of real property taxes to counties that elect to
25 receive the payments for department owned game lands within the county.

26 (12) Within the amounts appropriated in this section, the
27 department must deploy additional wildlife conflict specialists to
28 provide landowner assistance and address wildlife conflicts, with at
29 least one additional specialist primarily assigned to each of the
30 following areas: Administrative region six of the department; Okanogan
31 and Chelan counties in administrative region two of the department; and
32 Whatcom and Skagit counties in administrative region four of the
33 department.

34 (13) \$25,000 of the general fund--state appropriation for fiscal
35 year 2014 and \$25,000 of the general fund--state appropriation for
36 fiscal year 2015 are provided solely for implementation of House Bill
37 No. 1112 (science and public policy). If the bill is not enacted by
38 June 30, 2013, the amounts provided in this subsection shall lapse.

1 (14) Within the amounts appropriated in this section the department
 2 shall work with the regional fisheries enhancement groups to identify
 3 a revenue source or sources capable of providing long-term funding to
 4 support the community-based salmon restoration work of regional
 5 fisheries enhancement groups. The department shall work with the
 6 regional fisheries enhancement group coalition to submit a report to
 7 the office of financial management and the appropriate legislative
 8 committees by December 1, 2013, with the outcomes and recommendations.

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

10	General Fund--State Appropriation (FY 2014)	\$41,933,000
11	General Fund--State Appropriation (FY 2015)	\$44,616,000
12	General Fund--Federal Appropriation	\$26,970,000
13	General Fund--Private/Local Appropriation	\$2,372,000
14	Forest Development Account--State Appropriation	\$49,132,000
15	ORV and Nonhighway Vehicle Account--State Appropriation . . .	\$4,501,000
16	Surveys and Maps Account--State Appropriation	\$2,173,000
17	Aquatic Lands Enhancement Account--State Appropriation	\$584,000
18	Resources Management Cost Account--State	
19	Appropriation	\$114,279,000
20	Surface Mining Reclamation Account--State Appropriation . . .	\$3,978,000
21	Disaster Response Account--State Appropriation	\$5,000,000
22	Forest and Fish Support Account--State Appropriation	\$11,760,000
23	Aquatic Land Dredged Material Disposal Site	
24	Account--State Appropriation	\$843,000
25	Natural Resources Conservation Areas Stewardship	
26	Account--State Appropriation	\$34,000
27	Marine Resources Stewardship Trust Account--State	
28	Appropriation	\$3,700,000
29	State Toxics Control Account--State Appropriation	\$4,028,000
30	Forest Practices Application Account--State	
31	Appropriation	\$1,697,000
32	Air Pollution Control Account--State Appropriation	\$786,000
33	NOVA Program Account--State Appropriation	\$651,000
34	Derelict Vessel Removal Account--State Appropriation	\$1,771,000
35	Agricultural College Trust Management Account--State	
36	Appropriation	\$2,716,000
37	TOTAL APPROPRIATION	\$323,524,000

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

3 (1) \$1,389,000 of the general fund--state appropriation for fiscal
4 year 2014 and \$1,327,000 of the general fund--state appropriation for
5 fiscal year 2015 are provided solely for deposit into the agricultural
6 college trust management account and are provided solely to manage
7 approximately 70,700 acres of Washington State University's
8 agricultural college trust lands.

9 (2) \$19,099,000 of the general fund--state appropriation for fiscal
10 year 2014, \$19,099,000 of the general fund--state appropriation for
11 fiscal year 2015, and \$5,000,000 of the disaster response account--
12 state appropriation are provided solely for emergency fire suppression.
13 None of the general fund and disaster response account amounts provided
14 in this subsection may be used to fund agency indirect and
15 administrative expenses. Agency indirect and administrative costs
16 shall be allocated among the agency's remaining accounts and
17 appropriations. The department of natural resources shall submit a
18 quarterly report to the office of financial management and the
19 legislative fiscal committees detailing information on current and
20 planned expenditures from the disaster response account. This work
21 shall be done in coordination with the military department.

22 (3) \$5,000,000 of the forest and fish support account--state
23 appropriation is provided solely for outcome-based, performance
24 contracts with tribes to participate in the implementation of the
25 forest practices program. Contracts awarded may only contain indirect
26 costs set at or below the rate in the contracting tribe's indirect cost
27 agreement with the federal government. If federal funding for this
28 purpose is reinstated, the amount provided in this subsection shall
29 lapse.

30 (4) \$660,000 of the forest and fish support account--state
31 appropriation is provided solely for outcome-based performance
32 contracts with nongovernmental organizations to participate in the
33 implementation of the forest practices program. Contracts awarded may
34 only contain indirect cost set at or below a rate of eighteen percent.

35 (5) \$717,000 of the forest and fish support account--state
36 appropriation is provided solely to fund interagency agreements with
37 the department of ecology and the department of fish and wildlife as
38 part of the adaptive management process.

1 (6) \$440,000 of the state general fund--state appropriation for
2 fiscal year 2014 and \$440,000 of the state general fund--state
3 appropriation for fiscal year 2015 are provided solely for forest work
4 crews that support correctional camps and are contingent upon
5 continuing operations of Naselle youth camp.

6 (7) \$2,382,000 of the resource management cost account--state
7 appropriation is for addressing the growing backlog of expired aquatic
8 leases and new aquatic lease applications. The department shall
9 implement a Lean process to improve the lease review process and
10 further reduce the backlog, and submit a report on its progress in
11 addressing the backlog and implementation of the Lean process to the
12 governor and the appropriate committees of the legislature by October
13 1, 2013.

14 (8) \$1,948,000 of the state toxics control account--state
15 appropriation is provided solely for the department to pay a portion of
16 the costs to complete remedial investigation work at Whitmarsh landfill
17 and Mill site A and perform final-year maintenance of the Olympic view
18 triangle site in Commencement Bay.

19 (9) \$265,000 of the resources management cost account--state
20 appropriation is provided solely for implementation of Second
21 Substitute House Bill No. 1764 (geoduck diver licenses). If the bill
22 is not enacted by June 30, 2013, the amount provided in this subsection
23 shall lapse.

24 (10) \$425,000 of the derelict vessel removal account--state
25 appropriation is provided solely for implementation of Engrossed
26 Substitute House Bill No. 1245 (derelict and abandoned vessels). If
27 the bill is not enacted by June 30, 2013, the amount provided in this
28 subsection shall lapse.

29 (11) \$3,700,000 of the marine resources stewardship trust account--
30 state appropriation is provided solely for implementation of priority
31 marine management planning efforts including mapping activities,
32 ecological assessment, data tools, stakeholder engagement, and all
33 other work identified in Engrossed Senate Bill No. 5603 (marine
34 advisory councils) during the 2013-2015 fiscal biennium.

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

36	General Fund--State Appropriation (FY 2014)	\$15,300,000
37	General Fund--State Appropriation (FY 2015)	\$15,324,000

1	General Fund--Federal Appropriation	\$23,119,000
2	General Fund--Private/Local Appropriation	\$192,000
3	Aquatic Lands Enhancement Account--State Appropriation . . .	\$2,840,000
4	State Toxics Control Account--State Appropriation	\$5,208,000
5	Water Quality Permit Account--State Appropriation	\$70,000
6	TOTAL APPROPRIATION	\$62,053,000

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

9 (1) \$5,308,445 of the general fund--state appropriation for fiscal
10 year 2014 and \$5,302,905 of the general fund--state appropriation for
11 fiscal year 2015 are provided solely for implementing the food
12 assistance program as defined in RCW 43.23.290.

13 (2) Pursuant to RCW 43.135.055 and 16.57.220, the department is
14 authorized to institute livestock inspection fees in the 2013-2015
15 fiscal biennium for calves less than thirty days old.

16 (3) Pursuant to RCW 43.135.055 and 16.36.150, the department is
17 authorized to establish a fee for the sole purpose of purchasing and
18 operating a database and any other technology or software needed to
19 administer animal disease traceability activities for cattle sold or
20 slaughtered in the state or transported out of the state.

21 (4) Within the amounts appropriated in this section, the department
22 of agriculture must convene and facilitate a work group with
23 appropriate stakeholders to review fees supporting programs within the
24 department that are also supported with state general fund. In
25 developing strategies to make the program work more self-supporting,
26 the workgroup will consider, at minimum, the length of time since the
27 last fee increase, similar fees that exist in neighboring states, and
28 fee increases that will ensure reasonable competitiveness in the
29 respective industries. The workgroup must submit a report containing
30 recommendations that will make each of the fee supported programs
31 within the department less reliant on state general fund to the office
32 of financial management and legislative fiscal committees by December
33 1, 2013.

34 NEW SECTION. **Sec. 310. FOR THE WASHINGTON POLLUTION LIABILITY**
35 **INSURANCE PROGRAM**

36 Pollution Liability Insurance Program Trust

37	Account--State Appropriation	\$988,000
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1 NEW SECTION. **Sec. 311. FOR THE PUGET SOUND PARTNERSHIP**

2	General Fund--State Appropriation (FY 2014)	\$2,416,000
3	General Fund--State Appropriation (FY 2015)	\$2,324,000
4	General Fund--Federal Appropriation	\$11,577,000
5	Aquatic Lands Enhancement Account--State Appropriation . . .	\$1,920,000
6	State Toxics Control Account--State Appropriation . . . . .	.\$677,000
7	TOTAL APPROPRIATION	\$18,914,000

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

10 (1) \$788,000 of the aquatic lands enhancement account--state
11 appropriation is provided solely for coordinating a study of Puget
12 Sound juvenile steelhead marine survival conducted by the department of
13 fish and wildlife and based on a study plan developed in cooperation
14 with federal, tribal, and nongovernmental entities.

15 (2) By October 1, 2014, the Puget Sound partnership shall provide
16 the governor a single, prioritized list of state agency 2015-2017
17 capital and operating budget requests related to Puget Sound
18 restoration.

(End of part)

PART IV
TRANSPORTATION

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

4	General Fund--State Appropriation (FY 2014)	\$1,103,000
5	General Fund--State Appropriation (FY 2015)	\$1,345,000
6	Architects' License Account--State Appropriation	\$903,000
7	Professional Engineers' Account--State	
8	Appropriation	\$3,563,000
9	Real Estate Commission Account--State Appropriation	\$9,946,000
10	Uniform Commercial Code Account--State	
11	Appropriation	\$3,157,000
12	Real Estate Education Account--State Appropriation	\$276,000
13	Real Estate Appraiser Commission Account--State	
14	Appropriation	\$1,705,000
15	Business and Professions Account--State	
16	Appropriation	\$17,483,000
17	Funeral and Cemetery Account--State Appropriation	\$5,000
18	Landscape Architects Account--State Appropriation	\$4,000
19	Appraisal Management Company Account--State	
20	Appropriation	\$4,000
21	Real Estate Research Account--State Appropriation	\$415,000
22	Wildlife Account--State Appropriation	\$32,000
23	Geologists' Account--State Appropriation	\$52,000
24	Derelict Vessel Removal Account--State Appropriation	\$31,000
25	TOTAL APPROPRIATION	\$40,024,000

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

28 (1) \$566,000 of the business and professions account--state
29 appropriation is provided solely for the implementation of Engrossed
30 Substitute House Bill No. 1552 (scrap metal theft reduction). If the
31 bill is not enacted by June 30, 2013, the amount provided in this
32 subsection shall lapse.

33 (2) \$166,000 of the business and professions account--state
34 appropriation in fiscal year 2014 only is provided solely for the

1 implementation of Substitute House Bill No. 1779 (esthetics). If the
2 bill is not enacted by June 30, 2013, the amount provided in this
3 subsection shall lapse.

4 (3) \$592,000 of the business and professions account--state
5 appropriation is provided solely for the implementation of Substitute
6 House Bill No. 1822 (debt collection practices). If the bill is not
7 enacted by June 30, 2013, the amount provided in this subsection shall
8 lapse.

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

10	General Fund--State Appropriation (FY 2014)	\$34,653,000
11	General Fund--State Appropriation (FY 2015)	\$32,592,000
12	General Fund--Federal Appropriation	\$16,195,000
13	General Fund--Private/Local Appropriation	\$3,020,000
14	Death Investigations Account--State Appropriation	\$9,965,000
15	County Criminal Justice Assistance Account--State	
16	Appropriation	\$3,338,000
17	Municipal Criminal Justice Assistance Account--State	
18	Appropriation	\$1,354,000
19	Fire Service Trust Account--State Appropriation	\$131,000
20	Disaster Response Account--State Appropriation	\$8,000,000
21	Fire Service Training Account--State Appropriation	\$10,104,000
22	Aquatic Invasive Species Enforcement Account--State	
23	Appropriation	\$54,000
24	State Toxics Control Account--State Appropriation	\$517,000
25	Fingerprint Identification Account--State	
26	Appropriation	\$13,990,000
27	Vehicle License Fraud Account--State Appropriation	\$448,000
28	TOTAL APPROPRIATION	\$134,361,000

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

31 (1) \$200,000 of the fire service training account--state
32 appropriation is provided solely for two FTEs in the office of the
33 state director of fire protection to exclusively review K-12
34 construction documents for fire and life safety in accordance with the
35 state building code. It is the intent of this appropriation to provide
36 these services only to those districts that are located in counties
37 without qualified review capabilities.

1 (2) \$8,000,000 of the disaster response account--state
2 appropriation is provided solely for Washington state fire service
3 resource mobilization costs incurred in response to an emergency or
4 disaster authorized under RCW 43.43.960 through 43.43.964. The state
5 patrol shall submit a report quarterly to the office of financial
6 management and the legislative fiscal committees detailing information
7 on current and planned expenditures from this account. This work shall
8 be done in coordination with the military department.

9 (3) \$1,000,000 of the fire service training account--state
10 appropriation is provided solely for the firefighter apprenticeship
11 training program.

12 (4) \$3,480,000 of the fingerprint identification account--state
13 appropriation is provided solely for upgrades to the Washington state
14 identification system and the Washington crime information center.
15 Amounts provided in this subsection may not be expended until the
16 office of the chief information officer approves a plan to move the
17 Washington state patrol's servers and data center equipment into the
18 state data center in the 1500 Jefferson building, and the office of the
19 chief information officer certifies that the Washington state patrol
20 has begun the move. The amounts provided in this subsection are
21 conditioned on the department satisfying the requirements of the
22 project management oversight standards and policies established by the
23 office of the chief information officer.

24 (5) \$154,000 of the fingerprint identification account--state
25 appropriation is provided solely for implementation of Substitute House
26 Bill No. 1612 (firearms offenders). If the bill is not enacted by June
27 30, 2013, the amount provided in this subsection shall lapse.

28 (6) In accordance with RCW 43.135.055 and 43.43.742, the state
29 patrol is authorized to increase the following fees in fiscal year 2014
30 as necessary to meet the actual costs of conducting business and the
31 appropriation levels in this section: Electronic and paper-based
32 fingerprint and name and date of birth background checks.

(End of part)

PART V
EDUCATION

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

General Fund--State Appropriation (FY 2014)	\$27,336,000
General Fund--State Appropriation (FY 2015)	\$26,450,000
General Fund--Federal Appropriation	\$63,862,000
General Fund--Private/Local Appropriation	\$4,005,000
TOTAL APPROPRIATION	\$121,653,000

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

(1) A maximum of \$17,429,000 of the general fund--state appropriation for fiscal year 2014 and \$16,878,000 of the general fund--state appropriation for fiscal year 2015 is for state agency operations.

(a) \$9,102,000 of the general fund--state appropriation for fiscal year 2014 and \$8,944,000 of the general fund--state appropriation for fiscal year 2015 are provided solely for the operation and expenses of the office of the superintendent of public instruction.

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

(ii) Districts shall report to the office of the superintendent of public instruction daily student unexcused absence data by school, using a uniform definition of unexcused absence as established by the superintendent.

(iii) By September of each year, the office of the superintendent of public instruction shall produce an annual status report of the budget provisos in sections 501 and 513 of this act. The status report of each proviso shall include, but not be limited to, the following information: Purpose and objective, number of staff, number of contractors, status of proviso implementation, number of beneficiaries by year, list of beneficiaries, and proviso outcomes and achievements.

1 (iv) The superintendent of public instruction shall update the
2 program prepared and distributed under RCW 28A.230.150 for the
3 observation of temperance and good citizenship day to include providing
4 an opportunity for eligible students to register to vote at school.

5 (b) \$1,017,000 of the general fund--state appropriation for fiscal
6 year 2014 and \$1,017,000 of the general fund--state appropriation for
7 fiscal year 2015 are provided solely for activities associated with the
8 implementation of new school finance systems required by chapter 236,
9 Laws of 2010 (K-12 education funding) and chapter 548, Laws of 2009
10 (state's education system), including technical staff, systems
11 reprogramming, and workgroup deliberations, including the quality
12 education council and the data governance working group.

13 (c)(i) \$851,000 of the general fund--state appropriation for fiscal
14 year 2014 and \$851,000 of the general fund--state appropriation for
15 fiscal year 2015 are provided solely for the operation and expenses of
16 the state board of education, including basic education assistance
17 activities.

18 (ii) \$234,000 of the general fund--state appropriation for fiscal
19 year 2014 and \$234,000 of the general fund--state appropriation for
20 fiscal year 2015 are provided solely to the state board of education
21 for implementation of Initiative Measure No. 1240 (charter schools).

22 (d) \$1,494,000 of the general fund--state appropriation for fiscal
23 year 2014 and \$1,494,000 of the general fund--state appropriation for
24 fiscal year 2015 are provided solely to the professional educator
25 standards board for the following:

26 (i) \$1,050,000 in fiscal year 2014 and \$1,050,000 in fiscal year
27 2015 are for the operation and expenses of the Washington professional
28 educator standards board;

29 (ii) \$419,000 of the general fund--state appropriation for fiscal
30 year 2014 and \$419,000 of the general fund--state appropriation for
31 fiscal year 2015 are for mentor stipends provided through the
32 alternative routes to certification program administered by the
33 professional educator standards board, including the pipeline for
34 paraeducators program and the retooling to teach conditional loan
35 programs. Funding within this subsection (1)(d)(ii) is also provided
36 for the recruiting Washington teachers program; and

37 (iii) \$25,000 of the general fund--state appropriation for fiscal
38 year 2014 and \$25,000 of the general fund--state appropriation for

1 fiscal year 2015 are provided solely for the professional educator
2 standards board to develop educator interpreter standards and identify
3 interpreter assessments that are available to school districts.
4 Interpreter assessments should meet the following criteria: (A)
5 Include both written assessment and performance assessment; (B) be
6 offered by a national organization of professional sign language
7 interpreters and transliterators; and (C) be designed to assess
8 performance in more than one sign system or sign language. The board
9 shall establish a performance standard, defining what constitutes a
10 minimum assessment result, for each educational interpreter assessment
11 identified. The board shall publicize the standards and assessments
12 for school district use.

13 (e) \$133,000 of the general fund--state appropriation for fiscal
14 year 2014 and \$133,000 of the general fund--state appropriation for
15 fiscal year 2015 are provided solely for the implementation of chapter
16 240, Laws of 2010, including staffing the office of equity and civil
17 rights.

18 (f) \$50,000 of the general fund--state appropriation for fiscal
19 year 2014 and \$50,000 of the general fund--state appropriation for
20 fiscal year 2015 are provided solely for the ongoing work of the
21 education opportunity gap oversight and accountability committee.

22 (g) \$45,000 of the general fund--state appropriation for fiscal
23 year 2014 and \$45,000 of the general fund--state appropriation for
24 fiscal year 2015 are provided solely for the implementation of chapter
25 380, Laws of 2009 (enacting the interstate compact on educational
26 opportunity for military children).

27 (h) \$131,000 of the general fund--state appropriation for fiscal
28 year 2014 and \$131,000 of the general fund--state appropriation for
29 fiscal year 2015 are provided solely for the implementation of
30 Initiative Measure No. 1240 (charter schools).

31 (i) \$1,826,000 of the general fund--state appropriation for fiscal
32 year 2014 and \$1,802,000 of the general fund--state appropriation for
33 fiscal year 2015 are provided solely for implementing a comprehensive
34 data system to include financial, student, and educator data, including
35 development and maintenance of the comprehensive education data and
36 research system (CEDARS).

37 (j) \$25,000 of the general fund--state appropriation for fiscal
38 year 2014 and \$25,000 of the general fund--state appropriation for

1 fiscal year 2015 are provided solely for project citizen, a program
2 sponsored by the national conference of state legislatures and the
3 center for civic education to promote participation in government by
4 middle school students.

5 (k) \$1,500,000 of the general fund--state appropriation for fiscal
6 year 2014 and \$1,500,000 of the general fund--state appropriation for
7 fiscal year 2015 are provided solely for collaborative schools for
8 innovation and success authorized under chapter 53, Laws of 2012. The
9 office of the superintendent of public instruction shall award \$500,000
10 per year in funding for each collaborative school for innovation and
11 success selected for participation in the pilot program during 2012.

12 (l) \$123,000 of the general fund--state appropriation for fiscal
13 year 2014 and \$123,000 of the general fund--state appropriation for
14 fiscal year 2015 are provided solely for implementation of chapter 163,
15 Laws of 2012 (foster care outcomes). The office of the superintendent
16 of public instruction shall annually report each December on the
17 implementation of the state's plan of cross-system collaboration to
18 promote educational stability and improve education outcomes of foster
19 youth.

20 (m) \$250,000 of the general fund--state appropriation for fiscal
21 year 2014 and \$250,000 of the general fund--state appropriation for
22 fiscal year 2015 are provided solely for implementation of chapter 178,
23 Laws of 2012 (open K-12 education resources).

24 (n) \$93,000 of the general fund--state appropriation for fiscal
25 year 2014 and \$93,000 of the general fund--state appropriation for
26 fiscal year 2015 are provided solely for chapter 185, Laws of 2011
27 (bullying prevention, which requires the office of the superintendent
28 of public instruction to convene an ongoing workgroup on school
29 bullying and harassment prevention. Within the amounts provided,
30 \$140,000 is for youth suicide prevention activities.

31 (o) \$138,000 of the general fund--state appropriation for fiscal
32 year 2014 is provided solely for implementation of House Bill No. 1336
33 (troubled youth in school). If the bill is not enacted by June 30,
34 2013, the amounts provided in this subsection shall lapse.

35 (p) \$118,000 of the general fund--state appropriation for fiscal
36 year 2014 and \$14,000 of the general fund--state appropriation for
37 fiscal year 2015 are provided solely for implementation of House Bill

1 No. 1134 (state-tribal education compacts). If the bill is not enacted
2 by June 30, 2013, the amounts provided in this subsection shall lapse.

3 (q) \$100,000 of the general fund--state appropriation for fiscal
4 year 2014 and \$100,000 of the general fund--state appropriation for
5 fiscal year 2015 are provided solely for the office of the
6 superintendent of public instruction to develop and implement an
7 outreach and education program to inform school districts and employee
8 representative organizations of the health insurance plans, premium tax
9 credits, and out-of-pocket cost subsidies available to individuals who
10 purchase health plans offered through the Washington health benefit
11 exchange. The outreach and education program shall be developed in
12 collaboration with school districts, health care authority, employee
13 representative organizations, the Washington health benefit exchange,
14 and other appropriate entities.

15 (r) \$62,000 of the general fund--state appropriation for fiscal
16 year 2014 and \$62,000 of the general fund--state appropriation for
17 fiscal year 2015 are provided solely for implementation of House Bill
18 No. 1472 (computer science education). If the bill is not enacted by
19 June 30, 2013, the amounts provided in this subsection shall lapse.

20 (s) \$27,000 of the general fund--state appropriation for fiscal
21 year 2014 is provided solely for implementation of House Bill No. 1556
22 (cardiac arrest education). If the bill is not enacted by June 30,
23 2013, the amounts provided in this subsection shall lapse.

24 (t) \$50,000 of the general fund--state appropriation for fiscal
25 year 2014 is provided solely for the development of recommendations for
26 funding integrated school nursing and outreach services. The office of
27 the superintendent of public instruction shall collaborate with the
28 health care authority to develop recommendations for increasing federal
29 financial participation for providing nursing services in schools with
30 the goals of integrating nursing and outreach services and supporting
31 one nurse for every four-hundred fifty students in elementary schools
32 and one nurse for every seven-hundred fifty students in secondary
33 schools. The recommendations shall include proposals for funding
34 training and reimbursement for nurses that provide outreach services to
35 help eligible students enroll in apple health for kids and other social
36 services programs. The authority and the office of the superintendent
37 of public instruction shall provide these recommendations to the
38 governor and the legislature by December 1, 2013.

1 (u) \$50,000 of the general fund--state appropriation for fiscal
2 year 2014 is provided solely for the office of the superintendent of
3 public instruction to contract with an organization to develop a model
4 plan for evaluating the outcomes of state funded pilot education
5 programs, including guidelines for standard data that must be gathered
6 throughout any education pilot program, as well as guidance for data
7 and evaluation methods depending on the design of the program and the
8 target population. The contract must also include a provision to
9 provide guidance for the evaluation of existing pilot programs.

10 (v) \$10,000 of the general fund--state appropriation for fiscal
11 year 2014 and \$10,000 of the general fund--state appropriation for
12 fiscal year 2015 are provided solely for the superintendent of public
13 instruction to convene a committee for the selection and recognition of
14 Washington innovative schools. The committee shall select and
15 recognize Washington innovative schools based on the selection criteria
16 established by the office of the superintendent of public instruction,
17 in accordance with chapter 202, Laws of 2011 (innovation schools--
18 recognition) and chapter 260, Laws of 2011 (innovation schools and
19 zones).

20 (2) \$9,957,000 of the general fund--state appropriation for fiscal
21 year 2014 and \$9,584,000 of the general fund--state appropriation for
22 fiscal year 2015 are for statewide programs.

23 (a) HEALTH AND SAFETY

24 (i) \$2,541,000 of the general fund--state appropriation for fiscal
25 year 2014 and \$2,541,000 of the general fund--state appropriation for
26 fiscal year 2015 are provided solely for a corps of nurses located at
27 educational service districts, as determined by the superintendent of
28 public instruction, to be dispatched to the most needy schools to
29 provide direct care to students, health education, and training for
30 school staff.

31 (ii) \$135,000 of the general fund--state appropriation for fiscal
32 year 2014 and \$135,000 of the general fund--state appropriation for
33 fiscal year 2015 are provided solely for a nonviolence and leadership
34 training program provided by the institute for community leadership.

35 (b) TECHNOLOGY

36 \$1,221,000 of the general fund--state appropriation for fiscal year
37 2014 and \$1,221,000 of the general fund--state appropriation for fiscal
38 year 2015 are provided solely for K-20 telecommunications network

1 technical support in the K-12 sector to prevent system failures and
2 avoid interruptions in school utilization of the data processing and
3 video-conferencing capabilities of the network. These funds may be
4 used to purchase engineering and advanced technical support for the
5 network.

6 (c) GRANTS AND ALLOCATIONS

7 (i) \$2,175,000 of the general fund--state appropriation for fiscal
8 year 2014 and \$2,175,000 of the general fund--state appropriation for
9 fiscal year 2015 are provided solely for the Washington state achievers
10 scholarship program. The funds shall be used to support community
11 involvement officers that recruit, train, and match community volunteer
12 mentors with students selected as achievers scholars.

13 (ii) \$1,000,000 of the general fund--state appropriation for fiscal
14 year 2014 and \$1,000,000 of the general fund--state appropriation for
15 fiscal year 2015 are provided solely for contracting with a college
16 scholarship organization with expertise in conducting outreach to
17 students concerning eligibility for the Washington college bound
18 scholarship consistent with chapter 405, Laws of 2007.

19 (iii) \$337,000 of the general fund--state appropriation for fiscal
20 year 2014 and \$337,000 of the general fund--state appropriation for
21 fiscal year 2015 are provided solely for implementation of the building
22 bridges statewide program for comprehensive dropout prevention,
23 intervention, and reengagement strategies.

24 (iv) \$135,000 of the general fund--state appropriation for fiscal
25 year 2014 and \$135,000 of the general fund--state appropriation for
26 fiscal year 2015 are provided solely for dropout prevention programs at
27 the office of the superintendent of public instruction, including the
28 jobs for America's graduates (JAG) program.

29 (v) \$2,020,000 of the general fund--state appropriation for fiscal
30 year 2014 and \$1,647,000 of the general fund--state appropriation for
31 fiscal year 2015 are provided solely for the implementation of chapter
32 340, Laws of 2011 and chapter 51, Laws of 2012. This includes the
33 development and implementation of the Washington kindergarten inventory
34 of developing skills (WaKIDS).

35 (vi) \$100,000 of the general fund--state appropriation for fiscal
36 year 2014 and \$100,000 of the general fund--state appropriation for
37 fiscal year 2015 are provided solely to subsidize advanced placement
38 exam fees and international baccalaureate class fees and exam fees for

1 low-income students. To be eligible for the subsidy, a student must be
2 either enrolled or eligible to participate in the federal free or
3 reduced price lunch program, and the student must have maximized the
4 allowable federal contribution. The office of the superintendent of
5 public instruction shall set the subsidy in an amount so that the
6 advanced placement exam fee does not exceed \$15.00 and the combined
7 class and exam fee for the international baccalaureate does not exceed
8 \$14.50.

9 (vii) \$293,000 of the general fund--state appropriation for fiscal
10 year 2014 and \$293,000 of the general fund--state appropriation for
11 fiscal year 2015 are provided solely for the office of the
12 superintendent of public instruction to support the dissemination of
13 the navigation 101 curriculum to all districts.

14 NEW SECTION. **Sec. 502. FOR THE SUPERINTENDENT OF PUBLIC**
15 **INSTRUCTION--FOR GENERAL APPORTIONMENT**

16	General Fund--State Appropriation (FY 2014)	\$5,445,282,000
17	General Fund--State Appropriation (FY 2015)	\$5,735,636,000
18	Education Legacy Trust Account--State Appropriation	\$25,283,000
19	TOTAL APPROPRIATION	\$11,206,201,000

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

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

25 (b) For the 2013-14 and 2014-15 school years, the superintendent
26 shall allocate general apportionment funding to school districts as
27 provided in the funding formulas and salary schedules in sections 502
28 and 503 of this act, excluding (c) of this subsection.

29 (c) From July 1, 2013 to August 31, 2013, the superintendent shall
30 allocate general apportionment funding to school districts programs as
31 provided in sections 502 and 503, chapter 50, Laws of 2011 1st sp.
32 sess., as amended through sections 502 and 503 of the 2013 omnibus
33 supplemental operating appropriations act.

34 (d) The enrollment of any district shall be the annual average
35 number of full-time equivalent students and part-time students as
36 provided in RCW 28A.150.350, enrolled on the fourth day of school in
37 September and on the first school day of each month October through

1 June, including students who are in attendance pursuant to RCW
2 28A.335.160 and 28A.225.250 who do not reside within the servicing
3 school district. Any school district concluding its basic education
4 program in May must report the enrollment of the last school day held
5 in May in lieu of a June enrollment.

6 (2) CERTIFICATED INSTRUCTIONAL STAFF ALLOCATIONS

7 Allocations for certificated instructional staff salaries for the
8 2013-14 and 2014-15 school years are determined using formula-generated
9 staff units calculated pursuant to this subsection.

10 (a) Certificated instructional staff units, as defined in RCW
11 28A.150.410, shall be allocated to reflect the minimum class size
12 allocations, requirements, and school prototypes assumptions as
13 provided in RCW 28A.150.260. The superintendent shall make allocations
14 to school districts based on the district's annual average full-time
15 equivalent student enrollment in each grade.

16 (b) Additional certificated instructional staff units provided in
17 this subsection (2) that exceed the minimum requirements in RCW
18 28A.150.260 are enhancements outside the program of basic education,
19 except as otherwise provided in this section.

20 (c)(i) The superintendent shall base allocations for each level of
21 prototypical school on the following regular education average class
22 size of full-time equivalent students per teacher, except as provided
23 in (c)(ii) of this subsection:

24
25 General education class size:

26 Grade	RCW 28A.150.260	2013-14 27 School Year	2014-15 28 School Year
28 Grades K-3	23.50	23.50
29 Grade 4	27.00	27.00
30 Grades 5-6	27.00	27.00
31 Grades 7-8	28.53	28.53
32 Grades 9-12	28.74	28.74

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

1 (ii) For each level of prototypical school at which more than fifty
 2 percent of the students were eligible for free and reduced-price meals
 3 in the prior school year, the superintendent shall allocate funding
 4 based on the following average class size of full-time equivalent
 5 students per teacher:

6

7 General education class size in high poverty 8 school:	2013-14 School Year	2014-15 School Year
9 Grades K-3	21.76	21.76
10 Grade 4	27.00	27.00
11 Grades 5-6	27.00	27.00
12 Grades 7-8	28.53	28.53
13 Grades 9-12	28.74	28.74

14 (iii) Pursuant to RCW 28A.150.260(4)(a), the assumed teacher
 15 planning period, expressed as a percentage of a teacher work day, is
 16 13.42 percent in grades K-6, and 16.67 percent in grades 7-12; and

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

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

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

30 Career and Technical Education

31	students	2.02 per 1000 student FTE's
32	Skill Center students	2.36 per 1000 student FTE's

33 (3) ADMINISTRATIVE STAFF ALLOCATIONS

1 (a) Allocations for school building-level certificated
2 administrative staff salaries for the 2013-14 and 2014-15 school years
3 for general education students are determined using the formula
4 generated staff units calculated pursuant to this subsection. The
5 superintendent shall make allocations to school districts based on the
6 district's annual average full-time equivalent enrollment in each
7 grade. The following prototypical school values shall determine the
8 allocation for principals, assistance principals, and other
9 certificated building level administrators:

10

11 Prototypical School Building:

12 Elementary School	.....	1.253
13 Middle School	.....	1.353
14 High School	.....	1.880

15 (b) Students in approved career and technical education and skill
16 center programs generate certificated school building-level
17 administrator staff units at per student rates that are a multiple of
18 the general education rate in (a) of this subsection by the following
19 factors: Career and Technical Education students1.025
20 Skill Center students1.198

21 (4) CLASSIFIED STAFF ALLOCATIONS

22 Allocations for classified staff units providing school building-
23 level and district-wide support services for the 2013-14 and 2014-15
24 school years are determined using the formula-generated staff units
25 provided in RCW 28A.150.260, and adjusted based on each district's
26 annual average full-time equivalent student enrollment in each grade.

27 (5) CENTRAL OFFICE ALLOCATIONS

28 In addition to classified and administrative staff units allocated
29 in subsections (3) and (4) of this section, classified and
30 administrative staff units are provided for the 2013-14 and 2014-15
31 school year for the central office administrative costs of operating a
32 school district, at the following rates:

33 (a) The total central office staff units provided in this
34 subsection (5) are calculated by first multiplying the total number of

1 eligible certificated instructional, certificated administrative, and
2 classified staff units providing school-based or district-wide support
3 services, as identified in RCW 28A.150.260(6)(b), by 5.3 percent.

4 (b) Of the central office staff units calculated in (a) of this
5 subsection, 74.53 percent are allocated as classified staff units, as
6 generated in subsection (4) of this section, and 25.47 percent shall be
7 allocated as administrative staff units, as generated in subsection (3)
8 of this section.

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

14 (d) For students in approved career-technical and skill center
15 programs, central office classified units are allocated at the same
16 staff unit per student rate as those generated for general education
17 students of the same grade in this subsection (5), and central office
18 administrative staff units are allocated at staff unit per student
19 rates that exceed the general education rate established for students
20 in the same grade in this subsection (5) by 1.97 percent in the 2013-14
21 school year and 1.97 percent in the 2014-15 school year for career and
22 technical education students, and 21.92 percent in the 2013-14 school
23 year and 21.92 percent in the 2014-15 school year for skill center
24 students.

25 (6) FRINGE BENEFIT ALLOCATIONS

26 Fringe benefit allocations shall be calculated at a rate of 18.68
27 percent in the 2013-14 school year and 18.68 percent in the 2014-15
28 school year for certificated salary allocations provided under
29 subsections (2), (3), and (5) of this section, and a rate of 20.95
30 percent in the 2013-14 school year and 20.95 percent in the 2014-15
31 school year for classified salary allocations provided under
32 subsections (4) and (5) of this section.

33 (7) INSURANCE BENEFIT ALLOCATIONS

34 Insurance benefit allocations shall be calculated at the
35 maintenance rate specified in section 504 of this act, based on the
36 number of benefit units determined as follows:

37 (a) The number of certificated staff units determined in
38 subsections (2), (3), and (5) of this section; and

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

8 (8) MATERIALS, SUPPLIES, AND OPERATING COSTS (MSOC) ALLOCATIONS

9 Funding is allocated per annual average full-time equivalent
 10 student for the materials, supplies, and operating costs (MSOC)
 11 incurred by school districts, consistent with the requirements of RCW
 12 28A.150.260.

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

15 MSOC RATES/STUDENT FTE

17 MSOC Component	2013-14	2014-15
	SCHOOL YEAR	SCHOOL YEAR
20 Technology	\$82.43	\$83.83
21 Utilities and Insurance	\$223.98	\$227.78
22 Curriculum and Textbooks	\$88.50	\$90.01
23 Other Supplies and Library Materials	\$187.89	\$191.08
24 Instructional Professional Development for Certificated 25 and Classified Staff	\$13.69	\$13.92
26 Facilities Maintenance	\$110.96	\$112.84
27 Security and Central Office	\$76.86	\$78.18
28 TOTAL BASIC EDUCATION MSOC/STUDENT FTE	\$784.31	\$797.64

29 (b) Students in approved skill center programs generate per student
 30 FTE MSOC allocations of \$1,249.17 for the 2013-14 school year and
 31 \$1,270.41 for the 2014-15 school year.

32 (c) Students in approved exploratory and preparatory career and
 33 technical education programs generate a per student MSOC allocation of

1 \$1,249.17 for the 2013-14 school year and \$1,270.41 for the 2014-15
2 school year.

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

6 (9) SUBSTITUTE TEACHER ALLOCATIONS

7 For the 2013-14 and 2014-15 school years, funding for substitute
8 costs for classroom teachers is based on four (4) funded substitute
9 days per classroom teacher unit generated under subsection (2) of this
10 section, at a daily substitute rate of \$151.86.

11 (10) ALTERNATIVE LEARNING EXPERIENCE PROGRAM FUNDING

12 (a) Amounts provided in this section from July 1, 2013, to August
13 31, 2013, are adjusted to reflect provisions of chapter 34, Laws of
14 2011 1st sp. sess. (allocation of funding for funding for students
15 enrolled in alternative learning experiences).

16 (b) Amounts provided in this section beginning September 1, 2013,
17 are adjusted to reflect 2013 legislation that modifies alternative
18 learning experience courses.

19 (c) The superintendent of public instruction shall require all
20 districts receiving general apportionment funding for alternative
21 learning experience (ALE) programs as defined in WAC 392-121-182 to
22 provide separate financial accounting of expenditures for the ALE
23 programs offered in district or with a provider, including but not
24 limited to private companies and multidistrict cooperatives, as well as
25 accurate, monthly headcount and FTE enrollment claimed for basic
26 education, including separate counts of resident and nonresident
27 students.

28 (11) VOLUNTARY FULL DAY KINDERGARTEN PROGRAMS

29 Funding in this section is sufficient to fund voluntary full day
30 kindergarten programs in qualifying high poverty schools, pursuant to
31 RCW 28A.150.220 and 28A.150.315. Each kindergarten student who enrolls
32 for the voluntary full-day program in a qualifying school shall count
33 as one-half of one full-time equivalent student for purpose of making
34 allocations under this section. Funding in this section provides full-
35 day kindergarten programs for 48.0 percent of kindergarten enrollment
36 in the 2013-14 school year and 48.0 percent in the 2014-15 school year.

1 (12) ADDITIONAL FUNDING FOR SMALL SCHOOL DISTRICTS AND REMOTE AND
2 NECESSARY PLANTS

3 For small school districts and remote and necessary school plants
4 within any district which have been judged to be remote and necessary
5 by the superintendent of public instruction, additional staff units are
6 provided to ensure a minimum level of staffing support. Additional
7 administrative and certificated instructional staff units provided to
8 districts in this subsection shall be reduced by the general education
9 staff units, excluding career and technical education and skills center
10 enhancement units, otherwise provided in subsections (2) through (5) of
11 this section on a per district basis.

12 (a) For districts enrolling not more than twenty-five average
13 annual full-time equivalent students in grades K-8, and for small
14 school plants within any school district which have been judged to be
15 remote and necessary by the superintendent of public instruction and
16 enroll not more than twenty-five average annual full-time equivalent
17 students in grades K-8:

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

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

28 (b) For specified enrollments in districts enrolling more than
29 twenty-five but not more than one hundred average annual full-time
30 equivalent students in grades K-8, and for small school plants within
31 any school district which enroll more than twenty-five average annual
32 full-time equivalent students in grades K-8 and have been judged to be
33 remote and necessary by the superintendent of public instruction:

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

37 (ii) For enrollment of up to twenty annual average full-time

1 equivalent students in grades 7 and 8, 0.92 certificated instructional
2 staff units and 0.08 certificated administrative staff units;

3 (c) For districts operating no more than two high schools with
4 enrollments of less than three hundred average annual full-time
5 equivalent students, for enrollment in grades 9-12 in each such school,
6 other than alternative schools, except as noted in this subsection:

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

12 (ii) For all other small high schools under this subsection, nine
13 certificated instructional staff units and one-half of a certificated
14 administrative staff unit for the first sixty average annual full-time
15 equivalent students, and additional staff units based on a ratio of
16 0.8732 certificated instructional staff units and 0.1268 certificated
17 administrative staff units per each additional forty-three and one-half
18 average annual full-time equivalent students;

19 (iii) Districts receiving staff units under this subsection shall
20 add students enrolled in a district alternative high school and any
21 grades nine through twelve alternative learning experience programs
22 with the small high school enrollment for calculations under this
23 subsection;

24 (d) For each nonhigh school district having an enrollment of more
25 than seventy annual average full-time equivalent students and less than
26 one hundred eighty students, operating a grades K-8 program or a grades
27 1-8 program, an additional one-half of a certificated instructional
28 staff unit;

29 (e) For each nonhigh school district having an enrollment of more
30 than fifty annual average full-time equivalent students and less than
31 one hundred eighty students, operating a grades K-6 program or a grades
32 1-6 program, an additional one-half of a certificated instructional
33 staff unit;

34 (f)(i) For enrollments generating certificated staff unit
35 allocations under (a) through (e) of this subsection, one classified
36 staff unit for each 2.94 certificated staff units allocated under such
37 subsections;

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

5 (g) School districts receiving additional staff units to support
6 small student enrollments and remote and necessary plants under this
7 subsection (12) shall generate additional MSOC allocations consistent
8 with the nonemployee related costs (NERC) allocation formula in place
9 for the 2010-11 school year as provided section 502, chapter 37, Laws
10 of 2010 1st sp. sess. (2010 supplemental budget), adjusted annually for
11 inflation.

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

21 (14) The superintendent may distribute funding for the following
22 programs outside the basic education formula during fiscal years 2014
23 and 2015 as follows:

24 (a) \$607,000 of the general fund--state appropriation for fiscal
25 year 2014 and \$617,000 of the general fund--state appropriation for
26 fiscal year 2015 are provided solely for fire protection for school
27 districts located in a fire protection district as now or hereafter
28 established pursuant to chapter 52.04 RCW.

29 (b) \$436,000 of the general fund--state appropriation for fiscal
30 year 2014 and \$436,000 of the general fund--state appropriation for
31 fiscal year 2015 are provided solely for programs providing skills
32 training for secondary students who are enrolled in extended day
33 school-to-work programs, as approved by the superintendent of public
34 instruction. The funds shall be allocated at a rate not to exceed \$500
35 per full-time equivalent student enrolled in those programs.

36 (15) \$214,000 of the general fund--state appropriation for fiscal
37 year 2014 and \$218,000 of the general fund--state appropriation for
38 fiscal year 2015 are provided solely for school district emergencies as

1 certified by the superintendent of public instruction. At the close of
2 the fiscal year the superintendent of public instruction shall report
3 to the office of financial management and the appropriate fiscal
4 committees of the legislature on the allocations provided to districts
5 and the nature of the emergency.

6 (16) Funding in this section is sufficient to fund a maximum of
7 1.6 FTE enrollment for skills center students pursuant to chapter 463,
8 Laws of 2007.

9 (17) Students participating in running start programs may be funded
10 up to a combined maximum enrollment of 1.2 FTE including school
11 district and institution of higher education enrollment. In
12 calculating the combined 1.2 FTE, the office of the superintendent of
13 public instruction may average the participating student's September
14 through June enrollment to account for differences in the start and end
15 dates for courses provided by the high school and higher education
16 institution. Additionally, the office of the superintendent of public
17 instruction, in consultation with the state board for community and
18 technical colleges, the higher education coordinating board, and the
19 education data center, shall annually track and report to the fiscal
20 committees of the legislature on the combined FTE experience of
21 students participating in the running start program, including course
22 load analyses at both the high school and community and technical
23 college system.

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

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

31 (b) For the fourth through eighth school years following
32 consolidation, the difference between the basic education formula staff
33 units received by the districts for the school year prior to
34 consolidation and the basic education formula staff units after
35 consolidation pursuant to subsection (12) of this section shall be
36 reduced in increments of twenty percent per year.

37 (19)(a) Indirect cost charges by a school district to approved
38 career and technical education middle and secondary programs shall not

1 exceed 15 percent of the combined basic education and career and
2 technical education program enhancement allocations of state funds.
3 Middle and secondary career and technical education programs are
4 considered separate programs for funding and financial reporting
5 purposes under this section.

6 (b) Career and technical education program full-time equivalent
7 enrollment shall be reported on the same monthly basis as the
8 enrollment for students eligible for basic support, and payments shall
9 be adjusted for reported career and technical education program
10 enrollments on the same monthly basis as those adjustments for
11 enrollment for students eligible for basic support.

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

14 (1) The following calculations determine the salaries used in the
15 state allocations for certificated instructional, certificated
16 administrative, and classified staff units as provided in RCW
17 28A.150.280 and under section 502 of this act:

18 (a) Salary allocations for certificated instructional staff units
19 are determined for each district by multiplying the district's
20 certificated instructional total base salary shown on LEAP Document 2
21 by the district's average staff mix factor for certificated
22 instructional staff in that school year, computed using LEAP document
23 1; and

24 (b) Salary allocations for certificated administrative staff units
25 and classified staff units for each district are determined based on
26 the district's certificated administrative and classified salary
27 allocation amounts shown on LEAP Document 2.

28 (2) For the purposes of this section:

29 (a) "LEAP Document 1" means the staff mix factors for certificated
30 instructional staff according to education and years of experience, as
31 developed by the legislative evaluation and accountability program
32 committee on June 1, 2013 at 08:06 hours; and

33 (b) "LEAP Document 2" means the school year salary allocations for
34 certificated administrative staff and classified staff and derived and
35 total base salaries for certificated instructional staff as developed
36 by the legislative evaluation and accountability program committee on
37 June 1, 2013 at 01:29 hours.

1 (3) Incremental fringe benefit factors are applied to salary
 2 adjustments at a rate of 18.04 percent for school year 2013-14 and
 3 18.04 percent for school year 2014-15 for certificated instructional
 4 and certificated administrative staff and 17.45 percent for school year
 5 2013-14 and 17.45 percent for the 2014-15 school year for classified
 6 staff.

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

10
 11 Table Of Total Base Salaries For Certificated Instructional Staff For School Year 2013-14
 12 *** Education Experience ***

13	Years										MA+90
14	of										OR
15	Service	BA	BA+15	BA+30	BA+45	BA+90	BA+135	MA	MA+45	Ph.D.	
16	0	34,048	34,968	35,920	36,875	39,939	41,913	40,820	43,885	45,860	
17	1	34,506	35,439	36,403	37,400	40,496	42,459	41,274	44,370	46,332	
18	2	34,943	35,884	36,859	37,933	41,020	43,004	41,731	44,818	46,802	
19	3	35,393	36,343	37,329	38,437	41,518	43,549	42,164	45,243	47,276	
20	4	35,834	36,826	37,818	38,964	42,064	44,110	42,618	45,718	47,765	
21	5	36,290	37,287	38,288	39,498	42,586	44,673	43,080	46,169	48,256	
22	6	36,759	37,734	38,769	40,039	43,113	45,211	43,552	46,626	48,723	
23	7	37,582	38,572	39,621	40,960	44,079	46,235	44,438	47,556	49,713	
24	8	38,787	39,831	40,905	42,355	45,516	47,751	45,832	48,994	51,228	
25	9		41,135	42,262	43,765	46,999	49,310	47,241	50,477	52,788	
26	10			43,635	45,247	48,524	50,913	48,724	52,003	54,390	
27	11				46,772	50,121	52,557	50,249	53,599	56,034	
28	12				48,249	51,761	54,269	51,835	55,238	57,748	
29	13					53,440	56,024	53,476	56,918	59,501	
30	14					55,128	57,844	55,165	58,716	61,322	
31	15					56,563	59,349	56,599	60,242	62,917	
32	16 or					57,693	60,535	57,731	61,447	64,174	
33	more										

Table Of Total Base Salaries For Certificated Instructional Staff For School Year 2014-15

*** Education Experience ***

Years of Service	BA	BA+15	BA+30	BA+45	BA+90	BA+135	MA	MA+45	MA+90 OR Ph.D.
0	34,048	34,968	35,920	36,875	39,939	41,913	40,820	43,885	45,860
1	34,506	35,439	36,403	37,400	40,496	42,459	41,274	44,370	46,332
2	34,943	35,884	36,859	37,933	41,020	43,004	41,731	44,818	46,802
3	35,393	36,343	37,329	38,437	41,518	43,549	42,164	45,243	47,276
4	35,834	36,826	37,818	38,964	42,064	44,110	42,618	45,718	47,765
5	36,290	37,287	38,288	39,498	42,586	44,673	43,080	46,169	48,256
6	36,759	37,734	38,769	40,039	43,113	45,211	43,552	46,626	48,723
7	37,582	38,572	39,621	40,960	44,079	46,235	44,438	47,556	49,713
8	38,787	39,831	40,905	42,355	45,516	47,751	45,832	48,994	51,228
9		41,135	42,262	43,765	46,999	49,310	47,241	50,477	52,788
10			43,635	45,247	48,524	50,913	48,724	52,003	54,390
11				46,772	50,121	52,557	50,249	53,599	56,034
12				48,249	51,761	54,269	51,835	55,238	57,748
13					53,440	56,024	53,476	56,918	59,501
14					55,128	57,844	55,165	58,716	61,322
15					56,563	59,349	56,599	60,242	62,917
16 or more					57,693	60,535	57,731	61,447	64,174

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

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

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

(5) For the purposes of this section:

1 (a) "BA" means a baccalaureate degree.

2 (b) "MA" means a masters degree.

3 (c) "PHD" means a doctorate degree.

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

6 (e) "Credits" means college quarter hour credits and equivalent in-
7 service credits computed in accordance with RCW 28A.415.020 and
8 28A.415.023.

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

14 (a) The employee has a masters degree; or

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

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

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

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

23 (1)(a) Additional salary adjustments as necessary to fund the base
24 salaries for certificated instructional staff as listed for each
25 district in LEAP Document 2, defined in section 503(2)(b) of this act.
26 Allocations for these salary adjustments shall be provided to all
27 districts that are not grandfathered to receive salary allocations
28 above the statewide salary allocation schedule, and to certain
29 grandfathered districts to the extent necessary to ensure that salary
30 allocations for districts that are currently grandfathered do not fall
31 below the statewide salary allocation schedule.

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

36 (c) Additional salary adjustments to certain districts as necessary

1 to fund the per full-time-equivalent salary allocations for classified
2 staff as listed for each district in LEAP Document 2, defined in
3 section 503(2)(b) of this act.

4 (d) The appropriations in this subsection (1) include associated
5 incremental fringe benefit allocations at 18.04 percent for the 2013-14
6 school year and 18.04 percent for the 2014-15 school year for
7 certificated instructional and certificated administrative staff and
8 17.45 percent for the 2013-14 school year and 17.45 percent for the
9 2014-15 school year for classified staff.

10 (e) The appropriations in this section include the increased or
11 decreased portion of salaries and incremental fringe benefits for all
12 relevant state-funded school programs in part V of this act. Changes
13 for general apportionment (basic education) are based on the salary
14 allocation schedules and methodology in sections 502 and 503 of this
15 act. Changes for special education result from changes in each
16 district's basic education allocation per student. Changes for
17 educational service districts and institutional education programs are
18 determined by the superintendent of public instruction using the
19 methodology for general apportionment salaries and benefits in sections
20 502 and 503 of this act.

21 (f) The appropriations in this section include no salary
22 adjustments for substitute teachers.

23 (2) The maintenance rate for insurance benefit allocations is
24 \$768.00 per month for the 2013-14 and 2014-15 school years. The
25 appropriations in this section reflect the incremental change in cost
26 of allocating rates of \$768.00 per month for the 2013-14 school year
27 and \$768.00 per month for the 2014-15 school year.

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

30 NEW SECTION. **Sec. 505. FOR THE SUPERINTENDENT OF PUBLIC**
31 **INSTRUCTION--FOR PUPIL TRANSPORTATION**

32	General Fund--State Appropriation (FY 2014)	\$325,402,000
33	General Fund--State Appropriation (FY 2015)	\$417,877,000
34	TOTAL APPROPRIATION	\$743,279,000

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

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

4 (2)(a) For the 2013-14 and 2014-15 school years, the superintendent
5 shall allocate funding to school district programs for the
6 transportation of students as provided in RCW 28A.160.192.

7 (b) From July 1, 2013 to August 31, 2013, the superintendent shall
8 allocate funding to school districts programs for the transportation of
9 students as provided in section 505, chapter 50, Laws of 2011 1st sp.
10 sess., as amended through section 505 of the 2013 omnibus supplemental
11 operating appropriations act.

12 (3) A maximum of \$892,000 of this fiscal year 2014 appropriation
13 and a maximum of \$892,000 of the fiscal year 2015 appropriation may be
14 expended for regional transportation coordinators and related
15 activities. The transportation coordinators shall ensure that data
16 submitted by school districts for state transportation funding shall,
17 to the greatest extent practical, reflect the actual transportation
18 activity of each district.

19 (4) The office of the superintendent of public instruction shall
20 provide reimbursement funding to a school district for school bus
21 purchases only after the superintendent of public instruction
22 determines that the school bus was purchased from the list established
23 pursuant to RCW 28A.160.195(2) or a comparable competitive bid process
24 based on the lowest price quote based on similar bus categories to
25 those used to establish the list pursuant to RCW 28A.160.195.

26 (5) The superintendent of public instruction shall base
27 depreciation payments for school district buses on the pre-sales tax
28 five-year average of lowest bids in the appropriate category of bus.
29 In the final year on the depreciation schedule, the depreciation
30 payment shall be based on the lowest bid in the appropriate bus
31 category for that school year.

32 (6) Funding levels in this section reflect waivers granted by the
33 state board of education for four-day school weeks as allowed under RCW
34 28A.305.141.

35 (7) The office of the superintendent of public instruction shall
36 annually disburse payments for bus depreciation in August.

1 NEW SECTION. **Sec. 506. FOR THE SUPERINTENDENT OF PUBLIC**
2 **INSTRUCTION--FOR SCHOOL FOOD SERVICE PROGRAMS**

3	General Fund--State Appropriation (FY 2014)	\$7,111,000
4	General Fund--State Appropriation (FY 2015)	\$7,111,000
5	General Fund--Federal Appropriation	\$473,326,000
6	TOTAL APPROPRIATION	\$487,548,000

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

9 (1) \$7,111,000 of the general fund--state appropriation for fiscal
10 year 2014 and \$7,111,000 of the general fund--state appropriation for
11 fiscal year 2015 are provided solely for state matching money for
12 federal child nutrition programs, and may support the meals for kids
13 program through the following allowable uses:

14 (a) Elimination of breakfast copays for eligible public school
15 students and lunch copays for eligible public school students in grades
16 kindergarten through third grade who are eligible for reduced price
17 lunch;

18 (b) Assistance to school districts and authorized public and
19 private nonprofit organizations for supporting summer food service
20 programs, and initiating new summer food service programs in low-income
21 areas;

22 (c) Reimbursements to school districts for school breakfasts served
23 to students eligible for free and reduced price lunch, pursuant to
24 chapter 287, Laws of 2005; and

25 (d) Assistance to school districts in initiating and expanding
26 school breakfast programs.

27 The office of the superintendent of public instruction shall report
28 annually to the fiscal committees of the legislature on annual
29 expenditures in (a), (b), and (c) of this subsection.

30 NEW SECTION. **Sec. 507. FOR THE SUPERINTENDENT OF PUBLIC**
31 **INSTRUCTION--FOR SPECIAL EDUCATION PROGRAMS**

32	General Fund--State Appropriation (FY 2014)	\$727,748,000
33	General Fund--State Appropriation (FY 2015)	\$764,041,000
34	General Fund--Federal Appropriation	\$462,020,000
35	Education Legacy Trust Account--State Appropriation	\$756,000
36	TOTAL APPROPRIATION	\$1,954,565,000

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

3 (1) Funding for special education programs is provided on an excess
4 cost basis, pursuant to RCW 28A.150.390. School districts shall ensure
5 that special education students as a class receive their full share of
6 the general apportionment allocation accruing through sections 502 and
7 504 of this act. To the extent a school district cannot provide an
8 appropriate education for special education students under chapter
9 28A.155 RCW through the general apportionment allocation, it shall
10 provide services through the special education excess cost allocation
11 funded in this section.

12 (2)(a) The superintendent of public instruction shall ensure that:

13 (i) Special education students are basic education students first;

14 (ii) As a class, special education students are entitled to the
15 full basic education allocation; and

16 (iii) Special education students are basic education students for
17 the entire school day.

18 (b) The superintendent of public instruction shall continue to
19 implement the full cost method of excess cost accounting, as designed
20 by the committee and recommended by the superintendent, pursuant to
21 section 501(1)(k), chapter 372, Laws of 2006.

22 (3) Each fiscal year appropriation includes such funds as are
23 necessary to complete the school year ending in the fiscal year and for
24 prior fiscal year adjustments.

25 (4)(a) For the 2013-14 and 2014-15 school years, the superintendent
26 shall allocate funding to school district programs for special
27 education students as provided in RCW 28A.150.390.

28 (b) From July 1, 2013 to August 31, 2013, the superintendent shall
29 allocate funding to school district programs for special education
30 students as provided in section 507, chapter 50, Laws of 2011 1st sp.
31 sess., as amended through section 507 of the 2013 omnibus supplemental
32 operating appropriations act.

33 (5) The following applies throughout this section: The definitions
34 for enrollment and enrollment percent are as specified in RCW
35 28A.150.390(3). Each district's general fund--state funded special
36 education enrollment shall be the lesser of the district's actual
37 enrollment percent or 12.7 percent.

1 (6) At the request of any interdistrict cooperative of at least 15
2 districts in which all excess cost services for special education
3 students of the districts are provided by the cooperative, the maximum
4 enrollment percent shall be calculated in accordance with RCW
5 28A.150.390(3) (c) and (d), and shall be calculated in the aggregate
6 rather than individual district units. For purposes of this
7 subsection, the average basic education allocation per full-time
8 equivalent student shall be calculated in the aggregate rather than
9 individual district units.

10 (7) \$34,227,000 of the general fund--state appropriation for fiscal
11 year 2014, \$35,592,000 of the general fund--state appropriation for
12 fiscal year 2015, and \$29,574,000 of the general fund--federal
13 appropriation are provided solely for safety net awards for districts
14 with demonstrated needs for special education funding beyond the
15 amounts provided in subsection (4) of this section. If the federal
16 safety net awards based on the federal eligibility threshold exceed the
17 federal appropriation in this subsection (7) in any fiscal year, the
18 superintendent shall expend all available federal discretionary funds
19 necessary to meet this need. At the conclusion of each school year,
20 the superintendent shall recover safety net funds that were distributed
21 prospectively but for which districts were not subsequently eligible.

22 (a) For the 2013-14 and 2014-15 school years, safety net funds
23 shall be awarded by the state safety net oversight committee as
24 provided in section 109(1) chapter 548, Laws of 2009 (ESHB 2261).

25 (b) The office of the superintendent of public instruction shall
26 make award determinations for state safety net funding in August of
27 each school year. Determinations on school district eligibility for
28 state safety net awards shall be based on analysis of actual
29 expenditure data from the current school year.

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

35 (9) The superintendent shall maintain the percentage of federal
36 flow-through to school districts at 85 percent. In addition to other
37 purposes, school districts may use increased federal funds for high-

1 cost students, for purchasing regional special education services from
2 educational service districts, and for staff development activities
3 particularly relating to inclusion issues.

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

8 (11) \$252,000 of the general fund--state appropriation for fiscal
9 year 2014 and \$252,000 of the general fund--state appropriation for
10 fiscal year 2015 are provided solely for two additional full-time
11 equivalent staff to support the work of the safety net committee and to
12 provide training and support to districts applying for safety net
13 awards.

14 (12) \$50,000 of the general fund--state appropriation for fiscal
15 year 2014, \$50,000 of the general fund--state appropriation for fiscal
16 year 2015, and \$100,000 of the general fund--federal appropriation
17 shall be expended to support a special education ombudsman program
18 within the office of superintendent of public instruction.

19 NEW SECTION. **Sec. 508. FOR THE SUPERINTENDENT OF PUBLIC**
20 **INSTRUCTION--FOR EDUCATIONAL SERVICE DISTRICTS**

21	General Fund--State Appropriation (FY 2014)	\$8,142,000
22	General Fund--State Appropriation (FY 2015)	\$8,150,000
23	TOTAL APPROPRIATION	\$16,292,000

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

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

29 (2) Funding within this section is provided for regional
30 professional development related to mathematics and science curriculum
31 and instructional strategies. Funding shall be distributed among the
32 educational service districts in the same proportion as distributions
33 in the 2007-2009 biennium. Each educational service district shall use
34 this funding solely for salary and benefits for a certificated
35 instructional staff with expertise in the appropriate subject matter
36 and in professional development delivery, and for travel, materials,

1 and other expenditures related to providing regional professional
2 development support.

3 (3) The educational service districts, at the request of the state
4 board of education pursuant to RCW 28A.310.010 and 28A.305.130, may
5 receive and screen applications for school accreditation, conduct
6 school accreditation site visits pursuant to state board of education
7 rules, and submit to the state board of education post-site visit
8 recommendations for school accreditation. The educational service
9 districts may assess a cooperative service fee to recover actual plus
10 reasonable indirect costs for the purposes of this subsection.

11 NEW SECTION. **Sec. 509. FOR THE SUPERINTENDENT OF PUBLIC**
12 **INSTRUCTION--FOR LOCAL EFFORT ASSISTANCE**

13	General Fund--State Appropriation (FY 2014)	\$309,436,000
14	General Fund--State Appropriation (FY 2015)	\$334,289,000
15	TOTAL APPROPRIATION	\$643,725,000

16 The appropriations in this section are subject to the following
17 conditions and limitations: For purposes of RCW 84.52.0531, the
18 increase per full-time equivalent student is 5.0 percent from the 2012-
19 13 school year to the 2013-14 school year and 5.0 percent from the
20 2013-14 school year to the 2014-15 school year.

21 NEW SECTION. **Sec. 510. FOR THE SUPERINTENDENT OF PUBLIC**
22 **INSTRUCTION--FOR INSTITUTIONAL EDUCATION PROGRAMS**

23	General Fund--State Appropriation (FY 2014)	\$14,982,000
24	General Fund--State Appropriation (FY 2015)	\$15,496,000
25	TOTAL APPROPRIATION	\$30,478,000

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

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

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

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

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

8 (5) \$1,070,000 of the general fund--state appropriation for fiscal
9 year 2014 and \$1,070,000 of the general fund--state appropriation for
10 fiscal year 2015 are provided solely to maintain at least one
11 certificated instructional staff and related support services at an
12 institution whenever the K-12 enrollment is not sufficient to support
13 one full-time equivalent certificated instructional staff to furnish
14 the educational program. The following types of institutions are
15 included: Residential programs under the department of social and
16 health services for developmentally disabled juveniles, programs for
17 juveniles under the department of corrections, programs for juveniles
18 under the juvenile rehabilitation administration, and programs for
19 juveniles operated by city and county jails.

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

22 **NEW SECTION. Sec. 511. FOR PROGRAMS FOR HIGHLY CAPABLE STUDENTS**

23	General Fund--State Appropriation (FY 2014)	\$9,377,000
24	General Fund--State Appropriation (FY 2015)	\$9,696,000
25	TOTAL APPROPRIATION	\$19,073,000

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

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

31 (2)(a) For the 2013-14 and 2014-15 school years, the superintendent
32 shall allocate funding to school district programs for highly capable
33 students as provided in RCW 28A.150.260(10)(c). In calculating the
34 allocations, the superintendent shall assume the following: (i)
35 Additional instruction of 2.1590 hours per week per funded highly
36 capable program student; (ii) fifteen highly capable program students
37 per teacher; (iii) 36 instructional weeks per year; (iv) 900

1 instructional hours per teacher; and (v) the district's average staff
2 mix and compensation rates as provided in sections 503 and 504 of this
3 act.

4 (b) From July 1, 2013, to August 31, 2013, the superintendent shall
5 allocate funding to school districts programs for highly capable
6 students as provided in section 511, chapter 50, Laws of 2011 1st sp.
7 sess., as amended through section 511 of the 2013 omnibus supplemental
8 operating appropriations act.

9 (3) \$85,000 of the general fund--state appropriation for fiscal
10 year 2014 and \$85,000 of the general fund--state appropriation for
11 fiscal year 2015 are provided solely for the centrum program at Fort
12 Worden state park.

13 NEW SECTION. **Sec. 512. FOR THE SUPERINTENDENT OF PUBLIC**
14 **INSTRUCTION--FOR MISCELLANEOUS--NO CHILD LEFT BEHIND ACT**

15 General Fund--Federal Appropriation \$4,052,000

16 NEW SECTION. **Sec. 513. FOR THE SUPERINTENDENT OF PUBLIC**
17 **INSTRUCTION--EDUCATION REFORM PROGRAMS**

18 General Fund--State Appropriation (FY 2014) \$121,288,000

19 General Fund--State Appropriation (FY 2015) \$118,384,000

20 General Fund--Federal Appropriation \$206,242,000

21 General Fund--Private/Local Appropriation \$4,002,000

22 Education Legacy Trust Account--State Appropriation \$1,599,000

23 TOTAL APPROPRIATION \$451,515,000

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

26 (1)(a) \$45,484,000 of the general fund--state appropriation for
27 fiscal year 2014, \$30,098,000 of the general fund--state appropriation
28 for fiscal year 2015, \$1,350,000 of the education legacy trust
29 account--state appropriation, and \$15,868,000 of the general fund--
30 federal appropriation are provided solely for development and
31 implementation of the Washington state assessment system, including:

32 (a) Development and implementation of retake assessments for high
33 school students who are not successful in one or more content areas and

34 (b) development and implementation of alternative assessments or
35 appeals procedures to implement the certificate of academic
36 achievement. The superintendent of public instruction shall report

1 quarterly on the progress on development and implementation of
2 alternative assessments or appeals procedures. Within these amounts,
3 the superintendent of public instruction shall contract for the early
4 return of 10th grade student assessment results, on or around June 10th
5 of each year. State funding to districts shall be limited to one
6 collection of evidence payment per student, per content-area
7 assessment.

8 (b) The superintendent of public instruction shall modify the
9 statewide student assessment system and implement assessments developed
10 with a multistate consortium beginning in the 2014-15 school year to
11 assess student proficiency on the standards adopted under RCW
12 28A.655.071.

13 (2) \$356,000 of the general fund--state appropriation for fiscal
14 year 2014 and \$356,000 of the general fund--state appropriation for
15 fiscal year 2015 are provided solely for the Washington state
16 leadership and assistance for science education reform (LASER) regional
17 partnership activities coordinated at the Pacific science center,
18 including instructional material purchases, teacher and principal
19 professional development, and school and community engagement events.

20 (3) \$980,000 of the general fund--state appropriation for fiscal
21 year 2014 and \$980,000 of the general fund--state appropriation for
22 fiscal year 2015 are provided solely for improving technology
23 infrastructure, monitoring and reporting on school district technology
24 development, promoting standards for school district technology,
25 promoting statewide coordination and planning for technology
26 development, and providing regional educational technology support
27 centers, including state support activities, under chapter 28A.650 RCW.

28 (4) \$5,851,000 of the general fund--state appropriation for fiscal
29 year 2014 and \$3,935,000 of the general fund--state appropriation for
30 fiscal year 2014 are provided solely for implementation of a new
31 performance-based evaluation for certificated educators and other
32 activities as provided in chapter 235, Laws of 2010 (education reform)
33 and chapter 35, Laws of 2012 (certificated employee evaluations).

34 (5)(a) \$45,263,000 of the general fund--state appropriation for
35 fiscal year 2014 and \$49,673,000 of the general fund--state
36 appropriation for fiscal year 2015 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 \$5,090 per
5 teacher in the 2013-14 and 2014-15 school years;

6 (ii) An additional \$5,000 annual bonus shall be paid to national
7 board certified teachers who teach in either: (A) High schools where
8 at least 50 percent of student headcount enrollment is eligible for
9 federal free or reduced price lunch, (B) middle schools where at least
10 60 percent of student headcount enrollment is eligible for federal free
11 or reduced price lunch, or (C) elementary schools where at least 70
12 percent of student headcount enrollment is eligible for federal free or
13 reduced price lunch;

14 (iii) The superintendent of public instruction shall adopt rules to
15 ensure that national board certified teachers meet the qualifications
16 for bonuses under (a)(ii) of this subsection for less than one full
17 school year receive bonuses in a pro-rated manner. All bonuses in
18 (a)(i) and (ii) of this subsection will be paid in July of each school
19 year. Bonuses in (a)(i) and (ii) of this subsection shall be reduced
20 by a factor of 40 percent for first year NBPTS certified teachers, to
21 reflect the portion of the instructional school year they are
22 certified; and

23 (iv) During the 2013-14 and 2014-15 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. The office of the
37 superintendent of public instruction shall adopt rules to define the
38 terms for initial grant of the assessment fee and repayment, including

1 applicable fees. To the extent necessary, the superintendent may use
2 revenues from the repayment of conditional loan scholarships to ensure
3 payment of all national board bonus payments required by this section
4 in each school year.

5 (6) \$477,000 of the general fund--state appropriation for fiscal
6 year 2014 and \$477,000 of the general fund--state appropriation for
7 fiscal year 2015 are provided solely for the leadership internship
8 program for superintendents, principals, and program administrators.

9 (7) \$950,000 of the general fund--state appropriation for fiscal
10 year 2014 and \$950,000 of the general fund--state appropriation for
11 fiscal year 2015 are provided solely for the Washington reading corps.
12 The superintendent shall allocate reading corps members to low-
13 performing schools and school districts that are implementing
14 comprehensive, proven, research-based reading programs. Two or more
15 schools may combine their Washington reading corps programs.

16 (8) \$810,000 of the general fund--state appropriation for fiscal
17 year 2014 and \$810,000 of the general fund--state appropriation for
18 fiscal year 2015 are provided solely for the development of a
19 leadership academy for school principals and administrators. The
20 superintendent of public instruction shall contract with an independent
21 organization to operate a state-of-the-art education leadership academy
22 that will be accessible throughout the state. Semiannually the
23 independent organization shall report on amounts committed by
24 foundations and others to support the development and implementation of
25 this program. Leadership academy partners shall include the state
26 level organizations for school administrators and principals, the
27 superintendent of public instruction, the professional educator
28 standards board, and others as the independent organization shall
29 identify.

30 (9) \$3,234,000 of the general fund--state appropriation for fiscal
31 year 2014 and \$3,234,000 of the general fund--state appropriation for
32 fiscal year 2015 are provided solely for grants to school districts to
33 provide a continuum of care for children and families to help children
34 become ready to learn. Grant proposals from school districts shall
35 contain local plans designed collaboratively with community service
36 providers. If a continuum of care program exists in the area in which
37 the school district is located, the local plan shall provide for
38 coordination with existing programs to the greatest extent possible.

1 (10) \$1,500,000 of the general fund--state appropriation for fiscal
2 year 2014 and \$1,500,000 of the general fund--state appropriation for
3 fiscal year 2015 are provided solely for the implementation of chapter
4 288, Laws of 2011 (actual student success program), including
5 allocations to the opportunity internship program, the jobs for
6 America's graduates program, the building bridges program, services
7 provided by a college scholarship organization. Funding shall not be
8 used in the 2013-15 fiscal biennium to provide awards for schools and
9 school districts.

10 (11) \$2,000,000 of the general fund--state appropriation for fiscal
11 year 2014 and \$2,000,000 of the general fund--state appropriation for
12 fiscal year 2015 are provided solely for a statewide information
13 technology (IT) academy program. This public-private partnership will
14 provide educational software, as well as IT certification and software
15 training opportunities for students and staff in public schools.

16 (12) \$1,277,000 of the general fund--state appropriation for fiscal
17 year 2014 and \$1,277,000 of the general fund--state appropriation for
18 fiscal year 2015 are provided solely for secondary career and technical
19 education grants pursuant to chapter 170, Laws of 2008. If equally
20 matched by private donations, \$300,000 of the 2014 appropriation and
21 \$300,000 of the 2015 appropriation shall be used to support FIRST
22 robotics programs. Of the amounts in this subsection, \$100,000 of the
23 fiscal year 2014 appropriation and \$100,000 of the fiscal year 2015
24 appropriation are provided solely for the purpose of statewide
25 supervision activities for career and technical education student
26 leadership organizations.

27 (13) \$125,000 of the general fund--state appropriation for fiscal
28 year 2014 and \$125,000 of the general fund--state appropriation for
29 fiscal year 2015 are provided solely for (a) staff at the office of the
30 superintendent of public instruction to coordinate and promote efforts
31 to develop integrated math, science, technology, and engineering
32 programs in schools and districts across the state; and (b) grants of
33 \$2,500 to provide twenty middle and high school teachers each year with
34 professional development training for implementing integrated math,
35 science, technology, and engineering programs in their schools.

36 (14) \$135,000 of the general fund--state appropriation for fiscal
37 year 2014 and \$135,000 of the general fund--state appropriation for

1 fiscal year 2015 are provided solely for science, technology,
2 engineering and mathematics lighthouse projects, consistent with
3 chapter 238, Laws of 2010.

4 (15) \$1,000,000 of the general fund--state appropriation for fiscal
5 year 2014 and \$1,000,000 of the general fund--state appropriation for
6 fiscal year 2015 are provided solely for a beginning educator support
7 program. School districts and/or regional consortia may apply for
8 grant funding. The superintendent shall implement this program in 5 to
9 15 school districts and/or regional consortia. The program provided by
10 a district and/or regional consortia shall include: A paid
11 orientation; assignment of a qualified mentor; development of a
12 professional growth plan for each beginning teacher aligned with
13 professional certification; release time for mentors and new teachers
14 to work together; and teacher observation time with accomplished peers.
15 \$250,000 may be used to provide statewide professional development
16 opportunities for mentors and beginning educators.

17 (16) \$250,000 of the general fund--state appropriation for fiscal
18 year 2014 and \$250,000 of the general fund--state appropriation for
19 fiscal year 2015 are provided solely for advanced project lead the way
20 courses at ten high schools. To be eligible for funding in 2014, a
21 high school must have offered a foundational project lead the way
22 course during the 2012-13 school year. The 2014 funding must be used
23 for one-time start-up course costs for an advanced project lead the way
24 course, to be offered to students beginning in the 2013-14 school year.
25 To be eligible for funding in 2015, a high school must have offered a
26 foundational project lead the way course during the 2013-14 school
27 year. The 2015 funding must be used for one-time start-up course costs
28 for an advanced project lead the way course, to be offered to students
29 beginning in the 2014-15 school year. The office of the superintendent
30 of public instruction and the education research and data center at the
31 office of financial management shall track student participation and
32 long-term outcome data.

33 (17) \$300,000 of the general fund--state appropriation for fiscal
34 year 2014 and \$300,000 of the general fund--state appropriation for
35 fiscal year 2015 are provided solely for annual start-up grants for
36 aerospace and manufacturing technical programs housed at four skill
37 centers. The grants are provided for start-up equipment and curriculum
38 purchases. To be eligible for funding, the skill center must agree to

1 provide regional high schools with access to a technology laboratory,
2 expand manufacturing certificate and course offerings at the skill
3 center, and provide a laboratory space for local high school teachers
4 to engage in professional development in the instruction of courses
5 leading to student employment certification in the aerospace and
6 manufacturing industries. Once a skill center receives a start-up
7 grant, it is ineligible for additional start-up funding in the
8 following school year. The office of the superintendent of public
9 instruction shall administer the grants in consultation with the center
10 for excellence for aerospace and advanced materials manufacturing.

11 (18) \$150,000 of the general fund--state appropriation for fiscal
12 year 2014 and \$150,000 of the general fund--state appropriation for
13 fiscal year 2015 are provided solely for annual start-up grants to six
14 high schools to implement the aerospace assembler program.
15 Participating high schools must agree to offer the aerospace assembler
16 training program to students by spring semester of school year 2013-14.
17 Once a high school receives a start-up grant, it is ineligible for
18 additional start-up funding in the following school year. The office
19 of the superintendent of public instruction and the education research
20 and data center at the office of financial management shall track
21 student participation and long-term outcome data.

22 (19) \$10,000,000 of the general fund--state appropriation for
23 fiscal year 2014 and \$10,000,000 of the general fund--state
24 appropriation for fiscal year 2015 are provided solely for the
25 provision of training for teachers in the performance-based teacher
26 principal evaluation program. Of the amounts appropriated in this
27 subsection, \$5,000,000 for fiscal year 2014 and \$5,000,000 for fiscal
28 year 2015 are one-time appropriations.

29 (20) \$143,000 of the general fund--state appropriation for fiscal
30 year 2014 and \$10,138,000 of the general fund--state appropriation for
31 fiscal year 2015 are provided solely for the implementation of
32 Engrossed Second Substitute Senate Bill No. 5329 (persistently failing
33 schools). If the bill is not enacted by June 30, 2013, the amounts
34 provided in this subsection shall lapse.

35 NEW SECTION. **Sec. 514. FOR THE SUPERINTENDENT OF PUBLIC**
36 **INSTRUCTION--FOR TRANSITIONAL BILINGUAL PROGRAMS**

37 General Fund--State Appropriation (FY 2014) \$89,123,000

1	General Fund--State Appropriation (FY 2015)	\$95,248,000
2	General Fund--Federal Appropriation	\$71,016,000
3	TOTAL APPROPRIATION	\$255,387,000

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

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

9 (2)(a) For the 2013-14 and 2014-15 school years, the superintendent
10 shall allocate funding to school districts for transitional bilingual
11 programs as provided in RCW 28A.150.260(10)(b). In calculating the
12 allocations, the superintendent shall assume the following averages:
13 (i) Additional instruction of 4.7780 hours per week per transitional
14 bilingual program student in grades kindergarten through six in school
15 years 2013-14 and 2014-15; (ii) additional instruction of 4.7780 hours
16 per week in school year 2013-14 and 4.7780 hours per week in school
17 year 2014-15 per transitional bilingual program student in grades seven
18 through eight; (iii) additional instruction of 4.7780 hours per week in
19 school year 2013-14 and 4.7780 hours per week in school year 2014-15
20 per transitional bilingual program student in grades nine through
21 twelve; (iv) fifteen transitional bilingual program students per
22 teacher; (v) 36 instructional weeks per year; (vi) 900 instructional
23 hours per teacher; and (vii) the district's average staff mix and
24 compensation rates as provided in sections 503 and 504 of this act.

25 (b) From July 1, 2013, to August 31, 2013, the superintendent shall
26 allocate funding to school districts for transitional bilingual
27 instruction programs as provided in section 514, chapter 50, Laws of
28 2011 1st sp. sess., as amended through section 512 of the 2013 omnibus
29 supplemental operating appropriations act.

30 (3) The superintendent may withhold allocations to school districts
31 in subsection (2) of this section solely for the central provision of
32 assessments as provided in RCW 28A.180.090 (1) and (2) up to the
33 following amounts: 1.86 percent for school year 2013-14 and 1.79
34 percent for school year 2014-15.

35 (4) The general fund--federal appropriation in this section is for
36 migrant education under Title I Part C and English language
37 acquisition, and language enhancement grants under Title III of the
38 elementary and secondary education act.

1 (5) \$35,000 of the general fund--state appropriation for fiscal
2 year 2014 and \$35,000 of the general fund--state appropriation for
3 fiscal year 2015 are provided solely to track current and former
4 transitional bilingual program students.

5 NEW SECTION. **Sec. 515. FOR THE SUPERINTENDENT OF PUBLIC**
6 **INSTRUCTION--FOR THE LEARNING ASSISTANCE PROGRAM**

7	General Fund--State Appropriation (FY 2014)	\$158,963,000
8	General Fund--State Appropriation (FY 2015)	\$175,003,000
9	General Fund--Federal Appropriation	\$448,434,000
10	TOTAL APPROPRIATION	\$782,400,000

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

13 (1) The general fund--state appropriations in this section are
14 subject to the following conditions and limitations:

15 (a) The appropriations include such funds as are necessary to
16 complete the school year ending in the fiscal year and for prior fiscal
17 year adjustments.

18 (b)(i) For the 2013-14 and 2014-15 school years, the superintendent
19 shall allocate funding to school districts for learning assistance
20 programs as provided in RCW 28A.150.260(10)(a). In calculating the
21 allocations, the superintendent shall assume the following averages:
22 (A) Additional instruction of 1.9200 hours per week per funded learning
23 assistance program student for the 2013-14 school year and the 2014-15
24 school year; (B) fifteen learning assistance program students per
25 teacher; (C) 36 instructional weeks per year; (D) 900 instructional
26 hours per teacher; and (E) the district's average staff mix and
27 compensation rates as provided in sections 503 and 504 of this act.

28 (ii) From July 1, 2013, to August 31, 2013, the superintendent
29 shall allocate funding to school districts for learning assistance
30 programs as provided in section 515, chapter 50, Laws of 2011 1st sp.
31 sess., as amended through section 513 of the 2013 omnibus supplemental
32 operating appropriations act.

33 (c) A school district's funded students for the learning assistance
34 program shall be the sum of the district's full-time equivalent
35 enrollment in grades K-12 for the prior school year multiplied by the
36 district's percentage of October headcount enrollment in grades K-12
37 eligible for free or reduced price lunch in the prior school year.

1 (2) Allocations made pursuant to subsection (1) of this section
2 shall be adjusted to reflect ineligible applications identified through
3 the annual income verification process required by the national school
4 lunch program, as recommended in the report of the state auditor on the
5 learning assistance program dated February, 2010.

6 (3) The general fund--federal appropriation in this section is
7 provided for Title I Part A allocations of the no child left behind act
8 of 2001.

9 (4) A school district may carry over from one year to the next up
10 to 10 percent of the general fund--state funds allocated under this
11 program; however, carryover funds shall be expended for the learning
12 assistance program.

13 NEW SECTION. **Sec. 516. FOR THE SUPERINTENDENT OF PUBLIC**
14 **INSTRUCTION**

15 (1) Amounts distributed to districts by the superintendent through
16 part V of this act are for allocations purposes only, unless specified
17 by part V of this act, and do not entitle a particular district,
18 district employee, or student to a specific service, beyond what has
19 been expressly provided in statute. Part V of this act restates the
20 requirements of various sections of Title 28A RCW. If any conflict
21 exists, the provisions of Title 28A RCW control unless this act
22 explicitly states that it is providing an enhancement. Any amounts
23 provided in part V of this act in excess of the amounts required by
24 Title 28A RCW provided in statute, are not within the program of basic
25 education unless clearly stated by this act.

26 (2) To the maximum extent practicable, when adopting new or revised
27 rules or policies relating to the administration of allocations in part
28 V of this act that result in fiscal impact, the office of the
29 superintendent of public instruction shall attempt to seek legislative
30 approval through the budget request process.

31 (3) Appropriations made in this act to the office of the
32 superintendent of public instruction shall initially be allotted as
33 required by this act. Subsequent allotment modifications shall not
34 include transfers of moneys between sections of this act.

(End of part)

PART VI
HIGHER EDUCATION

1
2
3 NEW SECTION. **Sec. 601.** The appropriations in sections 605
4 through 611 of this act are subject to the following conditions and
5 limitations:

6 (1) "Institutions" means the institutions of higher education
7 receiving appropriations under sections 605 through 611 of this act.

8 (2) The legislature, the office of financial management, and other
9 state agencies need consistent and accurate personnel data from
10 institutions of higher education for policy planning purposes.
11 Institutions of higher education shall report personnel data to the
12 department of personnel for inclusion in the department's data
13 warehouse. Uniform reporting procedures shall be established by the
14 office of financial management's office of the state human resources
15 director for use by the reporting institutions, including provisions
16 for common job classifications and common definitions of full-time
17 equivalent staff. Annual contract amounts, number of contract months,
18 and funding sources shall be consistently reported for employees under
19 contract.

20 (3) In addition to waivers granted under the authority of RCW
21 28B.15.910, the governing boards and the state board may waive all or
22 a portion of operating fees for any student. State general fund
23 appropriations shall not be provided to replace tuition and fee revenue
24 foregone as a result of waivers granted under this subsection.

25 (4) The institutions of higher education receiving state
26 appropriations under sections 605 through 611 of this act shall allot
27 anticipated state and tuition expenditures by budget program and fiscal
28 year.

29 (5)(a) For institutions receiving appropriations in section 605 of
30 this act, the only allowable salary increases provided are those with
31 normally occurring promotions and increases related to faculty and
32 staff retention, except as provided in section 604(4) of this act. In
33 fiscal year 2014 and fiscal year 2015, the state board for community
34 and technical colleges may use salary and benefit savings from faculty

1 turnover to provide salary increments and associated benefits for
2 faculty who qualify through professional development and training.

3 (b) For employees under the jurisdiction of chapter 41.56 RCW,
4 salary increases will be in accordance with the applicable collective
5 bargaining agreement. However, an increase shall not be provided to
6 any classified employee whose salary is above the approved salary range
7 maximum for the class to which the employee's position is allocated.

8 (c) For each institution of higher education receiving
9 appropriations under sections 606 through 611 of this act:

10 (i) The only allowable salary increases are those associated with
11 normally occurring promotions and increases related to faculty and
12 staff retention; and

13 (ii) Institutions may provide salary increases from other sources
14 to instructional and research faculty at the universities and The
15 Evergreen State College, exempt professional staff, teaching and
16 research assistants, as classified by the office of financial
17 management, and all other nonclassified staff, but not including
18 employees under chapter 41.80 RCW. Any salary increase granted under
19 the authority of this subsection (4)(c)(ii) shall not be included in an
20 institution's salary base for future state funding. It is the intent
21 of the legislature that state general fund support for an institution
22 shall not increase during the current or any future biennium as a
23 result of any salary increases authorized under this subsection
24 (4)(c)(ii).

25 NEW SECTION. **Sec. 602.** (1) Within the amounts appropriated in
26 this act, each institution of higher education is expected to enroll
27 and educate at least the following numbers of full-time equivalent
28 state-supported students per academic year:

	2013-14	2014-15
	Annual Average	Annual Average
31 University of Washington	37,162	37,162
32 Washington State University	22,228	22,228
33 Central Washington University	8,808	8,808
34 Eastern Washington University	8,734	8,734
35 The Evergreen State College	4,213	4,213

1	Western Washington University	11,762	11,762
2	State Board for Community &		
3	Technical Colleges		
4	Adult Students	139,237	139,237
5	Running Start Students	11,558	11,558

6 (2) In achieving or exceeding these enrollment targets, each
7 institution shall seek to:

8 (a) Maintain and to the extent possible increase enrollment
9 opportunities at branch campuses;

10 (b) Maintain and to the extent possible increase enrollment
11 opportunities at university centers and other partnership programs that
12 enable students to earn baccalaureate degrees on community college
13 campuses; and

14 (c) Eliminate and consolidate programs of study for which there is
15 limited student or employer demand, or that are not areas of core
16 academic strength for the institution, particularly when such programs
17 duplicate offerings by other in-state institutions.

18 (3) For purposes of monitoring and reporting statewide enrollment,
19 the University of Washington and Washington State University shall
20 notify the office of financial management of the number of full-time
21 student equivalent enrollments budgeted for each of their campuses.

22 **NEW SECTION. Sec. 603. PUBLIC BACCALAUREATE INSTITUTIONS**

23 (1) In order to operate within the state funds appropriated in this
24 act, the governing boards of the state research universities, the state
25 regional universities, and The Evergreen State College are authorized
26 to adopt and adjust tuition and fees for the 2013-14 and 2014-15
27 academic years as provided in this section.

28 (2) For the purposes of chapter 28B.15 RCW, the omnibus
29 appropriations act assumes increases of tuition levels for resident
30 undergraduate students over the amounts charged to resident
31 undergraduate students for the prior year, as follows:

32	University of Washington	3%
33	Washington State University	3%

1	Central Washington University	3%
2	Eastern Washington University	3%
3	The Evergreen State College	3%
4	Western Washington University	3%

5 (3) The governing boards of the state research universities, the
6 state regional universities, and The Evergreen State College may exceed
7 the tuition levels assumed in subsection (2) of this section. However,
8 to the extent that tuition levels exceed the tuition levels assumed in
9 subsection (2) of this section, the institution shall be subject to the
10 conditions and limitations provided in chapter 28B.15 RCW as amended by
11 chapter 10, Laws of 2011 sp. sess. (higher education opportunity act).
12 In order to facilitate the full implementation of chapter 10, Laws of
13 2011 sp. sess., the institutions of higher education are authorized to
14 adopt tuition levels that are less than, equal to, or greater than the
15 tuition levels assumed in subsection (2) of this section.

16 (4) Each governing board is authorized to increase tuition charges
17 to graduate and professional students, and to nonresident undergraduate
18 students, by amounts judged reasonable and necessary by the governing
19 board.

20 (5) Each governing board is authorized to increase summer quarter
21 or semester tuition fees for resident and nonresident undergraduate,
22 graduate, and professional students pursuant to RCW 28B.15.067.

23 (6) Each governing board is authorized to adopt or increase charges
24 for fee-based, self-sustaining degree programs, credit courses,
25 noncredit workshops and courses, and special contract courses by
26 amounts judged reasonable and necessary by the governing board.

27 (7) Each governing board is authorized to adopt or increase
28 services and activities fees for all categories of students as provided
29 in RCW 28B.15.069.

30 (8) Each governing board is authorized to adopt or increase
31 technology fees as provided in RCW 28B.15.069.

32 (9) Each governing board is authorized to adopt or increase special
33 course and lab fees, and health and counseling fees, to the extent
34 necessary to cover the reasonable and necessary exceptional cost of the
35 course or service.

36 (10) Each governing board is authorized to adopt or increase

1 administrative fees such as, but not limited to, those charged for
2 application, matriculation, special testing, and transcripts by amounts
3 judged reasonable and necessary by the governing board.

4 (11) The state universities, the regional universities, and The
5 Evergreen State College must accept the transfer of college-level
6 courses taken by running start students if a student seeking a transfer
7 of the college-level courses has been admitted to the state university,
8 the regional university, or The Evergreen State College, and if the
9 college-level courses are recognized as transferrable by the admitting
10 institution of higher education.

11 NEW SECTION. **Sec. 604. STATE BOARD FOR COMMUNITY AND TECHNICAL**
12 **COLLEGES**

13 (1) In order to operate within the state funds appropriated in this
14 act, the state board is authorized to adopt and adjust tuition and fees
15 for the 2013-14 and 2014-15 academic years as provided in this section.

16 (2) The state board may increase the tuition fees charged to
17 resident undergraduate students by no more than three 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 three percent.

23 (3) For the 2013-14 and 2014-15 academic years, the state board may
24 increase tuition fees charged to resident undergraduates enrolled in
25 upper division applied baccalaureate programs by no more than three
26 percent over the amounts charged during the prior academic year.

27 (4) Appropriations in section 605 include the restoration of the
28 three percent reduction in compensation costs taken in the 2011-2013
29 fiscal biennium. This funding is sufficient to implement 2013-2015
30 collective bargaining agreements at institutions of higher education
31 negotiated under chapter 41.80 RCW. The colleges may also use the
32 restored funds for any other purpose including restoring prior
33 compensation reductions, increasing compensation, and implementing
34 other collective bargaining agreements.

35 (5) The state board may increase the tuition fees charged to
36 nonresident students by amounts judged reasonable and necessary by the
37 board.

1 (6) The trustees of the technical colleges are authorized to either
2 (a) increase operating fees for resident undergraduates by no more than
3 three percent over the amounts charged to resident undergraduates
4 during the prior academic year; or (b) fully adopt the tuition fee
5 charge schedule adopted by the state board for community colleges.

6 (7) For academic years 2013-14 and 2014-15, the trustees of the
7 technical colleges are authorized to increase building fees by an
8 amount judged reasonable in order to progress toward parity with the
9 building fees charged students attending the community colleges.

10 (8) The state board is authorized to increase the maximum allowable
11 services and activities fees as provided in RCW 28B.15.069. The
12 trustees of the community and technical colleges are authorized to
13 increase services and activities fees up to the maximum level
14 authorized by the state board.

15 (9) The trustees of the community and technical colleges are
16 authorized to adopt or increase charges for fee-based, self-sustaining
17 programs such as summer session, international student contracts, and
18 special contract courses by amounts judged reasonable and necessary by
19 the trustees.

20 (10) The trustees of the community and technical colleges are
21 authorized to adopt or increase special course and lab fees to the
22 extent necessary to cover the reasonable and necessary exceptional cost
23 of the course or service.

24 (11) The trustees of the community and technical colleges are
25 authorized to adopt or increase administrative fees such as but not
26 limited to those charged for application, matriculation, special
27 testing, and transcripts by amounts judged reasonable and necessary by
28 the trustees.

29 NEW SECTION. **Sec. 605. FOR THE STATE BOARD FOR COMMUNITY AND**
30 **TECHNICAL COLLEGES**

31	General Fund--State Appropriation (FY 2014)	\$546,347,000
32	General Fund--State Appropriation (FY 2015)	\$548,382,000
33	Community/Technical College Capital Projects	
34	Account--State Appropriation	\$17,548,000
35	Education Legacy Trust Account--State	
36	Appropriation	\$107,922,000
37	TOTAL APPROPRIATION	\$1,220,199,000

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

3 (1) When implementing the appropriations in this section, the state
4 board and the trustees of the individual community and technical
5 colleges shall minimize impact on academic programs, maximize
6 reductions in administration, and shall at least maintain, and endeavor
7 to increase, enrollment opportunities and degree and certificate
8 production in high employer-demand fields of study at their academic
9 year 2008-09 levels.

10 (2) \$33,261,000 of the general fund--state appropriation for fiscal
11 year 2014 and \$33,261,000 of the general fund--state appropriation for
12 fiscal year 2015 are provided solely as special funds for training and
13 related support services, including financial aid, as specified in RCW
14 28C.04.390. Funding is provided to support at least 6,200 full-time
15 equivalent students in fiscal year 2014 and at least 6,200 full-time
16 equivalent students in fiscal year 2015.

17 (3) \$5,450,000 of the education legacy trust account--state
18 appropriation is provided solely for administration and customized
19 training contracts through the job skills program.

20 (4) \$3,928,000 of the education legacy trust account appropriation
21 is provided solely for the expansion of enrollment in aerospace and
22 STEM (science, technology, engineering and math) programs. The state
23 board will work with the education research and data center to
24 establish program baselines and demonstrate enrollment increases. By
25 September 1, 2014, and each September 1st thereafter, the state board
26 shall provide a report that provides the specific detail on how these
27 amounts were spent in the preceding fiscal year, any process changes or
28 best-practices implemented by the colleges, and how many students are
29 enrolled in aerospace and STEM programs above the 2012-2013 academic
30 year baseline.

31 (5) \$200,000 of the education legacy trust account appropriation is
32 provided solely for the aerospace center of excellence currently hosted
33 by Everett community college to:

34 (a) Increase statewide communications and outreach between industry
35 sectors, industry organizations, businesses, K-12 schools, colleges,
36 and universities;

37 (b) Enhance information technology to increase business and student
38 accessibility and use of the center's web site; and

1 (c) Act as the information entry point for prospective students and
2 job seekers regarding education, training, and employment in the
3 industry.

4 (6) \$362,000 of the education legacy trust account appropriation is
5 provided solely for the opportunity center for employment and education
6 internet technology integration project at north Seattle community
7 college.

8 (7) \$510,000 of the education legacy trust account appropriation is
9 provided solely for implementation of a maritime industries training
10 program at south Seattle community college.

11 (8) \$200,000 of the general fund--state appropriation for fiscal
12 year 2014 and \$200,000 of the general fund--state appropriation for
13 fiscal year 2015 are provided solely for the labor center at the
14 Georgetown south Seattle community college campus. \$50,000 of the
15 amount provided in this subsection for fiscal year 2014 and \$50,000 of
16 the amounts for 2015 are provided solely for the labor center archive
17 project.

18 (9) \$7,500,000 of the education legacy trust account appropriation
19 is provided solely for the student achievement initiative.

20 (10) \$500,000 of the general fund--state appropriation for fiscal
21 year 2014 is provided solely for implementation of Second Substitute
22 Senate Bill No. 5624 (STEM or career and tech ed). If the bill is not
23 enacted by June 30, 2013, the amount provided in this subsection shall
24 lapse.

25 (11) Community and technical colleges are not required to send mass
26 mailings of course catalogs to residents of their districts. Community
27 and technical colleges shall consider lower cost alternatives, such as
28 mailing postcards or brochures that direct individuals to online
29 information and other ways of acquiring print catalogs.

30 (12) The state board for community and technical colleges shall not
31 use funds appropriated in this section to support intercollegiate
32 athletics programs.

33 **NEW SECTION. Sec. 606. FOR THE UNIVERSITY OF WASHINGTON**

34	General Fund--State Appropriation (FY 2014)	\$223,938,000
35	General Fund--State Appropriation (FY 2015)	\$224,619,000
36	Geoduck Aquaculture Research Account--State	
37	Appropriation	\$300,000

1	Education Legacy Trust Account--State Appropriation	\$20,769,000
2	Economic Development Strategic Reserve Account--	
3	State Appropriation	\$3,000,000
4	Biotoxin Account--State Appropriation	\$390,000
5	Accident Account--State Appropriation	\$6,754,000
6	Medical Aid Account--State Appropriation	\$6,556,000
7	Aquatic Land Enhancement Account--State Appropriation	\$700,000
8	State Toxics Control Account--State Appropriation	\$1,120,000
9	TOTAL APPROPRIATION	\$488,146,000

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

12 (1) In implementing the appropriations in this section, the
13 president and regents shall seek to minimize impacts on student
14 services and instructional programs by maximizing reductions in
15 administration and other noninstructional activities.

16 (2) \$300,000 of the geoduck aquaculture research account--state
17 appropriation is provided solely for the University of Washington sea
18 grant program to commission scientific research studies that examine
19 possible negative and positive effects, including the cumulative
20 effects and the economic contribution, of evolving shellfish
21 aquaculture techniques and practices on Washington's economy and marine
22 ecosystems. The research conducted for the studies is not intended to
23 be a basis for an increase in the number of shellfish harvesting
24 permits available and should be coordinated with any research efforts
25 related to ocean acidification. The University of Washington must
26 submit an annual report detailing any findings and outline the progress
27 of the study, consistent with RCW 43.01.036, to the appropriate
28 legislative committees by December 1st of each year.

29 (3) \$52,000 of the general fund--state appropriation for fiscal
30 year 2014 and \$52,000 of the general fund--state appropriation for
31 fiscal year 2015 are provided solely for the center for international
32 trade in forest products in the college of forest resources.

33 (4) \$2,000,000 of the education legacy trust account appropriation
34 is provided solely for the college of engineering to support an
35 increase in the number of engineering graduates by 425 students. By
36 September 1, 2013, and each September 1st thereafter, the university
37 shall provide an updated report that provides the specific detail on

1 how these amounts were spent in the preceding fiscal year, any process
2 changes or best-practices implemented by the college, and how many
3 students are enrolled in engineering programs above the baseline.

4 (5) \$14,491,000 of the education legacy trust account appropriation
5 is provided solely for the expansion of computer science and
6 engineering enrollments. The university will work with the education
7 research and data center to establish program baselines and demonstrate
8 enrollment increases. By September 1, 2014, and each September 1st
9 thereafter, the university shall provide a report that provides the
10 specific detail on how these amounts were spent in the preceding fiscal
11 year, including but not limited to the cost per student, student
12 completion rates, and the number of low-income students enrolled in
13 each program, any process changes or best-practices implemented by the
14 college, and how many students are enrolled in computer science and
15 engineering programs above the 2012-2013 academic year baseline.

16 (6) \$4,500,000 of the general fund--state appropriation for fiscal
17 year 2014 and \$4,500,000 of the general fund--state appropriation for
18 fiscal year 2015 are provided solely for creation of a clean energy
19 institute. The institute shall integrate physical sciences and
20 engineering with a research focus on energy storage and solar energy.

21 (7) \$3,000,000 of the economic development strategic reserve
22 account appropriation is provided solely to support the joint center
23 for aerospace innovation technology.

24 (8) Within existing resources, the University of Washington shall
25 establish a forestry program.

26 (9) \$700,000 of the aquatic lands enhancement account--state
27 appropriation and \$1,120,000 of the state toxics control account--state
28 appropriation are provided solely for the center on ocean acidification
29 and related work necessary to implement the recommendations of the
30 governor's blue ribbon task force on ocean acidification. The
31 university shall provide staffing for this purpose.

32 (10) The University of Washington shall not use funds appropriated
33 in this section to support intercollegiate athletics programs.

34 **NEW SECTION. Sec. 607. FOR WASHINGTON STATE UNIVERSITY**

35	General Fund--State Appropriation (FY 2014)	\$145,725,000
36	General Fund--State Appropriation (FY 2015)	\$147,810,000
37	State Wildlife Account--State Appropriation	\$400,000

1 Education Legacy Trust Account--State Appropriation \$39,377,000
2 TOTAL APPROPRIATION \$333,312,000

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

5 (1) In implementing the appropriations in this section, the
6 president and regents shall seek to minimize impacts on student
7 services and instructional programs by maximizing reductions in
8 administration and other noninstructional activities.

9 (2) \$2,000,000 of the education legacy trust account appropriation
10 is provided solely for the college of engineering to support an
11 increase in the number of engineering graduates by 425 students. By
12 September 1, 2013, and each September 1st thereafter, the university
13 shall provide an updated report that provides the specific detail on
14 how these amounts were spent in the preceding fiscal year, any process
15 changes or best-practices implemented by the college, and how many
16 students are enrolled in engineering programs above the baseline.

17 (3) \$8,389,000 of the education legacy trust account appropriation
18 is provided solely for the expansion of computer science and
19 engineering enrollments. The university will work with the education
20 research and data center to establish program baselines and demonstrate
21 enrollment increases. By September 1, 2014, and each September 1st
22 thereafter, the university shall provide a report that provides the
23 specific detail on how these amounts were spent in the preceding fiscal
24 year, including but not limited to the cost per student, student
25 completion rates, and the number of low-income students enrolled in
26 each program, any process changes or best-practices implemented by the
27 college, and how many students are enrolled in computer science and
28 engineering programs above the 2012-2013 academic year baseline.

29 (4) \$25,000 of the general fund--state appropriation for fiscal
30 year 2014 is provided solely for the Ruckelshaus center to collaborate
31 with local governments, the media, and representatives of the public
32 regarding public record requests made to local government. The center
33 shall facilitate meetings and discussions and report to the appropriate
34 committees of the legislature. The report shall include information
35 on:

36 (a) Recommendations related to balancing open public records with
37 concerns of local governments related to interfering with the work of
38 the local government;

- 1 (b) Resources necessary to accommodate requests;
- 2 (c) Potential harassment of government employees;
- 3 (d) Potential safety concerns of people named in the record;
- 4 (e) Potentially assisting criminal activity; and
- 5 (f) Other issues brought forward by the participants.

6 The center shall report to the appropriate committees of the
7 legislature by December 15, 2013.

8 (5) \$100,000 of the general fund--state appropriation for fiscal
9 year 2014 and \$100,000 of the general fund--state appropriation for
10 fiscal year 2015 are provided solely for the Washington State
11 University agricultural research center to conduct public outreach and
12 education related to nonlethal methods of mitigating conflicts between
13 livestock and large wild carnivores. An additional \$400,000 of the
14 state wildlife account--state appropriation is provided solely to the
15 center to conduct a detailed analysis of such methods. The amounts
16 appropriated in this subsection may not be subject to an administrative
17 fee or charge, and must be used for costs directly associated with the
18 research and analysis.

19 (6) \$2,065,000 of the general fund--state appropriation for fiscal
20 year 2014 and \$3,035,000 of the general fund--state appropriation for
21 fiscal year 2015 are provided solely for expansion of medical education
22 and biomedical research in Spokane.

23 (7) Washington State University shall not use funds appropriated in
24 this section to support intercollegiate athletic programs.

25 **NEW SECTION. Sec. 608. FOR EASTERN WASHINGTON UNIVERSITY**

26	General Fund--State Appropriation (FY 2014)	\$28,593,000
27	General Fund--State Appropriation (FY 2015)	\$28,702,000
28	Education Legacy Trust Account--State Appropriation	\$16,401,000
29	TOTAL APPROPRIATION	\$73,696,000

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 governing board shall seek to minimize impacts on student
34 services and instructional programs by maximizing reductions in
35 administration and other noninstructional activities.

36 (2) \$2,082,000 of the education legacy trust account appropriation
37 is provided solely for improvements in student completion and retention

1 rates in order to increase the university's four year graduation rate.
2 By September 1, 2014, and each September 1st thereafter, the university
3 shall provide a report that provides the specific details on how these
4 amounts were spent in the preceding fiscal year, any process changes or
5 best-practices implemented by the university, and any changes in
6 completion and retention rates.

7 (3) At least \$200,000 of the general fund--state appropriation for
8 fiscal year 2014 and at least \$200,000 of the general fund--state
9 appropriation for fiscal year 2015 shall be expended on the Northwest
10 autism center.

11 (4) Eastern Washington University shall not use funds appropriated
12 in this section to support intercollegiate athletics programs.

13 **NEW SECTION. Sec. 609. FOR CENTRAL WASHINGTON UNIVERSITY**

14	General Fund--State Appropriation (FY 2014)	\$25,851,000
15	General Fund--State Appropriation (FY 2015)	\$25,962,000
16	Education Legacy Trust Account--State Appropriation	\$19,819,000
17	TOTAL APPROPRIATION	\$71,632,000

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

20 (1) In implementing the appropriations in this section, the
21 president and governing board shall seek to minimize impacts on student
22 services and instructional programs by maximizing reductions in
23 administration and other noninstructional activities.

24 (2) \$2,761,000 of the education legacy trust account appropriation
25 is provided solely for improvements in student completion and retention
26 rates in order to increase the university's four year graduation rate.
27 By September 1, 2014, and each September 1st thereafter, the university
28 shall provide a report that provides the specific details on how these
29 amounts were spent in the preceding fiscal year, any process changes or
30 best-practices implemented by the university, and any changes in
31 completion and retention rates.

32 (3) \$25,000 of the general fund--state appropriation for fiscal
33 year 2014 is provided solely for the college of education to conduct a
34 study identifying the duties encompassed in a state-funded teacher's
35 typical work day. The study must include an estimate of the percent of
36 a teacher's typical day that is spent on teaching related duties and

1 the percentage of the teacher's day that is spent on duties that are
2 not directly related to teaching. The university shall submit a report
3 to the appropriate committees of the legislature by December 1, 2013.

4 (4) Amounts appropriated in this section are sufficient for the
5 university to develop a plan to create an online degree granting entity
6 that awards degrees based on an alternative credit model. The
7 university shall submit a final plan by December 1, 2013, to the higher
8 education committees of the legislature.

9 (5) Central Washington University shall not use funds appropriated
10 in this section to support intercollegiate athletics programs.

11 NEW SECTION. **Sec. 610. FOR THE EVERGREEN STATE COLLEGE**

12	General Fund--State Appropriation (FY 2014)	\$16,769,000
13	General Fund--State Appropriation (FY 2015)	\$16,548,000
14	Education Legacy Trust Account--State Appropriation	\$5,855,000
15	TOTAL APPROPRIATION	\$39,172,000

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

18 (1) In implementing the appropriations in this section, the
19 president and governing board shall seek to minimize impacts on student
20 services and instructional programs by maximizing reductions in
21 administration and other noninstructional activities.

22 (2) \$1,157,000 of the education legacy trust account appropriation
23 is provided solely for instructional support. By September 1, 2014,
24 and each September 1st thereafter, the college shall provide a report
25 that provides the specific details on how these amounts were spent in
26 the preceding fiscal year and any process changes or best-practices
27 implemented by the college.

28 (3) \$75,000 of the general fund--state appropriation for fiscal
29 year 2014 is provided solely for the Washington state institution for
30 public policy to conduct a comprehensive study of the financial
31 incentives promoting distributed generation in Washington. Distributed
32 generation is electric generation, often from renewable resources,
33 connected to a utility's distribution grid and located at or near where
34 the electricity will be used.

35 (a) Specifically, the institute's study shall:

36 (i) Include a review of the costs and benefits of net metering, the
37 renewable energy investment cost recovery program, other tax credits,

1 reductions, and exemptions, and the provisions of double renewable
2 energy credits for renewable resource generation projects under five
3 megawatts as allowed under the energy independence act;

4 (ii) Determine whether the incentives available to distributed
5 generation are consistent with one another and work together in meeting
6 the state's goals for the electric distribution system and promoting
7 cost-effective distributed generation;

8 (iii) Evaluate whether the current incentive structure encourages
9 long-term, sustainable energy and environmental benefits to the
10 ratepayers and the citizens of Washington;

11 (iv) Recommend, as needed, changes to the current incentive
12 structure or new policies based on its findings;

13 (v) Contain both a region specific life-cycle assessment and
14 economic analysis of distributed generation; and

15 (vi) Establish a system to properly assign incentives to
16 distributed generation on a per-technology basis, based on the costs
17 and benefits associated with each technology type.

18 (b) The institute shall provide a final report to the legislature
19 by February 1, 2014.

20 (4) Funding provided in this section is sufficient for The
21 Evergreen State College to continue operations of the Longhouse Center
22 and the Northwest Indian applied research institute.

23 (5) \$250,000 of the general fund--state appropriation for fiscal
24 year 2014 is provided solely for the Washington state institute for
25 public policy to provide primary staff support for a K-12 funding task
26 force established in this subsection.

27 (a) The task force shall be composed of the following members:

28 (i) Two members from each of the largest caucuses of the house of
29 representatives, appointed by the speaker of the house of
30 representatives;

31 (ii) Two members from each of the largest caucuses of the senate,
32 appointed by the president of the senate;

33 (iii) The superintendent of public instruction or designee; and

34 (iv) Three members appointed by the governor.

35 (b) The task force shall be chaired or cochaired by legislative
36 members selected by members of the task force.

37 (c) The purpose of the task force is to examine options and make
38 recommendations to the legislature on the following topics:

1 (i) Revised salary allocation methodologies and models for
2 administrative, classified, and certificated instructional staff in
3 public schools. The salary allocation model for certificated
4 instructional staff must address regional salary differentials;

5 (ii) Policies and funding to support career and technical
6 education, including:

7 (A) A revised funding allocation methodology for career and
8 technical education for middle schools, comprehensive high schools, and
9 skill centers through the prototypical school funding formula;

10 (B) Recommended capital facilities policies related to the siting
11 of skill center campuses, including skill centers colocated on
12 comprehensive high school and higher education campuses; and

13 (C) The feasibility of establishing technical high schools as an
14 alternative delivery model for integrated secondary career and academic
15 education; and

16 (iii) The appropriate use of state and local property taxes to
17 support the financing of public schools, modifications to property tax
18 growth limitations, and strategies for improving the stability and
19 transparency of such use.

20 (d) The task force shall submit an interim report to the education
21 and fiscal committees of the legislature by December 1, 2013, and a
22 final report by December 1, 2014.

23 (e) Additional staff support for the task force shall be provided
24 as needed by the house office of program research, the senate committee
25 services, and the office of financial management.

26 (6) Notwithstanding other provisions in this section, the board of
27 directors for the Washington state institute for public policy may
28 adjust due dates for projects included on the institute's 2013-2015
29 work plan as necessary to efficiently manage workload.

30 (7) The Evergreen State College shall not use funds appropriated in
31 this section to support intercollegiate athletics programs.

32 **NEW SECTION. Sec. 611. FOR WESTERN WASHINGTON UNIVERSITY**

33	General Fund--State Appropriation (FY 2014)	\$37,815,000
34	General Fund--State Appropriation (FY 2015)	\$37,962,000
35	Education Legacy Trust Account--State	
36	Appropriation	\$14,037,000
37	TOTAL APPROPRIATION	\$89,814,000

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 governing board shall seek to minimize impacts on student
5 services and instructional programs by maximizing reductions in
6 administration and other noninstructional activities.

7 (2) \$5,958,000 of the education legacy trust account appropriation
8 is provided solely for the expansion of computer science and
9 engineering enrollments. The university will work with the education
10 research and data center to establish program baselines and demonstrate
11 enrollment increases. By September 1, 2014, and each September 1st
12 thereafter, the university shall provide a report that provides the
13 specific detail on how these amounts were spent in the preceding fiscal
14 year, including but not limited to the cost per student, student
15 completion rates, and the number of low-income students enrolled in
16 each program, any process changes or best-practices implemented by the
17 college, and how many students are enrolled in computer science and
18 engineering programs above the 2012-2013 academic year baseline.

19 (3) Western Washington University shall not use funds appropriated
20 in this section to support intercollegiate athletics programs.

21 NEW SECTION. **Sec. 612. FOR THE STUDENT ACHIEVEMENT COUNCIL--**
22 **POLICY COORDINATION AND ADMINISTRATION**

23	General Fund--State Appropriation (FY 2014)	\$5,307,000
24	General Fund--State Appropriation (FY 2015)	\$5,331,000
25	General Fund--Federal Appropriation	\$4,818,000
26	TOTAL APPROPRIATION	\$15,456,000

27 The appropriations in this section are subject to the following
28 conditions and limitations: The student achievement council is
29 authorized to increase or establish fees for initial degree
30 authorization, degree authorization renewal, degree authorization
31 reapplication, new program applications, and new site applications
32 pursuant to RCW 28B.85.060.

33 NEW SECTION. **Sec. 613. FOR THE STUDENT ACHIEVEMENT COUNCIL--**
34 **OFFICE OF STUDENT FINANCIAL ASSISTANCE**

35	General Fund--State Appropriation (FY 2014)	\$256,876,000
36	General Fund--State Appropriation (FY 2015)	\$266,323,000

1	General Fund--Federal Appropriation	\$11,653,000
2	General Fund--Private/Local Appropriation	\$34,000
3	Education Legacy Trust Account--State Appropriation	\$18,677,000
4	Washington Opportunity Pathways Account--State	
5	Appropriation	\$167,000,000
6	TOTAL APPROPRIATION	\$720,563,000

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

9 (1) \$246,698,000 of the general fund--state appropriation for
10 fiscal year 2014, \$256,696,000 of the general fund--state
11 appropriation, and \$147,000,000 of the opportunity pathways account--
12 state appropriation are provided solely for student financial aid
13 payments under the state need grant and state work study programs
14 including up to four percent administrative allowance for the state
15 work study program.

16 (2) Changes made to the state need grant program in the 2011-2013
17 fiscal biennium are continued in the 2013-2015 fiscal biennium
18 including aligning increases in awards given to private institutions
19 with the annual tuition increases for public research institutions or
20 the private institution's average annual tuition increase experience of
21 3.5 percent per year, whichever is less, and reducing the awards for
22 students who first enrolled as a new student in for-profit institutions
23 as of the 2011-2012 academic year or thereafter by fifty percent.

24 (3) Changes made to the state work study program in the 2009-2011
25 and 2011-2013 fiscal biennia are continued in the 2013-2015 fiscal
26 biennium including maintaining the increased required employer share of
27 wages; adjusted employer match rates; discontinuation of nonresident
28 student eligibility for the program; and revising distribution methods
29 to institutions by taking into consideration other factors such as off-
30 campus job development, historical utilization trends, and student
31 need.

32 (4) Within the funds appropriated in this section, eligibility for
33 the state need grant shall include students with family incomes at or
34 below 70 percent of the state median family income (MFI), adjusted for
35 family size, and shall include students enrolled in three to five
36 credit-bearing quarter credits, or the equivalent semester credits.
37 The student achievement council shall report to the legislature by
38 December 1, 2014, regarding the number of students enrolled in three to

1 five credit-bearing quarter credits, or the equivalent semester
2 credits, and their academic progress including degree completion.
3 Awards for all students shall be adjusted by the estimated amount by
4 which Pell grant increases exceed projected increases in the
5 noninstructional costs of attendance. Awards for students with incomes
6 between 51 and 70 percent of the state median shall be prorated at the
7 following percentages of the award amount granted to those with incomes
8 below 51 percent of the MFI: 70 percent for students with family
9 incomes between 51 and 55 percent MFI; 65 percent for students with
10 family incomes between 56 and 60 percent MFI; 60 percent for students
11 with family incomes between 61 and 65 percent MFI; and 50 percent for
12 students with family incomes between 66 and 70 percent MFI.

13 (5) Students who are eligible for the college bound scholarship
14 shall be given priority for the state need grant program if the
15 students have applied by the institution's priority financial aid
16 deadline and have completed their financial aid file in a timely
17 manner. These eligible college bound students whose family incomes are
18 in the 0-65 median family income ranges shall be awarded the maximum
19 state need grant for which they are eligible under state policies and
20 may not be denied maximum state need grant funding due to institutional
21 policies or delayed awarding of college bound scholarship students.

22 (6) \$38,677,000 of the education legacy trust account--state
23 appropriation is provided solely for the college bound scholarship
24 program. This amount assumes that college bound scholarship recipients
25 will receive priority for state need grant awards in fiscal year 2014
26 and fiscal year 2015. If this policy of prioritization is not fully
27 achieved, it is the intent of this legislation to provide supplemental
28 appropriations in the 2014 supplemental operating budget.

29 (7) Students who meet the qualifications pursuant to section 952 of
30 this act are eligible to receive state need grant awards.

31 (8) \$100,000 of the general fund--state appropriation for fiscal
32 year 2014 is provided solely for the council to develop an alternative
33 financial aid application for students without a nine digit federal
34 identification number.

35 (9) \$2,236,000 of the general fund--state appropriation for fiscal
36 year 2014 and \$2,236,000 of the general fund--state appropriation for
37 fiscal year 2015 are provided solely for the passport to college
38 program. The maximum scholarship award shall be \$5,000. The board

1 shall contract with a nonprofit organization to provide support
2 services to increase student completion in their postsecondary program
3 and shall, under this contract, provide a minimum of \$500,000 in fiscal
4 years 2014 and 2015 for this purpose.

5 (10) In developing the skilled and educated workforce report
6 pursuant to RCW 28B.77.080(3), the council shall use the bureau of
7 labor statistics analysis of the education and training requirements of
8 occupations, in addition to any other method the council may choose to
9 use, to assess the number and type of higher education and training
10 credentials required to match employer demand for a skilled and
11 educated workforce.

12 NEW SECTION. **Sec. 614. FOR THE WORK FORCE TRAINING AND EDUCATION**
13 **COORDINATING BOARD**

14	General Fund--State Appropriation (FY 2014)	\$1,582,000
15	General Fund--State Appropriation (FY 2015)	\$1,484,000
16	General Fund--Federal Appropriation	\$54,264,000
17	TOTAL APPROPRIATION	\$57,330,000

18 The appropriations in this section are subject to the following
19 conditions and limitations: For the 2013-2015 fiscal biennium the
20 board shall not designate recipients of the Washington award for
21 vocational excellence or recognize them at award ceremonies as provided
22 in RCW 28C.04.535.

23 NEW SECTION. **Sec. 615. FOR THE DEPARTMENT OF EARLY LEARNING**

24	General Fund--State Appropriation (FY 2014)	\$36,781,000
25	General Fund--State Appropriation (FY 2015)	\$52,796,000
26	General Fund--Federal Appropriation	\$293,727,000
27	Opportunity Pathways Account--State Appropriation	\$80,000,000
28	Home Visiting Services Account--State Appropriation	\$2,868,000
29	Home Visiting Services Account--Federal Appropriation	\$22,757,000
30	Children's Trust Account--State Appropriation	\$180,000
31	TOTAL APPROPRIATION	\$489,082,000

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

34 (1) \$22,197,000 of the general fund--state appropriation for fiscal
35 year 2014, \$40,538,000 of the general fund--state appropriation for
36 fiscal year 2015, and \$80,000,000 of the opportunity pathways account

1 appropriation are provided solely for the early childhood education
2 assistance program services. Of these amounts, \$10,284,000 is a
3 portion of the biennial amount of state maintenance of effort dollars
4 required to receive federal child care and development fund grant
5 dollars.

6 (2) \$638,000 of the general fund--state appropriation for fiscal
7 year 2014, and \$638,000 of the general fund--state appropriation for
8 fiscal year 2015 are provided solely for child care resource and
9 referral network services.

10 (3) \$200,000 of the general fund--state appropriation for fiscal
11 year 2014 and \$200,000 of the general fund--state appropriation for
12 fiscal year 2015 are provided solely to develop and provide culturally
13 relevant supports for parents, family, and other caregivers.

14 (4) The department is the lead agency for and recipient of the
15 federal child care and development fund grant. Amounts within this
16 grant shall be used to fund child care licensing, quality initiatives,
17 agency administration, and other costs associated with child care
18 subsidies. The department shall transfer a portion of this grant to
19 the department of social and health services to fund the child care
20 subsidies paid by the department of social and health services on
21 behalf of the department of early learning.

22 (5) \$1,434,000 of the general fund--state appropriation for fiscal
23 year 2014, \$1,434,000 of the general fund--state appropriation for
24 fiscal year 2015 are provided solely for expenditure into the home
25 visiting services account. This funding is intended to meet federal
26 maintenance of effort requirements and to secure private matching
27 funds.

28 (6)(a) \$153,717,000 of the general fund--federal appropriation is
29 provided solely for the working connections child care program under
30 RCW 43.215.135.

31 (b) In addition to groups that were given prioritized access to the
32 working connections child care program effective March 1, 2011, the
33 department shall also give prioritized access into the program to
34 families in which a parent of a child in care is a minor who is not
35 living with a parent or guardian and who is a full-time student in a
36 high school that has a school-sponsored on-site child care center.

37 (7) Within available amounts, the department in consultation with
38 the office of financial management and the department of social and

1 health services shall report quarterly enrollments and active caseload
2 for the working connections child care program to the legislative
3 fiscal committees and the legislative-executive WorkFirst oversight
4 task force. The report shall also identify the number of cases
5 participating in both temporary assistance for needy families and
6 working connections child care.

7 (8) \$1,025,000 of the general fund--state appropriation for fiscal
8 year 2014, \$1,025,000 of the general fund--state appropriation for
9 fiscal year 2015, and \$13,424,000 of the general fund--federal
10 appropriation are provided solely for the seasonal child care program.
11 If federal sequestration cuts are realized, cuts to the seasonal child
12 care program must be proportional to other federal reductions made
13 within the department.

14 (9) \$4,122,000 of the general fund--state appropriation for fiscal
15 year 2014, \$2,522,000 of the general fund--state appropriation for
16 fiscal year 2015, and \$4,304,000 of the general fund--federal
17 appropriation are provided solely for the medicaid treatment child care
18 (MTCC) program. The department shall contract for MTCC services to
19 provide therapeutic child care and other specialized treatment services
20 to abused, neglected, at-risk, and/or drug-affected children. Priority
21 for services shall be given to children referred from the department of
22 social and health services children's administration. In addition to
23 referrals made by children's administration, the department shall
24 authorize services for children referred to the MTCC program, as long
25 as the children meet the eligibility requirements as outlined in the
26 Washington state plan for the MTCC program.

27 (a) Of the amounts appropriated in this subsection, \$60,000 per
28 fiscal year may be used by the department for administering the MTCC
29 program, if needed.

30 (b) Of the amounts provided in this subsection, \$1,600,000 of the
31 general fund--state appropriation for fiscal year 2014 is provided
32 solely to continue providing services in the event of losing federal
33 funding for the MTCC program. To the extent that the moneys provided
34 in this subsection (9)(b) are not necessary for this purpose, the
35 amounts provided shall lapse.

36 (10) \$150,000 of the general fund--state appropriation for fiscal
37 year 2014 and \$150,000 of the general fund--state appropriation for

1 fiscal year 2015 are provided solely for a contract with a nonprofit
2 entity experienced in the provision of promoting early literacy for
3 children through pediatric office visits.

4 (11) \$721,000 of the general fund--state appropriation for fiscal
5 year 2014 is provided solely for the department to complete development
6 work of the electronic benefits transfer system.

7 (12) \$793,000 of the general fund--state appropriation for fiscal
8 year 2014 and \$796,000 of the general fund--state appropriation for
9 fiscal year 2015 are provided solely for implementation of an
10 electronic benefits transfer system. To the maximum extent possible,
11 the department shall work to integrate this system with the department
12 of social and health services payment system. The amounts provided in
13 this subsection are conditioned on the department satisfying the
14 requirements of the project management oversight standards and policies
15 established by the office of the chief information officer and the
16 provisions of section 943 of this act, information systems projects.

17 (13) \$32,000 of the general fund--state appropriation for fiscal
18 year 2014 is provided solely for implementation of Second Substitute
19 Senate Bill No. 5595 (child care reform). If the bill is not enacted
20 by June 30, 2013, the amounts provided in this subsection shall lapse.

21 (14)(a)(i) The department of early learning is required to provide
22 to the education research and data center, housed at the office of
23 financial management, data on all state-funded early childhood
24 programs. These programs include the early support for infants and
25 toddlers, early childhood education and assistance program (ECEAP), and
26 the working connections and seasonal subsidized childcare programs
27 including license exempt facilities or family, friend, and neighbor
28 care. The data provided by the department to the education research
29 data center must include information on children who participate in
30 these programs, including their name and date of birth, and dates the
31 child received services at a particular facility.

32 (ii) The ECEAP early learning professionals must enter
33 qualifications into the department's professional development registry
34 during the 2013-14 school year. By October 2015, the department must
35 provide ECEAP early learning professional data to the education
36 research data center.

37 (iii) The department must request federally funded head start

1 programs to voluntarily provide data to the department and the
2 education research data center that is equivalent to what is being
3 provided for state-funded programs.

4 (iv) The education research and data center must provide a report
5 on early childhood program participation and K-12 outcomes to the house
6 of representatives appropriations committee and the senate ways and
7 means committee using available data by November 2013 for the school
8 year ending in 2012 and again in March 2014 for the school year ending
9 in 2013.

10 (b) The department, in consultation with the department of social
11 and health services, must withhold payment for services to early
12 childhood programs that do not report on the name, date of birth, and
13 the dates a child received services at a particular facility.

14 NEW SECTION. **Sec. 616. FOR THE STATE SCHOOL FOR THE BLIND**

15	General Fund--State Appropriation (FY 2014)	\$6,032,000
16	General Fund--State Appropriation (FY 2015)	\$5,832,000
17	General Fund--Private/Local Appropriation	\$17,000
18	TOTAL APPROPRIATION	\$11,881,000

19 NEW SECTION. **Sec. 617. FOR THE WASHINGTON STATE CENTER FOR**
20 **CHILDHOOD DEAFNESS AND HEARING LOSS**

21	General Fund--State Appropriation (FY 2014)	\$8,615,000
22	General Fund--State Appropriation (FY 2015)	\$8,628,000
23	TOTAL APPROPRIATION	\$17,243,000

24 NEW SECTION. **Sec. 618. FOR THE WASHINGTON STATE ARTS COMMISSION**

25	General Fund--State Appropriation (FY 2014)	\$1,125,000
26	General Fund--State Appropriation (FY 2015)	\$1,104,000
27	General Fund--Federal Appropriation	\$2,075,000
28	General Fund--Private/Local Appropriation	\$12,000
29	TOTAL APPROPRIATION	\$4,316,000

30 NEW SECTION. **Sec. 619. FOR THE WASHINGTON STATE HISTORICAL**
31 **SOCIETY**

32	General Fund--State Appropriation (FY 2014)	\$2,123,000
33	General Fund--State Appropriation (FY 2015)	\$2,158,000
34	TOTAL APPROPRIATION	\$4,281,000

1 NEW SECTION. **Sec. 620. FOR THE EASTERN WASHINGTON STATE**
2 **HISTORICAL SOCIETY**
3 General Fund--State Appropriation (FY 2014) \$1,600,000
4 General Fund--State Appropriation (FY 2015) \$1,537,000
5 TOTAL APPROPRIATION \$3,137,000

(End of part)

PART VII
SPECIAL APPROPRIATIONS

NEW SECTION. **Sec. 701. FOR THE STATE TREASURER--BOND RETIREMENT
AND INTEREST, AND ONGOING BOND REGISTRATION AND TRANSFER CHARGES: FOR
DEBT SUBJECT TO THE DEBT LIMIT**

General Fund--State Appropriation (FY 2014)	\$973,839,000
General Fund--State Appropriation (FY 2015)	\$1,051,513,000
State Building Construction Account--State Appropriation	\$4,297,000
Columbia River Basin Water Supply Development Account--State Appropriation	\$269,000
State Taxable Building Construction Account--State Appropriation	\$211,000
Debt-Limit Reimbursable Bond Retire Account--State Appropriation	\$2,320,000
TOTAL APPROPRIATION	\$2,032,449,000

The appropriations in this section are subject to the following conditions and limitations: The general fund appropriations are for expenditure into the debt-limit general fund bond retirement account. The entire general fund--state appropriation for fiscal year 2014 shall be expended into the debt-limit general fund bond retirement account by June 30, 2014.

NEW SECTION. **Sec. 702. FOR THE STATE TREASURER--BOND RETIREMENT
AND INTEREST, AND ONGOING BOND REGISTRATION AND TRANSFER CHARGES: FOR
GENERAL OBLIGATION DEBT TO BE REIMBURSED BY ENTERPRISE ACTIVITIES**

Accident Account--State Appropriation	\$4,138,000
Medical Aid Account--State Appropriation	\$4,138,000
TOTAL APPROPRIATION	\$8,276,000

NEW SECTION. **Sec. 703. FOR THE STATE TREASURER--BOND RETIREMENT
AND INTEREST, AND ONGOING BOND REGISTRATION AND TRANSFER CHARGES: FOR
GENERAL OBLIGATION DEBT TO BE REIMBURSED AS PRESCRIBED BY STATUTE**

General Fund--State Appropriation (FY 2014)	\$25,636,000
General Fund--State Appropriation (FY 2015)	\$16,102,000

1	Nondebt-Limit Reimbursable Bond Retirement Account--State	
2	Appropriation	\$140,215,000
3	TOTAL APPROPRIATION	\$181,953,000

4 The appropriations in this section are subject to the following
5 conditions and limitations: The general fund appropriation is for
6 expenditure into the nondebt-limit general fund bond retirement
7 account. The entire general fund--state appropriation for fiscal year
8 2014 shall be expended into the nondebt-limit general fund bond
9 retirement account by June 30, 2014.

10 NEW SECTION. **Sec. 704. FOR THE STATE TREASURER--BOND RETIREMENT**
11 **AND INTEREST, AND ONGOING BOND REGISTRATION AND TRANSFER CHARGES: FOR**
12 **BOND SALE EXPENSES**

13	General Fund--State Appropriation (FY 2014)	\$1,726,000
14	General Fund--State Appropriation (FY 2015)	\$1,726,000
15	State Building Construction Account--State Appropriation . . .	\$867,000
16	Columbia River Basin Water Supply Development	
17	Account--State Appropriation	\$57,000
18	State Taxable Building Construction Account--State	
19	Appropriation	\$45,000
20	TOTAL APPROPRIATION	\$4,421,000

21 NEW SECTION. **Sec. 705. FOR THE OFFICE OF FINANCIAL MANAGEMENT--**
22 **FIRE CONTINGENCY**

23	General Fund--State Appropriation (FY 2014)	\$4,000,000
24	General Fund--State Appropriation (FY 2015)	\$4,000,000
25	TOTAL APPROPRIATION	\$8,000,000

26 The appropriations in this section are subject to the following
27 conditions and limitations: The appropriations are provided solely for
28 expenditure into the disaster response account to be used for any
29 Washington state fire service resource mobilization costs incurred by
30 the Washington state patrol in response to an emergency or disaster
31 authorized under RCW 43.43.960 and 43.43.964.

32 NEW SECTION. **Sec. 706. FOR THE OFFICE OF FINANCIAL MANAGEMENT--**
33 **DISASTER RESPONSE ACCOUNT**

34	General Fund--State Appropriation (FY 2014)	\$5,100,000
35	General Fund--State Appropriation (FY 2015)	\$2,500,000

1 TOTAL APPROPRIATION \$7,600,000

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 disaster response account for emergency fire
5 suppression by the department of natural resources and to complete
6 projects necessary to recover from previously declared disasters.

7 NEW SECTION. **Sec. 707. FOR THE OFFICE OF FINANCIAL MANAGEMENT--**
8 **EMERGENCY FUND**

9 General Fund--State Appropriation (FY 2014) \$850,000
10 General Fund--State Appropriation (FY 2015) \$850,000
11 TOTAL APPROPRIATION \$1,700,000

12 The appropriations in this section are subject to the following
13 conditions and limitations: The appropriations in this section are for
14 the governor's emergency fund for the critically necessary work of any
15 agency.

16 NEW SECTION. **Sec. 708. FOR THE OFFICE OF FINANCIAL MANAGEMENT--**
17 **EDUCATION TECHNOLOGY REVOLVING ACCOUNT**

18 General Fund--State Appropriation (FY 2014) \$8,000,000
19 General Fund--State Appropriation (FY 2015) \$8,000,000
20 TOTAL APPROPRIATION \$16,000,000

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 education technology revolving
24 account for the purpose of covering ongoing operational and equipment
25 replacement costs incurred by the K-20 educational network program in
26 providing telecommunication services to network participants.

27 NEW SECTION. **Sec. 709. FOR THE OFFICE OF FINANCIAL MANAGEMENT--**
28 **O'BRIEN BUILDING IMPROVEMENT**

29 General Fund--State Appropriation (FY 2014) \$2,948,000
30 General Fund--State Appropriation (FY 2015) \$2,942,000
31 TOTAL APPROPRIATION \$5,890,000

32 The appropriations in this section are subject to the following
33 conditions and limitations: The appropriations are provided solely for
34 expenditure into the general administration services account for

1 payment of principal, interest, and financing expenses associated with
 2 the certificate of participation for the O'Brien building improvement,
 3 project number 20081007.

4 NEW SECTION. **Sec. 710. FOR THE STATE TREASURER--COUNTY PUBLIC**
 5 **HEALTH ASSISTANCE**

6	General Fund--State Appropriation (FY 2014)	\$36,532,000
7	General Fund--State Appropriation (FY 2015)	\$36,531,000
8	TOTAL APPROPRIATION	\$73,064,000

9 The appropriations in this section are subject to the following
 10 conditions and limitations: The state treasurer shall distribute the
 11 appropriations to the following counties and health districts in the
 12 amounts designated to support public health services, including public
 13 health nursing:

15	Health District	FY 2014	FY 2015	2013-15
16				Biennium
17	Adams County Health District	\$122,274	\$122,274	\$244,548
18	Asotin County Health District	\$160,974	\$160,974	\$321,947
19	Benton-Franklin Health District	\$1,619,612	\$1,619,612	\$3,239,223
20	Chelan-Douglas Health District	\$402,160	\$402,160	\$804,320
21	Clallam County Health and Human Services	\$293,160	\$293,160	\$586,320
22	Department			
23	Clark County Health District	\$1,775,682	\$1,775,682	\$3,551,373
24	Skamania County Health Department	\$112,322	\$112,322	\$224,644
25	Columbia County Health District	\$120,925	\$120,925	\$241,850
26	Cowlitz County Health Department	\$480,325	\$480,325	\$960,650
27	Garfield County Health District	\$94,072	\$94,072	\$188,145
28	Grant County Health District	\$299,867	\$299,868	\$599,735
29	Grays Harbor Health Department	\$337,450	\$337,450	\$674,901
30	Island County Health Department	\$257,144	\$257,144	\$514,288
31	Jefferson County Health and Human Services	\$185,235	\$185,235	\$370,471
32	Seattle-King County Department of Public Health	\$12,723,640	\$12,723,640	\$25,447,280
33	Bremerton-Kitsap County Health District	\$1,002,681	\$1,002,681	\$2,005,362
34	Kittitas County Health Department	\$200,231	\$200,231	\$400,461
35	Klickitat County Health Department	\$154,858	\$154,858	\$309,716

1	Lewis County Health Department	\$264,983	\$264,983	\$529,967
2	Lincoln County Health Department	\$114,907	\$114,907	\$229,814
3	Mason County Department of Health Services	\$228,993	\$228,993	\$457,987
4	Okanogan County Health District	\$171,133	\$171,133	\$342,266
5	Pacific County Health Department	\$170,152	\$170,152	\$340,305
6	Tacoma-Pierce County Health Department	\$4,158,716	\$4,158,716	\$8,317,431
7	San Juan County Health and Community Services	\$126,569	\$126,569	\$253,139
8	Skagit County Health Department	\$452,399	\$452,399	\$904,799
9	Snohomish Health District	\$3,447,104	\$3,447,104	\$6,894,208
10	Spokane County Health District	\$2,886,438	\$2,886,438	\$5,772,877
11	Northeast Tri-County Health District	\$250,935	\$250,935	\$501,870
12	Thurston County Health Department	\$1,052,145	\$1,052,145	\$2,104,291
13	Wahkiakum County Health Department	\$94,114	\$94,113	\$188,228
14	Walla Walla County-City Health Department	\$303,702	\$303,702	\$607,405
15	Whatcom County Health Department	\$1,218,514	\$1,218,514	\$2,437,029
16	Whitman County Health Department	\$190,655	\$190,655	\$381,311
17	Yakima Health District	\$1,057,521	\$1,057,521	\$2,115,042
18				
19	TOTAL APPROPRIATIONS	\$36,531,596	\$36,531,596	\$73,063,202

20 NEW SECTION. **Sec. 711. BELATED CLAIMS**

21 The agencies and institutions of the state may expend moneys
22 appropriated in this act, upon approval of the office of financial
23 management, for the payment of supplies and services furnished to the
24 agency or institution in prior fiscal biennia.

25 NEW SECTION. **Sec. 712. FOR THE DEPARTMENT OF RETIREMENT**
26 **SYSTEMS--CONTRIBUTIONS TO RETIREMENT SYSTEMS**

27 The appropriations in this section are subject to the following
28 conditions and limitations: The appropriations for the law enforcement
29 officers' and firefighters' retirement system shall be made on a
30 monthly basis consistent with chapter 41.45 RCW, and the appropriations
31 for the judges and judicial retirement systems shall be made on a
32 quarterly basis consistent with chapters 2.10 and 2.12 RCW.

33 (1) There is appropriated for state contributions to the law
34 enforcement officers' and firefighters' retirement system:
35 General Fund--State Appropriation (FY 2014) \$58,700,000
36 General Fund--State Appropriation (FY 2015) \$61,600,000

1 TOTAL APPROPRIATION \$120,300,000
 2 (2) There is appropriated for contributions to the judicial
 3 retirement system:
 4 General Fund--State Appropriation (FY 2014) \$10,600,000
 5 General Fund--State Appropriation (FY 2015) \$10,600,000
 6 TOTAL APPROPRIATION \$21,200,000

7 NEW SECTION. **Sec. 713. FOR THE OFFICE OF FINANCIAL MANAGEMENT--**
 8 **STATE EFFICIENCY AND RESTRUCTURING REPAYMENT**

9 General Fund--State Appropriation (FY 2014) \$4,981,000
 10 General Fund--State Appropriation (FY 2015) \$4,981,000
 11 TOTAL APPROPRIATION \$9,962,000

12 The appropriations in this section are subject to the following
 13 conditions and limitations: The appropriations in this section are
 14 provided solely for expenditure into the cleanup settlement account on
 15 July 1, 2013, and July 1, 2014, as repayment of moneys that were
 16 transferred to the state efficiency and restructuring account.

17 NEW SECTION. **Sec. 714. FOR THE OFFICE OF FINANCIAL MANAGEMENT--**
 18 **LEAN MANAGEMENT STRATEGIES EFFICIENCY SAVINGS**

19 General Fund--State Appropriation (FY 2015) (\$20,000,000)

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

22 (1) The legislature is committed to promoting a state government
 23 culture that makes sustained improvement a habitual behavior from
 24 front-line staff to agency leadership.

25 (2) The office of financial management must develop a strategic
 26 lean management action plan to drive efficiencies in state spending and
 27 to increase productivity of state employees while improving and
 28 increasing state services for taxpayers. The action plan must
 29 determine the specific agencies and programs that would benefit most
 30 from application of the action plan, and the plan must target resources
 31 accordingly.

32 (3) The office of financial management must integrate lean
 33 principles into all performance management efforts.

34 (4) The office of financial management and the office of the chief

1 information officer must integrate lean principles into all major
2 information technology initiatives.

3 (5) The office of financial management must develop and implement
4 a lean practitioner fellowship program to train state agency staff.
5 Agency staff participating in the fellowship will be assigned to work
6 on statewide efforts that streamline and improve processes across
7 agencies.

8 (6) Agencies must report to the office of financial management at
9 least twice per fiscal year process improvements and efficiencies
10 gained through tools such as the lean strategy. The office of
11 financial management must compile and transmit these reports to the
12 appropriate fiscal committees of the legislature at least every six
13 months, beginning January 1, 2014.

14 (7) The office of financial management must report to the
15 legislature by December 2014 on the viability of the lean/performance
16 management program becoming a self-funding program.

17 (8) The office of financial management must reduce allotments for
18 affected state agencies by \$20,000,000 from the state general fund for
19 fiscal year 2015 in this act to reflect fiscal year 2015 savings
20 resulting from application of the lean management and performance
21 management strategies required by this section.

22 NEW SECTION. **Sec. 715. FOR THE OFFICE OF FINANCIAL MANAGEMENT--**
23 **INFORMATION TECHNOLOGY EXPENDITURES**

24	General Fund--State Appropriation (FY 2014)	(\$2,500,000)
25	General Fund--State Appropriation (FY 2015)	(\$2,500,000)
26	TOTAL APPROPRIATION	(\$5,000,000)

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

29 (1) The office of the chief information officer and the office of
30 financial management shall work to drive efficiency in state
31 procurement, maintenance, and operations of information technology.

32 (2) Agencies must report to the office of the chief information
33 officer and the office of financial management at least annually on
34 efficiencies gained through these efforts. The office of financial
35 management must compile and transmit these reports to the appropriate
36 fiscal committees of the legislature at least every year, beginning
37 January 1, 2014.

1 (3) The office of financial management shall reduce allotments for
2 all affected state agencies by \$2,500,000 from fiscal year 2014 general
3 fund--state appropriations and \$2,500,000 from fiscal year 2015 general
4 fund--state appropriations in this act to reflect savings resulting
5 from efficiencies in information technology expenditures statewide.

6 NEW SECTION. **Sec. 716. FOR THE OFFICE OF FINANCIAL MANAGEMENT--**
7 **ELECTRONIC MEDICAL RECORD STUDY**

8	General Fund--State Appropriation (FY 2014)	\$2,068,000
9	General Fund--State Appropriation (FY 2015)	\$2,066,000
10	General Fund--Federal Appropriation	\$240,000
11	TOTAL APPROPRIATION	\$4,374,000

12 The appropriations in this section are subject to the following
13 conditions and limitations: The appropriations in this section are
14 provided solely for the state psychiatric hospitals to plan, procure,
15 and implement the core elements of an electronic medical record system
16 that is compliant with the international classification of diseases
17 (ICD-10) by October 1, 2014. These funds must only be used for an
18 electronic medical record system that meets federal criteria for
19 electronic sharing of patient information and clinical care summaries
20 with doctors' offices, hospitals, and health systems which use
21 federally certified electronic health record systems. The procurement
22 and implementation shall be conducted to allow for these services to be
23 expanded to the department of corrections. The amounts provided in
24 this subsection are conditioned on the department satisfying the
25 requirements of the project management oversight standards and policies
26 established by the office of the chief information officer.

27 NEW SECTION. **Sec. 717. FOR THE OFFICE OF THE INSURANCE**
28 **COMMISSIONER--HEALTH BENEFIT EXCHANGE ACCOUNT**

29	General Fund--State Appropriation (FY 2014)	\$676,000
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30 The appropriations in this section are subject to the following
31 conditions and limitations: The amounts in this section are provided
32 solely for expenditure into the health benefit exchange account--state
33 and are provided as a loan to be repaid with amounts from the health
34 benefit exchange account--state by July 30, 2015.

1 NEW SECTION. **Sec. 718. FOR THE OFFICE OF FINANCIAL MANAGEMENT--**
2 **COMMUNICATION SERVICES REFORM**

3	General Fund--State Appropriation (FY 2014)	\$47,000
4	General Fund--State Appropriation (FY 2015)	\$4,953,000
5	TOTAL APPROPRIATION	\$5,000,000

6 The appropriations in this section are subject to the following
7 conditions and limitations: The appropriations in this section are
8 provided solely for expenditure into the universal communications
9 services fund to implement Substitute House Bill No. 1971
10 (communications services). If the bill is not enacted by June 30,
11 2013, the appropriations provided in this section shall lapse.

12 NEW SECTION. **Sec. 719. LEGISLATIVE TASK FORCE ON CAREER**
13 **EDUCATION OPPORTUNITIES**

14 (1) The legislature finds that for too long, there has been a
15 perception that career readiness and college readiness represent two
16 separate and unequal tracks. The importance of providing high quality
17 opportunities for applied learning, cross-disciplinary curriculum, and
18 career and technical equivalence often appears subsumed by an emphasis
19 on theoretical academics. The legislature intends to create a vision
20 for the integration of career education alongside academic education.

21 (2)(a) A legislative task force on career education opportunities
22 is established with the following members:

23 (i) Two members from each of the largest caucuses of the house of
24 representatives, appointed by the speaker of the house of
25 representatives;

26 (ii) Two members from each of the largest caucuses of the senate,
27 appointed by the president of the senate;

28 (iii) The superintendent of public instruction or a designee; and

29 (iv) One representative each from the workforce training and
30 education coordinating board, the student achievement council, and the
31 Washington association of career and technical education.

32 (b) The task force shall be cochaired by one house and one senate
33 member, selected by the members of the task force.

34 (3) The purpose of the task force is to identify strategies to
35 improve the integration of career education into secondary education
36 opportunities for all students. The strategies to be considered by the
37 task force include state laws and policies, graduation requirements,

1 and state funding for instructional programs and capital facilities.
2 The task force must examine the barriers, incentives and disincentives,
3 costs, and cost-effectiveness of current policies and practices.

4 (4) The office of the superintendent of public instruction shall
5 identify a recommended list of course equivalencies for career and
6 technical education courses and submit the list to the task force under
7 this section by September 1, 2013.

8 (5) A report from the task force is due December 15, 2013, to
9 include at least the following:

10 (a) An analysis of the career and college ready graduation
11 requirements proposed by the state board of education and any
12 recommendations regarding graduation requirements;

13 (b) Recommended policies that both support and provide appropriate
14 state oversight and strategic planning for career and technical
15 education offered in middle schools, comprehensive high schools, and
16 skill centers;

17 (c) Recommendations for how to maximize statewide use of the list
18 of career and technical education course equivalencies identified by
19 the office of the superintendent of public instruction; and

20 (d) Analysis of the feasibility of establishing technical high
21 schools as an alternative delivery model for integrated secondary
22 career and academic education.

23 (6) Staff support for the task force must be provided by senate
24 committee services and the house of representatives office of program
25 research, with assistance from the office of the superintendent of
26 public instruction, the student achievement council, and the workforce
27 training and education coordinating board as necessary.

28 (7) Legislative members of the task force may be reimbursed for
29 travel expenses in accordance with RCW 44.04.120. The expenses of the
30 task force must be paid jointly by the senate and the house of
31 representatives. Task force expenditures are subject to approval by
32 the senate facilities and operations committee and the house of
33 representatives executive rules committee.

34 (8) The task force expires December 31, 2013.

(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 (\$8,248,000), public utility district excise tax distributions (\$50,894,000), prosecuting attorney distributions (\$6,068,000), boating safety and education distributions (\$4,000,000), other tax distributions (\$65,000), habitat conservation program distributions (\$3,000,000), Death Investigations Account (\$3,158,000), Aquatic Lands Enhancement Account (\$146,000), Timber Tax Distribution Account (\$72,120,000), County Criminal Justice Assistance (\$78,983,000), Municipal Criminal Justice Assistance (\$30,550,000), City-County Assistance Account (\$17,134,000), Liquor Excise Tax Account (\$49,487,000), Streamlined Sales and Use Tax Mitigation Account (\$50,488,000), and Columbia River Water Delivery Account.

1	the Confederated Tribes of the Colville	
2	Reservation	\$7,760,000
3	Columbia River Water Delivery Account Appropriation for	
4	the Spokane Tribe of Indians	\$5,025,000
5	Liquor Revolving Account Appropriation for liquor	
6	profits distribution	\$98,876,000
7	TOTAL APPROPRIATION	\$459,002,000

8 The total expenditures from the state treasury under the
9 appropriations in this section shall not exceed the funds available
10 under statutory distributions for the stated purposes.

11 NEW SECTION. **Sec. 802. FOR THE STATE TREASURER--FOR THE COUNTY**
12 **CRIMINAL JUSTICE ASSISTANCE ACCOUNT**

13	Impaired Driver Safety Account Appropriation	\$2,469,000
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14 The appropriation in this section is subject to the following
15 conditions and limitations: The amount appropriated in this section
16 shall be distributed quarterly during the 2013-2015 fiscal biennium in
17 accordance with RCW 82.14.310. This funding is provided to counties
18 for the costs of implementing criminal justice legislation including,
19 but not limited to: Chapter 206, Laws of 1998 (drunk driving
20 penalties); chapter 207, Laws of 1998 (DUI penalties); chapter 208,
21 Laws of 1998 (deferred prosecution); chapter 209, Laws of 1998
22 (DUI/license suspension); chapter 210, Laws of 1998 (ignition interlock
23 violations); chapter 211, Laws of 1998 (DUI penalties); chapter 212,
24 Laws of 1998 (DUI penalties); chapter 213, Laws of 1998 (intoxication
25 levels lowered); chapter 214, Laws of 1998 (DUI penalties); and chapter
26 215, Laws of 1998 (DUI provisions).

27 NEW SECTION. **Sec. 803. FOR THE STATE TREASURER--MUNICIPAL**
28 **CRIMINAL JUSTICE ASSISTANCE ACCOUNT**

29	Impaired Driver Safety Account Appropriation	\$1,646,000
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30 The appropriation in this section is subject to the following
31 conditions and limitations: The amount appropriated in this section
32 shall be distributed quarterly during the 2013-2015 fiscal biennium to
33 all cities ratably based on population as last determined by the office
34 of financial management. The distributions to any city that
35 substantially decriminalizes or repeals its criminal code after July 1,

1 1990, and that does not reimburse the county for costs associated with
2 criminal cases under RCW 3.50.800 or 3.50.805(2), shall be made to the
3 county in which the city is located. This funding is provided to
4 cities for the costs of implementing criminal justice legislation
5 including, but not limited to: Chapter 206, Laws of 1998 (drunk
6 driving penalties); chapter 207, Laws of 1998 (DUI penalties); chapter
7 208, Laws of 1998 (deferred prosecution); chapter 209, Laws of 1998
8 (DUI/license suspension); chapter 210, Laws of 1998 (ignition interlock
9 violations); chapter 211, Laws of 1998 (DUI penalties); chapter 212,
10 Laws of 1998 (DUI penalties); chapter 213, Laws of 1998 (intoxication
11 levels lowered); chapter 214, Laws of 1998 (DUI penalties); and chapter
12 215, Laws of 1998 (DUI provisions).

13 NEW SECTION. **Sec. 804. FOR THE STATE TREASURER--FEDERAL REVENUES**
14 **FOR DISTRIBUTION**

15 General Fund Appropriation for federal flood control
16 funds distribution \$66,000
17 General Fund Appropriation for federal grazing fees
18 distribution \$1,706,000
19 Forest Reserve Fund Appropriation for federal forest
20 reserve fund distribution \$5,636,000
21 TOTAL APPROPRIATION \$7,408,000

22 The total expenditures from the state treasury under the
23 appropriations in this section shall not exceed the funds available
24 under statutory distributions for the stated purposes.

25 NEW SECTION. **Sec. 805. FOR THE STATE TREASURER--TRANSFERS**

26 State Treasurer's Service Account: For transfer to
27 the state general fund, \$10,000,000 for fiscal
28 year 2014 and \$10,000,000 for fiscal year 2015 \$20,000,000
29 Waste Reduction, Recycling, and Litter Control
30 Account: For transfer to the state general
31 fund, \$5,850,000 for fiscal year 2014 and
32 \$5,850,000 for fiscal year 2015 \$11,700,000
33 Drinking Water Assistance Account: For transfer to
34 the drinking water assistance repayment account \$32,000,000
35 General Fund: For transfer to the streamlined sales
36 and use tax account, \$25,284,000 for fiscal

1 year 2014 and \$25,204,000 for fiscal year 2015 \$50,488,000
 2 Public Facility Construction Loan Revolving Account:
 3 For transfer to the state general fund, \$8,000,000
 4 for fiscal year 2014 and \$8,000,000 for fiscal
 5 year 2015 \$16,000,000
 6 Public Works Assistance Account: For transfer to the
 7 state general fund, \$197,000,000 for fiscal year 2014
 8 and \$197,000,000 for fiscal year 2015 \$394,000,000
 9 Local Toxics Control Account: For transfer to the
 10 state general fund, \$10,000,000 for fiscal year 2014
 11 and \$11,000,000 for fiscal year 2015 \$21,000,000
 12 State Taxable Building Construction Account: For
 13 transfer to the Columbia River basin taxable bond
 14 water supply development account, an amount not to
 15 exceed \$32,000,000
 16 General Fund: For transfer to the child and family
 17 reinvestment account, \$3,928,421 for fiscal year
 18 2014 and \$4,084,404 for fiscal year 2015 \$8,012,825
 19 Flood Control Assistance Account: For transfer to the
 20 state general fund, \$1,000,000 for fiscal year 2014
 21 and \$1,000,000 for fiscal year 2015 \$2,000,000
 22 Tobacco Settlement Account: For transfer to the state
 23 general fund, in an amount not to exceed the actual
 24 amount of the annual base payment to the tobacco
 25 settlement account \$157,221,000
 26 Tobacco Settlement Account: For transfer to the state
 27 general fund from the amounts deposited in the
 28 account that are attributable to the annual
 29 strategic contribution payment received in
 30 fiscal year 2014 \$14,000,000
 31 Tobacco Settlement Account: For transfer to the state
 32 general fund from the amounts deposited in the
 33 account that are attributable to the annual
 34 strategic contribution payment received in fiscal
 35 year 2015 \$14,000,000
 36 Tobacco Settlement Account: For transfer to the life
 37 sciences discovery fund, in an amount not to exceed
 38 the actual remaining amount of the annual strategic

1 contribution payment to the tobacco settlement account
2 for fiscal year 2014 \$12,515,000
3 Tobacco Settlement Account: For transfer to the life
4 sciences discovery fund, in an amount not to exceed
5 the actual remaining amount of the annual strategic
6 contribution payment to the tobacco settlement account
7 for fiscal year 2015 \$12,515,000

8 The transfer to the life sciences discovery fund is subject to the
9 condition that \$250,000 of the appropriation in fiscal year 2014 and
10 \$250,000 of the appropriation in fiscal year 2015 are provided solely
11 to promote the development and delivery of global health technologies
12 and products.

13 (a) The life sciences discovery fund authority must either
14 administer a grant application, review, and reward process, or contract
15 with a qualified nonprofit organization for these services. State
16 moneys must be provided for grants to entities for the development,
17 production, promotion, and delivery of global health technologies and
18 products. Grant award criteria must include:

19 (i) The quality of the proposed research or the proposed technical
20 assistance in product development or production process design. Any
21 grant funds awarded for research activities must be awarded for
22 nonbasic research that will assist in the commercialization or
23 manufacture of global health technologies;

24 (ii) The potential for the grant recipient to improve global health
25 outcomes;

26 (iii) The potential for the grant to leverage additional funding
27 for the development of global health technologies and products;

28 (iv) The potential for the grant to stimulate, or promote technical
29 skills training for, employment in the development of global health
30 technologies in the state; and

31 (v) The willingness of the grant recipient, when appropriate, to
32 enter into royalty or licensing income agreements with the authority.

33 (b) The authority, or the contractor of the authority, must report
34 information including the types of products and research funded, the
35 funding leveraged by the grants, and the number and types of jobs
36 created as a result of the grants, to the economic development
37 committees of the legislature by December 1, 2014.

38 Aquatic Lands Enhancement Account: For transfer to the

1 geoduck aquaculture research account, \$150,000 for
2 fiscal year 2014 and \$150,000 for fiscal year 2015 \$300,000
3 Health Benefit Exchange Account: For transfer to the
4 state general fund for fiscal year 2015 \$676,000
5 Criminal Justice Treatment Account: For transfer to the
6 state general fund, \$437,000 for fiscal year 2014
7 and \$2,746,000 for fiscal year 2015 \$3,183,000
8 Aquatic Lands Enhancement Account: For transfer to the
9 marine resources stewardship trust account, \$1,850,000
10 for fiscal year 2014 and \$1,850,000 for fiscal year
11 2015 \$3,700,000
12 Legal Services Revolving Account: For transfer to the
13 state general fund, \$1,476,000 for fiscal year 2014
14 and \$1,477,000 for fiscal year 2015 \$2,953,000
15 Personnel Service Account: For transfer to the state
16 general fund, \$733,000 for fiscal year 2014 and
17 \$733,000 for fiscal year 2015 \$1,466,000
18 Data Processing Revolving Account: For transfer to the
19 state general fund, \$8,069,000 for fiscal year 2014
20 and \$8,070,000 for fiscal year 2015 \$16,139,000
21 Home Security Fund Account: For transfer to the
22 transitional housing operating and rent account \$7,500,000

(End of part)

PART IX
MISCELLANEOUS

NEW SECTION. **Sec. 901. EXPENDITURE AUTHORIZATIONS**

The appropriations contained in this act are maximum expenditure authorizations. Pursuant to RCW 43.88.037, moneys disbursed from the treasury on the basis of a formal loan agreement shall be recorded as loans receivable and not as expenditures for accounting purposes. To the extent that moneys are disbursed on a loan basis, the corresponding appropriation shall be reduced by the amount of loan moneys disbursed from the treasury during the 2011-2013 fiscal biennium.

NEW SECTION. **Sec. 902. EMERGENCY FUND ALLOCATIONS**

Whenever allocations are made from the governor's emergency fund appropriation to an agency that is financed in whole or in part by other than general fund moneys, the director of financial management may direct the repayment of such allocated amount to the general fund from any balance in the fund or funds which finance the agency. An appropriation is not necessary to effect such repayment.

NEW SECTION. **Sec. 903. STATUTORY APPROPRIATIONS**

In addition to the amounts appropriated in this act for revenues for distribution, state contributions to the law enforcement officers' and fire fighters' retirement system plan 2, and bond retirement and interest including ongoing bond registration and transfer charges, transfers, interest on registered warrants, and certificates of indebtedness, there is also appropriated such further amounts as may be required or available for these purposes under any statutory formula or under chapters 39.94 and 39.96 RCW or any proper bond covenant made under law.

NEW SECTION. **Sec. 904. BOND EXPENSES**

In addition to such other appropriations as are made by this act, there is hereby appropriated to the state finance committee from legally available bond proceeds in the applicable construction or

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 and/or separation, program that is
8 cost neutral or results in cost savings (including costs to the state
9 pension systems) over a two-year period following the commencement of
10 the program, provided that such a program is approved by the director
11 of financial management. Agencies participating in this authorization
12 may offer voluntary retirement and/or separation incentives and options
13 according to procedures and guidelines established by the office of
14 financial management, in consultation with the office of the state
15 human resources director and the department of retirement systems. The
16 options may include, but are not limited to, financial incentives for
17 voluntary separation or retirement. An employee does not have a
18 contractual right to a financial incentive offered under this section.
19 Offers shall be reviewed and monitored jointly by the office of the
20 state human resources director and the department of retirement
21 systems. Agencies are required to submit a report by July 30, 2015, to
22 the legislature and the office of financial management on the outcome
23 of their approved incentive program. The report should include
24 information on the details of the program including the incentive
25 payment amount for each participant, the total cost to the state, and
26 the projected or actual net dollar savings over the two year period.

27 The department of retirement systems may collect from employers the
28 actuarial cost of any incentive provided under this program, or any
29 other incentive to retire provided by employers to members of the
30 state's pension systems, for deposit in the appropriate pension
31 account.

32 NEW SECTION. **Sec. 906. COLLECTIVE BARGAINING AGREEMENTS NOT**
33 **IMPAIRED**

34 Nothing in this act prohibits the expenditure of any funds by an
35 agency or institution of the state for benefits guaranteed by any

1 collective bargaining agreement in effect on the effective date of this
2 section.

3 NEW SECTION. **Sec. 907. COLLECTIVE BARGAINING AGREEMENTS**

4 The following sections represent the results of the 2013-2015
5 collective bargaining process required under the provisions of chapters
6 41.80, 41.56 and 74.39A RCW. Provisions of the collective bargaining
7 agreements contained in sections 908 through 935 of this act are
8 described in general terms. Only major economic terms are included in
9 the descriptions. These descriptions do not contain the complete
10 contents of the agreements. The collective bargaining agreements or
11 the continuation of terms and conditions of the 2011-2013 agreements
12 contained in Part IX of this act may also be funded by expenditures
13 from nonappropriated accounts. If positions are funded with lidded
14 grants or dedicated fund sources with insufficient revenue, additional
15 funding from other sources is not provided.

16 NEW SECTION. **Sec. 908. COLLECTIVE BARGAINING AGREEMENT--WFSE**

17 An agreement has been reached between the governor and the
18 Washington federation of state employees general government under the
19 provisions of chapter 41.80 RCW for the 2013-2015 fiscal biennium.
20 Funding is provided to add a longevity step and for backfill costs for
21 a personal leave day. The agreement also includes a one percent salary
22 increase for all bargaining unit members effective July 1, 2014,
23 through June 30, 2015, contingent on the state collecting \$200,000,000
24 or more in unanticipated general fund-state revenue from increased
25 economic activity.

26 NEW SECTION. **Sec. 909. COLLECTIVE BARGAINING AGREEMENT--WPEA**

27 An agreement has been reached between the governor and the
28 Washington public employees association general government under the
29 provisions of chapter 41.80 RCW for the 2013-2015 fiscal biennium.
30 Funding is provided to add a longevity step. The agreement also
31 includes a one percent salary increase for all bargaining unit members
32 effective July 1, 2014, through June 30, 2015, contingent on the state
33 collecting \$200,000,000 or more in unanticipated general fund-state
34 revenue from increased economic activity.

1 NEW SECTION. **Sec. 910. COLLECTIVE BARGAINING AGREEMENT--**
2 **COALITION OF UNIONS**

3 An agreement has been reached between the governor and the
4 coalition of unions under the provisions of chapter 41.80 RCW for the
5 2013-2015 fiscal biennium. Funding is provided to add a longevity
6 step. The agreement also includes a one percent salary increase for
7 all bargaining unit members effective July 1, 2014, through June 30,
8 2015, contingent on the state collecting \$200,000,000 or more in
9 unanticipated general fund-state revenue from increased economic
10 activity.

11 NEW SECTION. **Sec. 911. COLLECTIVE BARGAINING AGREEMENT--WAFWP**

12 An agreement has been reached between the governor and the
13 Washington association of fish and wildlife professionals under the
14 provisions of chapter 41.80 RCW for the 2013-2015 fiscal biennium.
15 Funding is provided to add a longevity step. The agreement also
16 includes a one percent salary increase for all bargaining unit members
17 effective July 1, 2014, through June 30, 2015, contingent on the state
18 collecting \$200,000,000 or more in unanticipated general fund-state
19 revenue from increased economic activity.

20 NEW SECTION. **Sec. 912. COLLECTIVE BARGAINING AGREEMENT--PTE**
21 **LOCAL 17**

22 An agreement has been reached between the governor and the
23 professional and technical employees local 17 under the provisions of
24 chapter 41.80 RCW for the 2013-2015 fiscal biennium. Funding is
25 provided to add a longevity step. The agreement also includes a one
26 percent salary increase for all bargaining unit members effective July
27 1, 2014, through June 30, 2015, contingent on the state collecting
28 \$200,000,000 or more in unanticipated general fund-state revenue from
29 increased economic activity.

30 NEW SECTION. **Sec. 913. COLLECTIVE BARGAINING AGREEMENT--SEIU**
31 **1199NW**

32 An agreement has been reached between the governor and the service
33 employees international union healthcare 1199nw under the provisions of
34 chapter 41.80 RCW for the 2013-2015 fiscal biennium. Funding is
35 provided to add a longevity step and for backfill costs for a personal

1 leave day. The agreement also includes a one percent salary increase
2 for all bargaining unit members effective July 1, 2014, through June
3 30, 2015, contingent on the state collecting \$200,000,000 or more in
4 unanticipated general fund-state revenue from increased economic
5 activity.

6 NEW SECTION. **Sec. 914. COLLECTIVE BARGAINING AGREEMENT--**
7 **TEAMSTERS LOCAL 117**

8 An agreement has been reached between the governor and the
9 international brotherhood of teamsters local 117 under the provisions
10 of chapter 41.80 RCW for the 2013-2015 fiscal biennium. Funding is
11 provided to add a longevity step. The agreement also includes a one
12 percent salary increase for all bargaining unit members effective July
13 1, 2014, through June 30, 2015, contingent on the state collecting
14 \$200,000,000 or more in unanticipated general fund-state revenue from
15 increased economic activity.

16 NEW SECTION. **Sec. 915. COLLECTIVE BARGAINING AGREEMENT--WFSE**
17 **HIGHER EDUCATION COMMUNITY COLLEGE COALITION**

18 An agreement has been reached between the governor and the
19 Washington federation of state employees community college coalition
20 under the provisions of chapter 41.80 RCW for the 2013-2015 fiscal
21 biennium. Funding is provided to add a longevity step. The agreement
22 also includes a one percent salary increase for all bargaining unit
23 members effective July 1, 2014, through June 30, 2015, contingent on
24 the state collecting \$200,000,000 or more in unanticipated general
25 fund-state revenue from increased economic activity.

26 NEW SECTION. **Sec. 916. COLLECTIVE BARGAINING AGREEMENT--WPEA**
27 **HIGHER EDUCATION COMMUNITY COLLEGE COALITION**

28 An agreement has been reached between the governor and the
29 Washington public employees association community college coalition
30 under the provisions of chapter 41.80 RCW for the 2013-2015 fiscal
31 biennium. Funding is provided to add a longevity step. The agreement
32 also includes a one percent salary increase for all bargaining unit
33 members effective July 1, 2014, through June 30, 2015, contingent on
34 the state collecting \$200,000,000 or more in unanticipated general
35 fund-state revenue from increased economic activity.

1 NEW SECTION. **Sec. 917. COLLECTIVE BARGAINING AGREEMENT FOR**
2 **NONSTATE EMPLOYEES--LANGUAGE ACCESS PROVIDERS WFSE**

3 An agreement has been reached between the governor and the
4 Washington federation of state employees for the language access
5 providers under the provisions of chapter 41.56 RCW for the 2013-2015
6 fiscal biennium. Funding is provided for a rate increase of 50 cents
7 per hour effective July 1, 2013, and rate increase of 50 cents per hour
8 effective July 1, 2014. Funding is also provided to accommodate a
9 change to the no-show payment rules.

10 NEW SECTION. **Sec. 918. COLLECTIVE BARGAINING AGREEMENT FOR**
11 **NONSTATE EMPLOYEES--SEIU HEALTHCARE 775NW HOMECARE WORKERS**

12 An agreement has been reached between the governor and the service
13 employees international union healthcare 775nw through an interest
14 arbitration decision under the provisions of chapter 74.39A and 41.56
15 RCW for the 2013-2015 fiscal biennium. Funding is provided for
16 increases to wages and pay differentials, mileage allowance, and
17 healthcare contributions. Funding is also provided for a paid holiday
18 and payment of certification and testing fees.

19 NEW SECTION. **Sec. 919. COLLECTIVE BARGAINING AGREEMENT FOR**
20 **NONSTATE EMPLOYEES--SEIU LOCAL 925 CHILDCARE WORKERS**

21 An agreement has been reached between the governor and the service
22 employees international union local 925 under the provisions of chapter
23 41.56 RCW for the 2013-2015 fiscal biennium. Funding is provided for
24 increases to health care, scholarship funding and non-standard hours
25 bonus.

26 NEW SECTION. **Sec. 920. COLLECTIVE BARGAINING AGREEMENT FOR**
27 **NONSTATE EMPLOYEES--WSRCC ADULT FAMILY HOMES**

28 An agreement has been reached between the governor and the
29 Washington state residential care council under the provisions of
30 chapter 41.56 RCW for the 2013-2015 fiscal biennium. Funding is
31 provided for a specialty adult family home contract for community
32 placement of clients currently in western state hospital and an
33 increase in the daily bed hold rate (days eight through twenty).

34 NEW SECTION. **Sec. 921. COLLECTIVE BARGAINING AGREEMENT--WSP**

1 **TROOPERS ASSOCIATION**

2 An agreement has been reached between the governor and the
3 Washington state patrol troopers association through an interest
4 arbitration decision under the provisions of chapter 41.56 RCW for the
5 2013-2015 fiscal biennium. Funding is provided for the awarded three
6 percent salary increase for all bargaining unit members effective July
7 1, 2013, and a one percent increase to longevity pay for years five
8 through nine effective July 1, 2014.

9 NEW SECTION. **Sec. 922. COLLECTIVE BARGAINING AGREEMENT--WSP**
10 **LIEUTENANTS ASSOCIATION**

11 An agreement has been reached between the governor and the
12 Washington state patrol lieutenants association through an interest
13 arbitration decision under the provisions of chapter 41.56 RCW for the
14 2013-2015 fiscal biennium. Funding is provided for the awarded three
15 percent salary increase for all bargaining unit members effective July
16 1, 2014, and for parking of department issued vehicles for employees
17 assigned vehicles at the general administration building or capital
18 campus.

19 NEW SECTION. **Sec. 923. COLLECTIVE BARGAINING AGREEMENT--YAKIMA**
20 **VALLEY COMMUNITY COLLEGE--WPEA**

21 An agreement has been reached between Yakima Valley Community
22 College and the Washington public employees association under the
23 provisions of chapter 41.80 RCW for the 2013-2015 fiscal biennium.
24 Funding is provided to add a longevity step. The agreement also
25 includes that economic terms and conditions replicate those specified
26 in the agreement executed by and between the Washington state higher
27 education coalition and the Washington public employees association
28 under RCW 41.80.010 for the term July 1, 2013, to June 30, 2015.

29 NEW SECTION. **Sec. 924. COLLECTIVE BARGAINING AGREEMENT--THE**
30 **EVERGREEN STATE COLLEGE--WFSE**

31 An agreement has been reached between The Evergreen State College
32 and the Washington federation of state employees under the provisions
33 of chapter 41.80 RCW for the 2013-2015 fiscal biennium. Funding is
34 provided to add a longevity step and a personal leave day. Funding is

1 also provided for a one percent salary increase for all bargaining unit
2 members beginning July 1, 2014.

3 NEW SECTION. **Sec. 925. COLLECTIVE BARGAINING AGREEMENT--WESTERN**
4 **WASHINGTON UNIVERSITY--WFSE**

5 An agreement has been reached between the Western Washington
6 University and the Washington federation of state employees under the
7 provisions of chapter 41.80 RCW for the 2013-2015 fiscal biennium.
8 Funding is provided to add a longevity step. The agreement also
9 includes compensation equal to any compensation increase approved,
10 implemented, and funded by the state for general government classified
11 represented staff through the general service salary schedule.

12 NEW SECTION. **Sec. 926. COLLECTIVE BARGAINING AGREEMENT--WESTERN**
13 **WASHINGTON UNIVERSITY--PSE**

14 An agreement has been reached between the Western Washington
15 University and the public schools employees under the provisions of
16 chapter 41.80 RCW for the 2013-2015 fiscal biennium. Funding is
17 provided to add a longevity step. The agreement also includes
18 compensation equal to any compensation increase approved, implemented,
19 and funded by the state for general government classified represented
20 staff through the general service salary schedule.

21 NEW SECTION. **Sec. 927. COLLECTIVE BARGAINING AGREEMENT--EASTERN**
22 **WASHINGTON UNIVERSITY--WFSE**

23 An agreement has been reached between Eastern Washington University
24 and the Washington federation of state employees under the provisions
25 of chapter 41.80 RCW for the 2013-2015 fiscal biennium. Funding is
26 provided to add a longevity step. Funding is also provided for a one
27 percent salary increase for all bargaining unit members beginning July
28 1, 2013, and a one percent salary increase for all bargaining unit
29 members beginning July 1, 2014.

30 NEW SECTION. **Sec. 928. COLLECTIVE BARGAINING AGREEMENT--CENTRAL**
31 **WASHINGTON UNIVERSITY--WFSE**

32 An agreement has been reached between Central Washington University
33 and the Washington federation of state employees under the provisions
34 of chapter 41.80 RCW for the 2013-2015 fiscal biennium. Funding is

1 provided to add a longevity step and for a one percent salary increase
2 for all bargaining unit members beginning July 1, 2014. The agreement
3 also includes additional one-time payments each November of each fiscal
4 year for members continually employed during the preceding twelve
5 months in an amount up to three percent of member's gross wages
6 contingent on the university's achievement of the goals contained in
7 its student success incentive program.

8 NEW SECTION. **Sec. 929. COLLECTIVE BARGAINING AGREEMENT--CENTRAL**
9 **WASHINGTON UNIVERSITY--PSE**

10 An agreement has been reached between Central Washington University
11 and the public schools employees under the provisions of chapter 41.80
12 RCW for the 2013-2015 fiscal biennium. Funding is provided to add a
13 longevity step. The agreement includes a one percent salary increase
14 for all bargaining unit members beginning July 1, 2014, and in the
15 event classified employees bargaining at the general government's
16 higher education tables receive a general wage increase greater than
17 one percent, salary ranges will increase by the higher amount. The
18 agreement also includes additional one-time payments each November each
19 fiscal year for members continually employed during the preceding
20 twelve months in an amount up to three percent of member's gross wages
21 contingent on the university's achievement of the goals contained in
22 its student success incentive program.

23 NEW SECTION. **Sec. 930. COLLECTIVE BARGAINING AGREEMENT--**
24 **UNIVERSITY OF WASHINGTON--WFSE**

25 An agreement has been reached between the University of Washington
26 and the Washington federation of state employees under the provisions
27 of chapter 41.80 RCW for the 2013-2015 fiscal biennium. Funding is
28 provided for additional premium pay, preceptor pay, and professional
29 development increases. Funding is also provided for a two percent wage
30 increase for all bargaining unit members beginning July 1, 2013, a two
31 percent wage increase for all bargaining unit members beginning July 1,
32 2014. The agreement also provides that if the university agrees to
33 across-the-board salary increases for any SEIU 925 bargaining unit that
34 are more favorable than those negotiated with WFSE, the university will
35 grant the same salary increase to WFSE-represented employees.

1 NEW SECTION. **Sec. 931. COLLECTIVE BARGAINING AGREEMENT--**
2 **UNIVERSITY OF WASHINGTON--SEIU 925**

3 An agreement has been reached between the University of Washington
4 and the service employees international union local 925 under the
5 provisions of chapter 41.80 RCW for the 2013-2015 fiscal biennium.
6 Funding is provided for additional step increases, a two percent salary
7 increase for all bargaining unit members beginning July 1, 2013, and a
8 two percent salary increase for all bargaining unit members beginning
9 July 1, 2014. The agreement also provides that if the university
10 agrees to across-the-board salary increases or general increases for a
11 SEIU 1199 or Washington state nurse association bargaining unit that
12 are more favorable than those negotiated with SEIU 925, the university
13 will grant the same salary increase to SEIU 925-represented employees.

14 NEW SECTION. **Sec. 932. COLLECTIVE BARGAINING AGREEMENT--**
15 **UNIVERSITY OF WASHINGTON--TEAMSTERS 117 (UW POLICE OFFICERS)**

16 An agreement has been reached between the University of Washington
17 and the teamsters 117 under the provisions of chapter 41.80 RCW for the
18 2013-2015 fiscal biennium. Funding is provided for a two percent
19 salary increase for all bargaining unit members beginning July 1, 2013,
20 and a two percent salary increase for all bargaining unit members
21 beginning July 1, 2014.

22 NEW SECTION. **Sec. 933. COLLECTIVE BARGAINING AGREEMENT--**
23 **WASHINGTON STATE UNIVERSITY--WFSE**

24 An agreement has been reached between the Washington State
25 University and the Washington federation of state employees under the
26 provisions of chapter 41.80 RCW for the 2013-2015 fiscal biennium. The
27 agreement provides that if a general salary increase, implementation of
28 a salary survey, or a longevity step (Step M) is approved and funded by
29 the state for university nonbargaining unit covered classified staff,
30 WFSE bargaining unit members will receive the same.

31 NEW SECTION. **Sec. 934. COLLECTIVE BARGAINING AGREEMENT--**
32 **WASHINGTON STATE UNIVERSITY--PSE**

33 An agreement has been reached between the Washington State
34 University and the public school employees of Washington under the
35 provisions of chapter 41.80 RCW for the 2013-2015 fiscal biennium. The

1 agreement provides that the bargaining unit members have a "me-too"
2 agreement regarding cost of living increases with university classified
3 staff utilizing the general service higher education salary schedule
4 should the university request and receive funding to provide an across-
5 the- board salary increase for classified staff.

6 NEW SECTION. **Sec. 935. COLLECTIVE BARGAINING AGREEMENT--**
7 **WASHINGTON STATE UNIVERSITY--WSU POLICE GUILD**

8 An agreement has been reached between the Washington State
9 University and the Washington State University Police Guild under the
10 provisions of chapter 41.80 RCW for the 2013-2015 fiscal biennium.
11 Funding is provided to add a longevity step.

12 NEW SECTION. **Sec. 936. COMPENSATION--REPRESENTED EMPLOYEES--**
13 **SUPER COALITION--INSURANCE BENEFITS**

14 No agreement was reached between the governor and the health care
15 super coalition under the provisions of chapter 41.80 RCW for the
16 2013-2015 fiscal biennium. Appropriations in this act for state
17 agencies, including institutions of higher education are sufficient to
18 continue the provisions of the 2011-2013 collective bargaining
19 agreement, and are subject to the following conditions and limitations:

20 (1)(a) The monthly employer funding rate for insurance benefit
21 premiums, public employees' benefits board administration, and the
22 uniform medical plan, shall not exceed \$782 per eligible employee for
23 fiscal year 2014. For fiscal year 2015 the monthly employer funding
24 rate shall not exceed \$791 per eligible employee.

25 (b) In order to achieve the level of funding provided for health
26 benefits, the public employees' benefits board shall require or make
27 any or all of the following: Employee premium copayments, increases in
28 point-of-service cost sharing, the implementation of managed
29 competition, or other changes to benefits consistent with RCW
30 41.05.065.

31 (c) The health care authority shall deposit any moneys received on
32 behalf of the uniform medical plan as a result of rebates on
33 prescription drugs, audits of hospitals, subrogation payments, or any
34 other moneys recovered as a result of prior uniform medical plan claims
35 payments, into the public employees' and retirees' insurance account to

1 be used for insurance benefits. Such receipts shall not be used for
2 administrative expenditures.

3 (2) The health care authority, subject to the approval of the
4 public employees' benefits board, shall provide subsidies for health
5 benefit premiums to eligible retired or disabled public employees and
6 school district employees who are eligible for medicare, pursuant to
7 RCW 41.05.085. For calendar years 2014 and 2015, the subsidy shall be
8 up to \$150.00 per month.

9 NEW SECTION. **Sec. 937. COMPENSATION--REPRESENTED EMPLOYEES**
10 **OUTSIDE SUPER COALITION--INSURANCE BENEFITS**

11 Appropriations for state agencies in this act are sufficient for
12 represented employees outside the super coalition for health benefits,
13 and are subject to the following conditions and limitations:

14 (1)(a) The monthly employer funding rate for insurance benefit
15 premiums, public employees' benefits board administration, and the
16 uniform medical plan, shall not exceed \$782 per eligible employee for
17 fiscal year 2014. For fiscal year 2015 the monthly employer funding
18 rate shall not exceed \$791 per eligible employee.

19 (b) In order to achieve the level of funding provided for health
20 benefits, the public employees' benefits board shall require or make
21 any or all of the following: Employee premium copayments, increases in
22 point-of-service cost sharing, the implementation of managed
23 competition, or other changes to benefits consistent with RCW
24 41.05.065.

25 (c) The health care authority shall deposit any moneys received on
26 behalf of the uniform medical plan as a result of rebates on
27 prescription drugs, audits of hospitals, subrogation payments, or any
28 other moneys recovered as a result of prior uniform medical plan claims
29 payments, into the public employees' and retirees' insurance account to
30 be used for insurance benefits. Such receipts shall not be used for
31 administrative expenditures.

32 (2) The health care authority, subject to the approval of the
33 public employees' benefits board, shall provide subsidies for health
34 benefit premiums to eligible retired or disabled public employees and
35 school district employees who are eligible for medicare, pursuant to
36 RCW 41.05.085. For calendar years 2014 and 2015, the subsidy shall be
37 up to \$150.00 per month.

1 NEW SECTION. **Sec. 938. COMPENSATION--NONREPRESENTED EMPLOYEES--**
2 **INSURANCE BENEFITS**

3 Appropriations for state agencies in this act are sufficient for
4 nonrepresented state employee health benefits for state agencies,
5 including institutions of higher education, and are subject to the
6 following conditions and limitations:

7 (1)(a) The monthly employer funding rate for insurance benefit
8 premiums, public employees' benefits board administration, and the
9 uniform medical plan, shall not exceed \$782 per eligible employee for
10 fiscal year 2014. For fiscal year 2015 the monthly employer funding
11 rate shall not exceed \$791 per eligible employee.

12 (b) In order to achieve the level of funding provided for health
13 benefits, the public employees' benefits board shall require or make
14 any or all of the following: Employee premium copayments, increases in
15 point-of-service cost sharing, the implementation of managed
16 competition, or other changes to benefits consistent with RCW
17 41.05.065.

18 (c) The health care authority shall deposit any moneys received on
19 behalf of the uniform medical plan as a result of rebates on
20 prescription drugs, audits of hospitals, subrogation payments, or any
21 other moneys recovered as a result of prior uniform medical plan claims
22 payments, into the public employees' and retirees' insurance account to
23 be used for insurance benefits. Such receipts shall not be used for
24 administrative expenditures.

25 (2) The health care authority, subject to the approval of the
26 public employees' benefits board, shall provide subsidies for health
27 benefit premiums to eligible retired or disabled public employees and
28 school district employees who are eligible for medicare, pursuant to
29 RCW 41.05.085. For calendar years 2014 and 2015, the subsidy shall be
30 up to \$150.00 per month.

31 (3) Technical colleges, school districts, and educational service
32 districts shall remit to the health care authority for deposit into the
33 public employees' and retirees' insurance account established in RCW
34 41.05.120 the following amounts:

35 (a) For each full-time employee, \$64.40 per month beginning
36 September 1, 2013, and \$70.39 beginning September 1, 2014; and

37 (b) For each part-time employee, who at the time of the remittance
38 is employed in an eligible position as defined in RCW 41.32.010 or

1 41.40.010 and is eligible for employer fringe benefit contributions for
2 basic benefits, \$64.40 each month beginning September 1, 2013, and
3 \$70.39 beginning September 1, 2014, prorated by the proportion of
4 employer fringe benefit contributions for a full-time employee that the
5 part-time employee receives. The remittance requirements specified in
6 this subsection (3) shall not apply to employees of a technical
7 college, school district, or educational service district who purchase
8 insurance benefits through contracts with the health care authority.

9 NEW SECTION. **Sec. 939. COMPENSATION--REVISE PENSION CONTRIBUTION**
10 **RATES**

11 The appropriations for school districts and state agencies,
12 including institutions of higher education are subject to the following
13 conditions and limitations: Appropriations are adjusted to reflect
14 changes to agency appropriations to reflect pension contribution rates
15 adopted by the pension funding council and the law enforcement
16 officers' and firefighters' retirement system plan 2 board.

17 NEW SECTION. **Sec. 940. NONREPRESENTED EMPLOYEE LONGEVITY STEP**

18 For classified state employees, except those within the Washington
19 management service and except those represented by a bargaining unit
20 under chapters 41.80, 41.56, or 47.64 RCW, funding is provided within
21 agency appropriations for implementation of a longevity step, in
22 accordance with rules adopted under RCW 41.06.133.

23 NEW SECTION. **Sec. 941. COLLECTIVE BARGAINING AGREEMENTS**

24 For collective bargaining agreements negotiated with the state for
25 the 2013-2015 fiscal biennium under chapter 41.80 RCW, the governor may
26 request funds to implement the terms and conditions of any agreement
27 negotiated by an institution of higher education and submitted to the
28 office of financial management after October 1, 2012, but before
29 December 20, 2012, if that agreement is determined to be financially
30 feasible to the state by the director of financial management.

31 NEW SECTION. **Sec. 942. COMPENSATION - CONTINGENT INCREASE IN**
32 **SALARIES AND WAGES**

33 (1) If the director of the office of financial management
34 determines that the February 2014 economic and revenue forecast council

1 forecast for general fund--state revenues for fiscal year 2015 is
2 \$200,000,000 or more than the September 2012 economic and revenue
3 forecast council forecast for general fund--state revenues for fiscal
4 year 2015 as a result of increased economic activity, effective July 1,
5 2014, appropriations to state agencies will increase in the amounts
6 specified in LEAP Document 2013-H01 to fund a one percent salary
7 increase effective July 1, 2014, through June 30, 2015, for the
8 following state employees:

- 9 (a) All classified employees;
- 10 (b) Employees in the Washington management service;
- 11 (c) Except as provided in subsection (2) of this section, employees
12 exempt from merit system rules in the legislative, executive, and
13 judicial branches;
- 14 (d) Employees of the marine division of the department of
15 transportation represented by the office and professional employees
16 international union local eight and service employees international
17 union local six.

18 (2) The salary increase in this section is not provided to the
19 following state employees:

- 20 (a) Commissioned officers of the Washington state patrol
21 represented by the Washington state patrol troopers association and the
22 Washington state patrol lieutenants association;

23 (b) Employees of the marine division of the department of
24 transportation represented by:

- 25 (i) The ferry agents, supervisors, project administrators
26 association;
- 27 (ii) The Pacific northwest regional council of carpenters;
- 28 (iii) The Puget Sound metal trades council;
- 29 (iv) The marine engineers' beneficial association unlicensed engine
30 room employees;
- 31 (v) The marine engineers' beneficial association licensed engineer
32 officers;
- 33 (vi) The masters, mates and pilots - mates;
- 34 (vii) The masters, mates and pilots - masters;
- 35 (viii) The masters, mates and pilots - watch supervisors; and
- 36 (ix) The inlandboatmen's union of the pacific.

37 (c) Employees whose maximum salaries are set by the commission on
38 salaries for elected officials; and

1 (d) Faculty employees and employees exempt from merit system rules
2 at institutions of higher education.

3 (3) For purposes of this section, "increased economic activity"
4 means additional revenue derived from taxable business and consumer
5 activity and does not include revenue changes from changes in state or
6 federal law or revenue changes characterized by the economic and
7 revenue forecast council as a noneconomic change.

8 NEW SECTION. **Sec. 943. ACQUISITION OF INFORMATION TECHNOLOGY**
9 **PROJECTS THROUGH FINANCIAL CONTRACTS**

10 (1) Financial contracts for the acquisition of the information
11 technology projects authorized in this section must be approved jointly
12 by the office of the financial management and the office of the chief
13 information officer. Information technology projects funded under this
14 section shall meet the following requirements:

15 (a) The project reduces costs and achieves economies of scale by
16 leveraging statewide investments in systems and data and other common
17 or enterprise-wide solutions within and across state agencies;

18 (b) The project begins or continues replacement of legacy
19 information technology systems and replacing these systems with modern
20 and more efficient information technology systems;

21 (c) The project improves the ability of an agency to recover from
22 major disaster;

23 (d) The project provides future savings and efficiencies for an
24 agency through reduced operating costs, improved customer service, or
25 increased revenue collections; and

26 (e) Preference for project approval must be given to an agency that
27 has prior approval from the office of the chief information officer, an
28 approved business plan, and where the primary hurdle to project funding
29 is the lack of funding capacity.

30 (2) The following state agencies may enter into financial contracts
31 to finance expenditures for the acquisition and implementation of the
32 following information technology projects for up to the respective
33 amounts indicated, plus financing expenses and required reserves
34 pursuant to chapter 39.94 RCW:

35 (a) Subject to subsection (4) of this section, \$10,000,000 for the
36 department of enterprise services time, leave, and attendance pilot
37 project;

1 (b) \$3,867,000 for the Washington state patrol for continuation of
2 the mobile office platform;

3 (c) \$8,500,000 for the department of social and health services
4 conversion to the tenth version of the world health organization's
5 international classification of diseases;

6 (d) \$5,558,343 for the department of early learning system
7 implementation of electronic benefit transfers;

8 (e) \$9,404,000 for the employment security department to modernize
9 the unemployment insurance benefit system; and

10 (f) \$4,323,000 for the department of corrections for radio
11 infrastructure upgrades.

12 (3) The office of financial management with assistance from the
13 office of the chief information officer will report to the governor and
14 fiscal committees of the legislature by November 1st of each year on
15 the status of distributions and expenditures on information technology
16 projects and improved statewide or agency performance results achieved
17 by project funding.

18 (4) If the Washington state department of transportation enters
19 into financial contracts pursuant to chapter 39.94 RCW for the
20 acquisition and implementation of a time, leave, and labor distribution
21 system, the authorization provided to the department of enterprise
22 services in subsection (2)(a) of this section expires.

23 **NEW SECTION. Sec. 944. INFORMATION TECHNOLOGY PROJECTS**

24 (1) The office of the chief information officer, in coordination
25 with the technology services board, must evaluate existing state
26 technology policies on technology investment planning and project
27 implementation to determine whether these policies reflect current
28 industry leading practices. Where necessary, the office of the chief
29 information officer shall develop revisions to these policies designed
30 to incorporate leading practices, and to incorporate appropriate
31 reporting mechanisms designed to improve the transparency of agency
32 compliance with these policies. All revisions must be submitted to the
33 technology services board for approval no later than September 30,
34 2013. The technology services board may create a subcommittee
35 responsible for the ongoing review and oversight of state technology
36 policy development.

1 (2) The office of the chief information officer shall improve the
2 transparency of agency technology planning and development activities
3 by implementing a publicly facing web-based reporting tool for
4 centralized reporting and posting of these documents. The office of
5 the chief information officer shall develop and implement a policy
6 requiring that all critical planning documents, including but not
7 limited to feasibility studies, project management plans, and quality
8 assurance plans for all major projects, and all quality assurance
9 status reports. The reporting tool should be in place no later than
10 September 30, 2013.

11 NEW SECTION. **Sec. 945. PERSONAL COMPUTER ACQUISITION AND**
12 **REPLACEMENT**

13 (1) The legislature finds that the state must achieve reduced costs
14 in the acquisition and deployment of new and replacement personal
15 computers. The office of the chief information officer of the state
16 must develop a policy on the procurement of personal computers with the
17 goal of reducing the total life cycle cost of ownership. The policy
18 must be effective no later than September 1, 2013.

19 (2) At a minimum, the policy must address frequency of replacement,
20 identify a preferred financing method, and identify one or more
21 preferred equipment configurations. Financing methods examined in
22 developing the policy must include leasing, lease purchasing,
23 purchasing using certificates of participation and cash purchase. In
24 determining total life cycle costs, the office of the chief information
25 officer must consider the cost of acquisition, deployment, financing,
26 maintenance, and decommissioning of personal computers including any
27 residual software licensing costs. The office of the chief information
28 officer may include any other criteria deemed appropriate in developing
29 the policy.

30 (3) The office of the attorney general shall participate in a pilot
31 acquisition program. Key elements of the pilot will include a regular
32 replacement cycle that ensures reliable equipment and is acquired by
33 lease. Deployment of the replacement computer and decommissioning of
34 the old computer must also be part of the acquisition contract. The
35 office of the attorney general must work with the office of the chief
36 information officer to determine the costs and benefits of this

1 approach relative to cash procurement and agency deployment and
2 decommissioning. The office of the chief information officer shall
3 report on the findings of the pilot not later than January 1, 2015.

4 (4) While judicial, legislative, and higher education agencies are
5 exempt from this policy, they are encouraged to adhere to the policy to
6 the maximum extent practicable in meeting the goal of lowering the
7 total life cycle cost of ownership for personal computers.

8 NEW SECTION. **Sec. 946. INFORMATION TECHNOLOGY SECURITY PROGRAMS**
9 **AND TRAINING**

10 (1) The office of the chief information officer has developed
11 information technology security policies to assist state agencies in
12 implementing an information technology security program. Before any
13 agency may expend amounts appropriated in this act on information
14 technology equipment, the agency must adopt the information technology
15 security guidelines or the state chief information officer must approve
16 an agency's information technology security program.

17 (2) Every agency shall submit to the office of the chief
18 information officer a schedule for employee information technology
19 security training, in accordance with technology security policies, no
20 later than September 1, 2013. In the event an agency has not complied
21 with this requirement, the chief information officer may request the
22 office of financial management to embargo all or part of the amounts
23 appropriated to the agency in this act for information technology
24 equipment purchases until the agency training schedule is received.

25 **Sec. 947.** RCW 2.28.170 and 2009 c 445 s 2 are each amended to read
26 as follows:

- 27 (1) Counties may establish and operate drug courts.
- 28 (2) For the purposes of this section, "drug court" means a court
29 that has special calendars or dockets designed to achieve a reduction
30 in recidivism and substance abuse among nonviolent, substance abusing
31 felony and nonfelony offenders, whether adult or juvenile, by
32 increasing their likelihood for successful rehabilitation through
33 early, continuous, and intense judicially supervised treatment;
34 mandatory periodic drug testing; and the use of appropriate sanctions
35 and other rehabilitation services.

1 (3)(a) Any jurisdiction that seeks a state appropriation to fund a
2 drug court program must first:

3 (i) Exhaust all federal funding that is available to support the
4 operations of its drug court and associated services; and

5 (ii) Match, on a dollar-for-dollar basis, state moneys allocated
6 for drug court programs with local cash or in-kind resources. Moneys
7 allocated by the state must be used to supplement, not supplant, other
8 federal, state, and local funds for drug court operations and
9 associated services. However, from July 26, 2009, until June 30,
10 ((2013)) 2015, no match is required for state moneys expended for the
11 administrative and overhead costs associated with the operation of a
12 drug court pursuant to RCW 70.96A.350.

13 (b) Any county that establishes a drug court pursuant to this
14 section shall establish minimum requirements for the participation of
15 offenders in the program. The drug court may adopt local requirements
16 that are more stringent than the minimum. The minimum requirements
17 are:

18 (i) The offender would benefit from substance abuse treatment;

19 (ii) The offender has not previously been convicted of a serious
20 violent offense or sex offense as defined in RCW 9.94A.030; and

21 (iii) Without regard to whether proof of any of these elements is
22 required to convict, the offender is not currently charged with or
23 convicted of an offense:

24 (A) That is a sex offense;

25 (B) That is a serious violent offense;

26 (C) During which the defendant used a firearm; or

27 (D) During which the defendant caused substantial or great bodily
28 harm or death to another person.

29 **Sec. 948.** RCW 2.28.170 and 2013 c 257 s 5 are each amended to read
30 as follows:

31 (1) Jurisdictions may establish and operate drug courts.

32 (2) For the purposes of this section, "drug court" means a court
33 that has special calendars or dockets designed to achieve a reduction
34 in recidivism and substance abuse among nonviolent, substance abusing
35 felony and nonfelony offenders, whether adult or juvenile, by
36 increasing their likelihood for successful rehabilitation through

1 early, continuous, and intense judicially supervised treatment;
2 mandatory periodic drug testing; and the use of appropriate sanctions
3 and other rehabilitation services.

4 (3)(a) Any jurisdiction that seeks a state appropriation to fund a
5 drug court program must first:

6 (i) Exhaust all federal funding that is available to support the
7 operations of its drug court and associated services; and

8 (ii) Match, on a dollar-for-dollar basis, state moneys allocated
9 for drug court programs with local cash or in-kind resources. Moneys
10 allocated by the state must be used to supplement, not supplant, other
11 federal, state, and local funds for drug court operations and
12 associated services. However, from July 26, 2009, until June 30,
13 (~~2013~~) 2015, no match is required for state moneys expended for the
14 administrative and overhead costs associated with the operation of a
15 drug court pursuant to RCW 70.96A.350.

16 (b) Any jurisdiction that establishes a drug court pursuant to this
17 section shall establish minimum requirements for the participation of
18 offenders in the program. The drug court may adopt local requirements
19 that are more stringent than the minimum. The minimum requirements
20 are:

21 (i) The offender would benefit from substance abuse treatment;

22 (ii) The offender has not previously been convicted of a serious
23 violent offense or sex offense as defined in RCW 9.94A.030; and

24 (iii) Without regard to whether proof of any of these elements is
25 required to convict, the offender is not currently charged with or
26 convicted of an offense:

27 (A) That is a sex offense;

28 (B) That is a serious violent offense;

29 (C) During which the defendant used a firearm; or

30 (D) During which the defendant caused substantial or great bodily
31 harm or death to another person.

32 **Sec. 949.** RCW 13.40.466 and 2006 c 304 s 4 are each amended to
33 read as follows:

34 (1) The reinvesting in youth account is created in the state
35 treasury. Moneys in the account shall be spent only after
36 appropriation. Expenditures from the account may be used to reimburse
37 local governments for the implementation of the reinvesting in youth

1 program established in RCW 13.40.462 and 13.40.464. During the
2 2013-2015 fiscal biennium, the legislature may appropriate moneys from
3 the reinvesting in youth account for juvenile rehabilitation purposes.

4 (2) Revenues to the reinvesting in youth account consist of
5 revenues appropriated to or deposited in the account.

6 (3) The department of social and health services juvenile
7 rehabilitation administration shall review and monitor the expenditures
8 made by any county or group of counties that is funded, in whole or in
9 part, with funds provided through the reinvesting in youth account.
10 Counties shall repay any funds that are not spent in accordance with
11 RCW 13.40.462 and 13.40.464.

12 **Sec. 950.** RCW 28B.15.067 and 2012 2nd sp.s. c 7 s 914 are each
13 amended to read as follows:

14 (1) Tuition fees shall be established under the provisions of this
15 chapter.

16 (2) Beginning in the 2011-12 academic year, reductions or increases
17 in full-time tuition fees shall be as provided in the omnibus
18 appropriations act for resident undergraduate students at community and
19 technical colleges. The governing boards of the state universities,
20 regional universities, and The Evergreen State College; and the state
21 board for community and technical colleges may reduce or increase full-
22 time tuition fees for all students other than resident undergraduates,
23 including nonresident students, summer school students, and students in
24 other self-supporting degree programs. Percentage increases in full-
25 time tuition may exceed the fiscal growth factor. Except during the
26 (~~2011-2013~~) 2013-2015 fiscal biennium, the state board for community
27 and technical colleges may pilot or institute differential tuition
28 models. The board may define scale, scope, and rationale for the
29 models.

30 (3)(a) Beginning with the 2011-12 academic year and through the end
31 of the 2014-15 academic year, the governing boards of the state
32 universities, the regional universities, and The Evergreen State
33 College may reduce or increase full-time tuition fees for all students,
34 including summer school students and students in other self-supporting
35 degree programs. Percentage increases in full-time tuition fees may
36 exceed the fiscal growth factor. Reductions or increases may be made
37 for all or portions of an institution's programs, campuses, courses, or

1 students; however, during the ((2011-2013)) 2013-2015 fiscal biennium,
2 reductions or increases in tuition must be uniform among resident
3 undergraduate students.

4 (b) Prior to reducing or increasing tuition for each academic year,
5 the governing boards of the state universities, the regional
6 universities, and The Evergreen State College shall consult with
7 existing student associations or organizations with student
8 undergraduate and graduate representatives regarding the impacts of
9 potential tuition increases. Each governing board shall make public
10 its proposal for tuition and fee increases twenty-one days before the
11 governing board of the institution considers adoption and allow
12 opportunity for public comment. However, the requirement to make
13 public a proposal for tuition and fee increases twenty-one days before
14 the governing board considers adoption shall not apply if the omnibus
15 appropriations act has not passed the legislature by May 15th.
16 Governing boards shall be required to provide data regarding the
17 percentage of students receiving financial aid, the sources of aid, and
18 the percentage of total costs of attendance paid for by aid.

19 (c) Prior to reducing or increasing tuition for each academic year,
20 the state board for community and technical college system shall
21 consult with existing student associations or organizations with
22 undergraduate student representation regarding the impacts of potential
23 tuition increases. The state board for community and technical
24 colleges shall provide data regarding the percentage of students
25 receiving financial aid, the sources of aid, and the percentage of
26 total costs of attendance paid for by aid.

27 (4) Beginning with the 2015-16 academic year through the 2018-19
28 academic year, the governing boards of the state universities, regional
29 universities, and The Evergreen State College may set tuition for
30 resident undergraduates as follows:

31 (a) If state funding for a college or university falls below the
32 state funding provided in the operating budget for fiscal year 2011,
33 the governing board may increase tuition up to the limits set in (d) of
34 this subsection, reduce enrollments, or both;

35 (b) If state funding for a college or university is at least at the
36 level of state funding provided in the operating budget for fiscal year
37 2011, the governing board may increase tuition up to the limits set in

1 (d) of this subsection and shall continue to at least maintain the
2 actual enrollment levels for fiscal year 2011 or increase enrollments
3 as required in the omnibus appropriations act;

4 (c) If state funding is increased so that combined with resident
5 undergraduate tuition the sixtieth percentile of the total per-student
6 funding at similar public institutions of higher education in the
7 global challenge states under RCW 28B.15.068 is exceeded, the governing
8 board shall decrease tuition by the amount needed for the total per-
9 student funding to be at the sixtieth percentile under RCW 28B.15.068;
10 and

11 (d) The amount of tuition set by the governing board for an
12 institution under this subsection (4) may not exceed the sixtieth
13 percentile of the resident undergraduate tuition of similar public
14 institutions of higher education in the global challenge states.

15 (5) The tuition fees established under this chapter shall not apply
16 to high school students enrolling in participating institutions of
17 higher education under RCW 28A.600.300 through 28A.600.400.

18 (6) The tuition fees established under this chapter shall not apply
19 to eligible students enrolling in a dropout reengagement program
20 through an interlocal agreement between a school district and a
21 community or technical college under RCW 28A.175.100 through
22 28A.175.110.

23 (7) The tuition fees established under this chapter shall not apply
24 to eligible students enrolling in a community or technical college
25 participating in the pilot program under RCW 28B.50.534 for the purpose
26 of obtaining a high school diploma.

27 (8) Beginning in the 2019-20 academic year, reductions or increases
28 in full-time tuition fees for resident undergraduates at four-year
29 institutions of higher education shall be as provided in the omnibus
30 appropriations act.

31 (9) The legislative advisory committee to the committee on advanced
32 tuition payment established in RCW 28B.95.170 shall:

33 (a) Review the impact of differential tuition rates on the funded
34 status and future unit price of the Washington advanced college tuition
35 payment program; and

36 (b) No later than January 14, 2013, make a recommendation to the
37 appropriate policy and fiscal committees of the legislature regarding

1 how differential tuition should be addressed in order to maintain the
2 ongoing solvency of the Washington advanced college tuition payment
3 program.

4 **Sec. 951.** RCW 28B.20.476 and 2007 c 216 s 2 are each amended to
5 read as follows:

6 The geoduck aquaculture research account is created in the custody
7 of the state treasurer. All receipts from any legislative
8 appropriations, the aquaculture industry, or any other private or
9 public source directed to the account must be deposited in the account.
10 Expenditures from the account may only be used by the sea grant program
11 for the geoduck research projects identified by RCW 28B.20.475. Only
12 the president of the University of Washington or the president's
13 designee may authorize expenditures from the account. The account is
14 subject to the allotment procedures under chapter 43.88 RCW, but an
15 appropriation is not required for expenditures. During the 2013-2015
16 fiscal biennium, amounts available in the geoduck aquaculture research
17 account may also be appropriated for the sea grant program at the
18 University of Washington to conduct research examining the possible
19 negative and positive effects of evolving shellfish aquaculture
20 techniques and practices on Washington's economy and marine ecosystems.

21 **Sec. 952.** RCW 28B.92.010 and 2004 c 275 s 34 are each amended to
22 read as follows:

23 The purposes of this chapter are to establish the principles upon
24 which the state financial aid programs will be based and to establish
25 the state of Washington state need grant program, thus assisting
26 financially needy or disadvantaged students domiciled in Washington to
27 obtain the opportunity of attending an accredited institution of higher
28 education. State need grants under this chapter are available only to
29 students who are resident students as defined in RCW 28B.15.012(2) (a)
30 through ~~((d))~~ (e) or any person who has completed the full senior
31 year of high school and obtained a high school diploma, either at a
32 Washington public high school or private high school approved under
33 chapter 28A.195 RCW, or a person who has received the equivalent of a
34 diploma; who has lived in Washington state for at least three years
35 immediately before receiving the diploma or its equivalent; who has
36 continuously lived in the state of Washington after receiving the

1 diploma or its equivalent and until such time as the individual is
2 admitted to an eligible institution of higher education and has been
3 granted deferred action for childhood arrival status pursuant to the
4 rules and regulations adopted by the United States citizenship and
5 immigration services.

6 **Sec. 953.** RCW 28C.04.535 and 2011 1st sp.s. c 50 s 930 are each
7 amended to read as follows:

8 Except for the ((~~2011-12 and 2012-13~~)) 2013-14 and 2014-15 school
9 years, the Washington award for vocational excellence shall be granted
10 annually. The workforce training and education coordinating board
11 shall notify the students receiving the award, their vocational
12 instructors, local chambers of commerce, the legislators of their
13 respective districts, and the governor, after final selections have
14 been made. The workforce training and education coordinating board, in
15 conjunction with the governor's office, shall prepare appropriate
16 certificates to be presented to the selected students. Awards shall be
17 presented in public ceremonies at times and places determined by the
18 workforce training and education coordinating board in cooperation with
19 the office of the governor.

20 **Sec. 954.** RCW 38.52.540 and 2012 2nd sp.s. c 7 s 915 are each
21 amended to read as follows:

22 (1) The enhanced 911 account is created in the state treasury. All
23 receipts from the state enhanced 911 excise taxes imposed by RCW
24 82.14B.030 must be deposited into the account. Moneys in the account
25 must be used only to support the statewide coordination and management
26 of the enhanced 911 system, for the implementation of wireless enhanced
27 911 statewide, for the modernization of enhanced 911 emergency
28 communications systems statewide, and to help supplement, within
29 available funds, the operational costs of the system, including
30 adequate funding of counties to enable implementation of wireless
31 enhanced 911 service and reimbursement of radio communications service
32 companies for costs incurred in providing wireless enhanced 911 service
33 pursuant to negotiated contracts between the counties or their agents
34 and the radio communications service companies. For the 2011-2013
35 fiscal biennium, the account may be used for modernizing narrowband
36 radio capability in the department of corrections. For the 2013-2015

1 fiscal biennium, the account may be used for activities and programs in
2 the military department. A county must show just cause, including but
3 not limited to a true and accurate accounting of the funds expended,
4 for any inability to provide reimbursement to radio communications
5 service companies of costs incurred in providing enhanced 911 service.

6 (2) Funds generated by the enhanced 911 excise tax imposed by RCW
7 82.14B.030(5) may not be distributed to any county that has not imposed
8 the maximum county enhanced 911 excise tax allowed under RCW
9 82.14B.030(1). Funds generated by the enhanced 911 excise tax imposed
10 by RCW 82.14B.030(6) may not be distributed to any county that has not
11 imposed the maximum county enhanced 911 excise tax allowed under RCW
12 82.14B.030(2).

13 (3) The state enhanced 911 coordinator, with the advice and
14 assistance of the enhanced 911 advisory committee, is authorized to
15 enter into statewide agreements to improve the efficiency of enhanced
16 911 services for all counties and shall specify by rule the additional
17 purposes for which moneys, if available, may be expended from this
18 account.

19 **Sec. 955.** RCW 39.26.210 and 2012 c 224 s 23 are each amended to
20 read as follows:

21 (1) Agencies during the 2013-2015 biennia, must (~~annually~~) submit
22 to the department a list of all contracts that the agency has entered
23 into or renewed within ten days of entering into the contract.
24 "Contracts," for the purposes of this section, does not include
25 purchase orders. The department must maintain a publicly available
26 list of all contracts entered into by agencies (~~during each fiscal~~
27 ~~year~~), except that contracts for the employment of expert witnesses
28 for the purposes of litigation shall not be made publicly available to
29 the extent that information is exempt from disclosure under state law.
30 Except as otherwise exempt, the data must identify the contracting
31 agency, the contractor, the purpose of the contract, effective dates
32 and periods of performance, the cost of the contract and funding
33 source, any substantive modifications to the contract, and whether the
34 contract was competitively procured or awarded on a sole source basis.

35 (2) The department may conduct audits of its master contracts and
36 convenience contracts to ensure that the contractor is in compliance

1 with the contract terms and conditions, including but not limited to
2 providing only the goods and services specified in the contract at the
3 contract price.

4 **Sec. 956.** RCW 41.06.280 and 2011 1st sp.s. c 43 s 419 are each
5 amended to read as follows:

6 There is hereby created a fund within the state treasury,
7 designated as the "personnel service fund," to be used by the office of
8 financial management and the department of enterprise services as a
9 revolving fund for the payment of salaries, wages, and operations
10 required for the administration of the provisions of this chapter,
11 applicable provisions of chapter 41.04 RCW, and chapter 41.60 RCW. An
12 amount not to exceed one and one-half percent of the salaries and wages
13 for all positions in the classified service in each of the agencies
14 subject to this chapter, except the institutions of higher education,
15 shall be charged to the operations appropriations of each agency and
16 credited to the personnel service fund as the allotments are approved
17 pursuant to chapter 43.88 RCW. Subject to the above limitations, the
18 amount shall be charged against the allotments pro rata, at a rate to
19 be fixed by the director from time to time which, together with income
20 derived from services rendered under RCW 41.06.080, will provide the
21 office of financial management and the department of enterprise
22 services with funds to meet its anticipated expenditures during the
23 allotment period, including the training requirements in RCW 41.06.500
24 and 41.06.530.

25 The director shall fix the terms and charges for services rendered
26 by the department of enterprise services and the office of financial
27 management pursuant to RCW 41.06.080, which amounts shall be credited
28 to the personnel service fund and charged against the proper fund or
29 appropriation of the recipient of such services on a monthly basis.
30 Payment for services so rendered under RCW 41.06.080 shall be made on
31 a monthly basis to the state treasurer and deposited in the personnel
32 service fund.

33 Moneys from the personnel service fund shall be disbursed by the
34 state treasurer by warrants on vouchers duly authorized by the office
35 of financial management and the department of enterprise services.

36 During the 2013-2015 fiscal biennium, the legislature may transfer

1 from the personnel service fund to the state general fund such amounts
2 as reflect the excess fund balance of the account.

3 **Sec. 957.** RCW 41.06.280 and 2013 c 251 s 1 are each amended to
4 read as follows:

5 There is hereby created a fund within the state treasury,
6 designated as the "personnel service fund," to be used by the office of
7 financial management as a revolving fund for the payment of salaries,
8 wages, and operations required for the administration of the provisions
9 of this chapter, applicable provisions of chapter 41.04 RCW, and
10 chapter 41.60 RCW. An amount not to exceed one and one-half percent of
11 the salaries and wages for all positions in the classified service in
12 each of the agencies subject to this chapter, except the institutions
13 of higher education, shall be charged to the operations appropriations
14 of each agency and credited to the personnel service fund as the
15 allotments are approved pursuant to chapter 43.88 RCW. Subject to the
16 above limitations, the amount shall be charged against the allotments
17 pro rata, at a rate to be fixed by the director from time to time
18 which, together with income derived from services rendered under RCW
19 41.06.080, will provide the office of financial management with funds
20 to meet its anticipated expenditures during the allotment period,
21 including the training requirements in RCW 41.06.500 and 41.06.530.
22 All revenues, net of expenditures, previously derived from services
23 provided by the department of enterprise services under RCW 41.06.080
24 must be transferred to the enterprise services account.

25 The director shall fix the terms and charges for services rendered
26 by the office of financial management pursuant to RCW 41.06.080, which
27 amounts shall be credited to the personnel service fund and charged
28 against the proper fund or appropriation of the recipient of such
29 services on a monthly basis. Payment for services so rendered under
30 RCW 41.06.080 shall be made on a monthly basis to the state treasurer
31 and deposited in the personnel service fund.

32 Moneys from the personnel service fund shall be disbursed by the
33 state treasurer by warrants on vouchers duly authorized by the office
34 of financial management.

35 During the 2013-2015 fiscal biennium, the legislature may transfer
36 from the personnel service fund to the state general fund such amounts
37 as reflect the excess fund balance of the account.

1 **Sec. 958.** RCW 41.26.802 and 2008 c 99 s 4 are each amended to read
2 as follows:

3 (1) By September 30, 2011, if the prior fiscal biennium's general
4 state revenues exceed the previous fiscal biennium's revenues by more
5 than five percent, subject to appropriation by the legislature, the
6 state treasurer shall transfer five million dollars to the local public
7 safety enhancement account.

8 ~~(2) ((By September 30, 2013, if the prior fiscal biennium's general
9 state revenues exceed the previous fiscal biennium's revenues by more
10 than five percent, subject to appropriation by the legislature, the
11 state treasurer shall transfer ten million dollars to the local public
12 safety enhancement account.~~

13 ~~(3))~~ By September 30, 2015, if the prior fiscal biennium's general
14 state revenues exceed the previous fiscal biennium's revenues by more
15 than five percent, subject to appropriation by the legislature, the
16 state treasurer shall transfer twenty million dollars to the local
17 public safety enhancement account.

18 (4) By September 30, 2017, and by September 30 of each odd-numbered
19 year thereafter, if the prior fiscal biennium's general state revenues
20 exceed the previous fiscal biennium's revenues by more than five
21 percent, subject to appropriation by the legislature, the state
22 treasurer shall transfer the lesser of one-third of the increase, or
23 fifty million dollars, to the local public safety enhancement account.

24 **Sec. 959.** RCW 41.60.050 and 2011 1st sp.s. c 50 s 937 and 2011 1st
25 sp.s. c 43 s 473 are each reenacted and amended to read as follows:

26 The legislature shall appropriate from the personnel service fund
27 for the payment of administrative costs of the productivity board.
28 However, during the 2011-2013 and 2013-2015 fiscal ~~((biennium))~~
29 biennia, the operations of the productivity board shall be suspended.

30 **Sec. 960.** RCW 41.80.010 and 2011 1st sp.s. c 50 s 938 and 2011 c
31 344 s 1 are each reenacted and amended to read as follows:

32 (1) For the purpose of negotiating collective bargaining agreements
33 under this chapter, the employer shall be represented by the governor
34 or governor's designee, except as provided for institutions of higher
35 education in subsection (4) of this section.

1 (2)(a) If an exclusive bargaining representative represents more
2 than one bargaining unit, the exclusive bargaining representative shall
3 negotiate with each employer representative as designated in subsection
4 (1) of this section one master collective bargaining agreement on
5 behalf of all the employees in bargaining units that the exclusive
6 bargaining representative represents. For those exclusive bargaining
7 representatives who represent fewer than a total of five hundred
8 employees each, negotiation shall be by a coalition of all those
9 exclusive bargaining representatives. The coalition shall bargain for
10 a master collective bargaining agreement covering all of the employees
11 represented by the coalition. The governor's designee and the
12 exclusive bargaining representative or representatives are authorized
13 to enter into supplemental bargaining of agency-specific issues for
14 inclusion in or as an addendum to the master collective bargaining
15 agreement, subject to the parties' agreement regarding the issues and
16 procedures for supplemental bargaining. This section does not prohibit
17 cooperation and coordination of bargaining between two or more
18 exclusive bargaining representatives.

19 (b) This subsection (2) does not apply to exclusive bargaining
20 representatives who represent employees of institutions of higher
21 education, except when the institution of higher education has elected
22 to exercise its option under subsection (4) of this section to have its
23 negotiations conducted by the governor or governor's designee under the
24 procedures provided for general government agencies in subsections (1)
25 through (3) of this section.

26 (c) If five hundred or more employees of an independent state
27 elected official listed in RCW 43.01.010 are organized in a bargaining
28 unit or bargaining units under RCW 41.80.070, the official shall be
29 consulted by the governor or the governor's designee before any
30 agreement is reached under (a) of this subsection concerning
31 supplemental bargaining of agency specific issues affecting the
32 employees in such bargaining unit.

33 (3) The governor shall submit a request for funds necessary to
34 implement the compensation and fringe benefit provisions in the master
35 collective bargaining agreement or for legislation necessary to
36 implement the agreement. Requests for funds necessary to implement the
37 provisions of bargaining agreements shall not be submitted to the
38 legislature by the governor unless such requests:

1 (a) Have been submitted to the director of the office of financial
2 management by October 1 prior to the legislative session at which the
3 requests are to be considered; and

4 (b) Have been certified by the director of the office of financial
5 management as being feasible financially for the state.

6 The legislature shall approve or reject the submission of the
7 request for funds as a whole. The legislature shall not consider a
8 request for funds to implement a collective bargaining agreement unless
9 the request is transmitted to the legislature as part of the governor's
10 budget document submitted under RCW 43.88.030 and 43.88.060. If the
11 legislature rejects or fails to act on the submission, either party may
12 reopen all or part of the agreement or the exclusive bargaining
13 representative may seek to implement the procedures provided for in RCW
14 41.80.090.

15 (4)(a)(i) For the purpose of negotiating agreements for
16 institutions of higher education, the employer shall be the respective
17 governing board of each of the universities, colleges, or community
18 colleges or a designee chosen by the board to negotiate on its behalf.

19 (ii) A governing board of a university or college may elect to have
20 its negotiations conducted by the governor or governor's designee under
21 the procedures provided for general government agencies in subsections
22 (1) through (3) of this section, except that:

23 (A) The governor or the governor's designee and an exclusive
24 bargaining representative shall negotiate one master collective
25 bargaining agreement for all of the bargaining units of employees of a
26 university or college that the representative represents; or

27 (B) If the parties mutually agree, the governor or the governor's
28 designee and an exclusive bargaining representative shall negotiate one
29 master collective bargaining agreement for all of the bargaining units
30 of employees of more than one university or college that the
31 representative represents.

32 (iii) A governing board of a community college may elect to have
33 its negotiations conducted by the governor or governor's designee under
34 the procedures provided for general government agencies in subsections
35 (1) through (3) of this section.

36 (b) Prior to entering into negotiations under this chapter, the
37 institutions of higher education or their designees shall consult with

1 the director of the office of financial management regarding financial
2 and budgetary issues that are likely to arise in the impending
3 negotiations.

4 (c)(i) In the case of bargaining agreements reached between
5 institutions of higher education other than the University of
6 Washington and exclusive bargaining representatives agreed to under the
7 provisions of this chapter, if appropriations are necessary to
8 implement the compensation and fringe benefit provisions of the
9 bargaining agreements, the governor shall submit a request for such
10 funds to the legislature according to the provisions of subsection (3)
11 of this section, except as provided in (c)(iii) of this subsection.

12 (ii) In the case of bargaining agreements reached between the
13 University of Washington and exclusive bargaining representatives
14 agreed to under the provisions of this chapter, if appropriations are
15 necessary to implement the compensation and fringe benefit provisions
16 of a bargaining agreement, the governor shall submit a request for such
17 funds to the legislature according to the provisions of subsection (3)
18 of this section, except as provided in this subsection (4)(c)(ii) and
19 as provided in (c)(iii) of this subsection.

20 (A) If appropriations of less than ten thousand dollars are
21 necessary to implement the provisions of a bargaining agreement, a
22 request for such funds shall not be submitted to the legislature by the
23 governor unless the request has been submitted to the director of the
24 office of financial management by October 1 prior to the legislative
25 session at which the request is to be considered.

26 (B) If appropriations of ten thousand dollars or more are necessary
27 to implement the provisions of a bargaining agreement, a request for
28 such funds shall not be submitted to the legislature by the governor
29 unless the request:

30 (I) Has been submitted to the director of the office of financial
31 management by October 1 prior to the legislative session at which the
32 request is to be considered; and

33 (II) Has been certified by the director of the office of financial
34 management as being feasible financially for the state.

35 (C) If the director of the office of financial management does not
36 certify a request under (c)(ii)(B) of this subsection as being feasible
37 financially for the state, the parties shall enter into collective
38 bargaining solely for the purpose of reaching a mutually agreed upon

1 modification of the agreement necessary to address the absence of those
2 requested funds. The legislature may act upon the compensation and
3 fringe benefit provisions of the modified collective bargaining
4 agreement if those provisions are agreed upon and submitted to the
5 office of financial management and legislative budget committees before
6 final legislative action on the biennial or supplemental operating
7 budget by the sitting legislature.

8 (iii) In the case of a bargaining unit of employees of institutions
9 of higher education in which the exclusive bargaining representative is
10 certified during or after the conclusion of a legislative session, the
11 legislature may act upon the compensation and fringe benefit provisions
12 of the unit's initial collective bargaining agreement if those
13 provisions are agreed upon and submitted to the office of financial
14 management and legislative budget committees before final legislative
15 action on the biennial or supplemental operating budget by the sitting
16 legislature.

17 (5) There is hereby created a joint committee on employment
18 relations, which consists of two members with leadership positions in
19 the house of representatives, representing each of the two largest
20 caucuses; the chair and ranking minority member of the house
21 appropriations committee, or its successor, representing each of the
22 two largest caucuses; two members with leadership positions in the
23 senate, representing each of the two largest caucuses; and the chair
24 and ranking minority member of the senate ways and means committee, or
25 its successor, representing each of the two largest caucuses. The
26 governor shall periodically consult with the committee regarding
27 appropriations necessary to implement the compensation and fringe
28 benefit provisions in the master collective bargaining agreements, and
29 upon completion of negotiations, advise the committee on the elements
30 of the agreements and on any legislation necessary to implement the
31 agreements.

32 (6) If, after the compensation and fringe benefit provisions of an
33 agreement are approved by the legislature, a significant revenue
34 shortfall occurs resulting in reduced appropriations, as declared by
35 proclamation of the governor or by resolution of the legislature, both
36 parties shall immediately enter into collective bargaining for a
37 mutually agreed upon modification of the agreement.

1 (7) After the expiration date of a collective bargaining agreement
2 negotiated under this chapter, all of the terms and conditions
3 specified in the collective bargaining agreement remain in effect until
4 the effective date of a subsequently negotiated agreement, not to
5 exceed one year from the expiration date stated in the agreement.
6 Thereafter, the employer may unilaterally implement according to law.

7 (8) For the ((2011-2013)) 2013-2015 fiscal biennium, a collective
8 bargaining agreement related to employee health care benefits
9 negotiated between the employer and coalition pursuant to RCW
10 41.80.020(3) regarding the dollar amount expended on behalf of each
11 employee shall be a separate agreement for which the governor may
12 request funds necessary to implement the agreement. ((If such an
13 agreement is negotiated and funded by the legislature, this agreement
14 will supersede any terms and conditions of an expired 2009-2011
15 biennial master collective bargaining agreement under this chapter
16 regarding health care benefits.)) The legislature may act upon a
17 2013-2015 collective bargaining agreement related to employee health
18 care benefits if an agreement is reached and submitted to the office of
19 financial management and legislative budget committees before final
20 legislative action on the biennial or supplemental operating
21 appropriations act by the sitting legislature.

22 **Sec. 961.** RCW 41.80.020 and 2011 1st sp.s. c 50 s 939 and 2011 1st
23 sp.s. c 43 s 445 are each reenacted and amended to read as follows:

24 (1) Except as otherwise provided in this chapter, the matters
25 subject to bargaining include wages, hours, and other terms and
26 conditions of employment, and the negotiation of any question arising
27 under a collective bargaining agreement.

28 (2) The employer is not required to bargain over matters pertaining
29 to:

30 (a) Health care benefits or other employee insurance benefits,
31 except as required in subsection (3) of this section;

32 (b) Any retirement system or retirement benefit; or

33 (c) Rules of the human resources director, the director of
34 enterprise services, or the Washington personnel resources board
35 adopted under RCW 41.06.157.

36 (3) Matters subject to bargaining include the number of names to be
37 certified for vacancies, promotional preferences, and the dollar amount

1 expended on behalf of each employee for health care benefits. However,
2 except as provided otherwise in this subsection for institutions of
3 higher education, negotiations regarding the number of names to be
4 certified for vacancies, promotional preferences, and the dollar amount
5 expended on behalf of each employee for health care benefits shall be
6 conducted between the employer and one coalition of all the exclusive
7 bargaining representatives subject to this chapter. The exclusive
8 bargaining representatives for employees that are subject to chapter
9 47.64 RCW shall bargain the dollar amount expended on behalf of each
10 employee for health care benefits with the employer as part of the
11 coalition under this subsection. Any such provision agreed to by the
12 employer and the coalition shall be included in all master collective
13 bargaining agreements negotiated by the parties. For institutions of
14 higher education, promotional preferences and the number of names to be
15 certified for vacancies shall be bargained under the provisions of RCW
16 41.80.010(4). For agreements covering the ((2011-2013)) 2013-2015
17 fiscal biennium, any agreement between the employer and the coalition
18 regarding the dollar amount expended on behalf of each employee for
19 health care benefits is a separate agreement and shall not be included
20 in the master collective bargaining agreements negotiated by the
21 parties.

22 (4) The employer and the exclusive bargaining representative shall
23 not agree to any proposal that would prevent the implementation of
24 approved affirmative action plans or that would be inconsistent with
25 the comparable worth agreement that provided the basis for the salary
26 changes implemented beginning with the 1983-1985 biennium to achieve
27 comparable worth.

28 (5) The employer and the exclusive bargaining representative shall
29 not bargain over matters pertaining to management rights established in
30 RCW 41.80.040.

31 (6) Except as otherwise provided in this chapter, if a conflict
32 exists between an executive order, administrative rule, or agency
33 policy relating to wages, hours, and terms and conditions of employment
34 and a collective bargaining agreement negotiated under this chapter,
35 the collective bargaining agreement shall prevail. A provision of a
36 collective bargaining agreement that conflicts with the terms of a
37 statute is invalid and unenforceable.

1 (7) This section does not prohibit bargaining that affects
2 contracts authorized by RCW 41.06.142.

3 **Sec. 962.** RCW 43.08.190 and 2011 1st sp.s. c 50 s 941 are each
4 amended to read as follows:

5 There is hereby created a fund within the state treasury to be
6 known as the "state treasurer's service fund." Such fund shall be used
7 solely for the payment of costs and expenses incurred in the operation
8 and administration of the state treasurer's office.

9 Moneys shall be allocated monthly and placed in the state
10 treasurer's service fund equivalent to a maximum of one percent of the
11 trust and treasury average daily cash balances from the earnings
12 generated under the authority of RCW 43.79A.040 and 43.84.080 other
13 than earnings generated from investment of balances in funds and
14 accounts specified in RCW 43.79A.040(4)(c). The allocation shall
15 precede the distribution of the remaining earnings as prescribed under
16 RCW 43.79A.040 and 43.84.092. The state treasurer shall establish a
17 uniform allocation rate for all funds and accounts; except that the
18 state treasurer may negotiate a different allocation rate with any
19 state agency that has independent authority over funds not statutorily
20 required to be held in the state treasury or in the custody of the
21 state treasurer. In no event shall the rate be less than the actual
22 costs incurred by the state treasurer's office. If no rate is
23 separately negotiated, the default rate for any funds held shall be the
24 rate set for funds held pursuant to statute.

25 During the 2009-2011 fiscal biennium and the 2011-2013 and 2013-
26 2015 fiscal (~~(biennium))~~ biennia, the legislature may transfer from the
27 state treasurer's service fund to the state general fund such amounts
28 as reflect the excess fund balance of the fund.

29 **Sec. 963.** RCW 43.10.150 and 1974 ex.s. c 146 s 1 are each amended
30 to read as follows:

31 A legal services revolving fund is hereby created in the state
32 treasury for the purpose of a centralized funding, accounting, and
33 distribution of the actual costs of the legal services provided to
34 agencies of the state government by the attorney general. During the
35 2013-2015 fiscal biennium, the legislature may transfer from the legal

1 services revolving account to the state general fund such amounts as
2 reflect the excess fund balance of the account.

3 **Sec. 964.** RCW 43.19.791 and 2011 2nd sp.s. c 9 s 906 are each
4 amended to read as follows:

5 There is created a revolving fund to be known as the data
6 processing revolving fund in the custody of the state treasurer. The
7 revolving fund shall be used for the acquisition of equipment,
8 software, supplies, and services and the payment of salaries, wages,
9 and other costs incidental to the acquisition, development, operation,
10 and administration of information services, telecommunications,
11 systems, software, supplies and equipment, including the payment of
12 principal and interest on bonds issued for capital projects, by the
13 department, Washington State University's computer services center, the
14 department of enterprise services' personnel information systems group
15 and financial systems management group, and other users as determined
16 by the office of financial management. The revolving fund is subject
17 to the allotment procedure provided under chapter 43.88 RCW. The chief
18 information officer or the chief information officer's designee, with
19 the approval of the technology services board, is authorized to expend
20 up to one million dollars per fiscal biennium for the technology
21 services board to conduct independent technical and financial analysis
22 of proposed information technology projects, and such an expenditure
23 does not require an appropriation. Disbursements from the revolving
24 fund for the services component of the department are not subject to
25 appropriation. Disbursements for the strategic planning and policy
26 component of the department are subject to appropriation. All
27 disbursements from the fund are subject to the allotment procedures
28 provided under chapter 43.88 RCW. The department shall establish and
29 implement a billing structure to assure all agencies pay an equitable
30 share of the costs.

31 During the 2011-2013 and the 2013-2015 fiscal (~~(biennium)~~) biennia,
32 the legislature may transfer from the data processing revolving account
33 to the state general fund such amounts as reflect the excess fund
34 balance.

35 As used in this section, the word "supplies" shall not be
36 interpreted to delegate or abrogate the division of purchasing's

1 responsibilities and authority to purchase supplies as described in RCW
2 43.19.190 and 43.19.200.

3 **Sec. 965.** RCW 43.71.030 and 2012 c 87 s 4 are each amended to read
4 as follows:

5 (1) The exchange may, consistent with the purposes of this chapter:

6 (a) Sue and be sued in its own name; (b) make and execute agreements,
7 contracts, and other instruments, with any public or private person or
8 entity; (c) employ, contract with, or engage personnel; (d) pay
9 administrative costs; (e) accept grants, donations, loans of funds, and
10 contributions in money, services, materials or otherwise, from the
11 United States or any of its agencies, from the state of Washington and
12 its agencies or from any other source, and use or expend those moneys,
13 services, materials, or other contributions; (f) aggregate or delegate
14 the aggregation of funds that comprise the premium for a health plan;
15 and (g) complete other duties necessary to begin open enrollment in
16 qualified health plans through the exchange beginning October 1, 2013.

17 (2) The board shall develop a methodology to ensure the exchange is
18 self-sustaining after December 31, 2014. The board shall seek input
19 from health carriers to develop funding mechanisms that fairly and
20 equitably apportion among carriers the reasonable administrative costs
21 and expenses incurred to implement the provisions of this chapter. The
22 board shall submit its recommendations to the legislature by December
23 1, 2012. If the legislature does not enact legislation during the 2013
24 regular session to modify or reject the board's recommendations, the
25 board may proceed with implementation of the recommendations. During
26 the 2013-2015 fiscal biennium, revenues to the exchange from charges to
27 enrollees and to the state, as appropriated in section 213 of this act,
28 shall not exceed 3.4 percent of premiums paid.

29 (3) The board shall establish policies that permit city and county
30 governments, Indian tribes, tribal organizations, urban Indian
31 organizations, private foundations, and other entities to pay premiums
32 on behalf of qualified individuals.

33 (4) The employees of the exchange may participate in the public
34 employees' retirement system under chapter 41.40 RCW and the public
35 employees' benefits board under chapter 41.05 RCW.

36 (5) Qualified employers may access coverage for their employees
37 through the exchange for small groups under section 1311 of P.L. 111-

1 148 of 2010, as amended. The exchange shall enable any qualified
2 employer to specify a level of coverage so that any of its employees
3 may enroll in any qualified health plan offered through the small group
4 exchange at the specified level of coverage.

5 (6) The exchange shall report its activities and status to the
6 governor and the legislature as requested, and no less often than
7 annually.

8 NEW SECTION. Sec. 966. Section 965 of this act takes effect July
9 1, 2013, only if Engrossed Substitute House Bill No. 1947 (Washington
10 health benefit exchange) is not enacted by June 30, 2013.

11 **Sec. 967.** RCW 43.79.445 and 2005 c 166 s 3 are each amended to
12 read as follows:

13 There is established an account in the state treasury referred to
14 as the "death investigations account" which shall exist for the purpose
15 of receiving, holding, investing, and disbursing funds appropriated or
16 provided in RCW 70.58.107 and any moneys appropriated or otherwise
17 provided thereafter.

18 Moneys in the death investigations account shall be disbursed by
19 the state treasurer once every year on December 31 and at any other
20 time determined by the treasurer. The treasurer shall make
21 disbursements to: The state toxicology laboratory, counties for the
22 cost of autopsies, the state patrol for providing partial funding for
23 the state dental identification system, the criminal justice training
24 commission for training county coroners, medical examiners and their
25 staff, and the state forensic investigations council. (~~Funds from the~~
26 ~~death investigations account may be appropriated during the 1997-99~~
27 ~~biennium for the purposes of statewide child mortality reviews~~
28 ~~administered by the department of health.)) Funds from the death
29 investigations account may be appropriated during the 2013-2015 fiscal
30 biennium for the activities of the state crime laboratory within the
31 Washington state patrol.~~

32 **Sec. 968.** RCW 43.79.480 and 2011 1st sp.s. c 50 s 947 are each
33 amended to read as follows:

34 (1) Moneys received by the state of Washington in accordance with
35 the settlement of the state's legal action against tobacco product

1 manufacturers, exclusive of costs and attorneys' fees, shall be
2 deposited in the tobacco settlement account created in this section
3 except as these moneys are sold or assigned under chapter 43.340 RCW.

4 (2) The tobacco settlement account is created in the state
5 treasury. Moneys in the tobacco settlement account may only be
6 transferred to the state general fund, and to the tobacco prevention
7 and control account for purposes set forth in this section. The
8 legislature shall transfer amounts received as strategic contribution
9 payments as defined in RCW 43.350.010 to the life sciences discovery
10 fund created in RCW 43.350.070. During the 2009-2011 and 2011-2013
11 fiscal biennia, the legislature may transfer less than the entire
12 strategic contribution payments, and may transfer amounts attributable
13 to strategic contribution payments into the basic health plan
14 stabilization account. During the 2013-2015 fiscal biennium, the
15 legislature may transfer less than the entire strategic contribution
16 payments, and may transfer amounts attributable to strategic
17 contribution payments into the state general fund.

18 (3) The tobacco prevention and control account is created in the
19 state treasury. The source of revenue for this account is moneys
20 transferred to the account from the tobacco settlement account,
21 investment earnings, donations to the account, and other revenues as
22 directed by law. Expenditures from the account are subject to
23 appropriation. During the 2009-2011 fiscal biennium, the legislature
24 may transfer from the tobacco prevention and control account to the
25 state general fund such amounts as represent the excess fund balance of
26 the account.

27 **Sec. 969.** RCW 43.82.010 and 2007 c 506 s 8 are each amended to
28 read as follows:

29 (1) The director of (~~(general administration)~~) enterprise services,
30 on behalf of the agency involved and after consultation with the office
31 of financial management, shall purchase, lease, lease purchase, rent,
32 or otherwise acquire all real estate, improved or unimproved, as may be
33 required by elected state officials, institutions, departments,
34 commissions, boards, and other state agencies, or federal agencies
35 where joint state and federal activities are undertaken and may grant
36 easements and transfer, exchange, sell, lease, or sublease all or part
37 of any surplus real estate for those state agencies which do not

1 otherwise have the specific authority to dispose of real estate. This
2 section does not transfer financial liability for the acquired property
3 to the department of (~~general administration~~) enterprise services.

4 (2) Except for real estate occupied by federal agencies, the
5 director shall determine the location, size, and design of any real
6 estate or improvements thereon acquired or held pursuant to subsection
7 (1) of this section. Facilities acquired or held pursuant to this
8 chapter, and any improvements thereon, shall conform to standards
9 adopted by the director and approved by the office of financial
10 management governing facility efficiency unless a specific exemption
11 from such standards is provided by the director of (~~general
12 administration~~) enterprise services. The director of (~~general
13 administration~~) enterprise services shall report to the office of
14 financial management and the appropriate committees of the legislature
15 annually on any exemptions granted pursuant to this subsection.

16 (3) The director of (~~general administration~~) enterprise services
17 may fix the terms and conditions of each lease entered into under this
18 chapter, except that no lease shall extend greater than twenty years in
19 duration. However, during the 2013-2015 fiscal biennium, the director
20 may enter into a thirty-year lease on behalf of the department of
21 commerce as authorized in section 128 of this act. The director of
22 (~~general administration~~) enterprise services may enter into a long-
23 term lease greater than ten years in duration upon a determination by
24 the director of the office of financial management that the long-term
25 lease provides a more favorable rate than would otherwise be available,
26 it appears to a substantial certainty that the facility is necessary
27 for use by the state for the full length of the lease term, and the
28 facility meets the standards adopted pursuant to subsection (2) of this
29 section. The director of (~~general administration~~) enterprise
30 services may enter into a long-term lease greater than ten years in
31 duration if an analysis shows that the life-cycle cost of leasing the
32 facility is less than the life-cycle cost of purchasing or constructing
33 a facility in lieu of leasing the facility.

34 (4) Except as permitted under chapter 39.94 RCW, no lease for or on
35 behalf of any state agency may be used or referred to as collateral or
36 security for the payment of securities offered for sale through a
37 public offering. Except as permitted under chapter 39.94 RCW, no lease
38 for or on behalf of any state agency may be used or referred to as

1 collateral or security for the payment of securities offered for sale
2 through a private placement without the prior written approval of the
3 state treasurer. However, this limitation shall not prevent a lessor
4 from assigning or encumbering its interest in a lease as security for
5 the repayment of a promissory note provided that the transaction would
6 otherwise be an exempt transaction under RCW 21.20.320. The state
7 treasurer shall adopt rules that establish the criteria under which any
8 such approval may be granted. In establishing such criteria the state
9 treasurer shall give primary consideration to the protection of the
10 state's credit rating and the integrity of the state's debt management
11 program. If it appears to the state treasurer that any lease has been
12 used or referred to in violation of this subsection or rules adopted
13 under this subsection, then he or she may recommend that the governor
14 cause such lease to be terminated. The department of (~~general~~
15 ~~administration~~) enterprise services shall promptly notify the state
16 treasurer whenever it may appear to the department that any lease has
17 been used or referred to in violation of this subsection or rules
18 adopted under this subsection.

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

24 (6) The director of (~~general administration~~) enterprise services
25 shall provide coordinated long-range planning services to identify and
26 evaluate opportunities for collocating and consolidating state
27 facilities. Upon the renewal of any lease, the inception of a new
28 lease, or the purchase of a facility, the director of (~~general~~
29 ~~administration~~) enterprise services shall determine whether an
30 opportunity exists for collocating the agency or agencies in a single
31 facility with other agencies located in the same geographic area. If
32 a colocation opportunity exists, the director of (~~general~~
33 ~~administration~~) enterprise services shall consult with the affected
34 state agencies and the office of financial management to evaluate the
35 impact colocation would have on the cost and delivery of agency
36 programs, including whether program delivery would be enhanced due to
37 the centralization of services. The director of (~~general~~

1 ~~administration~~) enterprise services, in consultation with the office
2 of financial management, shall develop procedures for implementing
3 colocation and consolidation of state facilities.

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

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

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

34 (10) The director of (~~general administration~~) enterprise services
35 may construct new buildings on, or improve existing facilities, and
36 furnish and equip, all real estate under his or her management. Prior
37 to the construction of new buildings or major improvements to existing
38 facilities or acquisition of facilities using a lease purchase

1 contract, the director of (~~general administration~~) enterprise
2 services shall conduct an evaluation of the facility design and budget
3 using life-cycle cost analysis, value-engineering, and other techniques
4 to maximize the long-term effectiveness and efficiency of the facility
5 or improvement.

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

12 (12) The director of (~~general administration~~) enterprise services
13 may delegate any or all of the functions specified in this section to
14 any agency upon such terms and conditions as the director deems
15 advisable. By January 1st of each year, beginning January 1, 2008, the
16 department shall submit an annual report to the office of financial
17 management and the appropriate committees of the legislature on all
18 delegated leases.

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

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

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

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

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

34 (15) The department of (~~general administration~~) enterprise
35 services shall report annually to the office of financial management
36 and the appropriate fiscal committees of the legislature on facility
37 leases executed for all state agencies for the preceding year, lease

1 terms, and annual lease costs. The report must include leases executed
2 under RCW 43.82.045 and subsection (12) of this section.

3 **Sec. 970.** RCW 43.101.200 and 2011 1st sp.s. c 50 s 949 are each
4 amended to read as follows:

5 (1) All law enforcement personnel, except volunteers, and reserve
6 officers whether paid or unpaid, initially employed on or after January
7 1, 1978, shall engage in basic law enforcement training which complies
8 with standards adopted by the commission pursuant to RCW 43.101.080.
9 For personnel initially employed before January 1, 1990, such training
10 shall be successfully completed during the first fifteen months of
11 employment of such personnel unless otherwise extended or waived by the
12 commission and shall be requisite to the continuation of such
13 employment. Personnel initially employed on or after January 1, 1990,
14 shall commence basic training during the first six months of employment
15 unless the basic training requirement is otherwise waived or extended
16 by the commission. Successful completion of basic training is
17 requisite to the continuation of employment of such personnel initially
18 employed on or after January 1, 1990.

19 (2) Except as otherwise provided in this chapter, the commission
20 shall provide the aforementioned training together with necessary
21 facilities, supplies, materials, and the board and room of noncommuting
22 attendees for seven days per week, except during the ((2011-2013))
23 2013-2015 fiscal biennium when the employing, county, city((+,+)) or
24 state law enforcement agency shall reimburse the commission for twenty-
25 five percent of the cost of training its personnel. Additionally, to
26 the extent funds are provided for this purpose, the commission shall
27 reimburse to participating law enforcement agencies with ten or less
28 full-time commissioned patrol officers the cost of temporary
29 replacement of each officer who is enrolled in basic law enforcement
30 training: PROVIDED, That such reimbursement shall include only the
31 actual cost of temporary replacement not to exceed the total amount of
32 salary and benefits received by the replaced officer during his or her
33 training period.

34 **Sec. 971.** RCW 43.155.050 and 2012 2nd sp.s. c 2 s 6004 are each
35 amended to read as follows:

36 The public works assistance account is hereby established in the

1 state treasury. Money may be placed in the public works assistance
2 account from the proceeds of bonds when authorized by the legislature
3 or from any other lawful source. Money in the public works assistance
4 account shall be used to make loans and to give financial guarantees to
5 local governments for public works projects. Moneys in the account may
6 also be appropriated to provide for state match requirements under
7 federal law for projects and activities conducted and financed by the
8 board under the drinking water assistance account. Not more than
9 fifteen percent of the biennial capital budget appropriation to the
10 public works board from this account may be expended or obligated for
11 preconstruction loans, emergency loans, or loans for capital facility
12 planning under this chapter; of this amount, not more than ten percent
13 of the biennial capital budget appropriation may be expended for
14 emergency loans and not more than one percent of the biennial capital
15 budget appropriation may be expended for capital facility planning
16 loans. During the 2011-2013 and 2013-2015 fiscal (~~(biennium)~~) biennia,
17 the legislature may transfer from the public works assistance account
18 to the general fund, the water pollution control revolving account, and
19 the drinking water assistance account such amounts as reflect the
20 excess fund balance of the account. During the 2011-2013 fiscal
21 biennium, the legislature may appropriate moneys from the account for
22 economic development, innovation, and export grants, including
23 brownfields; main street improvement grants; and the loan program
24 consolidation board. During the 2013-2015 fiscal biennium, the
25 legislature may appropriate moneys from the account for grants to local
26 governments for growth management planning and implementation.

27 **Sec. 972.** RCW 43.160.080 and 2010 1st sp.s. c 36 s 6011 are each
28 amended to read as follows:

29 There shall be a fund in the state treasury known as the public
30 facilities construction loan revolving account, which shall consist of
31 all moneys collected under this chapter and any moneys appropriated to
32 it by law. Disbursements from the revolving account shall be on
33 authorization of the board. In order to maintain an effective
34 expenditure and revenue control, the public facilities construction
35 loan revolving account shall be subject in all respects to chapter
36 43.88 RCW. During the 2009-2011 biennium, sums in the public
37 facilities construction loan revolving account may be used for

1 community economic revitalization board export assistance grants and
2 loans in section 1018, chapter 36, Laws of 2010 1st sp. sess. and for
3 matching funds for the federal energy regional innovation cluster in
4 section 1017, chapter 36, Laws of 2010 1st sp. sess. During the 2013-
5 2015 fiscal biennium, the legislature may transfer from the public
6 facilities construction loan revolving account to the state general
7 fund such amounts as represent the excess fund balance of the account.

8 **Sec. 973.** RCW 43.333.030 and 2011 1st sp.s. c 14 s 4 are each
9 amended to read as follows:

10 The investing in innovation account is created in the custody of
11 the state treasurer to receive state and federal funds, grants, private
12 gifts, or contributions to further the purpose of innovate Washington.
13 Expenditures from the account may be used only for the purposes of the
14 investing in innovation programs established in chapter 70.210 RCW and
15 any other purpose consistent with this chapter. Only the ((~~executive~~))
16 director of ((~~innovate Washington~~)) the department of commerce or the
17 ((~~executive~~)) director's designee may authorize expenditures from the
18 account during the 2013-2015 biennium. The account is subject to
19 allotment procedures under chapter 43.88 RCW, but an appropriation is
20 not required for expenditures.

21 **Sec. 974.** RCW 46.66.080 and 2011 1st sp.s. c 50 s 958 are each
22 amended to read as follows:

23 (1) The Washington auto theft prevention authority account is
24 created in the state treasury, subject to appropriation. All revenues
25 from the traffic infraction surcharge in RCW 46.63.110(7)(b) and all
26 receipts from gifts, grants, bequests, devises, or other funds from
27 public and private sources to support the activities of the auto theft
28 prevention authority must be deposited into the account. Expenditures
29 from the account may be used only for activities relating to motor
30 vehicle theft, including education, prevention, law enforcement,
31 investigation, prosecution, and confinement. During the ((~~2009-2011~~
32 ~~and~~)) 2011-2013 and 2013-2015 fiscal biennia, the legislature may
33 appropriate moneys from the Washington auto theft prevention authority
34 account for criminal justice purposes and community building ((~~and may~~
35 ~~transfer funds to the state general fund such amounts as reflect the~~
36 ~~excess fund balance of the account~~)).

1 (2) The authority shall allocate moneys appropriated from the
2 account to public agencies for the purpose of establishing,
3 maintaining, and supporting programs that are designed to prevent motor
4 vehicle theft, including:

5 (a) Financial support to prosecution agencies to increase the
6 effectiveness of motor vehicle theft prosecution;

7 (b) Financial support to a unit of local government or a team
8 consisting of units of local governments to increase the effectiveness
9 of motor vehicle theft enforcement;

10 (c) Financial support for the procurement of equipment and
11 technologies for use by law enforcement agencies for the purpose of
12 enforcing motor vehicle theft laws; and

13 (d) Financial support for programs that are designed to educate and
14 assist the public in the prevention of motor vehicle theft.

15 (3) The costs of administration shall not exceed ten percent of the
16 moneys in the account in any one year so that the greatest possible
17 portion of the moneys available to the authority is expended on
18 combating motor vehicle theft.

19 (4) Prior to awarding any moneys from the Washington auto theft
20 prevention authority account for motor vehicle theft enforcement, the
21 auto theft prevention authority must verify that the financial award
22 includes sufficient funding to cover proposed activities, which
23 include, but are not limited to: (a) State, municipal, and county
24 offender and juvenile confinement costs; (b) administration costs; (c)
25 law enforcement costs; (d) prosecutor costs; and (e) court costs, with
26 a priority being given to ensuring that sufficient funding is available
27 to cover state, municipal, and county offender and juvenile confinement
28 costs.

29 (5) Moneys expended from the Washington auto theft prevention
30 authority account under subsection (2) of this section shall be used to
31 supplement, not supplant, other moneys that are available for motor
32 vehicle theft prevention.

33 (6) Grants provided under subsection (2) of this section constitute
34 reimbursement for purposes of RCW 43.135.060(1).

35 **Sec. 975.** RCW 46.68.340 and 2008 c 282 s 3 are each amended to
36 read as follows:

37 The ignition interlock device revolving account is created in the

1 state treasury. All receipts from the fee assessed under RCW
2 46.20.385(6) must be deposited into the account. Moneys in the account
3 may be spent only after appropriation. Expenditures from the account
4 may be used only for administering and operating the ignition interlock
5 device revolving account program and during the 2013-2015 fiscal
6 biennium, the legislature may appropriate moneys from the ignition
7 interlock device revolving account for substance abuse programs for
8 offenders.

9 **Sec. 976.** RCW 70.42.090 and 1989 c 386 s 10 are each amended to
10 read as follows:

11 (1) The department shall establish a schedule of fees for license
12 applications, renewals, amendments, and waivers. In fixing said fees,
13 the department shall set the fees at a sufficient level to defray the
14 cost of administering the licensure program. All such fees shall be
15 fixed by rule adopted in accordance with the provisions of the
16 administrative procedure act, chapter 34.05 RCW. In determining the
17 fee schedule, the department shall consider the following: (a)
18 Complexity of the license required; (b) number and type of tests
19 performed at the test site; (c) degree of supervision required from the
20 department staff; (d) whether the license is granted under RCW
21 70.42.040; and (e) general administrative costs of the test site
22 licensing program established under this chapter. For each category of
23 license, fees charged shall be related to program costs.

24 (2) The medical test site licensure account is created in the state
25 treasury. The state treasurer shall transfer into the medical test
26 site licensure account all revenue received from medical test site
27 license fees. Funds for this account may only be appropriated for the
28 support of the activities defined under this chapter. For the 2013-
29 2015 fiscal biennium, moneys in the account may be spent for laboratory
30 services in the department of health.

31 (3) The department may establish separate fees for repeat
32 inspections and repeat audits it performs under RCW 70.42.170.

33 **Sec. 977.** RCW 70.93.180 and 2011 1st sp.s. c 50 s 963 are each
34 amended to read as follows:

35 (1) There is hereby created an account within the state treasury to
36 be known as the "waste reduction, recycling, and litter control

1 account". Moneys in the account may be spent only after appropriation.
2 Expenditures from the waste reduction, recycling, and litter control
3 account shall be used as follows:

4 (a) Fifty percent to the department of ecology, for use by the
5 departments of ecology, natural resources, revenue, transportation, and
6 corrections, and the parks and recreation commission, for use in litter
7 collection programs, to be distributed under RCW 70.93.220. The amount
8 to the department of ecology shall also be used for a central
9 coordination function for litter control efforts statewide, for the
10 biennial litter survey under RCW 70.93.200(8), and for statewide public
11 awareness programs under RCW 70.93.200(7). The amount to the
12 department shall also be used to defray the costs of administering the
13 funding, coordination, and oversight of local government programs for
14 waste reduction, litter control, and recycling, so that local
15 governments can apply one hundred percent of their funding to achieving
16 program goals. The amount to the department of revenue shall be used
17 to enforce compliance with the litter tax imposed in chapter 82.19 RCW;

18 (b) Twenty percent to the department for local government funding
19 programs for waste reduction, litter control, and recycling activities
20 by cities and counties under RCW 70.93.250, to be administered by the
21 department of ecology; and

22 (c) Thirty percent to the department of ecology for waste reduction
23 and recycling efforts.

24 (2) All taxes imposed in RCW 82.19.010 and fines and bail
25 forfeitures collected or received pursuant to this chapter shall be
26 deposited in the waste reduction, recycling, and litter control account
27 and used for the programs under subsection (1) of this section.

28 (3) Not less than five percent and no more than ten percent of the
29 amount appropriated into the waste reduction, recycling, and litter
30 control account every biennium shall be reserved for capital needs,
31 including the purchase of vehicles for transporting crews and for
32 collecting litter and solid waste. Capital funds shall be distributed
33 among state agencies and local governments according to the same
34 criteria provided in RCW 70.93.220 for the remainder of the funds, so
35 that the most effective waste reduction, litter control, and recycling
36 programs receive the most funding. The intent of this subsection is to
37 provide funds for the purchase of equipment that will enable the

1 department to account for the greatest return on investment in terms of
2 reaching a zero litter goal.

3 ~~(4) ((During the 2009-2011 fiscal biennium, the legislature may~~
4 ~~transfer from the waste reduction, recycling, and litter control~~
5 ~~account to the state general fund such amounts as reflect the excess~~
6 ~~fund balance of the account. Additionally, during the 2009-2011 fiscal~~
7 ~~biennium, subsection (1)(a), (b), and (c) of this section is suspended.~~

8 ~~(5) During the 2011-2013 fiscal biennium, the legislature may~~
9 ~~transfer from the waste reduction, recycling, and litter control~~
10 ~~account to the state general fund such amounts as reflect the excess~~
11 ~~fund balance of the account. Additionally, during the 2011-2013 fiscal~~
12 ~~biennium, subsection (1)(a), (b), and (c) of this section is~~
13 ~~suspended.)) During the 2013-2015 fiscal biennium, the legislature may~~
14 ~~transfer from the waste reduction, recycling, and litter control~~
15 ~~account to the state general fund such amounts as reflect the excess~~
16 ~~fund balance of the account. Additionally, during the 2013-2015 fiscal~~
17 ~~biennium, subsection (1)(a), (b), and (c) of this section is suspended.~~

18 **Sec. 978.** RCW 70.96A.350 and 2011 2nd sp.s. c 9 s 910 are each
19 amended to read as follows:

20 (1) The criminal justice treatment account is created in the state
21 treasury. Moneys in the account may be expended solely for: (a)
22 Substance abuse treatment and treatment support services for offenders
23 with an addiction or a substance abuse problem that, if not treated,
24 would result in addiction, against whom charges are filed by a
25 prosecuting attorney in Washington state; (b) the provision of drug and
26 alcohol treatment services and treatment support services for
27 nonviolent offenders within a drug court program; (c) the
28 administrative and overhead costs associated with the operation of a
29 drug court; and (d) during the 2011-2013 biennium, the legislature may
30 appropriate up to three million dollars from the account in order to
31 offset reductions in the state general fund for treatment services
32 provided by counties. This amount is not subject to the requirements
33 of subsections (5) through (9) of this section. During the 2013-2015
34 fiscal biennium, the legislature may transfer from the criminal justice
35 treatment account to the state general fund amounts as reflect the
36 state savings associated with the implementation of the medicaid

1 expansion of the federal affordable care act. Moneys in the account
2 may be spent only after appropriation.

3 (2) For purposes of this section:

4 (a) "Treatment" means services that are critical to a participant's
5 successful completion of his or her substance abuse treatment program,
6 but does not include the following services: Housing other than that
7 provided as part of an inpatient substance abuse treatment program,
8 vocational training, and mental health counseling; and

9 (b) "Treatment support" means transportation to or from inpatient
10 or outpatient treatment services when no viable alternative exists, and
11 child care services that are necessary to ensure a participant's
12 ability to attend outpatient treatment sessions.

13 (3) Revenues to the criminal justice treatment account consist of:

14 (a) Funds transferred to the account pursuant to this section; and (b)
15 any other revenues appropriated to or deposited in the account.

16 (4)(a) For the fiscal biennium beginning July 1, 2003, the state
17 treasurer shall transfer eight million nine hundred fifty thousand
18 dollars from the general fund into the criminal justice treatment
19 account, divided into eight equal quarterly payments. For the fiscal
20 year beginning July 1, 2005, and each subsequent fiscal year, the state
21 treasurer shall transfer eight million two hundred fifty thousand
22 dollars from the general fund to the criminal justice treatment
23 account, divided into four equal quarterly payments. For the fiscal
24 year beginning July 1, 2006, and each subsequent fiscal year, the
25 amount transferred shall be increased on an annual basis by the
26 implicit price deflator as published by the federal bureau of labor
27 statistics.

28 (b) In each odd-numbered year, the legislature shall appropriate
29 the amount transferred to the criminal justice treatment account in (a)
30 of this subsection to the division of alcohol and substance abuse for
31 the purposes of subsection (5) of this section.

32 (5) Moneys appropriated to the division of alcohol and substance
33 abuse from the criminal justice treatment account shall be distributed
34 as specified in this subsection. The department shall serve as the
35 fiscal agent for purposes of distribution. Until July 1, 2004, the
36 department may not use moneys appropriated from the criminal justice
37 treatment account for administrative expenses and shall distribute all
38 amounts appropriated under subsection (4)(b) of this section in

1 accordance with this subsection. Beginning in July 1, 2004, the
2 department may retain up to three percent of the amount appropriated
3 under subsection (4)(b) of this section for its administrative costs.

4 (a) Seventy percent of amounts appropriated to the division from
5 the account shall be distributed to counties pursuant to the
6 distribution formula adopted under this section. The division of
7 alcohol and substance abuse, in consultation with the department of
8 corrections, the Washington state association of counties, the
9 Washington state association of drug court professionals, the superior
10 court judges' association, the Washington association of prosecuting
11 attorneys, representatives of the criminal defense bar, representatives
12 of substance abuse treatment providers, and any other person deemed by
13 the division to be necessary, shall establish a fair and reasonable
14 methodology for distribution to counties of moneys in the criminal
15 justice treatment account. County or regional plans submitted for the
16 expenditure of formula funds must be approved by the panel established
17 in (b) of this subsection.

18 (b) Thirty percent of the amounts appropriated to the division from
19 the account shall be distributed as grants for purposes of treating
20 offenders against whom charges are filed by a county prosecuting
21 attorney. The division shall appoint a panel of representatives from
22 the Washington association of prosecuting attorneys, the Washington
23 association of sheriffs and police chiefs, the superior court judges'
24 association, the Washington state association of counties, the
25 Washington defender's association or the Washington association of
26 criminal defense lawyers, the department of corrections, the Washington
27 state association of drug court professionals, substance abuse
28 treatment providers, and the division. The panel shall review county
29 or regional plans for funding under (a) of this subsection and grants
30 approved under this subsection. The panel shall attempt to ensure that
31 treatment as funded by the grants is available to offenders statewide.

32 (6) The county alcohol and drug coordinator, county prosecutor,
33 county sheriff, county superior court, a substance abuse treatment
34 provider appointed by the county legislative authority, a member of the
35 criminal defense bar appointed by the county legislative authority,
36 and, in counties with a drug court, a representative of the drug court
37 shall jointly submit a plan, approved by the county legislative
38 authority or authorities, to the panel established in subsection (5)(b)

1 of this section, for disposition of all the funds provided from the
2 criminal justice treatment account within that county. The funds shall
3 be used solely to provide approved alcohol and substance abuse
4 treatment pursuant to RCW 70.96A.090, treatment support services, and
5 for the administrative and overhead costs associated with the operation
6 of a drug court.

7 (a) No more than ten percent of the total moneys received under
8 subsections (4) and (5) of this section by a county or group of
9 counties participating in a regional agreement shall be spent on the
10 administrative and overhead costs associated with the operation of a
11 drug court.

12 (b) No more than ten percent of the total moneys received under
13 subsections (4) and (5) of this section by a county or group of
14 counties participating in a regional agreement shall be spent for
15 treatment support services.

16 (7) Counties are encouraged to consider regional agreements and
17 submit regional plans for the efficient delivery of treatment under
18 this section.

19 (8) Moneys allocated under this section shall be used to
20 supplement, not supplant, other federal, state, and local funds used
21 for substance abuse treatment.

22 (9) Counties must meet the criteria established in RCW
23 2.28.170(3)(b).

24 (10) The authority under this section to use funds from the
25 criminal justice treatment account for the administrative and overhead
26 costs associated with the operation of a drug court expires June 30,
27 ((2013)) 2015.

28 **Sec. 979.** RCW 70.105D.070 and 2012 2nd sp.s. c 7 s 920 and 2012
29 2nd sp.s. c 2 s 6005 are each reenacted and amended to read as follows:

30 (1) The state toxics control account and the local toxics control
31 account are hereby created in the state treasury.

32 (2) The following moneys shall be deposited into the state toxics
33 control account: (a) Those revenues which are raised by the tax
34 imposed under RCW 82.21.030 and which are attributable to that portion
35 of the rate equal to thirty-three one-hundredths of one percent; (b)
36 the costs of remedial actions recovered under this chapter or chapter
37 70.105A RCW; (c) penalties collected or recovered under this chapter;

1 and (d) any other money appropriated or transferred to the account by
2 the legislature. Moneys in the account may be used only to carry out
3 the purposes of this chapter, including but not limited to the
4 following activities:

5 (i) The state's responsibility for hazardous waste planning,
6 management, regulation, enforcement, technical assistance, and public
7 education required under chapter 70.105 RCW;

8 (ii) The state's responsibility for solid waste planning,
9 management, regulation, enforcement, technical assistance, and public
10 education required under chapter 70.95 RCW;

11 (iii) The hazardous waste cleanup program required under this
12 chapter;

13 (iv) State matching funds required under the federal cleanup law;

14 (v) Financial assistance for local programs in accordance with
15 chapters 70.95, 70.95C, 70.95I, and 70.105 RCW;

16 (vi) State government programs for the safe reduction, recycling,
17 or disposal of hazardous wastes from households, small businesses, and
18 agriculture;

19 (vii) Hazardous materials emergency response training;

20 (viii) Water and environmental health protection and monitoring
21 programs;

22 (ix) Programs authorized under chapter 70.146 RCW;

23 (x) A public participation program, including regional citizen
24 advisory committees;

25 (xi) Public funding to assist potentially liable persons to pay for
26 the costs of remedial action in compliance with cleanup standards under
27 RCW 70.105D.030(2)(e) but only when the amount and terms of such
28 funding are established under a settlement agreement under RCW
29 70.105D.040(4) and when the director has found that the funding will
30 achieve both (A) a substantially more expeditious or enhanced cleanup
31 than would otherwise occur, and (B) the prevention or mitigation of
32 unfair economic hardship;

33 (xii) Development and demonstration of alternative management
34 technologies designed to carry out the hazardous waste management
35 priorities of RCW 70.105.150;

36 (xiii) During the ((2009-2011 and 2011-2013)) 2013-2015 fiscal
37 biennia, shoreline update technical assistance;

1 ~~((xiv) During the 2009-2011 fiscal biennium, multijurisdictional~~
2 ~~permitting teams;~~

3 ~~(xv) During the 2011-2013 fiscal biennium, actions for reducing~~
4 ~~public exposure to toxic air pollution, and actions taken through the~~
5 ~~family forest fish passage program to correct barriers to fish passage~~
6 ~~on privately owned small forest lands; and~~

7 ~~(xvi) During the 2011-2013 fiscal biennium, the department of~~
8 ~~ecology's water quality, shorelands and environmental assessment,~~
9 ~~hazardous waste, waste to resources, nuclear waste, and air quality~~
10 ~~programs))~~

11 (xiv) During the 2013-2015 fiscal biennium, the department of
12 ecology's water quality, shorelands, environmental assessment,
13 administration, and air quality programs;

14 (xv) During the 2013-2015 fiscal biennium, solid and hazardous
15 waste compliance at the department of corrections;

16 (xvi) During the 2013-2015 fiscal biennium, activities at the
17 department of fish and wildlife concerning water quality monitoring,
18 hatchery water quality regulatory compliance, and technical assistance
19 to local governments on growth management and shoreline management; and

20 (xvii) During the 2013-2015 fiscal biennium, forest practices
21 regulation at the department of natural resources.

22 (xviii) During the 2013-2015 fiscal biennium, actions at the
23 University of Washington for reducing ocean acidification.

24 (3) The following moneys shall be deposited into the local toxics
25 control account: Those revenues which are raised by the tax imposed
26 under RCW 82.21.030 and which are attributable to that portion of the
27 rate equal to thirty-seven one-hundredths of one percent.

28 (a) Moneys deposited in the local toxics control account shall be
29 used by the department for grants or loans to local governments for the
30 following purposes in descending order of priority:

31 (i) Remedial actions;

32 (ii) Hazardous waste plans and programs under chapter 70.105 RCW;

33 (iii) Solid waste plans and programs under chapters 70.95, 70.95C,
34 70.95I, and 70.105 RCW;

35 (iv) Funds for a program to assist in the assessment and cleanup of
36 sites of methamphetamine production, but not to be used for the initial
37 containment of such sites, consistent with the responsibilities and
38 intent of RCW 69.50.511; and

1 (v) Cleanup and disposal of hazardous substances from abandoned or
2 derelict vessels, defined for the purposes of this section as vessels
3 that have little or no value and either have no identified owner or
4 have an identified owner lacking financial resources to clean up and
5 dispose of the vessel, that pose a threat to human health or the
6 environment.

7 (b) Funds for plans and programs shall be allocated consistent with
8 the priorities and matching requirements established in chapters
9 70.105, 70.95C, 70.95I, and 70.95 RCW, except that any applicant that
10 is a Puget Sound partner, as defined in RCW 90.71.010, along with any
11 project that is referenced in the action agenda developed by the Puget
12 Sound partnership under RCW 90.71.310, shall, except as conditioned by
13 RCW 70.105D.120, receive priority for any available funding for any
14 grant or funding programs or sources that use a competitive bidding
15 process. (~~During the 2007-2009 fiscal biennium, moneys in the account
16 may also be used for grants to local governments to retrofit public
17 sector diesel equipment and for storm water planning and implementation
18 activities.~~)

19 (c) To expedite cleanups throughout the state, the department shall
20 partner with local communities and liable parties for cleanups. The
21 department is authorized to use the following additional strategies in
22 order to ensure a healthful environment for future generations:

23 (i) The director may alter grant-matching requirements to create
24 incentives for local governments to expedite cleanups when one of the
25 following conditions exists:

26 (A) Funding would prevent or mitigate unfair economic hardship
27 imposed by the clean-up liability;

28 (B) Funding would create new substantial economic development,
29 public recreational, or habitat restoration opportunities that would
30 not otherwise occur; or

31 (C) Funding would create an opportunity for acquisition and
32 redevelopment of vacant, orphaned, or abandoned property under RCW
33 70.105D.040(5) that would not otherwise occur;

34 (ii) The use of outside contracts to conduct necessary studies;

35 (iii) The purchase of remedial action cost-cap insurance, when
36 necessary to expedite multiparty clean-up efforts.

37 (~~(d) To facilitate and expedite cleanups using funds from the
38 local toxics control account, during the 2009-2011 fiscal biennium the~~

1 ~~director may establish grant funded accounts to hold and disperse local~~
2 ~~toxics control account funds and funds from local governments to be~~
3 ~~used for remedial actions.))~~

4 (4) Except for unanticipated receipts under RCW 43.79.260 through
5 43.79.282, moneys in the state and local toxics control accounts may be
6 spent only after appropriation by statute.

7 (5) (~~Except during the 2011-2013 fiscal biennium,~~) One percent of
8 the moneys deposited into the state and local toxics control accounts
9 shall be allocated only for public participation grants to persons who
10 may be adversely affected by a release or threatened release of a
11 hazardous substance and to not-for-profit public interest
12 organizations. The primary purpose of these grants is to facilitate
13 the participation by persons and organizations in the investigation and
14 remedying of releases or threatened releases of hazardous substances
15 and to implement the state's solid and hazardous waste management
16 priorities. No grant may exceed sixty thousand dollars. Grants may be
17 renewed annually. Moneys appropriated for public participation from
18 either account which are not expended at the close of any biennium
19 shall revert to the state toxics control account.

20 (6) No moneys deposited into either the state or local toxics
21 control account may be used for solid waste incinerator feasibility
22 studies, construction, maintenance, or operation, or, after January 1,
23 2010, for projects designed to address the restoration of Puget Sound,
24 funded in a competitive grant process, that are in conflict with the
25 action agenda developed by the Puget Sound partnership under RCW
26 90.71.310.

27 (7) The department shall adopt rules for grant or loan issuance and
28 performance.

29 (8) During the 2011-2013 fiscal biennium, the legislature may
30 transfer from the local toxics control account to the state toxics
31 control account such amounts as reflect excess fund balance in the
32 account.

33 (9) (~~During the 2011-2013 fiscal biennium, the local toxics~~
34 ~~control account may also be used for local government shoreline update~~
35 ~~grants and actions for reducing public exposure to toxic air pollution;~~
36 ~~funding to local governments for flood levee improvements; and grants~~
37 ~~to local governments for brownfield redevelopment.)) During the 2013-~~

1 2015 fiscal biennium, the local toxics control account may also be used
2 for local government storm water planning and implementation
3 activities.

4 (10) During the 2013-2015 fiscal biennium, the local toxics control
5 account may also be used for local government shoreline update grants.

6 (11) During the 2013-2015 fiscal biennium, the legislature may
7 transfer from the local toxics control account to the state general
8 fund such amounts as reflect excess fund balance in the account.

9 **Sec. 980.** RCW 74.13.621 and 2009 c 564 s 954 are each amended to
10 read as follows:

11 (1) Within existing resources, the department shall establish an
12 oversight committee to monitor, guide, and report on kinship care
13 recommendations and implementation activities. The committee shall:

14 (a) Draft a kinship care definition that is restricted to persons
15 related by blood, marriage, or adoption, including marriages that have
16 been dissolved, or for a minor defined as an "Indian child" under the
17 federal Indian child welfare act (25 U.S.C. Sec. 1901 et seq.), the
18 definition of "extended family member" under the federal Indian child
19 welfare act, and a set of principles. If the committee concludes that
20 one or more programs or services would be more efficiently and
21 effectively delivered under a different definition of kin, it shall
22 state what definition is needed, and identify the program or service in
23 the report. It shall also provide evidence of how the program or
24 service will be more efficiently and effectively delivered under the
25 different definition. The department shall not adopt rules or policies
26 changing the definition of kin without authorizing legislation;

27 (b) Monitor and provide consultation on the implementation of
28 recommendations contained in the 2002 kinship care report, including
29 but not limited to the recommendations relating to legal and respite
30 care services and resources;

31 (c) Partner with nonprofit organizations and private sector
32 businesses to guide a public education awareness campaign; and

33 (d) Assist with developing future recommendations on kinship care
34 issues.

35 (2) The department shall consult with the oversight committee on
36 its efforts to better collaborate and coordinate services to benefit
37 kinship care families.

1 (3) The oversight committee must consist of a minimum of thirty
2 percent kinship caregivers, who shall represent a diversity of kinship
3 families. Statewide representation with geographic, ethnic, and gender
4 diversity is required. Other members shall include representatives of
5 the department, representatives of relevant state agencies,
6 representatives of the private nonprofit and business sectors, child
7 advocates, representatives of Washington state Indian tribes as defined
8 under the federal Indian welfare act (25 U.S.C. Sec. 1901 et seq.), and
9 representatives of the legal or judicial field. Birth parents, foster
10 parents, and others who have an interest in these issues may also be
11 included.

12 (4) To the extent funding is available, the department may
13 reimburse nondepartmental members of the oversight committee for costs
14 incurred in participating in the meetings of the oversight committee.

15 (5) The kinship care oversight committee shall update the
16 legislature and governor annually on committee activities, with the
17 first update due by January 1, 2006.

18 (6) This section expires June 30, (~~2011~~) 2015.

19 **Sec. 981.** RCW 74.09.215 and 2012 c 241 s 103 are each amended to
20 read as follows:

21 The medicaid fraud penalty account is created in the state
22 treasury. All receipts from civil penalties collected under RCW
23 74.09.210, all receipts received under judgments or settlements that
24 originated under a filing under the federal false claims act, and all
25 receipts received under judgments or settlements that originated under
26 the state medicaid fraud false claims act, chapter 74.66 RCW must be
27 deposited into the account. Moneys in the account may be spent only
28 after appropriation and must be used only for medicaid services, fraud
29 detection and prevention activities, recovery of improper payments, and
30 for other medicaid fraud enforcement activities. For the 2013-2015
31 fiscal biennium, moneys in the account may be spent on inpatient and
32 outpatient rebasing and conversion to the tenth version of the
33 international classification of diseases.

34 **Sec. 982.** RCW 74.09.215 and 2013 c 36 s 3 are each amended to read
35 as follows:

36 The medicaid fraud penalty account is created in the state

1 treasury. All receipts from civil penalties collected under RCW
2 74.09.210, all receipts received under judgments or settlements that
3 originated under a filing under the federal false claims act, and all
4 receipts received under judgments or settlements that originated under
5 the state medicaid fraud false claims act, chapter 74.66 RCW, must be
6 deposited into the account. Moneys in the account may be spent only
7 after appropriation and must be used only for medicaid services, fraud
8 detection and prevention activities, recovery of improper payments, for
9 other medicaid fraud enforcement activities, and the prescription
10 monitoring program established in chapter 70.225 RCW. For the 2013-
11 2015 fiscal biennium, moneys in the account may be spent on inpatient
12 and outpatient rebasing and conversion to the tenth version of the
13 international classification of diseases.

14 **Sec. 983.** RCW 77.12.201 and 2012 2nd sp.s. c 7 s 923 are each
15 amended to read as follows:

16 The legislative authority of a county may elect, by giving written
17 notice to the director and the treasurer prior to January 1st of any
18 year, to obtain for the following year an amount in lieu of real
19 property taxes on game lands as provided in RCW 77.12.203. Upon the
20 election, the county shall keep a record of all fines, forfeitures,
21 reimbursements, and costs assessed and collected, in whole or in part,
22 under this title for violations of law or rules adopted pursuant to
23 this title, with the exception of the 2011-2013 and 2013-2015 fiscal
24 (~~biennium~~) biennia, and shall monthly remit an amount equal to the
25 amount collected to the state treasurer for deposit in the state
26 general fund. The election shall continue until the department is
27 notified differently prior to January 1st of any year.

28 **Sec. 984.** RCW 77.12.203 and 2012 2nd sp.s. c 7 s 924 are each
29 amended to read as follows:

30 (1) Except as provided in subsection (5) of this section and
31 notwithstanding RCW 84.36.010 or other statutes to the contrary, the
32 director shall pay by April 30th of each year on game lands in each
33 county, if requested by an election under RCW 77.12.201, an amount in
34 lieu of real property taxes equal to that amount paid on similar
35 parcels of open space land taxable under chapter 84.34 RCW or the
36 greater of seventy cents per acre per year or the amount paid in 1984

1 plus an additional amount for control of noxious weeds equal to that
2 which would be paid if such lands were privately owned. This amount
3 shall not be assessed or paid on department buildings, structures,
4 facilities, game farms, fish hatcheries, tidelands, or public fishing
5 areas of less than one hundred acres.

6 (2) "Game lands," as used in this section and RCW 77.12.201, means
7 those tracts one hundred acres or larger owned in fee by the department
8 and used for wildlife habitat and public recreational purposes. All
9 lands purchased for wildlife habitat, public access or recreation
10 purposes with federal funds in the Snake River drainage basin shall be
11 considered game lands regardless of acreage.

12 (3) This section shall not apply to lands transferred after April
13 23, 1990, to the department from other state agencies.

14 (4) The county shall distribute the amount received under this
15 section in lieu of real property taxes to all property taxing districts
16 except the state in appropriate tax code areas the same way it would
17 distribute local property taxes from private property. The county
18 shall distribute the amount received under this section for weed
19 control to the appropriate weed district.

20 (5) For the 2011-2013 and 2013-2015 fiscal (~~biennium~~) biennia,
21 the director shall pay by April 30th of each year on game lands in each
22 county, if requested by an election under RCW 77.12.201, an amount in
23 lieu of real property taxes and shall be distributed as follows:

24	County	
25		
26	Adams.....	1,909
27	Asotin.....	36,123
28	Chelan.....	24,757
29	Columbia.....	7,795
30	Ferry.....	6,781
31	Garfield.....	4,840
32	Grant.....	37,443
33	Kittitas.....	143,974
34	Klickitat.....	21,906
35	Lincoln.....	13,535
36	Okanogan.....	151,402

1 Pend Oreille.....3,309

2 Yakima..... 126,225

3 These amounts shall not be assessed or paid on department buildings,
4 structures, facilities, game farms, fish hatcheries, tidelands, or
5 public fishing areas of less than one hundred acres.

6 **Sec. 985.** RCW 79.64.040 and 2012 2nd sp.s. c 7 s 927 are each
7 amended to read as follows:

8 (1) The board shall determine the amount deemed necessary in order
9 to achieve the purposes of this chapter and shall provide by rule for
10 the deduction of this amount from the moneys received from all leases,
11 sales, contracts, licenses, permits, easements, and rights-of-way
12 issued by the department and affecting state lands, community forest
13 trust lands, and aquatic lands, provided that no deduction shall be
14 made from the proceeds from agricultural college lands.

15 (2) Moneys received as deposits from successful bidders, advance
16 payments, and security under RCW 79.15.100, 79.15.080, and 79.11.150
17 prior to December 1, 1981, which have not been subjected to deduction
18 under this section are not subject to deduction under this section.

19 (3) Except as otherwise provided in subsections (4) and (6) of this
20 section, the deductions authorized under this section shall not exceed
21 twenty-five percent of the moneys received by the department in
22 connection with any one transaction pertaining to state lands and
23 aquatic lands other than second-class tide and shore lands and the beds
24 of navigable waters, and fifty percent of the moneys received by the
25 department pertaining to second-class tide and shore lands and the beds
26 of navigable waters.

27 (4) Deductions authorized under this section for transactions
28 pertaining to community forest trust lands must be established at a
29 level sufficient to defray over time the management costs for
30 activities prescribed in a parcel's management plan adopted pursuant to
31 RCW 79.155.080, and, if deemed appropriate by the board consistent with
32 RCW 79.155.090, to reimburse the state and any local entities' eligible
33 financial contributions for acquisition of the parcel.

34 (5) 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

1 moneys received subject to this section are the net proceeds from the
2 contract harvesting sale.

3 (6) During the ((2011-2013)) 2013-2015 fiscal biennium, the twenty-
4 five percent limitation on deductions set in subsection (3) of this
5 section may be increased up to thirty percent by the board.

6 **Sec. 986.** RCW 79.105.150 and 2012 2nd sp.s. c 7 s 929 and 2012 2nd
7 sp.s. c 2 s 6008 are each reenacted and amended to read as follows:

8 (1) After deduction for management costs as provided in RCW
9 79.64.040 and payments to towns under RCW 79.115.150(2), all moneys
10 received by the state from the sale or lease of state-owned aquatic
11 lands and from the sale of valuable material from state-owned aquatic
12 lands shall be deposited in the aquatic lands enhancement account which
13 is hereby created in the state treasury. After appropriation, these
14 funds shall be used solely for aquatic lands enhancement projects; for
15 the purchase, improvement, or protection of aquatic lands for public
16 purposes; for providing and improving access to the lands; and for
17 volunteer cooperative fish and game projects. ((During the 2011-2013
18 fiscal biennium, the aquatic lands enhancement account may also be used
19 for scientific research as part of the adaptive management process and
20 for developing a planning report for McNeil Island. During the 2011-
21 2013 fiscal biennium, the legislature may transfer from the aquatic
22 lands enhancement account to the state general fund such amounts as
23 reflect excess fund balance of the account.)) During the ((2011-2013))
24 2013-2015 fiscal biennium, the aquatic lands enhancement account may be
25 used to support the shellfish program, the ballast water program,
26 ((parks,)) hatcheries, ((and)) the Puget Sound toxic sampling program
27 at the department of fish and wildlife, the knotweed program at the
28 department of agriculture, ((and)) the Puget SoundCorps program((-
29 During the 2011-2013 fiscal biennium, the legislature may transfer from
30 the aquatic lands enhancement account to the marine resources
31 stewardship trust account funds for the purposes of RCW 43.372.070)),
32 and actions at the University of Washington for reducing ocean
33 acidification, which may include the creation of a center on ocean
34 acidification. During the 2013-2015 fiscal biennium, the legislature
35 may transfer from the aquatic lands enhancement account to the geoduck
36 aquaculture research account for research related to shellfish

1 aquaculture and the marine resources stewardship trust account for the
2 purposes of chapter 43.372 RCW.

3 (2) In providing grants for aquatic lands enhancement projects, the
4 recreation and conservation funding board shall:

5 (a) Require grant recipients to incorporate the environmental
6 benefits of the project into their grant applications;

7 (b) Utilize the statement of environmental benefits, consideration,
8 except as provided in RCW 79.105.610, of whether the applicant is a
9 Puget Sound partner, as defined in RCW 90.71.010, whether a project is
10 referenced in the action agenda developed by the Puget Sound
11 partnership under RCW 90.71.310, and except as otherwise provided in
12 RCW 79.105.630, and effective one calendar year following the
13 development and statewide availability of model evergreen community
14 management plans and ordinances under RCW 35.105.050, whether the
15 applicant is an entity that has been recognized, and what gradation of
16 recognition was received, in the evergreen community recognition
17 program created in RCW 35.105.030 in its prioritization and selection
18 process; and

19 (c) Develop appropriate outcome-focused performance measures to be
20 used both for management and performance assessment of the grants.

21 (3) To the extent possible, the department should coordinate its
22 performance measure system with other natural resource-related agencies
23 as defined in RCW 43.41.270.

24 (4) The department shall consult with affected interest groups in
25 implementing this section.

26 (5) After January 1, 2010, any project designed to address the
27 restoration of Puget Sound may be funded under this chapter only if the
28 project is not in conflict with the action agenda developed by the
29 Puget Sound partnership under RCW 90.71.310.

30 **Sec. 987.** RCW 79A.80.020 and 2012 c 261 s 2 are each amended to
31 read as follows:

32 (1) Except as otherwise provided in (~~RCW 79A.80.050, 79A.80.060,~~
33 ~~and 79A.80.070~~)) this chapter, a discover pass or day-use permit is
34 required for any motor vehicle to park or operate on any recreation
35 site or lands, except for short-term parking as may be authorized under
36 RCW 79A.80.070.

1 (2) The cost of a discover pass is thirty dollars. Every four
2 years the office of financial management must review the cost of the
3 discover pass and, if necessary, recommend to the legislature an
4 adjustment to the cost of the discover pass to account for inflation.

5 (3) A discover pass is valid for one year beginning from the date
6 that the discover pass is marked for activation. The activation date
7 may differ from the purchase date pursuant to any policies developed by
8 the agencies.

9 (4) Sales of discover passes must be consistent with RCW
10 79A.80.100.

11 (5) The discover pass must contain space for two motor vehicle
12 license plate numbers. A discover pass is valid only for those vehicle
13 license plate numbers written on the pass. However, the agencies may
14 offer for sale a family discover pass that is fully transferable among
15 vehicles and does not require the placement of a license plate number
16 on the pass to be valid. The agencies must collectively set a price
17 for the sale of a family discover pass that is no more than fifty
18 dollars. A discover pass is valid only for use with one motor vehicle
19 at any one time.

20 (6) One complimentary discover pass must be provided to a volunteer
21 who performed twenty-four hours of service on agency-sanctioned
22 volunteer projects in a year. The agency must provide vouchers to
23 volunteers identifying the number of volunteer hours they have provided
24 for each project. The vouchers may be brought to an agency to be
25 redeemed for a discover pass.

26 **Sec. 988.** RCW 79A.80.080 and 2012 c 261 s 7 are each amended to
27 read as follows:

28 (1) A discover pass, vehicle access pass, or day-use permit must be
29 visibly displayed in the front windshield of any motor vehicle or
30 otherwise in a prominent location for vehicles without a windshield:

31 (a) Operating on a recreation site or lands; or

32 (b) Parking at a recreation site or lands.

33 (2) The discover pass, the vehicle access pass, or the day-use
34 permit is not required:

35 (a) On private lands, state-owned aquatic lands other than water
36 access areas, or at agency offices, hatcheries, or other facilities
37 where public business is conducted((-

1 ~~(3) The discover pass, the vehicle access pass, or the day use~~
2 ~~permit is not required for:~~

3 ~~(a))~~;

4 **(b)** For persons who use, possess, or enter lands owned or managed
5 by the agencies for nonrecreational purposes consistent with a written
6 authorization from the agency, including but not limited to leases,
7 contracts, and easements; ~~((or~~

8 ~~(b))~~ **(c)** On department of fish and wildlife lands only, for
9 persons possessing a current vehicle access pass pursuant to RCW
10 79A.80.040; or

11 **(d)** During the 2013-2015 biennium, when operating on a road managed
12 by the department of natural resources or the department of fish and
13 wildlife, including a forest or land management road, that is not
14 blocked by a gate.

15 ~~((+4))~~ **(3)**(a) An agency may waive the requirements of this section
16 for any person who has secured the ability to access specific
17 recreational land through the provision of monetary consideration to
18 the agency or for any person attending an event or function that
19 required the provision of monetary compensation to the agency.

20 (b) Special events and group activities are core recreational
21 activities and major public service opportunities within state parks.
22 When waiving the requirements of this section for special events, the
23 state parks and recreation commission must consider the direct and
24 indirect costs and benefits to the state, local market rental rates,
25 the public service functions of the event sponsor, and other public
26 interest factors when setting appropriate fees for each event or
27 activity.

28 ~~((+5))~~ **(4)** Failure to comply with subsection (1) of this section
29 is a natural resource infraction under chapter 7.84 RCW. An agency is
30 authorized to issue a notice of infraction to any person who fails to
31 comply with subsection (1)(a) of this section or to any motor vehicle
32 that fails to comply with subsection (1)(b) of this section.

33 ~~((+6))~~ **(5)** The penalty for failure to comply with the requirements
34 of this section is ninety-nine dollars. This penalty must be reduced
35 to fifty-nine dollars if an individual provides proof of purchase of a
36 discover pass to the court within fifteen days after the issuance of
37 the notice of violation.

1 **Sec. 989.** RCW 82.14.310 and 2011 1st sp.s. c 50 s 970 are each
2 amended to read as follows:

3 (1) The county criminal justice assistance account is created in
4 the state treasury. Beginning in fiscal year 2000, the state treasurer
5 must transfer into the county criminal justice assistance account from
6 the general fund the sum of twenty-three million two hundred thousand
7 dollars divided into four equal deposits occurring on July 1, October
8 1, January 1, and April 1. For each fiscal year thereafter, the state
9 treasurer must increase the total transfer by the fiscal growth factor,
10 as defined in RCW 43.135.025, forecast for that fiscal year by the
11 office of financial management in November of the preceding year.

12 (2) The moneys deposited in the county criminal justice assistance
13 account for distribution under this section, less any moneys
14 appropriated for purposes under subsection (4) of this section, must be
15 distributed at such times as distributions are made under RCW 82.44.150
16 and on the relative basis of each county's funding factor as determined
17 under this subsection.

18 (a) A county's funding factor is the sum of:

19 (i) The population of the county, divided by one thousand, and
20 multiplied by two-tenths;

21 (ii) The crime rate of the county, multiplied by three-tenths; and

22 (iii) The annual number of criminal cases filed in the county
23 superior court, for each one thousand in population, multiplied by
24 five-tenths.

25 (b) Under this section and RCW 82.14.320 and 82.14.330:

26 (i) The population of the county or city is as last determined by
27 the office of financial management;

28 (ii) The crime rate of the county or city is the annual occurrence
29 of specified criminal offenses, as calculated in the most recent annual
30 report on crime in Washington state as published by the Washington
31 association of sheriffs and police chiefs, for each one thousand in
32 population;

33 (iii) The annual number of criminal cases filed in the county
34 superior court must be determined by the most recent annual report of
35 the courts of Washington, as published by the administrative office of
36 the courts;

37 (iv) Distributions and eligibility for distributions in the 1989-
38 1991 biennium must be based on 1988 figures for both the crime rate as

1 described under (ii) of this subsection and the annual number of
2 criminal cases that are filed as described under (iii) of this
3 subsection. Future distributions must be based on the most recent
4 figures for both the crime rate as described under (ii) of this
5 subsection and the annual number of criminal cases that are filed as
6 described under (iii) of this subsection.

7 (3) Moneys distributed under this section must be expended
8 exclusively for criminal justice purposes and may not be used to
9 replace or supplant existing funding. Criminal justice purposes are
10 defined as activities that substantially assist the criminal justice
11 system, which may include circumstances where ancillary benefit to the
12 civil or juvenile justice system occurs, and which includes (a)
13 domestic violence services such as those provided by domestic violence
14 programs, community advocates, and legal advocates, as defined in RCW
15 70.123.020, and (b) during the 2001-2003 fiscal biennium, juvenile
16 dispositional hearings relating to petitions for at-risk youth,
17 truancy, and children in need of services. Existing funding for
18 purposes of this subsection is defined as calendar year 1989 actual
19 operating expenditures for criminal justice purposes. Calendar year
20 1989 actual operating expenditures for criminal justice purposes
21 exclude the following: Expenditures for extraordinary events not
22 likely to reoccur, changes in contract provisions for criminal justice
23 services, beyond the control of the local jurisdiction receiving the
24 services, and major nonrecurring capital expenditures.

25 (4) Not more than five percent of the funds deposited to the county
26 criminal justice assistance account may be available for appropriations
27 for enhancements to the state patrol crime laboratory system and the
28 continuing costs related to these enhancements. Funds appropriated
29 from this account for such enhancements may not supplant existing funds
30 from the state general fund.

31 (5) During the 2011-2013 fiscal biennium, the amount that would
32 otherwise be transferred into the county criminal justice assistance
33 account from the general fund under subsection (1) of this section must
34 be reduced by 3.4 percent.

35 (6) During the 2013-2015 fiscal biennium, for the purposes of
36 substance abuse and other programs for offenders, the legislature may
37 appropriate from the county criminal justice assistance account such
38 amounts as are in excess of the amounts necessary to fully meet the

1 state's obligations to the counties and to the Washington state patrol.
2 Excess amounts in this account are not the result of subsection (5) of
3 this section.

4 **Sec. 990.** RCW 86.26.007 and 2012 2nd sp.s. c 7 s 932 are each
5 amended to read as follows:

6 The flood control assistance account is hereby established in the
7 state treasury. At the beginning of the 2005-2007 fiscal biennium, the
8 state treasurer shall transfer three million dollars from the general
9 fund to the flood control assistance account. Each biennium thereafter
10 the state treasurer shall transfer four million dollars from the
11 general fund to the flood control assistance account(~~(, except that~~
12 ~~during the 2011-2013 fiscal biennium, the state treasurer shall~~
13 ~~transfer one million dollars from the general fund to the flood control~~
14 ~~assistance account)~~). Moneys in the flood control assistance account
15 may be spent only after appropriation for purposes specified under this
16 chapter. During the 2013-2015 fiscal biennium, the legislature may
17 transfer from the flood control assistance account to the state general
18 fund such amounts as reflect the excess fund balance of the account.

(End of part)

1 SUPPLEMENTAL

2 PART XI

3 GENERAL GOVERNMENT

4 Sec. 1101. 2012 2nd sp.s. c 7 s 111 (uncodified) is amended to
5 read as follows:

6 FOR THE SUPREME COURT

7 General Fund--State Appropriation (FY 2012) \$6,757,000

8 General Fund--State Appropriation (FY 2013) (~~(\$6,561,000)~~)

9 \$6,603,000

10 TOTAL APPROPRIATION (~~(\$13,318,000)~~)

11 \$13,360,000

12 Sec. 1102. 2012 2nd sp.s. c 7 s 112 (uncodified) is amended to
13 read as follows:

14 FOR THE LAW LIBRARY

15 General Fund--State Appropriation (FY 2012) \$1,504,000

16 General Fund--State Appropriation (FY 2013) \$24,000

17 Judicial Information System Account--State

18 Appropriation \$1,500,000

19 TOTAL APPROPRIATION (~~(\$3,004,000)~~)

20 \$3,028,000

21 The appropriations in this section are subject to the following
22 conditions and limitations: \$50,000 of the judicial information system
23 account--state appropriation is provided solely to evaluate the state
24 law library and assess its operational structure to determine the most
25 effective delivery model for providing library services.

26 Sec. 1103. 2012 2nd sp.s. c 7 s 114 (uncodified) is amended to
27 read as follows:

28 FOR THE COURT OF APPEALS

29 General Fund--State Appropriation (FY 2012) \$15,275,000

30 General Fund--State Appropriation (FY 2013) (~~(\$15,168,000)~~)

31 \$15,253,000

32 TOTAL APPROPRIATION (~~(\$30,443,000)~~)

33 \$30,528,000

1 **Sec. 1104.** 2012 2nd sp.s. c 7 s 115 (uncodified) is amended to
2 read as follows:

3 **FOR THE ADMINISTRATOR FOR THE COURTS**

4	General Fund--State Appropriation (FY 2012)	\$50,725,000
5	General Fund--State Appropriation (FY 2013)	(\$48,429,000)
6		<u>\$49,123,000</u>
7	General Fund--Federal Appropriation	\$2,532,000
8	General Fund--Private/Local Appropriation	\$390,000
9	Judicial Information Systems Account--State	
10	Appropriation	\$42,362,000
11	Judicial Stabilization Trust Account--State	
12	Appropriation	(\$5,954,000)
13		<u>\$5,425,000</u>
14	TOTAL APPROPRIATION	(\$150,392,000)
15		<u>\$150,557,000</u>

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

18 (1) \$1,800,000 of the general fund--state appropriation for fiscal
19 year 2012 and \$1,399,000 of the general fund--state appropriation for
20 fiscal year 2013 are provided solely for school districts for petitions
21 to juvenile court for truant students as provided in RCW 28A.225.030
22 and 28A.225.035. The office of the administrator for the courts shall
23 develop an interagency agreement with the superintendent of public
24 instruction to allocate the funding provided in this subsection.
25 Allocation of this money to school districts shall be based on the
26 number of petitions filed. This funding includes amounts school
27 districts may expend on the cost of serving petitions filed under RCW
28 28A.225.030 by certified mail or by personal service or for the
29 performance of service of process for any hearing associated with RCW
30 28A.225.030.

31 (2)(a) \$8,252,000 of the general fund--state appropriation for
32 fiscal year 2012 and \$7,313,000 of the general fund--state
33 appropriation for fiscal year 2013 are provided solely for distribution
34 to county juvenile court administrators to fund the costs of processing
35 truancy, children in need of services, and at-risk youth petitions.
36 The administrator for the courts, in conjunction with the juvenile
37 court administrators, shall develop an equitable funding distribution

1 formula. The formula shall neither reward counties with higher than
2 average per-petition processing costs nor shall it penalize counties
3 with lower than average per-petition processing costs.

4 (b) Each fiscal year during the 2011-2013 fiscal biennium, each
5 county shall report the number of petitions processed and the total
6 actual costs of processing truancy, children in need of services, and
7 at-risk youth petitions. Counties shall submit the reports to the
8 administrator for the courts no later than 45 days after the end of the
9 fiscal year. The administrator for the courts shall electronically
10 transmit this information to the chairs and ranking minority members of
11 the house of representatives and senate ways and means committees no
12 later than 60 days after a fiscal year ends. These reports are deemed
13 informational in nature and are not for the purpose of distributing
14 funds.

15 (3) The distributions made under this subsection and distributions
16 from the county criminal justice assistance account made pursuant to
17 section 801 of this act constitute appropriate reimbursement for costs
18 for any new programs or increased level of service for purposes of RCW
19 43.135.060.

20 (4) \$265,000 of the general fund--state appropriation for fiscal
21 year 2012 is provided solely for the office of public guardianship to
22 provide guardianship services for low-income incapacitated persons.

23 (5) \$1,178,000 of the judicial information systems account--state
24 appropriation is provided solely for replacing computer equipment at
25 state courts and state judicial agencies.

26 (6) No later than September 30, 2011, the judicial information
27 systems committee shall provide a report to the legislature on the
28 recommendations of the case management feasibility study, including
29 plans for a replacement of the superior court management information
30 system (SCOMIS) and plans for completing the data exchange core system
31 component consistent with a complete data exchange standard. No later
32 than December 31, 2011, the judicial information systems committee
33 shall provide a report to the legislature on the status of the data
34 exchange, the procurement process for a SCOMIS replacement, and a case
35 management system that is designed to meet the requirements approved by
36 the superior courts and county clerks of all thirty-nine counties. The
37 legislature shall solicit input on both reports from judicial,
38 legislative, and executive stakeholders.

1 (7) In order to gather better data on juveniles in the criminal
2 justice system, the administrative office of the courts shall modify
3 the judgment and sentence form for juvenile and adult sentences to
4 include one or more check boxes indicating whether (a) the adult
5 superior court had original jurisdiction for a defendant who was
6 younger than eighteen years of age at the time the case was filed; (b)
7 the case was originally filed in juvenile court but transferred to
8 adult superior court jurisdiction; or (c) the case was originally filed
9 in adult superior court or transferred to adult superior court but then
10 returned to the juvenile court.

11 (8) \$540,000 of the judicial stabilization trust account--state
12 appropriation is provided solely for the office of public guardianship
13 to continue guardianship services for those low-income incapacitated
14 persons who were receiving services on June 30, 2012.

15 (9) The Washington association of juvenile court administrators and
16 the juvenile rehabilitation administration, in consultation with the
17 community juvenile accountability act advisory committee and the
18 Washington state institute for public policy, shall analyze and review
19 data elements available from the administrative office of the courts
20 for possible integration into the evidence-based program quality
21 assurance plans and processes. The administrative office of the
22 courts, the Washington association of juvenile court administrators,
23 and the juvenile rehabilitation administration shall provide
24 information necessary to complete the review and analysis. The
25 Washington association of juvenile court administrators and the
26 juvenile rehabilitation administration shall report the findings of
27 their review and analysis, as well as any recommendations, to the
28 legislature by December 1, 2012.

29 **Sec. 1105.** 2012 2nd sp.s. c 7 s 118 (uncodified) is amended to
30 read as follows:

31 **FOR THE OFFICE OF THE GOVERNOR**

32	General Fund--State Appropriation (FY 2012)	\$5,102,000
33	General Fund--State Appropriation (FY 2013)	(\$5,247,000)
34		<u>\$5,286,000</u>
35	Economic Development Strategic Reserve Account--State	
36	Appropriation	\$1,500,000
37	TOTAL APPROPRIATION	(\$11,849,000)

1 \$11,888,000

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

4 (1) \$1,500,000 of the economic development strategic reserve
5 account appropriation is provided solely for efforts to assist with
6 currently active industrial recruitment efforts that will bring new
7 jobs to the state or will retain headquarter locations of major
8 companies currently housed in the state.

9 (2) \$540,000 of the general fund--state appropriation for fiscal
10 year 2012 and \$526,000 of the general fund--state appropriation for
11 fiscal year 2013 are provided solely for the office of the education
12 ombudsman.

13 (3) \$39,000 of the general fund--state appropriation for fiscal
14 year 2013 is provided solely for implementation of Engrossed Second
15 Substitute Senate Bill No. 5802 (greenhouse gas emissions). If the
16 bill is not enacted by June 30, 2012, the amount provided in this
17 subsection shall lapse.

18 **Sec. 1106.** 2012 2nd sp.s. c 7 s 121 (uncodified) is amended to
19 read as follows:

20 **FOR THE SECRETARY OF STATE**

21	General Fund--State Appropriation (FY 2012)	\$16,047,000
22	General Fund--State Appropriation (FY 2013)	(\$8,612,000)
23		<u>\$9,972,000</u>
24	General Fund--Federal Appropriation	\$7,326,000
25	Public Records Efficiency, Preservation, and Access	
26	Account--State Appropriation	(\$7,074,000)
27		<u>\$7,185,000</u>
28	Charitable Organization Education Account--State	
29	Appropriation	\$362,000
30	Local Government Archives Account--State	
31	Appropriation	\$8,516,000
32	Election Account--Federal Appropriation	\$17,284,000
33	Washington State Heritage Center Account--State	
34	Appropriation	\$5,028,000
35	TOTAL APPROPRIATION	(\$70,249,000)
36		<u>\$71,720,000</u>

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

3 (1) \$3,898,000 of the general fund--state appropriation for fiscal
4 year 2012 is provided solely to reimburse counties for the state's
5 share of primary and general election costs and the costs of conducting
6 mandatory recounts on state measures. Counties shall be reimbursed
7 only for those odd-year election costs that the secretary of state
8 validates as eligible for reimbursement.

9 (2)(a) \$1,847,000 of the general fund--state appropriation for
10 fiscal year 2012 and \$1,926,000 of the general fund--state
11 appropriation for fiscal year 2013 are provided solely for contracting
12 with a nonprofit organization to produce gavel-to-gavel television
13 coverage of state government deliberations and other events of
14 statewide significance during the 2011-2013 biennium. The funding
15 level for each year of the contract shall be based on the amount
16 provided in this subsection. The nonprofit organization shall be
17 required to raise contributions or commitments to make contributions,
18 in cash or in kind, in an amount equal to forty percent of the state
19 contribution. The office of the secretary of state may make full or
20 partial payment once all criteria in this subsection have been
21 satisfactorily documented.

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

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

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

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

- 1 (ii) Making contributions reportable under chapter 42.17 RCW; or
- 2 (iii) Providing any: (A) Gift; (B) honoraria; or (C) travel,
- 3 lodging, meals, or entertainment to a public officer or employee.
- 4 (3) Any reductions to funding for the Washington talking book and
- 5 Braille library may not exceed in proportion any reductions taken to
- 6 the funding for the library as a whole.

7 **Sec. 1107.** 2012 2nd sp.s. c 7 s 127 (uncodified) is amended to
 8 read as follows:

9 **FOR THE ATTORNEY GENERAL**

10	General Fund--State Appropriation (FY 2012)	\$4,758,000
11	General Fund--State Appropriation (FY 2013)	(\$7,690,000)
12		<u>\$7,890,000</u>
13	General Fund--Federal Appropriation	\$10,015,000
14	New Motor Vehicle Arbitration Account--State	
15	Appropriation	\$968,000
16	Legal Services Revolving Account--State	
17	Appropriation	(\$197,375,000)
18		<u>\$197,412,000</u>
19	Tobacco Prevention and Control Account--State	
20	Appropriation	\$270,000
21	Medicaid Fraud Penalty Account--State Appropriation	\$1,129,000
22	TOTAL APPROPRIATION	(\$222,205,000)
23		<u>\$222,442,000</u>

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

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

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

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

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

11 (4) The attorney general shall enter into an interagency agreement
12 with the department of social and health services for expenditure of
13 the state's proceeds from the *cy pres* settlement in *State of Washington*
14 *v. AstraZeneca* (Seroquel) for the purposes set forth in sections 204
15 and 213 of this act.

16 (5) \$62,000 of the legal services revolving fund--state
17 appropriation is provided solely to implement House Bill No. 1770
18 (state purchasing). If the bill is not enacted by June 30, 2011, the
19 amount provided in this subsection shall lapse.

20 (6) \$5,924,000 of the legal services revolving account--state
21 appropriation is provided solely to implement House Bill No. 2123
22 (workers' compensation). If the bill is not enacted by June 30, 2011,
23 the amount provided in this subsection shall lapse.

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

28 (8) \$96,000 of the legal services revolving fund--state
29 appropriation is provided solely to implement Senate Bill No. 5076
30 (financial institutions). If the bill is not enacted by June 30, 2011,
31 the amount provided in this subsection shall lapse.

32 (9) \$99,000 of the legal services revolving fund--state
33 appropriation is provided solely to implement Engrossed Second
34 Substitute Senate Bill No. 5769 (coal-fired generation). If the bill
35 is not enacted by June 30, 2011, the amount provided in this subsection
36 shall lapse.

37 (10) \$416,000 of the legal services revolving fund--state

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

4 (11) \$31,000 of the legal services revolving fund--state
5 appropriation is provided solely to implement Engrossed Substitute
6 Senate Bill No. 5021 (election campaign disclosure). If the bill is
7 not enacted by June 30, 2011, the amount provided in this subsection
8 shall lapse.

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

21 (13) \$11,000 of the legal services revolving fund--state
22 appropriation is provided solely to implement House Bill No. 2301
23 (boxing, martial arts, wrestling). If the bill is not enacted by June
24 30, 2012, the amount provided in this subsection shall lapse.

25 (14) \$56,000 of the legal services revolving fund--state
26 appropriation is provided solely to implement House Bill No. 2319
27 (affordable care act). If the bill is not enacted by June 30, 2012,
28 the amount provided in this subsection shall lapse.

29 (15) \$5,743,000 of the general fund--state appropriation for fiscal
30 year 2013 is provided solely for the legal costs associated with the
31 evaluation, filing, prosecution, response to petitions for release, and
32 appeal of sexually violent predator civil commitment cases, as provided
33 in chapter 71.09 RCW. Within the amount provided in this subsection,
34 the attorney general may enter into an interagency agreement with a
35 county prosecutor to perform prosecution services pursuant to chapter
36 71.09 RCW.

37 (16) \$94,000 of the legal services revolving fund--state

1 appropriation is provided solely to implement Senate Bill No. 6103
2 (reflexology and massage therapy). If the bill is not enacted by June
3 30, 2012, the amount provided in this subsection shall lapse.

4 (17) \$57,000 of the legal services revolving fund--state
5 appropriation is provided solely for implementation of Engrossed
6 Substitute Senate Bill No. 6237 (medical assistants). If the bill is
7 not enacted by June 30, 2012, the amount provided in this subsection
8 shall lapse.

9 (18) If Engrossed Substitute Senate Bill No. 5978 (medicaid fraud)
10 is not enacted by June 30, 2012, the amounts appropriated in this
11 section from the medicaid fraud penalty account--state appropriation
12 shall lapse and an additional \$730,000 shall be appropriated from the
13 general fund--state for fiscal year 2013 for fraud detection and
14 prevention activities, recovery of improper payments, and for other
15 medicaid fraud enforcement activities.

16 (19) \$56,000 of the legal services revolving fund--state
17 appropriation is provided solely to implement House Bill No. 2592
18 (extended foster care). If the bill is not enacted by June 30, 2012,
19 the amount provided in this subsection shall lapse.

20 (20) \$65,000 of the legal services revolving fund--state
21 appropriation is provided solely for implementation of Second Engrossed
22 Substitute Senate Bill No. 6406 (state natural resources). If the bill
23 is not enacted by June 30, 2012, the amount provided in this subsection
24 shall lapse.

25 (21) \$200,000 of the general fund--state appropriation for fiscal
26 year 2013 is provided solely for settlement payment of the Backpage.com
27 litigation.

28 **Sec. 1108.** 2012 2nd sp.s. c 7 s 129 (uncodified) is amended to
29 read as follows:

30 **FOR THE DEPARTMENT OF COMMERCE**

31	General Fund--State Appropriation (FY 2012)	\$51,799,000
32	General Fund--State Appropriation (FY 2013)	((\$72,839,000))
33		<u>\$60,889,000</u>
34	General Fund--Federal Appropriation	\$340,184,000
35	General Fund--Private/Local Appropriation	\$5,036,000
36	Public Works Assistance Account--State	
37	Appropriation	\$2,733,000

1	Drinking Water Assistance Administrative	
2	Account--State Appropriation	\$437,000
3	Lead Paint Account--State Appropriation	((\$65,000))
4		<u>\$100,000</u>
5	Building Code Council Account--State Appropriation	\$13,000
6	Home Security Fund Account--State Appropriation	\$21,007,000
7	Affordable Housing for All Account--State	
8	Appropriation	\$11,899,000
9	County Research Services Account--State	
10	Appropriation	\$540,000
11	Financial Fraud and Identity Theft Crimes Investigation	
12	and Prosecution Account--State Appropriation	((\$1,166,000))
13		<u>\$969,000</u>
14	Low-Income Weatherization Assistance Account--State	
15	Appropriation	((\$2,427,000))
16		<u>\$1,186,000</u>
17	City and Town Research Services Account--State	
18	Appropriation	\$2,577,000
19	Community and Economic Development Fee Account--State	
20	Appropriation	\$6,781,000
21	Washington Housing Trust Account--State	
22	Appropriation	\$17,444,000
23	Prostitution Prevention and Intervention Account--	
24	State Appropriation	\$86,000
25	Public Facility Construction Loan Revolving	
26	Account--State Appropriation	\$748,000
27	Washington Community Technology Opportunity Account--	
28	State Appropriation	\$713,000
29	Liquor Revolving Account--State Appropriation	((\$2,802,000))
30		<u>\$3,032,000</u>
31	TOTAL APPROPRIATION	((\$541,296,000))
32		<u>\$528,173,000</u>

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

- 35 (1) Repayments of outstanding mortgage and rental assistance
36 program loans administered by the department under RCW 43.63A.640 shall
37 be remitted to the department, including any current revolving account

1 balances. The department shall collect payments on outstanding loans,
2 and deposit them into the state general fund. Repayments of funds owed
3 under the program shall be remitted to the department according to the
4 terms included in the original loan agreements.

5 (2) \$500,000 of the general fund--state appropriation for fiscal
6 year 2012 and \$500,000 of the general fund--state appropriation for
7 fiscal year 2013 are provided solely for a grant to resolution
8 Washington to building statewide capacity for alternative dispute
9 resolution centers and dispute resolution programs that guarantee that
10 citizens have access to low-cost resolution as an alternative to
11 litigation.

12 (3) \$306,000 of the general fund--state appropriation for fiscal
13 year 2012 and \$306,000 of the general fund--state appropriation for
14 fiscal year 2013 are provided solely for a grant to the retired senior
15 volunteer program.

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

19 (5) \$1,800,000 of the home security fund--state appropriation is
20 provided for transitional housing assistance or partial payments for
21 rental assistance under the independent youth housing program.

22 (6) \$5,000,000 of the home security fund--state appropriation is
23 for the operation, repair, and staffing of shelters in the homeless
24 family shelter program.

25 (7) \$198,000 of the general fund--state appropriation for fiscal
26 year 2012 and \$198,000 of the general fund--state appropriation for
27 fiscal year 2013 are provided solely for the Washington new Americans
28 program.

29 (8) \$2,949,000 of the general fund--state appropriation for fiscal
30 year 2012 and \$2,949,000 of the general fund--state appropriation for
31 fiscal year 2013 are provided solely for associate development
32 organizations.

33 (9) \$127,000 of the general fund--federal appropriation is provided
34 solely for implementation of Substitute House Bill No. 1886
35 (Ruckelshaus center process). If the bill is not enacted by June 30,
36 2011, the amount provided in this subsection shall lapse.

37 (10) Up to \$200,000 of the general fund--private/local
38 appropriation is for a grant to the Washington tourism alliance for the

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

15 (11) Within the appropriations in this section, specific funding is
16 provided to implement Substitute Senate Bill No. 5741 (economic
17 development commission).

18 (12) \$2,000,000 of the community and economic development fee
19 account appropriation is provided solely for the department of commerce
20 for services to homeless families through the Washington families fund.

21 (13) \$234,000 of the general fund--state appropriation for fiscal
22 year 2012 and \$233,000 of the general fund--state appropriation for
23 fiscal year 2013 are provided solely for the Washington asset building
24 coalitions.

25 (14) \$1,859,000 of the general fund--state appropriation for fiscal
26 year 2012 and \$1,859,000 of the general fund--state appropriation for
27 fiscal year 2013 are provided solely for innovative research teams,
28 also known as entrepreneurial STARS, at higher education research
29 institutions, and for entrepreneurs-in-residence programs at higher
30 education research institutions and entrepreneurial assistance
31 organizations. Of these amounts no more than \$50,000 in fiscal year
32 2012 and no more than \$50,000 in fiscal year 2013 may be provided for
33 the operation of entrepreneurs-in-residence programs at entrepreneurial
34 assistance organizations external to higher education research
35 institutions.

36 (15) Up to \$700,000 of the general fund--private/local
37 appropriation is for pass-through grants to cities in central Puget

1 Sound to plan for transfer of development rights receiving areas under
2 the central Puget Sound regional transfer of development rights
3 program.

4 (16) \$16,000 of the general fund--state appropriation for fiscal
5 year 2012 is provided solely to implement section 503 of Substitute
6 House Bill No. 1277 (licensed settings for vulnerable adults). The
7 long-term care ombudsman shall convene an adult family home quality
8 assurance panel to review problems concerning the quality of care for
9 residents in adult family homes. If Substitute House Bill No. 1277
10 (licensed settings for vulnerable adults) is not enacted by June 30,
11 2011, the amount provided in this subsection shall lapse.

12 (17) \$19,605,000 of the general fund--state appropriation for
13 fiscal year 2012 and (~~(\$39,527,000)~~) \$27,527,000 of the general fund--
14 state appropriation for fiscal year 2013 are provided solely for
15 establishment of the essential needs and housing support program
16 created in Engrossed Substitute House Bill No. 2082 (essential needs
17 and assistance program). The department of commerce shall contract for
18 these services with counties or community-based organizations involved
19 in providing essential needs and housing supports to low-income persons
20 who meet eligibility pursuant to Engrossed Substitute House Bill No.
21 2082. The department shall limit the funding used for administration
22 of the program to no more than five percent. Counties and community
23 providers shall limit the funding used for administration of the
24 program to no more than seven percent.

25 (a) Of the amounts provided in this subsection, \$4,000,000 is
26 provided solely for essential needs to clients who meet the eligibility
27 established in Engrossed Substitute House Bill No. 2082. Counties and
28 community-based organizations shall distribute basic essential products
29 in a manner that prevents abuse. To the greatest extent possible, the
30 counties or community-based organizations shall leverage local or
31 private funds, and volunteer support to acquire and distribute the
32 basic essential products.

33 (b) Of the amounts provided in this subsection, (~~(\$55,000,000)~~)
34 \$43,000,000 is provided solely for housing support services to
35 individuals who are homeless or who may become homeless, and are
36 eligible for services under this program pursuant to Engrossed
37 Substitute House Bill No. 2082.

1 (18) \$4,380,000 of the home security fund--state appropriation is
2 provided solely for the department to provide homeless housing services
3 in accordance with Engrossed Substitute House Bill No. 2048 (housing
4 assistance surcharges). If Engrossed Substitute House Bill No. 2048
5 (housing assistance surcharges) is not enacted by June 30, 2012, the
6 amounts provided in this subsection shall lapse.

7 (19) \$85,000 of the general fund--state appropriation for fiscal
8 year 2013 is provided solely for the developmental disabilities council
9 to contract for a family-to-family mentor program to provide
10 information and support to families and guardians of persons who are
11 transitioning out of residential habilitation centers. To the maximum
12 extent allowable under federal law, these funds shall be matched under
13 medicaid through the department of social and health services and
14 federal funds shall be transferred to the department for the purposes
15 stated in this subsection.

16 (20) (~~(\$2,802,000)~~) \$3,032,000 of the liquor revolving account--
17 state appropriation is provided solely for the department to contract
18 with the municipal research and services center of Washington.

19 (21) \$1,000,000 of the general fund--state appropriation for fiscal
20 year 2013 is provided solely for deposit in the shelter to housing
21 project account, hereby created in the custody of the state treasurer
22 as a nonappropriated account. The department may expend funds from the
23 account solely for a two-year pilot project to enable young adults to
24 move from temporary emergency shelter housing to transitional and
25 permanent housing throughout King county. The pilot project will be
26 administered under contract with the YMCA of greater Seattle in
27 collaboration with the rising out of the shadows young adult shelter.
28 Funding may be used for case management, housing subsidy,
29 transportation, shelter services, training and evaluation. The pilot
30 project and the shelter to housing project account expire December 31,
31 2014.

32 (22) \$12,000 of the general fund--state appropriation for fiscal
33 year 2013 is provided solely to implement Engrossed Second Substitute
34 Senate Bill No. 5292 (irrigation and port districts). If the bill is
35 not enacted by June 30, 2012, the amount provided in this subsection
36 shall lapse.

37 (23) \$100,000 of the general fund--private/local appropriation is
38 provided solely for the department to provide analysis and an advisory

1 opinion on whether a proposed electric generation project or
 2 conservation resource qualifies to meet mandatory conservation targets
 3 in accordance with Substitute Senate Bill No. 6414 (review
 4 process/utilities). The department is authorized to require an
 5 applicant to pay an application fee to cover the cost of reviewing the
 6 project and preparing an advisory opinion. If Substitute Senate Bill
 7 No. 6414 (review process/utilities) is not enacted by June 30, 2012,
 8 the amount provided in this subsection shall lapse.

9 **Sec. 1109.** 2012 2nd sp.s. c 7 s 131 (uncodified) is amended to
 10 read as follows:

11 **FOR THE OFFICE OF FINANCIAL MANAGEMENT**

12	General Fund--State Appropriation (FY 2012)	\$18,369,000
13	General Fund--State Appropriation (FY 2013)	((\$18,584,000))
14		<u>\$18,728,000</u>
15	General Fund--Federal Appropriation	\$31,530,000
16	General Fund--Private/Local Appropriation	\$1,370,000
17	Performance Audits of Government Account--State	
18	Appropriation	\$198,000
19	Economic Development Strategic Reserve Account--State	
20	Appropriation	\$280,000
21	Department of Personnel Services--State	
22	Appropriation	\$8,551,000
23	Data Processing Revolving Account--State	
24	Appropriation	\$5,910,000
25	Higher Education Personnel Services Account--State	
26	Appropriation	\$1,537,000
27	Aquatic Lands Enhancement Account--State Appropriation	\$100,000
28	TOTAL APPROPRIATION	((\$86,429,000))
29		<u>\$86,573,000</u>

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

32 (1) \$1,210,000 of the general fund--state appropriation for fiscal
 33 year 2012 and \$1,210,000 of the general fund--state appropriation for
 34 fiscal year 2013 are provided solely for implementation of House Bill
 35 No. 1178 (regulatory assistance office). If the bill is not enacted by
 36 June 30, 2011, the amounts provided in this subsection shall lapse.

1 (2) \$150,000 of the general fund--state appropriation for fiscal
2 year 2012 is provided solely for the office of financial management to
3 contract with an independent consultant to evaluate and recommend the
4 most cost-effective provision of services required to support the
5 department of social and health services special commitment center on
6 McNeil Island. The evaluation shall include island operation services
7 that include, but are not limited to: (a) Marine transport of
8 passengers and goods; (b) wastewater treatment; (c) fire protection and
9 suppression; (d) electrical supply; (e) water supply; and (f) road
10 maintenance.

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

16 (3) \$100,000 of the aquatic lands enhancement account--state
17 appropriation is provided solely for the office of financial management
18 to prepare a report to be used to initiate a comprehensive, long-range
19 planning process for the future of McNeil Island during the 2013-2015
20 fiscal biennium.

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

22 (i) Ownership issues, including consultation with the federal
23 government about its current legal requirements associated with the
24 island;

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

27 (iii) Tribal treaty interests;

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

29 (v) Land use and public safety needs;

30 (vi) Recreational opportunities for the general public;

31 (vii) Historic and archaeological resources; and

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

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

37 (c) The office of financial management may use its own staff and

1 other public agency and tribal staff or contract for services, and may
2 create a work group of knowledgeable agencies, organizations, and
3 individuals to assist in preparing the report.

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

6 (i) Federal agencies with relevant responsibilities;

7 (ii) Tribal governments;

8 (iii) State agencies;

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

11 (v) Interested private organizations and individuals.

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

14 (4) The appropriations in this section include funding for
15 activities transferred from the sentencing guidelines commission to the
16 office of financial management pursuant to Engrossed Substitute Senate
17 Bill No. 5891 (criminal justice cost savings). Prior to the effective
18 date of Engrossed Substitute Senate Bill No. 5891, the appropriations
19 in this section may be expended for the continued operations and
20 expenses of the sentencing guidelines commission pursuant to the
21 expenditure authority schedule produced by the office of financial
22 management in accordance with chapter 43.88 RCW.

23 (~~(+6)~~) (5) \$115,000 of the general fund--state appropriation for
24 fiscal year 2013 is provided solely for implementation of Engrossed
25 Substitute House Bill No. 2483 (higher education coordination). If the
26 bill is not enacted by June 30, 2012, the amount provided in this
27 subsection shall lapse.

28 (~~(+7)~~) (6)(a) The office of financial management shall determine
29 if cost savings can be achieved by the state through contracting for
30 interpreter services more effectively. The office of financial
31 management must work with all state agencies that use interpreter
32 services to determine:

33 (i) How agencies currently procure interpreter services;

34 (ii) To what degree brokers or foreign language agencies are used
35 in the acquisition of interpreter services; and

36 (iii) The cost of interpreter services as currently provided.

37 (b) The office of financial management, in consultation with the
38 department of enterprise services, must also examine approaches to

1 procuring interpreter services, including using the department of
2 enterprise services' master contract, limiting overhead costs
3 associated with interpreter contracts, and direct scheduling of
4 interpreters. The report must include recommendations for the state to
5 procure services in a more consistent and cost-effective manner.

6 (c) The office of financial management, in consultation with the
7 department of labor and industries, must determine the impact that any
8 alternative approach to procuring interpreter services will have on
9 medical providers.

10 (d) The report must include:

11 (i) Analysis of the current process for procuring interpreter
12 services;

13 (ii) Recommendations regarding options to make obtaining
14 interpreter services more consistent and cost-effective; and

15 (iii) Estimates for potential cost savings.

16 (e) The office of financial management must report to the fiscal
17 committees of the legislature by December 1, 2012.

18 ~~((+8))~~ (7) \$25,000 of the general fund--state appropriation for
19 fiscal year 2012 and \$225,000 of the general fund--state appropriation
20 for fiscal year 2013 are provided solely for implementation of House
21 Bill No. 2824 (education funding). If the bill is not enacted by June
22 30, 2012, the amount provided in this subsection shall lapse.

23 (8) \$50,000 of the general fund--state appropriation for fiscal
24 year 2013 is provided solely for implementation of Engrossed Second
25 Substitute Senate Bill No. 5802 (greenhouse gas emissions). If the
26 bill is not enacted by June 30, 2012, the amount provided in this
27 subsection shall lapse.

28 **Sec. 1110.** 2012 2nd sp.s. c 7 s 132 (uncodified) is amended to
29 read as follows:

30 **FOR THE OFFICE OF ADMINISTRATIVE HEARINGS**

31 Administrative Hearings Revolving Account--State	
32 Appropriation	((\$35,713,000))
33	<u>\$36,413,000</u>

34 The appropriation in this section is subject to the following
35 conditions and limitations: ~~((~~\$769,000~~))~~ \$700,000 of the
36 administrative hearings revolving account--state appropriation is
37 provided solely to ~~((implement Engrossed Substitute Senate Bill No.~~

1 ~~5921 (social services programs). If the bill is not enacted by June~~
2 ~~30, 2011, the amount provided in this subsection shall lapse))~~
3 accommodate the number of fair hearings associated with medical
4 assistance programs on behalf of the health care authority.

5 **Sec. 1111.** 2012 2nd sp.s. c 7 s 136 (uncodified) is amended to
6 read as follows:

7 **FOR THE DEPARTMENT OF RETIREMENT SYSTEMS--OPERATIONS**

8 Department of Retirement Systems Expense

9 Account--State Appropriation	(\$46,511,000)
10	<u>\$46,591,000</u>

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

13 (1) \$146,000 of the department of retirement systems--state
14 appropriation is provided solely for the administrative costs
15 associated with implementation of House Bill No. 2070 (state and local
16 government employees). If the bill is not enacted by June 30, 2011,
17 the amount provided in this subsection shall lapse.

18 (2) \$65,000 of the department of retirement systems--state
19 appropriation is provided solely for the administrative costs
20 associated with implementation of House Bill No. 1625 (plan 3 default
21 investment option). If the bill is not enacted by June 30, 2011, the
22 amount provided in this subsection shall lapse.

23 (3) \$133,000 of the department of retirement systems--state
24 appropriation is provided solely for the administrative costs
25 associated with implementation of Engrossed House Bill No. 1981 as
26 amended (post-retirement employment). If the bill is not enacted by
27 June 30, 2011, the amount provided in this subsection shall lapse.

28 (4) \$15,000 of the department of retirement systems expense
29 account--state appropriation is provided solely for the administrative
30 costs associated with implementation of Substitute House Bill No. 2021
31 (plan 1 annual increase amounts). If the bill is not enacted by June
32 30, 2011, the amount provided in this section shall lapse.

33 (5) \$32,000 of the department of retirement systems--state
34 appropriation is provided solely for the administrative costs
35 associated with implementation of Engrossed Senate Bill No. 5159 (state
36 patrol retirement system service credit). If the bill is not enacted
37 by June 30, 2012, the amount provided in this subsection shall lapse.

1 **Sec. 1112.** 2012 2nd sp.s. c 7 s 139 (uncodified) is amended to
2 read as follows:

3 **FOR THE OFFICE OF MINORITY AND WOMEN'S BUSINESS ENTERPRISES**

4 OMWBE Enterprises Account--State Appropriation	(((\$3,654,000)))
5	<u>\$3,754,000</u>

6 The appropriations in this section are subject to the following
7 conditions and limitations: \$100,000 of the minority and women's
8 business enterprises account--state appropriation is provided for
9 implementation of a certification program for small business
10 enterprises. The agency will collaborate with the department of
11 transportation to certify small businesses as small business
12 enterprises.

13 **Sec. 1113.** 2012 2nd sp.s. c 7 s 142 (uncodified) is amended to
14 read as follows:

15 **FOR THE LIQUOR CONTROL BOARD**

16 Liquor Control Board Construction and Maintenance	
17 Account--State Appropriation	\$3,063,000
18 Liquor Revolving Account--State Appropriation	\$171,838,000
19 General Fund--Federal Appropriation	\$945,000
20 General Fund--Private/Local Appropriation	\$25,000
21 TOTAL APPROPRIATION	\$175,871,000

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

24 (1) The legislature intends to facilitate the orderly transition of
25 liquor services as required by Initiative Measure No. 1183. For liquor
26 control board employees that remain through June 15, 2012, a temporary
27 opportunity to cash out sick leave is provided to assist the unique
28 challenges to the liquor control board and its employees posed by this
29 transition.

30 (2) Within the amounts appropriated in this section from the liquor
31 revolving account--state appropriation, liquor control board employees
32 who: (a) Occupy positions in the job classifications provided in
33 subsection (3)(c) of this section that will be eliminated after the
34 liquor control board ceases to distribute liquor; and (b) remain as
35 liquor control board employees through June 15, 2012, and who separate
36 from service due to lay off by October 1, 2012, may elect to receive

1 remuneration for their entire sick leave balance at a rate equal to one
2 day's current monetary compensation of the employee for each four full
3 days of accrued sick leave.

4 (3) The following conditions apply to sick leave cash out under
5 this subsection:

6 (a) The rate of monetary compensation for the purposes of this
7 subsection shall not be reduced by any temporary salary reduction;

8 (b) Remuneration or benefits received under this subsection shall
9 not be included for the purpose of computing a retirement allowance
10 under any public retirement system in this state;

11 (c) The following job classifications are eligible:

- 12 (i) Liquor store clerk;
- 13 (ii) Retail assistant store manager 1;
- 14 (iii) Retail assistant store manager 2;
- 15 (iv) Retail store manager 3;
- 16 (v) Retail store manager 4;
- 17 (vi) Retail district manager;
- 18 (vii) Retail operations manager;
- 19 (viii) Director of retail services;
- 20 (ix) Director of distribution center;
- 21 (x) Director of purchasing;
- 22 (xi) Director of business enterprise;
- 23 (xii) Warehouse operator 1;
- 24 (xiii) Warehouse operator 2;
- 25 (xiv) Warehouse operator 3; and
- 26 (xv) Warehouse operator 4; and

27 (d) Should the legislature revoke any remuneration or benefits
28 granted under this section, an affected employee shall not be entitled
29 thereafter to receive such benefits as a matter of contractual right.

30 (4) Within the amounts appropriated in this section from the liquor
31 revolving account--state appropriation, up to \$946,000 may be used by
32 the liquor control board to implement Initiative Measure No. 502.

33 **Sec. 1114.** 2012 2nd sp.s. c 7 s 144 (uncodified) is amended to
34 read as follows:

35 **FOR THE MILITARY DEPARTMENT**

36	General Fund--State Appropriation (FY 2012)	\$7,116,000
37	General Fund--State Appropriation (FY 2013)	(\$6,872,000)

1		<u>\$6,938,000</u>
2	General Fund--Federal Appropriation	((\$159,075,000))
3		<u>\$159,114,000</u>
4	Enhanced 911 Account--State Appropriation	\$48,620,000
5	Disaster Response Account--State Appropriation	\$23,119,000
6	Disaster Response Account--Federal Appropriation	\$91,368,000
7	Military Department Rent and Lease Account--State	
8	Appropriation	\$615,000
9	Worker and Community Right-to-Know Account--State	
10	Appropriation	\$2,163,000
11	TOTAL APPROPRIATION	((\$338,948,000))
12		<u>\$339,053,000</u>

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

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

26 (2) \$75,000,000 of the general fund--federal appropriation is
27 provided solely for homeland security, subject to the following
28 conditions:

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

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

1 (3) \$15,000 of the general fund--state appropriation in fiscal year
2 2013 is provided solely to maintain the three generator systems that
3 allow the emergency operations center and emergency management division
4 to operate during unexpected power outages.

5 **Sec. 1115.** 2012 2nd sp.s. c 7 s 149 (uncodified) is amended to
6 read as follows:

7 **FOR THE DEPARTMENT OF ENTERPRISE SERVICES**

8	General Fund--State Appropriation (FY 2012)	\$3,401,000
9	General Fund--State Appropriation (FY 2013)	\$3,309,000
10	(General Fund--Federal Appropriation	\$177,000
11	General Fund--Private/Local Appropriation	\$368,000)
12	Building Code Council Account--State Appropriation	\$1,186,000
13	Department of Personnel Service Account--State	
14	Appropriation	\$11,117,000
15	Enterprise Services Account--State Appropriation	\$26,336,000
16	TOTAL APPROPRIATION	(\$45,894,000)
17		<u>\$45,349,000</u>

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

20 (1) The appropriations in this section are for the operations and
21 expenses of the department of enterprise services as established by
22 Engrossed Substitute Senate Bill No. 5931 (central service functions of
23 state government), effective October 1, 2011. Prior to October 1,
24 2011, the appropriations in this section may be expended for the
25 continued operations and expenses of the office of financial
26 management, the department of general administration, the department of
27 information services, and the department of personnel, pursuant to the
28 expenditure authority schedules produced by the office of financial
29 management, in accordance with chapter 43.88 RCW.

30 (2) \$3,028,000 of the general fund--state appropriation for fiscal
31 year 2012 and \$2,967,000 of the general fund--state appropriation for
32 fiscal year 2013 are provided solely for the payment of facilities and
33 services charges, utilities and contracts charges, public and historic
34 facilities charges, and capital projects surcharges allocable to the
35 senate, house of representatives, statute law committee, and joint
36 legislative systems committee. The department shall allocate charges
37 attributable to these agencies among the affected revolving funds. The

1 department shall maintain an interagency agreement with these agencies
2 to establish performance standards, prioritization of preservation and
3 capital improvement projects, and quality assurance provisions for the
4 delivery of services under this subsection. The legislative agencies
5 named in this subsection shall continue to enjoy all of the same rights
6 of occupancy and space use on the capitol campus as historically
7 established.

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

11 (4) The building code council account appropriation is provided
12 solely for the operation of the state building code council as required
13 by statute and modified by the standards established by executive order
14 10-06. The council shall not consider any proposed code amendment or
15 take any other action not authorized by statute or in compliance with
16 the standards established in executive order 10-06. No member of the
17 council may receive compensation, per diem, or reimbursement for
18 activities other than physical attendance at those meetings of the
19 state building code council or the council's designated committees, at
20 which the opportunity for public comment is provided generally and on
21 all agenda items upon which the council proposes to take action.

22 (5) Specific funding is provided for the purposes of section 3 of
23 House Bill No. 1770 (state purchasing).

24 (6) The amounts appropriated in this section are for implementation
25 of Senate Bill No. 5931 (streamlining central service functions).

26 (7) The department of enterprise services shall purchase flags
27 needed for ceremonial occasions on the capitol campus in order to fully
28 represent the countries that have an international consulate in
29 Washington state.

30 (8) Before any agency may purchase a passenger motor vehicle as
31 defined in RCW 43.19.560, the agency must have written approval from
32 the director of the department of enterprise services.

33 (9) The department shall adjust billings for self-insurance
34 premiums to transportation agencies to reflect rate reductions assumed
35 in this act.

(End of part)

PART XII
HUMAN SERVICES

3 **Sec. 1201.** 2012 2nd sp.s. c 7 s 201 (uncodified) is amended to
4 read as follows:

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

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

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

31 (3)(a) The health care authority and the department are authorized
32 to develop an integrated health care program designed to slow the
33 progression of illness and disability and better manage medicaid
34 expenditures for the aged and disabled population. Under the
35 Washington medicaid integration partnership (WMIP) and the medicare

1 integrated care project (MICP), the health care authority and the
2 department may combine and transfer such medicaid funds appropriated
3 under sections 204, 206, 208, and 213 of this act as may be necessary
4 to finance a unified health care plan for the WMIP and the MICP program
5 enrollment. The WMIP pilot projects shall not exceed a daily
6 enrollment of 6,000 persons, nor expand beyond one county during the
7 2011-2013 fiscal biennium. The amount of funding assigned from each
8 program may not exceed the average per capita cost assumed in this act
9 for individuals covered by that program, actuarially adjusted for the
10 health condition of persons enrolled, times the number of clients
11 enrolled. In implementing the WMIP and the MICP, the health care
12 authority and the department may: (i) Withhold from calculations of
13 "available resources" as set forth in RCW 71.24.025 a sum equal to the
14 capitated rate for enrolled individuals; and (ii) employ capitation
15 financing and risk-sharing arrangements in collaboration with health
16 care service contractors licensed by the office of the insurance
17 commissioner and qualified to participate in both the medicaid and
18 medicare programs. The health care authority and the department shall
19 conduct an evaluation of the WMIP by October 15, 2012, and of the MICP
20 measuring changes in participant health outcomes, changes in patterns
21 of service utilization, participant satisfaction, participant access to
22 services, and the state fiscal impact.

23 (b) Effective January 1, 2013, if Washington has been selected to
24 participate in phase two of the federal demonstration project for
25 persons dually-eligible for both medicare and medicaid, the department
26 and the authority may initiate the MICP. Participation in the project
27 shall be limited to persons who are eligible for both medicare and
28 medicaid and to counties in which the county legislative authority has
29 agreed to the terms and conditions under which it will operate. The
30 purpose of the project shall be to demonstrate and evaluate ways to
31 improve care while reducing state expenditures for persons enrolled
32 both in medicare and medicaid. To that end, prior to initiating the
33 project, the department and the authority shall assure that state
34 expenditures shall be no greater on either a per person or total basis
35 than the state would otherwise incur. Individuals who are solely
36 eligible for medicaid may also participate if their participation is
37 agreed to by the health care authority, the department, and the county
38 legislative authority.

1 (4) The legislature finds that medicaid payment rates, as
2 calculated by the department pursuant to the appropriations in this
3 act, bear a reasonable relationship to the costs incurred by
4 efficiently and economically operated facilities for providing quality
5 services and will be sufficient to enlist enough providers so that care
6 and services are available to the extent that such care and services
7 are available to the general population in the geographic area. The
8 legislature finds that cost reports, payment data from the federal
9 government, historical utilization, economic data, and clinical input
10 constitute reliable data upon which to determine the payment rates.

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

22 (6)(a) The appropriations to the department of social and health
23 services in this act shall be expended for the programs and in the
24 amounts specified in this act. However, after May 1, (~~(2012)~~) 2013,
25 unless specifically prohibited by this act, the department may transfer
26 general fund--state appropriations for fiscal year (~~(2012)~~) 2013 among
27 programs after approval by the director of financial management.
28 However, the department shall not transfer state moneys that are
29 provided solely for a specified purpose except as expressly provided in
30 (b) of this subsection.

31 (b) To the extent that transfers under (a) of this subsection are
32 insufficient to fund actual expenditures in excess of fiscal year
33 (~~(2012)~~) 2013 caseload forecasts and utilization assumptions in the
34 long-term care, foster care, adoptions support, medicaid personal care,
35 and child support programs, the department may transfer state moneys
36 that are provided solely for a specified purpose. The department shall
37 not transfer funds, and the director of financial management shall not
38 approve the transfer, unless the transfer is consistent with the

1 objective of conserving, to the maximum extent possible, the
2 expenditure of state funds. The director of financial management shall
3 notify the appropriate fiscal committees of the senate and house of
4 representatives in writing seven days prior to approving any allotment
5 modifications or transfers under this subsection. The written
6 notification shall include a narrative explanation and justification of
7 the changes, along with expenditures and allotments by budget unit and
8 appropriation, both before and after any allotment modifications or
9 transfers.

10 **Sec. 1202.** 2012 2nd sp.s. c 7 s 202 (uncodified) is amended to
11 read as follows:

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

14	General Fund--State Appropriation (FY 2012)	\$287,014,000
15	General Fund--State Appropriation (FY 2013)	(\$285,018,000)
16		<u>\$277,169,000</u>
17	General Fund--Federal Appropriation	(\$479,315,000)
18		<u>\$476,739,000</u>
19	General Fund--Private/Local Appropriation	(\$1,354,000)
20		<u>\$1,804,000</u>
21	Home Security Fund Account--State Appropriation	\$10,741,000
22	Domestic Violence Prevention Account--State	
23	Appropriation	\$1,240,000
24	Education Legacy Trust Account--State Appropriation	\$725,000
25	TOTAL APPROPRIATION	(\$1,065,407,000)
26		<u>\$1,055,432,000</u>

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

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

34 (2) \$668,000 of the general fund--state appropriation for fiscal
35 year 2012 and \$668,000 of the general fund--state appropriation for
36 fiscal year 2013 are provided solely to contract for the operation of
37 one pediatric interim care center. The center shall provide

1 residential care for up to thirteen children through two years of age.
2 Seventy-five percent of the children served by the center must be in
3 need of special care as a result of substance abuse by their mothers.
4 The center shall also provide on-site training to biological, adoptive,
5 or foster parents. The center shall provide at least three months of
6 consultation and support to the parents accepting placement of children
7 from the center. The center may recruit new and current foster and
8 adoptive parents for infants served by the center. The department
9 shall not require case management as a condition of the contract. The
10 department shall collaborate with the pediatric interim care center to
11 determine if and how the center could be appropriately incorporated
12 into the performance-based contract model and report its findings to
13 the legislature by December 1, 2012.

14 (3)(a) \$80,887,000 of the general fund--state appropriation for
15 fiscal year 2012, (~~(\$81,067,000)~~) \$76,567,000 of the general fund--
16 state appropriation for fiscal year 2013, and (~~(\$74,800,000)~~)
17 \$71,598,034 of the general fund--federal appropriation are provided
18 solely for services for children and families. The amounts provided in
19 this section shall be allotted on a monthly basis and expenditures
20 shall not exceed allotments based on a three month rolling average
21 without approval of the office of financial management following
22 notification to the legislative fiscal committees.

23 (b) The department shall use these services to safely reduce the
24 number of children in out-of-home care, safely reduce the time spent in
25 out-of-home care prior to achieving permanency, and safely reduce the
26 number of children returning to out-of-home care following permanency.
27 The department shall provide an initial report to the legislature and
28 the governor by January 15, 2012, regarding the start-up costs
29 associated with performance-based contracts under RCW 74.13.360 .

30 (c) Of the amounts provided in (a) of this subsection, \$579,000 of
31 the general fund--state appropriation for fiscal year 2013 and \$109,000
32 of the general fund--federal appropriation are provided solely for a
33 receiving care center east of the Cascade mountains.

34 (4) \$176,000 of the general fund--state appropriation for fiscal
35 year 2012, \$177,000 of the general fund--state appropriation for fiscal
36 year 2013, \$656,000 of the general fund--private/local appropriation,
37 \$253,000 of the general fund--federal appropriation, and \$725,000 of
38 the education legacy trust account--state appropriation are provided

1 solely for children's administration to contract with an educational
2 advocacy provider with expertise in foster care educational outreach.
3 The amounts in this subsection are provided solely for contracted
4 education coordinators to assist foster children in succeeding in K-12
5 and higher education systems and to assure a focus on education during
6 the transition to performance based contracts. Funding shall be
7 prioritized to regions with high numbers of foster care youth and/or
8 regions where backlogs of youth that have formerly requested
9 educational outreach services exist. The department shall utilize
10 private matching funds to maintain educational advocacy services.

11 (5) \$670,000 of the general fund--state appropriation for fiscal
12 year 2012 and \$670,000 of the general fund--state appropriation for
13 fiscal year 2013 are provided solely for services provided through
14 children's advocacy centers.

15 (6) To ensure expenditures remain within available funds
16 appropriated in this section as required by RCW 74.13A.005 and
17 74.13A.020, the secretary shall not set the amount of any adoption
18 assistance payment or payments, made pursuant to RCW 26.33.320 and
19 74.13A.005 through 74.13A.080, to more than ninety percent of the
20 foster care maintenance payment for that child had he or she remained
21 in a foster family home during the same period. This subsection does
22 not apply to adoption assistance agreements in existence on the
23 effective date of this section.

24 (7) \$10,741,000 of the home security fund--state appropriation is
25 provided solely for the department to contract for services pursuant to
26 RCW 13.32A.030 and 74.15.220. The department shall contract and
27 collaborate with service providers in a manner that maintains the
28 availability and geographic representation of secure and semi-secure
29 crisis residential centers and HOPE centers. To achieve efficiencies
30 and increase utilization, the department shall allow the co-location of
31 these centers, except that a youth may not be placed in a secure
32 facility or the secure portion of a co-located facility except as
33 specifically authorized by chapter 13.32A RCW. The reductions to
34 appropriations in this subsection related to semi-secure crisis
35 residential centers reflect a reduction to the number of beds for semi-
36 secure crisis residential centers and not a reduction in rates. Any
37 secure crisis residential center or semi-secure crisis residential
38 center bed reduction shall not be based solely upon bed utilization.

1 The department is to exercise its discretion in reducing the number of
2 beds but to do so in a manner that maintains availability and
3 geographic representation of semi-secure and secure crisis residential
4 centers.

5 (8) \$47,000 of the general fund--state appropriation for fiscal
6 year 2012, \$14,000 of the general fund--state appropriation for fiscal
7 year 2013, and \$40,000 of the general fund--federal appropriation are
8 provided solely to implement Substitute House Bill No. 1697 (dependency
9 system). If the bill is not enacted by June 30, 2011, the amounts
10 provided in this subsection shall lapse.

11 (9) \$564,000 of the general fund--federal appropriation is provided
12 solely to implement Second Substitute House Bill No. 1128 (extended
13 foster care). If the bill is not enacted by June 30, 2011, the amount
14 provided in this subsection shall lapse.

15 (10) \$799,000 of the general fund--state appropriation for fiscal
16 year 2013 and \$799,000 of the general fund--federal appropriation are
17 provided solely for the implementation of Engrossed Second Substitute
18 House Bill No. 2264 (child welfare/contracting). If the bill is not
19 enacted by June 30, 2012, the amounts provided in this subsection shall
20 lapse.

21 (11) \$178,000 of the general fund--federal appropriation is
22 provided solely for the implementation of Engrossed Second Substitute
23 House Bill No. 2592 (extended foster care). If the bill is not enacted
24 by June 30, 2012, the amount provided in this subsection shall lapse.

25 (12) \$616,000 of the general fund--state appropriation for fiscal
26 year 2013 and \$616,000 of the general fund--federal appropriation are
27 provided solely for the implementation of Engrossed Substitute Senate
28 Bill No. 6555 (child protective services). If the bill is not enacted
29 by June 30, 2012, the amounts provided in this subsection shall lapse.

30 **Sec. 1203.** 2012 2nd sp.s. c 7 s 203 (uncodified) is amended to
31 read as follows:

32 **FOR THE DEPARTMENT OF SOCIAL AND HEALTH SERVICES--JUVENILE**
33 **REHABILITATION PROGRAM**

34	General Fund--State Appropriation (FY 2012)	\$85,723,000
35	General Fund--State Appropriation (FY 2013)	(\$85,258,000)
36		<u>\$85,477,000</u>
37	General Fund--Federal Appropriation	(\$3,809,000)

1		<u>\$3,808,000</u>
2	General Fund--Private/Local Appropriation	((<u>\$1,903,000</u>))
3		<u>\$1,904,000</u>
4	Washington Auto Theft Prevention Authority Account--	
5	State Appropriation	\$196,000
6	Juvenile Accountability Incentive Account--Federal	
7	Appropriation	\$2,801,000
8	TOTAL APPROPRIATION	((<u>\$179,690,000</u>))
9		<u>\$179,909,000</u>

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

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

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

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

36 (4) \$1,130,000 of the general fund--state appropriation for fiscal
37 year 2012 and \$1,130,000 of the general fund--state appropriation for
38 fiscal year 2013 are provided solely to implement alcohol and substance

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

8 (5) \$3,123,000 of the general fund--state appropriation for fiscal
9 year 2012 and \$3,123,000 of the general fund--state appropriation for
10 fiscal year 2013 are provided solely for grants to county juvenile
11 courts for the following programs identified by the Washington state
12 institute for public policy (institute) in its October 2006 report:
13 "Evidence-Based Public Policy Options to Reduce Future Prison
14 Construction, Criminal Justice Costs and Crime Rates": Functional
15 family therapy, multi-systemic therapy, aggression replacement training
16 and interagency coordination programs, or other programs with a
17 positive benefit-cost finding in the institute's report. County
18 juvenile courts shall apply to the juvenile rehabilitation
19 administration for funding for program-specific participation and the
20 administration shall provide grants to the courts consistent with the
21 per-participant treatment costs identified by the institute.

22 (6) \$1,537,000 of the general fund--state appropriation for fiscal
23 year 2012 and \$1,537,000 of the general fund--state appropriation for
24 fiscal year 2013 are provided solely for expansion of the following
25 treatments and therapies in juvenile rehabilitation administration
26 programs identified by the Washington state institute for public policy
27 in its October 2006 report: "Evidence-Based Public Policy Options to
28 Reduce Future Prison Construction, Criminal Justice Costs and Crime
29 Rates": Multidimensional treatment foster care, family integrated
30 transitions, and aggression replacement training, or other programs
31 with a positive benefit-cost finding in the institute's report. The
32 administration may concentrate delivery of these treatments and
33 therapies at a limited number of programs to deliver the treatments in
34 a cost-effective manner.

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

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

24 (b) The juvenile rehabilitation administration shall phase the
25 implementation of the formula provided in subsection (1) of this
26 section by including a stop-loss formula of five percent in fiscal year
27 2012 and five percent in fiscal year 2013.

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

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

24 (d) The juvenile courts and administrative office of the courts
25 shall be responsible for collecting and distributing information and
26 providing access to the data systems to the juvenile rehabilitation
27 administration and the Washington state institute for public policy
28 related to program and outcome data. The juvenile rehabilitation
29 administration and the juvenile courts will work collaboratively to
30 develop program outcomes that reinforce the greatest cost benefit to
31 the state in the implementation of evidence-based practices and
32 disposition alternatives.

33 (8) The juvenile courts and administrative office of the courts
34 shall collect and distribute information related to program outcome and
35 provide access to these data systems to the juvenile rehabilitation
36 administration and Washington state institute for public policy.
37 Consistent with chapter 13.50 RCW, all confidentiality agreements
38 necessary to implement this information-sharing shall be approved

1 within 30 days of the effective date of this section. The agreements
2 between administrative office of the courts, the juvenile courts, and
3 the juvenile rehabilitation administration shall be executed to ensure
4 that the juvenile rehabilitation administration receives the data that
5 the juvenile rehabilitation administration identifies as needed to
6 comply with this subsection. This includes, but is not limited to,
7 information by program at the statewide aggregate level, individual
8 court level, and individual client level for the purpose of the
9 juvenile rehabilitation administration providing quality assurance and
10 oversight for the locally committed youth block grant and associated
11 funds and at times as specified by the juvenile rehabilitation
12 administration as necessary to carry out these functions. The data
13 shall be provided in a manner that reflects the collaborative work the
14 juvenile rehabilitation administration and juvenile courts have
15 developed regarding program outcomes that reinforce the greatest cost
16 benefit to the state in the implementation of evidence-based practices
17 and disposition alternatives.

18 (9) The Washington association of juvenile court administrators and
19 the juvenile rehabilitation administration, in consultation with the
20 community juvenile accountability act advisory committee and the
21 Washington state institute for public policy, shall analyze and review
22 data elements available from the administrative office of the courts
23 for possible integration into the evidence-based program quality
24 assurance plans and processes. The administrative office of the
25 courts, the Washington association of juvenile court administrators,
26 and the juvenile rehabilitation administration shall provide
27 information necessary to complete the review and analysis. The
28 Washington association of juvenile court administrators and the
29 juvenile rehabilitation administration shall report the findings of
30 their review and analysis, as well as any recommendations, to the
31 legislature by December 1, 2012.

32 **Sec. 1204.** 2012 2nd sp.s. c 7 s 204 (uncodified) is amended to
33 read as follows:

34 **FOR THE DEPARTMENT OF SOCIAL AND HEALTH SERVICES--MENTAL HEALTH**
35 **PROGRAM**

36 (1) COMMUNITY SERVICES/REGIONAL SUPPORT NETWORKS
37 General Fund--State Appropriation (FY 2012) \$317,734,000

1	General Fund--State Appropriation (FY 2013)	((\$324,319,000))
2		<u>\$321,609,000</u>
3	General Fund--Federal Appropriation	((\$449,593,000))
4		<u>\$446,619,000</u>
5	General Fund--Private/Local Appropriation	\$17,864,000
6	Hospital Safety Net Assessment Fund--State	
7	Appropriation	\$5,251,000
8	TOTAL APPROPRIATION	((\$1,114,761,000))
9		<u>\$1,109,077,000</u>

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

12 (a) \$109,342,000 of the general fund--state appropriation for
13 fiscal year 2012 and \$109,341,000 of the general fund--state
14 appropriation for fiscal year 2013 are provided solely for persons and
15 services not covered by the medicaid program. This is a reduction of
16 \$4,348,000 each fiscal year from the nonmedicaid funding that was
17 allocated for expenditure by regional support networks during fiscal
18 year 2011 prior to supplemental budget reductions. This \$4,348,000
19 reduction shall be distributed among regional support networks
20 proportional to each network's share of the total state population. To
21 the extent possible, levels of regional support network spending shall
22 be maintained in the following priority order: (i) Crisis and
23 commitment services; (ii) community inpatient services; and (iii)
24 residential care services, including personal care and emergency
25 housing assistance.

26 (b) \$6,590,000 of the general fund--state appropriation for fiscal
27 year 2012, \$6,590,000 of the general fund--state appropriation for
28 fiscal year 2013, and \$7,620,000 of the general fund--federal
29 appropriation are provided solely for the department and regional
30 support networks to continue to contract for implementation of high-
31 intensity programs for assertive community treatment (PACT) teams. In
32 determining the proportion of medicaid and nonmedicaid funding provided
33 to regional support networks with PACT teams, the department shall
34 consider the differences between regional support networks in the
35 percentages of services and other costs associated with the teams that
36 are not reimbursable under medicaid. The department may allow regional
37 support networks which have nonmedicaid reimbursable costs that are
38 higher than the nonmedicaid allocation they receive under this section

1 to supplement these funds with local dollars or funds received under
2 section 204(1)(a) of this act. The department and regional support
3 networks shall maintain consistency with all essential elements of the
4 PACT evidence-based practice model in programs funded under this
5 section.

6 (c) \$5,850,000 of the general fund--state appropriation for fiscal
7 year 2012, \$5,850,000 of the general fund--state appropriation for
8 fiscal year 2013, and \$1,300,000 of the general fund--federal
9 appropriation are provided solely for the western Washington regional
10 support networks to provide either community- or hospital campus-based
11 services for persons who require the level of care previously provided
12 by the program for adaptive living skills (PALS) at western state
13 hospital.

14 (d) The number of nonforensic beds allocated for use by regional
15 support networks at eastern state hospital shall be 192 per day. The
16 number of nonforensic beds allocated for use by regional support
17 networks at western state hospital shall be 557 per day.

18 (e) From the general fund--state appropriations in this subsection,
19 the secretary of social and health services shall assure that regional
20 support networks reimburse the aging and disability services
21 administration for the general fund--state cost of medicaid personal
22 care services that enrolled regional support network consumers use
23 because of their psychiatric disability.

24 ~~((g))~~ (f) The department is authorized to continue to contract
25 directly, rather than through contracts with regional support networks,
26 for children's long-term inpatient facility services.

27 ~~((h))~~ (g) \$750,000 of the general fund--state appropriation for
28 fiscal year 2012 and \$750,000 of the general fund--state appropriation
29 for fiscal year 2013 are provided solely to continue performance-based
30 incentive contracts to provide appropriate community support services
31 for individuals with severe mental illness who were discharged from the
32 state hospitals as part of the expanding community services initiative.
33 These funds will be used to enhance community residential and support
34 services provided by regional support networks through other state and
35 federal funding.

36 ~~((i))~~ (h) \$1,125,000 of the general fund--state appropriation for
37 fiscal year 2012 and \$1,125,000 of the general fund--state

1 appropriation for fiscal year 2013 are provided solely for the Spokane
2 regional support network to implement services to reduce utilization
3 and the census at eastern state hospital. Such services shall include:

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

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

10 (iii) Mental health services provided in nursing facilities to
11 individuals with dementia, and consultation to facility staff treating
12 those individuals; and

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

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

18 ~~((+j))~~ (i) \$1,529,000 of the general fund--state appropriation for
19 fiscal year 2012 and \$1,529,000 of the general fund--state
20 appropriation for fiscal year 2013 are provided solely to reimburse
21 Pierce and Spokane counties for the cost of conducting 180-day
22 commitment hearings at the state psychiatric hospitals.

23 ~~((+k))~~ (j) Regional support networks may use local funds to earn
24 additional federal medicaid match, provided the locally matched rate
25 does not exceed the upper-bound of their federally allowable rate
26 range, and provided that the enhanced funding is used only to provide
27 medicaid state plan or waiver services to medicaid clients.
28 Additionally, regional support networks may use a portion of the state
29 funds allocated in accordance with (a) of this subsection to earn
30 additional medicaid match, but only to the extent that the application
31 of such funds to medicaid services does not diminish the level of
32 crisis and commitment, community inpatient, residential care, and
33 outpatient services presently available to persons not eligible for
34 medicaid.

35 ~~((+l))~~ (k) Given the recent approval of federal medicaid matching
36 funds for the disability lifeline and the alcohol and drug abuse
37 treatment support act programs, the department shall charge regional

1 support networks for only the state share rather than the total cost of
2 community psychiatric hospitalization for persons enrolled in those
3 programs.

4 ~~((m))~~ (l) \$750,000 of the general fund--state appropriation for
5 fiscal year 2012, \$750,000 of the general fund--state appropriation for
6 fiscal year 2013, and \$1,500,000 of the general fund--federal
7 appropriation are provided solely to adjust regional support network
8 capitation rates to account for the per diem rates actually paid for
9 psychiatric care provided at hospitals participating in the certified
10 public expenditure program operated pursuant to section 213 of this
11 act.

12 ~~((n))~~ (m) The appropriations in this section reflect efficiencies
13 to be achieved through voluntary consolidation of regional support
14 networks in accordance with Substitute House Bill No. 2139 (regional
15 support networks). Voluntary consolidation of regional support
16 networks is expected to result in administrative efficiencies and
17 maximize dollars available for direct services to individuals with
18 mental illnesses without corresponding increases in state
19 appropriations.

20 (2) INSTITUTIONAL SERVICES

21	General Fund--State Appropriation (FY 2012)	\$115,017,000
22	General Fund--State Appropriation (FY 2013)	(\$112,603,000)
23		<u>\$118,883,000</u>
24	General Fund--Federal Appropriation	(\$153,618,000)
25		<u>\$152,917,000</u>
26	General Fund--Private/Local Appropriation	(\$67,325,000)
27		<u>\$64,555,000</u>
28	TOTAL APPROPRIATION	(\$448,563,000)
29		<u>\$451,372,000</u>

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

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

35 (b) \$231,000 of the general fund--state appropriation for fiscal
36 year 2012 and \$231,000 of the general fund--state appropriation for
37 fiscal year 2013 are provided solely for a community partnership
38 between western state hospital and the city of Lakewood to support

1 community policing efforts in the Lakewood community surrounding
2 western state hospital. The amounts provided in this subsection (2)(b)
3 are for the salaries, benefits, supplies, and equipment for one full-
4 time investigator, one full-time police officer, and one full-time
5 community service officer at the city of Lakewood.

6 (c) \$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 payment to the city of
9 Lakewood for police services provided by the city at western state
10 hospital and adjacent areas.

11 (d) \$20,000,000 of the general fund--state appropriation for fiscal
12 year 2012 and \$20,000,000 of the general fund--state appropriation for
13 fiscal year 2013 are provided solely to maintain staffed capacity to
14 serve an average daily census in forensic wards at western state
15 hospital of 270 patients per day.

16 (e) The appropriations in this section reflect efficiencies to be
17 achieved through enactment of Substitute Senate Bill No. 6492
18 (competency to stand trial). These efficiencies are expected to enable
19 the hospitals to substantially increase the timeliness with which
20 evaluations of defendant competency to stand trial are completed, and
21 treatment to restore competency is initiated, without corresponding
22 increases in state appropriations.

23 (3) SPECIAL PROJECTS

24	General Fund--State Appropriation (FY 2012)	\$1,148,000
25	General Fund--State Appropriation (FY 2013)	\$1,276,000
26	General Fund--Federal Appropriation	(\$4,198,000)
27		<u>\$5,198,000</u>
28	General Fund--Private/Local Appropriation	\$700,000
29	TOTAL APPROPRIATION	(\$7,322,000)
30		<u>\$8,322,000</u>

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

33 (a) \$1,161,000 of the general fund--state appropriation for fiscal
34 year 2012 and \$1,161,000 of the general fund--state appropriation for
35 fiscal year 2013 are provided solely for children's evidence-based
36 mental health services. Funding is sufficient to continue serving
37 children at the same levels as fiscal year 2009.

1 (b) \$700,000 of the general fund--private/local appropriation is
 2 provided solely for the University of Washington's evidence-based
 3 practice institute which supports the identification, evaluation, and
 4 implementation of evidence-based or promising practices for serving
 5 children and youth with mental health disorders. The department shall
 6 enter into an interagency agreement with the office of the attorney
 7 general for expenditure of \$700,000 of the state's proceeds of the *cy*
 8 *pres* settlement in *State of Washington v. AstraZeneca* (Seroquel) for
 9 this purpose.

10 (c) \$135,000 of the general fund--state appropriation for fiscal
 11 year 2013 and \$89,000 of the general fund--federal appropriation are
 12 provided solely for the department to contract with the University of
 13 Washington's evidence-based practice institute and the Washington state
 14 institute for public policy to consult with the department and the
 15 health care authority on the implementation of Engrossed Second
 16 Substitute House Bill No. 2536 (children services/delivery). The
 17 department's programs responsible for administration of mental health,
 18 child welfare, and juvenile justice programs will coordinate with the
 19 health care authority on the development of contract terms which
 20 facilitate efforts to meet requirements of the bill. If Engrossed
 21 Second Substitute House Bill No. 2536 (children services/delivery) is
 22 not enacted by June 30, 2012, the amounts provided in this subsection
 23 shall lapse.

24 (4) PROGRAM SUPPORT

25	General Fund--State Appropriation (FY 2012)	\$4,482,000
26	General Fund--State Appropriation (FY 2013)	(\$4,247,000)
27		<u>\$4,161,000</u>
28	General Fund--Federal Appropriation	(\$7,210,000)
29		<u>\$7,128,000</u>
30	General Fund--Private/Local Appropriation	\$446,000
31	TOTAL APPROPRIATION	(\$16,385,000)
32		<u>\$16,217,000</u>

33 (a) The appropriations in this subsection are subject to the
 34 following conditions and limitations: In accordance with RCW
 35 43.20B.110, 43.135.055, and 71.24.035, the department is authorized to
 36 increase license and certification fees in fiscal years 2012 and 2013
 37 to support the costs of the regulatory program. The fee schedule
 38 increases must be developed so that the maximum amount of additional

1 fees paid by providers statewide in the 2011-2013 fiscal biennium is
2 \$446,000. The department's fee schedule shall have differential rates
3 for providers with proof of accreditation from organizations that the
4 department has determined to have substantially equivalent standards to
5 those of the department, including but not limited to the joint
6 commission on accreditation of health care organizations, the
7 commission on accreditation of rehabilitation facilities, and the
8 council on accreditation. To reflect the reduced costs associated with
9 regulation of accredited programs, the department's fees for
10 organizations with such proof of accreditation must reflect the lower
11 costs of licensing for these programs than for other organizations
12 which are not accredited.

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

23 **Sec. 1205.** 2012 2nd sp.s. c 7 s 205 (uncodified) is amended to
24 read as follows:

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

27 (1) COMMUNITY SERVICES

28	General Fund--State Appropriation (FY 2012)	\$405,412,000
29	General Fund--State Appropriation (FY 2013)	((\$420,327,000))
30		<u>\$411,082,000</u>
31	General Fund--Federal Appropriation	((\$752,059,000))
32		<u>\$745,033,000</u>
33	General Fund--Private/Local Appropriation	\$184,000
34	TOTAL APPROPRIATION	((\$1,577,982,000))
35		<u>\$1,561,711,000</u>

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

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

5 (b) Amounts appropriated in this subsection 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 (c) Amounts appropriated in this subsection are sufficient to
12 develop and implement the use of a consistent, statewide outcome-based
13 vendor contract for employment and day services by July 1, 2012. The
14 rates paid to vendors under this contract shall also be made
15 consistent. In its description of activities the agency shall include
16 activity listings and dollars appropriated for: Employment services,
17 day services, child development services and county administration of
18 services to the developmentally disabled. The department shall begin
19 reporting to the office of financial management on these activities
20 beginning in fiscal year 2010.

21 (d) \$944,000 of the general fund--state appropriation for fiscal
22 year 2012, \$944,000 of the general fund--state appropriation for fiscal
23 year 2013, and \$1,888,000 of the general fund--federal appropriation
24 are provided solely for state contributions for individual provider
25 health care benefits. Pursuant to the collective bargaining agreement
26 negotiated with the exclusive bargaining representative of individual
27 providers established under RCW 74.39A.270, the state shall contribute
28 to the multiemployer health benefits trust fund \$2.21 per paid hour
29 worked by individual providers.

30 (e) \$1,329,000 of the general fund--state appropriation for fiscal
31 year 2012, \$1,622,000 of the general fund--state appropriation for
32 fiscal year 2013, and \$2,947,000 of the general fund--federal
33 appropriation are provided solely for the state's contribution to the
34 training partnership, as provided in RCW 74.39A.360, for instructional
35 costs associated with the training of individual providers.
36 Contributions are funded at \$0.22 per benefit-eligible paid hour worked
37 by all home care workers. Expenditures for the purposes specified in
38 this subsection shall not exceed the amounts provided in this

1 subsection. However, if the governor and the service employees
2 international union healthcare 775nw can reach agreement on repurposing
3 funding that is currently provided in the individual provider
4 collective bargaining agreement for new individual provider wages paid
5 during training or other training related items, then expenditures for
6 training trust contributions for individual providers may include the
7 amounts provided in this subsection and the agreed upon repurposed
8 funding. Funding in this section for purposes other than the
9 individual provider collective bargaining agreement cannot be used for
10 the purposes of this subsection (1)(e). It is the intent of the
11 legislature that the funding provided in this subsection, including any
12 repurposed funding, is sufficient to cover the costs of individual
13 provider training and therefore tuition or other entrance fees are not
14 necessary.

15 (f) (~~(\$104,669,000)~~) \$107,538,000 of the general fund--state
16 appropriation for fiscal year 2013 and (~~(\$104,669,000)~~) \$107,535,000 of
17 the general fund--federal appropriation are provided solely for the
18 department to provide personal care services to waiver and nonwaiver
19 in-home clients. The department shall provide the legislature with a
20 report by December 5, 2012, on the feasibility of converting the
21 medicaid personal care program for in-home adults to a medicaid program
22 as found in section 1915(i) of the federal social security act that
23 utilizes the option for self-direction of individualized budgets. The
24 department shall operate the personal care program within the amounts
25 specifically provided.

26 (g)(i) Within the amounts appropriated in this subsection, 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, either employment services or
3 community access services. Clients may not participate in more than
4 one of these services at any given time.

5 (ii) The department shall work with counties and stakeholders to
6 strengthen and expand the existing community access program. The
7 program must emphasize support for the client so they are able to
8 participate in activities that integrate them into their community and
9 support independent living and skills.

10 (iii) The appropriation in this subsection includes funding to
11 provide employment or community access services to 168 medicaid
12 eligible young adults with developmental disabilities living with their
13 families who need employment opportunities and assistance after high
14 school graduation.

15 (h) \$75,000 of the general fund--state appropriation for fiscal
16 year 2012 and \$75,000 of the general fund--state appropriation for
17 fiscal year 2013 are provided solely for the restoration of direct
18 support to local organizations that utilize parent-to-parent networks
19 and communication to promote access and quality of care for individuals
20 with developmental disabilities and their families.

21 (i) In accordance with Engrossed Substitute House Bill No. 1277
22 (licensed settings for vulnerable adults), adult family home license
23 fees are increased in fiscal years 2012 and 2013 to support the costs
24 of conducting licensure, inspection, and regulatory programs.

25 (i) The current annual renewal license fee for adult family homes
26 shall be increased to \$100 per bed beginning in fiscal year 2012 and
27 \$175 per bed beginning in fiscal year 2013. Adult family homes shall
28 receive a corresponding vendor rate increase per medicaid patient day
29 of \$0.22 in fiscal year 2012 and \$0.43 in fiscal year 2013, or the
30 amount necessary to fully fund the license fee increase for publicly
31 funded beds, pursuant to the most recent bed estimates maintained by
32 the department.

33 (ii) Beginning in fiscal year 2012, a processing fee of \$2,750
34 shall be charged to each adult family home when the home is initially
35 licensed. This fee is nonrefundable.

36 (j) Clients with developmental disabilities have demonstrated a
37 need and a desire for a day services program as verified by over 900
38 clients currently accessing day programs through a long-term care

1 service model. In addition, every individual, to include those with a
2 developmental disability, should have the opportunity for meaningful
3 employment which allows them to contribute to their communities and to
4 become as self-sufficient as possible. Providing choice empowers
5 recipients of publicly funded services and their families by expanding
6 their degree of control over the services and supports they need.

7 The department shall work with legislators and stakeholders to
8 develop a new approach to employment and day services. The objective
9 of this plan is to ensure that adults with developmental disabilities
10 have optimum choices, and that employment and day offerings are
11 comprehensive enough to meet the needs of all clients currently served
12 on a home and community based waiver. The proposal shall be submitted
13 to the 2012 legislature for consideration and shall be constructed such
14 that a client ultimately receives employment, community access, or the
15 community day option but not more than one service at a time. The
16 proposal shall include options for program efficiencies within the
17 current employment and day structure and shall provide details on the
18 plan to implement a consistent, statewide outcome-based vendor contract
19 for employment and day services as specified in (c) of this subsection.

20 (2) INSTITUTIONAL SERVICES

21	General Fund--State Appropriation (FY 2012)	\$75,436,000
22	General Fund--State Appropriation (FY 2013)	(\$80,356,000)
23		<u>\$78,154,000</u>
24	General Fund--Federal Appropriation	(\$153,570,000)
25		<u>\$152,963,000</u>
26	General Fund--Private/Local Appropriation	\$22,043,000
27	TOTAL APPROPRIATION	(\$331,405,000)
28		<u>\$328,596,000</u>

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

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

35 (b) \$721,000 of the general fund--state appropriation for fiscal
36 year 2012 and \$721,000 of the general fund--state appropriation for
37 fiscal year 2013 are for the department to fulfill its contracts with
38 the school districts under chapter 28A.190 RCW to provide

1 transportation, building space, and other support services as are
2 reasonably necessary to support the educational programs of students
3 living in residential habilitation centers.

4 (3) PROGRAM SUPPORT

5	General Fund--State Appropriation (FY 2012)	\$1,382,000
6	General Fund--State Appropriation (FY 2013)	(((\$1,366,000))
7		<u>\$1,759,000</u>
8	General Fund--Federal Appropriation	(((\$1,319,000))
9		<u>\$1,519,000</u>
10	TOTAL APPROPRIATION	(((\$4,067,000))
11		<u>\$4,660,000</u>

12 (4) SPECIAL PROJECTS

13	General Fund--State Appropriation (FY 2012)	\$4,634,000
14	General Fund--State Appropriation (FY 2013)	(((\$4,553,000))
15		<u>\$6,313,000</u>
16	General Fund--Federal Appropriation	(((\$9,588,000))
17		<u>\$9,786,000</u>
18	General Fund--Private/Local Appropriation	(((\$998,000))
19		<u>\$791,000</u>
20	TOTAL APPROPRIATION	(((\$19,773,000))
21		<u>\$21,524,000</u>

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

24 Amounts appropriated in this subsection are for the purposes of
25 transitioning clients with developmental disabilities into community
26 settings. The department is authorized as needed to use these funds to
27 either pay for clients residing within a residential habilitation
28 center or for placements in the community. Pursuant to Second
29 Substitute Senate Bill No. 5459 (services for people with developmental
30 disabilities), funding in this subsection must be prioritized for the
31 purpose of facilitating the consolidation and closure of Frances Haddon
32 Morgan Center. The department shall use a person-centered approach in
33 developing the discharge plan to assess each resident's needs and
34 identify services the resident requires to successfully transition to
35 the community or another residential habilitation center. The
36 department is authorized to use any savings from this effort for the
37 purpose of developing community resources to address the needs of
38 clients with developmental disabilities who are in crisis or in need of

1 respite. The department shall track the costs and savings of closing
2 Frances Haddon Morgan Center and any investments into community
3 placements and resources. The department shall provide a fiscal
4 progress report to the legislature by December 5, 2011.

5 **Sec. 1206.** 2012 2nd sp.s. c 7 s 206 (uncodified) is amended to
6 read as follows:

7 **FOR THE DEPARTMENT OF SOCIAL AND HEALTH SERVICES--AGING AND ADULT**
8 **SERVICES PROGRAM**

9	General Fund--State Appropriation (FY 2012)	\$791,493,000
10	General Fund--State Appropriation (FY 2013)	(((\$809,338,000))
11		<u>\$802,115,000</u>
12	General Fund--Federal Appropriation	(((\$1,690,993,000))
13		<u>\$1,686,998,000</u>
14	General Fund--Private/Local Appropriation	\$27,517,000
15	Traumatic Brain Injury Account--State Appropriation	\$3,388,000
16	Nursing Facility Quality Assurance Account--State	
17	Appropriation	\$88,000,000
18	TOTAL APPROPRIATION	(((\$3,410,729,000))
19		<u>\$3,399,511,000</u>

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

22 (1) For purposes of implementing chapter 74.46 RCW, the weighted
23 average nursing facility payment rate shall not exceed \$170.37 for
24 fiscal year 2012 and shall not exceed ~~(((\$171.43))~~ \$171.09 for fiscal
25 year 2013, including the rate add-ons described in (a) and (b) of this
26 subsection. However, if the waiver requested from the federal centers
27 for medicare and medicaid services in relation to the safety net
28 assessment created by Engrossed Substitute Senate Bill No. 5581
29 (nursing home payments) is for any reason not approved and implemented,
30 the weighted average nursing facility payment rate shall not exceed
31 \$159.87 for fiscal year 2012 and shall not exceed ~~(((\$160.93))~~ \$161.29
32 for fiscal year 2013. There will be no adjustments for economic trends
33 and conditions in fiscal years 2012 and 2013. The economic trends and
34 conditions factor or factors defined in the biennial appropriations act
35 shall not be compounded with the economic trends and conditions factor
36 or factors defined in any other biennial appropriations acts before
37 applying it to the component rate allocations established in accordance

1 with chapter 74.46 RCW. When no economic trends and conditions factor
2 for either fiscal year is defined in a biennial appropriations act, no
3 economic trends and conditions factor or factors defined in any earlier
4 biennial appropriations act shall be applied solely or compounded to
5 the component rate allocations established in accordance with chapter
6 74.46 RCW.

7 (a) Within the funds provided, the department shall continue to
8 provide an add-on per medicaid resident day per facility not to exceed
9 \$1.57. The add-on shall be used to increase wages, benefits, and/or
10 staffing levels for certified nurse aides; or to increase wages and/or
11 benefits for dietary aides, housekeepers, laundry aides, or any other
12 category of worker whose statewide average dollars-per-hour wage was
13 less than \$15 in calendar year 2008, according to cost report data.
14 The add-on may also be used to address resulting wage compression for
15 related job classes immediately affected by wage increases to low-wage
16 workers. The department shall continue reporting requirements and a
17 settlement process to ensure that the funds are spent according to this
18 subsection.

19 (b) The department shall do a comparative analysis of the facility-
20 based payment rates calculated on July 1, 2012, using the payment
21 methodology defined in chapter 74.46 RCW and as funded in the omnibus
22 appropriations act, excluding the comparative add-on, acuity add-on,
23 and safety net reimbursement, to the facility-based payment rates in
24 effect June 30, 2010. If the facility-based payment rate calculated on
25 July 1, 2012, is smaller than the facility-based payment rate on June
26 30, 2010, then the difference shall be provided to the individual
27 nursing facilities as an add-on payment per medicaid resident day.

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

37 (d) The department shall provide a medicaid rate add-on to
38 reimburse the medicaid share of the skilled nursing facility safety net

1 assessment as a medicaid allowable cost. The nursing facility safety
2 net rate add-on may not be included in the calculation of the annual
3 statewide weighted average nursing facility payment rate.

4 (e) If the waiver requested from the federal centers for medicare
5 and medicaid services in relation to the safety net assessment created
6 by Engrossed Substitute Senate Bill No. 5581 (nursing home payments) is
7 for any reason not approved and implemented, (b), (c), and (d) of this
8 subsection do not apply.

9 (2) After examining actual nursing facility cost information, the
10 legislature finds that the medicaid nursing facility rates calculated
11 pursuant to Engrossed Substitute Senate Bill No. 5581 (nursing home
12 payments) provide sufficient reimbursement to efficiently and
13 economically operating nursing facilities and bear a reasonable
14 relationship to costs.

15 (3) In accordance with chapter 74.46 RCW, the department shall
16 issue no additional certificates of capital authorization for fiscal
17 year 2012 and no new certificates of capital authorization for fiscal
18 year 2013 and shall grant no rate add-ons to payment rates for capital
19 improvements not requiring a certificate of need and a certificate of
20 capital authorization for fiscal years 2012 and 2013.

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

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

33 (6) \$1,883,000 of the general fund--state appropriation for fiscal
34 year 2012, \$1,883,000 of the general fund--state appropriation for
35 fiscal year 2013, and \$3,766,000 of the general fund--federal
36 appropriation are provided solely for state contributions for
37 individual provider health care benefits. Pursuant to the collective
38 bargaining agreement negotiated with the exclusive bargaining

1 representative of individual providers established under RCW
2 74.39A.270, the state shall contribute to the multiemployer health
3 benefits trust fund \$2.21 per paid hour worked by individual providers.

4 (7) \$2,449,000 of the general fund--state appropriation for fiscal
5 year 2012, \$3,012,000 of the general fund--state appropriation for
6 fiscal year 2013, and \$5,463,000 of the general fund--federal
7 appropriation are provided solely for the state's contribution to the
8 training partnership, as provided in RCW 74.39A.360, for instructional
9 costs associated with the training of individual providers.
10 Contributions are funded at \$0.22 per benefit-eligible paid hour worked
11 by all home care workers. Expenditures for the purposes specified in
12 this subsection shall not exceed the amounts provided in this
13 subsection. However, if the governor and the service employees
14 international union healthcare 775nw can reach agreement on repurposing
15 funding that is currently provided in the individual provider
16 collective bargaining agreement for new individual provider wages paid
17 during training or other training related items, then expenditures for
18 training trust contributions for individual providers may include the
19 amounts provided in this subsection and the agreed upon repurposed
20 funding. Funding in this section for purposes other than the
21 individual provider collective bargaining agreement cannot be used for
22 the purposes of this subsection (7). It is the intent of the
23 legislature that the funding provided in this subsection, including any
24 repurposed funding, is sufficient to cover the costs of individual
25 provider training and therefore tuition or other entrance fees are not
26 necessary.

27 (8) (~~(\$338,550,000)~~) \$325,203,000 of the general fund--state
28 appropriation for fiscal year 2013 and (~~(\$338,550,000)~~) \$324,653,000 of
29 the general fund--federal appropriation are provided solely for the
30 department to provide personal care services to waiver and nonwaiver
31 in-home clients. The department shall provide the legislature with a
32 report by December 5, 2012, on the feasibility of converting the
33 medicaid personal care program for in-home adults to a medicaid program
34 as found in section 1915(i) of the federal social security act that
35 utilizes the option for self-direction of individualized budgets. The
36 department shall operate the personal care program within the amounts
37 specifically provided.

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

5 (10) The department shall eliminate the adult day health program
6 under the state plan 1915(i) option and shall reestablish it under the
7 long-term care home and community-based waiver.

8 (11) \$4,588,000 of the general fund--state appropriation for fiscal
9 year 2012, \$4,559,000 of the general fund--state appropriation for
10 fiscal year 2013, and \$9,237,000 of the general fund--federal
11 appropriation are provided solely for the continued operation of
12 community residential and support services for persons who are older
13 adults or who have co-occurring medical and behavioral disorders and
14 who have been discharged or diverted from a state psychiatric hospital.
15 These funds shall be used to serve individuals whose treatment needs
16 constitute substantial barriers to community placement, who no longer
17 require active psychiatric treatment at an inpatient hospital level of
18 care, and who no longer meet the criteria for inpatient involuntary
19 commitment.

20 (12) \$1,840,000 of the general fund--state appropriation for fiscal
21 year 2012 and \$1,877,000 of the general fund--state appropriation for
22 fiscal year 2013 are provided solely for operation of the volunteer
23 services program. Funding shall be prioritized towards serving
24 populations traditionally served by long-term care services to include
25 senior citizens and persons with disabilities.

26 (13) In accordance with Engrossed Substitute House Bill No. 1277
27 (licensed settings for vulnerable adults), nursing facility fees are
28 increased in fiscal year 2012 and adult family home fees are increased
29 in fiscal year 2012 and fiscal year 2013 to support the costs of
30 conducting licensure, inspection, and regulatory programs.

31 (a) The current annual renewal license fee for nursing facilities
32 shall be increased to \$359 per bed beginning in fiscal year 2012 and
33 assumes \$517,000 of the general fund--private/local appropriation.
34 Nursing facilities shall receive a vendor rate increase of \$0.08 per
35 medicaid patient day to cover the license fee increase for publicly
36 funded beds.

37 (b) The current annual renewal license fee for adult family homes
38 shall be increased to \$100 per bed beginning in fiscal year 2012 and

1 assumes \$1,449,000 of the general fund--private/local appropriation;
2 and \$175 per bed beginning in fiscal year 2013 and assumes \$2,463,000
3 of the general fund--private/local appropriation. Adult family homes
4 shall receive a corresponding vendor rate increase per medicaid patient
5 day of \$0.22 in fiscal year 2012 and \$0.43 in fiscal year 2013, or the
6 amount necessary to fully fund the license fee increase for publicly
7 funded beds, pursuant to the most recent bed estimates maintained by
8 the department.

9 (c) Beginning in fiscal year 2012, a processing fee of \$2,750 shall
10 be charged to each adult family home when the home is initially
11 licensed. This fee is nonrefundable.

12 (d) \$72,000 of the general fund--state appropriation for fiscal
13 year 2012, \$708,000 of the general fund--private/local appropriation
14 and \$708,000 of the general fund--federal appropriation are provided
15 solely to implement sections 501 through 503 of Engrossed Substitute
16 House Bill No. 1277 (licensed settings for vulnerable adults). The
17 department shall use additional investigative resources to address
18 complaints about provider practices as well as alleged abuse, neglect,
19 abandonment, and exploitation of residents in adult family homes. The
20 department shall develop a statewide internal quality review and
21 accountability program to improve the accountability of staff and the
22 consistent application of investigative activities, and shall convene
23 a quality assurance panel to review problems in the quality of care in
24 adult family homes.

25 (14) \$3,316,000 of the traumatic brain injury account--state
26 appropriation is provided solely to continue services for persons with
27 traumatic brain injury (TBI) as defined in chapter 143, Laws of 2011
28 (traumatic brain injury strategic partnership).

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

33 (16) The department shall participate in the work group established
34 by the department of corrections in section 220(2) of this act to
35 review release options for elderly and infirm offenders.

36 **Sec. 1207.** 2012 2nd sp.s. c 7 s 207 (uncodified) is amended to
37 read as follows:

1	FOR THE DEPARTMENT OF SOCIAL AND HEALTH SERVICES--ECONOMIC SERVICES	
2	PROGRAM	
3	General Fund--State Appropriation (FY 2012)	\$415,553,000
4	General Fund--State Appropriation (FY 2013)	(\$438,483,000)
5		<u>\$386,366,000</u>
6	General Fund--Federal Appropriation	(\$1,174,416,000)
7		<u>\$1,180,028,000</u>
8	General Fund--Private/Local Appropriation	\$30,592,000
9	TOTAL APPROPRIATION	(\$2,059,044,000)
10		<u>\$2,012,539,000</u>

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

13 (1) \$195,410,000 of the general fund--state appropriation for
14 fiscal year 2012, ~~(\$235,808,000)~~ \$178,052,000 of the general
15 fund--state appropriation for fiscal year 2013, and ~~(\$725,586,000)~~
16 \$712,784,000 of the general fund--federal appropriation are provided
17 solely for all components of the WorkFirst program. Under section 2 of
18 Engrossed Substitute Senate Bill No. 5921 (social services programs),
19 the amounts in this subsection assume that any participant in the
20 temporary assistance for needy families where their participation is
21 suspended and does not volunteer to participate in WorkFirst services
22 or unsubsidized employment does not receive child care subsidies or
23 WorkFirst subsidies as a condition of the suspension. Within the
24 amounts provided for the WorkFirst program, the department may provide
25 assistance using state-only funds for families eligible for temporary
26 assistance for needy families.

27 (a) Within the amounts provided for WorkFirst in this subsection,
28 the department shall continue to implement WorkFirst program
29 improvements that are designed to achieve progress against outcome
30 measures specified in Engrossed House Bill No. 2262 (WorkFirst and
31 child care) and RCW 74.08A.410.

32 (b) The department may establish a career services work transition
33 program.

34 (c) Within amounts appropriated in this section, the legislature
35 expressly mandates that the department exercise its authority, granted
36 in 1997 under RCW 74.08A.290, to contract for work activities services
37 pursuant to that statutory authority and RCW 41.06.142(3).

1 (d) The department shall create a temporary assistance for needy
2 families budget structure that allows for more transparent tracking of
3 budget units and subunits of expenditures where these units and
4 subunits are mutually exclusive from other department budget units.
5 The budget structure shall include budget units for the following:
6 Grants, child care, WorkFirst activities, and administration of the
7 program.

8 (2) \$23,679,000 of the general fund--state appropriation for fiscal
9 year 2012, in addition to supplemental security income recoveries, is
10 provided solely for financial assistance and other services to
11 recipients in the program established in section 4, chapter 8, Laws of
12 2010 1st sp. sess., until the program terminates on October 31, 2011.

13 (3)(a) \$12,457,000 of the general fund--state appropriation for
14 fiscal year 2012 and \$21,959,000 of the general fund--state
15 appropriation for fiscal year 2013, in addition to supplemental
16 security income recoveries, are provided solely for the programs
17 created in Engrossed Substitute House Bill No. 2082 (essential needs
18 and assistance program) beginning November 1, 2011.

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

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

31 (4) \$1,657,000 of the general fund--state appropriation for fiscal
32 year 2012 and \$1,657,000 of the general fund--state appropriation for
33 fiscal year 2013 are provided solely for naturalization services.

34 (5) \$2,366,000 of the general fund--state appropriation for fiscal
35 year 2012 is provided solely for ((refugee)) employment services for
36 refugees and immigrants, of which \$1,774,000 is provided solely for the
37 department to pass through to statewide refugee and immigrant
38 assistance organizations for limited English proficiency pathway

1 services; and \$2,366,000 of the general fund--state appropriation for
 2 fiscal year 2013 is provided solely for ((refugee)) employment services
 3 for refugees and immigrants, of which \$1,774,000 is provided solely for
 4 the department to pass through to statewide refugee and immigrant
 5 assistance organizations for limited English proficiency pathway
 6 services.

7 (6) On December 1, 2011, and annually thereafter, the department
 8 must report to the legislature on all sources of funding available for
 9 both refugee and immigrant services and naturalization services during
 10 the current fiscal year and the amounts expended to date by service
 11 type and funding source. The report must also include the number of
 12 clients served and outcome data for the clients.

13 (7) To ensure expenditures remain within available funds
 14 appropriated in this section, the legislature establishes the benefit
 15 under the state food assistance program, pursuant to RCW 74.08A.120, to
 16 be fifty percent of the federal supplemental nutrition assistance
 17 program benefit amount.

18 **Sec. 1208.** 2012 2nd sp.s. c 7 s 208 (uncodified) is amended to
 19 read as follows:

20 **FOR THE DEPARTMENT OF SOCIAL AND HEALTH SERVICES--ALCOHOL AND**
 21 **SUBSTANCE ABUSE PROGRAM**

22	General Fund--State Appropriation (FY 2012)	\$73,742,000
23	General Fund--State Appropriation (FY 2013)	((\$71,218,000))
24		<u>\$71,019,000</u>
25	General Fund--Federal Appropriation	((\$184,401,000))
26		<u>\$187,979,000</u>
27	General Fund--Private/Local Appropriation	((\$13,486,000))
28		<u>\$16,248,000</u>
29	Criminal Justice Treatment Account--State	
30	Appropriation	\$20,748,000
31	Problem Gambling Account--State Appropriation	\$1,448,000
32	TOTAL APPROPRIATION	((\$365,043,000))
33		<u>\$371,184,000</u>

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

36 (1) Within the amounts appropriated in this section, the department
 37 may contract with the University of Washington and community-based

1 providers for the provision of the parent-child assistance program.
2 For all contractors, indirect charges for administering the program
3 shall not exceed ten percent of the total contract amount.

4 (2) Within the amounts appropriated in this section, the department
5 shall continue to provide for chemical dependency treatment services
6 for adult medicaid eligible, pregnant and parenting women, disability
7 lifeline, and alcoholism and drug addiction treatment and support act,
8 and medical care services clients.

9 (3) In accordance with RCW 70.96A.090 and 43.135.055, the
10 department is authorized to increase fees for the review and approval
11 of treatment programs in fiscal years 2012 and 2013 as necessary to
12 support the costs of the regulatory program. The department's fee
13 schedule shall have differential rates for providers with proof of
14 accreditation from organizations that the department has determined to
15 have substantially equivalent standards to those of the department,
16 including but not limited to the joint commission on accreditation of
17 health care organizations, the commission on accreditation of
18 rehabilitation facilities, and the council on accreditation. To
19 reflect the reduced costs associated with regulation of accredited
20 programs, the department's fees for organizations with such proof of
21 accreditation must reflect the lower cost of licensing for these
22 programs than for other organizations which are not accredited.

23 (4) \$3,500,000 of the general fund--federal appropriation (from the
24 substance abuse prevention and treatment federal block grant) is
25 provided solely for the continued funding of existing county drug and
26 alcohol use prevention programs.

27 (5) Within amounts appropriated in this section, the department is
28 required to increase federal match available for intensive inpatient
29 services. During fiscal year 2013, the department shall shift
30 contracts for a minimum of 32 intensive inpatient beds currently
31 provided in settings that are considered institutions for mental
32 diseases to two or more facilities with no more than 16 beds that are
33 able to claim federal match for services provided to medicaid clients
34 or individuals covered under the department's section 1115 medicaid
35 waiver. The department is authorized to conduct a request for proposal
36 process to fulfill this requirement. By December 1, 2012, the
37 department shall provide a plan to the office of financial management
38 and to the relevant fiscal and policy committees of the legislature for

1 transitioning all remaining intensive inpatient beds currently provided
 2 in settings that are considered institutions for mental diseases into
 3 facilities with no more than 16 beds by June 2017. The plan shall
 4 identify the maximum number of additional beds that can be transitioned
 5 into facilities with no more than 16 beds during the 2013-2015 fiscal
 6 biennium and the remaining number that will be transitioned during the
 7 2015-2017 fiscal biennium, a timeline and process for accomplishing
 8 this, and a projection of the related general fund--state savings for
 9 each biennium.

10 (6) The amounts appropriated in this section include reductions of
 11 \$303,000 in the general fund--state appropriation for fiscal year 2012
 12 and \$1,815,000 in the general fund--state appropriation for fiscal year
 13 2013. The department must apply this reduction across all levels of
 14 chemical dependency residential treatment services excluding services
 15 contracted through the counties, services provided to pregnant and
 16 parenting women, services provided to juveniles, and services provided
 17 to parents in dependency proceedings.

18 **Sec. 1209.** 2012 2nd sp.s. c 7 s 209 (uncodified) is amended to
 19 read as follows:

20 **FOR THE DEPARTMENT OF SOCIAL AND HEALTH SERVICES--VOCATIONAL**
 21 **REHABILITATION PROGRAM**

22	General Fund--State Appropriation (FY 2012)	\$10,854,000
23	General Fund--State Appropriation (FY 2013)	(\$10,401,000)
24		<u>\$10,353,000</u>
25	General Fund--Federal Appropriation	(\$105,060,000)
26		<u>\$104,922,000</u>
27	Telecommunications Devices for the Hearing and	
28	Speech Impaired--State Appropriation	\$2,766,000
29	TOTAL APPROPRIATION	(\$129,081,000)
30		<u>\$128,895,000</u>

31 The appropriations in this section are subject to the following
 32 conditions and limitations: \$480,000 of the telecommunications devices
 33 for the hearing and speech impaired account--state appropriation is
 34 provided solely for the office of deaf and hard of hearing to contract
 35 for services that provide employment support and help with life
 36 activities for deaf-blind individuals in King county.

1 **Sec. 1210.** 2012 2nd sp.s. c 7 s 210 (uncodified) is amended to
2 read as follows:

3 **FOR THE DEPARTMENT OF SOCIAL AND HEALTH SERVICES--SPECIAL COMMITMENT**
4 **PROGRAM**

5	General Fund--State Appropriation (FY 2012)	\$48,167,000
6	General Fund--State Appropriation (FY 2013)	(\$36,128,000)
7		<u>\$38,247,000</u>
8	TOTAL APPROPRIATION	(\$84,295,000)
9		<u>\$86,414,000</u>

10 **Sec. 1211.** 2012 2nd sp.s. c 7 s 211 (uncodified) is amended to
11 read as follows:

12 **FOR THE DEPARTMENT OF SOCIAL AND HEALTH SERVICES--ADMINISTRATION AND**
13 **SUPPORTING SERVICES PROGRAM**

14	General Fund--State Appropriation (FY 2012)	\$26,069,000
15	General Fund--State Appropriation (FY 2013)	(\$24,474,000)
16		<u>\$26,301,000</u>
17	General Fund--Federal Appropriation	(\$39,550,000)
18		<u>\$42,090,000</u>
19	General Fund--Private/Local Appropriation	\$2,116,000
20	Performance Audits of State Government--State	
21	Appropriation	\$4,812,000
22	TOTAL APPROPRIATION	(\$97,021,000)
23		<u>\$101,388,000</u>

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

26 (1) \$300,000 of the general fund--state appropriation for fiscal
27 year 2012 and \$300,000 of the general fund--state appropriation for
28 fiscal year 2013 are provided solely for the Washington state mentors
29 program to continue its public-private partnerships to provide
30 technical assistance and training to mentoring programs that serve
31 at-risk youth.

32 (2) \$445,000 of the general fund--state appropriation for fiscal
33 year 2012 and \$445,000 of the general fund--state appropriation for
34 fiscal year 2013 are provided solely for funding of the teamchild
35 project.

36 (3) \$178,000 of the general fund--state appropriation for fiscal

1 year 2012 and \$178,000 of the general fund--state appropriation for
2 fiscal year 2013 are provided solely for the juvenile detention
3 alternatives initiative.

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

9 (5) \$1,400,000 of the general fund--state appropriation for fiscal
10 year 2012 is provided solely for the department to distribute as
11 support to community public health and safety networks that have a
12 history of providing training and services related to adverse childhood
13 experiences. Distribution of these funds is contingent upon securing
14 funding from a private entity or entities to provide one dollar in
15 matching funds for each dollar in state funds received by a network so
16 that the funding received by a community public health and safety
17 network will be equal portions of state and private funding.

18 ~~((+7))~~ (6) \$250,000 of the general fund--state appropriation for
19 fiscal year 2013 is provided solely for a grant program focused on
20 criminal street gang prevention and intervention. The Washington state
21 partnership council on juvenile justice may award grants under this
22 subsection. The council shall give priority to applicants who have
23 demonstrated the greatest problems with criminal street gangs.
24 Applicants composed of, at a minimum, one or more local governmental
25 entities and one or more nonprofit, nongovernmental organizations that
26 have a documented history of creating and administering effective
27 criminal street gang prevention and intervention programs may apply for
28 funding under this subsection.

29 ~~((+8))~~ (7) \$113,000 of the general fund--state appropriation for
30 fiscal year 2013 and \$105,000 of the general fund--federal
31 appropriation are provided solely for staffing costs associated with
32 implementation of Engrossed Second Substitute House Bill No. 2536
33 (children services/delivery). The amounts provided in this subsection
34 must be used for coordinated evidence-based practice implementation
35 amongst the department's programs providing mental health, child
36 welfare, and juvenile justice services to children. If Engrossed
37 Second Substitute House Bill No. 2536 (children services/delivery) is

1 not enacted by June 30, 2012, the amounts provided in this subsection
2 shall lapse.

3 **Sec. 1212.** 2012 2nd sp.s. c 7 s 212 (uncodified) is amended to
4 read as follows:

5 **FOR THE DEPARTMENT OF SOCIAL AND HEALTH SERVICES--PAYMENTS TO OTHER**
6 **AGENCIES PROGRAM**

7	General Fund--State Appropriation (FY 2012)	\$62,140,000
8	General Fund--State Appropriation (FY 2013)	((\$46,303,000))
9		<u>\$49,584,000</u>
10	General Fund--Federal Appropriation	((\$53,049,000))
11		<u>\$53,409,000</u>
12	TOTAL APPROPRIATION	((\$161,492,000))
13		<u>\$165,133,000</u>

14 The appropriations in this section are subject to the following
15 conditions and limitations: \$469,000 of the general fund--state
16 appropriation for fiscal year ((~~2011~~) 2012) and \$270,000 of the general
17 fund--state appropriation for fiscal year ((~~2012~~) 2013) are provided
18 solely for implementation of Engrossed Substitute Senate Bill No. 5921
19 (social services programs). If the bill is not enacted by June 30,
20 2011, the amounts provided in this subsection shall lapse.

21 **Sec. 1213.** 2012 2nd sp.s. c 7 s 213 (uncodified) is amended to
22 read as follows:

23 **FOR THE STATE HEALTH CARE AUTHORITY**

24	General Fund--State Appropriation (FY 2012)	\$2,034,296,000
25	General Fund--State Appropriation (FY 2013)	((\$2,031,185,000))
26		<u>\$2,113,980,000</u>
27	General Fund--Federal Appropriation	((\$5,307,323,000))
28		<u>\$5,336,887,000</u>
29	General Fund--Private/Local Appropriation	((\$62,597,000))
30		<u>\$60,582,000</u>
31	Emergency Medical Services and Trauma Care Systems	
32	Trust Account--State Appropriation	((\$15,077,000))
33		<u>\$14,032,000</u>
34	Hospital Safety Net Assessment Fund--State	
35	Appropriation	((\$434,087,000))
36		<u>\$442,930,000</u>

1	State Health Care Authority Administration Account--	
2	State Appropriation	\$34,040,000
3	Basic Health Plan Stabilization Account--	
4	State Appropriation	\$44,000,000
5	Medical Aid Account--State Appropriation	\$529,000
6	Medicaid Fraud Penalty Account--State Appropriation	\$9,200,000
7	TOTAL APPROPRIATION	(\$9,972,334,000)
8		<u>\$10,090,476,000</u>

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

11 (1) The appropriations to the authority in this act shall be
12 expended for the purposes and in the amounts specified in this act. To
13 the extent that appropriations in this section are insufficient to fund
14 actual expenditures in excess of caseload forecasts and utilization
15 assumptions, the authority, after May 1, ~~((2012))~~ 2013, may transfer
16 general fund--state appropriations for fiscal year ~~((2012))~~ 2013 that
17 are provided solely for a specified purpose. The authority shall not
18 transfer funds, and the director of financial management shall not
19 approve the transfer, unless the transfer is consistent with the
20 objective of conserving, to the maximum extent possible, the
21 expenditure of state funds. The director of financial management shall
22 notify the appropriate fiscal committees of the senate and house of
23 representatives in writing seven days prior to approving any allotment
24 modifications or transfers under this subsection. The written
25 notification shall include a narrative explanation and justification of
26 the changes, along with expenditures and allotments by budget unit and
27 appropriation, both before and after any allotment modifications or
28 transfers.

29 (2) Within amounts appropriated in this section and sections 205
30 and 206 of this act, the health care authority shall continue to
31 provide an enhanced basic health plan subsidy for foster parents
32 licensed under chapter 74.15 RCW and workers in state-funded home care
33 programs. Under this enhanced subsidy option, foster parents eligible
34 to participate in the basic health plan as subsidized enrollees and
35 home care workers with family incomes below 200 percent of the federal
36 poverty level shall be allowed to enroll in the basic health plan at
37 the minimum premium amount charged to enrollees with incomes below
38 sixty-five percent of the federal poverty level.

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

6 (4)(a) \$1,200,000 of the general fund--state appropriation for
7 fiscal year 2012 is provided solely to plan the implementation of a
8 system of consolidated public school employee health benefits
9 purchasing.

10 It is the intent of the legislature to improve the administration,
11 transparency, and equity in delivering a K-12 employees' health
12 benefits system. In addition, the legislature intends that any cost
13 savings that result from changes to K-12 health benefits be dedicated
14 to public schools.

15 To further this legislative intent, the state health care authority
16 shall develop a plan to implement a consolidated health benefits'
17 system for K-12 employees for the 2013-14 school year. The health care
18 authority shall deliver a report to the legislature by December 15,
19 2011, that sets forth the implementation plan to the ways and means
20 committees of the house of representatives and the senate.

21 (b) The report prepared by the health care authority shall compare
22 and contrast the costs and benefits, both long and short term, of:

23 (i) The current K-12 health benefits system;

24 (ii) A new K-12 employee benefits pool; and

25 (iii) Enrolling K-12 employees into the health benefits pool for
26 state employees.

27 (c) In addition to the implementation plan, the report shall
28 include the following information:

29 (i) The costs and benefits of the current K-12 health benefits
30 system;

31 (ii) The costs and benefits of providing a new statewide K-12
32 employees' health benefits pool to school districts and school
33 employees;

34 (iii) The costs and benefits of enrolling K-12 employees into the
35 existing health benefits pool for state employees;

36 (iv) Recommendations of ways to limit administrative duplication
37 and costs, improve transparency to employees, the legislature, and the

1 public and assure equity among beneficiaries of publicly provided
2 employee health benefits;

3 (v) Recommendations for standardizing benefit packages and
4 purchasing efforts in a manner that seeks to maximize funding and
5 equity for all school employees;

6 (vi) Recommendations regarding the use of incentives, including how
7 changes to state health benefit allocations could provide employees
8 with benefits that would encourage participation;

9 (vii) Recommendations regarding the implementation of a new K-12
10 employee benefit plan, with separate options for voluntary
11 participation and mandatory statewide participation;

12 (viii) Recommendations regarding methods to reduce inequities
13 between individual and family coverage;

14 (ix) Consolidation of the purchasing and budget accountability for
15 school employee benefits to maximize administrative efficiency and
16 leverage existing skills and resources; and

17 (x) Other details the health care authority deems necessary,
18 including but not limited to recommendations on the following:

19 (A) Approaches for implementing the transition to a statewide pool,
20 including administrative and statutory changes necessary to ensure a
21 successful transition, and whether the pool should be separate from, or
22 combined with, the public employees' benefits pool;

23 (B) The structure of a permanent governing group to provide ongoing
24 oversight to the consolidated pool, in a manner similar to the public
25 employees benefits board functions for employee health benefits,
26 including statutory duties and authorities of the board; and

27 (C) Options for including potential changes to: Eligibility
28 standardization, the public employees benefits risk pools, the movement
29 of school employee retirees into the new K-12 pool or pools, and the
30 movement of educational service district employees into the new K-12
31 pool or pools.

32 (d) In determining its costs and benefits of a new statewide K-12
33 employees' health benefits pool for school districts and school
34 employees, the health care authority shall assume the following:

35 (i) School district enrollees must constitute an entire bargaining
36 unit, or an entire group of nonrepresented employees;

37 (ii) Staffing and administration for benefits purchasing shall be
38 provided by the health care authority; and

1 (iii) The new K-12 pool would operate on a schedule that
2 coordinates with the financing and enrollment schedule used for school
3 districts.

4 (e) The office of the superintendent of public instruction and the
5 office of the insurance commissioner shall provide information and
6 technical assistance to the health care authority as requested by the
7 health care authority. The health care authority shall not implement
8 the new school employee benefits pool until authorized to do so by the
9 legislature.

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

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

33 (7) \$23,700,000 of the general fund--federal appropriation is
34 provided solely for planning and implementation of a health benefit
35 exchange under the federal patient protection and affordable care act.
36 Within the amounts provided in this subsection, funds used by the
37 authority for information technology projects are conditioned on the

1 authority satisfying the requirements of Engrossed Second Substitute
2 Senate Bill No. 5931 (central service agencies).

3 (8) Based on quarterly expenditure reports and caseload forecasts,
4 if the health care authority estimates that expenditures for the
5 medical assistance program will exceed the appropriations, the health
6 care authority shall take steps including but not limited to reduction
7 of rates or elimination of optional services to reduce expenditures so
8 that total program costs do not exceed the annual appropriation
9 authority.

10 (9) In determining financial eligibility for medicaid-funded
11 services, the health care authority is authorized to disregard
12 recoveries by Holocaust survivors of insurance proceeds or other
13 assets, as defined in RCW 48.104.030.

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

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

22 (12) \$4,261,000 of the general fund--state appropriation for fiscal
23 year 2012, \$4,261,000 of the general fund--state appropriation for
24 fiscal year 2013, and \$8,522,000 of the general fund--federal
25 appropriation are provided solely for low-income disproportionate share
26 hospital payments (~~(under RCW 74.09.730(1)(a))~~).

27 (13) \$6,000,000 of the general fund--federal appropriation is
28 provided solely for supplemental payments to nursing homes operated by
29 public hospital districts. The public hospital district shall be
30 responsible for providing the required nonfederal match for the
31 supplemental payment, and the payments shall not exceed the maximum
32 allowable under federal rules. It is the legislature's intent that the
33 payments shall be supplemental to and shall not in any way offset or
34 reduce the payments calculated and provided in accordance with part E
35 of chapter 74.46 RCW. It is the legislature's further intent that
36 costs otherwise allowable for rate-setting and settlement against
37 payments under chapter 74.46 RCW shall not be disallowed solely because
38 such costs have been paid by revenues retained by the nursing home from

1 these supplemental payments. The supplemental payments are subject to
2 retrospective interim and final cost settlements based on the nursing
3 homes' as-filed and final medicare cost reports. The timing of the
4 interim and final cost settlements shall be at the health care
5 authority's discretion. During either the interim cost settlement or
6 the final cost settlement, the health care authority shall recoup from
7 the public hospital districts the supplemental payments that exceed the
8 medicaid cost limit and/or the medicare upper payment limit. The
9 health care authority shall apply federal rules for identifying the
10 eligible incurred medicaid costs and the medicare upper payment limit.

11 (14) The health care authority shall continue the inpatient
12 hospital certified public expenditures program for the 2011-2013 fiscal
13 biennium. The program shall apply to all public hospitals, including
14 those owned or operated by the state, except those classified as
15 critical access hospitals or state psychiatric institutions. The
16 health care authority shall submit reports to the governor and
17 legislature by November 1, 2011, and by November 1, 2012, that evaluate
18 whether savings continue to exceed costs for this program. If the
19 certified public expenditures (CPE) program in its current form is no
20 longer cost-effective to maintain, the health care authority shall
21 submit a report to the governor and legislature detailing
22 cost-effective alternative uses of local, state, and federal resources
23 as a replacement for this program. During fiscal year 2012 and fiscal
24 year 2013, hospitals in the program shall be paid and shall retain one
25 hundred percent of the federal portion of the allowable hospital cost
26 for each medicaid inpatient fee-for-service claim payable by medical
27 assistance and one hundred percent of the federal portion of the
28 maximum disproportionate share hospital payment allowable under federal
29 regulations. Inpatient medicaid payments shall be established using an
30 allowable methodology that approximates the cost of claims submitted by
31 the hospitals. Payments made to each hospital in the program in each
32 fiscal year of the biennium shall be compared to a baseline amount.
33 The baseline amount will be determined by the total of (a) the
34 inpatient claim payment amounts that would have been paid during the
35 fiscal year had the hospital not been in the CPE program based on the
36 reimbursement rates developed, implemented, and consistent with
37 policies approved in the 2011-13 biennial operating appropriations act
38 and in effect on July 1, 2011, (b) one half of the indigent assistance

1 disproportionate share hospital payment amounts paid to and retained by
2 each hospital during fiscal year 2005, and (c) all of the other
3 disproportionate share hospital payment amounts paid to and retained by
4 each hospital during fiscal year 2005 to the extent the same
5 disproportionate share hospital programs exist in the 2011-13 biennium.
6 If payments during the fiscal year exceed the hospital's baseline
7 amount, no additional payments will be made to the hospital except the
8 federal portion of allowable disproportionate share hospital payments
9 for which the hospital can certify allowable match. If payments during
10 the fiscal year are less than the baseline amount, the hospital will be
11 paid a state grant equal to the difference between payments during the
12 fiscal year and the applicable baseline amount. Payment of the state
13 grant shall be made in the applicable fiscal year and distributed in
14 monthly payments. The grants will be recalculated and redistributed as
15 the baseline is updated during the fiscal year. The grant payments are
16 subject to an interim settlement within eleven months after the end of
17 the fiscal year. A final settlement shall be performed. To the extent
18 that either settlement determines that a hospital has received funds in
19 excess of what it would have received as described in this subsection,
20 the hospital must repay the excess amounts to the state when requested.
21 \$8,102,000 of the general fund--state appropriation for fiscal year
22 2012, of which \$6,570,000 is appropriated in section 204(1) of this
23 act, and (~~(\$3,162,000)~~) \$10,722,000 of the general fund--state
24 appropriation for fiscal year 2013, of which \$6,570,000 is appropriated
25 in section 204(1) of this act, are provided solely for state grants for
26 the participating hospitals. CPE hospitals will receive the inpatient
27 and outpatient reimbursement rate restorations in RCW 74.60.080 and
28 rate increases in RCW 74.60.090 funded through the hospital safety net
29 assessment fund rather than through the baseline mechanism specified in
30 this subsection.

31 (15) The health care authority shall seek public-private
32 partnerships and federal funds that are or may become available to
33 provide on-going support for outreach and education efforts under the
34 federal children's health insurance program reauthorization act of
35 2009.

36 (16) The health care authority shall target funding for maternity
37 support services towards pregnant women with factors that lead to
38 higher rates of poor birth outcomes, including hypertension, a preterm

1 or low birth weight birth in the most recent previous birth, a
2 cognitive deficit or developmental disability, substance abuse, severe
3 mental illness, unhealthy weight or failure to gain weight, tobacco
4 use, or African American or Native American race. The health care
5 authority shall prioritize evidence-based practices for delivery of
6 maternity support services. To the extent practicable, the health care
7 authority shall develop a mechanism to increase federal funding for
8 maternity support services by leveraging local public funding for those
9 services.

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

18 ~~(18))~~ Within the amounts appropriated in this section, the health
19 care authority shall provide disproportionate share hospital payments
20 to hospitals that provide services to children in the children's health
21 program who are not eligible for services under Title XIX or XXI of the
22 federal social security act due to their citizenship status.

23 ~~((19))~~ (18) \$859,000 of the general fund--state appropriation for
24 fiscal year 2012, \$979,000 of the general fund--state appropriation for
25 fiscal year 2013, and \$1,841,000 of the general fund--federal
26 appropriation are provided solely to increase prior authorization
27 activities for advanced imaging procedures.

28 ~~((20))~~ (19) \$196,000 of the general fund--state appropriation for
29 fiscal year 2012, \$246,000 of the general fund--state appropriation for
30 fiscal year 2013, and \$442,000 of the general fund--federal
31 appropriation are provided solely to increase prior authorization
32 activities for surgical procedures, which may include orthopedic
33 procedures, spinal procedures and interventions, and nerve procedures.

34 ~~((21))~~ (20) \$300,000 of the general fund--private/local
35 appropriation and \$300,000 of the general fund--federal appropriation
36 are provided solely for a prescriptive practices improvement
37 collaborative focusing upon atypical antipsychotics and other
38 medications commonly used in the treatment of severe and persistent

1 mental illnesses among adults. The project shall promote collaboration
2 among community mental health centers, other major prescribers of
3 atypical antipsychotic medications to adults enrolled in state medical
4 assistance programs, and psychiatrists, pharmacists, and other
5 specialists at the University of Washington department of psychiatry
6 and/or other research universities. The collaboration shall include
7 patient-specific prescriber consultations by psychiatrists and
8 pharmacists specializing in treatment of severe and persistent mental
9 illnesses among adults; production of profiles to assist prescribers
10 and clinics in tracking their prescriptive practices and their
11 patients' medication use and adherence relative to evidence-based
12 practices guidelines, other prescribers, and patients at other clinics;
13 and in-service seminars at which participants can share and increase
14 their knowledge of evidence-based and other effective prescriptive
15 practices. The health care authority shall enter into an interagency
16 agreement with the office of the attorney general for expenditure of
17 \$300,000 of the state's proceeds of the *cy pres* settlement in *State of*
18 *Washington v. AstraZeneca* (Seroquel) for this purpose.

19 ~~((+22+))~~ (21) \$570,000 of the general fund--private/local
20 appropriation is provided solely for continued operation of the
21 partnership access line for child mental health consultations. The
22 health care authority shall enter into an interagency agreement with
23 the office of the attorney general for expenditure of \$570,000 of the
24 state's proceeds of the *cy pres* settlement in *State of Washington v.*
25 *AstraZeneca* (Seroquel) for this purpose.

26 ~~((+23+))~~ (22) \$80,000 of the general fund--state appropriation for
27 fiscal year 2012, \$80,000 of the general fund--state appropriation for
28 fiscal year 2013, and \$160,000 of the general fund--federal
29 appropriation are provided solely to fund the Tacoma-Pierce county
30 health department for access and outreach activities to reduce infant
31 mortality.

32 ~~((+24+))~~ (23) \$75,000 of the general fund--state appropriation for
33 fiscal year 2012, \$75,000 of the general fund--state appropriation for
34 fiscal year 2013, and \$150,000 of the general fund--federal
35 appropriation are provided solely to assist with development and
36 implementation of evidence-based strategies regarding the appropriate,
37 safe, and effective role of C-section surgeries and early induced labor
38 in births and neonatal care. The strategies shall be identified and

1 implemented in consultation with clinical research specialists,
2 physicians, hospitals, advanced registered nurse practitioners, and
3 organizations concerned with maternal and child health.

4 ~~((+25+))~~ (24) Within the amounts appropriated in this section, the
5 health care authority shall continue to provide school-based medical
6 services by means of an intergovernmental transfer arrangement. Under
7 the arrangement, the state shall provide forty percent and school
8 districts sixty percent of the nonfederal matching funds required for
9 receipt of federal medicaid funding for the service.

10 ~~((+26+))~~ (25) \$263,000 of the general fund--state appropriation for
11 fiscal year 2012, \$88,000 of the general fund--state appropriation for
12 fiscal year 2013, and \$351,000 of the general fund--federal
13 appropriation are provided solely for development and submission to the
14 federal government by October 1, 2011, of a demonstration project
15 proposal as provided in Substitute Senate Bill No. 5596 (medicaid
16 demonstration waiver).

17 ~~((+27+))~~ (26) Within the amounts appropriated in this section, the
18 health care authority shall provide spoken-language interpreter
19 services. The authority shall develop and implement a new model for
20 delivery of such services no later than July 1, 2012. The model shall
21 include:

22 (a) Development by the authority in consultation with subject-area
23 experts of guidelines to assist medical practitioners identify the
24 circumstances under which it is appropriate to use telephonic or video-
25 remote interpreting;

26 (b) The requirement that the state contract with delivery
27 organizations, including foreign language agencies, who employ or
28 subcontract only with language access providers or interpreters working
29 in the state who are certified or authorized by the state. When a
30 state-certified or state-authorized in-state language access provider
31 or interpreter is not available, the delivery organization, including
32 foreign language agencies, may use a provider with other certifications
33 or qualifications deemed to meet state standards, including
34 interpreters in other states; and

35 (c) Provision of a secure, web-based tool that medical
36 practitioners will use to schedule appointments for interpreter
37 services and to identify the most appropriate, cost-effective method of
38 service delivery in accordance with the state guidelines.

1 Nothing in this subsection affects the ability of health care
2 providers to provide interpretive services through employed staff or
3 through telephone and video remote technologies when not reimbursed
4 directly by the department. The amounts in this subsection do not
5 include federal administrative funds provided to match nonstate
6 expenditures by local health jurisdictions and governmental hospitals.

7 ~~((+28+))~~ (27) In its procurement of contractors for delivery of
8 medical managed care services for nondisabled, nonelderly persons, the
9 medical assistance program shall (a) place substantial emphasis upon
10 price competition in the selection of successful bidders; and (b) not
11 require delivery of any services that would increase the actuarial cost
12 of service beyond the levels included in current healthy options
13 contracts.

14 ~~((+29+))~~ (28) \$1,430,000 of the general fund--state appropriation
15 for fiscal year 2012, \$1,430,000 of the general fund--state
16 appropriation for fiscal year 2013, and \$2,860,000 of the general
17 fund--federal appropriation are provided solely to pay
18 federally-designated rural health clinics their standard encounter rate
19 for prenatal and well-child visits, whether delivered under a managed
20 care contract or fee-for-service. In reconciling managed care
21 enhancement payments for calendar years 2009 and 2010, the department
22 shall treat well-child and prenatal care visits as encounters subject
23 to the clinic's encounter rate.

24 ~~((+30+))~~ (29) \$280,000 of the general fund--state appropriation for
25 fiscal year 2012 and \$282,000 of the general fund--federal
26 appropriation are provided solely to increase utilization management of
27 drugs and drug classes for which there is evidence of over-utilization,
28 off-label use, excessive dosing, duplicative therapy, or opportunities
29 to shift utilization to less expensive, equally effective formulations.

30 ~~((+31+))~~ (30) \$70,000 of the general fund--state appropriation for
31 fiscal year 2012, \$70,000 of the general fund--state appropriation for
32 fiscal year 2013, and \$140,000 of the general fund--federal
33 appropriation are provided solely to continue operation by a nonprofit
34 organization of a toll-free hotline that assists families to learn
35 about and enroll in the apple health for kids program.

36 ~~((+32+))~~ (31) \$400,000 of the general fund--state appropriation for
37 fiscal year 2012 and \$400,000 of the general fund--state appropriation
38 for fiscal year 2013 is provided solely for the local outreach, case

1 management, and coordination with dental providers needed to execute
2 the access to baby and child dentistry program, which provides dental
3 care to Medicaid eligible children up to age six.

4 ~~((+33+))~~ (32) Within the amounts appropriated in this section, the
5 health care authority shall continue to provide dental services to
6 pregnant women. Services shall include preventive, routine, and
7 emergent dental care.

8 ~~((+34+))~~ (33) \$395,000 of the general fund--state appropriation for
9 fiscal year 2012, \$395,000 of the general fund--state appropriation for
10 fiscal year 2013, and \$790,000 of the general fund--federal
11 appropriation are provided solely for continued operation of the
12 dental education in care of persons with disabilities (DECOD) program
13 at the University of Washington.

14 ~~((+35+))~~ (34) \$159,000 of the general fund--state appropriation for
15 fiscal year 2012, \$302,000 of the general fund--private/local
16 appropriation, and \$146,072,000 of the general fund--federal
17 appropriation are provided solely for the provider incentive program
18 and other initiatives related to the health information technology
19 Medicaid plan. The general fund--private/local appropriation in this
20 subsection shall be funded with proceeds from settlements in the case
21 of *State of Washington vs. GlaxoSmithKline*. The authority and the
22 office of the attorney general shall enter an interagency agreement
23 regarding use of these funds.

24 ~~((+36+))~~ (35) \$2,926,000 of the general fund--local appropriation
25 and \$2,928,000 of the general fund--federal appropriation are provided
26 solely to support medical airlift services.

27 ~~((+37+))~~ (36) The authority shall collect data on enrollment and
28 utilization to study whether the expansion of family planning coverage
29 under Substitute Senate Bill No. 5912 is reducing state medical
30 expenditures by reducing unwanted pregnancies. The authority shall
31 report its findings to the legislature by December 1, 2012.

32 ~~((+38+))~~ (37) \$480,000 of the general fund--state appropriation for
33 fiscal year 2012, \$480,000 of the general fund--state appropriation for
34 fiscal year 2013, and \$824,000 of the general fund--federal
35 appropriation are provided solely for customer services staff. The
36 authority will attempt to improve the phone answer rate to 40 percent
37 and reduce the response times to written questions to ten days for
38 clients and 25 days for providers. The authority will report to the

1 legislature on its progress toward achieving these goals by January 1,
2 2012. If the authority has not achieved these goals by July 1, 2012,
3 then the authority shall reduce expenditures on management staff in
4 order to increase expenditures on customer service staff until the
5 goals are achieved.

6 ~~((+39+))~~ (38) The department shall purchase a brand name drug when
7 it determines that the cost of the brand name drug after rebates is
8 less than the cost of generic alternatives and that purchase of the
9 brand rather than generic version can save at least \$250,000. The
10 department may purchase generic alternatives when changes in market
11 prices make the price of the brand name drug after rebates more
12 expensive than the generic alternatives.

13 ~~((+41+))~~ (39) \$150,000 of the general fund--state appropriation for
14 fiscal year 2012 and \$1,964,000 of the general fund--state
15 appropriation for fiscal year 2013 are provided solely to implement
16 Engrossed Second Substitute House Bill No. 2319 (affordable care act).
17 If the bill is not enacted by June 30, 2012, the amounts provided in
18 this subsection shall lapse.

19 ~~((+42+))~~ (40) \$1,109,000 of the general fund--state appropriation
20 for fiscal year 2012, \$1,471,000 of the general fund--state
21 appropriation for fiscal year 2013, and \$21,890,000 of the general
22 fund--federal appropriation are provided solely to implement phase two
23 of the project to create a single provider payment system that
24 consolidates medicaid medical and social services payments and replaces
25 the social service payment system.

26 ~~((+43+))~~ (41) In order to achieve the twelve percent reduction in
27 emergency room expenditures in the fiscal year 2013 appropriations
28 provided in this section, the authority, in consultation with the
29 Washington state hospital association, the Washington state medical
30 association, and the Washington chapter of the American college of
31 emergency physicians shall designate best practices and performance
32 measures to reduce medically unnecessary emergency room visits of
33 medicaid clients. The Washington state hospital association, the
34 Washington state medical association, and the Washington chapter of the
35 American college of emergency physicians will work with the authority
36 to promote these best practices. The best practices and performance
37 measures shall consist of the following items:

1 (a) Adoption of a system to exchange patient information among
2 emergency room departments on a regional or statewide basis;

3 (b) Active dissemination of patient educational materials produced
4 by the Washington state hospital association, Washington state medical
5 association, and the Washington chapter of the American college of
6 emergency physicians that instruct patients on appropriate facilities
7 for nonemergent health care needs;

8 (c) Designation of hospital personnel and emergency room physician
9 personnel to receive and appropriately disseminate information on
10 clients participating in the medicaid patient review and coordination
11 program and to review monthly utilization reports on those clients
12 provided by the authority;

13 (d) A process to assist the authority's patient review and
14 coordination program clients with their care plans. The process must
15 include substantial efforts by hospitals to schedule an appointment
16 with the client's assigned primary care provider within seventy-two
17 hours of the client's medically unnecessary emergency room visit when
18 appropriate under the client's care plan;

19 (e) Implementation of narcotic guidelines that incorporate the
20 Washington chapter of the American college of emergency physician
21 guidelines;

22 (f) Physician enrollment in the state's prescription monitoring
23 program, as long as the program is funded; and

24 (g) Designation of a hospital emergency department physician
25 responsible for reviewing the state's medicaid utilization management
26 feedback reports, which will include defined performance measures. The
27 emergency department physician and hospital will have a process to take
28 appropriate action in response to the information in the feedback
29 reports if performance measures are not met. The authority must
30 develop feedback reports that include timely emergency room utilization
31 data such as visit rates, medically unnecessary visit rates (by
32 hospital and by client), emergency department imaging utilization
33 rates, and other measures as needed. The authority may utilize the
34 Robert Bree collaborative for assistance related to this best practice.

35 The requirements for best practices for a critical access hospital
36 should not include adoption of a system to exchange patient information
37 if doing so would pose a financial burden, and should not include

1 requirements related to the authority's patient review and coordination
2 program if the volume of those patients seen at the critical access
3 hospital are small.

4 Hospitals participating in this medicaid best practices program
5 shall submit to the authority a declaration from executive level
6 leadership indicating hospital adoption of and compliance with the best
7 practices enumerated above. In the declaration, hospitals will affirm
8 that they have in place written policies, procedures, or guidelines to
9 implement these best practices and are willing to share them upon
10 request. The declaration must also give consent for the authority to
11 disclose feedback reports and performance measures on its web site.
12 The authority shall submit a list of declaring hospitals to the
13 relevant policy and fiscal committees of the legislature by July 15,
14 2012.

15 If the authority does not receive by July 1, 2012, declarations
16 from hospitals representing at least seventy-five percent of emergency
17 room visits by medicaid clients in fiscal year 2010, the authority may
18 implement a policy of nonpayment of medically unnecessary emergency
19 room visits, with appropriate client and clinical safeguards such as
20 exemptions and expedited prior authorization. The authority shall by
21 January 15, 2013, perform a preliminary fiscal analysis of trends in
22 implementing the best practices in this subsection, focusing on outlier
23 hospitals with high rates of unnecessary visits by medicaid clients,
24 high emergency room visit rates for patient review and coordination
25 clients, low rates of completion of treatment plans for patient review
26 and coordination clients assigned to the hospital, and high rates of
27 prescribed long-acting opiates. In cooperation with the leadership of
28 the hospital, medical, and emergency physician associations, additional
29 efforts shall be focused on assisting those outlier hospitals and
30 providers to achieve more substantial savings. The authority by
31 January 15, 2013, will report to the legislature about whether assumed
32 savings based on preliminary trend and forecasted data are on target
33 and if additional best practices or other actions need to be
34 implemented.

35 If necessary, pursuant to RCW 34.05.350(1)(c), the authority may
36 employ emergency rulemaking to achieve the reductions assumed in the
37 appropriations under this section.

1 Nothing in this subsection shall in any way impact the authority's
2 ability to adopt and implement policies pertaining to the patient
3 review and coordination program.

4 ~~((+46+))~~ (42) The ~~((department))~~ authority shall seek a medicaid
5 state plan amendment to create a ~~((graduate medical education))~~
6 professional services supplemental payment managed care program for
7 professional services delivered to managed care recipients by
8 University of Washington medicine and other public professional
9 providers. This program shall be effective as soon as administratively
10 possible and shall operate concurrently with the existing professional
11 services supplemental payment program. ~~((Providers that participate in
12 the graduate medical education supplemental payment program are not
13 eligible to participate in the professional services supplemental
14 payment program.))~~ The ~~((department))~~ authority shall apply federal
15 rules for identifying the difference between ~~((current physician
16 encounter))~~ average commercial rates and fee-for-service medicaid
17 payments ~~((to participating providers and the applicable federal upper
18 payment limit))~~. This difference will be multiplied by the number of
19 managed care encounters and incorporated into the managed care plan
20 capitation rates by a certified actuary. The managed care plans will
21 pay the providers the difference attributable to the increased
22 capitation rate. Participating providers shall be solely responsible
23 for providing the local funds required to obtain federal matching
24 funds. Any incremental costs incurred by the ~~((department))~~ authority
25 in the development, implementation, and maintenance of this program
26 shall be the responsibility of the participating providers.
27 Participating providers shall retain the full amount of supplemental
28 payments provided under this program, net of any costs related to the
29 program that are disallowed due to audits or litigation against the
30 state.

31 ~~((+47+))~~ (43) The authority shall exclude antiretroviral drugs used
32 to treat HIV/AIDS, anticancer medication that is used to kill or slow
33 the growth of cancerous cells, antihemophilic drugs, insulin and other
34 drugs to lower blood glucose, and immunosuppressive drugs from any
35 formulary limitations implemented to operate within the appropriations
36 provided in this section.

37 ~~((+48+))~~ (44) If Engrossed Substitute Senate Bill No. 5978
38 (medicaid fraud) is not enacted by June 30, 2012, the amounts

1 appropriated in this section from the medicaid fraud penalty account--
2 state appropriation shall lapse and an additional \$3,608,000 shall be
3 appropriated from the general fund--state for fiscal year 2013 for
4 medicaid services, fraud detection and prevention activities, recovery
5 of improper payments, and for other medicaid fraud enforcement
6 activities.

7 ~~((+50+))~~ (45) Within the amounts appropriated in this section, the
8 health care authority and the department of social and health services
9 shall implement the state option to provide health homes for enrollees
10 with chronic conditions under section 2703 of the federal affordable
11 care act. The total state match for enrollees who are dually-eligible
12 for both medicare and medicaid and not enrolled in managed care shall
13 be no more than the net savings to the state from the enhanced match
14 rate for its medicaid-only managed care enrollees under section 2703.

15 ~~((+51+))~~ (46) The health care authority shall not initiate any
16 services that require expenditure of state general fund moneys unless
17 expressly authorized in this act or other law. The health care
18 authority may seek, receive, and spend, under RCW 43.79.260 through
19 43.79.282, federal moneys not anticipated in this act as long as the
20 federal funding does not require expenditure of state moneys for the
21 program in excess of amounts anticipated in this act. If the health
22 care authority receives unanticipated unrestricted federal moneys,
23 those moneys shall be spent for services authorized in this act or in
24 any other legislation providing appropriation authority, and an equal
25 amount of appropriated state general fund moneys shall lapse. Upon the
26 lapsing of any moneys under this subsection, the office of financial
27 management shall notify the legislative fiscal committees. As used in
28 this subsection, "unrestricted federal moneys" includes block grants
29 and other funds that federal law does not require to be spent on
30 specifically defined projects or matched on a formula basis by state
31 funds.

32 ~~((+52+))~~ (47) \$66,000 of the general fund--state appropriation for
33 fiscal year 2013 and \$66,000 of the general fund--federal appropriation
34 are provided solely to implement Engrossed Second Substitute House Bill
35 No. 2536 (children services/delivery). The department of social and
36 health services' programs responsible for administration of mental
37 health, child welfare, and juvenile justice programs will coordinate
38 with the health care authority on the development of contract terms

1 which facilitate efforts to meet requirements of the bill. If the bill
2 is not enacted by June 30, 2012, the amounts provided in this
3 subsection shall lapse.

4 ~~((+53+))~~ (48) The health care authority shall participate in the
5 work group established by the department of corrections in section
6 220(2) of this act to review release options for elderly and infirm
7 offenders.

8 (49) \$208,000 of the general fund--state appropriation for fiscal
9 year 2013 and \$728,000 of the general fund--federal appropriation are
10 provided solely for the rebasing of outpatient and inpatient payment
11 methods.

12 **Sec. 1214.** 2012 2nd sp.s. c 7 s 216 (uncodified) is amended to
13 read as follows:

14 **FOR THE CRIMINAL JUSTICE TRAINING COMMISSION**

15	General Fund--State Appropriation (FY 2012)	\$14,589,000
16	General Fund--State Appropriation (FY 2013)	(\$14,147,000)
17		<u>\$14,549,000</u>
18	General Fund--Federal Appropriation	\$456,000
19	General Fund--Private/Local Appropriation	(\$4,048,000)
20		<u>\$3,895,000</u>
21	Death Investigations Account--State Appropriation	\$148,000
22	Municipal Criminal Justice Assistance Account--	
23	State Appropriation	\$460,000
24	Washington Auto Theft Prevention Authority Account--	
25	State Appropriation	\$8,597,000
26	TOTAL APPROPRIATION	(\$42,445,000)
27		<u>\$42,694,000</u>

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

30 (1) \$5,000,000 of the general fund--state appropriation for fiscal
31 year 2012 and \$5,000,000 of the general fund--state appropriation for
32 fiscal year 2013, are provided to the Washington association of
33 sheriffs and police chiefs solely to verify the address and residency
34 of registered sex offenders and kidnapping offenders under RCW
35 9A.44.130.

36 (2) \$321,000 of the general fund--local appropriation is provided
37 solely to purchase ammunition for the basic law enforcement academy.

1 Jurisdictions shall reimburse to the criminal justice training
2 commission the costs of ammunition, based on the average cost of
3 ammunition per cadet, for cadets that they enroll in the basic law
4 enforcement academy.

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

7 (4) \$100,000 of the general fund--state appropriation for fiscal
8 year 2012 and \$100,000 of the general fund--state appropriation for
9 fiscal year 2013 are provided solely for a school safety program. 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 hired after the effective
13 date of this section.

14 (5) \$96,000 of the general fund--state appropriation for fiscal
15 year 2012 and \$96,000 of the general fund--state appropriation for
16 fiscal year 2013 are provided solely for the school safety center
17 within the commission. The safety center shall act as an information
18 dissemination and resource center when an incident occurs in a school
19 district in Washington or in another state, coordinate activities
20 relating to school safety, and review and approve manuals and curricula
21 used for school safety models and training. Through an interagency
22 agreement, the commission shall provide funding for the office of the
23 superintendent of public instruction to continue to develop and
24 maintain a school safety information web site. The school safety
25 center advisory committee shall develop and revise the training
26 program, using the best practices in school safety, for all school
27 safety personnel. The commission shall provide research-related
28 programs in school safety and security issues beneficial to both law
29 enforcement and schools.

30 (6) \$1,000,000 of the general fund--state appropriation for fiscal
31 year 2012 and \$1,000,000 of the general fund--state appropriation for
32 fiscal year 2013 are provided solely for grants to counties enforcing
33 illegal drug laws and which have been underserved by federally funded
34 state narcotics task forces. The Washington association of sheriffs
35 and police chiefs, the Washington association of prosecuting attorneys,
36 and the Washington association of county officials shall jointly
37 develop funding allocations for the offices of the county sheriff,

1 county prosecutor, and county clerk in qualifying counties. The
2 commission shall not impose an administrative cost on this program.

3 **Sec. 1215.** 2012 2nd sp.s. c 7 s 218 (uncodified) is amended to
4 read as follows:

5 **FOR THE DEPARTMENT OF VETERANS AFFAIRS**

6 (1) HEADQUARTERS

7 General Fund--State Appropriation (FY 2012) \$1,829,000
8 General Fund--State Appropriation (FY 2013) \$1,801,000
9 Charitable, Educational, Penal, and Reformatory
10 Institutions Account--State Appropriation \$10,000
11 TOTAL APPROPRIATION \$3,640,000

12 (2) FIELD SERVICES

13 General Fund--State Appropriation (FY 2012) \$5,002,000
14 General Fund--State Appropriation (FY 2013) \$4,964,000
15 General Fund--Federal Appropriation \$3,348,000
16 General Fund--Private/Local Appropriation (~~(\$4,722,000)~~)
17 \$5,172,000
18 Veterans Innovations Program Account--State
19 Appropriation \$810,000
20 Veteran Estate Management Account--Private/Local
21 Appropriation \$1,079,000
22 TOTAL APPROPRIATION (~~(\$19,925,000)~~)
23 \$20,375,000

24 The appropriations in this subsection are subject to the following
25 conditions and limitations: \$821,000 of the veterans innovations
26 program account--state appropriation is provided solely for the
27 department to continue support for returning combat veterans through
28 the veterans innovation program, including emergency financial
29 assistance through the defenders' fund and long-term financial
30 assistance through the competitive grant program.

31 (3) INSTITUTIONAL SERVICES

32 General Fund--State Appropriation (FY 2012) \$1,743,000
33 General Fund--Federal Appropriation (~~(\$61,437,000)~~)
34 \$60,019,000
35 General Fund--Private/Local Appropriation (~~(\$29,506,000)~~)

1 \$30,569,000
 2 TOTAL APPROPRIATION (~~(\$92,686,000)~~)
 3 \$92,331,000

4 **Sec. 1216.** 2012 2nd sp.s. c 7 s 219 (uncodified) is amended to
 5 read as follows:

6 **FOR THE DEPARTMENT OF HEALTH**

7 General Fund--State Appropriation (FY 2012) \$79,404,000
 8 General Fund--State Appropriation (FY 2013) (~~(\$78,114,000)~~)
 9 \$77,589,000
 10 General Fund--Federal Appropriation (~~(\$553,078,000)~~)
 11 \$573,078,000
 12 General Fund--Private/Local Appropriation (~~(\$148,055,000)~~)
 13 \$144,055,000
 14 Hospital Data Collection Account--State Appropriation \$214,000
 15 Health Professions Account--State Appropriation \$99,085,000
 16 Aquatic Lands Enhancement Account--State Appropriation \$604,000
 17 Emergency Medical Services and Trauma Care Systems
 18 Trust Account--State Appropriation (~~(\$12,300,000)~~)
 19 \$10,523,000
 20 Safe Drinking Water Account--State Appropriation \$4,464,000
 21 Drinking Water Assistance Account--Federal
 22 Appropriation \$21,965,000
 23 Waterworks Operator Certification--State
 24 Appropriation \$1,528,000
 25 Drinking Water Assistance Administrative Account--
 26 State Appropriation \$326,000
 27 Site Closure Account--State Appropriation \$79,000
 28 Biotoxin Account--State Appropriation (~~(\$1,167,000)~~)
 29 \$1,231,000
 30 State Toxics Control Account--State Appropriation \$3,628,000
 31 Medical Test Site Licensure Account--State
 32 Appropriation \$2,311,000
 33 Youth Tobacco Prevention Account--State
 34 Appropriation (~~(\$1,512,000)~~)
 35 \$1,348,000
 36 Community and Economic Development Fee Account--State
 37 Appropriation \$298,000

1	Public Health Supplemental Account--Private/Local	
2	Appropriation	\$3,598,000
3	Accident Account--State Appropriation	\$295,000
4	Medical Aid Account--State Appropriation	\$50,000
5	Tobacco Prevention and Control Account--State	
6	Appropriation	\$1,729,000
7	TOTAL APPROPRIATION	((\$1,013,804,000))
8		<u>\$1,027,402,000</u>

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

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

32 (2) In accordance with RCW 43.70.250 and 43.135.055, the department
33 is authorized to establish and raise fees in fiscal year 2012 as
34 necessary to meet the actual costs of conducting business and the
35 appropriation levels in this section. This authorization applies to
36 fees required for: The review of health care facility construction;
37 review of health facility requests for certificate of need; the
38 regulation and inspection of farm worker housing, hospital licensing,

1 in-home health service agencies, and producers of radioactive waste;
2 the regulation and inspection of shellfish sanitary control, surgical
3 facility licensing, and; fees associated with the following
4 professions: Dieticians and nutritionists, occupational therapists,
5 pharmacy, veterinarian, orthotics and prosthetics, surgical
6 technicians, nursing home administrators, health care assistants,
7 hearing and speech, psychology, hypnotherapy, chiropractic, social
8 workers, physicians, and physician assistants.

9 (3) Pursuant to RCW 18.130.250, the department is authorized to
10 establish a lower cost fee category for retired licensed practical
11 nurses and registered nurses.

12 (4) In accordance with RCW 43.135.055, the department is authorized
13 to adopt fees set forth in and previously authorized in chapter 92,
14 Laws of 2010.

15 (5) \$1,969,000 of the health professions account--state
16 appropriation is provided solely to implement online licensing for
17 health care providers. The department must submit a detailed
18 investment plan for this project to the office of financial management.
19 The office of financial management must review and approve this plan
20 before funding may be expended. The department of health must
21 successfully implement online application and renewal for at least one
22 profession as a pilot project before pursuing additional professions.
23 The department must report to the office of financial management on the
24 outcome of the pilot project.

25 (6) \$16,000 of the health professions account--state appropriation
26 is provided solely for the implementation of House Bill No. 1181 (board
27 of naturopathy). If the bill is not enacted by June 30, 2011, the
28 amount provided in this subsection shall lapse.

29 (7) \$21,000 of the health professions account--state appropriation
30 is provided solely for the implementation of Substitute House Bill No.
31 1304 (health care assistants). If the bill is not enacted by June 30,
32 2011, the amount provided in this subsection shall lapse.

33 (8) \$54,000 of the health professions account--state appropriation
34 is provided solely for the implementation of House Bill No. 1353
35 (pharmacy technicians). If the bill is not enacted by June 30, 2011,
36 the amount provided in this subsection shall lapse.

37 (9) \$142,000 of the health professions account--state appropriation

1 is provided solely for the implementation of Engrossed Substitute
2 Senate Bill No. 5020 (social workers). If the bill is not enacted by
3 June 30, 2011, the amount provided in this subsection shall lapse.

4 (10) \$336,000 of the health professions account--state
5 appropriation is provided solely for the implementation of Senate Bill
6 No. 5480 (physicians and physician assistants). If the bill is not
7 enacted by June 30, 2011, the amount provided in this subsection shall
8 lapse.

9 (11) \$46,000 of the health professions account--state appropriation
10 is provided solely for the implementation of Substitute Senate Bill No.
11 5071 (online access for midwives and marriage and family therapists).
12 If the bill is not enacted by June 30, 2011, the amount provided in
13 this subsection shall lapse.

14 (12) \$137,000 of the health professions account--state
15 appropriation is provided solely for implementation of Substitute House
16 Bill No. 1133 (massage practitioner license). If the bill is not
17 enacted by June 30, 2011, the amount provided in this subsection shall
18 lapse.

19 (13) \$85,000 of the general fund--state appropriation for fiscal
20 year 2012 is provided solely for the developmental disabilities council
21 to contract for a family-to-family mentor program to provide
22 information and support to families and guardians of persons who are
23 transitioning out of residential habilitation centers. To the maximum
24 extent allowable under federal law, these funds shall be matched under
25 medicaid through the department of social and health services and
26 federal funds shall be transferred to the department for the purposes
27 stated in this subsection. If Second Substitute Senate Bill No. 5459
28 (people with developmental disabilities) is not enacted by June 30,
29 2011, the amounts provided in this subsection shall lapse.

30 (14) \$57,000 of the general fund--state appropriation for fiscal
31 year 2012 and \$58,000 of the general fund--state appropriation for
32 fiscal year 2013 are provided solely for the midwifery licensure and
33 regulatory program to offset a reduction in revenue from fees. There
34 shall be no change to the current annual fees for new or renewed
35 licenses for the midwifery program, except from online access to HEAL-
36 WA. The department shall convene the midwifery advisory committee on
37 a quarterly basis to address issues related to licensed midwifery.

1 (15) \$118,000 of the general fund--state appropriation for fiscal
2 year 2012 and \$118,000 of the general fund--state appropriation for
3 fiscal year 2013 are provided solely for prevention of youth suicides.

4 (16) \$87,000 of the general fund--state appropriation for fiscal
5 year 2012 and \$87,000 of the general fund--state appropriation for
6 fiscal year 2013 are provided solely for the senior falls prevention
7 program.

8 (17) \$19,000 of the health professions account--state appropriation
9 is provided solely for implementation of Senate Bill No. 6290 (military
10 spouses and partners). If the bill is not enacted by June 30, 2012,
11 the amount provided in this subsection shall lapse.

12 (18) \$102,000 of the health professions account--state
13 appropriation is provided solely for implementation of Engrossed
14 Substitute Senate Bill No. 6237 (career pathway/medical assistants).
15 If the bill is not enacted by June 30, 2012, the amount provided in
16 this subsection shall lapse.

17 (19) \$21,000 of the health professions account--state appropriation
18 is provided solely for implementation of Substitute Senate Bill No.
19 6328 (mental health professionals). If the bill is not enacted by June
20 30, 2012, the amount provided in this subsection shall lapse.

21 (20) \$61,000 of the health professions account--state appropriation
22 is provided solely for implementation of Engrossed Substitute Senate
23 Bill No. 6103 (reflexologists). If the bill is not enacted by June 30,
24 2012, the amount provided in this subsection shall lapse.

25 (21) \$28,000 of the health professions account--state appropriation
26 is provided solely for implementation of Engrossed Second Substitute
27 Senate Bill No. 5620 (dental anesthesia assistants). If the bill is
28 not enacted by June 30, 2012, the amount provided in this subsection
29 shall lapse.

30 (22) Appropriations for fiscal year 2013 include funding for
31 consolidation of the department of ecology's low-level radioactive
32 waste site use permit program in the department of health.

33 (23) During the remainder of the 2011-2013 fiscal biennium, each
34 person subject to RCW 43.70.110(3)(c) is required to pay only one
35 surcharge of up to twenty-five dollars annually for the purposes of RCW
36 43.70.112, regardless of how many professional licenses the person
37 holds.

1 (24) \$15,000 of the health professions account--state appropriation
2 is provided solely to implement Substitute House Bill No. 2056
3 (assisted living facilities). If the bill is not enacted by June 30,
4 2012, the amount provided in this subsection shall lapse.

5 (25) \$11,000 of the health professions account--state appropriation
6 is provided solely to implement Engrossed House Bill No. 2186 (licensed
7 midwives). If the bill is not enacted by June 30, 2012, the amount
8 provided in this subsection shall lapse.

9 (26) \$11,000 of the general fund--state appropriation for fiscal
10 year 2013 is provided solely to implement Engrossed Substitute House
11 Bill No. 2229 (hospital employees). If the bill is not enacted by June
12 30, 2012, the amount provided in this subsection shall lapse.

13 (27) \$48,000 of the health professions account--state appropriation
14 is provided solely to implement Engrossed Substitute House Bill No.
15 2314 (long-term care workers). If the bill is not enacted by June 30,
16 2012, the amount provided in this subsection shall lapse.

17 (28) \$280,000 of the health professions account--state
18 appropriation is provided solely to implement Engrossed Substitute
19 House Bill No. 2366 (suicide assessment and training). If the bill is
20 not enacted by June 30, 2012, the amounts provided in this subsection
21 shall lapse.

22 (29) \$11,000 of the general fund--state appropriation for fiscal
23 year 2013 is provided solely to implement Engrossed Substitute House
24 Bill No. 2582 (health care services billing). If the bill is not
25 enacted by June 30, 2012, the amount provided in this subsection shall
26 lapse.

27 (30) \$22,000 of the general fund--state appropriation for fiscal
28 year 2013 is provided solely to implement Substitute Senate Bill No.
29 6105 (prescription monitoring program). If the bill is not enacted by
30 June 30, 2012, the amount provided in this subsection shall lapse.

31 (31) \$30,000 of the health professions account--state appropriation
32 is provided solely for implementation of Engrossed Substitute House
33 Bill No. 2473 (medication assistant endorsement). If the bill is not
34 enacted by June 30, 2012, the amount provided in this subsection shall
35 lapse.

36 (32) General fund--state appropriations for fiscal year 2013
37 includes funding to subsidize operating license and inspection fees in
38 the temporary worker housing program. In implementing this subsidy,

1 the department shall evaluate program regulations including but not
2 limited to the use of occupancy levels to determine the fee structure
3 and the frequency of inspections.

4 **Sec. 1217.** 2012 2nd sp.s. c 7 s 220 (uncodified) is amended to
5 read as follows:

6 **FOR THE DEPARTMENT OF CORRECTIONS**

7 The appropriations to the department of corrections in this act
8 shall be expended for the programs and in the amounts specified in this
9 section. However, after May 1, (~~2012~~) 2013, after approval by the
10 director of financial management and unless specifically prohibited by
11 this act, the department may transfer general fund--state
12 appropriations for fiscal year (~~2012~~) 2013 between programs. The
13 department shall not transfer funds, and the director of financial
14 management shall not approve the transfer, unless the transfer is
15 consistent with the objective of conserving, to the maximum extent
16 possible, the expenditure of state funds. The director of financial
17 management shall notify the appropriate fiscal committees of the senate
18 and house of representatives in writing seven days prior to approving
19 any deviations from appropriation levels. The written notification
20 shall include a narrative explanation and justification of the changes,
21 along with expenditures and allotments by budget unit and
22 appropriation, both before and after any allotment modifications or
23 transfers.

24 (1) ADMINISTRATION AND SUPPORT SERVICES

25	General Fund--State Appropriation (FY 2012)	\$52,025,000
26	General Fund--State Appropriation (FY 2013)	((\$52,981,000))
27		<u>\$52,706,000</u>
28	TOTAL APPROPRIATION	((\$105,006,000))
29		<u>\$104,731,000</u>

30 The appropriations in this subsection are subject to the following
31 conditions and limitations: \$35,000 of the general fund--state
32 appropriation for fiscal year 2012 and \$35,000 of the general fund--
33 state appropriation for fiscal year 2013 are provided solely for the
34 support of a statewide council on mentally ill offenders that includes
35 as its members representatives of community-based mental health
36 treatment programs, current or former judicial officers, and directors
37 and commanders of city and county jails and state prison facilities.

1 The council will investigate and promote cost-effective approaches to
2 meeting the long-term needs of adults and juveniles with mental
3 disorders who have a history of offending or who are at-risk of
4 offending, including their mental health, physiological, housing,
5 employment, and job training needs.

6 (2) CORRECTIONAL OPERATIONS

7	General Fund--State Appropriation (FY 2012)	\$598,237,000
8	General Fund--State Appropriation (FY 2013)	(\$575,457,000)
9		<u>\$581,723,000</u>
10	General Fund--Federal Appropriation	\$3,324,000
11	Washington Auto Theft Prevention Authority Account--	
12	State Appropriation	(\$14,079,000)
13		<u>\$13,177,000</u>
14	Enhanced 911 Account--State Appropriation	\$2,000,000
15	TOTAL APPROPRIATION	(\$1,193,097,000)
16		<u>\$1,198,461,000</u>

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

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

29 (b) The Harborview medical center and the University of Washington
30 medical center shall provide inpatient and outpatient hospital services
31 to offenders confined in department of corrections facilities at a rate
32 no greater than the average rate that the department has negotiated
33 with other community hospitals in Washington state.

34 (c) \$102,000 of the general fund--state appropriation for fiscal
35 year 2012 and \$102,000 of the general fund--state appropriation for
36 fiscal year 2013 are provided solely to implement House Bill No. 1290
37 (health care employee overtime). If the bill is not enacted by June
38 30, 2011, the amounts provided in this subsection shall lapse.

1 (d) \$32,000 of the general fund--state appropriation for fiscal
2 year 2012 and \$33,000 of the general fund--state appropriation for
3 fiscal year 2013 are provided solely to implement Substitute House Bill
4 No. 1718 (offenders with developmental disabilities). If the bill is
5 not enacted by June 30, 2011, the amounts provided in this subsection
6 shall lapse.

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

17 (f) \$311,000 of the general fund--state appropriation for fiscal
18 year 2013 is provided solely for implementation of House Bill No. 2346
19 (correctional officer uniforms). If the bill is not enacted by June
20 30, 2012, the amount provided in this subsection shall lapse.

21 (g) \$41,000 of the general fund--state appropriation for fiscal
22 year 2012 and \$165,000 of the general fund--state appropriation for
23 fiscal year 2013 are provided solely for the department to maintain the
24 facility, property, and assets at the institution formerly known as the
25 maple lane school in Rochester. The department may not house
26 incarcerated offenders at the maple lane site until specifically
27 directed by the legislature. By November 1, 2012, the department shall
28 report to the appropriate fiscal committees of the house of
29 representatives and the senate with a plan for the future use of the
30 facility.

31 (h) By December 1, 2012, the department shall provide to the
32 legislative fiscal committees a report that evaluates health care
33 expenditures in Washington state correctional institutions and makes
34 recommendations for controlling health care costs. The report shall
35 evaluate the source of health care costs, including offender health
36 issues, use of pharmaceuticals, offsite and specialist medical care,
37 chronic disease costs, and mental health issues. The department may

1 include information from other states on cost control in offender
2 health care, trends in offender health care that indicate potential
3 cost increases, and management of high-cost diagnoses.

4 (i) The department shall convene a work group to develop health
5 care cost containment strategies at local jail facilities. The work
6 group shall identify cost containment strategies in place at the
7 department and at local jail facilities, identify the costs and
8 benefits of implementing strategies in jail health-care facilities, and
9 make recommendations on implementing beneficial strategies. The work
10 group shall submit a report on its findings and recommendations to the
11 fiscal committees of the legislature by October 1, 2013. The work
12 group shall include jail administrators, representatives from health
13 care facilities at the local jail level and the state prisons level,
14 and other representatives as deemed necessary.

15 (j) The department of corrections, with participation of the health
16 care authority and the department of social and health services, aging
17 and adult services administration, shall establish a work group to
18 analyze and review release options for elderly and infirm offenders and
19 submit recommendations to the appropriate policy and fiscal committees
20 of the legislature with release options for these populations no later
21 than December 1, 2012. In making its recommendations, the work group
22 shall identify:

23 (i) The most expensive medical conditions for which the department
24 has had to treat its offenders and the offenders receiving the most
25 costly ongoing medical treatments;

26 (ii) For identified populations, the age, level of disability, cost
27 of care while incarcerated, safety issues related to release, ease of
28 placement, and time served in relation to the offender's sentence;

29 (iii) Potential cost savings to the state that may be generated by
30 the early release of elderly and infirm offenders;

31 (iv) Housing options to expedite the release of aging and infirm
32 offenders while maintaining the safety of housing providers, other
33 housing residents, and the general public; and

34 (v) Optimal procedures for reviewing offenders on a case-by-case
35 basis to ensure that the interests of justice and public safety are
36 considered in any early release decision.

37 (3) COMMUNITY SUPERVISION

38 General Fund--State Appropriation (FY 2012) \$127,121,000

1 General Fund--State Appropriation (FY 2013) (~~(\$128,494,000)~~)
 2 \$126,033,000
 3 Federal Narcotics Forfeiture Account--Federal
 4 Appropriation \$372,000
 5 Controlled Substances Account--State
 6 Appropriation \$32,000
 7 TOTAL APPROPRIATION (~~(\$256,019,000)~~)
 8 \$253,558,000

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

11 (a) \$875,000 of the general fund--state appropriation for fiscal
 12 year 2012 is provided solely to implement Engrossed Substitute House
 13 Bill No. 5891 (criminal justice cost savings). If the bill is not
 14 enacted by June 30, 2011, the amount provided in this subsection shall
 15 lapse.

16 (b) (~~(\$6,362,000)~~) \$3,753,000 of the general fund--state
 17 appropriation for fiscal year 2013 is provided solely to implement an
 18 evidence-based risk-needs-responsivity model for community supervision
 19 of offenders.

20 (4) CORRECTIONAL INDUSTRIES

21 General Fund--State Appropriation (FY 2012) \$2,513,000
 22 General Fund--State Appropriation (FY 2013) \$2,431,000
 23 TOTAL APPROPRIATION \$4,944,000

24 The appropriations in this subsection are subject to the following
 25 conditions and limitations: \$66,000 of the general fund--state
 26 appropriation for fiscal year 2012 is provided solely for transfer to
 27 the jail industries board. The board shall use the amounts provided
 28 only for administrative expenses, equipment purchases, and technical
 29 assistance associated with advising cities and counties in developing,
 30 promoting, and implementing consistent, safe, and efficient offender
 31 work programs.

32 (5) INTERAGENCY PAYMENTS

33 General Fund--State Appropriation (FY 2012) \$35,821,000
 34 General Fund--State Appropriation (FY 2013) (~~(\$27,264,000)~~)
 35 \$27,539,000
 36 TOTAL APPROPRIATION (~~(\$63,085,000)~~)
 37 \$63,360,000

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

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

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

10 (c) The department shall reduce payments to the department of
11 information services or its successor by \$213,000 in fiscal year 2012
12 and by \$1,150,000 in fiscal year 2013. The reduction in payment shall
13 be related to the elimination of the offender base tracking system,
14 including moving remaining portions of the offender base tracking
15 system into the offender management network information system.

16 **Sec. 1218.** 2012 2nd sp.s. c 7 s 221 (uncodified) is amended to
17 read as follows:

18 **FOR THE DEPARTMENT OF SERVICES FOR THE BLIND**

19	General Fund--State Appropriation (FY 2012)	\$2,159,000
20	General Fund--State Appropriation (FY 2013)	\$2,131,000
21	General Fund--Federal Appropriation	((\$19,239,000))
22		<u>\$19,739,000</u>
23	General Fund--Private/Local Appropriation	((\$30,000))
24		<u>\$105,000</u>
25	TOTAL APPROPRIATION	((\$23,559,000))
26		<u>\$24,134,000</u>

27 **Sec. 1219.** 2012 2nd sp.s. c 7 s 222 (uncodified) is amended to
28 read as follows:

29 **FOR THE EMPLOYMENT SECURITY DEPARTMENT**

30	General Fund--Federal Appropriation	\$267,069,000
31	General Fund--Private/Local Appropriation	\$33,856,000
32	Unemployment Compensation Administration Account--	
33	Federal Appropriation	((\$349,247,000))
34		<u>\$356,767,000</u>
35	Administrative Contingency Account--State	
36	Appropriation	\$20,940,000

1	Employment Service Administrative Account--State	
2	Appropriation	\$33,609,000
3	TOTAL APPROPRIATION	(\$704,721,000)
4		<u>\$712,241,000</u>

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

7 (1) \$39,666,000 of the unemployment compensation administration
8 account--federal appropriation is from amounts made available to the
9 state by section 903 (d), (f), and (g) of the social security act (Reed
10 act). This amount is provided solely for continuing current
11 unemployment insurance functions and department services to employers
12 and job seekers.

13 (2) \$35,584,000 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 the replacement of the
17 unemployment insurance tax information system for the employment
18 security department. The employment security department shall support
19 the department of revenue and department of labor and industries to
20 develop a common vision to ensure technological compatibility between
21 the three agencies to facilitate a coordinated business tax system for
22 the future that improves services to business customers. The amounts
23 provided in this subsection are conditioned on the department
24 satisfying the requirements of the project management oversight
25 standards and policies established by the office of the chief
26 information officer created in Engrossed Substitute Senate Bill No.
27 5931 (information technology management).

28 (3) \$25,000 of the unemployment compensation administration
29 account--federal appropriation is from amounts made available to the
30 state by section 903 (d), (f), and (g) of the social security act (Reed
31 act). This amount is provided solely for implementation of system
32 changes to the unemployment insurance tax information system required
33 under chapter 4, Laws of 2011 (unemployment insurance program).

34 (4) \$1,459,000 of the unemployment compensation administration
35 account--federal appropriation is from amounts available to the state
36 by section 903 (d), (f), and (g) of the social security act (Reed act).
37 This amount is provided solely for implementation of chapter 4, Laws of
38 2011 (unemployment insurance program).

1 (5) \$80,000 of the unemployment compensation administration
2 account--federal appropriation is provided solely for costs associated
3 with the initial review and evaluation of the training benefits program
4 as directed in section 15(2), chapter 4, Laws of 2011 (unemployment
5 insurance program). The initial review shall be developed by the joint
6 legislative audit and review committee. This appropriation is provided
7 from funds made available to the state by section 903 (d), (f), and (g)
8 of the social security act (Reed act).

(End of part)

PART XIII
NATURAL RESOURCES

Sec. 1301. 2012 2nd sp.s. c 7 s 303 (uncodified) is amended to read as follows:

FOR THE STATE PARKS AND RECREATION COMMISSION

General Fund--State Appropriation (FY 2012)	\$8,955,000
General Fund--State Appropriation (FY 2013)	\$8,379,000
General Fund--Federal Appropriation	\$5,905,000
Winter Recreation Program Account--State Appropriation	(\$1,759,000)
	<u>\$2,034,000</u>
ORV and Nonhighway Vehicle Account--State Appropriation	\$224,000
Snowmobile Account--State Appropriation	\$4,844,000
Aquatic Lands Enhancement Account--State Appropriation	\$4,363,000
Parks Renewal and Stewardship Account--State Appropriation	\$106,505,000
Parks Renewal and Stewardship Account--Private/Local Appropriation	\$300,000
TOTAL APPROPRIATION	(\$141,234,000)
	<u>\$141,509,000</u>

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

(1) \$8,876,000 of the general fund--state appropriation for fiscal year 2012, \$8,300,000 of the general fund--state appropriation for fiscal year 2013, and \$4,000,000 of the aquatic lands enhancement account--state appropriation are provided solely to operate and maintain state parks as the commission implements a new fee structure. The goal of this structure is to make the parks system self-supporting. By August 1, 2012, state parks must submit a report to the office of financial management detailing its progress toward this goal and outlining any additional statutory changes needed for successful implementation.

(2) \$79,000 of the general fund--state appropriation for fiscal

1 year 2012 and \$79,000 of the general fund--state appropriation for
2 fiscal year 2013 are provided solely for a grant for the operation of
3 the Northwest avalanche center.

4 (3) \$44,528,000 of the parks renewal and stewardship account--state
5 appropriation is provided solely for implementation of Second
6 Substitute Senate Bill No. 5622 (state land recreation access). If the
7 bill is not enacted by June 30, 2011, the amount provided in this
8 subsection shall lapse.

9 (4) Prior to closing any state park, the commission must notify all
10 affected local governments and relevant nonprofit organizations of the
11 intended closure and provide an opportunity for the notified local
12 governments and nonprofit organizations to elect to acquire, or enter
13 into, a maintenance and operating contract with the commission that
14 would allow the park to remain open.

15 (5) The state parks and recreation commission, in cooperation with
16 the Fort Worden lifelong learning center public development authority
17 authorized under RCW 35.21.730 shall provide a report to the governor
18 and appropriate committees of the legislature no later than October 15,
19 2012, to create a lifelong learning center at Fort Worden state park.
20 This plan shall support and be based upon the Fort Worden state park
21 long-range plan adopted by the state parks and recreation commission in
22 September 2008. The report shall include a business and governance
23 plan and supporting materials that provide options and recommendations
24 on the long-term governance of Fort Worden state park, including
25 building maintenance and restoration. While the commission may
26 transfer full or partial operations to the public development authority
27 the state shall retain title to the property. The state parks and
28 recreation commission and the public development authority will agree
29 on the scope and content of the report including the business and
30 governance plan. In preparing this report the state parks and
31 recreation commission and the public development authority shall
32 provide ample opportunity for the public and stakeholders to
33 participate in the development of the business and governance plan.
34 The state parks and recreation commission shall review the report and
35 if it is consistent with the 2008 Fort Worden state park long-range
36 plan shall take action on a long-term governance and business plan no
37 later than December 31, 2012.

1 (6) Within the appropriations contained in this section, the
 2 commission shall review the removal of trees from Brooks memorial state
 3 park that have been killed or damaged by fire in order to determine the
 4 recovery value from the sale of any timber that is surplus to the needs
 5 of the park. The commission shall remove such trees, if the commission
 6 determines that the recovery value from the sale of any timber is at
 7 least cost neutral and the removal is in a manner consistent with RCW
 8 79A.05.035.

9 **Sec. 1302.** 2012 2nd sp.s. c 7 s 307 (uncodified) is amended to
 10 read as follows:

11 **FOR THE DEPARTMENT OF FISH AND WILDLIFE**

12	General Fund--State Appropriation (FY 2012)	\$34,098,000
13	General Fund--State Appropriation (FY 2013)	((23,618,000))
14		<u>\$26,417,000</u>
15	General Fund--Federal Appropriation	((105,481,000))
16		<u>\$105,725,000</u>
17	General Fund--Private/Local Appropriation	((56,923,000))
18		<u>\$57,107,000</u>
19	ORV and Nonhighway Vehicle Account--State Appropriation . . .	\$391,000
20	Aquatic Lands Enhancement Account--State	
21	Appropriation	((12,113,000))
22		<u>\$12,125,000</u>
23	Recreational Fisheries Enhancement--State	
24	Appropriation	((2,794,000))
25		<u>\$2,809,000</u>
26	Warm Water Game Fish Account--State Appropriation . . .	((2,841,000))
27		<u>\$2,842,000</u>
28	Eastern Washington Pheasant Enhancement Account--State	
29	Appropriation	\$849,000
30	Aquatic Invasive Species Enforcement Account--State	
31	Appropriation	\$204,000
32	Aquatic Invasive Species Prevention Account--State	
33	Appropriation	\$848,000
34	State Wildlife Account--State Appropriation	((100,742,000))
35		<u>\$95,241,000</u>
36	Special Wildlife Account--State Appropriation	\$2,382,000
37	Special Wildlife Account--Federal Appropriation	\$500,000

1	Special Wildlife Account--Private/Local Appropriation . . .	\$3,415,000
2	Wildlife Rehabilitation Account--State Appropriation	\$259,000
3	Regional Fisheries Enhancement Salmonid Recovery	
4	Account--Federal Appropriation	\$5,001,000
5	Oil Spill Prevention Account--State Appropriation	\$883,000
6	Oyster Reserve Land Account--State Appropriation	\$919,000
7	Recreation Resources Account--State Appropriation	\$3,300,000
8	Hydraulic Project Approval Account--State Appropriation . . .	\$337,000
9	TOTAL APPROPRIATION	(\$357,900,000)
10		<u>\$355,652,000</u>

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

13 (1) \$294,000 of the aquatic lands enhancement account--state
14 appropriation is provided solely for the implementation of hatchery
15 reform recommendations defined by the hatchery scientific review group.

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

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

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

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

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

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

6 (3) Prior to submitting its 2013-2015 biennial operating and
7 capital budget request related to state fish hatcheries to the office
8 of financial management, the department shall contract with the
9 hatchery scientific review group (HSRG) to review this request. This
10 review shall: (a) Determine if the proposed requests are consistent
11 with HSRG recommendations; (b) prioritize the components of the
12 requests based on their contributions to protecting wild salmonid
13 stocks and meeting the recommendations of the HSRG; and (c) evaluate
14 whether the proposed requests are being made in the most cost effective
15 manner. The department shall provide a copy of the HSRG review to the
16 office of financial management with their agency budget proposal.

17 (4) \$400,000 of the general fund--state appropriation for fiscal
18 year 2012 and \$400,000 of the general fund--state appropriation for
19 fiscal year 2013 are provided solely for a state match to support the
20 Puget Sound nearshore partnership between the department and the U.S.
21 army corps of engineers.

22 (5) \$50,000 of the general fund--state appropriation for fiscal
23 year 2012 and \$50,000 of the general fund--state appropriation for
24 fiscal year 2013 are provided solely for removal of derelict gear in
25 Washington waters.

26 (6) \$100,000 of the eastern Washington pheasant enhancement
27 account--state appropriation is provided solely for the department to
28 support efforts to enhance permanent and temporary pheasant habitat on
29 public and private lands in Grant, Franklin, and Adams counties. The
30 department may support efforts by entities including conservation
31 districts, nonprofit organizations, and landowners, and must require
32 such entities to provide significant nonstate matching resources, which
33 may be in the form of funds, material, or labor.

34 (7) Within the amounts appropriated in this section, the department
35 shall identify additional opportunities for partnerships in order to
36 keep fish hatcheries operational. Such partnerships shall aim to
37 maintain fish production and salmon recovery with less reliance on
38 state operating funds.

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

6 (9) Prior to opening game management unit 490 to public hunting,
7 the department shall complete an environmental impact statement that
8 includes an assessment of how public hunting activities will impact the
9 ongoing protection of the public water supply.

10 (10) \$18,514,000 of the state wildlife account--state appropriation
11 is provided solely for the implementation of Second Substitute Senate
12 Bill No. 5385 (state wildlife account). If the bill is not enacted by
13 June 30, 2011, the amount provided in this subsection shall lapse.

14 (11) \$9,418,000 of the state wildlife account--state appropriation
15 is provided solely for the implementation of Second Substitute Senate
16 Bill No. 5622 (state land recreation access). If the bill is not
17 enacted by June 30, 2011, the amount provided in this subsection shall
18 lapse.

19 (12) \$50,000 of the state wildlife account--state appropriation is
20 provided solely for mitigation, claims, and assessment costs for injury
21 or loss of livestock caused by wolves, black bears, and cougars.

22 (13) \$552,000 of the aquatic lands enhancement account--state
23 appropriation is provided solely for increased law enforcement capacity
24 to reduce the occurrence of geoduck poaching and illegal harvest
25 activities. With these additional funds, the department shall deploy
26 two new fish and wildlife officers and one detective within Puget Sound
27 to address on-the-water and marketplace geoduck harvest compliance.

28 (14) \$337,000 of the hydraulic project approval--state
29 appropriation is provided solely for the implementation of Second
30 Engrossed Substitute Senate Bill No. 6406 (state natural resources).
31 If the bill is not enacted by June 30, 2012, the amount provided in
32 this subsection shall lapse.

33 **Sec. 1303.** 2012 2nd sp.s. c 7 s 308 (uncodified) is amended to
34 read as follows:

35 **FOR THE DEPARTMENT OF NATURAL RESOURCES**

36 General Fund--State Appropriation (FY 2012) \$30,907,000
37 General Fund--State Appropriation (FY 2013) (~~(\$35,791,000)~~)

1		<u>\$67,782,000</u>
2	General Fund--Federal Appropriation	\$27,873,000
3	General Fund--Private/Local Appropriation	\$2,372,000
4	Forest Development Account--State Appropriation	((\$46,254,000))
5		<u>\$44,116,000</u>
6	ORV and Nonhighway Vehicle Account--State	
7	Appropriation	\$4,373,000
8	Surveys and Maps Account--State Appropriation	\$2,118,000
9	Aquatic Lands Enhancement Account--State	
10	Appropriation	\$69,000
11	Resources Management Cost Account--State	
12	Appropriation	\$90,131,000
13	Surface Mining Reclamation Account--State	
14	Appropriation	\$3,467,000
15	Disaster Response Account--State Appropriation	\$5,000,000
16	Forest and Fish Support Account--State Appropriation	\$9,784,000
17	Aquatic Land Dredged Material Disposal Site	
18	Account--State Appropriation	\$838,000
19	Natural Resources Conservation Areas Stewardship	
20	Account--State Appropriation	\$34,000
21	State Toxics Control Account--State Appropriation	\$80,000
22	Air Pollution Control Account--State Appropriation	\$540,000
23	NOVA Program Account--State Appropriation	\$635,000
24	Derelict Vessel Removal Account--State Appropriation	\$1,761,000
25	Agricultural College Trust Management Account--State	
26	Appropriation	\$1,848,000
27	Forest Practices Application Account--State Appropriation	\$780,000
28	Marine Resources Stewardship Trust Account--State	
29	Appropriation	\$2,100,000
30	TOTAL APPROPRIATION	((\$262,782,000))
31		<u>\$296,608,000</u>

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

34 (1) \$710,000 of the general fund--state appropriation for fiscal
35 year 2012 and \$915,000 of the general fund--state appropriation for
36 fiscal year 2013 are provided solely for deposit into the agricultural
37 college trust management account and are provided solely to manage

1 approximately 70,700 acres of Washington State University's
2 agricultural college trust lands.

3 (2) \$8,030,000 of the general fund--state appropriation for fiscal
4 year 2012, (~~(\$10,037,000)~~) \$42,028,000 of the general fund--state
5 appropriation for fiscal year 2013, and \$5,000,000 of the disaster
6 response account--state appropriation are provided solely for emergency
7 fire suppression. None of the general fund and disaster response
8 account amounts provided in this subsection may be used to fund agency
9 indirect and administrative expenses. Agency indirect and
10 administrative costs shall be allocated among the agency's remaining
11 accounts and appropriations. The department of natural resources shall
12 submit a quarterly report to the office of financial management and the
13 legislative fiscal committees detailing information on current and
14 planned expenditures from the disaster response account. This work
15 shall be done in coordination with the military department.

16 (3) \$4,500,000 of the forest and fish support account--state
17 appropriation is provided solely for outcome-based, performance
18 contracts with tribes to participate in the implementation of the
19 forest practices program. Contracts awarded in fiscal year 2013 may
20 only contain indirect costs set at or below the rate in the contracting
21 tribe's indirect cost agreement with the federal government. If
22 federal funding for this purpose is reinstated, the amount provided in
23 this subsection shall lapse.

24 (4) \$518,000 of the forest and fish support account--state
25 appropriation is provided solely for outcome-based performance
26 contracts with nongovernmental organizations to participate in the
27 implementation of the forest practices program. Contracts awarded in
28 fiscal year 2013 may only contain indirect cost set at or below a rate
29 of eighteen percent.

30 (5) During the 2011-2013 fiscal biennium, \$717,000 of the forest
31 and fish support account--state appropriation is provided solely to
32 fund interagency agreements with the department of ecology and the
33 department of fish and wildlife as part of the adaptive management
34 process.

35 (6) \$1,000,000 of the general fund--federal appropriation and
36 \$1,000,000 of the forest and fish support account--state appropriation
37 are provided solely for continuing scientific studies already underway

1 as part of the adaptive management process. Funds may not be used to
2 initiate new studies unless the department secures new federal funding
3 for the adaptive management process.

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

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

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

18 (10) In partnership with the department of ecology, the departments
19 shall deliver a report to the governor, the appropriate committees of
20 the legislature, and the forest practices board by September 1, 2012,
21 documenting forest practices adaptive management program reforms
22 implemented, or recommended, that streamline existing processes to
23 increase program efficiencies and effectiveness. The departments shall
24 collaborate with interested adaptive management program participants in
25 the development of the report.

26 (11)(a) \$2,100,000 of the marine resources stewardship account--
27 state appropriation is provided solely for the implementation of
28 chapter 252, Laws of 2012 (marine management planning) and 43.372 RCW.
29 The department will work with the marine interagency team, tribes, and
30 the Washington state marine resource committee to develop a spending
31 plan consistent with the priorities in chapter 252, Laws of 2012, for
32 conducting ecosystem assessments and mapping activities related to
33 marine resources use and potential economic development, developing
34 marine management plans for the state's coastal waters, and otherwise
35 aiding in the implementation of marine planning in the state. As
36 appropriate, the team shall develop a competitive process for projects
37 to be funded by the department in fiscal year 2013.

1 (b) The department, in consultation with the marine interagency
2 team, shall submit to the office of financial management and the
3 appropriate legislative committees by September 1, 2012, a prioritized
4 list of projects and activities for funding consideration through the
5 marine resources stewardship account in the 2013-2015 fiscal biennium.

6 ((+13+)) (12) \$780,000 of the forest practices application
7 account--state appropriation, \$18,000 of the forest development
8 account--state appropriation, \$23,000 of the resources management cost
9 account--state appropriation, and \$2,000 of the surface mining
10 reclamation account--state appropriation are provided solely for the
11 implementation of Second Engrossed Substitute Senate Bill No. 6406
12 (state natural resources). If the bill is not enacted by June 30,
13 2012, the amounts provided in this subsection shall lapse.

(End of part)

PART XIV
TRANSPORTATION

Sec. 1401. 2012 2nd sp.s. c 7 s 402 (uncodified) is amended to read as follows:

FOR THE STATE PATROL

General Fund--State Appropriation (FY 2012)	\$35,395,000
General Fund--State Appropriation (FY 2013)	(\$32,323,000)
	<u>\$41,947,000</u>
General Fund--Federal Appropriation	\$16,081,000
General Fund--Private/Local Appropriation	\$3,021,000
Death Investigations Account--State Appropriation	\$5,537,000
County Criminal Justice Assistance Account--State	
Appropriation	\$3,207,000
Municipal Criminal Justice Assistance Account--State	
Appropriation	\$1,286,000
Fire Service Trust Account--State Appropriation	\$131,000
Disaster Response Account--State Appropriation	\$8,002,000
Fire Service Training Account--State Appropriation	\$9,386,000
Aquatic Invasive Species Enforcement Account--State	
Appropriation	\$54,000
State Toxics Control Account--State Appropriation	\$505,000
Fingerprint Identification Account--State	
Appropriation	\$10,067,000
Vehicle License Fraud Account--State Appropriation	\$437,000
TOTAL APPROPRIATION	(\$125,432,000)
	<u>\$135,056,000</u>

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

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

1 (2) \$8,000,000 of the disaster response account--state
2 appropriation is provided solely for Washington state fire service
3 resource mobilization costs incurred in response to an emergency or
4 disaster authorized under RCW 43.43.960 and 43.43.964. The state
5 patrol shall submit a report quarterly to the office of financial
6 management and the legislative fiscal committees detailing information
7 on current and planned expenditures from this account. This work shall
8 be done in coordination with the military department.

9 (3) \$400,000 of the fire service training account--state
10 appropriation is provided solely for the firefighter apprenticeship
11 training program.

12 (4) In accordance with RCW 43.43.742 the state patrol is authorized
13 to increase the following fees in fiscal year ((2012)) 2013 as
14 necessary to meet the actual costs of conducting business and the
15 appropriation levels in this section: Notary service fee.

16 (5) \$59,000 of the fingerprint identification account--state
17 appropriation is provided solely for implementation of Engrossed Second
18 Substitute House Bill No. 1776 (child care center licensing). If the
19 bill is not enacted by June 30, 2011, the amount provided in this
20 subsection shall lapse.

21 (6) \$6,000 of the fingerprint identification account--state
22 appropriation is provided solely for implementation of Engrossed
23 Substitute House Bill No. 1494 (vulnerable adult referrals). If the
24 bill is not enacted by June 30, 2011, the amount provided in this
25 subsection shall lapse.

26 (7) \$1,000 of the fingerprint identification account--state
27 appropriation is provided solely for implementation of Engrossed Senate
28 Bill No. 6296 (background checks). If the bill is not enacted by June
29 30, 2012, the amount provided in this subsection shall lapse.

(End of part)

PART XV
EDUCATION

Sec. 1501. 2013 c 147 s 1 (uncodified) is amended to read as follows:

FOR THE SUPERINTENDENT OF PUBLIC INSTRUCTION

General Fund--State Appropriation (FY 2012)	\$25,322,000
General Fund--State Appropriation (FY 2013)	(\$27,133,000)
	<u>\$27,793,000</u>
General Fund--Federal Appropriation	(\$77,011,000)
	<u>\$82,011,000</u>
General Fund--Private/Local Appropriation	\$4,000,000
TOTAL APPROPRIATION	(\$133,466,000)
	<u>\$139,126,000</u>

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

(1) A maximum of \$16,056,000 of the general fund--state appropriation for fiscal year 2012 and ~~(\$14,875,000)~~ \$15,276,000 of the general fund--state appropriation for fiscal year 2013 is for state agency operations.

(a) \$9,692,000 of the general fund--state appropriation for fiscal year 2012 and ~~(\$8,169,000)~~ \$8,160,000 of the general fund--state appropriation for fiscal year 2013 are provided solely for the operation and expenses of the office of the superintendent of public instruction.

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

(ii) By January 1, 2012, the office of the superintendent of public instruction shall issue a report to the legislature with a timeline and an estimate of costs for implementation of the common core standards. The report must incorporate feedback from an open public forum for recommendations to enhance the standards, particularly in math.

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

9 (iv) The office of the superintendent of public instruction shall,
10 no later than August 1, 2011, establish a standard statewide definition
11 of unexcused absence. The definition shall be reported to the ways and
12 means committees of the senate and house of representatives for
13 legislative review in the 2012 legislative session. Beginning no later
14 than January 1, 2012, districts shall report to the office of the
15 superintendent of public instruction, daily student unexcused absence
16 data by school.

17 (b) \$1,964,000 of the general fund--state appropriation for fiscal
18 year 2012 and \$1,017,000 of the general fund--state appropriation for
19 fiscal year 2013 are provided solely for activities associated with the
20 implementation of new school finance systems required by chapter 236,
21 Laws of 2010 (K-12 education funding) and chapter 548, Laws of 2009
22 (state's education system), including technical staff, systems
23 reprogramming, and workgroup deliberations, including the quality
24 education council and the data governance working group.

25 (c)(i) \$851,000 of the general fund--state appropriation for fiscal
26 year 2012 and \$851,000 of the general fund--state appropriation for
27 fiscal year 2013 are provided solely for the operation and expenses of
28 the state board of education, including basic education assistance
29 activities.

30 (ii) \$171,000 of the general fund--state appropriation for fiscal
31 year 2013 is provided solely to the state board of education for
32 implementation of Initiative Measure No. 1240 (charter schools).

33 (d) \$1,744,000 of the general fund--state appropriation for fiscal
34 year 2012 and \$1,387,000 of the general fund--state appropriation for
35 fiscal year 2013 are provided solely to the professional educator
36 standards board for the following:

37 (i) \$1,050,000 in fiscal year 2012 and \$1,050,000 in fiscal year

1 2013 are for the operation and expenses of the Washington professional
2 educator standards board;

3 (ii) \$694,000 of the general fund--state appropriation for fiscal
4 year 2012 and \$312,000 of the general fund--state appropriation for
5 fiscal year 2013 are for conditional scholarship loans and mentor
6 stipends provided through the alternative routes to certification
7 program administered by the professional educator standards board,
8 including the pipeline for paraeducators program and the retooling to
9 teach conditional loan programs. Funding within this subsection
10 (1)(d)(ii) is also provided for the recruiting Washington teachers
11 program. Funding reductions in this subsection (1)(d)(ii) in the 2011-
12 2013 fiscal biennium are intended to be one-time; and

13 (iii) \$25,000 of the general fund--state appropriation for fiscal
14 year 2013 is provided solely for the professional educator standards
15 board to develop educator interpreter standards and identify
16 interpreter assessments that are available to school districts.
17 Interpreter assessments should meet the following criteria: (A)
18 Include both written assessment and performance assessment; (B) be
19 offered by a national organization of professional sign language
20 interpreters and transliterators; and (C) be designed to assess
21 performance in more than one sign system or sign language. The board
22 shall establish a performance standard, defining what constitutes a
23 minimum assessment result, for each educational interpreter assessment
24 identified. The board shall publicize the standards and assessments
25 for school district use.

26 (e) \$133,000 of the general fund--state appropriation for fiscal
27 year 2012 and \$133,000 of the general fund--state appropriation for
28 fiscal year 2013 are provided solely for the implementation of chapter
29 240, Laws of 2010, including staffing the office of equity and civil
30 rights.

31 (f) \$50,000 of the general fund--state appropriation for fiscal
32 year 2012 and \$50,000 of the general fund--state appropriation for
33 fiscal year 2013 are provided solely for the ongoing work of the
34 education opportunity gap oversight and accountability committee.

35 (g) \$45,000 of the general fund--state appropriation for fiscal
36 year 2012 and \$45,000 of the general fund--state appropriation for
37 fiscal year 2013 are provided solely for the implementation of chapter

1 380, Laws of 2009 (enacting the interstate compact on educational
2 opportunity for military children).

3 (h) \$159,000 of the general fund--state appropriation for fiscal
4 year 2012 and \$93,000 of the general fund--state appropriation for
5 fiscal year 2013 are provided solely for the implementation of chapter
6 185, Laws of 2011 (bullying prevention), which requires the office of
7 the superintendent of public instruction to convene an ongoing
8 workgroup on school bullying and harassment prevention. Within the
9 amounts provided, \$140,000 is for youth suicide prevention activities.

10 (i) \$1,227,000 of the general fund--state appropriation for fiscal
11 year 2012 and \$1,227,000 of the general fund--state appropriation for
12 fiscal year 2013 are provided solely for implementing a comprehensive
13 data system to include financial, student, and educator data, including
14 development and maintenance of the comprehensive education data and
15 research system (CEDARS).

16 (j) \$25,000 of the general fund--state appropriation for fiscal
17 year 2012 and \$25,000 of the general fund--state appropriation for
18 fiscal year 2013 are provided solely for project citizen, a program
19 sponsored by the national conference of state legislatures and the
20 center for civic education to promote participation in government by
21 middle school students.

22 (k) \$166,000 of the general fund--state appropriation for fiscal
23 year 2012 is provided solely for the implementation of chapter 192,
24 Laws of 2011 (school district insolvency). Funding is provided to
25 develop a clear legal framework and process for dissolution of a school
26 district.

27 (l) \$1,500,000 of the general fund--state appropriation for fiscal
28 year 2013 is provided solely for implementation of House Bill No. 2799
29 (collaborative schools). If such legislation is not enacted by June
30 30, 2012, the amount provided in this subsection shall lapse.

31 (m) \$128,000 of the general fund--state appropriation for fiscal
32 year 2013 is provided solely pursuant to Substitute House Bill No. 2254
33 (foster care outcomes). The office of the superintendent of public
34 instruction shall report on the implementation of the state's plan of
35 cross-system collaboration to promote educational stability and improve
36 education outcomes of foster youth. The first report is due December
37 1, 2012, and annually thereafter through 2015. If the bill is not

1 enacted by June 30, 2012, the amount provided in this subsection shall
2 lapse.

3 (n) \$250,000 of the general fund--state appropriation for fiscal
4 year 2013 is provided solely for implementation of House Bill No. 2337
5 (open K-12 education resources). If the bill is not enacted by June
6 30, 2012, the amount provided in this subsection shall lapse.

7 (o) \$239,000 of the general fund--state appropriation for fiscal
8 year 2013 is provided solely for implementation of Initiative Measure
9 No. 1240 (charter schools).

10 (p) \$250,000 of the general fund--state appropriation for fiscal
11 year 2013 is provided solely for allocation to the office of the
12 superintendent of public instruction to provide financial assistance to
13 nonhigh school districts that are experiencing budgetary shortfalls due
14 to a significant financial condition, including, but not limited to:
15 Declining total enrollment; increased enrollment of students with
16 special education needs; and debts owed to school districts serving the
17 nonhigh school district's high school aged students. The financial
18 assistance shall be in the form of a loan. The loan agreement shall:

19 (i) Include conditions, binding on the school district, designed to
20 improve the district's financial condition;

21 (ii) Include a repayment schedule of no more than five years in
22 length; and

23 (iii) Prohibit districts that receive loans under this subsection
24 from using cash basis accounting.

25 (2) \$9,267,000 of the general fund--state appropriation for fiscal
26 year 2012 and \$12,267,000 of the general fund--state appropriation for
27 fiscal year 2013 are for statewide programs.

28 (a) HEALTH AND SAFETY

29 (i) \$2,541,000 of the general fund--state appropriation for fiscal
30 year 2012 and \$2,541,000 of the general fund--state appropriation for
31 fiscal year 2013 are provided solely for a corps of nurses located at
32 educational service districts, as determined by the superintendent of
33 public instruction, to be dispatched to the most needy schools to
34 provide direct care to students, health education, and training for
35 school staff.

36 (ii) \$50,000 of the general fund--state appropriation for fiscal
37 year 2012 and \$50,000 of the general fund--state appropriation for

1 fiscal year 2013 are provided solely for a nonviolence and leadership
2 training program provided by the institute for community leadership.

3 (b) TECHNOLOGY

4 \$1,221,000 of the general fund--state appropriation for fiscal year
5 2012 and \$1,221,000 of the general fund--state appropriation for fiscal
6 year 2013 are provided solely for K-20 telecommunications network
7 technical support in the K-12 sector to prevent system failures and
8 avoid interruptions in school utilization of the data processing and
9 video-conferencing capabilities of the network. These funds may be
10 used to purchase engineering and advanced technical support for the
11 network.

12 (c) GRANTS AND ALLOCATIONS

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

19 (ii) \$1,000,000 of the general fund--state appropriation for fiscal
20 year 2012 and \$1,000,000 of the general fund--state appropriation for
21 fiscal year 2013 are provided solely for contracting with a college
22 scholarship organization with expertise in conducting outreach to
23 students concerning eligibility for the Washington college bound
24 scholarship consistent with chapter 405, Laws of 2007.

25 (iii) \$2,808,000 of the general fund--state appropriation for
26 fiscal year 2012 and \$2,808,000 of the general fund--state
27 appropriation for fiscal year 2013 are provided solely for the
28 dissemination of the navigation 101 curriculum to all districts. The
29 funding shall support electronic student planning tools and software
30 for analyzing the impact of navigation 101 on student performance, as
31 well as grants to a maximum of one hundred school districts each year,
32 based on progress and need for the implementation of the navigation 101
33 program. The implementation grants shall be awarded to a cross-section
34 of school districts reflecting a balance of geographic and demographic
35 characteristics. Within the amounts provided, the office of the
36 superintendent of public instruction will create a navigation 101
37 accountability model to analyze the impact of the program.

1 (iv) \$337,000 of the general fund--state appropriation for fiscal
2 year 2012 and \$337,000 of the general fund--state appropriation for
3 fiscal year 2013 are provided solely for implementation of the building
4 bridges statewide program for comprehensive dropout prevention,
5 intervention, and reengagement strategies.

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

11 (vi) \$500,000 of the general fund--state appropriation for fiscal
12 year 2012 and \$1,400,000 of the general fund--state appropriation for
13 fiscal year 2013 are provided solely for the implementation of chapter
14 340, Laws of 2011 (assessment of students in state-funded full-day
15 kindergarten classrooms), including the development and implementation
16 of the Washington kindergarten inventory of developing skills (WaKIDS).
17 Of the amounts in this subsection, \$1,000,000 of the fiscal year 2013
18 appropriation is for the implementation of House Bill No. 2586
19 (kindergarten inventory). If the bill is not enacted by June 30, 2012,
20 this amount shall lapse.

21 (vii) \$2,000,000 of the general fund--state appropriation for
22 fiscal year 2013 is provided solely for an urban school turnaround
23 initiative as follows:

24 (A) The office of the superintendent of public instruction shall
25 select two schools in the largest urban school district in the state.
26 The selected schools shall be among the state's lowest-performing
27 schools; be located within the same community and form a continuum of
28 education for the students in that community; have significant
29 educational achievement gaps; and include a mix of elementary, middle,
30 or high schools.

31 (B) The office shall allocate the funds under this subsection
32 (2)(c)(vii) to the school district to be used exclusively in the
33 selected schools. The district may not charge an overhead or indirect
34 fee for the allocated funds or supplant other state, federal, or local
35 funds in the selected schools. The school district shall use the funds
36 for intensive supplemental instruction, services, and materials in the
37 selected schools, including but not limited to professional development
38 for school staff; updated curriculum, materials, and technology;

1 extended learning opportunities for students; reduced class size;
2 summer enrichment activities; school-based health clinics; and other
3 research-based initiatives to dramatically turn around the performance
4 and close the achievement gap in the schools. The office shall enter
5 into an expenditure agreement with the school district under which any
6 funds under this subsection (2)(c)(vii) remaining unspent on August 31,
7 2015, shall be returned to the state. Priorities for the expenditure
8 of the funds shall be determined by the leadership and staff of each
9 school.

10 (C) The office shall monitor the activities in the selected schools
11 and the expenditure of funds to ensure the intent of this subsection
12 (2)(c)(vii) is met, and submit a report to the legislature by December
13 1, 2013, including outcomes resulting from the urban school turnaround
14 initiative. The report submitted to the legislature must include a
15 comparison of student learning achievement in the selected schools with
16 schools of comparable demographics that have not participated in the
17 grant program.

18 (D) Funding provided in this subsection (2)(c)(vii) is intended to
19 be one-time.

20 (viii) \$100,000 of the general fund--state appropriation for fiscal
21 year 2013 is provided solely to subsidize advanced placement exam fees
22 and international baccalaureate class fees and exam fees for low-income
23 students. To be eligible for the subsidy, a student must be either
24 enrolled or eligible to participate in the federal free or reduced
25 price lunch program, and the student must have maximized the allowable
26 federal contribution. The office of the superintendent of public
27 instruction shall set the subsidy in an amount so that the advanced
28 placement exam fee does not exceed \$15.00 and the combined class and
29 exam fee for the international baccalaureate does not exceed \$14.50.

30 **Sec. 1502.** 2012 2nd sp.s. c 7 s 502 (uncodified) is amended to
31 read as follows:

32	FOR THE SUPERINTENDENT OF PUBLIC INSTRUCTION--FOR GENERAL
33	APPORTIONMENT
34	General Fund--State Appropriation (FY 2012) \$5,241,233,000
35	General Fund--State Appropriation (FY 2013) ((\$5,170,854,000))
36	<u>\$5,139,496,000</u>
37	General Fund--Federal Appropriation \$22,327,000

1 TOTAL APPROPRIATION ((~~\$10,434,414,000~~))
2 \$10,403,056,000

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

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

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

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

16 (d) The appropriations in this section include federal funds
17 provided through section 101 of P.L. No. 111-226 (education jobs fund),
18 which shall be used to support general apportionment program funding.
19 In distributing general apportionment allocations under this section
20 for the 2011-12 school year, the superintendent shall include the
21 additional amount of \$3,327,000 allocated by the United States
22 department of education on September 16, 2011, provided through 101 of
23 P.L. No. 111-226 (education jobs fund) as part of each district's
24 general apportionment allocation.

25 (e) The enrollment of any district shall be the annual average
26 number of full-time equivalent students and part-time students as
27 provided in RCW 28A.150.350, enrolled on the fourth day of school in
28 September and on the first school day of each month October through
29 June, including students who are in attendance pursuant to RCW
30 28A.335.160 and 28A.225.250 who do not reside within the servicing
31 school district. Any school district concluding its basic education
32 program in May must report the enrollment of the last school day held
33 in May in lieu of a June enrollment.

34 (2) CERTIFICATED INSTRUCTIONAL STAFF ALLOCATIONS

35 Allocations for certificated instructional staff salaries for the
36 2011-12 and 2012-13 school years are determined using formula-generated
37 staff units calculated pursuant to this subsection.

(a) Certificated instructional staff units, as defined in RCW 28A.150.410, shall be allocated to reflect the minimum class size allocations, requirements, and school prototypes assumptions as provided in RCW 28A.150.260. The superintendent shall make allocations to school districts based on the district's annual average full-time equivalent student enrollment in each grade.

(b) Additional certificated instructional staff units provided in this subsection (2) that exceed the minimum requirements in RCW 28A.150.260 are enhancements outside the program of basic education, except as otherwise provided in this section.

(c)(i) The superintendent shall base allocations for each level of prototypical school on the following regular education average class size of full-time equivalent students per teacher, except as provided in (c)(ii) of this subsection:

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

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

(ii) For each level of prototypical school at which more than fifty percent of the students were eligible for free and reduced-price meals in the prior school year, the superintendent shall allocate funding based on the following average class size of full-time equivalent students per teacher:

General education class size in high poverty school:		
Grades K-3	.....	24.10

1	Grade 4	27.00
2	Grades 5-6	27.00
3	Grades 7-8	28.53
4	Grades 9-12	28.74

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

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

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

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

Career and Technical Education

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

(3) ADMINISTRATIVE STAFF ALLOCATIONS

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

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

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

1 (4) CLASSIFIED STAFF ALLOCATIONS

2 Allocations for classified staff units providing school building-
3 level and district-wide support services for the 2011-12 and 2012-13
4 school years are determined using the formula-generated staff units
5 provided in RCW 28A.150.260, and adjusted based on each district's
6 annual average full-time equivalent student enrollment in each grade.

7
8 (5) CENTRAL OFFICE ALLOCATIONS

9 In addition to classified and administrative staff units allocated
10 in subsections (3) and (4) of this section, classified and
11 administrative staff units are provided for the 2011-12 and 2012-13
12 school year for the central office administrative costs of operating a
13 school district, at the following rates:

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

19 (b) Of the central office staff units calculated in (a) of this
20 subsection, 74.53 percent are allocated as classified staff units, as
21 generated in subsection (4) of this section, and 25.47 percent shall be
22 allocated as administrative staff units, as generated in subsection (3)
23 of this section.

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

29 (d) For students in approved career-technical and skill center
30 programs, central office classified units are allocated at the same
31 staff unit per student rate as those generated for general education
32 students of the same grade in this subsection (5), and central office
33 administrative staff units are allocated at staff unit per student
34 rates that exceed the general education rate established for students
35 in the same grade in this subsection (5) by 3.69 percent for career and
36 technical education students, and 21.92 percent for skill center
37 students.

38 (6) FRINGE BENEFIT ALLOCATIONS

1 Fringe benefit allocations shall be calculated at a rate of 16.33
2 percent in the 2011-12 school year and 16.34 percent in the 2012-13
3 school year for certificated salary allocations provided under
4 subsections (2), (3), and (5) of this section, and a rate of 18.73
5 percent in the 2011-12 school year and 18.73 percent in the 2012-13
6 school year for classified salary allocations provided under
7 subsections (4) and (5) of this section.

8
9 (7) INSURANCE BENEFIT ALLOCATIONS

10 Insurance benefit allocations shall be calculated at the
11 maintenance rate specified in section 504 of this act, based on the
12 number of benefit units determined as follows:

13 (a) The number of certificated staff units determined in
14 subsections (2), (3), and (5) of this section; and

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

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

23 Funding is allocated per annual average full-time equivalent
24 student for the materials, supplies, and operating costs (MSOC)
25 incurred by school districts, consistent with the requirements of RCW
26 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	32 2011-12 SCHOOL YEAR	33 2012-13 SCHOOL YEAR
34	Technology	\$57.42	\$58.28
35	Utilities and Insurance	\$156.03	\$158.37

1	Curriculum and Textbooks	\$61.65	\$62.58
2	Other Supplies and Library Materials	\$130.89	\$132.85
3	Instructional Professional Development for Certificated		
4	and Classified Staff	\$9.53	\$9.68
5	Facilities Maintenance	\$77.30	\$78.46
6	Security and Central Office	\$53.55	\$54.35
7	TOTAL BASIC EDUCATION MSOC/STUDENT FTE	\$546.37	\$554.57

8 (b) Students in approved skill center programs generate per student
9 FTE MSOC allocations which equal the rate for general education
10 students calculated in (a) of this subsection, multiplied by a factor
11 of 2.171.

12 (c) Students in approved exploratory and preparatory career and
13 technical education programs generate a per student MSOC allocation
14 that is equal to the rate for general education students calculated in
15 (a) of this subsection, multiplied by a factor of 2.442.

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

19 (9) SUBSTITUTE TEACHER ALLOCATIONS

20 For the 2011-12 and 2012-13 school years, funding for substitute
21 costs for classroom teachers is based on four (4) funded substitute
22 days per classroom teacher unit generated under subsection (2) of this
23 section, at a daily substitute rate of \$151.86.

24 (10) ALTERNATIVE LEARNING EXPERIENCE PROGRAM FUNDING

25 (a) Amounts provided in this section are adjusted to reflect
26 provisions of House Bill No. 2065 (allocation of funding for funding
27 for students enrolled in alternative learning experiences).

28 (b) The superintendent of public instruction shall require all
29 districts receiving general apportionment funding for alternative
30 learning experience (ALE) programs as defined in WAC 392-121-182 to
31 provide separate financial accounting of expenditures for the ALE
32 programs offered in district or with a provider, including but not
33 limited to private companies and multidistrict cooperatives, as well as
34 accurate, monthly headcount and FTE enrollment claimed for basic
35 education, including separate counts of resident and nonresident
36 students.

1 (11) VOLUNTARY FULL DAY KINDERGARTEN PROGRAMS

2 Funding in this section is sufficient to fund voluntary full day
3 kindergarten programs in qualifying high poverty schools, pursuant to
4 RCW 28A.150.220 and 28A.150.315. Each kindergarten student who enrolls
5 for the voluntary full-day program in a qualifying school shall count
6 as one-half of one full-time equivalent student for purpose of making
7 allocations under this section. Funding in this section provides full-
8 day kindergarten programs for 21 percent of kindergarten enrollment in
9 the 2011-12 school year, and 22 percent in the 2012-13 school year.
10 Funding priority shall be given to schools with the highest poverty
11 levels, as measured by prior year free and reduced price lunch
12 eligibility rates in each school. Funding in this section is
13 sufficient to fund voluntary full day kindergarten programs for July
14 and August of the 2010-11 school year.

15 (12) ADDITIONAL FUNDING FOR SMALL SCHOOL DISTRICTS AND REMOTE AND
16 NECESSARY PLANTS

17 For small school districts and remote and necessary school plants
18 within any district which have been judged to be remote and necessary
19 by the superintendent of public instruction, additional staff units are
20 provided to ensure a minimum level of staffing support. Additional
21 administrative and certificated instructional staff units provided to
22 districts in this subsection shall be reduced by the general education
23 staff units, excluding career and technical education and skills center
24 enhancement units, otherwise provided in subsections (2) through (5) of
25 this section on a per district basis.

26 (a) For districts enrolling not more than twenty-five average
27 annual full-time equivalent students in grades K-8, and for small
28 school plants within any school district which have been judged to be
29 remote and necessary by the superintendent of public instruction and
30 enroll not more than twenty-five average annual full-time equivalent
31 students in grades K-8:

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

37 (ii) For those enrolling students in grades 7 or 8, 1.68
38 certificated instructional staff units and 0.32 certificated

1 administrative staff units for enrollment of not more than five
2 students, plus one-tenth of a certificated instructional staff unit for
3 each additional student enrolled;

4 (b) For specified enrollments in districts enrolling more than
5 twenty-five but not more than one hundred average annual full-time
6 equivalent students in grades K-8, and for small school plants within
7 any school district which enroll more than twenty-five average annual
8 full-time equivalent students in grades K-8 and have been judged to be
9 remote and necessary by the superintendent of public instruction:

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

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

16 (c) For districts operating no more than two high schools with
17 enrollments of less than three hundred average annual full-time
18 equivalent students, for enrollment in grades 9-12 in each such school,
19 other than alternative schools, except as noted in this subsection:

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

25 (ii) For all other small high schools under this subsection, nine
26 certificated instructional staff units and one-half of a certificated
27 administrative staff unit for the first sixty average annual full-time
28 equivalent students, and additional staff units based on a ratio of
29 0.8732 certificated instructional staff units and 0.1268 certificated
30 administrative staff units per each additional forty-three and one-half
31 average annual full-time equivalent students;

32 (iii) Districts receiving staff units under this subsection shall
33 add students enrolled in a district alternative high school and any
34 grades nine through twelve alternative learning experience programs
35 with the small high school enrollment for calculations under this
36 subsection;

37 (d) For each nonhigh school district having an enrollment of more
38 than seventy annual average full-time equivalent students and less than

1 one hundred eighty students, operating a grades K-8 program or a grades
2 1-8 program, an additional one-half of a certificated instructional
3 staff unit;

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

9 (f)(i) For enrollments generating certificated staff unit
10 allocations under (a) through (e) of this subsection, one classified
11 staff unit for each 2.94 certificated staff units allocated under such
12 subsections;

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

17 (g) School districts receiving additional staff units to support
18 small student enrollments and remote and necessary plants under
19 subsection (12) of this section shall generate additional MSOC
20 allocations consistent with the nonemployee related costs (NERC)
21 allocation formula in place for the 2010-11 school year as provided
22 section 502, chapter 37, Laws of 2010 1st sp. sess. (2010 supplemental
23 budget), adjusted annually for inflation.

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

33 (14) The superintendent may distribute funding for the following
34 programs outside the basic education formula during fiscal years 2012
35 and 2013 as follows:

36 (a) \$589,000 of the general fund--state appropriation for fiscal
37 year 2012 and \$598,000 of the general fund--state appropriation for

1 fiscal year 2013 are provided solely for fire protection for school
2 districts located in a fire protection district as now or hereafter
3 established pursuant to chapter 52.04 RCW.

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

11 (c) Funding in this section is sufficient to fund adjustments to
12 school districts' allocations resulting from the implementation of the
13 prototypical school funding formula, pursuant to chapter 236, Laws of
14 2010 (K-12 education funding). The funding in this section is intended
15 to hold school districts harmless in total for funding changes
16 resulting from conversion to the prototypical school formula in the
17 general apportionment program, the learning assistance program, the
18 transitional bilingual program, and the highly capable program, after
19 adjustment for changes in enrollment and other caseload adjustments.

20 (15) \$208,000 of the general fund--state appropriation for fiscal
21 year 2012 and \$211,000 of the general fund--state appropriation for
22 fiscal year 2013 are provided solely for school district emergencies as
23 certified by the superintendent of public instruction. At the close of
24 the fiscal year the superintendent of public instruction shall report
25 to the office of financial management and the appropriate fiscal
26 committees of the legislature on the allocations provided to districts
27 and the nature of the emergency.

28 (16) Funding in this section is sufficient to fund a maximum of
29 1.6 FTE enrollment for skills center students pursuant to chapter 463,
30 Laws of 2007.

31 (17) Beginning in the 2011-12 school year, students participating
32 in running start programs may be funded up to a combined maximum
33 enrollment of 1.2 FTE including school district and institution of
34 higher education enrollment. In calculating the combined 1.2 FTE, the
35 office of the superintendent of public instruction may average the
36 participating student's September through June enrollment to account
37 for differences in the start and end dates for courses provided by the
38 high school and higher education institution. Additionally, the office

1 of the superintendent of public instruction, in consultation with the
2 state board for community and technical colleges, the higher education
3 coordinating board, and the education data center, shall annually track
4 and report to the fiscal committees of the legislature on the combined
5 FTE experience of students participating in the running start program,
6 including course load analyses at both the high school and community
7 and technical college system.

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

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

15 (b) For the fourth through eighth school years following
16 consolidation, the difference between the basic education formula staff
17 units received by the districts for the school year prior to
18 consolidation and the basic education formula staff units after
19 consolidation pursuant to subsection (12) of this section shall be
20 reduced in increments of twenty percent per year.

21 (19)(a) Indirect cost charges by a school district to approved
22 career and technical education middle and secondary programs shall not
23 exceed 15 percent of the combined basic education and career and
24 technical education program enhancement allocations of state funds.
25 Middle and secondary career and technical education programs are
26 considered separate programs for funding and financial reporting
27 purposes under this section.

28 (b) Career and technical education program full-time equivalent
29 enrollment shall be reported on the same monthly basis as the
30 enrollment for students eligible for basic support, and payments shall
31 be adjusted for reported career and technical education program
32 enrollments on the same monthly basis as those adjustments for
33 enrollment for students eligible for basic support.

34 **Sec. 1503.** 2012 2nd sp.s. c 7 s 503 (uncodified) is amended to
35 read as follows:

36 **FOR THE SUPERINTENDENT OF PUBLIC INSTRUCTION--BASIC EDUCATION EMPLOYEE**
37 **COMPENSATION**

1 (1) The following calculations determine the salaries used in the
2 state allocations for certificated instructional, certificated
3 administrative, and classified staff units as provided in RCW
4 28A.150.280 and under section 503 of this act:

5 (a) Salary allocations for certificated instructional staff units
6 are determined for each district by multiplying the district's
7 certificated instructional total base salary shown on LEAP Document 2
8 by the district's average staff mix factor for certificated
9 instructional staff in that school year, computed using LEAP document
10 1; and

11 (b) Salary allocations for certificated administrative staff units
12 and classified staff units for each district are determined based on
13 the district's certificated administrative and classified salary
14 allocation amounts shown on LEAP Document 2.

15 (2) For the purposes of this section:

16 (a) "LEAP Document 1" means the staff mix factors for certificated
17 instructional staff according to education and years of experience, as
18 developed by the legislative evaluation and accountability program
19 committee on May 23, 2011, at 16:10 hours; and

20 (b) "LEAP Document 2" means the school year salary allocations for
21 certificated administrative staff and classified staff and derived and
22 total base salaries for certificated instructional staff as developed
23 by the legislative evaluation and accountability program committee on
24 May 23, 2011, at 16:10 hours.

25 (3) Incremental fringe benefit factors are applied to salary
26 adjustments at a rate of 15.69 percent for school year 2011-12 and
27 15.70 percent for school year 2012-13 for certificated instructional
28 and certificated administrative staff and 15.23 percent for school year
29 2011-12 and 15.23 percent for the 2012-13 school year for classified
30 staff.

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

34 Table Of Total Base Salaries For Certificated Instructional Staff For School Year 2011-12

35 ***Education Experience***

36

1	Years									MA+90
2	of									OR
3	Service	BA	BA+15	BA+30	BA+45	BA+90	BA+135	MA	MA+45	Ph.D.
4	0	33,401	34,303	35,238	36,175	39,180	41,116	40,045	43,051	44,989
5	1	33,851	34,765	35,712	36,690	39,727	41,652	40,490	43,527	45,452
6	2	34,279	35,202	36,159	37,212	40,241	42,186	40,938	43,966	45,912
7	3	34,720	35,653	36,620	37,706	40,729	42,722	41,363	44,384	46,377
8	4	35,153	36,127	37,099	38,224	41,264	43,271	41,808	44,849	46,857
9	5	35,600	36,578	37,561	38,748	41,777	43,824	42,261	45,291	47,339
10	6	36,060	37,017	38,032	39,279	42,293	44,352	42,725	45,740	47,797
11	7	36,868	37,839	38,868	40,182	43,241	45,356	43,594	46,652	48,768
12	8	38,050	39,074	40,127	41,550	44,651	46,844	44,961	48,063	50,254
13	9		40,353	41,459	42,933	46,106	48,373	46,343	49,518	51,785
14	10			42,806	44,387	47,602	49,945	47,798	51,014	53,356
15	11				45,883	49,169	51,558	49,295	52,581	54,969
16	12				47,332	50,777	53,238	50,850	54,188	56,650
17	13					52,425	54,959	52,460	55,836	58,370
18	14					54,081	56,745	54,117	57,600	60,157
19	15					55,488	58,221	55,523	59,098	61,721
20	16 or more					56,597	59,385	56,634	60,279	62,955

Table Of Total Base Salaries For Certificated Instructional Staff For School Year 2012-13

Education Experience

24	Years									MA+90
25	of									OR
26	Service	BA	BA+15	BA+30	BA+45	BA+90	BA+135	MA	MA+45	Ph.D.
27	0	33,401	34,303	35,238	36,175	39,180	41,116	40,045	43,051	44,989
28	1	33,851	34,765	35,712	36,690	39,727	41,652	40,490	43,527	45,452
29	2	34,279	35,202	36,159	37,212	40,241	42,186	40,938	43,966	45,912
30	3	34,720	35,653	36,620	37,706	40,729	42,722	41,363	44,384	46,377
31	4	35,153	36,127	37,099	38,224	41,264	43,271	41,808	44,849	46,857
32	5	35,600	36,578	37,561	38,748	41,777	43,824	42,261	45,291	47,339
33	6	36,060	37,017	38,032	39,279	42,293	44,352	42,725	45,740	47,797
34	7	36,868	37,839	38,868	40,182	43,241	45,356	43,594	46,652	48,768

1	8	38,050	39,074	40,127	41,550	44,651	46,844	44,961	48,063	50,254
2	9		40,353	41,459	42,933	46,106	48,373	46,343	49,518	51,785
3	10			42,806	44,387	47,602	49,945	47,798	51,014	53,356
4	11				45,883	49,169	51,558	49,295	52,581	54,969
5	12				47,332	50,777	53,238	50,850	54,188	56,650
6	13					52,425	54,959	52,460	55,836	58,370
7	14					54,081	56,745	54,117	57,600	60,157
8	15					55,488	58,221	55,523	59,098	61,721
9	16 or more					56,597	59,385	56,634	60,279	62,955

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

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

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

20 (5) For the purposes of this section:

- 21 (a) "BA" means a baccalaureate degree.
- 22 (b) "MA" means a masters degree.
- 23 (c) "PHD" means a doctorate degree.

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

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

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

- 34 (a) The employee has a masters degree; or
- 35 (b) The credits were used in generating state salary allocations
36 before January 1, 1992.

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

3 **Sec. 1504.** 2012 2nd sp.s. c 7 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--Federal Appropriation \$2,000

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

10 (1)(a) Additional salary adjustments as necessary to fund the base
11 salaries for certificated instructional staff as listed for each
12 district in LEAP Document 2, defined in section 504(2)(b) of this act.
13 Allocations for these salary adjustments shall be provided to all
14 districts that are not grandfathered to receive salary allocations
15 above the statewide salary allocation schedule, and to certain
16 grandfathered districts to the extent necessary to ensure that salary
17 allocations for districts that are currently grandfathered do not fall
18 below the statewide salary allocation schedule.

19 (b) Additional salary adjustments to certain districts as necessary
20 to fund the per full-time-equivalent salary allocations for
21 certificated administrative staff as listed for each district in LEAP
22 Document 2, defined in section 504(2)(b) of this act.

23 (c) Additional salary adjustments to certain districts as necessary
24 to fund the per full-time-equivalent salary allocations for classified
25 staff as listed for each district in LEAP Document 2, defined in
26 section 504(2)(b) of this act.

27 (d) The appropriations in this subsection (1) include associated
28 incremental fringe benefit allocations at 15.69 percent for the 2011-12
29 school year and 15.70 percent for the 2012-13 school year for
30 certificated instructional and certificated administrative staff and
31 15.23 percent for the 2011-12 school year and 15.23 percent for the
32 2012-13 school year for classified staff.

33 (e) The appropriations in this section include the increased or
34 decreased portion of salaries and incremental fringe benefits for all
35 relevant state-funded school programs in part V of this act. Changes
36 for general apportionment (basic education) are based on the salary
37 allocation schedules and methodology in sections 503 and 504 of this

1 act. Changes for special education result from changes in each
2 district's basic education allocation per student. Changes for
3 educational service districts and institutional education programs are
4 determined by the superintendent of public instruction using the
5 methodology for general apportionment salaries and benefits in sections
6 503 and 504 of this act.

7 (f) The appropriations in this section include no salary
8 adjustments for substitute teachers.

9 (2) The maintenance rate for insurance benefit allocations is
10 \$768.00 per month for the 2011-12 and 2012-13 school years. The
11 appropriations in this section reflect the incremental change in cost
12 of allocating rates of \$768.00 per month for the 2011-12 school year
13 and \$768.00 per month for the 2012-13 school year.

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

16 **Sec. 1505.** 2012 2nd sp.s. c 7 s 505 (uncodified) is amended to
17 read as follows:

18 **FOR THE SUPERINTENDENT OF PUBLIC INSTRUCTION--FOR PUPIL TRANSPORTATION**

19	General Fund--State Appropriation (FY 2012)	\$322,243,000
20	General Fund--State Appropriation (FY 2013)	((\$273,642,000))
21		<u>\$273,893,000</u>
22	TOTAL APPROPRIATION	((\$595,885,000))
23		<u>\$596,136,000</u>

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

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

29 (2)(a) For the 2011-12 and 2012-13 school years, the superintendent
30 shall allocate funding to school district programs for the
31 transportation of students as provided in RCW 28A.160.192.

32 (b) From July 1, 2011 to August 31, 2011, the superintendent shall
33 allocate funding to school districts programs for the transportation of
34 students as provided in section 505, chapter 564, Laws of 2009, as
35 amended through section 1404 of this act.

36 (3) Any amounts appropriated for maintenance level funding for
37 pupil transportation that exceed actual maintenance level expenditures

1 as calculated under the funding formula that takes effect September 1,
2 2011, shall be distributed to districts according to RCW
3 28A.160.192(2)(b).

4 (4) A maximum of \$892,000 of this fiscal year 2012 appropriation
5 and a maximum of \$892,000 of the fiscal year 2013 appropriation may be
6 expended for regional transportation coordinators and related
7 activities. The transportation coordinators shall ensure that data
8 submitted by school districts for state transportation funding shall,
9 to the greatest extent practical, reflect the actual transportation
10 activity of each district.

11 (5) The office of the superintendent of public instruction shall
12 provide reimbursement funding to a school district for school bus
13 purchases only after the superintendent of public instruction
14 determines that the school bus was purchased from the list established
15 pursuant to RCW 28A.160.195(2) or a comparable competitive bid process
16 based on the lowest price quote based on similar bus categories to
17 those used to establish the list pursuant to RCW 28A.160.195.

18 (6) The superintendent of public instruction shall base
19 depreciation payments for school district buses on the pre-sales tax
20 five-year average of lowest bids in the appropriate category of bus.
21 In the final year on the depreciation schedule, the depreciation
22 payment shall be based on the lowest bid in the appropriate bus
23 category for that school year.

24 (7) Funding levels in this section reflect waivers granted by the
25 state board of education for four-day school weeks as allowed under RCW
26 28A.305.141.

27 (8) Starting with the 2012-13 school year, the office of the
28 superintendent of public instruction shall disburse payments for bus
29 depreciation in August.

30 **Sec. 1506.** 2011 2nd sp.s. c 9 s 506 (uncodified) is amended to
31 read as follows:

32 **FOR THE SUPERINTENDENT OF PUBLIC INSTRUCTION--FOR SCHOOL FOOD SERVICE**
33 **PROGRAMS**

34	General Fund--State Appropriation (FY 2012)	\$7,111,000
35	General Fund--State Appropriation (FY 2013)	\$7,111,000
36	General Fund--Federal Appropriation	(\$436,400,000)
37		<u>\$506,000,000</u>

1 TOTAL APPROPRIATION ((~~\$450,622,000~~))
2 \$520,222,000

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

5 (1) \$7,111,000 of the general fund--state appropriation for fiscal
6 year 2012 and \$7,111,000 of the general fund--state appropriation for
7 fiscal year 2013 are provided solely for state matching money for
8 federal child nutrition programs, and may support the meals for kids
9 program through the following allowable uses:

10 (a) Elimination of breakfast copays for eligible public school
11 students and lunch copays for eligible public school students in grades
12 kindergarten through third grade who are eligible for reduced price
13 lunch;

14 (b) Assistance to school districts and authorized public and
15 private nonprofit organizations for supporting summer food service
16 programs, and initiating new summer food service programs in low-income
17 areas;

18 (c) Reimbursements to school districts for school breakfasts served
19 to students eligible for free and reduced price lunch, pursuant to
20 chapter 287, Laws of 2005; and

21 (d) Assistance to school districts in initiating and expanding
22 school breakfast programs.

23 The office of the superintendent of public instruction shall report
24 annually to the fiscal committees of the legislature on annual
25 expenditures in (a), (b), and (c) of this subsection.

26 **Sec. 1507.** 2012 2nd sp.s. c 7 s 506 (uncodified) is amended to
27 read as follows:

28 **FOR THE SUPERINTENDENT OF PUBLIC INSTRUCTION--FOR SPECIAL EDUCATION**
29 **PROGRAMS**

30	General Fund--State Appropriation (FY 2012)	\$648,369,000
31	General Fund--State Appropriation (FY 2013)	((\$679,832,000))
32		<u>\$659,919,000</u>
33	General Fund--Federal Appropriation	((\$486,922,000))
34		<u>\$495,922,000</u>
35	Education Legacy Trust Account--State Appropriation	\$756,000
36	TOTAL APPROPRIATION	((\$1,815,879,000))
37		<u>\$1,804,966,000</u>

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

3 (1) Funding for special education programs is provided on an excess
4 cost basis, pursuant to RCW 28A.150.390. School districts shall ensure
5 that special education students as a class receive their full share of
6 the general apportionment allocation accruing through sections 502 and
7 504 of this act. To the extent a school district cannot provide an
8 appropriate education for special education students under chapter
9 28A.155 RCW through the general apportionment allocation, it shall
10 provide services through the special education excess cost allocation
11 funded in this section.

12 (2)(a) The superintendent of public instruction shall ensure that:

13 (i) Special education students are basic education students first;

14 (ii) As a class, special education students are entitled to the
15 full basic education allocation; and

16 (iii) Special education students are basic education students for
17 the entire school day.

18 (b) The superintendent of public instruction shall continue to
19 implement the full cost method of excess cost accounting, as designed
20 by the committee and recommended by the superintendent, pursuant to
21 section 501(1)(k), chapter 372, Laws of 2006.

22 (c) Beginning with the 2010-11 school year award cycle, the office
23 of the superintendent of public instruction shall make award
24 determinations for state safety net funding in August of each school
25 year. Determinations on school district eligibility for state safety
26 net awards shall be based on analysis of actual expenditure data from
27 the current school year.

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

31 (4)(a) For the 2011-12 and 2012-13 school years, the superintendent
32 shall allocate funding to school district programs for special
33 education students as provided in RCW 28A.150.390.

34 (b) From July 1, 2011 to August 31, 2011, the superintendent shall
35 allocate funding to school district programs for special education
36 students as provided in section 507, chapter 564, Laws of 2009, as
37 amended through section 1406 of this act.

1 (5) The following applies throughout this section: The definitions
2 for enrollment and enrollment percent are as specified in RCW
3 28A.150.390(3). Each district's general fund--state funded special
4 education enrollment shall be the lesser of the district's actual
5 enrollment percent or 12.7 percent.

6 (6) At the request of any interdistrict cooperative of at least 15
7 districts in which all excess cost services for special education
8 students of the districts are provided by the cooperative, the maximum
9 enrollment percent shall be calculated in accordance with RCW
10 28A.150.390(3) (c) and (d), and shall be calculated in the aggregate
11 rather than individual district units. For purposes of this
12 subsection, the average basic education allocation per full-time
13 equivalent student shall be calculated in the aggregate rather than
14 individual district units.

15 (7) \$8,914,000 of the general fund--state appropriation for fiscal
16 year 2012, (~~(\$34,200,000)~~) \$9,469,000 of the general fund--state
17 appropriation for fiscal year 2013, and (~~(\$29,574,000)~~) \$32,574,000 of
18 the general fund--federal appropriation are provided solely for safety
19 net awards for districts with demonstrated needs for special education
20 funding beyond the amounts provided in subsection (4) of this section.
21 If the federal safety net awards based on the federal eligibility
22 threshold exceed the federal appropriation in this subsection (7) in
23 any fiscal year, the superintendent shall expend all available federal
24 discretionary funds necessary to meet this need. At the conclusion of
25 each school year, the superintendent shall recover safety net funds
26 that were distributed prospectively but for which districts were not
27 subsequently eligible.

28 (a) For the 2011-12 and 2012-13 school years, safety net funds
29 shall be awarded by the state safety net oversight committee as
30 provided in section 109(1) chapter 548, Laws of 2009 (ESHB 2261).

31 (b) From July 1, 2011 to August 31, 2011, the superintendent shall
32 operate the safety net oversight committee and shall award safety net
33 funds as provided in section 507, chapter 564, Laws of 2009, as amended
34 through section 1406 of this act.

35 (8) A maximum of \$678,000 may be expended from the general fund--
36 state appropriations to fund 5.43 full-time equivalent teachers and 2.1
37 full-time equivalent aides at children's orthopedic hospital and

1 medical center. This amount is in lieu of money provided through the
2 home and hospital allocation and the special education program.

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

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

13 (11) \$251,000 of the general fund--state appropriation for fiscal
14 year 2012 and \$251,000 of the general fund--state appropriation for
15 fiscal year 2013 are provided solely for two additional full-time
16 equivalent staff to support the work of the safety net committee and to
17 provide training and support to districts applying for safety net
18 awards.

19 (12) \$50,000 of the general fund--state appropriation for fiscal
20 year 2012, \$50,000 of the general fund--state appropriation for fiscal
21 year 2013, and \$100,000 of the general fund--federal appropriation
22 shall be expended to support a special education ombudsman program
23 within the office of superintendent of public instruction.

24 **Sec. 1508.** 2012 2nd sp.s. c 7 s 507 (uncodified) is amended to
25 read as follows:

26 **FOR THE SUPERINTENDENT OF PUBLIC INSTRUCTION--FOR EDUCATIONAL SERVICE**
27 **DISTRICTS**

28	General Fund--State Appropriation (FY 2012)	\$7,894,000
29	General Fund--State Appropriation (FY 2013)	(\$7,912,000)
30		<u>\$7,895,000</u>
31	TOTAL APPROPRIATION	(\$15,806,000)
32		<u>\$15,789,000</u>

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

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

1 (2) Funding within this section is provided for regional
2 professional development related to mathematics and science curriculum
3 and instructional strategies. Funding shall be distributed among the
4 educational service districts in the same proportion as distributions
5 in the 2007-2009 biennium. Each educational service district shall use
6 this funding solely for salary and benefits for a certificated
7 instructional staff with expertise in the appropriate subject matter
8 and in professional development delivery, and for travel, materials,
9 and other expenditures related to providing regional professional
10 development support.

11 (3) The educational service districts, at the request of the state
12 board of education pursuant to RCW 28A.310.010 and (~~28A.310.340~~)
13 28A.305.130, may receive and screen applications for school
14 accreditation, conduct school accreditation site visits pursuant to
15 state board of education rules, and submit to the state board of
16 education post-site visit recommendations for school accreditation.
17 The educational service districts may assess a cooperative service fee
18 to recover actual plus reasonable indirect costs for the purposes of
19 this subsection.

20 **Sec. 1509.** 2012 2nd sp.s. c 7 s 508 (uncodified) is amended to
21 read as follows:

22 **FOR THE SUPERINTENDENT OF PUBLIC INSTRUCTION--FOR LOCAL EFFORT**
23 **ASSISTANCE**

24	General Fund--State Appropriation (FY 2012)	\$300,768,000
25	General Fund--State Appropriation (FY 2013)	((\$298,166,000))
26		<u>\$299,537,000</u>
27	General Fund--Federal Appropriation	\$4,400,000
28	TOTAL APPROPRIATION	((\$603,334,000))
29		<u>\$604,705,000</u>

30 The appropriations in this section are subject to the following
31 conditions and limitations: For purposes of RCW 84.52.0531, the
32 increase per full-time equivalent student is 3 percent from the 2010-11
33 school year to the 2011-12 school year and 5 percent from the 2011-12
34 school year to the 2012-13 school year.

35 **Sec. 1510.** 2012 2nd sp.s. c 7 s 509 (uncodified) is amended to
36 read as follows:

1 **FOR THE SUPERINTENDENT OF PUBLIC INSTRUCTION--FOR INSTITUTIONAL**
2 **EDUCATION PROGRAMS**

3	General Fund--State Appropriation (FY 2012)	\$16,694,000
4	General Fund--State Appropriation (FY 2013)	((\$15,867,000))
5		<u>\$14,547,000</u>
6	TOTAL APPROPRIATION	((\$32,561,000))
7		<u>\$31,241,000</u>

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

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

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

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

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

25 (5) \$586,000 of the general fund--state appropriation for fiscal
26 year 2012 and ((~~\$549,000~~)) \$899,000 of the general fund--state
27 appropriation for fiscal year 2013 are provided solely to maintain at
28 least one certificated instructional staff and related support services
29 at an institution whenever the K-12 enrollment is not sufficient to
30 support one full-time equivalent certificated instructional staff to
31 furnish the educational program. The following types of institutions
32 are included: Residential programs under the department of social and
33 health services for developmentally disabled juveniles, programs for
34 juveniles under the department of corrections, programs for juveniles
35 under the juvenile rehabilitation administration, and programs for
36 juveniles operated by city and county jails.

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

1 **Sec. 1511.** 2012 2nd sp.s. c 7 s 510 (uncodified) is amended to
2 read as follows:

3 **FOR PROGRAMS FOR HIGHLY CAPABLE STUDENTS**

4	General Fund--State Appropriation (FY 2012)	\$8,745,000
5	General Fund--State Appropriation (FY 2013)	(\$8,788,000)
6		<u>\$9,159,000</u>
7	TOTAL APPROPRIATION	(\$17,533,000)
8		<u>\$17,904,000</u>

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

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

14 (2)(a) For the 2011-12 and 2012-13 school years, the superintendent
15 shall allocate funding to school district programs for highly capable
16 students as provided in RCW 28A.150.260(10)(c). In calculating the
17 allocations, the superintendent shall assume the following: (i)
18 Additional instruction of 2.1590 hours per week per funded highly
19 capable program student; (ii) fifteen highly capable program students
20 per teacher; (iii) 36 instructional weeks per year; (iv) 900
21 instructional hours per teacher; and (v) the district's average staff
22 mix and compensation rates as provided in sections 503 and 504 of this
23 act.

24 (b) From July 1, 2011, to August 31, 2011, the superintendent shall
25 allocate funding to school districts programs for highly capable
26 students as provided in section 511, chapter 564, Laws of 2009, as
27 amended through section 1409 of this act.

28 (3) \$85,000 of the general fund--state appropriation for fiscal
29 year 2012 and \$85,000 of the general fund--state appropriation for
30 fiscal year 2013 are provided solely for the centrum program at Fort
31 Worden state park.

32 **Sec. 1512.** 2011 2nd sp.s. c 9 s 512 (uncodified) is amended to
33 read as follows:

34 **FOR THE SUPERINTENDENT OF PUBLIC INSTRUCTION--FOR MISCELLANEOUS--NO**
35 **CHILD LEFT BEHIND ACT**

36	General Fund--Federal Appropriation	\$6,152,000
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1 **Sec. 1513.** 2012 2nd sp.s. c 7 s 511 (uncodified) is amended to
2 read as follows:

3 **FOR THE SUPERINTENDENT OF PUBLIC INSTRUCTION--EDUCATION REFORM**
4 **PROGRAMS**

5	General Fund--State Appropriation (FY 2012)	\$58,078,000
6	General Fund--State Appropriation (FY 2013)	(\$103,655,000)
7		<u>\$103,455,000</u>
8	General Fund--Federal Appropriation	\$219,147,000
9	General Fund--Private/Local Appropriation	\$4,000,000
10	Education Legacy Trust Account--State Appropriation	\$1,596,000
11	TOTAL APPROPRIATION	(\$386,476,000)
12		<u>\$386,276,000</u>

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

15 (1) \$40,822,000 of the general fund--state appropriation for fiscal
16 year 2012, \$41,614,000 of the general fund--state appropriation for
17 fiscal year 2013, \$1,350,000 of the education legacy trust
18 account--state appropriation, and \$15,868,000 of the general fund--
19 federal appropriation are provided solely for development and
20 implementation of the Washington state assessment system, including:
21 (a) Development and implementation of retake assessments for high
22 school students who are not successful in one or more content areas and
23 (b) development and implementation of alternative assessments or
24 appeals procedures to implement the certificate of academic
25 achievement. The superintendent of public instruction shall report
26 quarterly on the progress on development and implementation of
27 alternative assessments or appeals procedures. Within these amounts,
28 the superintendent of public instruction shall contract for the early
29 return of 10th grade student assessment results, on or around June 10th
30 of each year. State funding shall be limited to one collection of
31 evidence payment per student, per content-area assessment.

32 (2) \$356,000 of the general fund--state appropriation for fiscal
33 year 2012 and \$356,000 of the general fund--state appropriation for
34 fiscal year 2013 are provided solely for the Washington state
35 leadership and assistance for science education reform (LASER) regional
36 partnership activities coordinated at the Pacific science center,
37 including instructional material purchases, teacher and principal
38 professional development, and school and community engagement events.

1 (3) \$980,000 of the general fund--state appropriation for fiscal
2 year 2012 and \$980,000 of the general fund--state appropriation for
3 fiscal year 2013 are provided solely for improving technology
4 infrastructure, monitoring and reporting on school district technology
5 development, promoting standards for school district technology,
6 promoting statewide coordination and planning for technology
7 development, and providing regional educational technology support
8 centers, including state support activities, under chapter 28A.650 RCW.

9 (4) \$3,852,000 of the general fund--state appropriation for fiscal
10 year 2012 and \$2,624,000 of the general fund--state appropriation for
11 fiscal year 2013 are provided solely for continued implementation of
12 chapter 235, Laws of 2010 (education reform) including development of
13 new performance-based evaluation systems for certificated educators.

14 (5)(a) \$39,296,000 of the general fund--state appropriation for
15 fiscal year 2013 is provided solely for the following bonuses for
16 teachers who hold valid, unexpired certification from the national
17 board for professional teaching standards and who are teaching in a
18 Washington public school, subject to the following conditions and
19 limitations:

20 (i) For national board certified teachers, a bonus of \$5,090 per
21 teacher in the 2011-12 and 2012-13 school years, adjusted for inflation
22 in each school year in which Initiative 732 cost of living adjustments
23 are provided;

24 (ii) An additional \$5,000 annual bonus shall be paid to national
25 board certified teachers who teach in either: (A) High schools where
26 at least 50 percent of student headcount enrollment is eligible for
27 federal free or reduced price lunch, (B) middle schools where at least
28 60 percent of student headcount enrollment is eligible for federal free
29 or reduced price lunch, or (C) elementary schools where at least 70
30 percent of student headcount enrollment is eligible for federal free or
31 reduced price lunch;

32 (iii) The superintendent of public instruction shall adopt rules to
33 ensure that national board certified teachers meet the qualifications
34 for bonuses under (a)(ii) of this subsection for less than one full
35 school year receive bonuses in a pro-rated manner. Beginning in the
36 2011-12 school year, all bonuses in (a)(i) and (ii) of this subsection
37 will be paid in July of each school year. Bonuses in (a)(i) and (ii)

1 of this subsection shall be reduced by a factor of 40 percent for first
2 year NBPTS certified teachers, to reflect the portion of the
3 instructional school year they are certified; and

4 (iv) During the 2011-12 and 2012-13 school years, and within
5 available funds, certificated instructional staff who have met the
6 eligibility requirements and have applied for certification from the
7 national board for professional teaching standards may receive a
8 conditional loan of two thousand dollars or the amount set by the
9 office of the superintendent of public instruction to contribute toward
10 the current assessment fee, not including the initial up-front
11 candidacy payment. The fee shall be an advance on the first annual
12 bonus under RCW 28A.405.415. The conditional loan is provided in
13 addition to compensation received under a district's salary schedule
14 and shall not be included in calculations of a district's average
15 salary and associated salary limitation under RCW 28A.400.200.
16 Recipients who fail to receive certification after three years are
17 required to repay the conditional loan. The office of the
18 superintendent of public instruction shall adopt rules to define the
19 terms for initial grant of the assessment fee and repayment, including
20 applicable fees. To the extent necessary, the superintendent may use
21 revenues from the repayment of conditional loan scholarships to ensure
22 payment of all national board bonus payments required by this section
23 in each school year.

24 (6) \$477,000 of the general fund--state appropriation for fiscal
25 year 2012 and \$477,000 of the general fund--state appropriation for
26 fiscal year 2013 are provided solely for the leadership internship
27 program for superintendents, principals, and program administrators.

28 (7) \$950,000 of the general fund--state appropriation for fiscal
29 year 2012 and \$950,000 of the general fund--state appropriation for
30 fiscal year 2013 are provided solely for the Washington reading corps.
31 The superintendent shall allocate reading corps members to low-
32 performing schools and school districts that are implementing
33 comprehensive, proven, research-based reading programs. Two or more
34 schools may combine their Washington reading corps programs.

35 (8) \$810,000 of the general fund--state appropriation for fiscal
36 year 2012 and \$810,000 of the general fund--state appropriation for
37 fiscal year 2013 are provided solely for the development of a
38 leadership academy for school principals and administrators. The

1 superintendent of public instruction shall contract with an independent
2 organization to design, field test, and implement a state-of-the-art
3 education leadership academy that will be accessible throughout the
4 state. Initial development of the content of the academy activities
5 shall be supported by private funds. Semiannually the independent
6 organization shall report on amounts committed by foundations and
7 others to support the development and implementation of this program.
8 Leadership academy partners shall include the state level organizations
9 for school administrators and principals, the superintendent of public
10 instruction, the professional educator standards board, and others as
11 the independent organization shall identify.

12 (9) \$3,234,000 of the general fund--state appropriation for fiscal
13 year 2012 and \$3,234,000 of the general fund--state appropriation for
14 fiscal year 2013 are provided solely for grants to school districts to
15 provide a continuum of care for children and families to help children
16 become ready to learn. Grant proposals from school districts shall
17 contain local plans designed collaboratively with community service
18 providers. If a continuum of care program exists in the area in which
19 the school district is located, the local plan shall provide for
20 coordination with existing programs to the greatest extent possible.

21 (10) \$1,500,000 of the general fund--state appropriation for fiscal
22 year 2012 and \$1,500,000 of the general fund--state appropriation for
23 fiscal year 2013 are provided solely for the implementation of chapter
24 288, Laws of 2011 (actual student success program), including
25 allocations to the opportunity internship program, the jobs for
26 America's graduates program, the building bridges program, services
27 provided by a college scholarship organization. Funding shall not be
28 used in the 2011-2013 fiscal biennium to provide awards for schools and
29 school districts.

30 (11) \$859,000 of the general fund--state appropriation for fiscal
31 year 2012, \$808,000 of the general fund--state appropriation for fiscal
32 year 2013, and \$248,000 of the education legacy trust account--state
33 appropriation are for administrative support of education reform
34 programs.

35 (12) \$2,000,000 of the general fund--state appropriation for fiscal
36 year 2012 and \$2,000,000 of the general fund--state appropriation for
37 fiscal year 2013 are provided solely for a statewide information

1 technology (IT) academy program. This public-private partnership will
2 provide educational software, as well as IT certification and software
3 training opportunities for students and staff in public schools.

4 (13) \$977,000 of the general fund--state appropriation for fiscal
5 year 2012 and \$1,077,000 of the general fund--state appropriation for
6 fiscal year 2013 are provided solely for secondary career and technical
7 education grants pursuant to chapter 170, Laws of 2008. If equally
8 matched by private donations, \$300,000 of the 2012 appropriation and
9 \$300,000 of the 2013 appropriation shall be used to support FIRST
10 robotics programs. Of the amounts in this subsection, \$100,000 of the
11 fiscal year 2013 appropriation is provided solely for the purpose of
12 statewide supervision activities for career and technical education
13 student leadership organizations.

14 (14) \$125,000 of the general fund--state appropriation for fiscal
15 year 2012 and \$125,000 of the general fund--state appropriation for
16 fiscal year 2013 are provided solely for (a) staff at the office of the
17 superintendent of public instruction to coordinate and promote efforts
18 to develop integrated math, science, technology, and engineering
19 programs in schools and districts across the state; and (b) grants of
20 \$2,500 to provide twenty middle and high school teachers each year with
21 professional development training for implementing integrated math,
22 science, technology, and engineering programs in their schools.

23 (15) \$135,000 of the general fund--state appropriation for fiscal
24 year 2012 and \$135,000 of the general fund--state appropriation for
25 fiscal year 2013 are provided solely for science, technology,
26 engineering and mathematics lighthouse projects, consistent with
27 chapter 238, Laws of 2010.

28 (16) \$1,000,000 of the general fund--state appropriation for fiscal
29 year 2012 and \$1,000,000 of the general fund--state appropriation for
30 fiscal year 2013 are provided solely for a beginning educator support
31 program. School districts and/or regional consortia may apply for
32 grant funding. The superintendent shall implement this program in 5 to
33 15 school districts and/or regional consortia. The program provided by
34 a district and/or regional consortia shall include: A paid
35 orientation; assignment of a qualified mentor; development of a
36 professional growth plan for each beginning teacher aligned with
37 professional certification; release time for mentors and new teachers

1 to work together; and teacher observation time with accomplished peers.
2 \$250,000 may be used to provide statewide professional development
3 opportunities for mentors and beginning educators.

4 (17) \$5,767,000 of the general fund--state appropriation for fiscal
5 year 2013 is provided solely pursuant to Engrossed Substitute Senate
6 Bill No. 5895 (certificated employee evaluations). If the bill is not
7 enacted by June 30, 2012, the amount provided in this subsection shall
8 lapse.

9 ~~((+19))~~ (18) \$250,000 of the general fund--state appropriation for
10 fiscal year 2013 is provided solely for advanced project lead the way
11 courses at ten high schools. To be eligible for funding, a high school
12 must have offered a foundational project lead the way course during the
13 2011-12 school year. The funding must be used for one-time start-up
14 course costs for an advanced project lead the way course, to be offered
15 to students beginning in the 2012-13 school year. The office of the
16 superintendent of public instruction and the education research and
17 data center at the office of financial management shall track student
18 participation and long-term outcome data.

19 ~~((+20))~~ (19) \$150,000 of the general fund--state appropriation for
20 fiscal year 2013 is provided solely for aerospace and manufacturing
21 technical programs housed at two skill centers. The one-time funding
22 is provided for start-up equipment and curriculum purchases. To be
23 eligible for funding, the skill center must agree to provide regional
24 high schools with access to a technology laboratory, expand
25 manufacturing certificate and course offerings at the skill center, and
26 provide a laboratory space for local high school teachers to engage in
27 professional development in the instruction of courses leading to
28 student employment certification in the aerospace and manufacturing
29 industries. The office of the superintendent of public instruction
30 shall administer the grants in consultation with the center for
31 excellence for aerospace and advanced materials manufacturing.

32 ~~((+21))~~ (20) \$300,000 of the general fund--state appropriation for
33 fiscal year 2013 is provided solely for start-up grants to twelve high
34 schools to implement the aerospace assembler program. Participating
35 high schools must agree to offer the aerospace assembler training
36 program to students by spring semester of school year 2012-13. The
37 office of the superintendent of public instruction and the education

1 research and data center at the office of financial management shall
2 track student participation and long-term outcome data.

3 **Sec. 1514.** 2012 2nd sp.s. c 7 s 512 (uncodified) is amended to
4 read as follows:

5 **FOR THE SUPERINTENDENT OF PUBLIC INSTRUCTION--FOR TRANSITIONAL**
6 **BILINGUAL PROGRAMS**

7	General Fund--State Appropriation (FY 2012)	\$79,575,000
8	General Fund--State Appropriation (FY 2013)	(\$80,666,000)
9		<u>\$83,896,000</u>
10	General Fund--Federal Appropriation	\$71,001,000
11	TOTAL APPROPRIATION	(\$231,242,000)
12		<u>\$234,472,000</u>

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

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

19 (2)(a) For the 2011-12 and 2012-13 school years, the superintendent
20 shall allocate funding to school districts for transitional bilingual
21 programs as provided in RCW 28A.150.260(10)(b). In calculating the
22 allocations, the superintendent shall assume the following averages:
23 (i) Additional instruction of 4.7780 hours per week per transitional
24 bilingual program student; (ii) fifteen transitional bilingual program
25 students per teacher; (iii) 36 instructional weeks per year; (iv) 900
26 instructional hours per teacher; and (v) the district's average staff
27 mix and compensation rates as provided in sections 503 and 504 of this
28 act.

29 (b) From July 1, 2011, to August 31, 2011, the superintendent shall
30 allocate funding to school districts for transitional bilingual
31 instruction programs as provided in section 514, chapter 564, Laws of
32 2009, as amended through section 1411 of this act.

33 (c) The allocations in this section reflect the implementation of
34 a new funding formula for the transitional bilingual instructional
35 program, effective September 1, 2011, as specified in RCW
36 28A.150.260(10)(b).

37 (3) The superintendent may withhold allocations to school districts
38 in subsection (2) of this section solely for the central provision of

1 assessments as provided in RCW 28A.180.090 (1) and (2) up to the
2 following amounts: 2.79 percent for school year 2011-12 and 2.11
3 percent for school year 2012-13.

4 (4) The general fund--federal appropriation in this section is for
5 migrant education under Title I Part C and English language
6 acquisition, and language enhancement grants under Title III of the
7 elementary and secondary education act.

8 (5) In preparing its 2013-15 biennial budget request, the office of
9 the superintendent of public instruction shall prepare for
10 implementation of a funding model for the transitional bilingual
11 program, beginning in school year 2013-14, that is scaled to provide
12 more support to students requiring most intensive intervention,
13 (students with beginning levels of English language proficiency) and
14 less support to students requiring less intervention. The funding
15 model shall also provide up to two years of bonus funding upon
16 successful exit from the bilingual program to facilitate successful
17 transition to a standard program of education.

18 \$35,000 of the general fund--state appropriation for fiscal year
19 2012 and \$35,000 of the general fund--state appropriation for fiscal
20 year 2013 are provided solely to track current and former transitional
21 bilingual program students.

22 **Sec. 1515.** 2012 2nd sp.s. c 7 s 513 (uncodified) is amended to
23 read as follows:

24 **FOR THE SUPERINTENDENT OF PUBLIC INSTRUCTION--FOR THE LEARNING**
25 **ASSISTANCE PROGRAM**

26	General Fund--State Appropriation (FY 2012)	\$102,619,000
27	General Fund--State Appropriation (FY 2013)	(\$128,779,000)
28		<u>\$127,422,000</u>
29	General Fund--Federal Appropriation	(\$492,207,000)
30		<u>\$496,207,000</u>
31	Education Legacy Trust Account--State	
32	Appropriation	\$23,990,000
33	TOTAL APPROPRIATION	(\$747,595,000)
34		<u>\$750,238,000</u>

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

1 (1) The general fund--state appropriations in this section are
2 subject to the following conditions and limitations:

3 (a) The appropriations include such funds as are necessary to
4 complete the school year ending in the fiscal year and for prior fiscal
5 year adjustments.

6 (b)(i) For the 2011-12 and 2012-13 school years, the superintendent
7 shall allocate funding to school districts for learning assistance
8 programs as provided in RCW 28A.150.260(10)(a). In calculating the
9 allocations, the superintendent shall assume the following averages:

10 (A) Additional instruction of 1.51560 hours per week per funded
11 learning assistance program student; (B) fifteen learning assistance
12 program students per teacher; (C) 36 instructional weeks per year; (D)
13 900 instructional hours per teacher; and (E) the district's average
14 staff mix and compensation rates as provided in sections 503 and 504 of
15 this act.

16 (ii) From July 1, 2011, to August 31, 2011, the superintendent
17 shall allocate funding to school districts for learning assistance
18 programs as provided in section 515, chapter 564, Laws of 2009, as
19 amended through section 1412 of this act.

20 (c) A school district's funded students for the learning assistance
21 program shall be the sum of the district's full-time equivalent
22 enrollment in grades K-12 for the prior school year multiplied by the
23 district's percentage of October headcount enrollment in grades K-12
24 eligible for free or reduced price lunch in the prior school year.

25 (2) Allocations made pursuant to subsection (1) of this section
26 shall be adjusted to reflect ineligible applications identified through
27 the annual income verification process required by the national school
28 lunch program, as recommended in the report of the state auditor on the
29 learning assistance program dated February, 2010.

30 (3) The general fund--federal appropriation in this section is
31 provided for Title I Part A allocations of the no child left behind act
32 of 2001.

33 (4) A school district may carry over from one year to the next up
34 to 10 percent of the general fund-state or education legacy trust funds
35 allocated under this program; however, carryover funds shall be
36 expended for the learning assistance program.

37 (5) The office of the superintendent of public instruction shall
38 research and recommend options for an adjustment factor for middle

1 school and high school free and reduced price lunch eligibility
2 reporting rates pursuant to RCW 28A.150.260(12)(a), and submit a report
3 to the fiscal committees of the legislature by June 1, 2012. For the
4 2011-12 and 2012-13 school years, the adjustment factor is 1.0.

5 **Sec. 1516.** 2012 2nd sp.s. c 7 s 514 (uncodified) is amended to
6 read as follows:

7 **FOR THE SUPERINTENDENT OF PUBLIC INSTRUCTION**

8 (1) Amounts distributed to districts by the superintendent through
9 part V of this act are for allocations purposes only and do not entitle
10 a particular district, district employee, or student to a specific
11 service, beyond what has been expressly provided in statute. Part V of
12 this act restates the requirements of various sections of Title 28A
13 RCW. If any conflict exists, the provisions of Title 28A RCW control
14 unless this act explicitly states that it is providing an enhancement.

15 Any amounts provided in part V of this act in excess of the amounts
16 required by Title 28A RCW provided in statute, are not within the
17 program of basic education.

18 (2) To the maximum extent practicable, when adopting new or revised
19 rules or policies relating to the administration of allocations in part
20 V of this act that result in fiscal impact, the office of the
21 superintendent of public instruction shall attempt to seek legislative
22 approval through the budget request process.

23 (3) Appropriations made in this act to the office of the
24 superintendent of public instruction shall initially be allotted as
25 required by this act. Subsequent allotment modifications shall not
26 include transfers of moneys between sections of this act except as
27 expressly provided in subsection (4) of this section.

28 (4) The appropriations to the office of the superintendent of
29 public instruction in this act shall be expended for the programs and
30 amounts specified in this act. However, after May 1, 2012, unless
31 specifically prohibited by this act and after approval by the director
32 of financial management, the superintendent of public instruction may
33 transfer state general fund appropriations for fiscal year 2012 among
34 the following programs to meet the apportionment schedule for a
35 specified formula in another of these programs: General apportionment;
36 employee compensation adjustments; pupil transportation; special

1 education programs; institutional education programs; transitional
2 bilingual programs; highly capable; and learning assistance programs.

3 (5) The director of financial management shall notify the
4 appropriate legislative fiscal committees in writing prior to approving
5 any allotment modifications or transfers under this section.

(End of part)

PART XVI
HIGHER EDUCATION

Sec. 1601. 2012 2nd sp.s. c 7 s 602 (uncodified) is amended to read as follows:

FOR THE UNIVERSITY OF WASHINGTON

General Fund--State Appropriation (FY 2012)	\$201,226,000
General Fund--State Appropriation (FY 2013)	\$201,612,000
Education Legacy Trust Account--State Appropriation	\$18,579,000
Economic Development Strategic Reserve Account--	
State Appropriation	\$1,500,000
Biotoxin Account--State Appropriation	(\$450,000)
	<u>\$350,000</u>
Accident Account--State Appropriation	\$6,681,000
Medical Aid Account--State Appropriation	\$6,488,000
TOTAL APPROPRIATION	(\$436,536,000)
	<u>\$436,436,000</u>

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

(1) In implementing the appropriations in this section, the president and regents shall seek to minimize impacts on student services and instructional programs by maximizing reductions in administration and other noninstructional activities.

(2) \$150,000 of the general fund--state appropriation for fiscal year 2012 and \$150,000 of the general fund--state appropriation for fiscal year 2013 are provided solely for the development of integrated medical curriculum for the Washington/Wyoming/Alaska/Montana/Idaho (WWAMI) medical education program in Spokane and eastern Washington. Funding is contingent on appropriations being provided to Washington State University for WWAMI program expansion in Spokane and eastern Washington.

(3) \$52,000 of the general fund--state appropriation for fiscal year 2012 and \$52,000 of the general fund--state appropriation for fiscal year 2013 are provided solely for the center for international trade in forest products in the college of forest resources.

1 (4) \$88,000 of the general fund--state appropriation for fiscal
2 year 2012 is provided solely for implementation of Engrossed Second
3 Substitute Senate Bill No. 5485 (state's natural resources). If the
4 bill is not enacted by June 30, 2011, the amount provided in this
5 subsection shall lapse.

6 (5) \$143,000 of the general fund--state appropriation for fiscal
7 year 2012 and \$144,000 of the general fund--state appropriation for
8 fiscal year 2013 are provided solely for the ongoing management of the
9 Washington park arboretum.

10 (6) \$3,800,000 of the general fund--state appropriation for fiscal
11 year 2013 is provided solely for an expansion in engineering
12 enrollments, including enrollments in the field of computer science.
13 Amounts provided in this subsection may be used only to cover direct
14 costs of instruction associated with this enrollment expansion. By
15 June 30, 2012, the university shall provide a report to the legislature
16 that provides specific detail on how these amounts will be spent. Each
17 September 1st thereafter, the university shall provide an updated
18 report that provides specific detail on how these amounts were spent in
19 the preceding twelve months.

20 (7) Amounts appropriated in this section are sufficient for the
21 university to conduct a comprehensive review of its tuition waiver
22 policies. The resulting report shall include an overview of tuition
23 waiver uses and costs (forgone revenue) and outcomes and any
24 recommendations for changes to tuition waiver policy and shall be
25 provided to the legislature no later than December 1, 2012.

26 (8) \$610,000 of the general fund--state appropriation for fiscal
27 year 2012 is provided solely to expand health sciences capacity at the
28 University of Washington for Washington, Wyoming, Alaska, Montana,
29 Idaho (WWAMI) and \$190,000 of the general fund--state appropriation for
30 fiscal year 2012 is provided solely to expand health sciences capacity
31 at the University of Washington for Regional Initiatives in Dental
32 Education (RIDE) for the WWAMI-RIDE program expansion to achieve full
33 ramp-up of first-year medical students and dental students each year of
34 the four-year programs.

35 (9) The University of Washington shall not use funds appropriated
36 in this section to support intercollegiate athletics programs.

37 (10) Amounts appropriated in this section are sufficient to cover

1 the costs associated with the implementation of Engrossed Substitute
2 Senate Bill No. 6486 (collective bargaining for post-doctoral
3 researchers).

4 **Sec. 1602.** 2012 2nd sp.s. c 7 s 613 (uncodified) is amended to
5 read as follows:

6 **FOR THE STUDENT ACHIEVEMENT COUNCIL--OFFICE OF STUDENT FINANCIAL**
7 **ASSISTANCE**

8	General Fund--State Appropriation (FY 2013)	\$247,034,000
9	General Fund--Federal Appropriation	\$5,812,000
10	Washington Opportunity Pathways Account--State	
11	Appropriation	\$73,500,000
12	<u>Aerospace Training Student Loan Account--State</u>	
13	<u>Appropriation</u>	<u>\$12,000</u>
14	TOTAL APPROPRIATION	((\$326,346,000))
15		<u>\$326,358,000</u>

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

18 (1) \$237,018,000 of the general fund--state appropriation for
19 fiscal year 2013, and \$73,500,000 of the opportunity pathways account--
20 state appropriation are provided solely for student financial aid
21 payments under the state need grant and the state work study programs
22 including up to a four percent administrative allowance for the state
23 work study program.

24 (2) Within the funds appropriated in this section, eligibility for
25 the state need grant shall include students with family incomes at or
26 below 70 percent of the state median family income (MFI), adjusted for
27 family size, and shall include students enrolled in three to five
28 credit-bearing quarter credits, or the equivalent semester credits.
29 The higher education coordinating board shall report to the legislature
30 by December 1, 2013, regarding the number of students enrolled in three
31 to five credit-bearing quarter credits, or the equivalent semester
32 credits, and their academic progress including degree completion.
33 Awards for all students shall be adjusted by the estimated amount by
34 which Pell grant increases exceed projected increases in the
35 noninstructional costs of attendance. Awards for students with incomes
36 between 51 and 70 percent of the state median shall be prorated at the
37 following percentages of the award amount granted to those with incomes

1 below 51 percent of the MFI: 70 percent for students with family
2 incomes between 51 and 55 percent MFI; 65 percent for students with
3 family incomes between 56 and 60 percent MFI; 60 percent for students
4 with family incomes between 61 and 65 percent MFI; and 50 percent for
5 students with family incomes between 66 and 70 percent MFI.

6 (3) \$1,250,000 of the general fund--state appropriation for fiscal
7 year 2013 is provided solely for implementation of the aerospace
8 training scholarship and student loan program as specified in Engrossed
9 Substitute House Bill No. 1846 (aerospace student loans). If the bill
10 is not enacted by June 30, 2012, the amount provided in this subsection
11 shall lapse.

12 (4) For fiscal year 2013, the board shall defer loan or conditional
13 scholarship repayments to the future teachers conditional scholarship
14 and loan repayment program for up to one year for each participant if
15 the participant has shown evidence of efforts to find a teaching job
16 but has been unable to secure a teaching job per the requirements of
17 the program.

18 (5) \$1,000,000 of the education legacy trust account--state
19 appropriation is provided solely for the gaining early awareness and
20 readiness for undergraduate programs project.

21 (6) \$1,500,000 of the general fund--state appropriation for fiscal
22 year 2013 is provided solely for the leadership 1000 program.

23 (7) \$2,436,000 of the general fund--state appropriation for fiscal
24 year 2013 is provided solely for the passport to college program. The
25 maximum scholarship award shall be \$5,000. The board shall contract
26 with a nonprofit organization to provide support services to increase
27 student completion in their postsecondary program and shall, under this
28 contract, provide a minimum of \$500,000 in fiscal year 2013 for this
29 purpose.

30 (8) In addition to the entities listed in RCW 28B.122.010, the
31 aerospace student loan program may provide loans to students attending
32 an aerospace training program at Renton technical college.

33 (9) The office of student financial assistance and the department
34 of health shall prioritize a portion of any nonfederal balances in the
35 health professional loan repayment and scholarship fund for conditional
36 loan repayment contracts with psychiatrists and with advanced
37 registered nurse practitioners for work at one of the state-operated
38 psychiatric hospitals. The office and department shall designate the

1 state hospitals as health professional shortage areas if necessary for
2 this purpose. The office of student financial assistance shall
3 coordinate with the department of social and health services to
4 effectively incorporate these conditional loan repayments into the
5 department's advanced psychiatric professional recruitment and
6 retention strategies.

7 (10) \$50,000 of the amount provided in this section shall be used
8 to convene the higher education loan program work group. The work
9 group shall develop methods for funding the loan program in the future,
10 as well as recommendations regarding the best loan program structure
11 for providing financial aid to underserved populations. The work group
12 shall seek out technical advice from the housing finance commission.
13 At a minimum, the recommendations regarding the proposed loan program
14 must take into account the following: Whether students could benefit
15 from the creation of a new student loan program; the relationship
16 between the student loan program and the state need grant program and
17 the state need grant qualified student population; mechanisms to
18 achieve interest rates that are below those offered in federally
19 guaranteed and private bank student loans; sources of initial and
20 on-going funding for loans and program operation; and default risks,
21 reserve requirements, and other conditions required for the student
22 loan program. The work group shall provide a report to the legislature
23 no later than December 1, 2012.

24 **Sec. 1603.** 2012 2nd sp.s. c 7 s 615 (uncodified) is amended to
25 read as follows:

26 **FOR THE DEPARTMENT OF EARLY LEARNING**

27	General Fund--State Appropriation (FY 2012)	\$25,497,000
28	General Fund--State Appropriation (FY 2013)	(((\$27,190,000))
29		<u>\$26,658,000</u>
30	General Fund--Federal Appropriation	\$280,619,000
31	<u>Children's Trust Account--State Appropriation</u>	<u>\$142,000</u>
32	Opportunity Pathways Account--State Appropriation	\$78,000,000
33	Home Visiting Services Account--Federal Appropriation	\$300,000
34	TOTAL APPROPRIATION	(((\$411,606,000))
35		<u>\$411,216,000</u>

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

1 (1) \$16,028,000 of the general fund--state appropriation for fiscal
2 year 2012, \$18,028,000 of the general fund--state appropriation of
3 fiscal year 2013, \$78,000,000 of the opportunity pathways account
4 appropriation, and \$2,256,000 of the general fund--federal
5 appropriation are provided solely for the early childhood education
6 assistance program services. Of these amounts, \$10,284,000 is a
7 portion of the biennial amount of state maintenance of effort dollars
8 required to receive federal child care and development fund grant
9 dollars.

10 (2) In accordance to RCW 43.215.255(2) and 43.135.055, the
11 department is authorized to increase child care center and child care
12 family home licensure fees in fiscal years 2012 and 2013 for costs to
13 the department for the licensure activity, including costs of necessary
14 inspection. These increases are necessary to support expenditures
15 authorized in this section.

16 (3) \$64,000 of the general fund--state appropriation for fiscal
17 year 2012, \$638,000 of the general fund--state appropriation for fiscal
18 year 2013, and \$574,000 of the general fund--federal appropriation are
19 provided solely for child care resource and referral network services.

20 (4) \$200,000 of the general fund--state appropriation for fiscal
21 year 2012 and \$200,000 of the general fund--state appropriation for
22 fiscal year 2013 are provided solely to develop and provide culturally
23 relevant supports for parents, family, and other caregivers.

24 (5) The department is the lead agency for and recipient of the
25 federal child care and development fund grant. Amounts within this
26 grant shall be used to fund child care licensing, quality initiatives,
27 agency administration, and other costs associated with child care
28 subsidies. The department shall transfer a portion of this grant to
29 the department of social and health services to fund the child care
30 subsidies paid by the department of social and health services on
31 behalf of the department of early learning.

32 (6) The appropriations in this section reflect reductions in the
33 appropriations for the department's administrative expenses. It is the
34 intent of the legislature that these reductions shall be achieved, to
35 the greatest extent possible, by reducing those administrative costs
36 that do not affect direct client services or direct service delivery or
37 program.

1 (7) \$934,000 of the general fund--state appropriation for fiscal
2 year 2012, \$934,000 of the general fund--state appropriation for fiscal
3 year 2013, and \$2,400,000 of the general fund--federal appropriation
4 are provided solely for expenditure into the home visiting services
5 account. This funding is intended to meet federal maintenance of
6 effort requirements and to secure private matching funds.

7 (a) All federal funds received by the department for home visiting
8 activities must be deposited into the home visiting services account.

9 (b) The department must consult with stakeholders during the
10 development of the Washington home visiting plan and any future
11 proposals for federal funding.

12 (c) No more than \$300,000 of the home visiting services account--
13 federal appropriation may be expended for program administration for
14 fiscal year 2013 pursuant to RCW 43.215.130. No other funds may be
15 expended for that purpose.

16 (8)(a) \$153,558,000 of the general fund--federal appropriation is
17 provided solely for the working connections child care program under
18 RCW 43.215.135.

19 (b) In addition to groups that were given prioritized access to the
20 working connections child care program effective March 1, 2011, the
21 department shall also give prioritized access into the program to
22 families in which a parent of a child in care is a minor who is not
23 living with a parent or guardian and who is a full-time student in a
24 high school that has a school-sponsored on-site child care center.

25 (9)(a) \$50,000 of the general fund--state appropriation for fiscal
26 year 2012 and (~~(\$1,050,000)~~) \$329,000 of the general fund--state
27 appropriation for fiscal year 2013 are provided solely for
28 implementation and administration of an electronic benefit transfer
29 system. The system shall include electronic time keeping, integrated
30 with an eligibility information technology system, and an electronic
31 payment system. The department shall coordinate implementation of this
32 system with the department of social and health services.

33 (b) \$100,000 of the general fund--state appropriation in this
34 subsection is provided solely for the department to contract for an
35 independent consultant to evaluate and recommend the optimum system for
36 the eligibility determination process. The evaluation must include an
37 analysis of lean management processes that, if adopted, could improve
38 the cost effectiveness and delivery of eligibility determination. The

1 department shall coordinate with the department of social and health
2 services for this evaluation. The department must report to the office
3 of financial management and the appropriate fiscal and policy
4 committees of the legislature by December 1, 2012.

5 (10) Within available amounts, the department in consultation with
6 the office of financial management and the department of social and
7 health services shall report quarterly enrollments and active caseload
8 for the working connections child care program to the legislative
9 fiscal committees and the legislative-executive WorkFirst oversight
10 task force. The report shall also identify the number of cases
11 participating in both temporary assistance for needy families and
12 working connections child care.

13 (11) \$1,025,000 of the general fund--state appropriation for fiscal
14 year 2013 and \$6,712,000 of the general fund--federal appropriation are
15 provided solely for the seasonal child care program in fiscal year
16 2013.

17 (12) \$2,522,000 of the general fund--state appropriation for fiscal
18 year 2012, \$2,522,000 of the general fund--state appropriation for
19 fiscal year 2013, and \$4,304,000 of the general fund--federal
20 appropriation are provided solely for the medicaid treatment child care
21 (MTCC) program. The department shall contract for MTCC services to
22 provide therapeutic child care and other specialized treatment services
23 to abused, neglected, at-risk, and/or drug-affected children. Priority
24 for services shall be given to children referred from the department of
25 social and health services children's administration. In addition to
26 referrals made by children's administration, the department shall
27 authorize services for children referred to the MTCC program, as long
28 as the children meet the eligibility requirements as outlined in the
29 Washington state plan for the MTCC program. Of the amounts
30 appropriated in this subsection, \$60,000 per fiscal year may be used by
31 the department for administering the MTCC program, if needed.

32 (13)(a) The department shall establish a birth-to-three
33 subcommittee of the early learning advisory council. The subcommittee
34 will be cochaired by the department and nongovernmental private-public
35 partnership created in RCW 43.215.070. The subcommittee shall include
36 at least one representative from each of the following:

- 37 (i) The early learning advisory council;
- 38 (ii) The office of the superintendent of public instruction;

- 1 (iii) The department of social and health services;
- 2 (iv) The department of early learning;
- 3 (v) The nongovernmental private-public partnership created in RCW
- 4 43.215.070;
- 5 (vi) The early learning action alliance; and
- 6 (vii) Additional stakeholders with expertise in birth-to-three
- 7 policy and programs and quality child care, as designated by the early
- 8 learning advisory council.

9 (b) The subcommittee may convene advisory subgroups on specific
10 topics as necessary to assure participation and input from a broad
11 array of diverse stakeholders.

12 (c) The subcommittee shall be monitored and overseen by the early
13 learning advisory council created in RCW 43.215.090.

14 (d) The subcommittee shall develop a birth-to-three implementation
15 proposal, which shall include further development of the Washington
16 state birth-to-three plan.

17 (e) The subcommittee must include recommendations on the following
18 in its birth-to-three proposal:

- 19 (i) Eligibility criteria for providers and programs;
- 20 (ii) The level of funding necessary to implement birth-to-three
- 21 programs, including an option which makes available funding equivalent
- 22 to thirty percent of the funding provided for the program of early
- 23 learning established in RCW 43.215.141;
- 24 (iii) Options for funding sources for birth-to-three programs;
- 25 (iv) Governance responsibilities for the department of early
- 26 learning; and
- 27 (v) A timeline for implementation that is concurrent with the
- 28 expansion to the early learning program outlined in RCW 43.215.142.

29 The subcommittee must present its recommendations to the early
30 learning advisory council and the appropriate committees of the
31 legislature by December 1, 2012.

32 (14) \$300,000 of the general fund--federal appropriation is
33 provided solely for a contract with a nonprofit entity experienced in
34 the provision of promoting early literacy for children through
35 pediatric office visits.

36 **Sec. 1604.** 2012 2nd sp.s. c 7 s 616 (uncodified) is amended to
37 read as follows:

1	FOR THE STATE SCHOOL FOR THE BLIND	
2	General Fund--State Appropriation (FY 2012)	\$5,776,000
3	General Fund--State Appropriation (FY 2013)	(\$5,671,000)
4		<u>\$5,691,000</u>
5	TOTAL APPROPRIATION	(\$11,447,000)
6		<u>\$11,467,000</u>

7 **Sec. 1605.** 2012 2nd sp.s. c 7 s 617 (uncodified) is amended to
8 read as follows:

9 **FOR THE WASHINGTON STATE CENTER FOR CHILDHOOD DEAFNESS AND HEARING**
10 **LOSS**

11	General Fund--State Appropriation (FY 2012)	\$8,439,000
12	General Fund--State Appropriation (FY 2013)	(\$8,335,000)
13		<u>\$8,431,000</u>
14	TOTAL APPROPRIATION	(\$16,774,000)
15		<u>\$16,870,000</u>

(End of part)

PART XVII

SPECIAL APPROPRIATIONS

Sec. 1701. 2012 2nd sp.s. c 7 s 701 (uncodified) is amended to read as follows:

FOR THE STATE TREASURER--BOND RETIREMENT AND INTEREST, AND ONGOING BOND REGISTRATION AND TRANSFER CHARGES: FOR DEBT SUBJECT TO THE DEBT LIMIT

Table with 2 columns: Description and Amount. Rows include General Fund--State Appropriation (FY 2012), General Fund--State Appropriation (FY 2013), State Building Construction Account--State Appropriation, Columbia River Basin Water Supply Development Account--State Appropriation, Hood Canal Aquatic Rehabilitation Bond Account--State Appropriation, State Taxable Building Construction Account--State Appropriation, Gardner-Evans Higher Education Construction Account--State Appropriation, Debt-Limit Reimbursable Bond Retire Account--State Appropriation, and TOTAL APPROPRIATION.

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

1 be expended into the debt-limit general fund bond retirement account by
2 June 30, 2012.

3 **Sec. 1702.** 2012 2nd sp.s. c 7 s 702 (uncodified) is amended to
4 read as follows:

5 **FOR THE STATE TREASURER--BOND RETIREMENT AND INTEREST, AND ONGOING**
6 **BOND REGISTRATION AND TRANSFER CHARGES: FOR GENERAL OBLIGATION DEBT TO**
7 **BE REIMBURSED AS PRESCRIBED BY STATUTE**

8	General Fund--State Appropriation (FY 2012)	\$27,400,000
9	General Fund--State Appropriation (FY 2013)	\$30,572,000
10	Nondebt-Limit Reimbursable Bond Retirement	
11	Account--State Appropriation	(\$140,128,000)
12		<u>\$137,290,000</u>
13	TOTAL APPROPRIATION	(\$198,100,000)
14		<u>\$195,262,000</u>

15 The appropriations in this section are subject to the following
16 conditions and limitations: The general fund appropriation is for
17 expenditure into the nondebt-limit general fund bond retirement
18 account. The entire general fund--state appropriation for fiscal year
19 2012 shall be expended into the nondebt-limit general fund bond
20 retirement account by June 30, 2012.

21 **Sec. 1703.** 2011 2nd sp.s. c 9 s 703 (uncodified) is amended to
22 read as follows:

23 **FOR THE STATE TREASURER--BOND RETIREMENT AND INTEREST, AND ONGOING**
24 **BOND REGISTRATION AND TRANSFER CHARGES: FOR BOND SALE EXPENSES**

25	General Fund--State Appropriation (FY 2012)	\$1,357,000
26	General Fund--State Appropriation (FY 2013)	(\$1,357,000)
27		<u>\$616,000</u>
28	State Building Construction Account--State	
29	Appropriation	(\$356,000)
30		<u>\$697,000</u>
31	Columbia River Basin Water Supply Development	
32	Account--State Appropriation	\$21,000
33	Hood Canal Aquatic Rehabilitation Bond Account--State	
34	Appropriation	\$1,000
35	State Taxable Building Construction Account--State	
36	Appropriation	(\$25,000)

1		<u>\$31,000</u>
2	Gardner-Evans Higher Education Construction	
3	Account--State Appropriation	((\$2,000))
4		<u>\$3,000</u>
5	TOTAL APPROPRIATION	((\$3,119,000))
6		<u>\$2,726,000</u>

7 NEW SECTION. Sec. 1704. A new section is added to 2011 1st sp.s.
8 c 50 (uncodified) to read as follows:

9 **FOR THE OFFICE OF FINANCIAL MANAGEMENT--EXTRAORDINARY CRIMINAL JUSTICE**
10 **COSTS**

11 General Fund--State Appropriation (FY 2013) \$728,000

12 The appropriation in this section is subject to the following
13 conditions and limitations: The director of financial management shall
14 distribute \$545,000 to Grant county and \$183,000 to Yakima county for
15 extraordinary criminal justice costs.

16 **Sec. 1705.** 2012 2nd sp.s. c 7 s 707 (uncodified) is amended to
17 read as follows:

18 **FOR SUNDRY CLAIMS**

19 The following sums, or so much thereof as may be necessary, are
20 appropriated from the general fund for fiscal year 2012, unless
21 otherwise indicated, for relief of various individuals, firms, and
22 corporations for sundry claims. These appropriations are to be
23 disbursed on vouchers approved by the director of financial management,
24 except as otherwise provided, for reimbursement of criminal defendants
25 acquitted on the basis of self-defense, pursuant to RCW 9A.16.110, as
26 follows:

- 27 (1) Clint L. Powell, Jr., claim number 99970048 \$58,155.10
- 28 (2) Chance L. Hawkins, claim number 99970049 \$28,838.95
- 29 (3) Edgar L. Hawkins, claim number 99970050 \$25,507.00
- 30 (4) James Abbott, claim number 99970051 \$9,880.00
- 31 (5) Richard Frisk, claim number 99970052 \$32,788.50
- 32 (6) Brian Barnd-Spjut, claim number 99970053 \$122,821.79
- 33 (7) Dwijen Buckendorf, claim number 99970059 \$2,100.00
- 34 (8) Todd Chism, claim number 99970061 \$56,183.26
- 35 (9) James Glasco, claim number 99970062 \$18,800.00
- 36 (10) David Holtzclaw, claim number 99970057 \$15,154.52

1	<u>(11) Gary Richey, claim number 99970063</u>	<u>\$9,020.00</u>
2	<u>(12) Shelly Porter, claim number 99970054</u>	<u>\$12,525.72</u>
3	<u>(13) Yakov Topik, claim number 99970047</u>	<u>\$28,500.00</u>
4	<u>(14) Luther Wallace, claim number 99970060</u>	<u>\$76,256.93</u>
5	<u>(15) Mark Fenton, claim number 99970064</u>	<u>\$27,637.50</u>
6	<u>(16) Reid Woods, claim number 99970065</u>	<u>\$7,296.38</u>
7	<u>(17) James Daniel Emmett, claim number 99970067</u>	<u>\$9,000.00</u>
8	<u>(18) Matthew Collet, claim number 99970068</u>	<u>\$55,000.00</u>
9	<u>(19) Michael Otto, claim number SCJ-2008-12</u>	<u>\$4,250.00</u>

(End of part)

PART XVIII

OTHER TRANSFERS AND APPROPRIATIONS

Sec. 1801. 2012 2nd sp.s. c 7 s 801 (uncodified) is amended to read as follows:

FOR THE STATE TREASURER--STATE REVENUES FOR DISTRIBUTION

General Fund Appropriation for fire insurance premium distributions ((~~\$8,289,000~~))
\$7,773,000

General Fund Appropriation for public utility district excise tax distributions ((~~\$44,078,000~~))
\$49,883,000

General Fund Appropriation for prosecuting attorney distributions ((~~\$6,281,000~~))
\$5,804,000

General Fund Appropriation for boating safety and education distributions \$4,000,000

General Fund Appropriation for other tax distributions ((~~\$58,000~~))
\$63,000

General Fund Appropriation for habitat conservation program distributions \$3,000,000

Death Investigations Account Appropriation for distribution to counties for publicly funded autopsies \$2,960,000

Aquatic Lands Enhancement Account Appropriation for harbor improvement revenue distribution \$160,000

Timber Tax Distribution Account Appropriation for distribution to "timber" counties ((~~\$58,229,000~~))
\$61,983,000

County Criminal Justice Assistance Appropriation ((~~\$69,566,000~~))
\$69,532,000

Municipal Criminal Justice Assistance Appropriation ((~~\$26,843,000~~))
\$26,833,000

City-County Assistance Account Appropriation for local government financial assistance distribution ((~~\$12,159,000~~))

1		<u>\$14,922,000</u>
2	Liquor Excise Tax Account Appropriation for liquor	
3	excise tax distribution	((\$25,617,000))
4		<u>\$25,889,000</u>
5	Streamlined Sales and Use Tax Mitigation Account	
6	Appropriation for distribution to local taxing	
7	jurisdictions to mitigate the unintended revenue	
8	redistribution effect of the sourcing law	
9	changes	\$49,309,000
10	Columbia River Water Delivery Account Appropriation for	
11	the Confederated Tribes of the Colville	
12	Reservation	((\$7,478,000))
13		<u>\$7,481,000</u>
14	Columbia River Water Delivery Account Appropriation for	
15	the Spokane Tribe of Indians	((\$4,794,000))
16		<u>\$4,795,000</u>
17	Liquor Revolving Account Appropriation for liquor	
18	profits distribution	((\$85,132,000))
19		<u>\$96,456,000</u>
20	TOTAL APPROPRIATION	((\$407,953,000))
21		<u>\$426,843,000</u>

22 The total expenditures from the state treasury under the
23 appropriations in this section shall not exceed the funds available
24 under statutory distributions for the stated purposes.

25 **Sec. 1802.** 2012 2nd sp.s. c 7 s 802 (uncodified) is amended to
26 read as follows:

27 **FOR THE STATE TREASURER--FOR THE COUNTY CRIMINAL JUSTICE ASSISTANCE**
28 **ACCOUNT**

29	Impaired Driver Safety Account Appropriation	((\$2,439,000))
30		<u>\$2,422,000</u>

31 The appropriation in this section is subject to the following
32 conditions and limitations: The amount appropriated in this section
33 shall be distributed quarterly during the 2011-2013 fiscal biennium in
34 accordance with RCW 82.14.310. This funding is provided to counties
35 for the costs of implementing criminal justice legislation including,
36 but not limited to: Chapter 206, Laws of 1998 (drunk driving
37 penalties); chapter 207, Laws of 1998 (DUI penalties); chapter 208,

1 Laws of 1998 (deferred prosecution); chapter 209, Laws of 1998
2 (DUI/license suspension); chapter 210, Laws of 1998 (ignition interlock
3 violations); chapter 211, Laws of 1998 (DUI penalties); chapter 212,
4 Laws of 1998 (DUI penalties); chapter 213, Laws of 1998 (intoxication
5 levels lowered); chapter 214, Laws of 1998 (DUI penalties); and chapter
6 215, Laws of 1998 (DUI provisions).

7 **Sec. 1803.** 2012 2nd sp.s. c 7 s 803 (uncodified) is amended to
8 read as follows:

9 **FOR THE STATE TREASURER--MUNICIPAL CRIMINAL JUSTICE ASSISTANCE ACCOUNT**
10 Impaired Driver Safety Account Appropriation (~~(\$1,626,000)~~)
11 \$1,615,000

12 The appropriation in this section is subject to the following
13 conditions and limitations: The amount appropriated in this section
14 shall be distributed quarterly during the 2011-2013 biennium to all
15 cities ratably based on population as last determined by the office of
16 financial management. The distributions to any city that substantially
17 decriminalizes or repeals its criminal code after July 1, 1990, and
18 that does not reimburse the county for costs associated with criminal
19 cases under RCW 3.50.800 or 3.50.805(2), shall be made to the county in
20 which the city is located. This funding is provided to cities for the
21 costs of implementing criminal justice legislation including, but not
22 limited to: Chapter 206, Laws of 1998 (drunk driving penalties);
23 chapter 207, Laws of 1998 (DUI penalties); chapter 208, Laws of 1998
24 (deferred prosecution); chapter 209, Laws of 1998 (DUI/license
25 suspension); chapter 210, Laws of 1998 (ignition interlock violations);
26 chapter 211, Laws of 1998 (DUI penalties); chapter 212, Laws of 1998
27 (DUI penalties); chapter 213, Laws of 1998 (intoxication levels
28 lowered); chapter 214, Laws of 1998 (DUI penalties); and chapter 215,
29 Laws of 1998 (DUI provisions).

30 **Sec. 1804.** 2011 1st sp.s. c 50 s 804 (uncodified) is amended to
31 read as follows:

32 **FOR THE STATE TREASURER--FEDERAL REVENUES FOR DISTRIBUTION**
33 General Fund Appropriation for federal flood control
34 funds distribution (~~(\$74,000)~~)
35 \$52,000
36 General Fund Appropriation for federal grazing fees

1 distribution ((~~\$2,430,000~~))
2 \$1,747,000
3 Forest Reserve Fund Appropriation for federal forest
4 reserve fund distribution ((~~\$29,175,000~~))
5 \$39,776,000
6 TOTAL APPROPRIATION ((~~\$31,679,000~~))
7 \$41,575,000

8 The total expenditures from the state treasury under the
9 appropriations in this section shall not exceed the funds available
10 under statutory distributions for the stated purposes.

11 **Sec. 1805.** 2012 2nd sp.s. c 7 s 804 (uncodified) is amended to
12 read as follows:

13 **FOR THE STATE TREASURER--TRANSFERS**

14 State Treasurer's Service Account: For transfer to
15 the state general fund, \$16,300,000
16 for fiscal year 2012 and
17 ((~~\$24,800,000~~)) \$26,600,000 for fiscal
18 year 2013 ((~~\$41,100,000~~))
19 \$42,900,000

20 Waste Reduction, Recycling, and Litter Control
21 Account: For transfer to the state general
22 fund, \$4,847,000 for fiscal year
23 2012 and \$4,847,000 for fiscal year
24 2013 \$9,694,000

25 Aquatics Lands Enhancement Account: For transfer to
26 the state general fund, \$3,500,000 for fiscal
27 year 2012 and \$3,500,000 for fiscal year 2013 \$7,000,000

28 Savings Incentive Account: For transfer to the state
29 general fund, \$44,618,000 for fiscal year 2012 \$44,618,000

30 Distinguished Professorship Trust Fund: For transfer to
31 the state general fund for fiscal year 2012, an amount
32 not to exceed the actual cash balance of the fund \$3,024,000

33 Washington Graduate Fellowship Trust Fund: For transfer
34 to the state general fund for fiscal year 2012, an
35 amount not to exceed the actual cash balance of
36 the fund \$1,028,000

37 College Faculty Awards Trust Fund: For transfer

1 to the state general fund for fiscal year 2012, an amount
2 not to exceed the actual cash balance of the fund \$1,996,000
3 Data Processing Revolving Account: For transfer
4 to the state general fund, \$5,960,000 for fiscal
5 year 2012 \$5,960,000
6 Drinking Water Assistance Account: For transfer to
7 the drinking water assistance repayment account \$38,000,000
8 Economic Development Strategic Reserve Account: For
9 transfer to the state general fund, \$2,100,000
10 for fiscal year 2012 and \$2,100,000 for fiscal
11 year 2013 \$4,200,000
12 General Fund: For transfer to the streamlined sales
13 and use tax account, \$24,520,000
14 for fiscal year 2012 and \$24,789,000 for fiscal
15 year 2013 \$49,309,000
16 Public Works Assistance Account: For transfer to the
17 water pollution control revolving account,
18 \$7,750,000 for fiscal year 2012 and \$7,750,000 for
19 fiscal year 2013 \$15,500,000
20 The Charitable, Educational, Penal, and Reformatory
21 Institutions Account: For transfer to the state
22 general fund, \$4,500,000 for fiscal year 2012 and
23 \$4,500,000 for fiscal year 2013 \$9,000,000
24 Thurston County Capital Facilities Account: For
25 transfer to the state general fund, \$4,000,000
26 for fiscal year 2012 and \$4,000,000 for fiscal
27 year 2013 \$8,000,000
28 Public Works Assistance Account: For transfer to the
29 drinking water assistance account, \$10,000,000 for
30 fiscal year 2012 and \$5,000,000 for fiscal year
31 2013 \$15,000,000
32 Liquor Control Board Construction and Maintenance
33 Account: For transfer to the state general fund,
34 \$500,000 for fiscal year 2012 \$500,000
35 Education Savings Account: For transfer to the state
36 general fund, \$54,431,000 for fiscal
37 year 2012 \$54,431,000
38 Department of Retirement Systems Expense Account:

1 For transfer to the state general fund,
2 \$2,330,000 for fiscal year 2012 and
3 \$4,330,000 for fiscal year 2013 \$6,660,000
4 Education Construction Account: For transfer to the
5 state general fund, \$102,000,000 for fiscal year
6 2012 and \$102,000,000 for fiscal year 2013 \$204,000,000
7 Public Works Assistance Account: For transfer to the
8 state general fund, \$40,000,000
9 for fiscal year 2012 and \$40,000,000
10 for fiscal year 2013 \$80,000,000
11 Foster Care Endowed Scholarship Trust Fund: For transfer
12 to the state general fund, \$200,000 for fiscal year
13 2012 and \$200,000 for fiscal year 2013 \$400,000
14 Affordable Housing For All Account: For transfer to
15 the home security fund, \$1,000,000 for fiscal year
16 2012 and \$1,000,000 for fiscal year 2013 \$2,000,000
17 Tobacco Settlement Account: For transfer to the state
18 general fund, in an amount not to exceed the actual
19 amount of the annual base payment to the tobacco
20 settlement account \$158,205,000
21 Tobacco Settlement Account: For transfer to the basic
22 health plan stabilization account from the amounts
23 deposited in the account that are attributable to the
24 annual strategic contribution payment received in
25 fiscal year 2012 \$22,000,000
26 Tobacco Settlement Account: For transfer to the basic
27 health plan stabilization account from the amounts
28 deposited in the account that are attributable to the
29 annual strategic contribution payment received in
30 fiscal year 2013 \$22,000,000
31 Tobacco Settlement Account: For transfer to the life
32 sciences discovery fund, in an amount not to exceed
33 the actual remaining amount of the annual strategic
34 contribution payment to the tobacco settlement account
35 for fiscal year 2012 \$6,000,000
36 Tobacco Settlement Account: For transfer to the life
37 sciences discovery fund, in an amount not to exceed
38 the actual remaining amount of the annual strategic

1 contribution payment to the tobacco settlement account
2 for fiscal year 2013 \$6,000,000

3 The transfer to the life sciences discovery fund is subject to the
4 following conditions: All new grants awarded during the 2011-2013
5 fiscal biennium shall support and accelerate the commercialization of
6 an identifiable product.

7 Financial Services Regulation Fund: For transfer to
8 the state general fund, \$4,000,000 for fiscal
9 year 2012 \$4,000,000

10 State Nursery Revolving Account: For transfer to the
11 state general fund, \$250,000 for fiscal year 2012 and
12 \$250,000 for fiscal year 2013 \$500,000

13 Washington State Heritage Center Account: For transfer
14 to the state general fund, \$2,000,000 for fiscal
15 year 2013 \$2,000,000

16 Local Toxics Control Account: For transfer to the state
17 toxics control account, \$15,000,000 for fiscal
18 year 2012 and \$16,000,000 for fiscal year 2013 \$31,000,000

19 Coastal Protection Account: For transfer to the state
20 general fund, \$500,000 for fiscal year 2012 and
21 \$500,000 for fiscal year 2013 \$1,000,000

22 Multimodal Transportation Account--State: For transfer
23 to the Public Transportation Grant Program Account
24 for the purposes of distributions of \$3,000,000 on
25 each of the last working days of December, March,
26 and June in fiscal year 2013 \$9,000,000

27 Aquatic Lands Enhancement Account: For transfer to
28 the marine resources stewardship trust account,
29 \$2,100,000 for fiscal year 2013 \$2,100,000

(End of part)

1 **PART XIX**
2 **MISCELLANEOUS**

3 **Sec. 1901.** 2011 1st sp.s. c 41 s 3 (uncodified) is amended to read
4 as follows:

5 Upon implementation of the expansion directed in RCW 74.09.659, the
6 office of financial management shall reduce general fund--state
7 allotments for the medical assistance program by one million five
8 hundred thousand dollars for fiscal year 2012 (~~and by two million~~
9 ~~three hundred fifty thousand dollars for fiscal year 2013~~). The
10 amounts reduced from allotments shall be placed in reserve status and
11 remain unexpended.

12 NEW SECTION. **Sec. 1902.** If any provision of this act or its
13 application to any person or circumstance is held invalid, the
14 remainder of the act or the application of the provision to other
15 persons or circumstances is not affected.

16 NEW SECTION. **Sec. 1903.** Except for section 965 of this act, this
17 act is necessary for the immediate preservation of the public peace,
18 health, or safety, or support of the state government and its existing
19 public institutions, and takes effect immediately; except for section
20 948 of this act which takes effect August 1, 2013, section 957 of this
21 act which takes effect June 30, 2013, and section 982 of this act which
22 takes effect July 28, 2013.

23 NEW SECTION. **Sec. 1904.** Section 965 of this act is necessary for
24 the immediate preservation of the public peace, health, or safety, or
25 support of the state government and its existing public institutions,
26 and takes effect July 1, 2013, subject to section 966 of this act.

(End of Bill)

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1 Correct the title.

--- END ---

2013

2015



Washington State House of Representatives
Office of Program Research