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# Proposed Budget Compromise

(Striking Amendment S-3053 to 2ESSB 5034)

June 27, 2013

Office of Program Research

2ESSB 5034 - S AMD  
By Senator

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) . . . . .	\$30,789,000
3	General Fund--State Appropriation (FY 2015) . . . . .	\$31,075,000
4	Motor Vehicle Account--State Appropriation . . . . .	\$1,765,000
5	TOTAL APPROPRIATION . . . . .	\$63,629,000

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

7	General Fund--State Appropriation (FY 2014) . . . . .	\$21,150,000
8	General Fund--State Appropriation (FY 2015) . . . . .	\$23,405,000
9	Motor Vehicle Account--State Appropriation . . . . .	\$1,514,000
10	TOTAL APPROPRIATION . . . . .	\$46,069,000

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

13	General Fund--State Appropriation (FY 2014) . . . . .	\$62,000
14	General Fund--State Appropriation (FY 2015) . . . . .	\$111,000
15	Performance Audits of Government Account--State	
16	Appropriation . . . . .	\$5,641,000
17	Medical Aid Account--State Appropriation . . . . .	\$332,000
18	Accident Account--State Appropriation . . . . .	\$332,000
19	TOTAL APPROPRIATION . . . . .	\$6,478,000

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

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

26            (2) \$332,000 of the medical aid account--state appropriation and  
27 \$332,000 of the accident account--state appropriation are provided for  
28 the purposes of chapter 37, Laws of 2011 (workers' compensation).

29            (3) \$323,000 of the performance audits of government account--state  
30 appropriation is provided for consultant and staff costs related to the  
31 economic analysis of tax preferences as directed by chapter 43.136 RCW.

32            (4) The joint legislative audit and review committee shall conduct  
33 an audit of Washington's state research universities. The purpose of  
34 the audit is to identify cost and profit centers within, and in  
35 partnership with, the research universities. The audit must focus on  
36 public funds; student fees, in particular tuition; and auxiliary

1 enterprises, which for the purposes of the audit at the University of  
2 Washington includes University of Washington medical center, the  
3 internal lending program, the W fund, and the center for  
4 commercialization. The audit at each university must achieve the  
5 following:

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

10 (b) Obtain the university's definition of auxiliary enterprises and  
11 determine the number of auxiliary enterprises, including the University  
12 of Washington medical center, the University of Washington internal  
13 lending program, the W fund, and the center for commercialization, that  
14 exist in the university system, the methods the university uses to  
15 track revenue and expenditures of auxiliary enterprises, and the  
16 policies and practices the university has in place to ensure that state  
17 funding is not used to supplement or guarantee projects or programs  
18 authorized by auxiliary enterprises;

19 (c) Identify how much money is being spent on undergraduate  
20 education and to what extent undergraduate education is subsidizing  
21 graduate education; and

22 (d) Determine how tuition funds are being used and to what extent  
23 they are being used to fund the University of Washington medical  
24 center, the University of Washington internal lending program, the W  
25 fund, and the center for commercialization and to back bonds authorized  
26 by the university.

27 (5) The committee shall conduct a study of the current methods of  
28 collecting legal financial obligations and compare those methods with  
29 other debt collection methods, including contracting for debt  
30 collection of legal financial obligations. The study shall include  
31 analysis of the costs and revenues of current methods and compare those  
32 to alternatives, and include analysis of the impact of current methods  
33 and alternatives to revenues received by the state. Included shall be  
34 an examination of costs and revenue generation before and after the  
35 implementation of chapter 379, Laws of 2003 (SSB 5990) and chapter 362,  
36 Laws of 2005 (SSB 5256) and analysis of whether these changes met the  
37 legislative goals of reducing costs and increasing collections. A

1 report on the results of the analysis shall be presented to the  
2 appropriate committees of the legislature by December 2014.

3 (6) The committee shall conduct a study of economic development  
4 programs and projects supported by the state general fund in the  
5 department of commerce. The study shall first review the extent to  
6 which these programs: (a) Included specific economic development  
7 targets; (b) monitored economic development targets; (c) required for  
8 programs which provided support or services through contracts, whether  
9 the contracts were structured such that if economic development targets  
10 were not met, contracts were reviewed or revised; and (d) changed the  
11 economic development targets of associate development organizations  
12 relative to funding increases since 2007. The study will include the  
13 feasibility of determining how to isolate other factors, such as  
14 general economic trends, from the impacts of economic development  
15 programs. The costs and options for conducting future analysis of the  
16 outcomes specific to economic development programs shall be included  
17 and a briefing report shall be provided to the appropriate committees  
18 of the legislature by December 1, 2013. A complete report with study  
19 data and conclusions shall be provided to the appropriate committees of  
20 the legislature by December 1, 2014.

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

26 (8) The committee shall conduct an analysis of how school districts  
27 use school days. The analysis must include:

28 (a) How school districts define classroom time, nonclassroom time,  
29 instructional time, noninstructional time, and any other definitions of  
30 how the school day is divided or used;

31 (b) Estimates of time in each category;

32 (c) How noninstructional time is distributed over the annual number  
33 of school days;

34 (d) When noninstructional hours occur;

35 (e) How noninstructional hours are used, including how much  
36 noninstructional time is devoted to professional development for the  
37 purposes of teacher and principal evaluation training or common core  
38 state standards training; and

1 (f) The extent to which the use of each category of time is  
2 identified or defined in collective bargaining agreements.

3 To the extent data is not available at the statewide level, the  
4 committee may use case studies or other methods to conduct the  
5 analysis. The committee shall submit a report of its findings to the  
6 education committees of the legislature by December 1, 2014.

7 (9) The committee shall review funding enhancement formulas that  
8 provide minimum staffing unit funding to small school districts and  
9 districts with school plants that have been judged by the state board  
10 of education to be remote and necessary. The committee will make an  
11 assessment of the current formulas and report any recommended  
12 adjustments to the legislative fiscal committees of the senate and the  
13 house of representatives by November 1, 2014. In assessing the current  
14 formulas, the committee may consider: Enhancements being made to basic  
15 education funding in the 2013-2015 omnibus appropriations act and  
16 committed to under Engrossed Substitute House Bill No. 2261 (chapter  
17 548, Laws of 2009) and Substitute House Bill No. 2776 (chapter 236,  
18 Laws of 2010); developments in technology or educational service  
19 delivery since the formulas were established; practices in other  
20 states; districts' ability to provide students with access to a program  
21 of education; and inter-district equity.

22 (10) The committee shall conduct a study of the effectiveness of  
23 the state agency performance indicators and performance measurement  
24 process established in chapter 43.88 RCW, the state budget and  
25 accounting act. The study will focus on the integration of performance  
26 measurements into the state budgeting process and the ability of the  
27 legislative fiscal committees to use effective performance indicators  
28 in developing the state budget. The committee shall present its  
29 findings and recommendations to the legislative fiscal committees in a  
30 public hearing during the 2015 legislative session.

31 (11) By June 30, 2014, the committee shall conduct a study of the  
32 electricity cost impacts for each qualifying utility to meet the 2016  
33 and 2020 renewable resource and conservation targets under chapter  
34 19.285 RCW. The study must also include an analysis of the impacts on  
35 each utility's commercial, industrial, and residential customers,  
36 including an additional analysis of the impacts on low-income  
37 residential customers.

1 (12) In carrying out the report required by RCW 44.28.157, the  
 2 committee shall include by December 2014, an analysis of the impacts of  
 3 using the Washington health benefit exchange established in chapter  
 4 43.71 RCW as a mechanism for providing health insurance for part-time  
 5 certificated and classified K-12 public school employees. The analysis  
 6 shall be conducted in coordination with the health care authority and  
 7 shall include a review of how the exchange, federal health premium tax  
 8 credits and subsidies for out-of-pocket expenses administered through  
 9 the exchange, and Medicaid expansion have impacted, or could impact,  
 10 health care costs for individuals, school districts, and the state.  
 11 The analysis shall also include a review of the cost of stand-alone  
 12 dental plans.

13 NEW SECTION. **Sec. 104. FOR THE LEGISLATIVE EVALUATION AND**  
 14 **ACCOUNTABILITY PROGRAM COMMITTEE**

15	General Fund--State Appropriation (FY 2014) . . . . .	\$1,653,000
16	General Fund--State Appropriation (FY 2015) . . . . .	\$1,811,000
17	TOTAL APPROPRIATION . . . . .	\$3,464,000

18 NEW SECTION. **Sec. 105. FOR THE JOINT LEGISLATIVE SYSTEMS**  
 19 **COMMITTEE**

20	General Fund--State Appropriation (FY 2014) . . . . .	\$8,004,000
21	General Fund--State Appropriation (FY 2015) . . . . .	\$7,973,000
22	TOTAL APPROPRIATION . . . . .	\$15,977,000

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

24	Department of Retirement Systems Expense	
25	Account--State Appropriation . . . . .	\$3,529,000

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

27	General Fund--State Appropriation (FY 2014) . . . . .	\$3,895,000
28	General Fund--State Appropriation (FY 2015) . . . . .	\$4,102,000
29	TOTAL APPROPRIATION . . . . .	\$7,997,000

30 NEW SECTION. **Sec. 108. FOR THE OFFICE OF LEGISLATIVE SUPPORT**  
 31 **SERVICES**

32	General Fund--State Appropriation (FY 2014) . . . . .	\$3,686,000
33	General Fund--State Appropriation (FY 2015) . . . . .	\$3,684,000

1 TOTAL APPROPRIATION . . . . . \$7,370,000

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

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

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

13 General Fund--State Appropriation (FY 2014) . . . . . \$6,911,000  
14 General Fund--State Appropriation (FY 2015) . . . . . \$6,836,000  
15 TOTAL APPROPRIATION . . . . . \$13,747,000

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

17 General Fund--State Appropriation (FY 2014) . . . . . \$1,481,000  
18 General Fund--State Appropriation (FY 2015) . . . . . \$1,468,000  
19 TOTAL APPROPRIATION . . . . . \$2,949,000

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

21 General Fund--State Appropriation (FY 2014) . . . . . \$1,068,000  
22 General Fund--State Appropriation (FY 2015) . . . . . \$994,000  
23 TOTAL APPROPRIATION . . . . . \$2,062,000

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

25 General Fund--State Appropriation (FY 2014) . . . . . \$15,691,000  
26 General Fund--State Appropriation (FY 2015) . . . . . \$15,685,000  
27 TOTAL APPROPRIATION . . . . . \$31,376,000

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

29 General Fund--State Appropriation (FY 2014) . . . . . \$51,085,000  
30 General Fund--State Appropriation (FY 2015) . . . . . \$50,771,000  
31 General Fund--Federal Appropriation . . . . . \$2,125,000  
32 General Fund--Private/Local Appropriation . . . . . \$658,000



1	Judicial Information Systems Account--State	
2	Appropriation . . . . .	\$46,611,000
3	Judicial Stabilization Trust Account--State	
4	Appropriation . . . . .	\$6,691,000
5	TOTAL APPROPRIATION . . . . .	\$157,941,000

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

8       (1) \$1,500,000 of the judicial information systems account--state  
9 appropriation is provided solely for development and implementation of  
10 the information network hub project.

11       (2) \$2,138,000 of the judicial information systems account--state  
12 appropriation is provided solely for replacement of computer equipment,  
13 including servers, routers, and storage system upgrades.

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

20       (4) The distributions made under this subsection and distributions  
21 from the county criminal justice assistance account made pursuant to  
22 section 801 of this act constitute appropriate reimbursement for costs  
23 for any new programs or increased level of service for purposes of RCW  
24 43.135.060.

25       (5) \$1,199,000 of the judicial information systems account--state  
26 appropriation is provided solely for replacing computer equipment at  
27 state courts and state judicial agencies.

28       (6) \$108,000 of the general fund--state appropriation for fiscal  
29 year 2014 and \$108,000 of the general fund--state appropriation for  
30 fiscal year 2015 are provided solely for the implementation of chapter  
31 210, Laws of 2013 (Senate Bill No. 5052) (superior court judges Whatcom  
32 county). The funds provided in this subsection shall be expended only  
33 if the fourth superior court judge position in Whatcom county is  
34 appointed and serving on the bench.

35       (7) \$108,000 of the general fund--state appropriation for fiscal  
36 year 2014 and \$108,000 of the general fund--state appropriation for  
37 fiscal year 2015 are provided solely for the implementation of chapter  
38 142, Laws of 2013 (House Bill No. 1175) (superior court judges

1 Benton/Franklin counties). The funds provided in this subsection shall  
2 be expended only if the seventh superior court judge position in Benton  
3 and Franklin counties jointly is appointed and serving on the bench.

4 (8) \$11,300,000 of the judicial information systems account--state  
5 appropriation is provided solely for continued implementation of the  
6 superior court case management system project. The administrative  
7 office of the courts, in consultation with the judicial information  
8 systems committee, the superior court case management system project  
9 steering committee, and the office of the chief information officer  
10 shall develop a revised charter to implement the next phases of the  
11 superior court case management system. The revised charter shall  
12 insure that the superior court case management system project steering  
13 committee continues to provide contract oversight, in collaboration  
14 with the judicial information system committee, through the  
15 implementation period and various phases of the project. Oversight  
16 responsibilities throughout the various phases of the project must  
17 include, but are not limited to, vendor management, contract and  
18 deliverable management, and assuring satisfaction of the business and  
19 technical needs at the local level. The superior court case management  
20 system project steering committee may solicit input from user groups as  
21 deemed appropriate. The revised charter shall be approved by the  
22 judicial information systems committee.

23 (9) \$1,399,000 of the general fund--state appropriation for fiscal  
24 year 2014 and \$1,399,000 of the general fund--state appropriation for  
25 fiscal year 2015 are provided solely for school districts for petitions  
26 to juvenile court for truant students as provided in RCW 28A.225.030  
27 and 28A.225.035. The administrator for the courts shall develop an  
28 interagency agreement with the superintendent of public instruction to  
29 allocate the funding provided in this subsection. Allocation of this  
30 money to school districts shall be based on the number of petitions  
31 filed. This funding includes amounts school districts may expend on  
32 the cost of serving petitions filed under RCW 28A.225.030 by certified  
33 mail or by personal service or for the performance of service of  
34 process for any hearing associated with RCW 28A.225.030.

35 (10)(a) \$7,313,000 of the general fund--state appropriation for  
36 fiscal year 2014 and \$7,313,000 of the general fund--state  
37 appropriation for fiscal year 2015 are provided solely for distribution  
38 to county juvenile court administrators to fund the costs of processing

1 truancy, children in need of services, and at-risk youth petitions.  
2 The administrator for the courts, in conjunction with the juvenile  
3 court administrators, shall develop an equitable funding distribution  
4 formula. The formula shall neither reward counties with higher than  
5 average per-petition processing costs nor shall it penalize counties  
6 with lower than average per-petition processing costs.

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

18 (11) \$274,000 of the general fund--state appropriation for fiscal  
19 year 2014 and \$274,000 of the general fund--state appropriation for  
20 fiscal year 2015 are provided solely for the office of public  
21 guardianship to continue guardianship services for those low-income  
22 incapacitated persons who were receiving services on June 30, 2013.

23 (12) \$333,000 of the judicial information systems account--state  
24 appropriation is provided solely for the content management system for  
25 the appellate courts.

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

27	General Fund--State Appropriation (FY 2014) . . . . .	\$30,410,000
28	General Fund--State Appropriation (FY 2015) . . . . .	\$33,719,000
29	Judicial Stabilization Trust Account--State	
30	Appropriation . . . . .	\$3,648,000
31	General Fund--Federal Appropriation . . . . .	\$152,000
32	TOTAL APPROPRIATION . . . . .	\$67,929,000

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

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

1 (2) \$3,378,000 of the general fund--state appropriation for fiscal  
2 year 2015 is provided solely to expand the parents representation  
3 program into Asotin, Columbia, Garfield, King, Whatcom, and Whitman  
4 counties.

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

6	General Fund--State Appropriation (FY 2014) . . . . .	\$10,862,000
7	General Fund--State Appropriation (FY 2015) . . . . .	\$10,870,000
8	Judicial Stabilization Trust Account--State	
9	Appropriation . . . . .	\$1,454,000
10	TOTAL APPROPRIATION . . . . .	\$23,186,000

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

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

20	General Fund--State Appropriation (FY 2014) . . . . .	\$5,509,000
21	General Fund--State Appropriation (FY 2015) . . . . .	\$5,217,000
22	Economic Development Strategic Reserve Account--State	
23	Appropriation . . . . .	\$4,000,000
24	TOTAL APPROPRIATION . . . . .	\$14,726,000

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

27 (1) \$4,000,000 of the economic development strategic reserve  
28 account appropriation is provided solely for efforts to assist with  
29 currently active industrial recruitment efforts that will bring new  
30 jobs to the state or will retain headquarter locations of major  
31 companies currently housed in the state.

32 (2) \$684,000 of the general fund--state appropriation for fiscal  
33 year 2014 and \$684,000 of the general fund--state appropriation for  
34 fiscal year 2015 are provided solely for the office of the education  
35 ombudsman.

1 (3) \$258,000 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 **NEW SECTION. Sec. 118. FOR THE LIEUTENANT GOVERNOR**

7	General Fund--State Appropriation (FY 2014) . . . . .	\$654,000
8	General Fund--State Appropriation (FY 2015) . . . . .	\$658,000
9	General Fund--Private/Local Appropriation . . . . .	\$90,000
10	TOTAL APPROPRIATION . . . . .	\$1,402,000

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

12	General Fund--State Appropriation (FY 2014) . . . . .	\$2,082,000
13	General Fund--State Appropriation (FY 2015) . . . . .	\$2,015,000
14	TOTAL APPROPRIATION . . . . .	\$4,097,000

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

16	General Fund--State Appropriation (FY 2014) . . . . .	\$11,356,000
17	General Fund--State Appropriation (FY 2015) . . . . .	\$9,535,000
18	General Fund--Federal Appropriation . . . . .	\$7,419,000
19	Public Records Efficiency, Preservation, and Access	
20	Account--State Appropriation . . . . .	\$7,361,000
21	Charitable Organization Education Account--State	
22	Appropriation . . . . .	\$364,000
23	Local Government Archives Account--State	
24	Appropriation . . . . .	\$8,467,000
25	Election Account--Federal Appropriation . . . . .	\$12,016,000
26	Washington State Heritage Center Account--State	
27	Appropriation . . . . .	\$8,860,000
28	TOTAL APPROPRIATION . . . . .	\$65,378,000

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

31 (1) \$3,301,000 of the general fund--state appropriation for fiscal  
32 year 2014 is provided solely to reimburse counties for the state's  
33 share of primary and general election costs and the costs of conducting  
34 mandatory recounts on state measures. Counties shall be reimbursed

1 only for those odd-year election costs that the secretary of state  
2 validates as eligible for reimbursement.

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

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

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

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

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

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

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

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

1 (4) It is the intent of the legislature to consider during the 2014  
2 legislative session funding for the publication and distribution of a  
3 primary election voters pamphlet.

4 (5) \$771,000 of the general fund--state appropriation for fiscal  
5 year 2014 and \$772,000 of the general fund--state appropriation for  
6 fiscal year 2015 are provided solely for the state library to purchase  
7 statewide on-line access to the information technology academy to allow  
8 public access to on-line courses and learning resources through public  
9 libraries.

10 NEW SECTION. **Sec. 121. FOR THE GOVERNOR'S OFFICE OF INDIAN**  
11 **AFFAIRS**

12	General Fund--State Appropriation (FY 2014) . . . . .	\$253,000
13	General Fund--State Appropriation (FY 2015) . . . . .	\$248,000
14	TOTAL APPROPRIATION . . . . .	\$501,000

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

26 NEW SECTION. **Sec. 122. FOR THE COMMISSION ON ASIAN PACIFIC**  
27 **AMERICAN AFFAIRS**

28	General Fund--State Appropriation (FY 2014) . . . . .	\$213,000
29	General Fund--State Appropriation (FY 2015) . . . . .	\$207,000
30	TOTAL APPROPRIATION . . . . .	\$420,000

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

32	State Treasurer's Service Account--State	
33	Appropriation . . . . .	\$14,924,000

34 The appropriation in this section is subject to the following  
35 conditions and limitations: \$150,000 of the state treasurer's service

1 account--state appropriation is provided solely for legal fees related  
2 to additional legal assistance due to changes in federal financial  
3 regulations and an increase in complex and high profile litigation.

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

5	General Fund--State Appropriation (FY 2014) . . . . .	\$728,000
6	General Fund--State Appropriation (FY 2015) . . . . .	\$733,000
7	State Auditing Services Revolving Account--State	
8	Appropriation . . . . .	\$9,573,000
9	Performance Audits of Government Account--State	
10	Appropriation . . . . .	\$56,000
11	TOTAL APPROPRIATION . . . . .	\$11,090,000

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

14 (1) \$728,000 of the general fund--state appropriation for fiscal  
15 year 2014 and \$733,000 of the general fund--state appropriation for  
16 fiscal year 2015 are provided solely for staff and related costs to  
17 verify the accuracy of reported school district data submitted for  
18 state funding purposes; conduct school district program audits of state  
19 funded public school programs; establish the specific amount of state  
20 funding adjustments whenever audit exceptions occur and the amount is  
21 not firmly established in the course of regular public school audits;  
22 and to assist the state special education safety net committee when  
23 requested.

24 (2) The legislature requests a performance audit of the purchasing  
25 and use of health care actuarial services by state agencies, including  
26 but not limited to the health care authority, department of labor and  
27 industries, department of health, office of financial management,  
28 office of the insurance commissioner, and department of social and  
29 health services. The audit should document the level of expenditures  
30 on contracted and in-house health care related actuarial services, and  
31 how effectively the agencies manage the quality and value of those  
32 services. The performance audit should evaluate whether health care  
33 related actuarial services that are currently purchased by state  
34 agencies on a contract basis could be provided in a more efficient and  
35 transparent manner by a new division in the office of the state  
36 actuary, or by a separate office in the executive branch.



1 (3) The legislature requests that the state auditor evaluate  
2 whether providing health care services delivered through managed care  
3 for disabled adults in the healthy options blind/disabled program is  
4 more cost effective than providing the same health care services  
5 through a fee-for-service system. The audit may consider examining  
6 cost effectiveness at a statewide level as well as examining cost  
7 effectiveness within certain geographic regions.

8 (4) The legislature requests the state auditor to conduct an audit  
9 of the department of health, the department of social and health  
10 services, and the health care authority for compliance with federal law  
11 and to identify any fraudulent activity, by June 30, 2014.

12 (5) The legislature requests that the state auditor evaluate the  
13 department of corrections' current inmate intake and reception process.  
14 The audit may consider examining cost effectiveness of the assessment,  
15 classification, facility assignment and transportation processes.

16 NEW SECTION. **Sec. 125. FOR THE CITIZENS' COMMISSION ON SALARIES**  
17 **FOR ELECTED OFFICIALS**

18	General Fund--State Appropriation (FY 2014) . . . . .	\$141,000
19	General Fund--State Appropriation (FY 2015) . . . . .	\$171,000
20	TOTAL APPROPRIATION . . . . .	\$312,000

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

22	General Fund--State Appropriation (FY 2014) . . . . .	\$10,456,000
23	General Fund--State Appropriation (FY 2015) . . . . .	\$10,132,000
24	General Fund--Federal Appropriation . . . . .	\$7,114,000
25	New Motor Vehicle Arbitration Account--State	
26	Appropriation . . . . .	\$997,000
27	Legal Services Revolving Account--State	
28	Appropriation . . . . .	\$191,286,000
29	Tobacco Prevention and Control Account--State	
30	Appropriation . . . . .	\$271,000
31	Medicaid Fraud Penalty Account--State Appropriation . . . . .	\$2,279,000
32	Public Services Revolving Account--State	
33	Appropriation . . . . .	\$2,093,000
34	TOTAL APPROPRIATION . . . . .	\$224,628,000

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

1 (1) The attorney general shall report each fiscal year on actual  
2 legal services expenditures and actual attorney staffing levels for  
3 each agency receiving legal services. The report shall be submitted to  
4 the office of financial management and the fiscal committees of the  
5 senate and house of representatives no later than ninety days after the  
6 end of each fiscal year. As part of its by agency report to the  
7 legislative fiscal committees and the office of financial management,  
8 the office of the attorney general shall include information detailing  
9 the agency's expenditures for its agency-wide overhead and a breakdown  
10 by division of division administration expenses.

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

16 (3) The attorney general shall annually report to the fiscal  
17 committees of the legislature all new *cy pres* awards and settlements  
18 and all new accounts, disclosing their intended uses, balances, the  
19 nature of the claim or account, proposals, and intended timeframes for  
20 the expenditure of each amount. The report shall be distributed  
21 electronically and posted on the attorney general's web site. The  
22 report shall not be printed on paper or distributed physically.

23 (4) The executive ethics board shall: (a) Develop a statewide  
24 plan, with performance measures, to provide overall direction and  
25 accountability in all executive branch agencies and statewide elected  
26 offices; (b) coordinate and work with the commission on judicial  
27 conduct and the legislative ethics board; (c) assess and evaluate each  
28 agency's ethical culture through employee and stakeholder surveys,  
29 review Washington state quality award feedback reports, and publish an  
30 annual report on the results to the public; and (d) solicit outside  
31 evaluations, studies, and recommendations for improvements from  
32 academics, nonprofit organizations, the public disclosure commission,  
33 or other entities with expertise in ethics, integrity, and the public  
34 sector.

35 (5) \$424,000 of the legal services revolving account--state  
36 appropriation is provided solely for replacement of a portion of the  
37 agency's personal computers. The amount provided in this subsection is  
38 conditioned on the department satisfying the requirements of the

1 project management oversight standards and policies established by the  
2 office of the chief information officer and section 945 of this act,  
3 personal computer acquisition and replacement.

4 (6) \$609,000 of the legal services revolving account--state  
5 appropriation is provided solely for upgrades to software programs.  
6 The amount provided in this subsection is conditioned on the department  
7 satisfying the requirements of the project management oversight  
8 standards and policies established by the office of the chief  
9 information officer.

10 (7) \$150,000 of the legal services revolving account--state  
11 appropriation is provided solely for the implementation of Engrossed  
12 Second Substitute Senate Bill No. 5405 (extended foster care). If the  
13 bill is not enacted by June 30, 2013, the amount provided in this  
14 subsection shall lapse.

15 (8) \$50,000 of the general fund--state appropriation for fiscal  
16 year 2014 and \$50,000 of the general fund--state appropriation for  
17 fiscal year 2015 are provided solely for the implementation of  
18 Engrossed Substitute House Bill No. 1341 (wrongful imprisonment). If  
19 the bill is not enacted by June 30, 2013, the amount provided in this  
20 subsection shall lapse.

21 (9) \$189,000 of the legal services revolving account--state  
22 appropriation is provided solely for the implementation of Substitute  
23 House Bill No. 1420 (transportation improvement projects). If the bill  
24 is not enacted by June 30, 2013, the amount provided in this subsection  
25 shall lapse.

26 (10) \$2,093,000 of the public service revolving account--state  
27 appropriation is provided solely for the work of the public counsel  
28 section of the office of the attorney general.

29 (11) \$353,000 of the general fund--state appropriation for fiscal  
30 year 2014 and \$353,000 of the general fund--state appropriation for  
31 fiscal year 2015 are provided solely for a grant to the Washington  
32 coalition of crime victim advocates to provide training, certification,  
33 and technical assistance for crime victim service center advocates.

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

35	General Fund--State Appropriation (FY 2014) . . . . .	\$1,260,000
36	General Fund--State Appropriation (FY 2015) . . . . .	\$1,230,000
37	TOTAL APPROPRIATION . . . . .	\$2,490,000

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

2	General Fund--State Appropriation (FY 2014) . . . . .	\$63,076,000
3	General Fund--State Appropriation (FY 2015) . . . . .	\$60,151,000
4	General Fund--Federal Appropriation . . . . .	\$265,004,000
5	General Fund--Private/Local Appropriation . . . . .	\$5,638,000
6	Public Works Assistance Account--State	
7	Appropriation . . . . .	\$3,036,000
8	Drinking Water Assistance Administrative	
9	Account--State Appropriation . . . . .	\$445,000
10	Lead Paint Account--State Appropriation . . . . .	\$147,000
11	Building Code Council Account--State Appropriation . . . . .	\$13,000
12	Home Security Fund Account--State Appropriation . . . . .	\$25,452,000
13	Affordable Housing for All Account--State	
14	Appropriation . . . . .	\$11,915,000
15	Financial Fraud and Identity Theft Crimes Investigation	
16	and Prosecution Account--State Appropriation . . . . .	\$969,000
17	Low-Income Weatherization Assistance Account--State	
18	Appropriation . . . . .	\$1,882,000
19	Community and Economic Development Fee Account--State	
20	Appropriation . . . . .	\$5,303,000
21	Washington Housing Trust Account--State	
22	Appropriation . . . . .	\$19,592,000
23	Prostitution Prevention and Intervention Account--	
24	State Appropriation . . . . .	\$98,000
25	Public Facility Construction Loan Revolving	
26	Account--State Appropriation . . . . .	\$758,000
27	Washington Community Technology Opportunity Account--	
28	Private/Local Appropriation . . . . .	\$10,000
29	Liquor Revolving Account--State Appropriation . . . . .	\$5,605,000
30	TOTAL APPROPRIATION . . . . .	\$469,094,000

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

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

1 under the program shall be remitted to the department according to the  
2 terms included in the original loan agreements.

3 (2) \$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 a grant to resolution  
6 Washington to building statewide capacity for alternative dispute  
7 resolution centers and dispute resolution programs that guarantee that  
8 citizens have access to low-cost resolution as an alternative to  
9 litigation.

10 (3) \$306,000 of the general fund--state appropriation for fiscal  
11 year 2014 and \$306,000 of the general fund--state appropriation for  
12 fiscal year 2015 are provided solely for a grant to the retired senior  
13 volunteer program.

14 (4) The department shall administer its growth management act  
15 technical assistance and pass-through grants so that smaller cities and  
16 counties receive proportionately more assistance than larger cities or  
17 counties.

18 (5) \$375,000 of the general fund--state appropriation for fiscal  
19 year 2014 and \$375,000 of the general fund--state appropriation for  
20 fiscal year 2015 are provided solely as pass-through funding to Walla  
21 Walla Community College for its water and environmental center.

22 (6) \$1,800,000 of the home security fund--state appropriation is  
23 provided for transitional housing assistance or partial payments for  
24 rental assistance under the independent youth housing program.

25 (7) \$5,000,000 of the home security fund--state appropriation is  
26 for the operation, repair, and staffing of shelters in the homeless  
27 family shelter program.

28 (8) \$198,000 of the general fund--state appropriation for fiscal  
29 year 2014 and \$198,000 of the general fund--state appropriation for  
30 fiscal year 2015 are provided solely for the Washington new Americans  
31 program.

32 (9) \$2,949,000 of the general fund--state appropriation for fiscal  
33 year 2014 and \$2,949,000 of the general fund--state appropriation for  
34 fiscal year 2015 are provided solely for associate development  
35 organizations. During the 2013-2015 fiscal biennium, the department  
36 shall consider an associate development organization's total resources  
37 when making contracting and fund allocation decisions, in addition to  
38 the schedule provided in RCW 43.330.086.

1 (10) \$234,000 of the general fund--state appropriation for fiscal  
2 year 2014 and \$233,000 of the general fund--state appropriation for  
3 fiscal year 2015 are provided solely for the Washington asset building  
4 coalitions.

5 (11) \$5,605,000 of the liquor revolving account--state  
6 appropriation is provided solely for the department to contract with  
7 the municipal research and services center of Washington.

8 (12) \$500,000 of the general fund--state appropriation for fiscal  
9 year 2014 and \$500,000 of the general fund--state appropriation for  
10 fiscal year 2015 are provided solely for the purposes of purchasing  
11 contracted services to expand and promote the tourism industry in the  
12 state of Washington.

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

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

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

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

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

26 (b) The department may not use more than 4 percent of the funds to  
27 administer, monitor, and report the outcomes of the services. The  
28 department must electronically submit performance metrics by January 1,  
29 2014, and report the outcomes of the services by January 1, 2015, to  
30 the economic development committees of the legislature.

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

37 (13) \$72,000 of the prostitution prevention and intervention

1 account is provided solely for implementation of Engrossed Substitute  
2 House Bill No. 1291 (sex trade victims). If the bill is not enacted by  
3 June 30, 2013, the amount provided in this subsection shall lapse.

4 (14) \$49,000 of the general fund--state appropriation for fiscal  
5 year 2014 and \$49,000 of the general fund--state appropriation for  
6 fiscal year 2015 are provided solely for implementation of House Bill  
7 No. 1818 (business and government streamlining). If the bill is not  
8 enacted by June 30, 2013, the amounts provided in this subsection shall  
9 lapse.

10 (15) \$36,000 of the general fund--state appropriation for fiscal  
11 year 2014 and \$37,000 of the general fund--state appropriation for  
12 fiscal year 2015 are provided solely for the department to develop an  
13 economic cluster strategy to leverage the state's unique maritime  
14 assets, geography, history, and infrastructure. Goals include growing  
15 employment, targeted economic activity, environmental considerations,  
16 tax revenue to state and local governments, and quality of life  
17 associated with the maritime sector by working with the industry to  
18 understand workforce needs, parity considerations with Oregon and  
19 British Columbia, and tax structure and regulatory barriers. The  
20 department will report its findings to the appropriate committees of  
21 the legislature no later than December 1, 2014.

22 (16) \$2,000,000 of the Washington housing trust account--state  
23 appropriation is provided solely for the department of commerce for  
24 services to homeless families through the Washington families fund.

25 (17) \$5,000,000 of the home security account--state appropriation  
26 is provided solely for the department of commerce to provide emergency  
27 assistance to homeless families in the temporary assistance for needy  
28 families program.

29 (18) \$75,000 of the general fund--state appropriation for fiscal  
30 year 2014 is provided solely for the economic development commission to  
31 retain one current administrative position. The department shall  
32 convene a work group, chaired by the current chair of the economic  
33 development commission, of representatives of associate development  
34 organizations and the economic development commission to recommend:

35 (1) Changes to the economic development commission's purpose and source  
36 and amount of funding; (2) objective benchmarks and outcome-based  
37 performance measures for evaluating state investments in economic  
38 development; (3) high priority regulatory reforms to foster a favorable

1 business climate for long-term private sector job creation and  
2 competitiveness; and (4) organizational roles responsibilities and  
3 structures to strengthen cohesive planning, streamline execution, and  
4 improve outcomes. The work group shall be comprised of representatives  
5 from no less than eight associate development organizations  
6 representing both urban and rural counties and counties on both sides  
7 of the Cascade range. The department shall submit a report of the work  
8 group's recommendation to the fiscal and economic development policy  
9 committees of the legislature by December 15, 2013.

10 (19) \$4,000,000 of the general fund--state appropriation for fiscal  
11 year 2014 and \$850,000 of the general fund--state appropriation for  
12 fiscal year 2015 are provided solely for purposes of creating and  
13 operating a community health care and education and innovation center  
14 at the Pacific Medical Center in Seattle. Amounts provided in this  
15 subsection must be used for lease, maintenance, operations, and other  
16 required related expenses for Seattle community colleges allied health  
17 programs and other related uses identified by the department of  
18 commerce. The department is authorized to enter into a thirty-year  
19 lease for the Pacific Medical Center property.

20 (20) Within the appropriations in this section, the department  
21 shall, by December 1, 2013, develop a comprehensive start-up Washington  
22 strategy to facilitate the growth of start-ups and enhance the state's  
23 competitiveness in recruiting and retaining businesses that start up in  
24 Washington. This shall include but is not limited to: Business and  
25 occupation tax relief, capital investment, regulatory burdens,  
26 workforce and infrastructure needs and support. Start-up businesses  
27 interactions with state government and other public entities as a  
28 customer shall also be considered.

29 (21) \$700,000 of the general fund--state appropriation for fiscal  
30 year 2014 and \$700,000 of the general fund--state appropriation for  
31 fiscal year 2015 are provided solely for the department to identify and  
32 invest in strategic growth areas, support key sectors, and align  
33 existing economic development programs and priorities. The department  
34 must consider Washington's position as the most trade dependent state  
35 when identifying priority investments. The department must engage  
36 states and provinces in the northwest as well as associate development  
37 organizations, small business development centers, chambers of  
38 commerce, ports, and other partners to leverage the funds provided.



1 For each dollar expended the department must receive a one hundred  
2 percent match. The match may be provided by the department through  
3 nongeneral fund sources, or any partnering governments or  
4 organizations. The department must develop performance metrics and  
5 milestones. The department must electronically submit the performance  
6 metrics and performance-to-date by January 1, 2014, to the economic  
7 development committees of the legislature.

8 (22) The department is authorized to suspend issuing any  
9 nonstatutorily required grants or contracts of an amount less than  
10 \$1,000,000 per year.

11 (23) The department is authorized to require an applicant to pay an  
12 application fee to cover the cost of reviewing the project and  
13 preparing an advisory opinion on whether a proposed electric generation  
14 project or conservation resource qualifies to meet mandatory  
15 conservation targets.

16 (24) \$25,000 of the general fund--state appropriation for fiscal  
17 year 2014 and \$25,000 of the general fund--state appropriation for  
18 fiscal year 2015 are provided solely for the economic impact and  
19 infrastructure cost study for Covington town center.

20 (25) The department is directed to work with innovation partnership  
21 zone administrators to review the existing grant program, including the  
22 criteria for designation as an innovation partnership zone and the  
23 grant funding criteria. The department shall submit its report to the  
24 legislature by December 1, 2013.

25 NEW SECTION. **Sec. 129. FOR THE ECONOMIC AND REVENUE FORECAST**  
26 **COUNCIL**

27	General Fund--State Appropriation (FY 2014) . . . . .	\$764,000
28	General Fund--State Appropriation (FY 2015) . . . . .	\$802,000
29	Lottery Administrative Account--State Appropriation . . . . .	\$50,000
30	TOTAL APPROPRIATION . . . . .	\$1,616,000

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

32	General Fund--State Appropriation (FY 2014) . . . . .	\$18,414,000
33	General Fund--State Appropriation (FY 2015) . . . . .	\$17,542,000
34	General Fund--Federal Appropriation . . . . .	\$31,340,000
35	General Fund--Private/Local Appropriation . . . . .	\$370,000
36	Economic Development Strategic Reserve Account--State	

1	Appropriation . . . . .	\$289,000
2	Personnel Service Fund--State Appropriation . . . . .	\$8,656,000
3	Data Processing Revolving Account--State	
4	Appropriation . . . . .	\$6,015,000
5	Higher Education Personnel Services Account--State	
6	Appropriation . . . . .	\$1,497,000
7	Performance Audits of Government Account--State	
8	Appropriation . . . . .	\$4,000,000
9	TOTAL APPROPRIATION . . . . .	\$88,123,000

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

12 (1) The office of financial management shall prepare a report  
13 outlining alternative methods of procuring health benefits for home  
14 care workers, including individual providers and agency providers. In  
15 preparing the report, the office of financial management shall consult  
16 with the department of social and health services, representatives of  
17 individual home care providers, and agency home care providers.

18 Along with a summary of the current method of providing benefits,  
19 the report must include an analysis of the policy and fiscal  
20 implications of accessing health benefits through the Washington health  
21 benefits exchange. The report must also provide an analysis of a  
22 medicaid section 1115 waiver with the federal centers for medicare and  
23 medicaid services that would provide additional medicaid matching funds  
24 for individual provider home care workers who are provided with health  
25 care benefits through a collective bargaining agreement negotiated with  
26 the state under chapter 74.39A RCW, but would otherwise be eligible for  
27 medicaid under the federal expanded eligibility provisions that take  
28 effect January 1, 2014.

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

31 (2) \$350,000 of the general fund--state appropriation for fiscal  
32 year 2014 is provided solely for implementation of Engrossed Second  
33 Substitute Senate Bill No. 5802 (greenhouse gas emissions). If the  
34 bill is not enacted by June 30, 2013, the amount provided in this  
35 subsection shall lapse.

36 (3) \$536,000 of the general fund--state appropriation for fiscal  
37 year 2014 is provided solely for a study of the state's medical and  
38 public assistance eligibility systems and infrastructure with the goal

1 of simplifying procedures, improving customer service, and reducing  
2 state expenditures. The study must also examine which state entities  
3 play various roles in the eligibility and data verification processes  
4 in order to determine if eligibility processes can be further  
5 streamlined in light of changes related to the federal affordable care  
6 act. The study must identify how costs will be allocated between state  
7 and federal funding sources and options for maximizing federal  
8 participation. The office of financial management shall provide a  
9 report on its findings and recommendations to the relevant policy and  
10 fiscal committees of the legislature by January 1, 2014.

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

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

- 27 (i) One representative from the student achievement council;
- 28 (ii) One representative from the education data center created in  
29 RCW 43.41.400; and
- 30 (iii) One representative from each of the four-year institutions of  
31 higher education.

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

- 33 (i) A system for allocating new incentive funding to participating  
34 institutions based on an institution's:
  - 35 (A) Performance in specific metrics;
  - 36 (B) Control and reduction where possible of resident undergraduate  
37 and graduate tuition; and

1 (C) Efficient utilization of classrooms, laboratories, and online  
2 and other high technology instructional methods;

3 (ii) A methodology for allocating funding for performance as  
4 specified in (c)(i)(A) of this subsection that is based on performance  
5 metrics reported in the accountability monitoring and reporting system  
6 established in RCW 28B.77.090 and that recognizes each institution's  
7 unique mission by measuring each institution's performance in these  
8 metrics against its past performance;

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

12 (iv) A methodology for establishing a baseline level of state  
13 funding that:

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

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

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

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

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

27 (5) By November 30, 2013, the office of the chief information  
28 officer shall provide to the economic development committees of the  
29 legislature a plan for establishing performance benchmarks and  
30 measuring results of implementing a one-stop integrated system for  
31 business interactions with government. The plan must include a  
32 timeline, agency responsibilities, and a benchmark for initial  
33 implementation.

34 NEW SECTION. **Sec. 131. FOR THE OFFICE OF ADMINISTRATIVE HEARINGS**  
35 Administrative Hearings Revolving Account--State  
36 Appropriation . . . . . \$37,772,000

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

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

10 Lottery Administrative Account--State  
11 Appropriation . . . . . \$25,696,000

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

14 (1) \$596,000 of the lottery administrative account--state  
15 appropriation is provided solely for the replacement of the lottery's  
16 gaming systems vendor contract.

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

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

20 General Fund--State Appropriation (FY 2014) . . . . . \$238,000  
21 General Fund--State Appropriation (FY 2015) . . . . . \$235,000  
22 TOTAL APPROPRIATION . . . . . \$473,000

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

25 General Fund--State Appropriation (FY 2014) . . . . . \$233,000  
26 General Fund--State Appropriation (FY 2015) . . . . . \$224,000  
27 TOTAL APPROPRIATION . . . . . \$457,000

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

30 Department of Retirement Systems Expense  
31 Account--State Appropriation . . . . . \$50,728,000

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

33 General Fund--State Appropriation (FY 2014) . . . . . \$107,985,000

1	General Fund--State Appropriation (FY 2015) . . . . .	\$106,301,000
2	Timber Tax Distribution Account--State Appropriation . . . . .	\$6,102,000
3	Waste Reduction/Recycling/Litter Control--State	
4	Appropriation . . . . .	\$132,000
5	State Toxics Control Account--State Appropriation . . . . .	\$93,000
6	Master License Fund--State Appropriation . . . . .	\$17,082,000
7	Data Processing Revolving Account--State Appropriation . . . . .	\$6,751,000
8	TOTAL APPROPRIATION . . . . .	\$244,446,000

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

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

14       (2) \$6,751,000 of the data processing revolving account--state  
15 appropriation and \$4,853,000 of the master license fund--state  
16 appropriation are provided solely for the replacement of the  
17 department's legacy business systems. The amounts provided in this  
18 subsection are conditioned on the department satisfying the  
19 requirements of the project management oversight standards and policies  
20 established by the office of the chief information officer.

21       (3) \$495,000 of the general fund--state appropriation for fiscal  
22 year 2014 and \$431,000 of the general fund--state appropriation for  
23 fiscal year 2015 are provided solely for the implementation of House  
24 Bill No. 1971 or Senate Bill No. 5873 (communications services reform).  
25 If neither bill is enacted by June 30, 2013, the amounts provided in  
26 the subsection shall lapse.

27       (4) \$641,000 of the general fund--state appropriation for fiscal  
28 year 2014 and \$297,000 of the general fund--state appropriation for  
29 fiscal year 2015 are provided solely for the implementation of Senate  
30 Bill No. 5882 or House Bill No. 2081 (tax preferences and  
31 transparency). If neither bill is enacted by June 30, 2013, the  
32 amounts provided in the subsection shall lapse.

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

34	General Fund--State Appropriation (FY 2014) . . . . .	\$1,217,000
35	General Fund--State Appropriation (FY 2015) . . . . .	\$1,178,000
36	TOTAL APPROPRIATION . . . . .	\$2,395,000

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

3    OMWBE Enterprises Account--State Appropriation . . . . . \$4,077,000

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

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

13    General Fund--State Appropriation (FY 2014) . . . . . \$300,000  
14    General Fund--State Appropriation (FY 2015) . . . . . \$100,000  
15    General Fund--Federal Appropriation . . . . . \$4,495,000  
16    Health Benefit Exchange Account--State Appropriation . . . . . \$676,000  
17    Insurance Commissioners Regulatory Account--State  
18        Appropriation . . . . . \$49,555,000  
19        TOTAL APPROPRIATION . . . . . \$55,126,000

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

22        (1)    \$676,000 of the health benefit exchange account--state  
23 appropriation is provided solely to implement Engrossed Substitute  
24 House Bill No. 1947 (Washington health benefit exchange).    If the bill  
25 is not enacted by June 30, 2013, the amount provided in this subsection  
26 shall lapse.

27        (2)    The office of the insurance commissioner shall not curtail  
28 functions relating to solvency, rates and forms, and consumer  
29 protection.

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

31    State Investment Board Expense Account--State  
32        Appropriation . . . . . \$36,035,000

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

34    Liquor Revolving Account--State Appropriation . . . . . \$65,146,000  
35    General Fund--Federal Appropriation . . . . . \$945,000

1 General Fund--Private/Local Appropriation . . . . . \$25,000  
2 TOTAL APPROPRIATION . . . . . \$66,116,000

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

5 (1) \$2,494,000 of the liquor revolving account--state appropriation  
6 is provided solely for the liquor control board to implement Initiative  
7 Measure No. 502.

8 (2)(a) The liquor control board must work with the department of  
9 health and the department of revenue to develop recommendations for the  
10 legislature regarding the interaction of medical marijuana regulations  
11 and the provisions of Initiative Measure No. 502. At a minimum, the  
12 recommendations must include provisions addressing the following:

- 13 (i) Age limits;
  - 14 (ii) Authorizing requirements for medical marijuana;
  - 15 (iii) Regulations regarding health care professionals;
  - 16 (iv) Collective gardens;
  - 17 (v) Possession amounts;
  - 18 (vi) Location requirements;
  - 19 (vii) Requirements for medical marijuana producing, processing, and  
20 retail licensing;
  - 21 (viii) Taxation of medical marijuana in relation to recreational  
22 marijuana; and
  - 23 (ix) The state agency that should be the regulatory body for  
24 medical cannabis.
- 25 (b) The board must submit its recommendations to the appropriate  
26 committees of the legislature by January 1, 2014.

27 **NEW SECTION. Sec. 142. FOR THE UTILITIES AND TRANSPORTATION**  
28 **COMMISSION**

29 General Fund--Federal Appropriation . . . . . \$150,000  
30 General Fund--Private/Local Appropriation . . . . . \$11,228,000  
31 Public Service Revolving Account--State  
32 Appropriation . . . . . \$29,893,000  
33 Pipeline Safety Account--State Appropriation . . . . . \$4,411,000  
34 Pipeline Safety Account--Federal Appropriation . . . . . \$1,938,000  
35 TOTAL APPROPRIATION . . . . . \$47,620,000

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



1 (1) The commission shall work with the Idaho public utilities  
2 commission and the public utility commission of Oregon to identify  
3 common regulatory functions that can be performed jointly, with the  
4 goal of formalizing an agreement that protects essential services while  
5 increasing regulatory effectiveness and efficiencies through economies  
6 of scale. The commission is authorized to enter into an agreement with  
7 such other state public utility commissions to work jointly in  
8 administering specified respective regulatory functions.

9 (2) Up to \$200,000 of the total appropriation is provided for the  
10 commission to continue to evaluate the regulatory processes for energy  
11 companies and identify and implement administrative actions to improve  
12 those processes. The commission shall develop and adopt a schedule for  
13 such administrative actions.

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

15	General Fund--State Appropriation (FY 2014) . . . . .	\$1,880,000
16	General Fund--State Appropriation (FY 2015) . . . . .	\$1,846,000
17	General Fund--Federal Appropriation . . . . .	\$140,135,000
18	Enhanced 911 Account--State Appropriation . . . . .	\$58,514,000
19	Disaster Response Account--State Appropriation . . . . .	\$14,531,000
20	Disaster Response Account--Federal Appropriation . . . . .	\$53,253,000
21	Military Department Rent and Lease Account--State	
22	Appropriation . . . . .	\$615,000
23	Worker and Community Right-to-Know Account--State	
24	Appropriation . . . . .	\$2,794,000
25	TOTAL APPROPRIATION . . . . .	\$273,568,000

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

28 (1) \$14,531,000 of the disaster response account--state  
29 appropriation and \$53,253,000 of the disaster response account--federal  
30 appropriation may be spent only on disasters declared by the governor  
31 and with the approval of the office of financial management. The  
32 military department shall submit a report to the office of financial  
33 management and the legislative fiscal committees on October 1st and  
34 February 1st of each year detailing information on the disaster  
35 response account, including: (a) The amount and type of deposits into  
36 the account; (b) the current available fund balance as of the reporting

1 date; and (c) the projected fund balance at the end of the 2014-2015  
2 biennium based on current revenue and expenditure patterns.

3 (2) \$75,000,000 of the general fund--federal appropriation is  
4 provided solely for homeland security, subject to the following  
5 conditions:

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

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

15 NEW SECTION. **Sec. 144. FOR THE PUBLIC EMPLOYMENT RELATIONS**  
16 **COMMISSION**

17	General Fund--State Appropriation (FY 2014) . . . . .	\$1,977,000
18	General Fund--State Appropriation (FY 2015) . . . . .	\$2,036,000
19	Higher Education Personnel Services Account--State	
20	Appropriation . . . . .	\$521,000
21	Personnel Service Account--State Appropriation . . . . .	\$3,300,000
22	TOTAL APPROPRIATION . . . . .	\$7,834,000

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

24	Certified Public Accountants' Account--State	
25	Appropriation . . . . .	\$2,699,000

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

27	Death Investigations Account--State Appropriation . . . . .	\$498,000
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28 The appropriation in this section is subject to the following  
29 conditions and limitations:

30 (1) \$250,000 of the death investigations account appropriation is  
31 provided solely for providing financial assistance to local  
32 jurisdictions in multiple death investigations. The forensic  
33 investigation council shall develop criteria for awarding these funds  
34 for multiple death investigations involving an unanticipated,

1 extraordinary, and catastrophic event or those involving multiple  
2 jurisdictions.

3 (2) \$210,000 of the death investigations account appropriation is  
4 provided solely for providing financial assistance to local  
5 jurisdictions in identifying human remains.

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

7 Horse Racing Commission Operating Account--State

8 Appropriation . . . . . \$3,552,000

9 The appropriation in this section is subject to the following  
10 conditions and limitations: Pursuant to RCW 43.135.055, the commission  
11 is authorized to increase licensing fees by up to five percent in  
12 fiscal year 2014 and up to five percent in fiscal year 2015; and  
13 background check fees by up to one dollar in fiscal year 2014, and up  
14 to one dollar in fiscal year 2015.

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

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

17 General Fund--State Appropriation (FY 2015) . . . . . \$3,628,000

18 Building Code Council Account--State Appropriation . . . . . \$1,227,000

19 TOTAL APPROPRIATION . . . . . \$8,509,000

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

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

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

4 (3) The building code council account appropriation is provided  
5 solely for the operation of the state building code council as required  
6 by statute and modified by the standards established by executive order  
7 10-06. The council shall not consider any proposed code amendment or  
8 take any other action not authorized by statute or in compliance with  
9 the standards established in executive order 10-06. No member of the  
10 council may receive compensation, per diem, or reimbursement for  
11 activities other than physical attendance at those meetings of the  
12 state building code council or the council's designated committees, at  
13 which the opportunity for public comment is provided generally and on  
14 all agenda items upon which the council proposes to take action. The  
15 building code council shall comply with chapter 19.85 RCW, known as the  
16 regulatory fairness act, by including with all proposed substantial  
17 code amendments an analysis addressing cost effectiveness, net  
18 benefits, payback periods, and life-cycle costs.

19 (4) Within funding for the building code council, no moneys may be  
20 expended for work on aspirational codes under RCW 19.27A.150. Nothing  
21 in this proviso shall inhibit the building code council from adopting  
22 and implementing current codes.

23 (5) The department of enterprise services shall purchase flags  
24 needed for ceremonial occasions on the capitol campus in order to fully  
25 represent the countries that have an international consulate in  
26 Washington state.

27 (6) Before any agency may purchase a passenger motor vehicle as  
28 defined in RCW 43.19.560, the agency must have written approval from  
29 the director of the department of enterprise services.

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

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

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

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

19 (9) From the fee charged to master contract vendors, the department  
20 shall transfer to the office of minority and women's business  
21 enterprises in equal monthly installments \$2,039,000 in fiscal year  
22 2014 and \$2,038,000 in fiscal year 2015.

23 (10) The legislature intends to review for purchase parcel number  
24 one and surrounding property on McNeil Island. The department shall  
25 coordinate with the federal government to obtain an appraisal  
26 determining the fair market value and shall provide an estimate to the  
27 legislative fiscal committees by October 1, 2013.

28 **NEW SECTION. Sec. 149. FOR THE BOARD FOR VOLUNTEER FIREFIGHTERS**

29 Volunteer Firefighters' and Reserve Officers'

30 Administrative Account--State Appropriation . . . . . \$1,044,000

31 **NEW SECTION. Sec. 150. FOR THE DEPARTMENT OF ARCHAEOLOGY AND**  
32 **HISTORIC PRESERVATION**

33 General Fund--State Appropriation (FY 2014) . . . . . \$1,293,000

34 General Fund--State Appropriation (FY 2015) . . . . . \$1,242,000

35 General Fund--Federal Appropriation . . . . . \$1,950,000

36 General Fund--Private/Local Appropriation . . . . . \$14,000

1           TOTAL APPROPRIATION . . . . . \$4,499,000

2           The appropriations in this section are subject to the following  
3 conditions and limitations: Within the amounts appropriated in this  
4 section, the department shall report the following data on the survey  
5 and inventory processes to the appropriate policy and fiscal committees  
6 of the legislature on December 1, 2013, and December 1, 2014: The  
7 number of survey and inventory reports and sites received, by month,  
8 provided to the department responsive to state and federal laws; the  
9 number, by month, of resources or records reported pursuant to the  
10 survey and inventory processes. In addition, the department shall seek  
11 to obtain, and encourage reporting of, cultural resource compliance  
12 contract costs.

(End of part)

PART II  
HUMAN SERVICES

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

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

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

(3)(a) The health care authority and the department are authorized to develop an integrated health care program designed to slow the progression of illness and disability and better manage medicaid expenditures for the aged and disabled population. Under the Washington medicaid integration partnership (WMIP) and the medicare integrated care project (MICP), the health care authority and the

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) . . . . .	\$296,676,000
27	General Fund--State Appropriation (FY 2015) . . . . .	\$297,641,000
28	General Fund--Federal Appropriation . . . . .	\$489,939,000
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 . . . . .	\$6,491,000
35	TOTAL APPROPRIATION . . . . .	\$1,104,082,000

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 (13)(a) \$22,695,000 of the general fund--state appropriation for  
34 fiscal year 2014, \$22,695,000 of the general fund--state appropriation  
35 for fiscal year 2015, and \$28,450,000 of the general fund--federal  
36 appropriation are provided solely for services for children and  
37 families. Prior to approval of contract services pursuant to RCW  
38 74.13B.020, the amounts provided in this section shall be allotted on

1 a monthly basis and expenditures shall not exceed allotments based on  
2 a three-month rolling average without approval of the office of  
3 financial management following notification to the legislative fiscal  
4 committees.

5 (b) The department shall provide these services to safely reduce  
6 the number of children in out-of-home care, the time spent in out-of-  
7 home care prior to achieving permanency, and the number of children  
8 returning to out-of-home care following permanency.

9 (14) \$1,783,000 of the general fund--state appropriation for fiscal  
10 year 2015, \$6,491,000 of the child and family reinvestment account--  
11 state appropriation, and \$8,274,000 of the general fund--federal  
12 appropriation, are provided solely for the implementation and  
13 operations of the family assessment response program.

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

16	General Fund--State Appropriation (FY 2014) . . . . .	\$89,967,000
17	General Fund--State Appropriation (FY 2015) . . . . .	\$90,255,000
18	General Fund--Federal Appropriation . . . . .	\$3,464,000
19	General Fund--Private/Local Appropriation . . . . .	\$1,981,000
20	Washington Auto Theft Prevention Authority Account--	
21	State Appropriation . . . . .	\$196,000
22	Reinvesting in Youth--State Appropriation . . . . .	\$383,000
23	Juvenile Accountability Incentive Account--Federal	
24	Appropriation . . . . .	\$2,801,000
25	TOTAL APPROPRIATION . . . . .	\$189,047,000

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

28 (1) \$331,000 of the general fund--state appropriation for fiscal  
29 year 2014 and \$331,000 of the general fund--state appropriation for  
30 fiscal year 2015 are provided solely for deposit in the county criminal  
31 justice assistance account for costs to the criminal justice system  
32 associated with the implementation of chapter 338, Laws of 1997  
33 (juvenile code revisions). The amounts provided in this subsection are  
34 intended to provide funding for county adult court costs associated  
35 with the implementation of chapter 338, Laws of 1997 and shall be  
36 distributed in accordance with RCW 82.14.310.

1 (2) \$2,716,000 of the general fund--state appropriation for fiscal  
2 year 2014 and \$2,716,000 of the general fund--state appropriation for  
3 fiscal year 2015 are provided solely for the implementation of chapter  
4 338, Laws of 1997 (juvenile code revisions). The amounts provided in  
5 this subsection are intended to provide funding for county impacts  
6 associated with the implementation of chapter 338, Laws of 1997 and  
7 shall be distributed to counties as prescribed in the current  
8 consolidated juvenile services (CJS) formula.

9 (3) \$3,482,000 of the general fund--state appropriation for fiscal  
10 year 2014 and \$3,482,000 of the general fund--state appropriation for  
11 fiscal year 2015 are provided solely to implement community juvenile  
12 accountability grants pursuant to chapter 338, Laws of 1997 (juvenile  
13 code revisions). Funds provided in this subsection may be used solely  
14 for community juvenile accountability grants, administration of the  
15 grants, and evaluations of programs funded by the grants.

16 (4) \$1,130,000 of the general fund--state appropriation for fiscal  
17 year 2014 and \$1,130,000 of the general fund--state appropriation for  
18 fiscal year 2015 are provided solely to implement alcohol and substance  
19 abuse treatment programs for locally committed offenders. The juvenile  
20 rehabilitation administration shall award these moneys on a competitive  
21 basis to counties that submitted a plan for the provision of services  
22 approved by the division of alcohol and substance abuse. The juvenile  
23 rehabilitation administration shall develop criteria for evaluation of  
24 plans submitted and a timeline for awarding funding and shall assist  
25 counties in creating and submitting plans for evaluation.

26 (5) \$3,123,000 of the general fund--state appropriation for fiscal  
27 year 2014 and \$3,123,000 of the general fund--state appropriation for  
28 fiscal year 2015 are provided solely for grants to county juvenile  
29 courts for the following programs identified by the Washington state  
30 institute for public policy (institute) in its October 2006 report:  
31 "Evidence-Based Public Policy Options to Reduce Future Prison  
32 Construction, Criminal Justice Costs and Crime Rates": Functional  
33 family therapy, multi-systemic therapy, aggression replacement training  
34 and interagency coordination programs, or other programs with a  
35 positive benefit-cost finding in the institute's report. County  
36 juvenile courts shall apply to the juvenile rehabilitation  
37 administration for funding for program-specific participation and the

1 administration shall provide grants to the courts consistent with the  
2 per-participant treatment costs identified by the institute.

3 (6) \$1,537,000 of the general fund--state appropriation for fiscal  
4 year 2014 and \$1,537,000 of the general fund--state appropriation for  
5 fiscal year 2015 are provided solely for expansion of the following  
6 treatments and therapies in juvenile rehabilitation administration  
7 programs identified by the Washington state institute for public policy  
8 in its October 2006 report: "Evidence-Based Public Policy Options to  
9 Reduce Future Prison Construction, Criminal Justice Costs and Crime  
10 Rates": Multidimensional treatment foster care, family integrated  
11 transitions, and aggression replacement training, or other programs  
12 with a positive benefit-cost finding in the institute's report. The  
13 administration may concentrate delivery of these treatments and  
14 therapies at a limited number of programs to deliver the treatments in  
15 a cost-effective manner.

16 (7)(a) The juvenile rehabilitation administration shall administer  
17 a block grant, rather than categorical funding, of consolidated  
18 juvenile service funds, community juvenile accountability act grants,  
19 the chemical dependency disposition alternative funds, the mental  
20 health disposition alternative, and the sentencing disposition  
21 alternative for the purpose of serving youth adjudicated in the  
22 juvenile justice system. In making the block grant, the juvenile  
23 rehabilitation administration shall follow the following formula and  
24 will prioritize evidence-based programs and disposition alternatives  
25 and take into account juvenile courts program-eligible youth in  
26 conjunction with the number of youth served in each approved evidence-  
27 based program or disposition alternative: (i) Thirty-seven and one-  
28 half percent for the at-risk population of youth ten to seventeen years  
29 old; (ii) fifteen percent for moderate and high-risk youth; (iii)  
30 twenty-five percent for evidence-based program participation; (iv)  
31 seventeen and one-half percent for minority populations; (v) three  
32 percent for the chemical dependency disposition alternative; and (vi)  
33 two percent for the mental health and sentencing dispositional  
34 alternatives. Funding for the special sex offender disposition  
35 alternative (SSODA) shall not be included in the block grant, but  
36 allocated on the average daily population in juvenile courts. Funding  
37 for the evidence-based expansion grants shall be excluded from the  
38 block grant formula. Funds may be used for promising practices when



1 approved by the juvenile rehabilitation administration and juvenile  
2 courts, through the community juvenile accountability act committee,  
3 based on the criteria established in consultation with Washington state  
4 institute for public policy and the juvenile courts.

5 (b) The juvenile rehabilitation administration and the juvenile  
6 courts shall establish a block grant funding formula oversight  
7 committee with equal representation from the juvenile rehabilitation  
8 administration and the juvenile courts. The purpose of this committee  
9 is to assess the ongoing implementation of the block grant funding  
10 formula, utilizing data-driven decision making and the most current  
11 available information. The committee will be cochaired by the juvenile  
12 rehabilitation administration and the juvenile courts, who will also  
13 have the ability to change members of the committee as needed to  
14 achieve its purpose. Initial members will include one juvenile court  
15 representative from the finance committee, the community juvenile  
16 accountability act committee, the risk assessment quality assurance  
17 committee, the executive board of the Washington association of  
18 juvenile court administrators, the Washington state center for court  
19 research, and a representative of the superior court judges  
20 association; two representatives from the juvenile rehabilitation  
21 administration headquarters program oversight staff, two  
22 representatives of the juvenile rehabilitation administration regional  
23 office staff, one representative of the juvenile rehabilitation  
24 administration fiscal staff and a juvenile rehabilitation  
25 administration division director. The committee may make changes to  
26 the formula categories other than the evidence-based program and  
27 disposition alternative categories if it is determined the changes will  
28 increase statewide service delivery or effectiveness of evidence-based  
29 program or disposition alternative resulting in increased cost benefit  
30 savings to the state. Long-term cost benefit must be considered.  
31 Percentage changes may occur in the evidence-based program or  
32 disposition alternative categories of the formula should it be  
33 determined the changes will increase evidence-based program or  
34 disposition alternative delivery and increase the cost benefit to the  
35 state. These outcomes will also be considered in determining when  
36 evidence-based expansion or special sex offender disposition  
37 alternative funds should be included in the block grant or left  
38 separate.

1 (c) The juvenile courts and administrative office of the courts  
2 shall be responsible for collecting and distributing information and  
3 providing access to the data systems to the juvenile rehabilitation  
4 administration and the Washington state institute for public policy  
5 related to program and outcome data. The juvenile rehabilitation  
6 administration and the juvenile courts will work collaboratively to  
7 develop program outcomes that reinforce the greatest cost benefit to  
8 the state in the implementation of evidence-based practices and  
9 disposition alternatives.

10 (8) The juvenile courts and administrative office of the courts  
11 shall collect and distribute information related to program outcome and  
12 provide access to these data systems to the juvenile rehabilitation  
13 administration and Washington state institute for public policy. The  
14 agreements between administrative office of the courts, the juvenile  
15 courts, and the juvenile rehabilitation administration shall be  
16 executed to ensure that the juvenile rehabilitation administration  
17 receives the data that the juvenile rehabilitation administration  
18 identifies as needed to comply with this subsection. This includes,  
19 but is not limited to, information by program at the statewide  
20 aggregate level, individual court level, and individual client level  
21 for the purpose of the juvenile rehabilitation administration providing  
22 quality assurance and oversight for the locally committed youth block  
23 grant and associated funds and at times as specified by the juvenile  
24 rehabilitation administration as necessary to carry out these  
25 functions. The data shall be provided in a manner that reflects the  
26 collaborative work the juvenile rehabilitation administration and  
27 juvenile courts have developed regarding program outcomes that  
28 reinforce the greatest cost benefit to the state in the implementation  
29 of evidence-based practices and disposition alternatives.

30 (9) \$445,000 of the general fund--state appropriation for fiscal  
31 year 2014 and \$445,000 of the general fund--state appropriation for  
32 fiscal year 2015 are provided solely for funding of the teamchild  
33 project.

34 (10) \$178,000 of the general fund--state appropriation for fiscal  
35 year 2014 and \$178,000 of the general fund--state appropriation for  
36 fiscal year 2015 are provided solely for the juvenile detention  
37 alternatives initiative.

1 (11) \$250,000 of the general fund--state appropriation for fiscal  
2 year 2014 and \$250,000 of the general fund--state appropriation for  
3 fiscal year 2015 are provided solely for a grant program focused on  
4 criminal street gang prevention and intervention. The Washington state  
5 partnership council on juvenile justice may award grants under this  
6 subsection. The council shall give priority to applicants who have  
7 demonstrated the greatest problems with criminal street gangs.  
8 Applicants composed of, at a minimum, one or more local governmental  
9 entities and one or more nonprofit, nongovernmental organizations that  
10 have a documented history of creating and administering effective  
11 criminal street gang prevention and intervention programs may apply for  
12 funding under this subsection.

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

15 (1) COMMUNITY SERVICES/REGIONAL SUPPORT NETWORKS

16 General Fund--State Appropriation (FY 2014) . . . . .	\$327,467,000
17 General Fund--State Appropriation (FY 2015) . . . . .	\$308,723,000
18 General Fund--Federal Appropriation . . . . .	\$561,394,000
19 General Fund--Private/Local Appropriation . . . . .	\$17,864,000
20 TOTAL APPROPRIATION . . . . .	\$1,215,448,000

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

23 (a) \$104,999,000 of the general fund--state appropriation for  
24 fiscal year 2014 and \$85,895,000 of the general fund--state  
25 appropriation for fiscal year 2015 are provided solely for persons and  
26 services not covered by the medicaid program. To the extent possible,  
27 levels of regional support network spending shall be maintained in the  
28 following priority order: Crisis and commitment services; community  
29 inpatient services; and residential care services, including personal  
30 care and emergency housing assistance. This is a reduction in flexible  
31 nonmedicaid funding of \$4,343,000 for fiscal year 2014 and \$23,446,000  
32 for fiscal year 2015. This reduction reflects offsets in state funding  
33 related to services that will now be funded with federal dollars  
34 through the affordable care act medicaid expansion. This reduction  
35 shall be distributed as follows:

36 (i) The \$4,343,000 reduction in fiscal year 2014 and \$11,723,000 of  
37 the reduction in fiscal year 2015 must be distributed among regional

1 support networks based on a formula that equally weights each regional  
2 support networks proportion of individuals who become newly eligible  
3 and enroll in medicaid under the expansion provisions of the affordable  
4 care act in fiscal year 2014 and each regional support network's  
5 spending of flexible nonmedicaid funding on services that would be  
6 reimbursable for federal medicaid matching funds if provided to  
7 medicaid enrollees in the 2011-2013 fiscal biennium.

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

13 (b) \$6,590,000 of the general fund--state appropriation for fiscal  
14 year 2014, \$6,590,000 of the general fund--state appropriation for  
15 fiscal year 2015, and \$7,620,000 of the general fund--federal  
16 appropriation are provided solely for the department and regional  
17 support networks to continue to contract for implementation of high-  
18 intensity programs for assertive community treatment (PACT) teams. In  
19 determining the proportion of medicaid and nonmedicaid funding provided  
20 to regional support networks with PACT teams, the department shall  
21 consider the differences between regional support networks in the  
22 percentages of services and other costs associated with the teams that  
23 are not reimbursable under medicaid. The department may allow regional  
24 support networks which have nonmedicaid reimbursable costs that are  
25 higher than the nonmedicaid allocation they receive under this section  
26 to supplement these funds with local dollars or funds received under  
27 section 204(1)(a) of this act. The department and regional support  
28 networks shall maintain consistency with all essential elements of the  
29 PACT evidence-based practice model in programs funded under this  
30 section.

31 (c) \$5,850,000 of the general fund--state appropriation for fiscal  
32 year 2014, \$5,850,000 of the general fund--state appropriation for  
33 fiscal year 2015, and \$1,300,000 of the general fund--federal  
34 appropriation are provided solely for the western Washington regional  
35 support networks to provide either community- or hospital campus-based  
36 services for persons who require the level of care previously provided  
37 by the program for adaptive living skills (PALS) at western state  
38 hospital.

1 (d) The number of nonforensic beds allocated for use by regional  
2 support networks at eastern state hospital shall be 192 per day. The  
3 number of nonforensic beds allocated for use by regional support  
4 networks at western state hospital shall be 557 per day.

5 (e) From the general fund--state appropriations in this subsection,  
6 the secretary of social and health services shall assure that regional  
7 support networks reimburse the aging and disability services  
8 administration for the general fund--state cost of medicaid personal  
9 care services that enrolled regional support network consumers use  
10 because of their psychiatric disability.

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

14 (g) \$750,000 of the general fund--state appropriation for fiscal  
15 year 2014 and \$750,000 of the general fund--state appropriation for  
16 fiscal year 2015 are provided solely to continue performance-based  
17 incentive contracts to provide appropriate community support services  
18 for individuals with severe mental illness who were discharged from the  
19 state hospitals as part of the expanding community services initiative.  
20 These funds will be used to enhance community residential and support  
21 services provided by regional support networks through other state and  
22 federal funding.

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

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

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

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

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

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

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

10 (j) Regional support networks may use local funds to earn  
11 additional federal medicaid match, provided the locally matched rate  
12 does not exceed the upper-bound of their federally allowable rate  
13 range, and provided that the enhanced funding is used only to provide  
14 medicaid state plan or waiver services to medicaid clients.  
15 Additionally, regional support networks may use a portion of the state  
16 funds allocated in accordance with (a) of this subsection to earn  
17 additional medicaid match, but only to the extent that the application  
18 of such funds to medicaid services does not diminish the level of  
19 crisis and commitment, community inpatient, residential care, and  
20 outpatient services presently available to persons not eligible for  
21 medicaid.

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

28 (l) \$523,000 of the general fund--state appropriation for fiscal  
29 year 2014, \$775,000 of the general fund--state appropriation for fiscal  
30 year 2015, and \$854,000 of the general fund--federal appropriation are  
31 provided solely for implementation of sections 3 through 5 of chapter  
32 289, Laws of 2013 (E2SHB 1114). Regional support networks must use  
33 this funding for the development of intensive community programs that  
34 allow individuals to be diverted or transitioned from the state  
35 hospitals in accordance with plans approved by the department.

36 (m) \$5,986,000 of the general fund--state appropriation for fiscal  
37 year 2014, \$11,592,000 of the general fund--state appropriation for  
38 fiscal year 2015, and \$10,160,000 of the general fund--federal

1 appropriation are provided solely for implementation of chapter 335,  
2 Laws of 2013 (ESSB 5480). Regional support networks must use this  
3 funding for the development of intensive community programs that allow  
4 individuals to be diverted or transitioned from the state hospitals in  
5 accordance with plans approved by the department.

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

12 (o) The legislature finds that the circumstances of the Chelan-  
13 Douglas regional support network (CD-RSN) make it necessary for CD-RSN  
14 to undergo restructuring in order to provide mental health services  
15 essential to the health and wellness of the citizens within its service  
16 area. The legislature intends to provide additional temporary  
17 financial relief to the CD-RSN while it undergoes internal  
18 restructuring or negotiates a merger with another regional support  
19 network.

20 The department shall negotiate relief for outstanding fiscal year  
21 2013 reimbursements owed by CD-RSN to the state provided that the CD-  
22 RSN has a plan in place that is approved by the department by August 1,  
23 2013, that demonstrates how CD-RSN will maintain financial viability  
24 and stability or will merge with another regional support network.

25 For the period of July 1, 2013, through December 31, 2013, the  
26 department may alter collection of reimbursement from CD-RSN for  
27 overuse of state hospital beds. To receive a reduction to the required  
28 reimbursement for overuse of state hospital beds, CD-RSN must continue  
29 to prioritize services that reduce its utilization and census at  
30 eastern state hospital and be actively implementing an approved plan to  
31 maintain financial viability or pursuing a future merger with another  
32 regional support network. Up to \$298,000 of the general fund--state  
33 appropriation for fiscal year 2014 is for the department to provide  
34 payments to regional support networks in eastern Washington which have  
35 used less than their allocated or contracted patient days of care at  
36 the state hospital to replace the share of the reimbursements from CD-  
37 RSN that the regional support networks would have received under RCW  
38 71.24.320.

1 (p) \$266,000 of the general fund--state appropriation for fiscal  
2 year 2014 is provided solely to maintain services for the King county  
3 regional support network as it works to transition services to settings  
4 that are eligible for federal participation for individuals covered  
5 under the medicaid program.

6 (2) INSTITUTIONAL SERVICES

7	General Fund--State Appropriation (FY 2014) . . . . .	\$135,246,000
8	General Fund--State Appropriation (FY 2015) . . . . .	\$131,863,000
9	General Fund--Federal Appropriation . . . . .	\$150,863,000
10	General Fund--Private/Local Appropriation . . . . .	\$63,097,000
11	TOTAL APPROPRIATION . . . . .	\$481,069,000

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

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

17 (b) \$231,000 of the general fund--state appropriation for fiscal  
18 year 2014 and \$231,000 of the general fund--state appropriation for  
19 fiscal year 2015 are provided solely for a community partnership  
20 between western state hospital and the city of Lakewood to support  
21 community policing efforts in the Lakewood community surrounding  
22 western state hospital. The amounts provided in this subsection (2)(b)  
23 are for the salaries, benefits, supplies, and equipment for one full-  
24 time investigator, one full-time police officer, and one full-time  
25 community service officer at the city of Lakewood.

26 (c) \$45,000 of the general fund--state appropriation for fiscal  
27 year 2014 and \$45,000 of the general fund--state appropriation for  
28 fiscal year 2015 are provided solely for payment to the city of  
29 Lakewood for police services provided by the city at western state  
30 hospital and adjacent areas.

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

36 (e) \$2,068,000 of the general fund--state appropriation for fiscal  
37 year 2014, \$2,066,000 of the general fund--state appropriation for  
38 fiscal year 2015, and \$240,000 of the general fund--federal



1 appropriation are provided solely for the state psychiatric hospitals  
2 to plan, procure, and implement the core elements of an electronic  
3 medical record system that is compliant with the international  
4 classification of diseases (ICD-10) by October 1, 2014. These funds  
5 must only be used for an electronic medical record system that meets  
6 federal criteria for electronic sharing of patient information and  
7 clinical care summaries with doctors' offices, hospitals, and health  
8 systems which use federally certified electronic health record systems.  
9 The procurement and implementation shall be conducted to allow for  
10 these services to be expanded to the department of corrections. The  
11 amounts provided in this subsection are conditioned on the department  
12 satisfying the requirements of the project management oversight  
13 standards and policies established by the office of the chief  
14 information officer.

15 (3) SPECIAL PROJECTS

16	General Fund--State Appropriation (FY 2014) . . . . .	\$1,609,000
17	General Fund--State Appropriation (FY 2015) . . . . .	\$1,610,000
18	General Fund--Federal Appropriation . . . . .	\$6,286,000
19	TOTAL APPROPRIATION . . . . .	\$9,505,000

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

22 (a) \$1,161,000 of the general fund--state appropriation for fiscal  
23 year 2014 and \$1,161,000 of the general fund--state appropriation for  
24 fiscal year 2015 are provided solely for children's evidence-based  
25 mental health services.

26 (b) \$446,000 of the general fund--state appropriation for fiscal  
27 year 2014, \$446,000 of the general fund--state appropriation for fiscal  
28 year 2015, and \$178,000 of the general fund--federal appropriation are  
29 provided solely for the University of Washington's evidence-based  
30 practice institute which supports the identification, evaluation, and  
31 implementation of evidence-based or promising practices. The institute  
32 must work with the department to develop a plan to seek private,  
33 federal, or other grant funding in order to reduce the need for state  
34 general funds. The institute and the department must submit this plan  
35 to the office of financial management and the fiscal committees of the  
36 legislature by December 1, 2013.

37 (4) PROGRAM SUPPORT

1	General Fund--State Appropriation (FY 2014) . . . . .	\$5,287,000
2	General Fund--State Appropriation (FY 2015) . . . . .	\$4,777,000
3	General Fund--Federal Appropriation . . . . .	\$7,711,000
4	General Fund--Private/Local Appropriation . . . . .	\$502,000
5	TOTAL APPROPRIATION . . . . .	\$18,277,000

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

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

22 (b) \$74,000 of the general fund--state appropriation for fiscal  
23 year 2014, \$74,000 of the general fund--state appropriation for fiscal  
24 year 2015, and \$78,000 of the general fund--federal appropriation are  
25 provided solely for implementation of chapter 335, Laws of 2013 (ESSB  
26 5480).

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

31 (d) In developing the new medicaid managed care rates under which  
32 the public mental health managed care system will operate, the  
33 department must seek to estimate the reasonable and necessary cost of  
34 efficiently and effectively providing a comparable set of medically  
35 necessary mental health benefits to persons of different acuity levels  
36 regardless of where in the state they live. The department must report  
37 to the office of financial management and to the relevant fiscal and

1 policy committees of the legislature on its proposed new mental health  
2 managed care rate-setting approach by August 1, 2013, and again at  
3 least sixty days prior to implementation of new capitation rates.

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

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

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

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

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

32 (1) COMMUNITY SERVICES

33	General Fund--State Appropriation (FY 2014) . . . . .	\$439,963,000
34	General Fund--State Appropriation (FY 2015) . . . . .	\$458,131,000
35	General Fund--Federal Appropriation . . . . .	\$820,769,000
36	General Fund--Private/Local Appropriation . . . . .	\$21,000
37	TOTAL APPROPRIATION . . . . .	\$1,718,884,000

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

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

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

15 (i) The current annual renewal license fee for adult family homes  
16 shall be increased to \$225 per bed beginning in fiscal year 2014 and  
17 \$225 per bed beginning in fiscal year 2015. A processing fee of \$2,750  
18 shall be charged to each adult family home when the home is initially  
19 licensed. This fee is nonrefundable.

20 (ii) The current annual renewal license fee for assisted living  
21 facilities shall be increased to \$106 per bed beginning in fiscal year  
22 2014 and \$106 per bed beginning in fiscal year 2015.

23 (iii) The current annual renewal license fee for nursing facilities  
24 shall be increased to \$359 per bed beginning in fiscal year 2014 and  
25 \$359 per bed beginning in fiscal year 2015.

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

34 (d) \$6,244,000 of the general fund--state appropriation for fiscal  
35 year 2014 and \$6,244,000 of the general fund--state appropriation for  
36 fiscal year 2015 are appropriated solely for the individual and family  
37 support program. Within these amounts, the department shall expand the

1 current number of clients receiving services and focus on extending  
2 services to individuals with developmental disabilities who are not  
3 otherwise receiving paid services from the department.

4 (e) No later than December 31, 2013, the department shall report to  
5 the appropriate fiscal committees of the legislature with a strategy to  
6 reduce the rate disparity between urban and suburban residential  
7 service providers. The report shall include a proposal for a rate  
8 component that recognizes differences in costs as they relate to the  
9 geographical location of the provider; however, the proposed component  
10 shall use a geographical variable that is more granular than the  
11 provider's county.

12 (f) \$1,547,000 of the general fund--state appropriation for fiscal  
13 year 2015, and \$4,790,000 of the general fund--federal appropriation  
14 are provided solely for a payment system that satisfies medicaid  
15 requirements regarding time reporting for W-2 providers. The amounts  
16 provided in this subsection are conditioned on the department  
17 satisfying the requirements of the project management oversight  
18 standards and policies established by the office of the chief  
19 information officer.

20 (g) \$1,707,000 of the general fund--state appropriation for fiscal  
21 year 2014, \$2,670,000 of the general fund--state appropriation for  
22 fiscal year 2015, and \$4,376,000 of the general fund--federal  
23 appropriation are provided solely for the homecare agency parity  
24 impacts of the service employees international union healthcare 775nw  
25 arbitration award.

26 (h) The department is authorized to establish limited exemption  
27 criteria in rule to address RCW 74.39A.325 when a landline phone is not  
28 available to the employee.

29 (2) INSTITUTIONAL SERVICES

30	General Fund--State Appropriation (FY 2014) . . . . .	\$85,261,000
31	General Fund--State Appropriation (FY 2015) . . . . .	\$84,980,000
32	General Fund--Federal Appropriation . . . . .	\$160,021,000
33	General Fund--Private/Local Appropriation . . . . .	\$23,041,000
34	TOTAL APPROPRIATION . . . . .	\$353,303,000

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

37 (a) Individuals receiving services as supplemental security income

1 (SSI) state supplemental payments shall not become eligible for medical  
2 assistance under RCW 74.09.510 due solely to the receipt of SSI state  
3 supplemental payments.

4 (b) \$721,000 of the general fund--state appropriation for fiscal  
5 year 2014 and \$721,000 of the general fund--state appropriation for  
6 fiscal year 2015 are for the department to fulfill its contracts with  
7 the school districts under chapter 28A.190 RCW to provide  
8 transportation, building space, and other support services as are  
9 reasonably necessary to support the educational programs of students  
10 living in residential habilitation centers.

11 (3) PROGRAM SUPPORT

12	General Fund--State Appropriation (FY 2014) . . . . .	\$1,943,000
13	General Fund--State Appropriation (FY 2015) . . . . .	\$1,993,000
14	General Fund--Federal Appropriation . . . . .	\$1,957,000
15	TOTAL APPROPRIATION . . . . .	\$5,893,000

16 (4) SPECIAL PROJECTS

17	General Fund--State Appropriation (FY 2014) . . . . .	\$1,400,000
18	General Fund--State Appropriation (FY 2015) . . . . .	\$1,400,000
19	General Fund--Federal Appropriation . . . . .	\$1,200,000
20	TOTAL APPROPRIATION . . . . .	\$4,000,000

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

23	General Fund--State Appropriation (FY 2014) . . . . .	\$869,628,000
24	General Fund--State Appropriation (FY 2015) . . . . .	\$923,218,000
25	General Fund--Federal Appropriation . . . . .	\$1,934,089,000
26	General Fund--Private/Local Appropriation . . . . .	\$30,122,000
27	Traumatic Brain Injury Account--State Appropriation . . . . .	\$3,393,000
28	Skilled Nursing Facility Safety Net Trust Account--State	
29	Appropriation . . . . .	\$88,000,000
30	TOTAL APPROPRIATION . . . . .	\$3,848,450,000

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

33 (1) For purposes of implementing chapter 74.46 RCW, the weighted  
34 average nursing facility payment rate shall not exceed \$171.35 for  
35 fiscal year 2014 and shall not exceed \$171.58 for fiscal year 2015,  
36 including the rate add-ons described in (a) and (b) of this subsection.

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

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

29 (b) The department shall do a comparative analysis of the facility-  
30 based payment rates calculated on July 1, 2013, using the payment  
31 methodology defined in chapter 74.46 RCW and as funded in the omnibus  
32 appropriations act, excluding the comparative add-on, acuity add-on,  
33 and safety net reimbursement, to the facility-based payment rates in  
34 effect June 30, 2010. If the facility-based payment rate calculated on  
35 July 1, 2013, is smaller than the facility-based payment rate on June  
36 30, 2010, then the difference shall be provided to the individual  
37 nursing facilities as an add-on payment per medicaid resident day.

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

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

15 (e) The rate add-on provided in (c) of this subsection is subject  
16 to the reconciliation and settlement process provided in RCW  
17 74.46.022(6).

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

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

28 (3) In accordance with RCW 18.51.050, 18.20.050, 70.128.060, and  
29 43.135.055, the department is authorized to increase nursing facility,  
30 assisted living facility, and adult family home fees as necessary to  
31 fully support the actual costs of conducting the licensure, inspection,  
32 and regulatory programs. The license fees may not exceed the  
33 department's annual licensing and oversight activity costs and shall  
34 include the department's cost of paying providers for the amount of the  
35 license fee attributed to medicaid clients.

36 (a) The current annual renewal license fee for adult family homes  
37 shall be increased to \$225 per bed beginning in fiscal year 2014 and



1 \$225 per bed beginning in fiscal year 2015. A processing fee of \$2,750  
2 shall be charged to each adult family home when the home is initially  
3 licensed. This fee is nonrefundable.

4 (b) The current annual renewal license fee for assisted living  
5 facilities shall be increased to \$106 per bed beginning in fiscal year  
6 2014 and \$106 per bed beginning in fiscal year 2015.

7 (c) The current annual renewal license fee for nursing facilities  
8 shall be increased to \$359 per bed beginning in fiscal year 2014 and  
9 \$359 per bed beginning in fiscal year 2015.

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

14 (5) \$30,640,000 of the general fund--state appropriation for fiscal  
15 year 2014, \$48,633,000 of the general fund--state appropriation for  
16 fiscal year 2015, and \$79,273,000 of the general fund--federal  
17 appropriation are provided solely for the implementation of the  
18 agreement reached between the governor and the service employees  
19 international union healthcare 775nw through an interest arbitration  
20 decision under the provisions of chapters 74.39A and 41.56 RCW for the  
21 2013-2015 fiscal biennium.

22 (6) \$1,840,000 of the general fund--state appropriation for fiscal  
23 year 2014 and \$1,877,000 of the general fund--state appropriation for  
24 fiscal year 2015 are provided solely for operation of the volunteer  
25 services program. Funding shall be prioritized towards serving  
26 populations traditionally served by long-term care services to include  
27 senior citizens and persons with disabilities.

28 (7) \$4,894,000 of the general fund--state appropriation for fiscal  
29 year 2015, and \$15,150,000 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 (8) The department is authorized to establish limited exemption  
37 criteria in rule to address RCW 74.39A.325 when a landline phone is not  
38 available to the employee.

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

9 (10) \$10,800,000 of the general fund--state appropriation for  
10 fiscal year 2014, \$17,768,000 of the general fund--state appropriation  
11 for fiscal year 2015, and \$28,567,000 of the general fund--federal  
12 appropriation are provided solely for the homecare agency parity  
13 impacts of the service employees international union healthcare 775nw  
14 arbitration award.

15 (11) \$33,000 of the general fund--state appropriation for fiscal  
16 year 2014, \$17,000 of the general fund--state appropriation for fiscal  
17 year 2015, and \$50,000 of the general fund--federal appropriation are  
18 provided solely for staffing and other expenses associated with the  
19 work of the joint legislative executive committee on planning for aging  
20 and disability issues that is established by this subsection.

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

23 (i) Four members of the senate, with the leaders of the two largest  
24 caucuses each appointing two members. Four members of the house of  
25 representatives, with the leaders of the two largest caucuses each  
26 appointing two members;

27 (ii) A member from the office of the governor, appointed by the  
28 governor;

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

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

33 (v) The director of the department of retirement systems or his or  
34 her designee.

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

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

5 (i) Establish a profile of Washington's current population of older  
6 people and people with disabilities and a projection of population  
7 growth through 2030;

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

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

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

20 (v) Identify policy options to create financing mechanisms for  
21 long-term services and supports that will promote additional private  
22 responsibility for individuals and families to meet their needs for  
23 service;

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

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

29 (d) The committee shall consult with the office of the insurance  
30 commissioner, the caseload forecast council, health care authority, and  
31 other appropriate entities with specialized knowledge of the needs and  
32 growth trends of the aging population and people with disabilities.

33 (e) Staff support for the committee shall be provided by the office  
34 of program research, senate committee services, the office of financial  
35 management, and the department of social and health services.

36 (f) Within existing appropriations, the cost of meetings must be  
37 paid jointly by the senate, house of representatives, and the office of  
38 financial management. Joint committee expenditures are subject to

1 approval by the senate facilities and operations committee and the  
2 house of representatives executive rules committee, or their successor  
3 committees. The joint committee members may be reimbursed for travel  
4 expenses as authorized under RCW 43.03.050 and 43.03.060, and chapter  
5 44.04 RCW as appropriate. Advisory committee members may not receive  
6 compensation or reimbursement for travel and expenses.

7 (g) The committee shall issue an interim report to the legislature  
8 by December 10, 2013, and issue final recommendations to the governor  
9 and relevant standing committees of the legislature by December 10,  
10 2014.

11 (12) \$240,000 of the general fund--state appropriation for fiscal  
12 year 2014, \$1,342,000 of the general fund--state appropriation for  
13 fiscal year 2015, and \$1,468,000 of the general fund--federal  
14 appropriation are provided solely to implement chapter 320, Laws of  
15 2013 (ESHB 1519) and chapter 338, Laws of 2013 (2SSB 5732).

16 (13) The department shall review the capital add-on rate  
17 established by RCW 74.39A.320 for effectiveness in incentivizing  
18 assisted living facilities to serve Medicaid eligible clients. Upon  
19 completing its review, the department shall submit its findings along  
20 with recommendations for alternatives to the office of financial  
21 management and the fiscal committees of the legislature by December 1,  
22 2013. The department is encouraged to engage stakeholders in  
23 developing alternatives.

24 (14) \$239,000 of the general fund--state appropriation for fiscal  
25 year 2014, \$160,000 of the general fund--state appropriation for fiscal  
26 year 2015, and \$398,000 of the general fund--federal appropriation are  
27 provided solely to implement chapter 300, Laws of 2013 (SSB 5630).

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

30	General Fund--State Appropriation (FY 2014) . . . . .	\$402,504,000
31	General Fund--State Appropriation (FY 2015) . . . . .	\$405,019,000
32	General Fund--Federal Appropriation . . . . .	\$1,211,774,000
33	General Fund--Private/Local Appropriation . . . . .	\$30,594,000
34	TOTAL APPROPRIATION . . . . .	\$2,049,891,000

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

1 (1)(a) \$178,757,000 of the general fund--state appropriation for  
2 fiscal year 2014, \$172,999,000 of the general fund--state appropriation  
3 for fiscal year 2015, and \$732,881,000 of the general fund--federal  
4 appropriation are provided solely for all components of the WorkFirst  
5 program. Within the amounts provided for the WorkFirst program, the  
6 department may provide assistance using state-only funds for families  
7 eligible for temporary assistance for needy families. The department  
8 must create a WorkFirst budget structure that allows for transparent  
9 tracking of budget units and subunits of expenditures where these units  
10 and subunits are mutually exclusive from other department budget units.  
11 The budget structure must include budget units for the following: Cash  
12 assistance, child care, WorkFirst activities, and administration of the  
13 program. Within these budget units, the department must develop  
14 program index codes for specific activities and develop allotments and  
15 track expenditures using these codes. The department shall report to  
16 the office of financial management and the relevant fiscal and policy  
17 committees of the legislature prior to adopting the new structure. The  
18 secretary of the department of social and health services, working with  
19 WorkFirst partner agencies and in collaboration with the WorkFirst  
20 oversight task force, shall develop a plan for maximizing the following  
21 outcomes and shall report back to the legislature by November 1, 2013.  
22 The outcomes to be measured are: (i) Increased employment; (ii)  
23 completion of education or post-secondary training; (iii) completion of  
24 barrier removal activity including drug and alcohol or mental health  
25 treatment; (iv) housing stability; (v) child care or education  
26 stability for the children of temporary assistance for needy families  
27 recipients; (vi) reduced rate of return after exit from the WorkFirst  
28 program; and (vii) work participation requirements.

29 (b) \$406,818,000 of the amounts in (a) of this subsection are  
30 provided solely for assistance to clients, including grants, diversion  
31 cash assistance, and additional diversion emergency assistance  
32 including but not limited to assistance authorized under RCW  
33 74.08A.210. The department may use state funds to provide support to  
34 working families that are eligible for temporary assistance for needy  
35 families but otherwise not receiving cash assistance.

36 (c) \$168,019,000 of the amounts in (a) of this subsection are  
37 provided solely for WorkFirst job search, education and training  
38 activities, barrier removal services, limited English proficiency

1 services, and tribal assistance under RCW 74.08A.040. The department  
2 must allocate this funding based on client outcomes and cost  
3 effectiveness measures.

4 (d) \$367,676,000 of the amounts in (a) of this subsection are  
5 provided solely for the working connections child care program under  
6 RCW 43.215.135.

7 (e) \$142,124,000 of the amounts in (a) of this subsection are  
8 provided solely for WorkFirst and working connections child care  
9 administration and overhead.

10 (f) 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, 2013, 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 seventy-five percent of the federal supplemental nutrition  
7 assistance 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 the  
14 telephone assistance program and the Washington information network 211  
15 organization pursuant to Substitute House Bill No. 1971 (communication  
16 services). Of these funds, \$500,000 of the general fund--state  
17 appropriation for fiscal year 2014 and \$500,000 of the general fund--  
18 state appropriation for fiscal year 2015 are provided solely for  
19 operational support of the Washington information network 211  
20 organization. If Substitute House Bill No. 1971 (communication  
21 services) is not enacted by June 30, 2013, the amounts provided in this  
22 subsection shall lapse.

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

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

35 (10) \$500,000 of the general fund--state appropriation for fiscal  
36 year 2014 and \$1,500,000 of the general fund--state appropriation for  
37 fiscal year 2015 are provided solely for implementation of Substitute

1 House Bill No. 2069 (safety net benefits). If the bill is not enacted  
2 by June 30, 2013, the amounts provided in this subsection shall lapse.

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

5	General Fund--State Appropriation (FY 2014) . . . . .	\$72,650,000
6	General Fund--State Appropriation (FY 2015) . . . . .	\$61,855,000
7	General Fund--Federal Appropriation . . . . .	\$277,248,000
8	General Fund--Private/Local Appropriation . . . . .	\$13,554,000
9	Criminal Justice Treatment Account--State	
10	Appropriation . . . . .	\$14,568,000
11	Problem Gambling Account--State Appropriation . . . . .	\$1,450,000
12	TOTAL APPROPRIATION . . . . .	\$441,325,000

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

15 (1) Within the amounts appropriated in this section, the department  
16 may contract with the University of Washington and community-based  
17 providers for the provision of the parent-child assistance program or  
18 other specialized chemical dependency case management providers for  
19 pregnant, post-partum, and parenting women. For all contractors: (a)  
20 Service and other outcome data must be provided to the department by  
21 request; (b) program modifications needed to maximize access to federal  
22 medicaid matching funds will be phased in over the course of the 2013-  
23 2015 fiscal biennium; and (c) indirect charges for administering the  
24 program shall not exceed ten percent of the total contract amount.

25 (2) Within the amounts appropriated in this section, the department  
26 shall continue to provide for chemical dependency treatment services  
27 for adult medicaid eligible, pregnant and parenting women, disability  
28 lifeline, and alcoholism and drug addiction treatment and support act,  
29 and medical care services clients.

30 (3) In accordance with RCW 70.96A.090 and 43.135.055, the  
31 department is authorized to adopt fees for the review and approval of  
32 treatment programs in fiscal years 2014 and 2015 as necessary to  
33 support the costs of the regulatory program. The department's fee  
34 schedule shall have differential rates for providers with proof of  
35 accreditation from organizations that the department has determined to  
36 have substantially equivalent standards to those of the department,  
37 including but not limited to the joint commission on accreditation of



1 health care organizations, the commission on accreditation of  
2 rehabilitation facilities, and the council on accreditation. To  
3 reflect the reduced costs associated with regulation of accredited  
4 programs, the department's fees for organizations with such proof of  
5 accreditation must reflect the lower cost of licensing for these  
6 programs than for other organizations which are not accredited.

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

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

25 (6) \$283,000 of the criminal justice treatment account  
26 appropriation is provided solely for transitional funding for the  
27 family drug court in Pierce county.

28 (7) Within the amounts appropriated in this section, the department  
29 shall contract with the Washington state institute for public policy  
30 for a long-term efficacy study of the chemical dependency treatment  
31 programs funded by the division of alcohol and substance abuse. The  
32 study shall focus on how many program participants successfully  
33 complete dependency programs and how long they abstain from use of  
34 drugs and alcohol.

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

37 General Fund--State Appropriation (FY 2014) . . . . . \$16,478,000

1	General Fund--State Appropriation (FY 2015) . . . . .	\$16,459,000
2	General Fund--Federal Appropriation . . . . .	\$99,413,000
3	TOTAL APPROPRIATION . . . . .	\$132,350,000

4 The appropriations in this section are subject to the following  
5 conditions and limitations: \$5,006,000 of the general fund--state  
6 appropriation for fiscal year 2014 and \$5,094,000 of the general fund--  
7 state appropriation for fiscal year 2015 are provided solely for  
8 services and support to individuals who are deaf, hard of hearing, or  
9 deaf-blind.

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

12	General Fund--State Appropriation (FY 2014) . . . . .	\$36,420,000
13	General Fund--State Appropriation (FY 2015) . . . . .	\$35,813,000
14	TOTAL APPROPRIATION . . . . .	\$72,233,000

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

17 (1) The department of social and health services shall transfer the  
18 stewardship of McNeil Island to the department of corrections  
19 industries program, effective September 1, 2013. The transferred  
20 responsibilities shall include marine operations, waste water  
21 treatment, water treatment, road maintenance, and any other general  
22 island maintenance that is not site specific to the operations of the  
23 special commitment center or the Pierce county secure community  
24 transition facility. Facility maintenance within the perimeter of the  
25 special commitment center shall remain the responsibility of the  
26 department of social and health services. Capital repairs and  
27 maintenance necessary to maintain the special commitment center on  
28 McNeil Island shall be managed by the department of social and health  
29 services. The legislature directs both departments to enter into an  
30 interagency agreement by August 1, 2013. The office of financial  
31 management shall oversee the negotiations of the interagency agreement.  
32 The interagency agreement must describe equipment that will transfer  
33 between the departments, warehouse space that will be shared by the  
34 departments, and occupancy requirements for any shops outside the  
35 perimeter of the special commitment center. The office of financial  
36 management will make the final determination on any disagreements  
37 between the departments on the details of the interagency agreement.

1 (2) \$3,120,000 of the general fund--state appropriation for fiscal  
2 year 2014 and \$3,120,000 of the general fund--state appropriation for  
3 fiscal year 2015 are provided solely for operational costs specific to  
4 island operations of the special commitment center and the Pierce  
5 county secure community transition facility. The department shall  
6 establish an accounting structure that enables it to track and report  
7 on costs specific to island operations.

8 (3) All employees of the department of social and health services  
9 engaged in performing the powers, functions, and duties transferred to  
10 the department of corrections industries program under this subsection,  
11 are transferred to the department of corrections.

12 (4) All classified employees of the department of social and health  
13 services assigned to the department of corrections under this  
14 subsection whose positions are within an existing bargaining unit  
15 description at the department of corrections shall become a part of the  
16 existing bargaining unit at the department of corrections and shall be  
17 considered an appropriate inclusion or modification of the existing  
18 bargaining unit under the provisions of chapter 41.80 RCW.

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

21	General Fund--State Appropriation (FY 2014) . . . . .	\$30,127,000
22	General Fund--State Appropriation (FY 2015) . . . . .	\$29,333,000
23	General Fund--Federal Appropriation . . . . .	\$37,150,000
24	General Fund--Private/Local Appropriation . . . . .	.\$654,000
25	TOTAL APPROPRIATION . . . . .	\$97,264,000

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

28 (1) \$395,000 of the general fund--state appropriation for fiscal  
29 year 2014, \$228,000 of the general fund--state appropriation for fiscal  
30 year 2015, and \$335,000 of the general fund--federal appropriation are  
31 provided solely to implement chapter 320, Laws of 2013 (ESHB 1519) and  
32 chapter 338, Laws of 2013 (2SSB 5732).

33 (2) \$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 the Washington state mentors  
36 program to continue its public-private partnerships to provide

1 technical assistance and training to mentoring programs that serve  
2 at-risk youth.

3 (3) \$82,000 of the general fund--state appropriation for fiscal  
4 year 2014, \$44,000 of the general fund--state appropriation for fiscal  
5 year 2015, and \$28,000 of the general fund--federal appropriation are  
6 provided solely to develop a report on state efforts to prevent and  
7 control diabetes. The department, the health care authority, and the  
8 department of health shall submit a coordinated report to the governor  
9 and the appropriate committees of the legislature by December 31, 2014,  
10 on the following:

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

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

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

37 (d) The development or revision of detailed policy-related action  
38 plans and budget recommendations for battling diabetes and undiagnosed

1 gestational diabetes that includes a range of actionable items for  
 2 consideration by the legislature. The plans and budget recommendations  
 3 must identify proposed action steps to reduce the impact of diabetes,  
 4 prediabetes, related diabetes complications, and undiagnosed  
 5 gestational diabetes. The plans and budget recommendations must also  
 6 identify expected outcomes of the action steps proposed in the  
 7 following biennium while also establishing benchmarks for controlling  
 8 and preventing all types of diabetes; and

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

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

14	General Fund--State Appropriation (FY 2014) . . . . .	\$60,470,000
15	General Fund--State Appropriation (FY 2015) . . . . .	\$60,511,000
16	General Fund--Federal Appropriation . . . . .	\$55,264,000
17	TOTAL APPROPRIATION . . . . .	\$176,245,000

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

19	General Fund--State Appropriation (FY 2014) . . . . .	\$2,131,026,000
20	General Fund--State Appropriation (FY 2015) . . . . .	\$2,114,731,000
21	General Fund--Federal Appropriation . . . . .	\$7,245,749,000
22	General Fund--Private/Local Appropriation . . . . .	\$57,780,000
23	Emergency Medical Services and Trauma Care Systems	
24	Trust Account--State Appropriation . . . . .	\$15,082,000
25	Hospital Safety Net Assessment Fund--State	
26	Appropriation . . . . .	\$669,381,000
27	Health Benefit Exchange Account--State Appropriation . . . . .	\$17,277,000
28	State Health Care Authority Administration Account--	
29	State Appropriation . . . . .	\$34,809,000
30	Medical Aid Account--State Appropriation . . . . .	\$528,000
31	Medicaid Fraud Penalty Account--State Appropriation . . . . .	\$21,206,000
32	TOTAL APPROPRIATION . . . . .	\$12,307,569,000

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

35 (1) \$1,143,994,000 of the general fund--federal appropriation is  
 36 provided solely to implement the medicaid expansion as defined in the

1 social security act, section 1902(a)(10)(A)(i)(VIII), subject to the  
2 conditions and limitations in this subsection. If the federal medical  
3 assistance percentage for the medicaid expansion falls below the  
4 percentages in section 1905(y) of the social security act as of July 1,  
5 2013, the authority shall ensure that the state does not incur any  
6 additional state costs above what would have been incurred had the  
7 federal medical assistance percentages remained at the percentages in  
8 section 1905(y) as of July 1, 2013. The director is authorized to make  
9 any necessary program adjustments to comply with this requirement,  
10 including adding or adjusting premiums, modifying benefits, or reducing  
11 optional programs. To the extent a waiver is needed to accomplish  
12 this, the director shall promptly apply for such waiver. If a  
13 necessary waiver is not approved, the medicaid expansion program shall  
14 be terminated upon appropriate notification to the legislature and  
15 enrollees.

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

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

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

35 (c) The administrator shall take at least the following actions to  
36 assure that persons participating in the basic health plan are eligible  
37 for the level of assistance they receive: (a) Require submission of  
38 (i) income tax returns, and recent pay history, from all applicants, or

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

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

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

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

37 (5) In determining financial eligibility for medicaid-funded

1 services, the health care authority is authorized to disregard  
2 recoveries by Holocaust survivors of insurance proceeds or other  
3 assets, as defined in RCW 48.104.030.

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

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

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

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

25 (10) \$100,000 of the general fund--state appropriation for fiscal  
26 year 2014 and \$100,000 of the general fund--state appropriation for  
27 fiscal year 2015 are provided solely for grants to rural hospitals in  
28 Clallam county that were certified by the centers for medicare and  
29 medicaid services as sole community hospitals as of January 1, 2013,  
30 with less than one hundred fifty acute care licensed beds in fiscal  
31 year 2011.

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

37 (12) \$6,000,000 of the general fund--federal appropriation is  
38 provided solely for supplemental payments to nursing homes operated by



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

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

1 regulations. Inpatient medicaid payments shall be established using an  
2 allowable methodology that approximates the cost of claims submitted by  
3 the hospitals. Payments made to each hospital in the program in each  
4 fiscal year of the biennium shall be compared to a baseline amount.  
5 The baseline amount will be determined by the total of (a) the  
6 inpatient claim payment amounts that would have been paid during the  
7 fiscal year had the hospital not been in the CPE program based on the  
8 reimbursement rates developed, implemented, and consistent with  
9 policies approved in the 2013-2015 biennial operating appropriations  
10 act and in effect on July 1, 2013, (b) one-half of the indigent  
11 assistance disproportionate share hospital payment amounts paid to and  
12 retained by each hospital during fiscal year 2005, and (c) all of the  
13 other disproportionate share hospital payment amounts paid to and  
14 retained by each hospital during fiscal year 2005 to the extent the  
15 same disproportionate share hospital programs exist in the 2013-2015  
16 fiscal biennium. If payments during the fiscal year exceed the  
17 hospital's baseline amount, no additional payments will be made to the  
18 hospital except the federal portion of allowable disproportionate share  
19 hospital payments for which the hospital can certify allowable match.  
20 If payments during the fiscal year are less than the baseline amount,  
21 the hospital will be paid a state grant equal to the difference between  
22 payments during the fiscal year and the applicable baseline amount.  
23 Payment of the state grant shall be made in the applicable fiscal year  
24 and distributed in monthly payments. The grants will be recalculated  
25 and redistributed as the baseline is updated during the fiscal year.  
26 The grant payments are subject to an interim settlement within eleven  
27 months after the end of the fiscal year. A final settlement shall be  
28 performed. To the extent that either settlement determines that a  
29 hospital has received funds in excess of what it would have received as  
30 described in this subsection, the hospital must repay the excess  
31 amounts to the state when requested. \$3,860,000 of the general  
32 fund--state appropriation for fiscal year 2014 and \$1,137,000 of the  
33 general fund--state appropriation for fiscal year 2015 are provided  
34 solely for state grants for the participating hospitals.

35 (14) The health care authority shall seek public-private  
36 partnerships and federal funds that are or may become available to  
37 provide on-going support for outreach and education efforts under the

1 federal children's health insurance program reauthorization act of  
2 2009.

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

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

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

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

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

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

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

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

29 (e) An estimate of savings, efficiencies, costs, and budgetary  
30 savings and resources required to implement the plans and budget  
31 recommendations identified in (d) of this subsection (17).

32 (18) Within the amounts appropriated in this section, the authority  
33 shall identify strategies to improve patient adherence to treatment  
34 plans for diabetes and implement these strategies as a pilot through  
35 one health home program to be identified by the authority. The  
36 authority shall report to the governor and the legislature in December  
37 2014 on the progress of strategy implementation. The authority shall  
38 report to the governor and legislature in December 2015 on patient

1 outcomes and cost savings derived from new adherence strategies in the  
2 health home model and make recommendations for improving the  
3 strategies.

4 (19) Effective January 1, 2014, managed care contracts must  
5 incorporate accountability measures that monitor patient health and  
6 improved health outcomes, and shall include an expectation that each  
7 patient receive a wellness examination that documents the baseline  
8 health status and allows for monitoring of health improvements and  
9 outcome measures.

10 (20) \$25,000 of the general fund--state appropriation for fiscal  
11 year 2014 and \$25,000 of the general fund--federal appropriation are  
12 provided solely for the development of recommendations for funding  
13 integrated school nursing and outreach services. The authority shall  
14 collaborate with the office of the superintendent of public instruction  
15 to develop recommendations for increasing federal financial  
16 participation for providing nursing services in schools with the goals  
17 of integrating nursing and outreach services and supporting one nurse  
18 for every four hundred fifty students in elementary schools and one  
19 nurse for every seven hundred fifty students in secondary schools. In  
20 developing these recommendations, the authority shall inquire with the  
21 federal centers for medicare and medicaid services about state plan  
22 amendment or waiver options for receiving additional federal matching  
23 funds for school nursing services provided to children enrolled in  
24 apple health for kids. The recommendations shall include proposals for  
25 funding training and reimbursement for nurses that provide outreach  
26 services to help eligible students enroll in apple health for kids and  
27 other social services programs. The authority and the office of the  
28 superintendent of public instruction shall provide these  
29 recommendations to the governor and the legislature by December 1,  
30 2013.

31 (21) \$430,000 of the general fund--state appropriation for fiscal  
32 year 2014 and \$500,000 of the general fund--federal appropriation are  
33 provided solely to complete grant requirements for the health  
34 information exchange.

35 (22) \$143,000 of the medicaid fraud penalty account--state  
36 appropriation and \$423,000 of the general fund--federal appropriation  
37 are provided solely for the rebasing of outpatient and inpatient  
38 payment methods.

1 (23) \$1,163,000 of the medicaid fraud penalty account--state  
2 appropriation and \$9,710,000 of the general fund--federal appropriation  
3 are provided solely to implement the conversion to the tenth version of  
4 the world health organization's international classification of  
5 diseases.

6 (24) \$111,000 of the general fund--state appropriation for fiscal  
7 year 2014, \$35,000 of the general fund--state appropriation for fiscal  
8 year 2015, and \$359,000 of the general fund--federal appropriation are  
9 provided solely to update the medicaid information technology  
10 architecture state self-assessment and to develop the five year road  
11 map for the medicaid information technology architecture architect.

12 (25) \$62,000 of the general fund--state appropriation for fiscal  
13 year 2014, \$62,000 of the general fund--state appropriation for fiscal  
14 year 2015, and \$126,000 of the general fund--federal appropriation are  
15 provided solely to support the Robert Bree collaborative's efforts to  
16 disseminate evidence-based best practices for preventing and treating  
17 health problems.

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

22 (27) The authority shall seek a medicaid state plan amendment to  
23 create a professional services supplemental payment managed care  
24 program for professional services delivered to managed care recipients  
25 by University of Washington medicine and other public professional  
26 providers. This program shall be effective as soon as administratively  
27 possible and shall operate concurrently with the existing professional  
28 services supplemental payment program. The authority shall apply  
29 federal rules for identifying the difference between average commercial  
30 rates and fee-for-service medicaid payments. This difference will be  
31 multiplied by the number of managed care encounters and incorporated  
32 into the managed care plan capitation rates by a certified actuary.  
33 The managed care plans will pay the providers the difference  
34 attributable to the increased capitation rate. Participating providers  
35 shall be solely responsible for providing the local funds required to  
36 obtain federal matching funds. Any incremental costs incurred by the  
37 authority in the development, implementation, and maintenance of this  
38 program shall be the responsibility of the participating providers.

1 Participating providers shall retain the full amount of supplemental  
2 payments provided under this program, net of any costs related to the  
3 program that are disallowed due to audits or litigation against the  
4 state.

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

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

11 (30) The authority shall facilitate enrollment under the medicaid  
12 expansion for clients applying for or receiving state funded services  
13 from the authority and its contractors. Prior to open enrollment, the  
14 authority shall coordinate with the department of social and health  
15 services to provide referrals to the Washington health benefit exchange  
16 for clients that will be ineligible for the medicaid expansion but are  
17 enrolled in coverage that will be eliminated in the transition to the  
18 medicaid expansion.

19 (31) \$90,000 of the general fund--state appropriation for fiscal  
20 year 2014, \$90,000 of the general fund--state appropriation for fiscal  
21 year 2015, and \$180,000 of the general fund--federal appropriation are  
22 provided solely to continue operation by a nonprofit organization of a  
23 toll-free hotline that assists families to learn about and enroll in  
24 the apple health for kids program.

25 (32) Within the amounts appropriated in this section, the authority  
26 shall reduce premiums for children with family incomes above 200  
27 percent of the federal poverty level in the state-funded children's  
28 health program who are not eligible for coverage under the federal  
29 children's health insurance program. Premiums in the state and federal  
30 children's health insurance program shall be equal.

31 (33) The appropriations in this section reflect savings and  
32 efficiencies by transferring children receiving medical care provided  
33 through fee-for-service to medical care provided through managed care.

34 (34) \$150,000 of the general fund--state appropriation for fiscal  
35 year 2014, \$436,000 of the general fund--state appropriation for fiscal  
36 year 2015, and \$170,561,000 of the general fund--federal appropriation  
37 are provided solely for the provider incentive program and other  
38 initiatives related to the health information technology medicaid plan.

1 (35) The authority shall purchase a brand name drug when it  
2 determines that the cost of the brand name drug after rebates is less  
3 than the cost of generic alternatives and that purchase of the brand  
4 rather than generic version can save at least \$250,000. The authority  
5 may purchase generic alternatives when changes in market prices make  
6 the price of the brand name drug after rebates more expensive than the  
7 generic alternatives.

8 (36) The authority shall not subject antiretroviral drugs used to  
9 treat HIV/AIDS, anticancer medications used to kill or slow the growth  
10 of cancerous cells, antihemophilic drugs, or transplant drugs to any  
11 medicaid preferred drug list or formulary for the fee-for-service  
12 population.

13 (37) \$1,531,000 of the general fund--state appropriation for fiscal  
14 year 2014, \$280,000 of the general fund--state appropriation for fiscal  
15 year 2015, and \$10,803,000 of the general fund--federal appropriation  
16 are provided solely to implement phase two of the project to create a  
17 single provider payment system that consolidates medicaid medical and  
18 social services payments and replaces the social service payment  
19 system. The amounts provided in this subsection are conditioned on the  
20 authority satisfying the requirements of the project management  
21 oversight standards and policies established by the office of the chief  
22 information officer.

23 (38) Within the amounts appropriated in this section, the health  
24 care authority and the department of social and health services shall  
25 implement the state option to provide health homes for enrollees with  
26 chronic conditions under section 2703 of the federal affordable care  
27 act. The total state match for enrollees who are dually-eligible for  
28 both medicare and medicaid and not enrolled in managed care shall be no  
29 more than the net savings to the state from the enhanced match rate for  
30 its medicaid-only managed care enrollees under section 2703.

31 (39) The health care authority shall not initiate any services that  
32 require expenditure of state general fund moneys unless expressly  
33 authorized in this act or other law. The health care authority may  
34 seek, receive, and spend, under RCW 43.79.260 through 43.79.282,  
35 federal moneys not anticipated in this act as long as the federal  
36 funding does not require expenditure of state moneys for the program in  
37 excess of amounts anticipated in this act. If the health care  
38 authority receives unanticipated unrestricted federal moneys, those



1 moneys shall be spent for services authorized in this act or in any  
2 other legislation providing appropriation authority, and an equal  
3 amount of appropriated state general fund moneys shall lapse. Upon the  
4 lapsing of any moneys under this subsection, the office of financial  
5 management shall notify the legislative fiscal committees. As used in  
6 this subsection, "unrestricted federal moneys" includes block grants  
7 and other funds that federal law does not require to be spent on  
8 specifically defined projects or matched on a formula basis by state  
9 funds.

10 (40) Within the amounts appropriated in this section, the authority  
11 shall reimburse for primary care services provided by naturopathic  
12 physicians.

13 (41) Within amounts appropriated, the health care authority shall  
14 conduct a review of its management and staffing structure to identify  
15 efficiencies and opportunities to reduce full time equivalent employees  
16 and other administrative costs. A report summarizing the review and  
17 the authority's recommendations to reduce costs and full time  
18 equivalent employees must be submitted to the governor and legislature  
19 by November 1, 2013.

20 (42) \$17,279,000 of the health benefit exchange account--state  
21 appropriation and \$2,721,000 of the general fund--federal appropriation  
22 are provided solely to support the operations of the Washington health  
23 benefit exchange from January 1, 2015, to June 30, 2015. The  
24 Washington state health insurance pool administrator shall transfer  
25 \$20,838,000 of pool contributions to the treasurer for deposit into the  
26 health benefit exchange account in calendar year 2014.

27 (43) Within the amounts appropriated in this section, the authority  
28 shall continue to provide coverage after December 31, 2013, for  
29 pregnant teens that qualify under existing pregnancy medical programs,  
30 but whose eligibility for pregnancy related services would otherwise  
31 end due to the application of the new modified adjusted gross income  
32 eligibility standard.

33 (44) Upon implementation of the medicaid expansion under subsection  
34 (1) of this section, the breast and cervical cancer treatment program  
35 is eliminated. To maintain continuity of coverage, the authority shall  
36 offer the option to stay in a fee-for-service program to clients that  
37 are already enrolled in the breast and cervical cancer treatment  
38 program and will be transitioned into the new adult group upon

1 implementation of the medicaid expansion. The authority will continue  
2 to provide coverage to clients that are already enrolled in the breast  
3 and cervical cancer treatment program at the time of program  
4 elimination until their courses of treatment are completed.

5 (45) \$40,000 of the general fund--state appropriation for fiscal  
6 year 2014 and \$40,000 of the general fund--federal appropriation are  
7 provided solely for the authority to create a new position to provide  
8 adequate oversight and assistance to managed care organizations, rural  
9 health clinics, and federally qualified health centers under a new  
10 administratively streamlined payment methodology. Effective July 1,  
11 2013, or upon obtaining any necessary federal approval, but in no case  
12 during the first quarter of a calendar year, the authority shall  
13 implement an administratively streamlined payment methodology for  
14 federally qualified health centers and rural health clinics. The  
15 authority's payments to managed care organizations shall include the  
16 full encounter payment comprised of both the standard and enhancement  
17 payments for federally qualified health centers and rural health  
18 clinics as defined in the medicaid state plan and in accordance with  
19 section 1902(bb) of the social security act (42 U.S.C. 1396a(bb)). At  
20 no time will a managed care organization be at risk for or have any  
21 claim to the supplemental payment portion of the rate which will be  
22 reconciled to ensure accurate payment and full pass through of the  
23 obligated funds. For any services eligible for encounter payments, as  
24 defined in the medicaid state plan, managed care organizations shall be  
25 required to pay at least the full published encounter rates directly to  
26 each clinic or center, and payments will be reconciled on at least an  
27 annual basis between the managed care organization and the authority,  
28 with final review and approval by the authority. At the option of any  
29 clinic, the enhancement payment can be received from the managed care  
30 organization on a per member per month basis for all assigned managed  
31 care enrollees in an amount prescribed by the authority. Nothing in  
32 this section is intended to disrupt mutually agreeable contractual  
33 arrangements between managed care organizations and clinics that impact  
34 how the standard payment for services is paid. The authority will  
35 require participating managed care organizations to reimburse federally  
36 qualified health centers and rural health clinics for clean claims in  
37 strict adherence to the timeliness of payment standards established  
38 under contract and specified for the medicaid fee-for-service program

1 in section 1902(a)(37) of the social security act (42 U.S.C.  
2 1396a(a)(37)), 42 C.F.R. Sec. 447.46, and specified for health carriers  
3 in WAC 284-43-321. The authority shall exercise all necessary options  
4 under its existing sanctions policy to enforce timely payment of  
5 claims. The authority shall ensure necessary staff and resources are  
6 identified to actively monitor and enforce the timeliness and accuracy  
7 of payments to federally qualified health centers and rural health  
8 clinics. By January 1, 2014, and after collaboration with federally  
9 qualified health centers, rural health clinics, managed care plans, and  
10 the centers for medicare and medicaid services, the authority will  
11 produce a report that provides options for a new payment methodology  
12 that rewards innovation and outcomes over volume of services delivered,  
13 and which maintains the integrity of the rural health clinic and  
14 federally qualified health center programs as outlined under federal  
15 law. The report will detail necessary federal authority for  
16 implementation and provide the benefits and drawbacks of each option.

17 (46) \$3,605,000 of the general fund--state appropriation for fiscal  
18 year 2014 is provided solely to proportionally reduce the amounts that  
19 rural health clinics owe the state under the calendar year 2009  
20 recoupment.

21 (47) Sufficient amounts are appropriated in this section to remove  
22 the mental health visit limit and to provide the shingles vaccine and  
23 screening, brief intervention, and referral to treatment benefits that  
24 are available in the medicaid alternative benefit plan in the current  
25 medicaid benefit plan beginning January 1, 2014. The authority shall  
26 monitor the costs of the habilitative benefit as part of the  
27 forecasting process but shall not provide this benefit in the current  
28 medicaid benefit plan without a direct appropriation in the omnibus  
29 appropriations act.

30 (48) The appropriations in this section reflect savings and  
31 efficiencies achieved by modifying dispensing methods of contraceptive  
32 drugs. The authority must make arrangements for all medicaid programs  
33 offered through managed care plans or fee-for-service programs to  
34 require dispensing of contraceptive drugs with a one-year supply  
35 provided at one time unless a patient requests a smaller supply or the  
36 prescribing physician instructs that the patient must receive a smaller  
37 supply. Contracts with managed care plans must allow on-site  
38 dispensing of the prescribed contraceptive drugs at family planning

1 clinics. Dispensing practices must follow clinical guidelines for  
2 appropriate prescribing and dispensing to ensure the health of the  
3 patient while maximizing access to effective contraceptive drugs.

4 (49)(a) \$75,000 of the general fund--state appropriation for fiscal  
5 year 2014 and \$75,000 of the general fund--federal appropriation are  
6 provided solely for preparing options with an expert consultant for  
7 possible implementation of a targeted premium assistance program and  
8 possible implementation of the federal basic health option. \$75,000 of  
9 the amounts appropriated in this subsection is provided solely for the  
10 development of options related to the targeted premium assistance  
11 program. The authority shall develop options for a waiver request to  
12 the federal centers for medicare and medicaid services to implement a  
13 targeted premium assistance program for the expansion adults,  
14 identified in section 1902(a)(10)(A)(i)(VIII) of the social security  
15 act, with incomes above one hundred percent of the federal poverty  
16 level, and for children covered in the children's health insurance  
17 program with incomes above two hundred percent of the federal poverty  
18 level, with a goal of providing seamless coverage through the health  
19 benefit exchange and improving opportunities for families to be covered  
20 in the same health plans. The options must include the possibility of  
21 applying premiums for individuals and cost-sharing that may exceed the  
22 five percent of family income cap under federal law, and the options  
23 must include recommendations to make the targeted premium assistance  
24 program cost neutral. The authority shall submit a report on the  
25 options to the legislature and the governor by January 1, 2014. The  
26 authority is encouraged to be creative, use subject matter experts, and  
27 exhaust all possible options to achieve cost neutrality. The report  
28 shall also include a detailed plan and timeline. \$75,000 of the  
29 amounts appropriated in this subsection is provided solely for the  
30 development of options related to the federal basic health option. The  
31 authority shall prepare options for implementing the federal basic  
32 health option as federal guidance becomes available. The authority  
33 shall submit a report on the options to the legislature and the  
34 governor by January 1, 2014, or ninety days following the release of  
35 federal guidance. The report must include a comparison of the premiums  
36 and cost-sharing under the federal basic health option with the premium  
37 assistance options described in this subsection, options for  
38 implementing the federal basic health option in combination with a

1 premium assistance program, a detailed fiscal analysis for each  
2 coverage approach, including the estimated costs for system design and  
3 implementation, and information about impacted populations.

4 (b) Where possible, the authority shall leverage the same expert  
5 consultants to review each proposal and compare and contrast the  
6 approaches to ensure seamless coordination with the health benefit  
7 exchange.

8 (c) The authority shall collaborate with the joint select committee  
9 on health care oversight in the development of these options.

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

11	General Fund--State Appropriation (FY 2014) . . . . .	\$2,077,000
12	General Fund--State Appropriation (FY 2015) . . . . .	\$1,996,000
13	General Fund--Federal Appropriation . . . . .	\$2,185,000
14	TOTAL APPROPRIATION . . . . .	\$6,258,000

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

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

22	Worker and Community Right-to-Know Account--State	
23	Appropriation . . . . .	\$10,000
24	Accident Account--State Appropriation . . . . .	\$19,763,000
25	Medical Aid Account--State Appropriation . . . . .	\$19,763,000
26	TOTAL APPROPRIATION . . . . .	\$39,536,000

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

29	General Fund--State Appropriation (FY 2014) . . . . .	\$14,257,000
30	General Fund--State Appropriation (FY 2015) . . . . .	\$14,159,000
31	General Fund--Private/Local Appropriation . . . . .	\$3,059,000
32	Death Investigations Account--State Appropriation . . . . .	\$148,000
33	Municipal Criminal Justice Assistance Account--	
34	State Appropriation . . . . .	\$460,000
35	Washington Auto Theft Prevention Authority Account--	

1 State Appropriation . . . . . \$8,597,000  
2 TOTAL APPROPRIATION . . . . . \$40,680,000

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

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

11 (2) \$340,000 of the general fund--local appropriation is provided  
12 solely to purchase ammunition for the basic law enforcement academy.  
13 Jurisdictions shall reimburse to the criminal justice training  
14 commission the costs of ammunition, based on the average cost of  
15 ammunition per cadet, for cadets that they enroll in the basic law  
16 enforcement academy.

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

19 (4) \$100,000 of the general fund--state appropriation for fiscal  
20 year 2014 and \$100,000 of the general fund--state appropriation for  
21 fiscal year 2015 are provided solely for a school safety program. The  
22 commission, in collaboration with the school safety center advisory  
23 committee, shall provide the school safety training for all school  
24 administrators and school safety personnel hired after the effective  
25 date of this section.

26 (5) \$96,000 of the general fund--state appropriation for fiscal  
27 year 2014 and \$96,000 of the general fund--state appropriation for  
28 fiscal year 2015 are provided solely for the school safety center  
29 within the commission. The safety center shall act as an information  
30 dissemination and resource center when an incident occurs in a school  
31 district in Washington or in another state, coordinate activities  
32 relating to school safety, and review and approve manuals and curricula  
33 used for school safety models and training. Through an interagency  
34 agreement, the commission shall provide funding for the office of the  
35 superintendent of public instruction to continue to develop and  
36 maintain a school safety information web site. The school safety  
37 center advisory committee shall develop and revise the training  
38 program, using the best practices in school safety, for all school

1 safety personnel. The commission shall provide research-related  
2 programs in school safety and security issues beneficial to both law  
3 enforcement and schools.

4 (6) \$123,000 of the general fund--state appropriation for fiscal  
5 year 2014 and \$123,000 of the general fund--state appropriation for  
6 fiscal year 2015 are provided solely for the costs of providing  
7 statewide advanced driving training with the use of a driving  
8 simulator.

9 (7) \$165,000 of the general fund--state appropriation for fiscal  
10 year 2014 and \$165,000 of the general fund--state appropriation for  
11 fiscal year 2015 are provided solely for crisis intervention training  
12 for peace officers. The commission shall incorporate eight hours of  
13 crisis intervention curriculum into its basic law enforcement academy  
14 and shall offer an eight-hour in-service crisis intervention training  
15 course.

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

18	General Fund--State Appropriation (FY 2014) . . . . .	\$17,158,000
19	General Fund--State Appropriation (FY 2015) . . . . .	\$17,733,000
20	General Fund--Federal Appropriation . . . . .	\$11,876,000
21	Asbestos Account--State Appropriation . . . . .	\$366,000
22	Electrical License Account--State Appropriation . . . . .	\$37,124,000
23	Farm Labor Contractor Account--State Appropriation . . . . .	\$28,000
24	Worker and Community Right-to-Know Account--	
25	State Appropriation . . . . .	\$903,000
26	Public Works Administration Account--State	
27	Appropriation . . . . .	\$6,252,000
28	Manufactured Home Installation Training Account--	
29	State Appropriation . . . . .	\$353,000
30	Accident Account--State Appropriation . . . . .	\$258,440,000
31	Accident Account--Federal Appropriation . . . . .	\$13,626,000
32	Medical Aid Account--State Appropriation . . . . .	\$278,697,000
33	Medical Aid Account--Federal Appropriation . . . . .	\$3,186,000
34	Plumbing Certificate Account--State Appropriation . . . . .	\$1,732,000
35	Pressure Systems Safety Account--State	
36	Appropriation . . . . .	\$4,193,000
37	TOTAL APPROPRIATION . . . . .	\$651,667,000

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

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

7 (2) \$1,336,000 of the medical aid account--state appropriation is  
8 provided solely for implementation of Substitute Senate Bill No. 5362  
9 (workers' compensation/vocational rehabilitation). If the bill is not  
10 enacted by June 30, 2013, the amount provided in this subsection shall  
11 lapse.

12 (3) \$279,000 of the public works administration account--state  
13 appropriation, \$4,000 of the medical aid account--state appropriation,  
14 and \$4,000 of the accident account--state appropriation are provided  
15 solely for implementation of Substitute House Bill No. 1420  
16 (transportation improvement projects). If the bill is not enacted by  
17 June 30, 2013, the amounts provided in this subsection shall lapse.

18 (4) \$104,000 of the general fund--state appropriation for fiscal  
19 year 2014 and \$104,000 of the general fund--state appropriation for  
20 fiscal year 2015 are provided solely to implement Substitute Senate  
21 Bill No. 5123 (farm internships). If the bill is not enacted by June  
22 30, 2013, the amount provided in this subsection shall lapse.

23 (5) The department of labor and industries must establish and  
24 perform, within existing funds, a formal review process of its existing  
25 rules. The goal of the review is to decrease the numbers of, simplify  
26 the process, and decrease the time required for obtaining licenses,  
27 permits, and inspections, as applicable, in order to reduce the  
28 regulatory burden on businesses without compromising public health and  
29 safety. Benchmarks must be adopted to assess the effectiveness of  
30 streamlining efforts. The department must establish a process for  
31 effectively applying sunset provisions to rules when applicable. The  
32 department must report to the applicable committees of the legislature  
33 with its review process and benchmarks by January 2014.

34 (6) \$210,000 of the medical aid account--state appropriation and  
35 \$630,000 of the accident account--state appropriation are provided  
36 solely for the contract costs and one staff position at the department  
37 for the purpose of implementing the logging safety initiative in an  
38 effort to reduce the frequency and severity of injuries in manual, or



1 nonmechanized, logging. The department shall reduce \$840,000 of  
 2 workers compensation funding used for the safety and health investment  
 3 project to maintain cost neutrality. Additional costs for the  
 4 implementation of the logging safety initiative shall be accomplished  
 5 by the department within existing resources to include the assignment  
 6 of two full-time auditors specifically for this purpose. The  
 7 department is directed to include \$420,000 of these costs in its  
 8 calculation of workers' compensation premiums for the forest products  
 9 industry for 2014, 2015, and 2016 rates. The department shall report  
 10 to the legislature by December 31, 2014, an approach for using a third  
 11 party safety certification vendor, accomplishments of the taskforce,  
 12 accomplishments on this effort to-date, and future plans. The report  
 13 must identify options for future funding and make recommendations for  
 14 permanent funding for this program.

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

16 (1) HEADQUARTERS

17	General Fund--State Appropriation (FY 2014) . . . . .	\$1,996,000
18	General Fund--State Appropriation (FY 2015) . . . . .	\$1,900,000
19	Charitable, Educational, Penal, and Reformatory	
20	Institutions Account--State Appropriation . . . . .	\$10,000
21	TOTAL APPROPRIATION . . . . .	\$3,906,000

22 (2) FIELD SERVICES

23	General Fund--State Appropriation (FY 2014) . . . . .	\$5,340,000
24	General Fund--State Appropriation (FY 2015) . . . . .	\$5,316,000
25	General Fund--Federal Appropriation . . . . .	\$3,455,000
26	General Fund--Private/Local Appropriation . . . . .	\$4,418,000
27	Veteran Estate Management Account--Private/Local	
28	Appropriation . . . . .	\$1,104,000
29	TOTAL APPROPRIATION . . . . .	\$19,633,000

30 The appropriations in this subsection are subject to the following  
 31 conditions and limitations: \$300,000 of the general fund--state  
 32 appropriation for fiscal year 2014 and \$300,000 of the general fund--  
 33 state appropriation for fiscal year 2015 are provided solely to provide  
 34 crisis and emergency relief and education, training, and employment  
 35 assistance to veterans and their families in their communities through  
 36 the veterans innovation program.

1	(3) INSTITUTIONAL SERVICES	
2	General Fund--State Appropriation (FY 2014)	\$102,000
3	General Fund--State Appropriation (FY 2015)	\$20,000
4	General Fund--Federal Appropriation	\$68,981,000
5	General Fund--Private/Local Appropriation	\$39,355,000
6	TOTAL APPROPRIATION	\$108,458,000

7	<u>NEW SECTION.</u> <b>Sec. 219. FOR THE DEPARTMENT OF HEALTH</b>	
8	General Fund--State Appropriation (FY 2014)	\$60,230,000
9	General Fund--State Appropriation (FY 2015)	\$59,198,000
10	General Fund--Federal Appropriation	\$536,074,000
11	General Fund--Private/Local Appropriation	\$139,455,000
12	Hospital Data Collection Account--State Appropriation	\$222,000
13	Health Professions Account--State Appropriation	\$104,722,000
14	Aquatic Lands Enhancement Account--State Appropriation	\$604,000
15	Emergency Medical Services and Trauma Care Systems	
16	Trust Account--State Appropriation	\$12,319,000
17	Safe Drinking Water Account--State Appropriation	\$5,267,000
18	Drinking Water Assistance Account--Federal	
19	Appropriation	\$14,806,000
20	Waterworks Operator Certification--State	
21	Appropriation	\$1,560,000
22	Drinking Water Assistance Administrative Account--	
23	State Appropriation	\$339,000
24	Site Closure Account--State Appropriation	\$159,000
25	Biotoxin Account--State Appropriation	\$1,323,000
26	State Toxics Control Account--State Appropriation	\$3,949,000
27	Medical Test Site Licensure Account--State	
28	Appropriation	\$4,737,000
29	Youth Tobacco Prevention Account--State Appropriation	\$1,512,000
30	Public Health Supplemental Account--Private/Local	
31	Appropriation	\$3,236,000
32	Accident Account--State Appropriation	\$304,000
33	Medical Aid Account--State Appropriation	\$50,000
34	Medicaid Fraud Penalty Account--State	
35	Appropriation	\$987,000
36	TOTAL APPROPRIATION	\$951,053,000

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

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

25 (b) The joint administrative rules review committee shall review  
26 the new or amended rules pertaining to primary and secondary school  
27 facilities under (a) of this subsection. The review committee shall  
28 determine whether (i) the rules are within the intent of the  
29 legislature as expressed by the statute that the rule implements, (ii)  
30 the rule has been adopted in accordance with all applicable provisions  
31 of law, or (iii) that the agency is using a policy or interpretive  
32 statement in place of a rule. The rules review committee shall report  
33 to the appropriate policy and fiscal committees of the legislature the  
34 results of committee's review and any recommendations that the  
35 committee deems advisable.

36 (2) In accordance with RCW 43.70.250 and 43.135.055, the department  
37 is authorized to establish and raise fees in fiscal year 2014 as  
38 necessary to meet the actual costs of conducting business and the

1 appropriation levels in this section. This authorization applies to  
2 fees required for newborn screening, and fees associated with the  
3 following professions: Agency affiliated counselors; certified  
4 counselors; and certified advisors.

5 (3) \$150,000 of the state toxics control account--state  
6 appropriation is provided solely to provide water filtration systems  
7 for low-income households with individuals at high public health risk  
8 from nitrate-contaminated wells in the lower Yakima basin.

9 (4)(a) \$64,000 of the medicaid fraud penalty account--state  
10 appropriation is provided solely for the department to integrate the  
11 prescription monitoring program into the coordinated care electronic  
12 tracking program developed in response to section 213, chapter 7, Laws  
13 of 2012, 2nd sp. sess., commonly referred to as the seven best  
14 practices in emergency medicine.

15 (b) The integration must provide prescription monitoring program  
16 data to emergency department personnel when the patient registers in  
17 the emergency department. Such exchange may be a private or public  
18 joint venture, including the use of the state health information  
19 exchange.

20 (c) As part of the integration, the department shall request  
21 insurers and third-party administrators that provide coverage to  
22 residents of Washington state to provide the following to the  
23 coordinated care electronic tracking program:

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

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

31 (5) \$270,000 of the general fund--state appropriation for fiscal  
32 year 2014 is provided solely for the Washington autism alliance to  
33 assist autistic individuals and families with autistic children during  
34 the transition to federal health reform.

35 (6) \$6,000 of the general fund--state appropriation for fiscal year  
36 2014 and \$5,000 of the general fund--state appropriation for fiscal  
37 year 2015 are provided solely for the department to convene a work  
38 group to study and recommend language for standardized clinical

1 affiliation agreements for clinical placements associated with the  
2 education and training of physicians licensed under chapter 18.71 RCW,  
3 osteopathic physicians and surgeons licensed under chapter 18.57 RCW,  
4 and nurses licensed under chapter 18.79 RCW. The work group shall  
5 develop one recommended standardized clinical affiliation agreement for  
6 each profession or one recommended standardized clinical affiliation  
7 agreement for all three professions.

8 (a) When choosing members of the work group, the department shall  
9 consult with the health care personnel shortage task force and shall  
10 attempt to ensure that the membership of the work group is  
11 geographically diverse. The work group must, at a minimum, include  
12 representatives of the following:

- 13 (i) Two-year institutions of higher education;
- 14 (ii) Four-year institutions of higher education;
- 15 (iii) The University of Washington medical school;
- 16 (iv) The college of osteopathic medicine at the Pacific Northwest  
17 University of Health Sciences;
- 18 (v) The health care personnel shortage task force;
- 19 (vi) Statewide organizations representing hospitals and other  
20 facilities that accept clinical placements;
- 21 (vii) A statewide organization representing physicians;
- 22 (viii) A statewide organization representing osteopathic physicians  
23 and surgeons;
- 24 (ix) A statewide organization representing nurses;
- 25 (x) A labor organization representing nurses; and
- 26 (xi) Any other groups deemed appropriate by the department in  
27 consultation with the health care personnel shortage task force.

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

31 (7) \$65,000 of the general fund--state appropriation for fiscal  
32 year 2014 and \$65,000 of the general fund--state appropriation for  
33 fiscal year 2015 are for the midwifery licensure and regulatory program  
34 to supplement revenue from fees. The department shall charge no more  
35 than five hundred twenty-five dollars annually for new or renewed  
36 licenses for the midwifery program.

37 (8) During the 2013-2015 fiscal biennium, each person subject to

1 RCW 43.70.110(3)(c) is required to pay only one surcharge of up to  
2 twenty-five dollars annually for the purposes of RCW 43.70.112,  
3 regardless of how many professional licenses the person holds.

4 (9) \$654,000 of the health professions account--state appropriation  
5 is provided solely for the implementation of Engrossed Senate Bill No.  
6 5206 (health sciences library). If the bill is not enacted by June 30,  
7 2013, the amount provided in this subsection shall lapse.

8 (10) \$35,000 of the health professions account--state appropriation  
9 is provided solely for the implementation of House Bill No. 1003  
10 (health professions licensees). If the bill is not enacted by June 30,  
11 2013, the amount provided in this subsection shall lapse.

12 (11) \$10,000 of the health professions account--state appropriation  
13 is provided solely for the implementation of Substitute House Bill No.  
14 1270 (board of denturists). If the bill is not enacted by June 30,  
15 2013, the amount provided in this subsection shall lapse.

16 (12) \$10,000 of the health professions account--state appropriation  
17 is provided solely for the implementation of Substitute House Bill No.  
18 1271 (denturism). If the bill is not enacted by June 30, 2013, the  
19 amount provided in this subsection shall lapse.

20 (13) \$11,000 of the health professions account--state appropriation  
21 is provided solely for the implementation of House Bill No. 1330  
22 (dental hygienists, assistants). If the bill is not enacted by June  
23 30, 2013, the amount provided in this subsection shall lapse.

24 (14) \$1,008,000 of the health professions account--state  
25 appropriation is provided solely for the implementation of Substitute  
26 House Bill No. 1343 (nurses surcharge). If the bill is not enacted by  
27 June 30, 2013, the amount provided in this subsection shall lapse.

28 (15) \$34,000 of the health professions account--state appropriation  
29 is provided solely for the implementation of Substitute House Bill No.  
30 1376 (suicide assessment training). If the bill is not enacted by June  
31 30, 2013, the amount provided in this subsection shall lapse.

32 (16) \$10,000 of the health professions account--state appropriation  
33 is provided solely for the implementation of Engrossed Substitute House  
34 Bill No. 1515 (medical assistants). If the bill is not enacted by June  
35 30, 2013, the amount provided in this subsection shall lapse.

36 (17) \$2,185,000 of the health professions account--state  
37 appropriation is provided solely for the implementation of Second

1 Substitute House Bill No. 1518 (disciplinary authorities). If the bill  
2 is not enacted by June 30, 2013, the amount provided in this subsection  
3 shall lapse.

4 (18) \$141,000 of the general fund--private/local appropriation is  
5 provided solely for the implementation of Substitute House Bill No.  
6 1525 (birth certificates). If the bill is not enacted by June 30,  
7 2013, the amount provided in this subsection shall lapse.

8 (19) \$220,000 of the health professions account--state  
9 appropriation is provided solely for the implementation of House Bill  
10 No. 1534 (impaired dentist program). If the bill is not enacted by  
11 June 30, 2013, the amount provided in this subsection shall lapse.

12 (20) \$51,000 of the health professions account--state appropriation  
13 is provided solely for the implementation of House Bill No. 1609 (board  
14 of pharmacy). If the bill is not enacted by June 30, 2013, the amount  
15 provided in this subsection shall lapse.

16 (21) \$12,000 of the health professions account--state appropriation  
17 is provided solely for the implementation of Substitute House Bill No.  
18 1629 (home care aide continuing education). If the bill is not enacted  
19 by June 30, 2013, the amount provided in this subsection shall lapse.

20 (22) \$18,000 of the health professions account--state appropriation  
21 is provided solely for the implementation of Substitute House Bill No.  
22 1737 (physician assistants). If the bill is not enacted by June 30,  
23 2013, the amount provided in this subsection shall lapse.

24 (23) \$77,000 of the general fund--state appropriation for fiscal  
25 year 2014 and \$38,000 of the general fund--state appropriation for  
26 fiscal year 2015 are provided solely to develop a report on state  
27 efforts to prevent and control diabetes. The department, the health  
28 care authority, and the department of social and health services shall  
29 submit a coordinated report to the governor and the appropriate  
30 committees of the legislature by December 31, 2014, on the following:

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

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

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

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

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

29 (e) An estimate of savings, efficiencies, costs, and budgetary  
30 savings and resources required to implement the plans and budget  
31 recommendations identified in (d) of this subsection (23).

32 (24) Within the general fund--state amounts appropriated in this  
33 section, the department of health will develop and administer the  
34 certified home care aide examination translated into at least seven  
35 languages in addition to the languages in which the examination is  
36 available on the effective date of this act. The purpose of offering  
37 the examination in additional languages is to encourage an adequate



1 supply of certified home care aides to meet diverse long-term care  
2 client needs.

3 (25) The department of health must establish and perform, within  
4 existing funds, a formal review process of its existing rules. The  
5 goal of the review is to decrease the numbers of, simplify the process,  
6 and decrease the time required for obtaining licenses, permits, and  
7 inspections, as applicable, in order to reduce the regulatory burden on  
8 businesses without compromising public health and safety. Benchmarks  
9 must be adopted to assess the effectiveness of streamlining efforts.  
10 The department must establish a process for effectively applying sunset  
11 provisions to rules when applicable. The department must report to the  
12 applicable committees of the legislature with its review process and  
13 benchmarks by January 2014.

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

15 (1) ADMINISTRATION AND SUPPORT SERVICES

16	General Fund--State Appropriation (FY 2014) . . . . .	\$56,437,000
17	General Fund--State Appropriation (FY 2015) . . . . .	\$54,779,000
18	Data Processing Revolving Account--State	
19	Appropriation . . . . .	\$1,249,000
20	TOTAL APPROPRIATION . . . . .	\$112,465,000

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

23 (a) \$35,000 of the general fund--state appropriation for fiscal  
24 year 2014 and \$35,000 of the general fund--state appropriation for  
25 fiscal year 2015 are provided solely for the support of a statewide  
26 council on mentally ill offenders that includes as its members  
27 representatives of community-based mental health treatment programs,  
28 current or former judicial officers, and directors and commanders of  
29 city and county jails and state prison facilities. The council will  
30 investigate and promote cost-effective approaches to meeting the  
31 long-term needs of adults and juveniles with mental disorders who have  
32 a history of offending or who are at-risk of offending, including their  
33 mental health, physiological, housing, employment, and job training  
34 needs.

35 (b) \$150,000 of the general fund--state appropriation for fiscal  
36 year 2014 and \$75,000 of the general fund--state appropriation for  
37 fiscal year 2015 are provided solely for the department to contract

1 with a consultant who can facilitate and provide project expertise on  
2 the implementation of community and prison based offender programming  
3 that follows the risk-needs-responsivity model.

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

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

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

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

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

35 (vi) The department shall hold the consultant on retainer to assist  
36 the department as needed throughout the implementation process. The  
37 consultant shall review quarterly the actual implementation compared to  
38 the written implementation plan and shall provide a report to the

1 secretary of the department. The department shall provide reports to  
2 the office of financial management and legislative fiscal committees as  
3 follows:

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

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

8 (2) CORRECTIONAL OPERATIONS

9	General Fund--State Appropriation (FY 2014) . . . . .	\$605,039,000
10	General Fund--State Appropriation (FY 2015) . . . . .	\$604,704,000
11	General Fund--Federal Appropriation . . . . .	\$3,322,000
12	Washington Auto Theft Prevention Authority Account--	
13	State Appropriation . . . . .	\$7,585,000
14	Environmental Legacy Stewardship Account--State	
15	Appropriation . . . . .	\$105,000
16	County Criminal Justice Assistance Account--State	
17	Appropriation . . . . .	\$390,000
18	TOTAL APPROPRIATION . . . . .	\$1,221,145,000

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

21 (a) During the 2013-2015 fiscal biennium, when contracts are  
22 established or renewed for offender pay phone and other telephone  
23 services provided to inmates, the department shall select the  
24 contractor or contractors primarily based on the following factors:  
25 (i) The lowest rate charged to both the inmate and the person paying  
26 for the telephone call; and (ii) the lowest commission rates paid to  
27 the department, while providing reasonable compensation to cover the  
28 costs of the department to provide the telephone services to inmates  
29 and provide sufficient revenues for the activities funded from the  
30 institutional welfare betterment account.

31 (b) \$501,000 of the general fund--state appropriation for fiscal  
32 year 2014 and \$501,000 of the general fund--state appropriation for  
33 fiscal year 2015 are provided solely for the department to maintain the  
34 facility, property, and assets at the institution formerly known as the  
35 maple lane school in Rochester. The department may not house  
36 incarcerated offenders at the maple lane site until specifically  
37 directed to do so by the legislature.

1 (c) By December 1, 2013, the department of corrections shall  
2 provide a report to the office of financial management and the  
3 appropriate fiscal and policy committees of the legislature that  
4 evaluates the department's inmate intake processes and expenditures and  
5 makes recommendations for improvements. The evaluation must include an  
6 analysis of lean management processes that, if adopted, could improve  
7 the efficiency and cost effectiveness of inmate intake.

8 (d) By December 1, 2013, the department of corrections shall  
9 provide a report to the office of financial management and the  
10 appropriate fiscal and policy committees of the legislature that  
11 evaluates the department's use of partial confinement and work release  
12 programs and makes recommendations for improving public safety and  
13 decreasing recidivism through increasing participation in partial  
14 confinement re-entry and work release programs. In making its  
15 recommendations, the department shall identify:

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

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

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

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

26 (e) By December 1, 2013, the department of corrections shall  
27 provide a report to the office of financial management and the  
28 appropriate fiscal and policy committees of the legislature that  
29 evaluates the department's community parenting alternative program, and  
30 makes recommendations for increasing participation in the program with  
31 the goals of increasing public safety and decreasing recidivism. The  
32 evaluation shall include recommendations for increasing the placement  
33 of eligible offenders into the program and increasing eligibility to  
34 other populations. In making its recommendations, the department shall  
35 identify the percent of the eligible population currently entering the  
36 program, outcomes to-date for program participants, and potential cost  
37 savings from increasing placement of offenders into the program.

1 (f) The department of corrections shall contract with local and  
2 tribal governments for the provision of jail capacity to house  
3 offenders who violate the terms of their community supervision. A  
4 contract shall not have a cost of incarceration in excess of \$85 per  
5 day per offender. A contract shall not have a year-to-year increase in  
6 excess of three percent per year. The contracts may include rates for  
7 the medical care of offenders which exceed the daily cost of  
8 incarceration and the limitation on year-to-year increase, provided  
9 that medical payments conform to the department's offender health plan,  
10 pharmacy formulary, and all off-site medical expenses are preapproved  
11 by department utilization management staff.

12 (g)(i) The legislature finds that it has taken several steps to  
13 mitigate the demand for prison capacity including funding evidence-  
14 based programming for offenders which is proven to reduce recidivism,  
15 funding evidence-based treatment alternatives to incarceration for  
16 drug-addicted offenders, standardizing inconsistencies in the drug  
17 sentencing grid, and authorizing the department to rent local jail  
18 beds. These steps will also assist the department's implementation of  
19 additional operational efficiencies by reducing costs related to  
20 offender intake, processing, and transportation.

21 (ii) Up to \$1,119,000 of the general fund--state appropriation for  
22 fiscal year 2014 and up to \$1,322,000 of the general fund--state  
23 appropriation for fiscal year 2015 may be used by the department to  
24 rent jail capacity for short-term offenders. In contracting for jail  
25 beds for short-term offenders, the department shall rent capacity from  
26 local and tribal governments to house offenders with an earned release  
27 date of less than one hundred twenty days remaining on his or her  
28 sentence at the time the offender would otherwise be transferred to a  
29 state correctional facility. The contracted daily costs for these  
30 offenders shall not exceed \$70 per offender including medical costs.

31 (h) The department of corrections shall issue a competitive  
32 solicitation by August 1, 2013, to contract with local jurisdictions  
33 for the use of inmate bed capacity in lieu of prison beds operated by  
34 the state. The department may contract for up to 300 beds statewide to  
35 the extent that it is at no net cost to the department. The department  
36 shall calculate and report the average cost per offender per day,  
37 inclusive of all services, on an annual basis for a facility that is  
38 representative of average medium or lower offender costs. The duration

1 of the contracts may be for up to four years. The department shall not  
2 pay a rate greater than \$65 per day per offender for all costs  
3 associated with the offender while in the local correctional facility  
4 to include programming and health care costs, or the equivalent of \$65  
5 per day per bed including programming and health care costs for full  
6 units. The capacity provided at local correctional facilities must be  
7 for offenders whom the department of corrections defines as medium or  
8 lower security offenders. Programming provided for inmates held in  
9 local jurisdictions is included in the rate, and details regarding the  
10 type and amount of programming, and any conditions regarding  
11 transferring offenders will be negotiated with the department as part  
12 of any contract. Local jurisdictions must provide health care to  
13 offenders that meet standards set by the department. The local jail  
14 will provide all medical care including unexpected emergent care. The  
15 department must utilize a screening process to ensure that offenders  
16 with existing extraordinary medical/mental health needs are not  
17 transferred to local jail facilities. If extraordinary medical  
18 conditions develop for an inmate while at a jail facility the jail may  
19 transfer the offender back to the department, subject to terms of the  
20 negotiated agreement. Health care costs incurred prior to transfer  
21 will be the responsibility of the jail. The department will report to  
22 legislative fiscal committees and the office of financial management by  
23 November 1, 2013, to provide a status update on implementation.

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

35 (j) \$1,026,000 of the general fund--state appropriation for fiscal  
36 year 2014 and \$781,000 of the general fund--state appropriation for  
37 fiscal year 2015 are provided solely to expand the piloted

1 risk-needs-responsivity model to include the use of cognitive  
2 behavioral therapy with evidence-based programming at two minimum  
3 security prison facilities and at the Monroe correctional complex.

4 (k) \$23,653,000 of the general fund--state appropriation for fiscal  
5 year 2014 and \$24,919,000 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 (l) \$36,000 of the general fund--state appropriation for fiscal  
15 year 2014 and \$36,000 of the general fund--state appropriation for  
16 fiscal year 2015 are provided solely for implementation of Engrossed  
17 Senate Bill No. 5484 (assault in the third-degree). If the bill is not  
18 enacted by June 30, 2013, the amounts provided in this subsection shall  
19 lapse.

20 (m) \$48,000 of the general fund--state appropriation for fiscal  
21 year 2014 and \$48,000 of the general fund--state appropriation for  
22 fiscal year 2015 are provided solely for implementation of Engrossed  
23 Substitute House Bill No. 1383 (stalking protection orders). If the  
24 bill is not enacted by June 30, 2013, the amounts provided in this  
25 subsection shall lapse.

26 (n) \$36,000 of the general fund--state appropriation for fiscal  
27 year 2014 and \$36,000 of the general fund--state appropriation for  
28 fiscal year 2015 are provided solely for implementation of Senate Bill  
29 No. 5149 (crimes against pharmacies). If the bill is not enacted by  
30 June 30, 2013, the amounts provided in this subsection shall lapse.

31 (o) \$24,000 of the general fund--state appropriation for fiscal  
32 year 2014 and \$24,000 of the general fund--state appropriation for  
33 fiscal year 2015 are provided solely for implementation of Engrossed  
34 Substitute Senate Bill No. 5669 (trafficking). If the bill is not  
35 enacted by June 30, 2013, the amounts provided in this subsection shall  
36 lapse.

37 (p) \$24,000 of the general fund--state appropriation for fiscal  
38 year 2014 and \$24,000 of the general fund--state appropriation for

1 fiscal year 2015 are provided solely for implementation of Engrossed  
2 Senate Bill No. 5053 (vehicle prowling). If the bill is not enacted by  
3 June 30, 2013, the amounts provided in this subsection shall lapse.

4 (q) \$96,000 of the county criminal justice assistance--state  
5 appropriation is provided solely for implementation of Engrossed Senate  
6 Bill No. 5105 (rental vouchers for offenders). If the bill is not  
7 enacted by June 30, 2013, the amount provided in this subsection shall  
8 lapse.

9 (3) COMMUNITY SUPERVISION

10	General Fund--State Appropriation (FY 2014) . . . . .	\$130,568,000
11	General Fund--State Appropriation (FY 2015) . . . . .	\$131,973,000
12	County Criminal Justice Assistance Account--State . . . . .	\$2,249,000
13	Ignition Interlock Device Revolving Account--State . . . . .	\$2,200,000
14	TOTAL APPROPRIATION . . . . .	\$266,990,000

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

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

25 (b) \$4,186,000 of the general fund--state appropriation for fiscal  
26 year 2014 and \$6,362,000 of the general fund--state appropriation for  
27 fiscal year 2015 must be expended on evidence-based programs that  
28 follow the risk-needs-responsivity model. The department is authorized  
29 to use up to ten percent of these funds as necessary to secure physical  
30 space as needed to maximize program delivery of evidence-based  
31 treatment to all high-risk, high-need offenders in community  
32 supervision. Funding may be prioritized by the department to any  
33 program recognized as evidence-based for adult offenders by the  
34 Washington state institute for public policy.

35 (c) \$16,513,000 of the general fund--state appropriation for fiscal  
36 year 2014 and \$16,527,000 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 (d) \$107,000 of the county criminal justice--state appropriation is  
8 provided solely for implementation of Engrossed Senate Bill No. 5105  
9 (rental vouchers for offenders). If the bill is not enacted by June  
10 30, 2013, the amount provided in this subsection shall lapse.

11 (4) CORRECTIONAL INDUSTRIES

12	General Fund--State Appropriation (FY 2014) . . . . .	\$6,780,000
13	General Fund--State Appropriation (FY 2015) . . . . .	\$7,182,000
14	TOTAL APPROPRIATION . . . . .	\$13,962,000

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

17 (a) \$3,293,000 of the general fund--state appropriation for fiscal  
18 year 2014 and \$3,707,000 of the general fund--state appropriation for  
19 fiscal year 2015 are provided solely for the stewardship of McNeil  
20 island. The department shall assume responsibility of all island  
21 maintenance excluding site specific maintenance operations for the  
22 special commitment center and the Pierce county secure transitional  
23 facility. The department shall as part of its industries program  
24 provide job skills to offenders while providing the minimum maintenance  
25 and preservation necessary for the state to remain in compliance with  
26 the federal deed for McNeil island. The department shall report on  
27 efficiencies and potential cost reductions to the office of financial  
28 management and legislative fiscal committees by December 15, 2013.

29 (b)(i) The department of social and health services shall transfer  
30 the stewardship of McNeil Island to the department of corrections  
31 industries program, effective September 1, 2013. The transferred  
32 responsibilities shall include marine operations, waste water  
33 treatment, water treatment, road maintenance, and any other general  
34 island maintenance that is not site specific to the operations of the  
35 special commitment center or the Pierce county secure community  
36 transition facility. Facility maintenance within the perimeter of the  
37 special commitment center shall remain the responsibility of the  
38 department of social and health services. Capital repairs and

1 maintenance necessary to maintain the special commitment center on  
2 McNeil Island shall be managed by the department of social and health  
3 services. The legislature directs both departments to enter into an  
4 interagency agreement by August 1, 2013. The office of financial  
5 management shall oversee the negotiations of the interagency agreement.  
6 The interagency agreement must describe equipment that will transfer  
7 between the departments, warehouse space that will be shared by the  
8 departments, and occupancy requirements for any shops outside the  
9 perimeter of the special commitment center. The office of financial  
10 management will make the final determination on any disagreements  
11 between the departments on the details of the interagency agreement.

12 (ii) All employees of the department of social and health services  
13 engaged in performing the powers, functions, and duties transferred to  
14 the department of corrections industries program under this subsection,  
15 are transferred to the department of corrections.

16 (iii) All classified employees of department of social and health  
17 services assigned to the department of corrections under this  
18 subsection whose positions are within an existing bargaining unit  
19 description at the department of corrections shall become a part of the  
20 existing bargaining unit at the department of corrections and shall be  
21 considered an appropriate inclusion or modification of the existing  
22 bargaining unit under the provisions of chapter 41.80 RCW.

23 (5) INTERAGENCY PAYMENTS

24 General Fund--State Appropriation (FY 2014) . . . . .	\$35,345,000
25 General Fund--State Appropriation (FY 2015) . . . . .	\$32,115,000
26 TOTAL APPROPRIATION . . . . .	\$67,460,000

27 The appropriations in this subsection are subject to the following  
28 conditions and limitations: The state prison medical facilities may  
29 use funds appropriated in this subsection to purchase goods and  
30 supplies through hospital or other group purchasing organizations when  
31 it is cost effective to do so.

32 NEW SECTION. **Sec. 221. FOR THE DEPARTMENT OF SERVICES FOR THE**  
33 **BLIND**

34 General Fund--State Appropriation (FY 2014) . . . . .	\$2,242,000
35 General Fund--State Appropriation (FY 2015) . . . . .	\$2,197,000
36 General Fund--Federal Appropriation . . . . .	\$21,060,000
37 General Fund--Private/Local Appropriation . . . . .	\$60,000

1	TOTAL APPROPRIATION . . . . .	\$25,559,000
2	<b><u>NEW SECTION. Sec. 222. FOR THE EMPLOYMENT SECURITY DEPARTMENT</u></b>	
3	General Fund--Federal Appropriation . . . . .	\$269,977,000
4	General Fund--Private/Local Appropriation . . . . .	\$34,206,000
5	Unemployment Compensation Administration Account--	
6	Federal Appropriation . . . . .	\$320,006,000
7	Administrative Contingency Account--State	
8	Appropriation . . . . .	\$22,728,000
9	Employment Service Administrative Account--State	
10	Appropriation . . . . .	\$35,567,000
11	TOTAL APPROPRIATION . . . . .	\$682,484,000

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

14 (1) \$5,000,000 of the unemployment compensation administration  
15 account--federal appropriation is from amounts made available to the  
16 state by section 903(g) of the social security act (Reed act). This  
17 amount is provided solely for continuing current unemployment insurance  
18 functions and department services to employers and job seekers.

19 (2) \$12,386,000 of the unemployment compensation administration  
20 account--federal appropriation is from amounts made available to the  
21 state by section 903(g) of the social security act (Reed act). This  
22 amount is provided solely for the replacement of the unemployment  
23 insurance tax information system for the employment security  
24 department. The amounts provided in this subsection are conditioned on  
25 the department satisfying the requirements of the project management  
26 oversight standards and policies established by the office of the chief  
27 information officer.

28 (3) \$3,735,000 of the unemployment compensation account--federal  
29 appropriation is from amounts made available to the state by section  
30 903(g) of the social security act (Reed act). This amount is provided  
31 solely for the replacement of call center technology to improve the  
32 integration of the telephone and computing systems to increase  
33 efficiency and improve customer service.

34 (4) \$182,000 of the employment services administrative account--  
35 state appropriation is provided for costs associated with the second  
36 stage of the review and evaluation of the training benefits program as  
37 directed in section 15(2), chapter 4, Laws of 2011 (unemployment

1 insurance program). This second stage shall be developed and conducted  
2 by the joint legislative audit and review committee and shall consist  
3 of further work on the process study and net-impact/cost-benefit  
4 analysis components of the evaluation.

5 (5) \$240,000 of the administrative contingency account--state  
6 appropriation is provided solely for the employment security department  
7 to contract with a center for workers in King county. The amount  
8 appropriated in this subsection shall be used by the contracted center  
9 for workers to support initiatives that generate high-skill, high-wage  
10 jobs; improve workforce and training systems; improve service delivery  
11 for dislocated workers; and build alliances with community and  
12 environmental organizations.

13 (6) The department is prohibited from expending amounts  
14 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)	\$445,000
General Fund--State Appropriation (FY 2015)	\$446,000
General Fund--Federal Appropriation	\$31,000
General Fund--Private/Local Appropriation	\$874,000
TOTAL APPROPRIATION	\$1,796,000

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

General Fund--State Appropriation (FY 2014)	\$25,929,000
General Fund--State Appropriation (FY 2015)	\$25,506,000
General Fund--Federal Appropriation	\$105,230,000
General Fund--Private/Local Appropriation	\$16,912,000
Reclamation Account--State Appropriation	\$3,735,000
Flood Control Assistance Account--State Appropriation	\$1,985,000
State Emergency Water Projects Revolving Account--State Appropriation	\$40,000
Waste Reduction/Recycling/Litter Control--State Appropriation	\$9,722,000
State Drought Preparedness Account--State Appropriation	\$204,000
State and Local Improvements Revolving Account (Water Supply Facilities)--State Appropriation	\$426,000
Environmental Legacy Stewardship Account--State Appropriation	\$43,748,000
Aquatic Algae Control Account--State Appropriation	\$513,000
Water Rights Tracking System Account--State Appropriation	\$46,000
Site Closure Account--State Appropriation	\$556,000
Wood Stove Education and Enforcement Account--State Appropriation	\$612,000
Worker and Community Right-to-Know Account--State Appropriation	\$1,701,000
Water Rights Processing Account--State Appropriation	\$135,000
State Toxics Control Account--State Appropriation	\$124,238,000

1	State Toxics Control Account--Private/Local	
2	Appropriation . . . . .	\$979,000
3	Local Toxics Control Account--State Appropriation . . . . .	\$3,774,000
4	Water Quality Permit Account--State Appropriation . . . . .	\$40,982,000
5	Underground Storage Tank Account--State Appropriation . . . . .	\$3,347,000
6	Biosolids Permit Account--State Appropriation . . . . .	\$1,848,000
7	Hazardous Waste Assistance Account--State	
8	Appropriation . . . . .	\$6,037,000
9	Air Pollution Control Account--State Appropriation . . . . .	\$3,128,000
10	Oil Spill Prevention Account--State Appropriation . . . . .	\$5,684,000
11	Air Operating Permit Account--State Appropriation . . . . .	\$3,132,000
12	Freshwater Aquatic Weeds Account--State Appropriation . . . . .	\$1,409,000
13	Oil Spill Response Account--State Appropriation . . . . .	\$7,076,000
14	Water Pollution Control Revolving Account--State	
15	Appropriation . . . . .	\$356,000
16	Water Pollution Control Revolving Account--Federal	
17	Appropriation . . . . .	\$1,505,000
18	Water Pollution Control Revolving Administration	
19	Account--State Appropriation . . . . .	\$1,021,000
20	Radioactive Mixed Waste Account--State Appropriation . . . . .	\$13,800,000
21	TOTAL APPROPRIATION . . . . .	\$455,316,000

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

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

29 (2) Pursuant to RCW 43.135.055, the department is authorized to  
30 increase the following fees as necessary to meet the actual costs of  
31 conducting business and the appropriation levels in this section:  
32 Wastewater discharge permit, not more than 4.55 percent in fiscal year  
33 2014 and 4.63 percent in fiscal year 2015; and reasonably available  
34 control technology fee.

35 (3) \$1,981,000 of the state toxics control account--state  
36 appropriation is for the department to provide training regarding the  
37 benefits of low-impact development including, but not limited to, when  
38 the use of low-impact development is appropriate and feasible, and the

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

17 (4) \$440,000 of the state toxics control account--state  
18 appropriation is provided solely for administering the water pollution  
19 control facilities financial assistance program authorized in chapter  
20 90.50A RCW.

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

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

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

1 (8) The department of ecology shall establish and perform, within  
2 existing funds, a formal review process of its existing rules. The  
3 goal of the review is to decrease the numbers of, simplify the process,  
4 and decrease the time required for obtaining licenses, permits, and  
5 inspections, as applicable, in order to reduce the regulatory burden on  
6 businesses without compromising public health and safety. Benchmarks  
7 must be adopted to assess the effectiveness of streamlining efforts.  
8 The department must establish a process for effectively applying sunset  
9 provisions to rules when applicable. The department must report to the  
10 applicable committees of the legislature with its review process and  
11 benchmarks by January 2014.

12 (9) The department shall collaborate with the middle snake river  
13 watershed, WRIA 35 planning unit in implementing its watershed plan.

14 (10)(a) \$14,000,000 of the general fund--state appropriation for  
15 fiscal year 2014 and \$14,000,000 of the general fund--state  
16 appropriation for fiscal year 2015 are for activities within the water  
17 resources program.

18 (b) Of the amounts provided in (a) of this subsection, \$500,000 of  
19 the general fund--state appropriation for fiscal year 2015 is provided  
20 solely for processing water right permit applications only if the  
21 department of ecology issues at least five hundred water right  
22 decisions in fiscal year 2014, and if the department of ecology does  
23 not issue at least five hundred water right decisions in fiscal year  
24 2014 the amount provided in this subsection shall lapse and remain  
25 unexpended. The department of ecology shall submit a report to the  
26 office of financial management and the state treasurer by June 30,  
27 2014, that documents whether five hundred water right decisions were  
28 issued in fiscal year 2014. For the purposes of this subsection,  
29 applications that are voluntarily withdrawn by an applicant do not  
30 count towards the five hundred water right decision requirement. For  
31 the purposes of water budget-neutral requests under chapter 173-539A  
32 WAC, multiple domestic connections authorized within a single water  
33 budget-neutral decision are considered one decision for the purposes of  
34 this subsection.

35 (11) The department of ecology, in consultation with the office of  
36 financial management, shall prepare a facilities plan to reduce the  
37 agency's facilities obligation and the agency's cost per FTE for its  
38 facilities by 2017 to align with comparable state agencies. The plan



1 must be submitted to the office of financial management and the  
 2 appropriate legislative fiscal committees by November 1, 2013. The  
 3 plan must include: (a) An inventory of all currently owned and leased  
 4 buildings, consistent with the data provided through the state's  
 5 facilities inventory process prescribed by the office of financial  
 6 management annually by September 1st; (b) a list of facilities  
 7 solutions that will reduce costs with an emphasis on consolidation,  
 8 collocation, and alternative space solutions such as shared workspace  
 9 and mobile work; and (c) a department-wide coordinated process and plan  
 10 for regularly evaluating facility needs.

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

13	General Fund--State Appropriation (FY 2014) . . . . .	\$4,254,000
14	General Fund--State Appropriation (FY 2015) . . . . .	\$4,254,000
15	General Fund--Federal Appropriation . . . . .	\$6,014,000
16	Winter Recreation Program Account--State Appropriation . . .	\$2,065,000
17	ORV and Nonhighway Vehicle Account--State Appropriation . . .	\$215,000
18	Snowmobile Account--State Appropriation . . . . .	\$4,859,000
19	Aquatic Lands Enhancement Account--State Appropriation . . . .	\$363,000
20	Parks Renewal and Stewardship Account--State	
21	Appropriation . . . . .	\$103,065,000
22	Parks Renewal and Stewardship Account--Private/Local	
23	Appropriation . . . . .	\$300,000
24	Waste Reduction/Recycling/Litter Control Account--State	
25	Appropriation . . . . .	\$1,700,000
26	TOTAL APPROPRIATION . . . . .	\$127,089,000

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

29 (1) \$79,000 of the general fund--state appropriation for fiscal  
 30 year 2014 and \$79,000 of the general fund--state appropriation for  
 31 fiscal year 2015 are provided solely for a grant for the operation of  
 32 the Northwest weather and avalanche center.

33 (2) Prior to closing any state park, the commission must notify all  
 34 affected local governments and relevant nonprofit organizations of the  
 35 intended closure and provide an opportunity for the notified local  
 36 governments and nonprofit organizations to elect to acquire, or enter

1 into, a maintenance and operating contract with the commission that  
2 would allow the park to remain open.

3 (3) The commission shall prepare a report on its efforts to  
4 increase revenue from all sources, including the discover pass. The  
5 report shall also include a status update on the fiscal health of the  
6 state parks system, and shall be submitted to the office of financial  
7 management and the appropriate committees of the legislature by October  
8 28, 2013.

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

11	General Fund--State Appropriation (FY 2014) . . . . .	\$823,000
12	General Fund--State Appropriation (FY 2015) . . . . .	\$815,000
13	General Fund--Federal Appropriation . . . . .	\$3,425,000
14	General Fund--Private/Local Appropriation . . . . .	\$24,000
15	Aquatic Lands Enhancement Account--State Appropriation . . . . .	\$480,000
16	Firearms Range Account--State Appropriation . . . . .	\$37,000
17	Recreation Resources Account--State Appropriation . . . . .	\$3,086,000
18	NOVA Program Account--State Appropriation . . . . .	\$964,000
19	TOTAL APPROPRIATION . . . . .	\$9,654,000

20 NEW SECTION. **Sec. 305. FOR THE ENVIRONMENTAL AND LAND USE**  
21 **HEARINGS OFFICE**

22	General Fund--State Appropriation (FY 2014) . . . . .	\$2,227,000
23	General Fund--State Appropriation (FY 2015) . . . . .	\$2,147,000
24	TOTAL APPROPRIATION . . . . .	\$4,374,000

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

26	General Fund--State Appropriation (FY 2014) . . . . .	\$6,841,000
27	General Fund--State Appropriation (FY 2015) . . . . .	\$6,738,000
28	General Fund--Federal Appropriation . . . . .	\$2,301,000
29	State Toxics Control Account--State Appropriation . . . . .	\$1,000,000
30	TOTAL APPROPRIATION . . . . .	\$16,880,000

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

33 (1) Within the amounts appropriated in this section, the  
34 conservation commission, in consultation with conservation districts,  
35 must submit to the office of financial management and legislative

1 fiscal committees by December 10, 2013, a report outlining  
2 opportunities to minimize districts' overhead costs, including  
3 consolidation of conservation districts within counties in which there  
4 is more than one district. The report must include details on the  
5 anticipated future savings that could be expected from implementing  
6 these efficiencies starting on July 1, 2014.

7 (2) \$300,000 of the general fund--state appropriation for fiscal  
8 year 2014 and \$246,000 of the general fund--state appropriation for  
9 fiscal year 2015 are provided solely to implement the voluntary  
10 stewardship program in Thurston and Chelan counties. These amounts may  
11 not be used to fund agency indirect and administrative expenses.

12 (3) \$1,000,000 of the general fund--federal appropriation is  
13 provided solely to implement the voluntary stewardship program  
14 statewide. The commission shall place the appropriation in this  
15 subsection in unallotted status, and may not allot any of these funds  
16 until the federal government has provided funding to the commission for  
17 the purpose of implementing the voluntary stewardship program.

18 (4) The conservation commission must evaluate the current system  
19 for the election of conservation district board supervisors and  
20 recommend improvements to ensure the highest degree of public  
21 involvement in these elections. The commission must engage with  
22 stakeholder groups and conservation districts to gather a set of  
23 options for improvement to district elections, which must include an  
24 option aligning district elections with state and local general  
25 elections. The commission must submit a report detailing the options  
26 to the office of financial management and appropriate committees of the  
27 legislature by December 10, 2013.

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

29	General Fund--State Appropriation (FY 2014) . . . . .	\$30,321,000
30	General Fund--State Appropriation (FY 2015) . . . . .	\$28,999,000
31	General Fund--Federal Appropriation . . . . .	\$107,585,000
32	General Fund--Private/Local Appropriation . . . . .	\$58,784,000
33	ORV and Nonhighway Vehicle Account--State Appropriation . . . . .	\$397,000
34	Aquatic Lands Enhancement Account--State	
35	Appropriation . . . . .	\$15,919,000
36	Recreational Fisheries Enhancement--State Appropriation . . . . .	\$2,590,000
37	Environmental Legacy Stewardship Account--State	

1	Appropriation . . . . .	\$1,224,000
2	Warm Water Game Fish Account--State Appropriation . . . . .	\$2,507,000
3	Eastern Washington Pheasant Enhancement Account--State	
4	Appropriation . . . . .	\$849,000
5	Aquatic Invasive Species Enforcement Account--State	
6	Appropriation . . . . .	\$209,000
7	Aquatic Invasive Species Prevention Account--State	
8	Appropriation . . . . .	\$737,000
9	State Wildlife Account--State Appropriation . . . . .	\$103,460,000
10	Special Wildlife Account--State Appropriation . . . . .	\$2,405,000
11	Special Wildlife Account--Federal Appropriation . . . . .	\$500,000
12	Special Wildlife Account--Private/Local Appropriation . . . . .	\$3,446,000
13	Wildlife Rehabilitation Account--State Appropriation . . . . .	\$259,000
14	Hydraulic Project Approval Account--State Appropriation . . . . .	\$674,000
15	Regional Fisheries Enhancement Salmonid Recovery	
16	Account--Federal Appropriation . . . . .	\$5,001,000
17	Oil Spill Prevention Account--State Appropriation . . . . .	\$917,000
18	Oyster Reserve Land Account--State Appropriation . . . . .	\$773,000
19	TOTAL APPROPRIATION . . . . .	\$367,556,000

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

22 (1) \$130,000 of the general fund--state appropriation for fiscal  
23 year 2014 and \$130,000 of the general fund--state appropriation for  
24 fiscal year 2015 are provided solely to pay for emergency fire  
25 suppression costs. These amounts may not be used to fund agency  
26 indirect and administrative expenses.

27 (2) Prior to submitting its 2015-2017 biennial operating and  
28 capital budget request related to state fish hatcheries to the office  
29 of financial management, the department shall contract with the  
30 hatchery scientific review group (HSRG) to review this request. This  
31 review shall: (a) Determine if the proposed requests are consistent  
32 with HSRG recommendations; (b) prioritize the components of the  
33 requests based on their contributions to protecting wild salmonid  
34 stocks and meeting the recommendations of the HSRG; and (c) evaluate  
35 whether the proposed requests are being made in the most cost effective  
36 manner. The department shall provide a copy of the HSRG review to the  
37 office of financial management with their agency budget proposal.

1 (3) \$400,000 of the general fund--state appropriation for fiscal  
2 year 2014 and \$400,000 of the general fund--state appropriation for  
3 fiscal year 2015 are provided solely for a state match to support the  
4 Puget Sound nearshore partnership between the department and the U.S.  
5 army corps of engineers.

6 (4) Within the amounts appropriated in this section, the department  
7 shall identify additional opportunities for partnerships in order to  
8 keep fish hatcheries operational. Such partnerships shall aim to  
9 maintain fish production and salmon recovery with less reliance on  
10 state operating funds.

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

14 (6) \$1,000,000 of the state wildlife account--state appropriation  
15 is provided solely to the department for resources that serve to  
16 promote and engage nonlethal deterrence methods relating to wolf and  
17 livestock interaction with a priority given to funding cooperative  
18 agreements with livestock producers, and of this amount, \$250,000 in  
19 fiscal year 2014 is provided solely for compensation for injury or loss  
20 of livestock caused by wolves as prescribed in chapter 77.36 RCW.

21 (7) \$100,000 of the state wildlife account--state appropriation is  
22 provided solely for the transfer of trout from the Clarks creek  
23 hatchery to the Lakewood hatchery.

24 (8) \$100,000 of the general fund--state appropriation for fiscal  
25 year 2014 and \$100,000 of the general fund--state appropriation for  
26 fiscal year 2015 are provided solely for the production of steelhead,  
27 coho, and Chinook salmon at the Clarks creek hatchery.

28 (9) \$200,000 of the state wildlife account--state appropriation,  
29 \$50,000 of the general fund--state appropriation for fiscal year 2014,  
30 and \$50,000 of the general fund--state appropriation for fiscal year  
31 2015 are provided solely for the department to increase production of  
32 juvenile fall Chinook on the Cowlitz river. The funds provided may be  
33 used to match or leverage funds from private or public sources for the  
34 same purpose.

35 (10) \$596,000 of the general fund--state appropriation for fiscal  
36 year 2014 and \$596,000 of the general fund--state appropriation for  
37 fiscal year 2015 are provided solely for weed assessments and for

1 payments in lieu of real property taxes to counties that elect to  
2 receive the payments for department owned game lands within the county.

3 (11) \$10,000 of the aquatic lands enhancement account--state  
4 appropriation is provided solely for development of an aquatic invasive  
5 species passport program to improve the efficiency and effectiveness of  
6 watercraft inspections by expediting aquatic invasive species  
7 watercraft inspections for watercraft at low risk of transmitting  
8 invasive species and prioritizing the use of available resources for  
9 the inspection of high risk vessels.

10 (12) Within the amounts appropriated in this section, the  
11 department must deploy additional wildlife conflict specialists to  
12 provide landowner assistance and address wildlife conflicts, with at  
13 least one additional specialist primarily assigned to each of the  
14 following areas: Administrative region six of the department; Okanogan  
15 and Chelan counties in administrative region two of the department; and  
16 Whatcom and Skagit counties in administrative region four of the  
17 department.

18 (13) \$25,000 of the general fund--state appropriation for fiscal  
19 year 2014 and \$25,000 of the general fund--state appropriation for  
20 fiscal year 2015 are provided solely for implementation of House Bill  
21 No. 1112 (science and public policy). If the bill is not enacted by  
22 June 30, 2013, the amounts provided in this subsection shall lapse.

23 (14) Within the amounts appropriated in this section the department  
24 shall work with the regional fisheries enhancement groups to identify  
25 a revenue source or sources capable of providing long-term funding to  
26 support the community-based salmon restoration work of regional  
27 fisheries enhancement groups. The department shall work with the  
28 regional fisheries enhancement group coalition to submit a report to  
29 the office of financial management and the appropriate legislative  
30 committees by December 1, 2013, with the outcomes and recommendations.

31 (15) The director must submit a revised payment methodology to the  
32 office of financial management and the fiscal committees of the  
33 legislature by October 1, 2013, on the allocation to counties as  
34 payments in lieu of real property taxes under RCW 77.12.203 for those  
35 counties that elected to receive an amount in lieu of real property  
36 taxes equal to that amount paid on similar parcels of open space land  
37 taxable under chapter 83.34 RCW as of January 1, 2013. The revised  
38 payment methodology shall be designed to provide supplemental payments

1 to the affected counties. The department shall not implement this  
2 methodology until it has been approved by the legislature and  
3 incorporated into the 2014 supplemental omnibus appropriations act.

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

5	General Fund--State Appropriation (FY 2014) . . . . .	\$42,515,000
6	General Fund--State Appropriation (FY 2015) . . . . .	\$45,092,000
7	General Fund--Federal Appropriation . . . . .	\$26,963,000
8	General Fund--Private/Local Appropriation . . . . .	\$2,372,000
9	Forest Development Account--State Appropriation . . . . .	\$49,054,000
10	ORV and Nonhighway Vehicle Account--State Appropriation . .	\$4,494,000
11	Surveys and Maps Account--State Appropriation . . . . .	\$2,170,000
12	Aquatic Lands Enhancement Account--State Appropriation . . .	\$3,634,000
13	Snowmobile Account--State Appropriation . . . . .	\$100,000
14	Environmental Legacy Stewardship Account--State	
15	Appropriation . . . . .	\$3,948,000
16	Resources Management Cost Account--State	
17	Appropriation . . . . .	\$111,073,000
18	Surface Mining Reclamation Account--State Appropriation . .	\$3,972,000
19	Disaster Response Account--State Appropriation . . . . .	\$5,000,000
20	Forest and Fish Support Account--State Appropriation . . .	\$11,759,000
21	Aquatic Land Dredged Material Disposal Site	
22	Account--State Appropriation . . . . .	\$843,000
23	Natural Resources Conservation Areas Stewardship	
24	Account--State Appropriation . . . . .	\$34,000
25	Marine Resources Stewardship Trust Account--State	
26	Appropriation . . . . .	\$3,700,000
27	State Toxics Control Account--State Appropriation . . . . .	\$80,000
28	Forest Practices Application Account--State	
29	Appropriation . . . . .	\$1,697,000
30	Air Pollution Control Account--State Appropriation . . . . .	\$785,000
31	NOVA Program Account--State Appropriation . . . . .	\$950,000
32	Derelict Vessel Removal Account--State Appropriation . . . .	\$1,770,000
33	Agricultural College Trust Management Account--State	
34	Appropriation . . . . .	\$2,712,000
35	TOTAL APPROPRIATION . . . . .	\$324,717,000

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

1 (1) \$1,389,000 of the general fund--state appropriation for fiscal  
2 year 2014 and \$1,323,000 of the general fund--state appropriation for  
3 fiscal year 2015 are provided solely for deposit into the agricultural  
4 college trust management account and are provided solely to manage  
5 approximately 70,700 acres of Washington State University's  
6 agricultural college trust lands.

7 (2) \$19,099,000 of the general fund--state appropriation for fiscal  
8 year 2014, \$19,099,000 of the general fund--state appropriation for  
9 fiscal year 2015, and \$5,000,000 of the disaster response account--  
10 state appropriation are provided solely for emergency fire suppression.  
11 None of the general fund and disaster response account amounts provided  
12 in this subsection may be used to fund agency indirect and  
13 administrative expenses. Agency indirect and administrative costs  
14 shall be allocated among the agency's remaining accounts and  
15 appropriations. The department of natural resources shall submit a  
16 quarterly report to the office of financial management and the  
17 legislative fiscal committees detailing information on current and  
18 planned expenditures from the disaster response account. This work  
19 shall be done in coordination with the military department.

20 (3) \$5,000,000 of the forest and fish support account--state  
21 appropriation is provided solely for outcome-based, performance  
22 contracts with tribes to participate in the implementation of the  
23 forest practices program. Contracts awarded may only contain indirect  
24 costs set at or below the rate in the contracting tribe's indirect cost  
25 agreement with the federal government. If federal funding for this  
26 purpose is reinstated, the amount provided in this subsection shall  
27 lapse.

28 (4) \$518,000 of the forest and fish support account--state  
29 appropriation is provided solely for outcome-based performance  
30 contracts with nongovernmental organizations to participate in the  
31 implementation of the forest practices program. Contracts awarded may  
32 only contain indirect cost set at or below a rate of eighteen percent.

33 (5) \$717,000 of the forest and fish support account--state  
34 appropriation is provided solely to fund interagency agreements with  
35 the department of ecology and the department of fish and wildlife as  
36 part of the adaptive management process.

37 (6) \$440,000 of the state general fund--state appropriation for  
38 fiscal year 2014 and \$440,000 of the state general fund--state



1 appropriation for fiscal year 2015 are provided solely for forest work  
2 crews that support correctional camps and are contingent upon  
3 continuing operations of Naselle youth camp.

4 (7) \$2,382,000 of the resource management cost account--state  
5 appropriation is for addressing the growing backlog of expired aquatic  
6 leases and new aquatic lease applications. The department shall  
7 implement a Lean process to improve the lease review process and  
8 further reduce the backlog, and submit a report on its progress in  
9 addressing the backlog and implementation of the Lean process to the  
10 governor and the appropriate committees of the legislature by October  
11 1, 2013.

12 (8) \$1,948,000 of the environmental legacy stewardship account--  
13 state appropriation is provided solely for the department to pay a  
14 portion of the costs to complete remedial investigation work at  
15 Whitmarsh landfill and Mill site A and perform final-year maintenance  
16 of the Olympic view triangle site in Commencement Bay.

17 (9) \$265,000 of the resources management cost account--state  
18 appropriation is provided solely for implementation of Second  
19 Substitute House Bill No. 1764 (geoduck diver licenses). If the bill  
20 is not enacted by June 30, 2013, the amount provided in this subsection  
21 shall lapse.

22 (10) \$425,000 of the derelict vessel removal account--state  
23 appropriation is provided solely for implementation of Engrossed  
24 Substitute House Bill No. 1245 (derelict and abandoned vessels). If  
25 the bill is not enacted by June 30, 2013, the amount provided in this  
26 subsection shall lapse.

27 (11) \$3,700,000 of the marine resources stewardship trust account--  
28 state appropriation is provided solely for implementation of priority  
29 marine management planning efforts including mapping activities,  
30 ecological assessment, data tools, stakeholder engagement, and all  
31 other work identified in Engrossed Senate Bill No. 5603 (marine  
32 advisory councils) during the 2013-2015 fiscal biennium.

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

34	General Fund--State Appropriation (FY 2014) . . . . .	\$15,300,000
35	General Fund--State Appropriation (FY 2015) . . . . .	\$15,294,000
36	General Fund--Federal Appropriation . . . . .	\$23,098,000
37	General Fund--Private/Local Appropriation . . . . .	\$192,000

1	Aquatic Lands Enhancement Account--State Appropriation . . .	\$2,837,000
2	State Toxics Control Account--State Appropriation . . . . .	\$5,203,000
3	Water Quality Permit Account--State Appropriation . . . . .	\$70,000
4	TOTAL APPROPRIATION . . . . .	\$61,994,000

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

7 (1) \$5,308,445 of the general fund--state appropriation for fiscal  
8 year 2014 and \$5,302,905 of the general fund--state appropriation for  
9 fiscal year 2015 are provided solely for implementing the food  
10 assistance program as defined in RCW 43.23.290.

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

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

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

32 NEW SECTION. **Sec. 310. FOR THE WASHINGTON POLLUTION LIABILITY**  
33 **INSURANCE PROGRAM**

34 Pollution Liability Insurance Program Trust

35	Account--State Appropriation . . . . .	\$987,000
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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) . . . . .	\$2,318,000
4	General Fund--Federal Appropriation . . . . .	\$11,570,000
5	Aquatic Lands Enhancement Account--State Appropriation . . .	\$1,920,000
6	State Toxics Control Account--State Appropriation . . . . .	.\$676,000
7	TOTAL APPROPRIATION . . . . .	\$18,900,000

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) . . . . .	\$1,341,000
6	Architects' License Account--State Appropriation . . . . .	\$902,000
7	Professional Engineers' Account--State	
8	Appropriation . . . . .	\$3,558,000
9	Real Estate Commission Account--State Appropriation . . . . .	\$9,929,000
10	Uniform Commercial Code Account--State	
11	Appropriation . . . . .	\$3,154,000
12	Real Estate Education Account--State Appropriation . . . . .	\$276,000
13	Real Estate Appraiser Commission Account--State	
14	Appropriation . . . . .	\$1,703,000
15	Business and Professions Account--State	
16	Appropriation . . . . .	\$17,454,000
17	Funeral and Cemetery Account--State Appropriation . . . . .	\$5,000
18	Landscape Architects' License 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	<b>TOTAL APPROPRIATION . . . . .</b>	<b>\$39,963,000</b>

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 (4) \$32,000 of the state wildlife account--state appropriation is  
10 provided solely for the implementation of Engrossed Second Substitute  
11 Senate Bill No. 5193 (wolf conflict management). If the bill is not  
12 enacted by June 30, 2013, the amount provided in this subsection shall  
13 lapse.

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

15	General Fund--State Appropriation (FY 2014) . . . . .	\$34,653,000
16	General Fund--State Appropriation (FY 2015) . . . . .	\$32,485,000
17	General Fund--Federal Appropriation . . . . .	\$16,189,000
18	General Fund--Private/Local Appropriation . . . . .	\$3,020,000
19	Death Investigations Account--State Appropriation . . . . .	\$9,956,000
20	Enhanced 911 Account--State Appropriation . . . . .	\$3,480,000
21	County Criminal Justice Assistance Account--State	
22	Appropriation . . . . .	\$3,332,000
23	Municipal Criminal Justice Assistance Account--State	
24	Appropriation . . . . .	\$1,351,000
25	Fire Service Trust Account--State Appropriation . . . . .	\$131,000
26	Disaster Response Account--State Appropriation . . . . .	\$8,000,000
27	Fire Service Training Account--State Appropriation . . . . .	\$9,797,000
28	Aquatic Invasive Species Enforcement Account--State	
29	Appropriation . . . . .	\$54,000
30	State Toxics Control Account--State Appropriation . . . . .	\$516,000
31	Fingerprint Identification Account--State	
32	Appropriation . . . . .	\$10,747,000
33	Vehicle License Fraud Account--State Appropriation . . . . .	\$447,000
34	TOTAL APPROPRIATION . . . . .	\$134,158,000

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

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

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

16 (3) \$700,000 of the fire service training account--state  
17 appropriation is provided solely for the firefighter apprenticeship  
18 training program.

19 (4) \$3,480,000 of the enhanced 911 account--state appropriation is  
20 provided solely for upgrades to the Washington state identification  
21 system and the Washington crime information center. Amounts provided  
22 in this subsection may not be expended until the office of the chief  
23 information officer approves a plan to move the Washington state  
24 patrol's servers and data center equipment into the state data center  
25 in the 1500 Jefferson building, and the office of the chief information  
26 officer certifies that the Washington state patrol has begun the move.  
27 The amounts provided in this subsection are conditioned on the  
28 department satisfying the requirements of the project management  
29 oversight standards and policies established by the office of the chief  
30 information officer.

31 (5) \$154,000 of the fingerprint identification account--state  
32 appropriation is provided solely for implementation of Substitute House  
33 Bill No. 1612 (firearms offenders). If the bill is not enacted by June  
34 30, 2013, the amount provided in this subsection shall lapse.

(End of part)

PART V  
EDUCATION

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

General Fund--State Appropriation (FY 2014) . . . . .	\$27,264,000
General Fund--State Appropriation (FY 2015) . . . . .	\$26,041,000
General Fund--Federal Appropriation . . . . .	\$63,826,000
General Fund--Private/Local Appropriation . . . . .	\$4,005,000
Performance Audits of Government Account--State Appropriation . . . . .	\$200,000
TOTAL APPROPRIATION . . . . .	\$121,336,000

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

(1) A maximum of \$16,881,000 of the general fund--state appropriation for fiscal year 2014 and \$16,602,000 of the general fund--state appropriation for fiscal year 2015 is for state agency operations.

(a) \$8,846,000 of the general fund--state appropriation for fiscal year 2014 and \$8,910,000 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

1 information: Purpose and objective, number of staff, number of  
2 contractors, status of proviso implementation, number of beneficiaries  
3 by year, list of beneficiaries, and proviso outcomes and achievements.

4 (iv) The superintendent of public instruction shall update the  
5 program prepared and distributed under RCW 28A.230.150 for the  
6 observation of temperance and good citizenship day to include providing  
7 an opportunity for eligible students to register to vote at school.

8 (v) The office of the superintendent of public instruction shall  
9 review career and technical education and skill center programs'  
10 funding enhancement formulas, expenditure accounting systems, and  
11 reporting. The office will make recommendations for revising the  
12 funding formulas, including the possibility of conversion to a model  
13 that enhances basic education rates, potential revisions to accounting  
14 systems, and recommendations for improving reporting and transparency.  
15 The office shall submit recommendations to the appropriate fiscal  
16 committees of the legislature and the office of financial management by  
17 October 1, 2013.

18 (vi) Appropriations in this section are sufficient for the office  
19 of the superintendent of public instruction to conduct ongoing  
20 consolidated program reviews of alternative learning experience  
21 programs and dropout reengagement programs established under chapter  
22 20, Laws of 2010. The office of the superintendent of public  
23 instruction shall include alternative learning education and dropout  
24 reengagement programs in their ongoing consolidated program reviews, as  
25 well as provide outreach and training to school districts regarding  
26 implementation of the programs. Findings from the program reviews will  
27 be used to support and prioritize office of the superintendent outreach  
28 and education efforts that assist school districts in implementing the  
29 programs in accordance with statute and legislative intent, as well as  
30 to support financial and performance audit work conducted by the office  
31 of the state auditor.

32 (b) \$1,017,000 of the general fund--state appropriation for fiscal  
33 year 2014 and \$1,017,000 of the general fund--state appropriation for  
34 fiscal year 2015 are provided solely for activities associated with the  
35 implementation of new school finance systems required by chapter 236,  
36 Laws of 2010 (K-12 education funding) and chapter 548, Laws of 2009  
37 (state's education system), including technical staff, systems



1 reprogramming, and workgroup deliberations, including the quality  
2 education council and the data governance working group.

3 (c) \$1,012,000 of the general fund--state appropriation for fiscal  
4 year 2014 and \$1,012,000 of the general fund--state appropriation for  
5 fiscal year 2015 are provided solely for the operation and expenses of  
6 the state board of education, including basic education assistance  
7 activities. Of these amounts, \$161,000 of the general fund--state  
8 appropriation for fiscal year 2014 and \$161,000 of the general fund--  
9 state appropriation for fiscal year 2015 are provided for  
10 implementation of Initiative Measure No. 1240 (charter schools).

11 (d) \$1,325,000 of the general fund--state appropriation for fiscal  
12 year 2014 and \$1,325,000 of the general fund--state appropriation for  
13 fiscal year 2015 are provided solely to the professional educator  
14 standards board for the following:

15 (i) \$1,050,000 in fiscal year 2014 and \$1,050,000 in fiscal year  
16 2015 are for the operation and expenses of the Washington professional  
17 educator standards board;

18 (ii) \$250,000 of the general fund--state appropriation for fiscal  
19 year 2014 and \$250,000 of the general fund--state appropriation for  
20 fiscal year 2015 are for mentor stipends provided through the  
21 alternative routes to certification program administered by the  
22 professional educator standards board, including the pipeline for  
23 paraeducators program and the retooling to teach conditional loan  
24 programs. Funding within this subsection (1)(d)(ii) is also provided  
25 for the recruiting Washington teachers program; and

26 (iii) \$25,000 of the general fund--state appropriation for fiscal  
27 year 2014 and \$25,000 of the general fund--state appropriation for  
28 fiscal year 2015 are provided solely for the professional educator  
29 standards board to develop educator interpreter standards and identify  
30 interpreter assessments that are available to school districts.  
31 Interpreter assessments should meet the following criteria: (A)  
32 Include both written assessment and performance assessment; (B) be  
33 offered by a national organization of professional sign language  
34 interpreters and transliterators; and (C) be designed to assess  
35 performance in more than one sign system or sign language. The board  
36 shall establish a performance standard, defining what constitutes a  
37 minimum assessment result, for each educational interpreter assessment

1 identified. The board shall publicize the standards and assessments  
2 for school district use.

3 (e) \$133,000 of the general fund--state appropriation for fiscal  
4 year 2014 and \$133,000 of the general fund--state appropriation for  
5 fiscal year 2015 are provided solely for the implementation of chapter  
6 240, Laws of 2010, including staffing the office of equity and civil  
7 rights.

8 (f) \$50,000 of the general fund--state appropriation for fiscal  
9 year 2014 and \$50,000 of the general fund--state appropriation for  
10 fiscal year 2015 are provided solely for the ongoing work of the  
11 education opportunity gap oversight and accountability committee.

12 (g) \$45,000 of the general fund--state appropriation for fiscal  
13 year 2014 and \$45,000 of the general fund--state appropriation for  
14 fiscal year 2015 are provided solely for the implementation of chapter  
15 380, Laws of 2009 (enacting the interstate compact on educational  
16 opportunity for military children).

17 (h) \$131,000 of the general fund--state appropriation for fiscal  
18 year 2014 and \$131,000 of the general fund--state appropriation for  
19 fiscal year 2015 are provided solely for the implementation of  
20 Initiative Measure No. 1240 (charter schools).

21 (i) \$1,826,000 of the general fund--state appropriation for fiscal  
22 year 2014 and \$1,802,000 of the general fund--state appropriation for  
23 fiscal year 2015 are provided solely for implementing a comprehensive  
24 data system to include financial, student, and educator data, including  
25 development and maintenance of the comprehensive education data and  
26 research system (CEDARS).

27 (j) \$25,000 of the general fund--state appropriation for fiscal  
28 year 2014 and \$25,000 of the general fund--state appropriation for  
29 fiscal year 2015 are provided solely for project citizen, a program  
30 sponsored by the national conference of state legislatures and the  
31 center for civic education to promote participation in government by  
32 middle school students.

33 (k) \$1,500,000 of the general fund--state appropriation for fiscal  
34 year 2014 and \$1,500,000 of the general fund--state appropriation for  
35 fiscal year 2015 are provided solely for collaborative schools for  
36 innovation and success authorized under chapter 53, Laws of 2012. The  
37 office of the superintendent of public instruction shall award \$500,000

1 per year in funding for each collaborative school for innovation and  
2 success selected for participation in the pilot program during 2012.

3 (l) \$123,000 of the general fund--state appropriation for fiscal  
4 year 2014 and \$123,000 of the general fund--state appropriation for  
5 fiscal year 2015 are provided solely for implementation of chapter 163,  
6 Laws of 2012 (foster care outcomes). The office of the superintendent  
7 of public instruction shall annually report each December on the  
8 implementation of the state's plan of cross-system collaboration to  
9 promote educational stability and improve education outcomes of foster  
10 youth.

11 (m) \$250,000 of the general fund--state appropriation for fiscal  
12 year 2014 and \$250,000 of the general fund--state appropriation for  
13 fiscal year 2015 are provided solely for implementation of chapter 178,  
14 Laws of 2012 (open K-12 education resources).

15 (n) \$93,000 of the general fund--state appropriation for fiscal  
16 year 2014 and \$93,000 of the general fund--state appropriation for  
17 fiscal year 2015 are provided solely for chapter 185, Laws of 2011  
18 (bullying prevention, which requires the office of the superintendent  
19 of public instruction to convene an ongoing workgroup on school  
20 bullying and harassment prevention. Within the amounts provided,  
21 \$140,000 is for youth suicide prevention activities.

22 (o) \$138,000 of the general fund--state appropriation for fiscal  
23 year 2014 is provided solely for implementation of House Bill No. 1336  
24 (troubled youth in school). If the bill is not enacted by June 30,  
25 2013, the amounts provided in this subsection shall lapse.

26 (p) \$68,000 of the general fund--state appropriation for fiscal  
27 year 2014 and \$14,000 of the general fund--state appropriation for  
28 fiscal year 2015 are provided solely for implementation of House Bill  
29 No. 1134 (state-tribal education compacts). If the bill is not enacted  
30 by June 30, 2013, the amounts provided in this subsection shall lapse.

31 (q) \$62,000 of the general fund--state appropriation for fiscal  
32 year 2014 and \$62,000 of the general fund--state appropriation for  
33 competitive grants to school districts to increase the capacity of high  
34 schools to offer AP computer science courses. In making grant  
35 allocations, the office of the superintendent of public instruction  
36 must give priority to schools and districts in rural areas, with  
37 substantial enrollment of low-income students, and that do not offer AP

1 computer science. School districts may apply to receive either or both  
2 of the following grants:

3 (i) A grant to establish partnerships to support computer science  
4 professionals from private industry serving on a voluntary basis as  
5 coinstructors along with a certificated teacher, including via  
6 synchronous video, for AP computer science courses; or

7 (ii) A grant to purchase or upgrade technology and curriculum  
8 needed for AP computer science, as well as provide opportunities for  
9 professional development for classroom teachers to have the requisite  
10 knowledge and skills to teach AP computer science.

11 (r) \$27,000 of the general fund--state appropriation for fiscal  
12 year 2014 is provided solely for implementation of House Bill No. 1556  
13 (cardiac arrest education).

14 (s) \$50,000 of the general fund--state appropriation for fiscal  
15 year 2014 is provided solely for the development of recommendations for  
16 funding integrated school nursing and outreach services. The office of  
17 the superintendent of public instruction shall collaborate with the  
18 health care authority to develop recommendations for increasing federal  
19 financial participation for providing nursing services in schools with  
20 the goals of integrating nursing and outreach services and supporting  
21 one nurse for every four-hundred fifty students in elementary schools  
22 and one nurse for every seven-hundred fifty students in secondary  
23 schools. The recommendations shall include proposals for funding  
24 training and reimbursement for nurses that provide outreach services to  
25 help eligible students enroll in apple health for kids and other social  
26 services programs. The authority and the office of the superintendent  
27 of public instruction shall provide these recommendations to the  
28 governor and the legislature by December 1, 2013.

29 (t) \$50,000 of the general fund--state appropriation for fiscal  
30 year 2014 is provided solely for the office of the superintendent of  
31 public instruction to contract with an organization to develop a model  
32 plan for evaluating the outcomes of state funded pilot education  
33 programs, including guidelines for standard data that must be gathered  
34 throughout any education pilot program, as well as guidance for data  
35 and evaluation methods depending on the design of the program and the  
36 target population. The contract must also include a provision to  
37 provide guidance for the evaluation of existing pilot programs.

1 (u) \$10,000 of the general fund--state appropriation for fiscal  
2 year 2014 and \$10,000 of the general fund--state appropriation for  
3 fiscal year 2015 are provided solely for the superintendent of public  
4 instruction to convene a committee for the selection and recognition of  
5 Washington innovative schools. The committee shall select and  
6 recognize Washington innovative schools based on the selection criteria  
7 established by the office of the superintendent of public instruction,  
8 in accordance with chapter 202, Laws of 2011 (innovation schools--  
9 recognition) and chapter 260, Laws of 2011 (innovation schools and  
10 zones).

11 (v) \$100,000 of the general fund--state appropriation for fiscal  
12 year 2014 and \$100,000 of the general fund--state appropriation for  
13 fiscal year 2015 are provided solely for the Mobius science center to  
14 expand mobile outreach of science, technology, engineering, and  
15 mathematics (STEM) education to students in rural, tribal, and  
16 low-income communities.

17 (2) \$200,000 of the performance audits of government account--state  
18 appropriation is provided solely for a one-time workload increase to  
19 address additional audit resolutions and appeals in the alternative  
20 learning experience programs.

21 (3) \$10,277,000 of the general fund--state appropriation for fiscal  
22 year 2014 and \$9,565,000 of the general fund--state appropriation for  
23 fiscal year 2015 are for statewide programs.

24 (a) HEALTH AND SAFETY

25 (i) \$2,541,000 of the general fund--state appropriation for fiscal  
26 year 2014 and \$2,541,000 of the general fund--state appropriation for  
27 fiscal year 2015 are provided solely for a corps of nurses located at  
28 educational service districts, as determined by the superintendent of  
29 public instruction, to be dispatched to the most needy schools to  
30 provide direct care to students, health education, and training for  
31 school staff.

32 (ii) \$135,000 of the general fund--state appropriation for fiscal  
33 year 2014 and \$135,000 of the general fund--state appropriation for  
34 fiscal year 2015 are provided solely for a nonviolence and leadership  
35 training program provided by the institute for community leadership.

36 (b) TECHNOLOGY

37 \$1,221,000 of the general fund--state appropriation for fiscal year  
38 2014 and \$1,221,000 of the general fund--state appropriation for fiscal

1 year 2015 are provided solely for K-20 telecommunications network  
2 technical support in the K-12 sector to prevent system failures and  
3 avoid interruptions in school utilization of the data processing and  
4 video-conferencing capabilities of the network. These funds may be  
5 used to purchase engineering and advanced technical support for the  
6 network.

7 (c) GRANTS AND ALLOCATIONS

8 (i) \$1,875,000 of the general fund--state appropriation for fiscal  
9 year 2014 and \$1,875,000 of the general fund--state appropriation for  
10 fiscal year 2015 are provided solely for the Washington state achievers  
11 scholarship program. The funds shall be used to support community  
12 involvement officers that recruit, train, and match community volunteer  
13 mentors with students selected as achievers scholars.

14 (ii) \$1,000,000 of the general fund--state appropriation for fiscal  
15 year 2014 and \$1,000,000 of the general fund--state appropriation for  
16 fiscal year 2015 are provided solely for contracting with a college  
17 scholarship organization with expertise in conducting outreach to  
18 students concerning eligibility for the Washington college bound  
19 scholarship consistent with chapter 405, Laws of 2007.

20 (iii) \$1,000,000 of the general fund--state appropriation for  
21 fiscal year 2014 and \$1,000,000 of the general fund--state  
22 appropriation for fiscal year 2015 are provided solely for dropout  
23 prevention, intervention, and reengagement programs, including the jobs  
24 for America's graduates (JAG) program and the building bridges  
25 statewide program.

26 (iv) \$2,112,000 of the general fund--state appropriation for fiscal  
27 year 2014 and \$1,400,000 of the general fund--state appropriation for  
28 fiscal year 2015 are provided solely for the implementation of chapter  
29 340, Laws of 2011 and chapter 51, Laws of 2012. This includes the  
30 development and implementation of the Washington kindergarten inventory  
31 of developing skills (WaKIDS).

32 (v) \$100,000 of the general fund--state appropriation for fiscal  
33 year 2014 and \$100,000 of the general fund--state appropriation for  
34 fiscal year 2015 are provided solely to subsidize advanced placement  
35 exam fees and international baccalaureate class fees and exam fees for  
36 low-income students. To be eligible for the subsidy, a student must be  
37 either enrolled or eligible to participate in the federal free or  
38 reduced price lunch program, and the student must have maximized the

1 allowable federal contribution. The office of the superintendent of  
2 public instruction shall set the subsidy in an amount so that the  
3 advanced placement exam fee does not exceed \$15.00 and the combined  
4 class and exam fee for the international baccalaureate does not exceed  
5 \$14.50.

6 (vi) \$293,000 of the general fund--state appropriation for fiscal  
7 year 2014 and \$293,000 of the general fund--state appropriation for  
8 fiscal year 2015 are provided solely for the office of the  
9 superintendent of public instruction to support the dissemination of  
10 the navigation 101 curriculum to all districts.

11 NEW SECTION. **Sec. 502. FOR THE SUPERINTENDENT OF PUBLIC**  
12 **INSTRUCTION--FOR GENERAL APPORTIONMENT**

13	General Fund--State Appropriation (FY 2014) . . . . .	\$5,395,289,000
14	General Fund--State Appropriation (FY 2015) . . . . .	\$5,581,336,000
15	Education Legacy Trust Account--State Appropriation . . .	\$328,563,000
16	TOTAL APPROPRIATION . . . . .	\$11,305,188,000

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

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

22 (b) For the 2013-14 and 2014-15 school years, the superintendent  
23 shall allocate general apportionment funding to school districts as  
24 provided in the funding formulas and salary schedules in sections 502  
25 and 503 of this act, excluding (c) of this subsection.

26 (c) From July 1, 2013, to August 31, 2013, the superintendent shall  
27 allocate general apportionment funding to school districts programs as  
28 provided in sections 502 and 503, chapter 50, Laws of 2011 1st sp.  
29 sess., as amended.

30 (d) The enrollment of any district shall be the annual average  
31 number of full-time equivalent students and part-time students as  
32 provided in RCW 28A.150.350, enrolled on the fourth day of school in  
33 September and on the first school day of each month October through  
34 June, including students who are in attendance pursuant to RCW  
35 28A.335.160 and 28A.225.250 who do not reside within the servicing  
36 school district. Any school district concluding its basic education

1 program in May must report the enrollment of the last school day held  
2 in May in lieu of a June enrollment.

3 (2) CERTIFICATED INSTRUCTIONAL STAFF ALLOCATIONS

4 Allocations for certificated instructional staff salaries for the  
5 2013-14 and 2014-15 school years are determined using formula-generated  
6 staff units calculated pursuant to this subsection.

7 (a) Certificated instructional staff units, as defined in RCW  
8 28A.150.410, shall be allocated to reflect the minimum class size  
9 allocations, requirements, and school prototypes assumptions as  
10 provided in RCW 28A.150.260, except that the allocation for guidance  
11 counselors in a middle school shall be 1.216 and the allocation for  
12 guidance counselors in a high school shall be 2.009, which enhancements  
13 are within the program of basic education. The superintendent shall  
14 make allocations to school districts based on the district's annual  
15 average full-time 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	2014-15
		School Year	School Year
27 Grades K-3	.....	25.23	25.23
28 Grade 4	.....	27.00	27.00
29 Grades 5-6	.....	27.00	27.00
30 Grades 7-8	.....	28.53	28.53
31 Grades 9-12	.....	28.74	28.74

32

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 (A) General education class size in high poverty schools:

7	Grade	RCW 28A.150.260
8	Grade 2 .....	24.10
9	Grade 3 .....	24.10
10	Grade 4 .....	27.00
11	Grades 5-6 .....	27.00
12	Grades 7-8 .....	28.53
13	Grades 9-12 .....	28.74

14 (B) For grades K-1, class size of 20.85 is provided for high  
15 poverty schools for the 2013-14 school year;

16 (C) For grades K through 1, the superintendent shall, at a minimum,  
17 allocate funding to high-poverty schools for the 2014-15 school year  
18 based on an average class size of 24.10 full-time equivalent students  
19 per teacher. The superintendent shall provide enhanced funding for  
20 class size reduction in grades K through 1 to the extent of, and  
21 proportionate to, the school's demonstrated actual average class size  
22 up to a class size of 20.30 full-time equivalent students per teacher.  
23 The office of the superintendent of public instruction shall develop  
24 rules to implement the enhanced funding authorized under (ii)(C) of  
25 this subsection and shall distribute draft rules for review no later  
26 than December 1, 2013. The office of the superintendent of public  
27 instruction shall report the draft rules and proposed methodology to  
28 the governor and the appropriate policy and fiscal committees of the  
29 legislature by December 1, 2013.

30 (D) The enhancement in this subsection (2)(c)(ii) is within the  
31 program of basic education.

32 (iii) Pursuant to RCW 28A.150.260(4)(a), the assumed teacher  
33 planning period, expressed as a percentage of a teacher work day, is  
34 13.42 percent in grades K-6, and 16.67 percent in grades 7-12; and

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

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

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

14	Career and Technical Education	
15	students . . . . .	2.02 per 1000 student FTE's
16	Skill Center students . . . . .	2.36 per 1000 student FTE's

17 (3) ADMINISTRATIVE STAFF ALLOCATIONS

18 (a) Allocations for school building-level certificated  
19 administrative staff salaries for the 2013-14 and 2014-15 school years  
20 for general education students are determined using the formula  
21 generated staff units calculated pursuant to this subsection. The  
22 superintendent shall make allocations to school districts based on the  
23 district's annual average full-time equivalent enrollment in each  
24 grade. The following prototypical school values shall determine the  
25 allocation for principals, assistance principals, and other  
26 certificated building level administrators:

27	Prototypical School Building:	
28	Elementary School	..... 1.253
29	Middle School	..... 1.353
30	High School	..... 1.880

31 (b) Students in approved career and technical education and skill  
32 center programs generate certificated school building-level  
33 administrator staff units at per student rates that are a multiple of  
34 the general education rate in (a) of this subsection by the following  
35 factors: Career and Technical Education students . . . . .1.025

1 Skill Center students . . . . . 1.198

2 (4) CLASSIFIED STAFF ALLOCATIONS

3 Allocations for classified staff units providing school building-  
4 level and district-wide support services for the 2013-14 and 2014-15  
5 school years are determined using the formula-generated staff units  
6 provided in RCW 28A.150.260, and adjusted based on each district's  
7 annual average full-time equivalent student enrollment in each grade,  
8 except that the allocation for parent involvement coordinators in an  
9 elementary school shall be 0.0825, which enhancement is within the  
10 program of basic education.

11 (5) CENTRAL OFFICE ALLOCATIONS

12 In addition to classified and administrative staff units allocated  
13 in subsections (3) and (4) of this section, classified and  
14 administrative staff units are provided for the 2013-14 and 2014-15  
15 school year for the central office administrative costs of operating a  
16 school district, at the following rates:

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

22 (b) Of the central office staff units calculated in (a) of this  
23 subsection, 74.53 percent are allocated as classified staff units, as  
24 generated in subsection (4) of this section, and 25.47 percent shall be  
25 allocated as administrative staff units, as generated in subsection (3)  
26 of this section.

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

32 (d) For students in approved career-technical and skill center  
33 programs, central office classified units are allocated at the same  
34 staff unit per student rate as those generated for general education  
35 students of the same grade in this subsection (5), and central office  
36 administrative staff units are allocated at staff unit per student  
37 rates that exceed the general education rate established for students  
38 in the same grade in this subsection (5) by 1.71 percent in the 2013-14

1 school year and 2.00 percent in the 2014-15 school year for career and  
2 technical education students, and 21.60 percent in the 2013-14 school  
3 year and 15.98 percent in the 2014-15 school year for skill center  
4 students.

5 (6) FRINGE BENEFIT ALLOCATIONS

6 Fringe benefit allocations shall be calculated at a rate of 18.68  
7 percent in the 2013-14 school year and 18.68 percent in the 2014-15  
8 school year for certificated salary allocations provided under  
9 subsections (2), (3), and (5) of this section, and a rate of 20.95  
10 percent in the 2013-14 school year and 20.95 percent in the 2014-15  
11 school year for classified salary allocations provided under  
12 subsections (4) and (5) of this section.

13 (7) INSURANCE BENEFIT ALLOCATIONS

14 Insurance benefit allocations shall be calculated at the  
15 maintenance rate specified in section 504 of this act, based on the  
16 number of benefit units determined as follows:

17 (a) The number of certificated staff units determined in  
18 subsections (2), (3), and (5) of this section; and

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

26 (8) MATERIALS, SUPPLIES, AND OPERATING COSTS (MSOC) ALLOCATIONS

27 Funding is allocated per annual average full-time equivalent  
28 student for the materials, supplies, and operating costs (MSOC)  
29 incurred by school districts, consistent with the requirements of RCW  
30 28A.150.260.

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

33 MSOC RATES/STUDENT FTE

34

1	MSOC Component	2013-14	2014-15
2		SCHOOL YEAR	SCHOOL YEAR
3			
4	Technology	\$77.46	\$82.16
5	Utilities and Insurance	\$210.46	\$223.23
6	Curriculum and Textbooks	\$83.17	\$88.21
7	Other Supplies and Library Materials	\$176.56	\$187.27
8	Instructional Professional Development for Certificated		
9	and Classified Staff	\$12.86	\$13.64
10	Facilities Maintenance	\$104.27	\$110.59
11	Security and Central Office	\$72.24	\$76.62
12	TOTAL BASIC EDUCATION MSOC/STUDENT FTE	\$737.02	\$781.72

13 (b) Students in approved skill center programs generate per student  
14 FTE MSOC allocations of \$1,244.25 for the 2013-14 school year and  
15 \$1,262.92 for the 2014-15 school year.

16 (c) Students in approved exploratory and preparatory career and  
17 technical education programs generate a per student MSOC allocation of  
18 \$1,399.30 for the 2013-14 school year and \$1,420.29 for the 2014-15  
19 school year.

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

23 (9) SUBSTITUTE TEACHER ALLOCATIONS

24 For the 2013-14 and 2014-15 school years, funding for substitute  
25 costs for classroom teachers is based on four (4) funded substitute  
26 days per classroom teacher unit generated under subsection (2) of this  
27 section, at a daily substitute rate of \$151.86.

28 (10) ALTERNATIVE LEARNING EXPERIENCE PROGRAM FUNDING

29 (a) Amounts provided in this section from July 1, 2013, to August  
30 31, 2013, are adjusted to reflect provisions of chapter 34, Laws of  
31 2011 1st sp. sess. (allocation of funding for funding for students  
32 enrolled in alternative learning experiences).

33 (b) Amounts provided in this section beginning September 1, 2013,  
34 are adjusted to reflect modifications to alternative learning  
35 experience courses in Engrossed Substitute Senate Bill No. 5946  
36 (student educational outcomes).

1 (c) The superintendent of public instruction shall require all  
2 districts receiving general apportionment funding for alternative  
3 learning experience (ALE) programs as defined in WAC 392-121-182 to  
4 provide separate financial accounting of expenditures for the ALE  
5 programs offered in district or with a provider, including but not  
6 limited to private companies and multidistrict cooperatives, as well as  
7 accurate, monthly headcount and FTE enrollment claimed for basic  
8 education, including separate counts of resident and nonresident  
9 students.

10 (11) VOLUNTARY FULL DAY KINDERGARTEN PROGRAMS

11 Funding in this section is sufficient to fund voluntary full day  
12 kindergarten programs in qualifying high poverty schools, pursuant to  
13 RCW 28A.150.220 and 28A.150.315. Each kindergarten student who enrolls  
14 for the voluntary full-day program in a qualifying school shall count  
15 as one-half of one full-time equivalent student for purpose of making  
16 allocations under this section. Funding in this section provides full-  
17 day kindergarten programs for 43.75 percent of kindergarten enrollment  
18 in the 2013-14 school year and 43.75 percent in the 2014-15 school  
19 year, which enhancement is within the program of basic education.

20 (12) INCREASED INSTRUCTIONAL HOURS FOR GRADES SEVEN THROUGH TWELVE

21 (a) School districts shall implement the increased instructional  
22 hours for the instructional program of basic education required under  
23 the provisions of RCW 28A.150.220(2)(a) beginning with the 2014-15  
24 school year, which enhancement is within the program of basic  
25 education.

26 (b) Amounts provided in this section are sufficient to fund  
27 increased instructional hours in grades seven through twelve. For the  
28 2014-15 school year, the superintendent shall allocate funding to  
29 school districts for increased instructional hours. In calculating the  
30 allocations, the superintendent shall assume the following averages:

31 (a) Additional instruction of 2.2222 hours per week per full-time  
32 equivalent student in grades seven through twelve in school year 2014-  
33 15; (b) the general education average class sizes specified in section  
34 502(2)(c); (c) 36 instructional weeks per year; (d) 900 instructional  
35 hours per teacher; and (e) the district's average staff mix and  
36 compensation rates as provided in sections 503 and 504 of this act.

1 (13) 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 (14) 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 (15) 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) \$605,000 of the general fund--state appropriation for fiscal  
25 year 2014 and \$614,000 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 (16) \$214,000 of the general fund--state appropriation for fiscal  
37 year 2014 and \$217,000 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 (17) Funding in this section is sufficient to fund a maximum of 1.6  
7 FTE enrollment for skills center students pursuant to chapter 463, Laws  
8 of 2007.

9 (18) 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 student achievement council, and the education  
19 data center, shall annually track and report to the fiscal committees  
20 of the legislature on the combined FTE experience of students  
21 participating in the running start program, including course load  
22 analyses at both the high school and community and technical college  
23 system.

24 (19) 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 (20)(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) . . . . .	\$365,120,000
33	General Fund--State Appropriation (FY 2015) . . . . .	\$427,408,000
34	TOTAL APPROPRIATION . . . . .	\$792,528,000

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. Funding in  
7 this section for school year 2014-15 constitutes full implementation of  
8 RCW 28A.160.192, which enhancement is within the program of basic  
9 education.

10 (b) From July 1, 2013 to August 31, 2013, the superintendent shall  
11 allocate funding to school districts programs for the transportation of  
12 students as provided in section 505, chapter 50, Laws of 2011 1st sp.  
13 sess., as amended.

14 (3) A maximum of \$892,000 of this fiscal year 2014 appropriation  
15 and a maximum of \$892,000 of the fiscal year 2015 appropriation may be  
16 expended for regional transportation coordinators and related  
17 activities. The transportation coordinators shall ensure that data  
18 submitted by school districts for state transportation funding shall,  
19 to the greatest extent practical, reflect the actual transportation  
20 activity of each district.

21 (4) The office of the superintendent of public instruction shall  
22 provide reimbursement funding to a school district for school bus  
23 purchases only after the superintendent of public instruction  
24 determines that the school bus was purchased from the list established  
25 pursuant to RCW 28A.160.195(2) or a comparable competitive bid process  
26 based on the lowest price quote based on similar bus categories to  
27 those used to establish the list pursuant to RCW 28A.160.195.

28 (5) The superintendent of public instruction shall base  
29 depreciation payments for school district buses on the pre-sales tax  
30 five-year average of lowest bids in the appropriate category of bus.  
31 In the final year on the depreciation schedule, the depreciation  
32 payment shall be based on the lowest bid in the appropriate bus  
33 category for that school year.

34 (6) Funding levels in this section reflect waivers granted by the  
35 state board of education for four-day school weeks as allowed under RCW  
36 28A.305.141.

37 (7) The office of the superintendent of public instruction shall  
38 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) . . . . .	\$702,149,000
33	General Fund--State Appropriation (FY 2015) . . . . .	\$738,043,000
34	General Fund--Federal Appropriation . . . . .	\$462,022,000
35	Education Legacy Trust Account--State Appropriation . . . . .	\$46,151,000
36	TOTAL APPROPRIATION . . . . .	\$1,948,365,000

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, except that the  
28 calculation of the base allocation also includes allocations for  
29 increased instructional hours for grades seven through twelve as  
30 provided under section 502(12)(b), which enhancement is within the  
31 program of basic education.

32 (b) From July 1, 2013 to August 31, 2013, the superintendent shall  
33 allocate funding to school district programs for special education  
34 students as provided in section 507, chapter 50, Laws of 2011 1st sp.  
35 sess., as amended.

36 (5) The following applies throughout this section: The definitions  
37 for enrollment and enrollment percent are as specified in RCW

1 28A.150.390(3). Each district's general fund--state funded special  
2 education enrollment shall be the lesser of the district's actual  
3 enrollment percent or 12.7 percent.

4 (6) At the request of any interdistrict cooperative of at least 15  
5 districts in which all excess cost services for special education  
6 students of the districts are provided by the cooperative, the maximum  
7 enrollment percent shall be calculated in accordance with RCW  
8 28A.150.390(3) (c) and (d), and shall be calculated in the aggregate  
9 rather than individual district units. For purposes of this  
10 subsection, the average basic education allocation per full-time  
11 equivalent student shall be calculated in the aggregate rather than  
12 individual district units.

13 (7) \$22,263,000 of the general fund--state appropriation for fiscal  
14 year 2014, \$34,392,000 of the general fund--state appropriation for  
15 fiscal year 2015, and \$29,574,000 of the general fund--federal  
16 appropriation are provided solely for safety net awards for districts  
17 with demonstrated needs for special education funding beyond the  
18 amounts provided in subsection (4) of this section. If the federal  
19 safety net awards based on the federal eligibility threshold exceed the  
20 federal appropriation in this subsection (7) in any fiscal year, the  
21 superintendent shall expend all available federal discretionary funds  
22 necessary to meet this need. At the conclusion of each school year,  
23 the superintendent shall recover safety net funds that were distributed  
24 prospectively but for which districts were not subsequently eligible.

25 (a) For the 2013-14 and 2014-15 school years, safety net funds  
26 shall be awarded by the state safety net oversight committee as  
27 provided in section 109(1) chapter 548, Laws of 2009 (ESHB 2261).

28 (b) The office of the superintendent of public instruction shall  
29 make award determinations for state safety net funding in August of  
30 each school year. Determinations on school district eligibility for  
31 state safety net awards shall be based on analysis of actual  
32 expenditure data from the current school year.

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

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

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

11 (11) \$252,000 of the general fund--state appropriation for fiscal  
12 year 2014 and \$252,000 of the general fund--state appropriation for  
13 fiscal year 2015 are provided solely for two additional full-time  
14 equivalent staff to support the work of the safety net committee and to  
15 provide training and support to districts applying for safety net  
16 awards.

17 (12) \$50,000 of the general fund--state appropriation for fiscal  
18 year 2014, \$50,000 of the general fund--state appropriation for fiscal  
19 year 2015, and \$100,000 of the general fund--federal appropriation  
20 shall be expended to support a special education ombudsman program  
21 within the office of superintendent of public instruction.

22 NEW SECTION.      **Sec. 508.      FOR THE SUPERINTENDENT OF PUBLIC**  
23 **INSTRUCTION--FOR EDUCATIONAL SERVICE DISTRICTS**

24	General Fund--State Appropriation (FY 2014) . . . . .	\$8,143,000
25	General Fund--State Appropriation (FY 2015) . . . . .	\$8,151,000
26	TOTAL APPROPRIATION . . . . .	\$16,294,000

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

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

32 (2) Funding within this section is provided for regional  
33 professional development related to mathematics and science curriculum  
34 and instructional strategies. Funding shall be distributed among the  
35 educational service districts in the same proportion as distributions  
36 in the 2007-2009 biennium. Each educational service district shall use  
37 this funding solely for salary and benefits for a certificated

1 instructional staff with expertise in the appropriate subject matter  
2 and in professional development delivery, and for travel, materials,  
3 and other expenditures related to providing regional professional  
4 development support.

5 (3) The educational service districts, at the request of the state  
6 board of education pursuant to RCW 28A.310.010 and 28A.305.130, may  
7 receive and screen applications for school accreditation, conduct  
8 school accreditation site visits pursuant to state board of education  
9 rules, and submit to the state board of education post-site visit  
10 recommendations for school accreditation. The educational service  
11 districts may assess a cooperative service fee to recover actual plus  
12 reasonable indirect costs for the purposes of this subsection.

13 NEW SECTION. **Sec. 509. FOR THE SUPERINTENDENT OF PUBLIC**  
14 **INSTRUCTION--FOR LOCAL EFFORT ASSISTANCE**

15	General Fund--State Appropriation (FY 2014) . . . . .	\$311,174,000
16	General Fund--State Appropriation (FY 2015) . . . . .	\$335,533,000
17	TOTAL APPROPRIATION . . . . .	\$646,707,000

18 The appropriations in this section are subject to the following  
19 conditions and limitations: For purposes of RCW 84.52.0531, the  
20 increase per full-time equivalent student is 4.914 percent from the  
21 2012-13 school year to the 2013-14 school year and 4.914 percent from  
22 the 2013-14 school year to the 2014-15 school year.

23 NEW SECTION. **Sec. 510. FOR THE SUPERINTENDENT OF PUBLIC**  
24 **INSTRUCTION--FOR INSTITUTIONAL EDUCATION PROGRAMS**

25	General Fund--State Appropriation (FY 2014) . . . . .	\$15,291,000
26	General Fund--State Appropriation (FY 2015) . . . . .	\$15,493,000
27	TOTAL APPROPRIATION . . . . .	\$30,784,000

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

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

33 (2) State funding provided under this section is based on salaries  
34 and other expenditures for a 220-day school year. The superintendent  
35 of public instruction shall monitor school district expenditure plans

1 for institutional education programs to ensure that districts plan for  
2 a full-time summer program.

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

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

10 (5) \$1,070,000 of the general fund--state appropriation for fiscal  
11 year 2014 and \$1,070,000 of the general fund--state appropriation for  
12 fiscal year 2015 are provided solely to maintain at least one  
13 certificated instructional staff and related support services at an  
14 institution whenever the K-12 enrollment is not sufficient to support  
15 one full-time equivalent certificated instructional staff to furnish  
16 the educational program. The following types of institutions are  
17 included: Residential programs under the department of social and  
18 health services for developmentally disabled juveniles, programs for  
19 juveniles under the department of corrections, programs for juveniles  
20 under the juvenile rehabilitation administration, and programs for  
21 juveniles operated by city and county jails.

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

24 **NEW SECTION. Sec. 511. FOR PROGRAMS FOR HIGHLY CAPABLE STUDENTS**

25	General Fund--State Appropriation (FY 2014) . . . . .	\$9,555,000
26	General Fund--State Appropriation (FY 2015) . . . . .	\$9,677,000
27	TOTAL APPROPRIATION . . . . .	\$19,232,000

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

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

33 (2)(a) For the 2013-14 and 2014-15 school years, the superintendent  
34 shall allocate funding to school district programs for highly capable  
35 students as provided in RCW 28A.150.260(10)(c). In calculating the  
36 allocations, the superintendent shall assume the following: (i)  
37 Additional instruction of 2.1590 hours per week per funded highly

1 capable program student; (ii) fifteen highly capable program students  
2 per teacher; (iii) 36 instructional weeks per year; (iv) 900  
3 instructional hours per teacher; and (v) the district's average staff  
4 mix and compensation rates as provided in sections 503 and 504 of this  
5 act.

6 (b) From July 1, 2013, to August 31, 2013, the superintendent shall  
7 allocate funding to school districts programs for highly capable  
8 students as provided in section 511, chapter 50, Laws of 2011 1st sp.  
9 sess., as amended.

10 (3) \$85,000 of the general fund--state appropriation for fiscal  
11 year 2014 and \$85,000 of the general fund--state appropriation for  
12 fiscal year 2015 are provided solely for the centrum program at Fort  
13 Worden state park.

14 NEW SECTION.      **Sec. 512.      FOR THE SUPERINTENDENT OF PUBLIC**  
15 **INSTRUCTION--FOR MISCELLANEOUS--NO CHILD LEFT BEHIND ACT**

16 General Fund--Federal Appropriation . . . . . \$4,052,000

17 NEW SECTION.      **Sec. 513.      FOR THE SUPERINTENDENT OF PUBLIC**  
18 **INSTRUCTION--EDUCATION REFORM PROGRAMS**

19 General Fund--State Appropriation (FY 2014) . . . . . \$121,840,000

20 General Fund--State Appropriation (FY 2015) . . . . . \$104,524,000

21 General Fund--Federal Appropriation . . . . . \$206,234,000

22 General Fund--Private/Local Appropriation . . . . . \$4,002,000

23 Education Legacy Trust Account--State Appropriation . . . . . \$1,599,000

24 TOTAL APPROPRIATION . . . . . \$438,199,000

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

27 (1)(a) \$44,575,000 of the general fund--state appropriation for  
28 fiscal year 2014, \$27,134,000 of the general fund--state appropriation  
29 for fiscal year 2015, \$1,350,000 of the education legacy trust  
30 account--state appropriation, and \$15,868,000 of the general fund--  
31 federal appropriation are provided solely for development and  
32 implementation of the Washington state assessment system, including:  
33 (i) Development and implementation of retake assessments for high  
34 school students who are not successful in one or more content areas and  
35 (ii) development and implementation of alternative assessments or  
36 appeals procedures to implement the certificate of academic

1 achievement. The superintendent of public instruction shall report  
2 quarterly on the progress on development and implementation of  
3 alternative assessments or appeals procedures. Within these amounts,  
4 the superintendent of public instruction shall contract for the early  
5 return of 10th grade student assessment results, on or around June 10th  
6 of each year. State funding to districts shall be limited to one  
7 collection of evidence payment per student, per content-area  
8 assessment.

9 (b) The superintendent of public instruction shall modify the  
10 statewide student assessment system and implement assessments developed  
11 with a multistate consortium beginning in the 2014-15 school year to  
12 assess student proficiency on the standards adopted under RCW  
13 28A.655.071 and including the provisions of House Bill No. 1450.

14 (2) \$356,000 of the general fund--state appropriation for fiscal  
15 year 2014 and \$356,000 of the general fund--state appropriation for  
16 fiscal year 2015 are provided solely for the Washington state  
17 leadership and assistance for science education reform (LASER) regional  
18 partnership activities coordinated at the Pacific science center,  
19 including instructional material purchases, teacher and principal  
20 professional development, and school and community engagement events.

21 (3) \$5,851,000 of the general fund--state appropriation for fiscal  
22 year 2014 and \$3,935,000 of the general fund--state appropriation for  
23 fiscal year 2014 are provided solely for implementation of a new  
24 performance-based evaluation for certificated educators and other  
25 activities as provided in chapter 235, Laws of 2010 (education reform)  
26 and chapter 35, Laws of 2012 (certificated employee evaluations).

27 (4)(a) \$45,263,000 of the general fund--state appropriation for  
28 fiscal year 2014 and \$49,673,000 of the general fund--state  
29 appropriation for fiscal year 2015 are provided solely for the  
30 following bonuses for teachers who hold valid, unexpired certification  
31 from the national board for professional teaching standards and who are  
32 teaching in a Washington public school, subject to the following  
33 conditions and limitations:

34 (i) For national board certified teachers, a bonus of \$5,090 per  
35 teacher in the 2013-14 and 2014-15 school years;

36 (ii) An additional \$5,000 annual bonus shall be paid to national  
37 board certified teachers who teach in either: (A) High schools where  
38 at least 50 percent of student headcount enrollment is eligible for



1 federal free or reduced price lunch, (B) middle schools where at least  
2 60 percent of student headcount enrollment is eligible for federal free  
3 or reduced price lunch, or (C) elementary schools where at least 70  
4 percent of student headcount enrollment is eligible for federal free or  
5 reduced price lunch;

6 (iii) The superintendent of public instruction shall adopt rules to  
7 ensure that national board certified teachers meet the qualifications  
8 for bonuses under (a)(ii) of this subsection for less than one full  
9 school year receive bonuses in a pro-rated manner. All bonuses in  
10 (a)(i) and (ii) of this subsection will be paid in July of each school  
11 year. Bonuses in (a)(i) and (ii) of this subsection shall be reduced  
12 by a factor of 40 percent for first year NBPTS certified teachers, to  
13 reflect the portion of the instructional school year they are  
14 certified; and

15 (iv) During the 2013-14 and 2014-15 school years, and within  
16 available funds, certificated instructional staff who have met the  
17 eligibility requirements and have applied for certification from the  
18 national board for professional teaching standards may receive a  
19 conditional loan of two thousand dollars or the amount set by the  
20 office of the superintendent of public instruction to contribute toward  
21 the current assessment fee, not including the initial up-front  
22 candidacy payment. The fee shall be an advance on the first annual  
23 bonus under RCW 28A.405.415. The conditional loan is provided in  
24 addition to compensation received under a district's salary schedule  
25 and shall not be included in calculations of a district's average  
26 salary and associated salary limitation under RCW 28A.400.200.  
27 Recipients who fail to receive certification after three years are  
28 required to repay the conditional loan. The office of the  
29 superintendent of public instruction shall adopt rules to define the  
30 terms for initial grant of the assessment fee and repayment, including  
31 applicable fees. To the extent necessary, the superintendent may use  
32 revenues from the repayment of conditional loan scholarships to ensure  
33 payment of all national board bonus payments required by this section  
34 in each school year.

35 (5) \$477,000 of the general fund--state appropriation for fiscal  
36 year 2014 and \$477,000 of the general fund--state appropriation for  
37 fiscal year 2015 are provided solely for the leadership internship  
38 program for superintendents, principals, and program administrators.

1 (6) \$950,000 of the general fund--state appropriation for fiscal  
2 year 2014 and \$950,000 of the general fund--state appropriation for  
3 fiscal year 2015 are provided solely for the Washington reading corps.  
4 The superintendent shall allocate reading corps members to low-  
5 performing schools and school districts that are implementing  
6 comprehensive, proven, research-based reading programs. Two or more  
7 schools may combine their Washington reading corps programs.

8 (7) \$810,000 of the general fund--state appropriation for fiscal  
9 year 2014 and \$810,000 of the general fund--state appropriation for  
10 fiscal year 2015 are provided solely for the development of a  
11 leadership academy for school principals and administrators. The  
12 superintendent of public instruction shall contract with an independent  
13 organization to operate a state-of-the-art education leadership academy  
14 that will be accessible throughout the state. Semiannually the  
15 independent organization shall report on amounts committed by  
16 foundations and others to support the development and implementation of  
17 this program. Leadership academy partners shall include the state  
18 level organizations for school administrators and principals, the  
19 superintendent of public instruction, the professional educator  
20 standards board, and others as the independent organization shall  
21 identify.

22 (8) \$2,000,000 of the general fund--state appropriation for fiscal  
23 year 2014 and \$2,000,000 of the general fund--state appropriation for  
24 fiscal year 2015 are provided solely for a statewide information  
25 technology (IT) academy program. This public-private partnership will  
26 provide educational software, as well as IT certification and software  
27 training opportunities for students and staff in public schools.

28 (9) \$1,277,000 of the general fund--state appropriation for fiscal  
29 year 2014 and \$1,277,000 of the general fund--state appropriation for  
30 fiscal year 2015 are provided solely for secondary career and technical  
31 education grants pursuant to chapter 170, Laws of 2008. If equally  
32 matched by private donations, \$300,000 of the 2014 appropriation and  
33 \$300,000 of the 2015 appropriation shall be used to support FIRST  
34 robotics programs. Of the amounts in this subsection, \$100,000 of the  
35 fiscal year 2014 appropriation and \$100,000 of the fiscal year 2015  
36 appropriation are provided solely for the purpose of statewide  
37 supervision activities for career and technical education student  
38 leadership organizations.

1 (10) \$125,000 of the general fund--state appropriation for fiscal  
2 year 2014 and \$125,000 of the general fund--state appropriation for  
3 fiscal year 2015 are provided solely for (a) staff at the office of the  
4 superintendent of public instruction to coordinate and promote efforts  
5 to develop integrated math, science, technology, and engineering  
6 programs in schools and districts across the state; and (b) grants of  
7 \$2,500 to provide twenty middle and high school teachers each year with  
8 professional development training for implementing integrated math,  
9 science, technology, and engineering programs in their schools.

10 (11) \$135,000 of the general fund--state appropriation for fiscal  
11 year 2014 and \$135,000 of the general fund--state appropriation for  
12 fiscal year 2015 are provided solely for science, technology,  
13 engineering and mathematics lighthouse projects, consistent with  
14 chapter 238, Laws of 2010.

15 (12) \$1,000,000 of the general fund--state appropriation for fiscal  
16 year 2014 and \$1,000,000 of the general fund--state appropriation for  
17 fiscal year 2015 are provided solely for a beginning educator support  
18 program. School districts and/or regional consortia may apply for  
19 grant funding. The superintendent shall implement this program in 5 to  
20 15 school districts and/or regional consortia. The program provided by  
21 a district and/or regional consortia shall include: A paid  
22 orientation; assignment of a qualified mentor; development of a  
23 professional growth plan for each beginning teacher aligned with  
24 professional certification; release time for mentors and new teachers  
25 to work together; and teacher observation time with accomplished peers.  
26 \$250,000 may be used to provide statewide professional development  
27 opportunities for mentors and beginning educators.

28 (13) \$250,000 of the general fund--state appropriation for fiscal  
29 year 2014 and \$250,000 of the general fund--state appropriation for  
30 fiscal year 2015 are provided solely for advanced project lead the way  
31 courses at ten high schools. To be eligible for funding in 2014, a  
32 high school must have offered a foundational project lead the way  
33 course during the 2012-13 school year. The 2014 funding must be used  
34 for one-time start-up course costs for an advanced project lead the way  
35 course, to be offered to students beginning in the 2013-14 school year.  
36 To be eligible for funding in 2015, a high school must have offered a  
37 foundational project lead the way course during the 2013-14 school  
38 year. The 2015 funding must be used for one-time start-up course costs

1 for an advanced project lead the way course, to be offered to students  
2 beginning in the 2014-15 school year. The office of the superintendent  
3 of public instruction and the education research and data center at the  
4 office of financial management shall track student participation and  
5 long-term outcome data.

6 (14) \$300,000 of the general fund--state appropriation for fiscal  
7 year 2014 and \$300,000 of the general fund--state appropriation for  
8 fiscal year 2015 are provided solely for annual start-up grants for  
9 aerospace and manufacturing technical programs housed at four skill  
10 centers. The grants are provided for start-up equipment and curriculum  
11 purchases. To be eligible for funding, the skill center must agree to  
12 provide regional high schools with access to a technology laboratory,  
13 expand manufacturing certificate and course offerings at the skill  
14 center, and provide a laboratory space for local high school teachers  
15 to engage in professional development in the instruction of courses  
16 leading to student employment certification in the aerospace and  
17 manufacturing industries. Once a skill center receives a start-up  
18 grant, it is ineligible for additional start-up funding in the  
19 following school year. The office of the superintendent of public  
20 instruction shall administer the grants in consultation with the center  
21 for excellence for aerospace and advanced materials manufacturing.

22 (15) \$150,000 of the general fund--state appropriation for fiscal  
23 year 2014 and \$150,000 of the general fund--state appropriation for  
24 fiscal year 2015 are provided solely for annual start-up grants to six  
25 high schools to implement the aerospace assembler program.  
26 Participating high schools must agree to offer the aerospace assembler  
27 training program to students by spring semester of school year 2013-14.  
28 Once a high school receives a start-up grant, it is ineligible for  
29 additional start-up funding in the following school year. The office  
30 of the superintendent of public instruction and the education research  
31 and data center at the office of financial management shall track  
32 student participation and long-term outcome data.

33 (16) \$10,000,000 of the general fund--state appropriation for  
34 fiscal year 2014 and \$5,000,000 of the general fund--state  
35 appropriation for fiscal year 2015 are provided solely for the  
36 provision of training for teachers in the performance-based teacher  
37 principal evaluation program. Of the amounts appropriated in this

1 subsection, \$5,000,000 for fiscal year 2014 is a one-time  
2 appropriation.

3 (17) \$3,600,000 of the general fund--state appropriation for fiscal  
4 year 2014 and \$6,681,000 of the general fund--state appropriation for  
5 fiscal year 2015 are provided solely for the implementation of  
6 Engrossed Second Substitute Senate Bill No. 5329 (persistently failing  
7 schools). If the bill is not enacted by June 30, 2013, the amounts  
8 provided in this subsection shall lapse.

9 (18) \$100,000 of the general fund--state appropriation for fiscal  
10 year 2014 and \$100,000 of the general fund--state appropriation for  
11 fiscal year 2015 are provided solely to promote the financial literacy  
12 of students. The effort will be coordinated through the financial  
13 literacy public-private partnership.

14 (19) \$109,000 of the general fund--state appropriation for fiscal  
15 year 2014 and \$99,000 of the general fund--state appropriation for  
16 fiscal year 2015 are provided solely for the office of the  
17 superintendent of public instruction to implement a youth dropout  
18 prevention program that incorporates partnerships between community-  
19 based organizations, schools, food banks and farms or gardens. The  
20 office of the superintendent of public instruction shall select one  
21 school district that must partner with an organization that is  
22 operating an existing similar program and that also has the ability to  
23 serve at least 40 students. Of the amount appropriated in this  
24 subsection, up to \$10,000 may be used by the office of the  
25 superintendent of public instruction for administration of the program.

26 (20) \$2,399,000 of the general fund--state appropriation for fiscal  
27 year 2014 and \$2,035,000 of the general fund--state appropriation for  
28 fiscal year 2015 are provided solely to implement Engrossed Substitute  
29 Senate Bill No. 5946 (strengthening student educational outcomes). If  
30 the bill is not enacted by June 30, 2013, the amounts provided in this  
31 subsection shall lapse.

32 (21) \$1,110,000 of the general fund--state appropriation for fiscal  
33 year 2014 and \$1,061,000 of the general fund--state appropriation for  
34 fiscal year 2015 are provided solely for chapter 184, Laws of 2013  
35 (Second Substitute House Bill No. 1642) (academic acceleration). Of  
36 the amount appropriated in this section, forty-nine thousand is  
37 provided as one-time funding.

1            NEW SECTION.        **Sec. 514.        FOR THE SUPERINTENDENT OF PUBLIC**  
2 **INSTRUCTION--FOR TRANSITIONAL BILINGUAL PROGRAMS**

3	General Fund--State Appropriation (FY 2014) . . . . .	\$95,500,000
4	General Fund--State Appropriation (FY 2015) . . . . .	\$106,120,000
5	General Fund--Federal Appropriation . . . . .	\$71,016,000
6	TOTAL APPROPRIATION . . . . .	\$272,636,000

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

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

12            (2)(a) For the 2013-14 and 2014-15 school years, the superintendent  
13 shall allocate funding to school districts for transitional bilingual  
14 programs under RCW 28A.180.010 through 28A.180.080, including programs  
15 for exited students, as provided in RCW 28A.150.260(10)(b) and the  
16 provisions of this section. In calculating the allocations, the  
17 superintendent shall assume the following averages: (i) Additional  
18 instruction of 4.7780 hours per week per transitional bilingual program  
19 student in grades kindergarten through twelve in school years 2013-14  
20 and 2014-15; (ii) additional instruction of 3.0000 hours per week in  
21 school year 2013-14 for the head count number of students who have  
22 exited the transitional bilingual instruction program within the  
23 previous school year based on their performance on the English  
24 proficiency assessment; (iii) additional instruction of 3.0000 hours  
25 per week in school year 2014-15 for the head count number of students  
26 who have exited the transitional bilingual instruction program within  
27 the previous two years based on their performance on the English  
28 proficiency assessment; (iv) fifteen transitional bilingual program  
29 students per teacher; (v) 36 instructional weeks per year; (vi) 900  
30 instructional hours per teacher; and (vii) the district's average staff  
31 mix and compensation rates as provided in sections 503 and 504 of this  
32 act.

33            (b) From July 1, 2013, to August 31, 2013, the superintendent shall  
34 allocate funding to school districts for transitional bilingual  
35 instruction programs as provided in section 514, chapter 50, Laws of  
36 2011 1st sp. sess., as amended.

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: 1.76 percent for school year 2013-14 and 1.59  
3 percent for school year 2014-15.

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) \$35,000 of the general fund--state appropriation for fiscal  
9 year 2014 and \$35,000 of the general fund--state appropriation for  
10 fiscal year 2015 are provided solely to track current and former  
11 transitional bilingual program students.

12 NEW SECTION. **Sec. 515. FOR THE SUPERINTENDENT OF PUBLIC**  
13 **INSTRUCTION--FOR THE LEARNING ASSISTANCE PROGRAM**

14	General Fund--State Appropriation (FY 2014) . . . . .	\$196,356,000
15	General Fund--State Appropriation (FY 2015) . . . . .	\$218,335,000
16	General Fund--Federal Appropriation . . . . .	\$448,434,000
17	TOTAL APPROPRIATION . . . . .	\$863,125,000

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

20 (1) The general fund--state appropriations in this section are  
21 subject to the following conditions and limitations:

22 (a) The appropriations include such funds as are necessary to  
23 complete the school year ending in the fiscal year and for prior fiscal  
24 year adjustments.

25 (b)(i) For the 2013-14 and 2014-15 school years, the superintendent  
26 shall allocate funding to school districts for learning assistance  
27 programs as provided in RCW 28A.150.260(10)(a), except that the  
28 allocation for the additional instructional hours shall be enhanced as  
29 provided in this section, which enhancements are within the program of  
30 the basic education. In calculating the allocations, the  
31 superintendent shall assume the following averages: (A) Additional  
32 instruction of 2.3975 hours per week per funded learning assistance  
33 program student for the 2013-14 school year and the 2014-15 school  
34 year; (B) fifteen learning assistance program students per teacher; (C)  
35 36 instructional weeks per year; (D) 900 instructional hours per  
36 teacher; and (E) the district's average staff mix and compensation  
37 rates as provided in sections 503 and 504 of this act.

1 (ii) From July 1, 2013, to August 31, 2013, the superintendent  
2 shall allocate funding to school districts for learning assistance  
3 programs as provided in section 515, chapter 50, Laws of 2011 1st sp.  
4 sess., as amended.

5 (c) A school district's funded students for the learning assistance  
6 program shall be the sum of the district's full-time equivalent  
7 enrollment in grades K-12 for the prior school year multiplied by the  
8 district's percentage of October headcount enrollment in grades K-12  
9 eligible for free or reduced price lunch in the prior school year.

10 (2) Allocations made pursuant to subsection (1) of this section  
11 shall be adjusted to reflect ineligible applications identified through  
12 the annual income verification process required by the national school  
13 lunch program, as recommended in the report of the state auditor on the  
14 learning assistance program dated February, 2010.

15 (3) The general fund--federal appropriation in this section is  
16 provided for Title I Part A allocations of the no child left behind act  
17 of 2001.

18 (4) A school district may carry over from one year to the next up  
19 to 10 percent of the general fund--state funds allocated under this  
20 program; however, carryover funds shall be expended for the learning  
21 assistance program.

22 NEW SECTION. **Sec. 516. FOR THE SUPERINTENDENT OF PUBLIC**  
23 **INSTRUCTION**

24 (1) Amounts distributed to districts by the superintendent through  
25 part V of this act are for allocations purposes only, unless specified  
26 by part V of this act, and do not entitle a particular district,  
27 district employee, or student to a specific service, beyond what has  
28 been expressly provided in statute. Part V of this act restates the  
29 requirements of various sections of Title 28A RCW. If any conflict  
30 exists, the provisions of Title 28A RCW control unless this act  
31 explicitly states that it is providing an enhancement. Any amounts  
32 provided in part V of this act in excess of the amounts required by  
33 Title 28A RCW provided in statute, are not within the program of basic  
34 education unless clearly stated by this act.

35 (2) To the maximum extent practicable, when adopting new or revised  
36 rules or policies relating to the administration of allocations in part



1 V of this act that result in fiscal impact, the office of the  
2 superintendent of public instruction shall attempt to seek legislative  
3 approval through the budget request process.

4 (3) Appropriations made in this act to the office of the  
5 superintendent of public instruction shall initially be allotted as  
6 required by this act. Subsequent allotment modifications shall not  
7 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)(a) For institutions receiving appropriations in section 605 of  
26 this act, the only allowable salary increases provided are those with  
27 normally occurring promotions and increases related to faculty and  
28 staff retention, except as provided in section 604(4) of this act. In  
29 fiscal year 2014 and fiscal year 2015, the state board for community  
30 and technical colleges may use salary and benefit savings from faculty  
31 turnover to provide salary increments and associated benefits for  
32 faculty who qualify through professional development and training.

33       (b) For employees under the jurisdiction of chapter 41.56 RCW,  
34 salary increases will be in accordance with the applicable collective

1 bargaining agreement. However, an increase shall not be provided to  
2 any classified employee whose salary is above the approved salary range  
3 maximum for the class to which the employee's position is allocated.

4 (c) For each institution of higher education receiving  
5 appropriations under sections 606 through 611 of this act:

6 (i) The only allowable salary increases are those associated with  
7 normally occurring promotions and increases related to faculty and  
8 staff retention; and

9 (ii) Institutions may provide salary increases from other sources  
10 to instructional and research faculty at the universities and The  
11 Evergreen State College, exempt professional staff, teaching and  
12 research assistants, as classified by the office of financial  
13 management, and all other nonclassified staff, but not including  
14 employees under chapter 41.80 RCW. Any salary increase granted under  
15 the authority of this subsection (4)(c)(ii) shall not be included in an  
16 institution's salary base for future state funding. It is the intent  
17 of the legislature that state general fund support for an institution  
18 shall not increase during the current or any future biennium as a  
19 result of any salary increases authorized under this subsection  
20 (4)(c)(ii).

21 NEW SECTION. **Sec. 602.** (1) Within the amounts appropriated in  
22 this act, each institution of higher education is expected to enroll  
23 and educate at least the following numbers of full-time equivalent  
24 state-supported students per academic year:

	2013-14	2014-15
	Annual Average	Annual Average
27 University of Washington	37,162	37,162
28 Washington State University	22,228	22,228
29 Central Washington University	9,105	9,105
30 Eastern Washington University	8,734	8,734
31 The Evergreen State College	4,335	4,335
32 Western Washington University	12,710	12,710
33 State Board for Community & 34 Technical Colleges		
35 Adult Students	139,237	139,237

2 (2) In achieving or exceeding these enrollment targets, each  
3 institution shall seek to:

4 (a) Maintain and to the extent possible increase enrollment  
5 opportunities at branch campuses;

6 (b) Maintain and to the extent possible increase enrollment  
7 opportunities at university centers and other partnership programs that  
8 enable students to earn baccalaureate degrees on community college  
9 campuses; and

10 (c) Eliminate and consolidate programs of study for which there is  
11 limited student or employer demand, or that are not areas of core  
12 academic strength for the institution, particularly when such programs  
13 duplicate offerings by other in-state institutions.

14 (3) For purposes of monitoring and reporting statewide enrollment,  
15 the University of Washington and Washington State University shall  
16 notify the office of financial management of the number of full-time  
17 student equivalent enrollments budgeted for each of their campuses.

18 **NEW SECTION. Sec. 603. PUBLIC BACCALAUREATE INSTITUTIONS**

19 (1) In order to operate within the state funds appropriated in this  
20 act, the governing boards of the state research universities, the state  
21 regional universities, and The Evergreen State College are authorized  
22 to adopt and adjust tuition and fees for the 2013-14 and 2014-15  
23 academic years as provided in this section.

24 (2) For the purposes of chapter 28B.15 RCW, the omnibus  
25 appropriations act assumes no increase of tuition levels for resident  
26 undergraduate students over the amounts charged to resident  
27 undergraduate students for the prior year.

28 (3) Appropriations in sections 606 through 611 of this act are  
29 sufficient to maintain resident undergraduate tuition levels at the  
30 levels charged to resident undergraduate students during the 2012-13  
31 academic year. As a result, for the 2013-14 academic year, the  
32 institutions of higher education shall not adopt resident undergraduate  
33 tuition levels that are greater than the tuition levels assumed in  
34 subsection (2) of this section. For the 2014-15 academic year, the  
35 institutions of higher education are authorized to adopt tuition levels  
36 for resident undergraduate students that are less than, equal to, or

1 greater than tuition levels assumed in the omnibus appropriations act  
2 in subsection (2) of this section. However, to the extent that tuition  
3 levels exceed the tuition levels assumed in subsection (2) of this  
4 section, the institution of higher education shall be subject to the  
5 conditions and limitations provided in RCW 28B.15.102.

6 (4) Each governing board is authorized to increase tuition charges  
7 to graduate and professional students, and to nonresident undergraduate  
8 students, by amounts judged reasonable and necessary by the governing  
9 board.

10 (5) Each governing board is authorized to increase summer quarter  
11 or semester tuition fees for resident and nonresident undergraduate,  
12 graduate, and professional students pursuant to RCW 28B.15.067.

13 (6) Each governing board is authorized to adopt or increase charges  
14 for fee-based, self-sustaining degree programs, credit courses,  
15 noncredit workshops and courses, and special contract courses by  
16 amounts judged reasonable and necessary by the governing board.

17 (7) Each governing board is authorized to adopt or increase  
18 services and activities fees for all categories of students as provided  
19 in RCW 28B.15.069.

20 (8) Each governing board is authorized to adopt or increase  
21 technology fees as provided in RCW 28B.15.069.

22 (9) Each governing board is authorized to adopt or increase special  
23 course and lab fees, and health and counseling fees, to the extent  
24 necessary to cover the reasonable and necessary exceptional cost of the  
25 course or service.

26 (10) Each governing board is authorized to adopt or increase  
27 administrative fees such as, but not limited to, those charged for  
28 application, matriculation, special testing, and transcripts by amounts  
29 judged reasonable and necessary by the governing board.

30 (11) The state universities, the regional universities, and The  
31 Evergreen State College must accept the transfer of college-level  
32 courses taken by running start students if a student seeking a transfer  
33 of the college-level courses has been admitted to the state university,  
34 the regional university, or The Evergreen State College, and if the  
35 college-level courses are recognized as transferrable by the admitting  
36 institution of higher education.

37 (12) Appropriations in sections 606 through 611 of this act are  
38 sufficient to implement 2013-2015 collective bargaining agreements at

1 institutions of higher education negotiated under chapter 41.80 RCW.  
2 The institutions may also use these funds for any other purpose  
3 including restoring prior compensation reductions, increasing  
4 compensation, and implementing other collective bargaining agreements.

5 NEW SECTION. **Sec. 604. STATE BOARD FOR COMMUNITY AND TECHNICAL**  
6 **COLLEGES**

7 (1) In order to operate within the state funds appropriated in this  
8 act, the state board is authorized to adopt and adjust tuition and fees  
9 for the 2013-14 and 2014-15 academic years as provided in this section.

10 (2) For the purposes of chapter 28B.15 RCW, appropriations in the  
11 omnibus appropriations act assumes no increase in tuition levels for  
12 resident undergraduate students over the amounts charged to resident  
13 undergraduate students for the prior year. For the 2014-15 academic  
14 year, the state board is authorized to adopt tuition levels for  
15 resident undergraduate students that are less than, equal to, or  
16 greater than tuition levels assumed in the omnibus appropriations act  
17 in this subsection. However, to the extent that tuition levels exceed  
18 the tuition levels assumed in this subsection, the state board shall  
19 retain an additional one percent of operating fees above what is  
20 already retained pursuant to RCW 28B.15.031 for the purposes of RCW  
21 28B.15.820. For the 2013-2015 fiscal biennium, when expending this  
22 additional retained amount, the community and technical colleges are  
23 subject to the conditions and limitations in RCW 28B.15.102.

24 (3) For the 2013-14 and 2014-15 academic years, the state board may  
25 increase tuition fees charged to resident undergraduates enrolled in  
26 upper division applied baccalaureate programs as specified in  
27 subsection (2) of this section.

28 (4) Appropriations in section 605 include the restoration of the  
29 three percent reduction in compensation costs taken in the 2011-2013  
30 fiscal biennium. This funding is sufficient to implement 2013-2015  
31 collective bargaining agreements at institutions of higher education  
32 negotiated under chapter 41.80 RCW. The colleges may also use the  
33 restored funds for any other purpose including restoring prior  
34 compensation reductions, increasing compensation, and implementing  
35 other collective bargaining agreements.

36 (5) The state board may increase the tuition fees charged to

1 nonresident students by amounts judged reasonable and necessary by the  
2 board.

3 (6) The trustees of the technical colleges are authorized to either  
4 (a) increase operating fees by no more than the percentage increases  
5 authorized for community colleges by the state board; or (b) fully  
6 adopt the tuition fee charge schedule adopted by the state board for  
7 community colleges.

8 (7) For academic years 2013-14 and 2014-15, the trustees of the  
9 technical colleges are authorized to increase building fees by an  
10 amount judged reasonable in order to progress toward parity with the  
11 building fees charged students attending the community colleges.

12 (8) The state board is authorized to increase the maximum allowable  
13 services and activities fees as provided in RCW 28B.15.069. The  
14 trustees of the community and technical colleges are authorized to  
15 increase services and activities fees up to the maximum level  
16 authorized by the state board.

17 (9) The trustees of the community and technical colleges are  
18 authorized to adopt or increase charges for fee-based, self-sustaining  
19 programs such as summer session, international student contracts, and  
20 special contract courses by amounts judged reasonable and necessary by  
21 the trustees.

22 (10) The trustees of the community and technical colleges are  
23 authorized to adopt or increase special course and lab fees to the  
24 extent necessary to cover the reasonable and necessary exceptional cost  
25 of the course or service.

26 (11) The trustees of the community and technical colleges are  
27 authorized to adopt or increase administrative fees such as but not  
28 limited to those charged for application, matriculation, special  
29 testing, and transcripts by amounts judged reasonable and necessary by  
30 the trustees.

31 NEW SECTION. **Sec. 605. FOR THE STATE BOARD FOR COMMUNITY AND**  
32 **TECHNICAL COLLEGES**

33	General Fund--State Appropriation (FY 2014) . . . . .	\$570,262,000
34	General Fund--State Appropriation (FY 2015) . . . . .	\$568,999,000
35	Community/Technical College Capital Projects	
36	Account--State Appropriation . . . . .	\$17,548,000
37	Education Legacy Trust Account--State	

1 Appropriation . . . . . \$95,373,000  
2 TOTAL APPROPRIATION . . . . . \$1,252,182,000

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

5 (1) \$33,261,000 of the general fund--state appropriation for fiscal  
6 year 2014 and \$33,261,000 of the general fund--state appropriation for  
7 fiscal year 2015 are provided solely as special funds for training and  
8 related support services, including financial aid, as specified in RCW  
9 28C.04.390. Funding is provided to support at least 7,170 full-time  
10 equivalent students in fiscal year 2014 and at least 7,170 full-time  
11 equivalent students in fiscal year 2015.

12 (2) \$5,450,000 of the education legacy trust account--state  
13 appropriation is provided solely for administration and customized  
14 training contracts through the job skills program. The state board  
15 shall make an annual report by January 1st of each year to the governor  
16 and to the appropriate policy and fiscal committees of the legislature  
17 regarding implementation of this section, listing the scope of grant  
18 awards, the distribution of funds by educational sector and region of  
19 the state, and the results of the partnerships supported by these  
20 funds.

21 (3) \$100,000 of the general fund--state appropriation for fiscal  
22 year 2014 and \$100,000 of the general fund--state appropriation for  
23 fiscal year 2015 are provided solely for the aerospace center of  
24 excellence currently hosted by Everett community college to:

25 (a) Increase statewide communications and outreach between industry  
26 sectors, industry organizations, businesses, K-12 schools, colleges,  
27 and universities;

28 (b) Enhance information technology to increase business and student  
29 accessibility and use of the center's web site; and

30 (c) Act as the information entry point for prospective students and  
31 job seekers regarding education, training, and employment in the  
32 industry.

33 (4) \$181,000 of the general fund--state appropriation for fiscal  
34 year 2014 and \$181,000 of the general fund--state appropriation for  
35 fiscal year 2015 are provided solely for the opportunity center for  
36 employment and education internet technology integration project at  
37 north Seattle community college.



1 (5) \$255,000 of the general fund--state appropriation for fiscal  
2 year 2014 and \$255,000 of the general fund--state appropriation for  
3 fiscal year 2015 are provided solely for implementation of a maritime  
4 industries training program at south Seattle community college.

5 (6) \$5,250,000 of the general fund--state appropriation for fiscal  
6 year 2014 and \$5,250,000 of the general fund--state appropriation for  
7 fiscal year 2015 are provided solely for the student achievement  
8 initiative.

9 (7) \$500,000 of the general fund--state appropriation for fiscal  
10 year 2014 is provided solely for implementation of Second Substitute  
11 Senate Bill No. 5624 (STEM or career and tech ed). If the bill is not  
12 enacted by June 30, 2013, the amount provided in this subsection shall  
13 lapse.

14 (8) Community and technical colleges are not required to send mass  
15 mailings of course catalogs to residents of their districts. Community  
16 and technical colleges shall consider lower cost alternatives, such as  
17 mailing postcards or brochures that direct individuals to online  
18 information and other ways of acquiring print catalogs.

19 (9) The state board for community and technical colleges shall not  
20 use funds appropriated in this section to support intercollegiate  
21 athletics programs.

22 NEW SECTION. **Sec. 606. FOR THE UNIVERSITY OF WASHINGTON**

23	General Fund--State Appropriation (FY 2014) . . . . .	\$246,897,000
24	General Fund--State Appropriation (FY 2015) . . . . .	\$245,200,000
25	Geoduck Aquaculture Research Account--State	
26	Appropriation . . . . .	\$300,000
27	Education Legacy Trust Account--State Appropriation . . . . .	\$13,998,000
28	Economic Development Strategic Reserve Account--	
29	State Appropriation . . . . .	\$3,000,000
30	Biotoxin Account--State Appropriation . . . . .	\$390,000
31	Accident Account--State Appropriation . . . . .	\$6,741,000
32	Medical Aid Account--State Appropriation . . . . .	\$6,546,000
33	Aquatic Land Enhancement Account--State Appropriation . . . . .	\$700,000
34	State Toxics Control Account--State Appropriation . . . . .	\$1,120,000
35	TOTAL APPROPRIATION . . . . .	\$524,892,000

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

1 (1) \$300,000 of the geoduck aquaculture research account--state  
2 appropriation is provided solely for the University of Washington sea  
3 grant program to commission scientific research studies that examine  
4 possible negative and positive effects, including the cumulative  
5 effects and the economic contribution, of evolving shellfish  
6 aquaculture techniques and practices on Washington's economy and marine  
7 ecosystems. The research conducted for the studies is not intended to  
8 be a basis for an increase in the number of shellfish harvesting  
9 permits available and should be coordinated with any research efforts  
10 related to ocean acidification. The University of Washington must  
11 submit an annual report detailing any findings and outline the progress  
12 of the study, consistent with RCW 43.01.036, to the appropriate  
13 legislative committees by December 1st of each year.

14 (2) \$52,000 of the general fund--state appropriation for fiscal  
15 year 2014 and \$52,000 of the general fund--state appropriation for  
16 fiscal year 2015 are provided solely for the center for international  
17 trade in forest products in the college of forest resources.

18 (3) \$4,459,000 of the general fund--state appropriation for fiscal  
19 year 2014 and \$4,459,000 of the general fund--state appropriation for  
20 fiscal year 2015 are provided solely for the expansion of computer  
21 science and engineering enrollments. The university will work with the  
22 education research and data center to establish program baselines and  
23 demonstrate enrollment increases. By September 1, 2014, and each  
24 September 1st thereafter, the university shall provide a report that  
25 provides the specific detail on how these amounts were spent in the  
26 preceding fiscal year, including but not limited to the cost per  
27 student, student completion rates, and the number of low-income  
28 students enrolled in each program, any process changes or best-  
29 practices implemented by the college, and how many students are  
30 enrolled in computer science and engineering programs above the 2012-  
31 2013 academic year baseline.

32 (4) \$3,000,000 of the general fund--state appropriation for fiscal  
33 year 2014 and \$3,000,000 of the general fund--state appropriation for  
34 fiscal year 2015 are provided solely for creation of a clean energy  
35 institute. The institute shall integrate physical sciences and  
36 engineering with a research focus on energy storage and solar energy.

37 (5) \$3,000,000 of the economic development strategic reserve

1 account appropriation is provided solely to support the joint center  
2 for aerospace innovation technology.

3 (6) Within existing resources the University of Washington may:  
4 (a) Form and implement an integrated innovation institute and research,  
5 planning, and outreach initiatives at the Olympic national resources  
6 center; and (b) accredit a four-year undergraduate forestry program  
7 from the society of American foresters. Accreditation may occur in  
8 conjunction with reaccreditation of the master of forest resources  
9 program.

10 (7) \$700,000 of the aquatic lands enhancement account--state  
11 appropriation and \$1,120,000 of the state toxics control account--state  
12 appropriation are provided solely for the center on ocean acidification  
13 and related work necessary to implement the recommendations of the  
14 governor's blue ribbon task force on ocean acidification. The  
15 university shall provide staffing for this purpose.

16 (8) The University of Washington shall not use funds appropriated  
17 in this section to support intercollegiate athletics programs.

18 NEW SECTION. **Sec. 607. FOR WASHINGTON STATE UNIVERSITY**

19	General Fund--State Appropriation (FY 2014) . . . . .	\$156,616,000
20	General Fund--State Appropriation (FY 2015) . . . . .	\$157,701,000
21	Education Legacy Trust Account--State Appropriation . . . . .	\$33,995,000
22	TOTAL APPROPRIATION . . . . .	\$348,312,000

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

25 (1) Within existing resources, Washington State University shall  
26 establish an accredited forestry program.

27 (2) \$2,856,000 of the general fund--state appropriation for fiscal  
28 year 2014 and \$2,857,000 of the general fund--state appropriation for  
29 fiscal year 2015 are provided solely for the expansion of computer  
30 science and engineering enrollments. The university will work with the  
31 education research and data center to establish program baselines and  
32 demonstrate enrollment increases. By September 1, 2014, and each  
33 September 1st thereafter, the university shall provide a report that  
34 provides the specific detail on how these amounts were spent in the  
35 preceding fiscal year, including but not limited to the cost per  
36 student, student completion rates, and the number of low-income  
37 students enrolled in each program, any process changes or best-

1 practices implemented by the college, and how many students are  
2 enrolled in computer science and engineering programs above the 2012-  
3 2013 academic year baseline.

4 (3) \$25,000 of the general fund--state appropriation for fiscal  
5 year 2014 is provided solely for the Ruckelshaus center to collaborate  
6 with local governments, the media, and representatives of the public  
7 regarding public record requests made to local government. The center  
8 shall facilitate meetings and discussions and report to the appropriate  
9 committees of the legislature. The report shall include information  
10 on:

- 11 (a) Recommendations related to balancing open public records with  
12 concerns of local governments related to interfering with the work of  
13 the local government;
- 14 (b) Resources necessary to accommodate requests;
- 15 (c) Potential harassment of government employees;
- 16 (d) Potential safety concerns of people named in the record;
- 17 (e) Potentially assisting criminal activity; and
- 18 (f) Other issues brought forward by the participants.

19 The center shall report to the appropriate committees of the  
20 legislature by December 15, 2013.

21 (4) \$300,000 of the general fund--state appropriation for fiscal  
22 year 2014 and \$300,000 of the general fund--state appropriation for  
23 fiscal year 2015 are provided solely for the Washington State  
24 University agricultural research center to conduct public outreach and  
25 education related to nonlethal methods of mitigating conflicts between  
26 livestock and large wild carnivores. Of the amounts provided in this  
27 subsection, \$200,000 of the general fund--state appropriation for  
28 fiscal year 2014 and \$200,000 of the general fund--state appropriation  
29 for fiscal year 2015 are provided solely to the center to conduct a  
30 detailed analysis of such methods. The amounts appropriated in this  
31 subsection may not be subject to an administrative fee or charge, and  
32 must be used for costs directly associated with the research and  
33 analysis.

34 (5) \$2,400,000 of the general fund--state appropriation for fiscal  
35 year 2014 and \$3,600,000 of the general fund--state appropriation for  
36 fiscal year 2015 are provided solely for expansion of medical education  
37 and biomedical research in Spokane.

1 (6) Washington State University shall not use funds appropriated in  
2 this section to support intercollegiate athletic programs.

3 NEW SECTION. **Sec. 608. FOR EASTERN WASHINGTON UNIVERSITY**

4	General Fund--State Appropriation (FY 2014) . . . . .	\$31,674,000
5	General Fund--State Appropriation (FY 2015) . . . . .	\$31,619,000
6	Education Legacy Trust Account--State Appropriation . . . . .	\$15,470,000
7	TOTAL APPROPRIATION . . . . .	\$78,763,000

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

10 (1) At least \$200,000 of the general fund--state appropriation for  
11 fiscal year 2014 and at least \$200,000 of the general fund--state  
12 appropriation for fiscal year 2015 shall be expended on the Northwest  
13 autism center.

14 (2) Eastern Washington University shall not use funds appropriated  
15 in this section to support intercollegiate athletics programs.

16 NEW SECTION. **Sec. 609. FOR CENTRAL WASHINGTON UNIVERSITY**

17	General Fund--State Appropriation (FY 2014) . . . . .	\$29,719,000
18	General Fund--State Appropriation (FY 2015) . . . . .	\$29,533,000
19	Education Legacy Trust Account--State Appropriation . . . . .	\$19,076,000
20	TOTAL APPROPRIATION . . . . .	\$78,328,000

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

23 (1) \$25,000 of the general fund--state appropriation for fiscal  
24 year 2014 is provided solely for the college of education to conduct a  
25 study identifying the duties encompassed in a state-funded teacher's  
26 typical work day. The study must include an estimate of the percent of  
27 a teacher's typical day that is spent on teaching related duties and  
28 the percentage of the teacher's day that is spent on duties that are  
29 not directly related to teaching. The university shall submit a report  
30 to the appropriate committees of the legislature by December 1, 2013.

31 (2) Amounts appropriated in this section are sufficient for the  
32 university to develop a plan to create an online degree granting entity  
33 that awards degrees based on an alternative credit model. The  
34 university shall submit a final plan by December 1, 2013, to the higher  
35 education committees of the legislature.

1 (3) Central Washington University shall not use funds appropriated  
2 in this section to support intercollegiate athletics programs.

3 **NEW SECTION. Sec. 610. FOR THE EVERGREEN STATE COLLEGE**

4	General Fund--State Appropriation (FY 2014) . . . . .	\$18,563,000
5	General Fund--State Appropriation (FY 2015) . . . . .	\$17,911,000
6	Education Legacy Trust Account--State Appropriation . . . . .	\$5,450,000
7	TOTAL APPROPRIATION . . . . .	\$41,924,000

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

10 (1) \$77,000 of the general fund--state appropriation for fiscal  
11 year 2014 is provided solely for Washington state institute for public  
12 policy to examine cases with extraordinary costs within the foster care  
13 system managed by the children's administration of the department of  
14 social and health services. This audit will examine the highest cost  
15 foster children to determine if the child's care could be provided in  
16 a more cost-effective manner and whether the cost for these placements  
17 is consistent across similarly acute children.

18 (2) \$85,000 of the general fund--state appropriation for fiscal  
19 year 2014 is provided solely for the Washington state institute for  
20 public policy to conduct an empirical study of the validity and  
21 reliability of the safety assessment tool currently used in child  
22 welfare cases by the children's administration of the department of  
23 social and health services. In conducting this study, the institute  
24 must identify: (a) Whether other empirically based child welfare  
25 safety assessment tools exist and, if so, compare those tools to the  
26 tool used by the children's administration; (b) whether other factors  
27 or combination of factors not included in the current safety assessment  
28 tool should be included to help predict real outcomes; and (c) where  
29 possible, whether there is unnecessary duplication in the application  
30 of the family assessment tool used by the department. A report on the  
31 study is due to the appropriate policy committees of the legislature by  
32 December 15, 2013.

33 (3) \$100,000 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 Washington state institute  
36 for public policy to conduct a comprehensive retrospective outcome  
37 evaluation and return on investment analysis of the early learning

1 childhood program pursuant to Senate Bill No. 5904 (high quality early  
2 learning). This evaluation is due December 15, 2014. If the bill is  
3 not enacted by June 30, 2013, the amount provided in this subsection  
4 shall lapse.

5 (4) \$50,000 of the general fund--state appropriation for fiscal  
6 year 2014 and \$50,000 of the general fund--state appropriation for  
7 fiscal year 2015 are provided solely for the Washington state institute  
8 for public policy to develop a risk assessment instrument for patients  
9 committed for involuntary treatment in Washington state.

10 (5) \$58,000 of the general fund--state appropriation for fiscal  
11 year 2014 and \$27,000 of the general fund--state appropriation for  
12 fiscal year 2015 are provided solely for the Washington state institute  
13 for public policy to prepare an inventory of evidence-based and  
14 research-based effective practices, activities, and programs for use by  
15 school districts in the learning assistance program pursuant to  
16 Engrossed Second Substitute Senate Bill No. 5946 (student educational  
17 outcomes). The initial inventory is due by August 1, 2014, and shall  
18 be updated every two years thereafter. If the bill is not enacted by  
19 June 30, 2013, the amounts provided in this subsection shall lapse.

20 (6) \$50,000 of the general fund--state appropriation for fiscal  
21 year 2014 are provided solely for the Washington state institute for  
22 public policy to provide expertise to the department of corrections on  
23 the implementation of programming that follows the risk needs  
24 responsivity model. In consultation with the department of  
25 corrections, the institute will systematically review selected programs  
26 for outcome measures.

27 (7) Funding provided in this section is sufficient for The  
28 Evergreen State College to continue operations of the Longhouse Center  
29 and the Northwest Indian applied research institute.

30 (8) \$166,000 of the general fund--state appropriation for fiscal  
31 year 2014 and \$84,000 of the general fund--state appropriation for  
32 fiscal year 2015 are provided solely for the Washington state institute  
33 for public policy to provide primary staff support for a K-12 funding  
34 task force established in this subsection.

35 (a) The task force shall be composed of the following members:

36 (i) Two members from each of the largest caucuses of the house of  
37 representatives, appointed by the speaker of the house of  
38 representatives;

1 (ii) Two members from each of the largest caucuses of the senate,  
2 appointed by the president of the senate;

3 (iii) The superintendent of public instruction or designee; and

4 (iv) Three members appointed by the governor.

5 (b) The task force shall be chaired or cochaired by legislative  
6 members selected by members of the task force.

7 (c) The purpose of the task force is to examine options and make  
8 recommendations to the legislature on the following topics:

9 (i) Revised salary allocation methodologies and models for  
10 administrative, classified, and certificated instructional staff in  
11 public schools. The salary allocation model for certificated  
12 instructional staff must address regional salary differentials;

13 (ii) Policies and funding to support career and technical  
14 education, including:

15 (A) A revised funding allocation methodology for career and  
16 technical education for middle schools, comprehensive high schools, and  
17 skill centers through the prototypical school funding formula;

18 (B) Recommended capital facilities policies related to the siting  
19 of skill center campuses, including skill centers colocated on  
20 comprehensive high school and higher education campuses; and

21 (C) The feasibility of establishing technical high schools as an  
22 alternative delivery model for integrated secondary career and academic  
23 education; and

24 (iii) The appropriate use of state and local property taxes to  
25 support the financing of public schools, modifications to property tax  
26 growth limitations, and strategies for improving the stability and  
27 transparency of such use.

28 (d) The task force shall submit an interim report to the education  
29 and fiscal committees of the legislature by December 1, 2013, and a  
30 final report by December 1, 2014.

31 (e) Additional staff support for the task force shall be provided  
32 as needed by the house office of program research, the senate committee  
33 services, and the office of financial management.

34 (9) Notwithstanding other provisions in this section, the board of  
35 directors for the Washington state institute for public policy may  
36 adjust due dates for projects included on the institute's 2013-2015  
37 work plan as necessary to efficiently manage workload.



1 (10) The Evergreen State College shall not use funds appropriated  
2 in this section to support intercollegiate athletics programs.

3 NEW SECTION. **Sec. 611. FOR WESTERN WASHINGTON UNIVERSITY**

4	General Fund--State Appropriation (FY 2014) . . . . .	\$44,542,000
5	General Fund--State Appropriation (FY 2015) . . . . .	\$44,377,000
6	Education Legacy Trust Account--State	
7	Appropriation . . . . .	\$13,050,000
8	TOTAL APPROPRIATION . . . . .	\$101,969,000

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

11 (1) \$1,497,000 of the general fund--state appropriation for fiscal  
12 year 2014 and \$1,498,000 of the general fund--state appropriation for  
13 fiscal year 2015 are provided solely for the expansion of computer  
14 science and engineering enrollments. The university will work with the  
15 education research and data center to establish program baselines and  
16 demonstrate enrollment increases. By September 1, 2014, and each  
17 September 1st thereafter, the university shall provide a report that  
18 provides the specific detail on how these amounts were spent in the  
19 preceding fiscal year, including but not limited to the cost per  
20 student, student completion rates, and the number of low-income  
21 students enrolled in each program, any process changes or best-  
22 practices implemented by the college, and how many students are  
23 enrolled in computer science and engineering programs above the 2012-  
24 2013 academic year baseline.

25 (2) Western Washington University shall not use funds appropriated  
26 in this section to support intercollegiate athletics programs.

27 NEW SECTION. **Sec. 612. FOR THE STUDENT ACHIEVEMENT COUNCIL--**  
28 **POLICY COORDINATION AND ADMINISTRATION**

29	General Fund--State Appropriation (FY 2014) . . . . .	\$5,307,000
30	General Fund--State Appropriation (FY 2015) . . . . .	\$5,318,000
31	General Fund--Federal Appropriation . . . . .	\$4,817,000
32	TOTAL APPROPRIATION . . . . .	\$15,442,000

33 The appropriations in this section are subject to the following  
34 conditions and limitations: The student achievement council is  
35 authorized to increase or establish fees for initial degree

1 authorization, degree authorization renewal, degree authorization  
2 reapplication, new program applications, and new site applications  
3 pursuant to RCW 28B.85.060.

4 NEW SECTION. **Sec. 613. FOR THE STUDENT ACHIEVEMENT COUNCIL--**  
5 **OFFICE OF STUDENT FINANCIAL ASSISTANCE**

6	General Fund--State Appropriation (FY 2014) . . . . .	\$245,122,000
7	General Fund--State Appropriation (FY 2015) . . . . .	\$244,674,000
8	General Fund--Federal Appropriation . . . . .	\$11,648,000
9	General Fund--Private/Local Appropriation . . . . .	\$34,000
10	Education Legacy Trust Account--State Appropriation . . . . .	\$36,036,000
11	Washington Opportunity Pathways Account--State	
12	Appropriation . . . . .	\$147,000,000
13	TOTAL APPROPRIATION . . . . .	\$684,514,000

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

16 (1) \$237,454,000 of the general fund--state appropriation for  
17 fiscal year 2014, \$237,455,000 of the general fund--state  
18 appropriation, and \$147,000,000 of the Washington opportunity pathways  
19 account--state appropriation are provided solely for student financial  
20 aid payments under the state need grant and state work study programs  
21 including up to four percent administrative allowance for the state  
22 work study program.

23 (2) Changes made to the state need grant program in the 2011-2013  
24 fiscal biennium are continued in the 2013-2015 fiscal biennium  
25 including aligning increases in awards given to private institutions  
26 with the annual tuition increases for public research institutions or  
27 the private institution's average annual tuition increase experience of  
28 3.5 percent per year, whichever is less, and reducing the awards for  
29 students who first enrolled as a new student in for-profit institutions  
30 as of the 2011-2012 academic year or thereafter by fifty percent,  
31 except that one-half of the fifty percent reduction shall be restored  
32 on July 1, 2013, for students attending regionally accredited for-  
33 profit institutions.

34 (3) Changes made to the state work study program in the 2009-2011  
35 and 2011-2013 fiscal biennia are continued in the 2013-2015 fiscal  
36 biennium including maintaining the increased required employer share of  
37 wages; adjusted employer match rates; discontinuation of nonresident

1 student eligibility for the program; and revising distribution methods  
2 to institutions by taking into consideration other factors such as off-  
3 campus job development, historical utilization trends, and student  
4 need.

5 (4) Within the funds appropriated in this section, eligibility for  
6 the state need grant shall include students with family incomes at or  
7 below 70 percent of the state median family income (MFI), adjusted for  
8 family size, and shall include students enrolled in three to five  
9 credit-bearing quarter credits, or the equivalent semester credits.  
10 Awards for all students shall be adjusted by the estimated amount by  
11 which Pell grant increases exceed projected increases in the  
12 noninstructional costs of attendance. Awards for students with incomes  
13 between 51 and 70 percent of the state median shall be prorated at the  
14 following percentages of the award amount granted to those with incomes  
15 below 51 percent of the MFI: 70 percent for students with family  
16 incomes between 51 and 55 percent MFI; 65 percent for students with  
17 family incomes between 56 and 60 percent MFI; 60 percent for students  
18 with family incomes between 61 and 65 percent MFI; and 50 percent for  
19 students with family incomes between 66 and 70 percent MFI.

20 (5) Students who are eligible for the college bound scholarship  
21 shall be given priority for the state need grant program if the  
22 students have applied by the institution's priority financial aid  
23 deadline and have completed their financial aid file in a timely  
24 manner. These eligible college bound students whose family incomes are  
25 in the 0-65 median family income ranges shall be awarded the maximum  
26 state need grant for which they are eligible under state policies and  
27 may not be denied maximum state need grant funding due to institutional  
28 policies or delayed awarding of college bound scholarship students.

29 (6) \$36,036,000 of the education legacy trust account--state  
30 appropriation is provided solely for the college bound scholarship  
31 program. This amount assumes that college bound scholarship recipients  
32 will receive priority for state need grant awards in fiscal year 2014  
33 and fiscal year 2015. If this policy of prioritization is not fully  
34 achieved, it is the intent of this legislation to provide supplemental  
35 appropriations in the 2014 supplemental operating budget.

36 (7) \$2,236,000 of the general fund--state appropriation for fiscal  
37 year 2014 and \$2,236,000 of the general fund--state appropriation for  
38 fiscal year 2015 are provided solely for the passport to college

1 program. The maximum scholarship award shall be \$5,000. The board  
2 shall contract with a nonprofit organization to provide support  
3 services to increase student completion in their postsecondary program  
4 and shall, under this contract, provide a minimum of \$500,000 in fiscal  
5 years 2014 and 2015 for this purpose.

6 (8) In developing the skilled and educated workforce report  
7 pursuant to RCW 28B.77.080(3), the council shall use the bureau of  
8 labor statistics analysis of the education and training requirements of  
9 occupations, in addition to any other method the council may choose to  
10 use, to assess the number and type of higher education and training  
11 credentials required to match employer demand for a skilled and  
12 educated workforce.

13 NEW SECTION. **Sec. 614. FOR THE WORK FORCE TRAINING AND EDUCATION**  
14 **COORDINATING BOARD**

15	General Fund--State Appropriation (FY 2014) . . . . .	\$1,582,000
16	General Fund--State Appropriation (FY 2015) . . . . .	\$1,478,000
17	General Fund--Federal Appropriation . . . . .	\$54,260,000
18	TOTAL APPROPRIATION . . . . .	\$57,320,000

19 The appropriations in this section are subject to the following  
20 conditions and limitations: For the 2013-2015 fiscal biennium the  
21 board shall not designate recipients of the Washington award for  
22 vocational excellence or recognize them at award ceremonies as provided  
23 in RCW 28C.04.535.

24 NEW SECTION. **Sec. 615. FOR THE DEPARTMENT OF EARLY LEARNING**

25	General Fund--State Appropriation (FY 2014) . . . . .	\$34,253,000
26	General Fund--State Appropriation (FY 2015) . . . . .	\$48,689,000
27	General Fund--Federal Appropriation . . . . .	\$293,652,000
28	Opportunity Pathways Account--State Appropriation . . . . .	\$80,000,000
29	Home Visiting Services Account--State Appropriation . . . . .	\$2,868,000
30	Home Visiting Services Account--Federal Appropriation . . . . .	\$22,756,000
31	Children's Trust Account--State Appropriation . . . . .	\$180,000
32	TOTAL APPROPRIATION . . . . .	\$482,398,000

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

35 (1) \$20,229,000 of the general fund--state appropriation for fiscal  
36 year 2014, \$36,474,000 of the general fund--state appropriation for

1 fiscal year 2015, and \$80,000,000 of the opportunity pathways account  
2 appropriation are provided solely for the early childhood education  
3 assistance program services. Of these amounts, \$10,284,000 is a  
4 portion of the biennial amount of state maintenance of effort dollars  
5 required to receive federal child care and development fund grant  
6 dollars.

7 (2) \$638,000 of the general fund--state appropriation for fiscal  
8 year 2014, and \$638,000 of the general fund--state appropriation for  
9 fiscal year 2015 are provided solely for child care resource and  
10 referral network services.

11 (3) \$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 to develop and provide culturally  
14 relevant supports for parents, family, and other caregivers.

15 (4) The department is the lead agency for and recipient of the  
16 federal child care and development fund grant. Amounts within this  
17 grant shall be used to fund child care licensing, quality initiatives,  
18 agency administration, and other costs associated with child care  
19 subsidies. The department shall transfer a portion of this grant to  
20 the department of social and health services to fund the child care  
21 subsidies paid by the department of social and health services on  
22 behalf of the department of early learning.

23 (5) \$1,434,000 of the general fund--state appropriation for fiscal  
24 year 2014, \$1,434,000 of the general fund--state appropriation for  
25 fiscal year 2015 are provided solely for expenditure into the home  
26 visiting services account. This funding is intended to meet federal  
27 maintenance of effort requirements and to secure private matching  
28 funds.

29 (6)(a) \$153,717,000 of the general fund--federal appropriation is  
30 provided solely for the working connections child care program under  
31 RCW 43.215.135.

32 (b) In addition to groups that were given prioritized access to the  
33 working connections child care program effective March 1, 2011, the  
34 department shall also give prioritized access into the program to  
35 families in which a parent of a child in care is a minor who is not  
36 living with a parent or guardian and who is a full-time student in a  
37 high school that has a school-sponsored on-site child care center.

1 (7) Within available amounts, the department in consultation with  
2 the office of financial management and the department of social and  
3 health services shall report quarterly enrollments and active caseload  
4 for the working connections child care program to the legislative  
5 fiscal committees and the legislative-executive WorkFirst oversight  
6 task force. The report shall also identify the number of cases  
7 participating in both temporary assistance for needy families and  
8 working connections child care.

9 (8) \$1,025,000 of the general fund--state appropriation for fiscal  
10 year 2014, \$1,025,000 of the general fund--state appropriation for  
11 fiscal year 2015, and \$13,424,000 of the general fund--federal  
12 appropriation are provided solely for the seasonal child care program.  
13 If federal sequestration cuts are realized, cuts to the seasonal child  
14 care program must be proportional to other federal reductions made  
15 within the department.

16 (9) \$3,572,000 of the general fund--state appropriation for fiscal  
17 year 2014, \$2,522,000 of the general fund--state appropriation for  
18 fiscal year 2015, and \$4,304,000 of the general fund--federal  
19 appropriation are provided solely for the medicaid treatment child care  
20 (MTCC) program. The department shall contract for MTCC services to  
21 provide therapeutic child care and other specialized treatment services  
22 to abused, neglected, at-risk, and/or drug-affected children. Priority  
23 for services shall be given to children referred from the department of  
24 social and health services children's administration. In addition to  
25 referrals made by children's administration, the department shall  
26 authorize services for children referred to the MTCC program, as long  
27 as the children meet the eligibility requirements as outlined in the  
28 Washington state plan for the MTCC program.

29 (a) Of the amounts appropriated in this subsection, \$60,000 per  
30 fiscal year may be used by the department for administering the MTCC  
31 program, if needed.

32 (b) Of the amounts provided in this subsection, \$1,050,000 of the  
33 general fund--state appropriation for fiscal year 2014 is provided  
34 solely to continue providing services in the event of losing federal  
35 funding for the MTCC program. To the extent that the moneys provided  
36 in this subsection (9)(b) are not necessary for this purpose, the  
37 amounts provided shall lapse.

1 (10) \$150,000 of the general fund--state appropriation for fiscal  
2 year 2014 and \$150,000 of the general fund--state appropriation for  
3 fiscal year 2015 are provided solely for a contract with a nonprofit  
4 entity experienced in the provision of promoting early literacy for  
5 children through pediatric office visits.

6 (11) \$721,000 of the general fund--state appropriation for fiscal  
7 year 2014 is provided solely for the department to complete development  
8 work of the electronic benefits transfer system.

9 (12) \$793,000 of the general fund--state appropriation for fiscal  
10 year 2014 and \$796,000 of the general fund--state appropriation for  
11 fiscal year 2015 are provided solely for implementation of an  
12 electronic benefits transfer system. To the maximum extent possible,  
13 the department shall work to integrate this system with the department  
14 of social and health services payment system. The amounts provided in  
15 this subsection are conditioned on the department satisfying the  
16 requirements of the project management oversight standards and policies  
17 established by the office of the chief information officer.

18 (13) \$32,000 of the general fund--state appropriation for fiscal  
19 year 2014 is provided solely for implementation of Second Substitute  
20 Senate Bill No. 5595 (child care reform). If the bill is not enacted  
21 by June 30, 2013, the amounts provided in this subsection shall lapse.

22 (14)(a)(i) The department of early learning is required to provide  
23 to the education research and data center, housed at the office of  
24 financial management, data on all state-funded early childhood  
25 programs. These programs include the early support for infants and  
26 toddlers, early childhood education and assistance program (ECEAP), and  
27 the working connections and seasonal subsidized childcare programs  
28 including license exempt facilities or family, friend, and neighbor  
29 care. The data provided by the department to the education research  
30 data center must include information on children who participate in  
31 these programs, including their name and date of birth, and dates the  
32 child received services at a particular facility.

33 (ii) The ECEAP early learning professionals must enter  
34 qualifications into the department's professional development registry  
35 during the 2013-14 school year. By October 2015, the department must  
36 provide ECEAP early learning professional data to the education  
37 research data center.

(iii) The department must request federally funded head start programs to voluntarily provide data to the department and the education research data center that is equivalent to what is being provided for state-funded programs.

(iv) The education research and data center must provide a report on early childhood program participation and K-12 outcomes to the house of representatives appropriations committee and the senate ways and means committee using available data by November 2013 for the school year ending in 2012 and again in March 2014 for the school year ending in 2013.

(b) The department, in consultation with the department of social and health services, must withhold payment for services to early childhood programs that do not report on the name, date of birth, and the dates a child received services at a particular facility.

**NEW SECTION. Sec. 616. FOR THE STATE SCHOOL FOR THE BLIND**

General Fund--State Appropriation (FY 2014)	\$6,032,000
General Fund--State Appropriation (FY 2015)	\$5,805,000
General Fund--Private/Local Appropriation	\$15,000
TOTAL APPROPRIATION	\$11,852,000

**NEW SECTION. Sec. 617. FOR THE WASHINGTON STATE CENTER FOR CHILDHOOD DEAFNESS AND HEARING LOSS**

General Fund--State Appropriation (FY 2014)	\$8,615,000
General Fund--State Appropriation (FY 2015)	\$8,591,000
TOTAL APPROPRIATION	\$17,206,000

**NEW SECTION. Sec. 618. FOR THE WASHINGTON STATE ARTS COMMISSION**

General Fund--State Appropriation (FY 2014)	\$1,125,000
General Fund--State Appropriation (FY 2015)	\$1,101,000
General Fund--Federal Appropriation	\$2,074,000
General Fund--Private/Local Appropriation	\$12,000
TOTAL APPROPRIATION	\$4,312,000

**NEW SECTION. Sec. 619. FOR THE WASHINGTON STATE HISTORICAL SOCIETY**

General Fund--State Appropriation (FY 2014)	\$2,123,000
General Fund--State Appropriation (FY 2015)	\$2,150,000



1 TOTAL APPROPRIATION . . . . . \$4,273,000

2 NEW SECTION.      **Sec. 620.**      **FOR THE EASTERN WASHINGTON STATE**

3 **HISTORICAL SOCIETY**

4 General Fund--State Appropriation (FY 2014) . . . . . \$1,600,000

5 General Fund--State Appropriation (FY 2015) . . . . . \$1,530,000

6 TOTAL APPROPRIATION . . . . . \$3,130,000

(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)	\$741,362,000
General Fund--State Appropriation (FY 2015)	\$1,060,322,000
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
<b>TOTAL APPROPRIATION</b>	<b>\$1,808,781,000</b>

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
<b>TOTAL APPROPRIATION</b>	<b>\$8,276,000</b>

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 enterprise services account for payment of

1 principal, interest, and financing expenses associated with the  
 2 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) . . . . .	\$36,386,000
7	General Fund--State Appropriation (FY 2015) . . . . .	\$36,386,000
8	TOTAL APPROPRIATION . . . . .	\$72,772,000

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	<b>Health District</b>	<b>FY 2014</b>	<b>FY 2015</b>	<b>2013-15</b>
16				<b>Biennium</b>
17	Adams County Health District	\$121,213	\$121,213	\$242,426
18	Asotin County Health District	\$159,890	\$159,890	\$319,780
19	Benton-Franklin Health District	\$1,614,337	\$1,614,337	\$3,228,674
20	Chelan-Douglas Health District	\$399,634	\$399,634	\$799,268
21	Clallam County Health and Human Services	\$291,401	\$291,401	\$582,802
22	Department			
23	Clark County Health District	\$1,767,341	\$1,767,341	\$3,534,682
24	Skamania County Health Department	\$111,327	\$111,327	\$222,654
25	Columbia County Health District	\$119,991	\$119,991	\$239,982
26	Cowlitz County Health Department	\$477,981	\$477,981	\$955,962
27	Garfield County Health District	\$93,154	\$93,154	\$186,308
28	Grant County Health District	\$297,761	\$297,762	\$595,523
29	Grays Harbor Health Department	\$335,666	\$335,666	\$671,332
30	Island County Health Department	\$255,224	\$225,224	\$510,448
31	Jefferson County Health and Human Services	\$184,080	\$184,080	\$368,160
32	Seattle-King County Department of Public Health	\$10,558,598	\$10,558,598	\$21,117,196
33	Bremerton-Kitsap County Health District	\$997,476	\$997,476	\$1,994,952
34	Kittitas County Health Department	\$198,979	\$198,979	\$397,958
35	Klickitat County Health Department	\$153,784	\$153,784	\$307,568

1	Lewis County Health Department	\$263,134	\$263,134	\$526,268
2	Lincoln County Health Department	\$113,917	\$113,917	\$227,834
3	Mason County Department of Health Services	\$227,448	\$227,448	\$454,896
4	Okanogan County Health District	\$169,882	\$169,882	\$339,764
5	Pacific County Health Department	\$169,075	\$169,075	\$338,150
6	Tacoma-Pierce County Health Department	\$4,143,169	\$4,143,169	\$8,286,338
7	San Juan County Health and Community Services	\$2,253,493	\$2,253,493	\$4,506,986
8	Skagit County Health Department	\$449,745	\$449,745	\$899,490
9	Snohomish Health District	\$3,433,291	\$3,433,291	\$6,866,582
10	Spokane County Health District	\$2,877,318	\$2,877,318	\$5,574,636
11	Northeast Tri-County Health District	\$249,303	\$249,303	\$498,606
12	Thurston County Health Department	\$1,046,897	\$1,046,897	\$2,093,794
13	Wahkiakum County Health Department	\$93,181	\$9,180	\$186,361
14	Walla Walla County-City Health Department	\$302,173	\$302,173	\$604,346
15	Whatcom County Health Department	\$1,214,301	\$1,214,301	\$2,428,602
16	Whitman County Health Department	\$189,355	\$189,355	\$378,710
17	Yakima Health District	\$1,052,482	\$1,052,482	\$2,104,964
18				
19	TOTAL APPROPRIATIONS	\$36,386,001	\$36,386,001	\$72,772,002

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) . . . . .	(\$30,000,000)
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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 \$30,000,000 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 THE INSURANCE**  
7 **COMMISSIONER--HEALTH BENEFIT EXCHANGE ACCOUNT**

8 General Fund--State Appropriation (FY 2014) . . . . . \$676,000

9 The appropriations in this section are subject to the following  
10 conditions and limitations: The amounts in this section are provided  
11 solely for expenditure into the health benefit exchange account--state  
12 and are provided as a loan to be repaid with amounts from the health  
13 benefit exchange account--state by July 30, 2015.

14 NEW SECTION. **Sec. 717. FOR THE OFFICE OF FINANCIAL MANAGEMENT--**  
15 **COMMUNICATION SERVICES REFORM**

16 General Fund--State Appropriation (FY 2014) . . . . . \$47,000

17 General Fund--State Appropriation (FY 2015) . . . . . \$4,953,000

18 TOTAL APPROPRIATION . . . . . \$5,000,000

19 The appropriations in this section are subject to the following  
20 conditions and limitations: The appropriations in this section are  
21 provided solely for expenditure into the universal communications  
22 services fund to implement Substitute House Bill No. 1971  
23 (communications services). If the bill is not enacted by June 30,  
24 2013, the appropriations provided in this section shall lapse.

25 NEW SECTION. **Sec. 718. FOR THE OFFICE OF FINANCIAL MANAGEMENT--**  
26 **AGENCY EFFICIENCIES**

27 General Fund--State Appropriation (FY 2014) . . . . . (\$2,500,000)

28 General Fund--State Appropriation (FY 2015) . . . . . (\$2,500,000)

29 TOTAL APPROPRIATION . . . . . (\$5,000,000)

30 The appropriations in this section are subject to the following  
31 conditions and limitations: The office of financial management shall  
32 reduce allotments for all agencies by \$2,500,000 from fiscal year 2014  
33 general fund--state appropriations and \$2,500,000 from fiscal year 2015  
34 general fund--state appropriations in this act to reflect (1) available

1 fund balances in dedicated revolving funds used for central services to  
2 state agencies and (2) more efficient delivery of consolidated central  
3 services to state agencies.

4 NEW SECTION. **Sec. 719. FOR THE LEGISLATIVE TASK FORCE ON CAREER**  
5 **EDUCATION OPPORTUNITIES**

6 (1) The legislature finds that for too long, there has been a  
7 perception that career readiness and college readiness represent two  
8 separate and unequal tracks. The importance of providing high quality  
9 opportunities for applied learning, work-integrated learning, cross-  
10 disciplinary curriculum, career exploration and planning, and career  
11 and technical equivalence often appears subsumed by an emphasis on  
12 theoretical academics. The legislature intends to create a vision for  
13 the integration of career education alongside academic education.

14 (2)(a) A legislative task force on career education opportunities  
15 is established with the following members:

16 (i) Two members from each of the largest caucuses of the house of  
17 representatives, appointed by the speaker of the house of  
18 representatives;

19 (ii) Two members from each of the largest caucuses of the senate,  
20 appointed by the president of the senate;

21 (iii) The superintendent of public instruction or a designee;

22 (iv) One representative each from the workforce training and  
23 education coordinating board, state board of education, the student  
24 achievement council, and the Washington association of career and  
25 technical education; and

26 (v) One member appointed by the governor.

27 (b) The task force shall be cochaired by one house and one senate  
28 member, selected by the members of the task force.

29 (3) The purpose of the task force is to identify strategies for how  
30 education that supports career readiness, including but not limited to  
31 career and technical education, may be better integrated into secondary  
32 education opportunities for all students. The strategies to be  
33 considered by the task force include state laws and policies,  
34 graduation requirements, and state funding for instructional programs.  
35 The task force must examine the barriers, incentives and disincentives,  
36 costs, and cost-effectiveness of current policies and practices.

1 (4) The office of the superintendent of public instruction shall  
2 identify a recommended list of course equivalencies for career and  
3 technical education courses and submit the list to the task force under  
4 this section by October 1, 2013.

5 (5) The task force shall examine at least the following:

6 (a) An analysis of the career and college ready graduation  
7 requirements proposed by the state board of education and any  
8 recommendations regarding graduation requirements;

9 (b) Options for expanding career education and career exploration  
10 and planning into middle school;

11 (c) Options for increasing student and parent awareness of the  
12 multiple education and career pathways available for students;

13 (d) Strategies for enhancing and supporting work-integrated  
14 learning opportunities for students;

15 (e) Recommended policies that both support and provide appropriate  
16 state oversight and strategic planning for career and technical  
17 education offered in middle schools, comprehensive high schools, and  
18 skill centers; and

19 (f) Recommendations for how to maximize statewide use of the list  
20 of career and technical education course equivalencies identified by  
21 the office of the superintendent of public instruction.

22 (6) A preliminary report from the task force is due December 15,  
23 2013, to include initial analysis and a plan for completion of the  
24 final report. A final report is due September 1, 2014.

25 (7) The task force shall coordinate its analysis and  
26 recommendations with other studies of career and technical education  
27 delivery models and financing, including financing of capital  
28 facilities.

29 (8) Staff support for the task force must be provided by senate  
30 committee services and the house of representatives office of program  
31 research, with assistance from the office of the superintendent of  
32 public instruction, the student achievement council, and the workforce  
33 training and education coordinating board as necessary.

34 (9) Legislative members of the task force may be reimbursed for  
35 travel expenses in accordance with RCW 44.04.120. The expenses of the  
36 task force must be paid jointly by the senate and the house of  
37 representatives. Task force expenditures are subject to approval by

1 the senate facilities and operations committee and the house of  
2 representatives executive rules committee.

3 NEW SECTION. **Sec. 720. FOR THE OFFICE OF FINANCIAL MANAGEMENT--**  
4 **FEDERAL PATIENT PROTECTION AND AFFORDABLE CARE ACT SAVINGS AND OTHER**  
5 **HEALTH CARE SAVINGS**

6 General Fund--State Appropriation (FY 2015) . . . . . (\$10,000,000)

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

9 (1) The appropriation in this section is provided solely to reduce  
10 appropriations or allocations in this budget related to providing  
11 health benefits to reflect savings that may be achieved through greater  
12 efficiencies and/or coordinating publicly provided health insurance  
13 benefits with the federal patient protection and affordable care act  
14 programs. The office of financial management shall work with other  
15 agencies to prepare a plan that identifies savings under this  
16 subsection (1) and reduces allotments or allocations accordingly to  
17 achieve any savings identified in the plan.

18 (2) To facilitate the transfer of moneys to agencies from dedicated  
19 other funds and accounts, the state treasurer shall transfer sufficient  
20 moneys from dedicated funds or accounts from which savings are achieved  
21 in accordance with schedules developed by the office of financial  
22 management consistent with the savings identified under subsection (1)  
23 of this section. The office shall reduce allotments for all agencies  
24 to reflect these savings.

(End of part)

PART VIII

OTHER TRANSFERS AND APPROPRIATIONS

NEW SECTION. Sec. 801. FOR THE STATE TREASURER--STATE REVENUES FOR DISTRIBUTION

Table with 2 columns: Description and Amount. Rows include: General Fund Appropriation for fire insurance premium distributions (\$8,248,000), General Fund Appropriation for public utility district excise tax distributions (\$50,894,000), General Fund Appropriation for prosecuting attorney distributions (\$6,068,000), General Fund Appropriation for boating safety and education distributions (\$4,000,000), General Fund Appropriation for other tax distributions (\$65,000), General Fund Appropriation for habitat conservation program distributions (\$3,000,000), Death Investigations Account Appropriation for distribution to counties for publicly funded autopsies (\$3,158,000), Aquatic Lands Enhancement Account Appropriation for harbor improvement revenue distribution (\$146,000), Timber Tax Distribution Account Appropriation for distribution to "timber" counties (\$72,120,000), County Criminal Justice Assistance Appropriation (\$78,983,000), Municipal Criminal Justice Assistance Appropriation (\$30,550,000), City-County Assistance Account Appropriation for local government financial assistance distribution (\$17,134,000), Liquor Excise Tax Account Appropriation for liquor excise tax distribution (\$24,744,000), Streamlined Sales and Use Tax Mitigation Account Appropriation for distribution to local taxing jurisdictions to mitigate the unintended revenue redistribution effect of the sourcing law changes (\$50,488,000), and Columbia River Water Delivery Account Appropriation for

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 . . . . .	\$434,259,000

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, \$10,100,000 for fiscal  
28 year 2014 and \$10,100,000 for fiscal year 2015 . . . . \$20,200,000  
29 Drinking Water Assistance Account: For transfer to  
30 the drinking water assistance repayment account . . . . \$32,000,000  
31 General Fund: For transfer to the streamlined sales  
32 and use tax account, \$25,284,000 for fiscal  
33 year 2014 and \$25,204,000 for fiscal year 2015 . . . . \$50,488,000  
34 Public Works Assistance Account: For transfer to the  
35 education legacy trust account, \$138,622,000 for  
36 fiscal year 2014 and \$138,622,000 for fiscal year

1           2015 . . . . . \$277,244,000  
2 Local Toxics Control Account: For transfer to the  
3 state general fund, \$9,000,000 for fiscal year  
4 2014 and \$9,000,000 for fiscal year 2015 . . . . . \$18,000,000  
5 State Taxable Building Construction Account: For  
6 transfer to the Columbia River basin taxable bond  
7 water supply development account, an amount not to  
8 exceed . . . . . \$32,000,000  
9 Employment Training Finance Account: For transfer to  
10 the state general fund, \$1,000,000 for fiscal year  
11 2014 and \$1,000,000 for fiscal year 2015 . . . . . \$2,000,000  
12 Tuition Recovery Trust Account: For transfer to the  
13 state general fund, \$1,250,000 for fiscal year 2014  
14 and \$1,250,000 for fiscal year 2015 . . . . . \$2,500,000  
15 General Fund: For transfer to the child and family  
16 reinvestment account, \$3,800,000 for fiscal year  
17 2014 and \$2,691,000 for fiscal year 2015 . . . . . \$6,491,000  
18 Flood Control Assistance Account: For transfer to the  
19 state general fund, \$1,000,000 for fiscal year 2014  
20 and \$1,000,000 for fiscal year 2015 . . . . . \$2,000,000  
21 Tobacco Settlement Account: For transfer to the state  
22 general fund, in an amount not to exceed the actual  
23 amount of the annual base payment to the tobacco  
24 settlement account . . . . . \$157,221,000  
25 Tobacco Settlement Account: For transfer to the state  
26 general fund from the amounts deposited in the  
27 account that are attributable to the annual  
28 strategic contribution payment received in  
29 fiscal year 2014 . . . . . \$17,000,000  
30 Tobacco Settlement Account: For transfer to the state  
31 general fund from the amounts deposited in the  
32 account that are attributable to the annual  
33 strategic contribution payment received in fiscal  
34 year 2015 . . . . . \$17,000,000  
35 Tobacco Settlement Account: For transfer to the life  
36 sciences discovery fund, in an amount not to exceed  
37 the actual remaining amount of the annual strategic  
38 contribution payment to the tobacco settlement account



1 for fiscal year 2014 . . . . . \$9,515,000

2 Tobacco Settlement Account: For transfer to the life  
3 sciences discovery fund, in an amount not to exceed  
4 the actual remaining amount of the annual strategic  
5 contribution payment to the tobacco settlement account  
6 for fiscal year 2015 . . . . . \$9,515,000

7 The transfer to the life sciences discovery fund is subject to the  
8 following conditions:

9 (1) The life sciences discovery fund authority board of trustees  
10 shall begin preparing to become a self-sustaining entity capable of  
11 operating without direct state subsidy by the time the tobacco  
12 strategic contribution supplemental payments end in fiscal year 2017.

13 (2) \$250,000 of the appropriation in fiscal year 2014 and \$250,000  
14 of the appropriation in fiscal year 2015 are provided solely to promote  
15 the development and delivery of global health technologies and  
16 products.

17 (a) The life sciences discovery fund authority must either  
18 administer a grant application, review, and reward process, or contract  
19 with a qualified nonprofit organization for these services. State  
20 moneys must be provided for grants to entities for the development,  
21 production, promotion, and delivery of global health technologies and  
22 products. Grant award criteria must include:

23 (i) The quality of the proposed research or the proposed technical  
24 assistance in product development or production process design. Any  
25 grant funds awarded for research activities must be awarded for  
26 nonbasic research that will assist in the commercialization or  
27 manufacture of global health technologies;

28 (ii) The potential for the grant recipient to improve global health  
29 outcomes;

30 (iii) The potential for the grant to leverage additional funding  
31 for the development of global health technologies and products;

32 (iv) The potential for the grant to stimulate, or promote technical  
33 skills training for, employment in the development of global health  
34 technologies in the state; and

35 (v) The willingness of the grant recipient, when appropriate, to  
36 enter into royalty or licensing income agreements with the authority.

37 (b) The authority, or the contractor of the authority, must report  
38 information including the types of products and research funded, the

1 funding leveraged by the grants, and the number and types of jobs  
2 created as a result of the grants, to the economic development  
3 committees of the legislature by December 1, 2014.

4 Aquatic Lands Enhancement Account: For transfer to the  
5 geoduck aquaculture research account, \$150,000 for  
6 fiscal year 2014 and \$150,000 for fiscal year 2015 . . . . \$300,000

7 Health Benefit Exchange Account: For transfer to the  
8 state general fund for fiscal year 2015 . . . . . \$21,514,000

9 Criminal Justice Treatment Account: For transfer to the  
10 state general fund, \$437,000 for fiscal year 2014  
11 and \$2,746,000 for fiscal year 2015 . . . . . \$3,183,000

12 Resources Management Cost Account--Aquatics: For transfer  
13 to the marine resources stewardship trust account,  
14 \$1,850,000 for fiscal year 2014 and \$1,850,000 for  
15 fiscal year 2015 . . . . . \$3,700,000

16 Legal Services Revolving Account: For transfer to the  
17 state general fund, \$976,000 for fiscal year 2014  
18 and \$1,477,000 for fiscal year 2015 . . . . . \$2,453,000

19 Personnel Service Account: For transfer to the state  
20 general fund, \$733,000 for fiscal year 2014 and  
21 \$733,000 for fiscal year 2015 . . . . . \$1,466,000

22 Data Processing Revolving Account: For transfer to the  
23 state general fund, \$4,069,000 for fiscal year 2014  
24 and \$4,070,000 for fiscal year 2015 . . . . . \$8,139,000

25 Home Security Fund Account: For transfer to the  
26 transitional housing operating and rent account . . . . \$7,500,000

27 Professional Engineers' Account: For transfer to the  
28 state general fund, \$956,000 for fiscal year 2014 and  
29 \$957,000 for fiscal year 2015 . . . . . \$1,913,000

30 Electrical License Account: For transfer to the state  
31 general fund, \$1,700,000 for fiscal year 2014 and  
32 \$1,700,000 for fiscal year 2015 . . . . . \$3,400,000

33 Business and Professions Account: For transfer to the  
34 state general fund, \$1,838,000 for fiscal year 2014  
35 and \$1,800,000 for fiscal year 2015 . . . . . \$3,638,000

36 Energy Freedom Account: For transfer to the state  
37 general fund, \$1,000,000 for fiscal year 2014  
38 and \$1,000,000 for fiscal year 2015 . . . . . \$2,000,000

1 Pollution Liability Insurance Program Trust Account:  
2 For transfer to the state general fund, \$2,500,000  
3 for fiscal year 2014 and \$2,500,000 for fiscal year  
4 2015 . . . . . \$5,000,000  
5 Real Estate Commission Account: For transfer to the  
6 state general fund, \$1,700,000 for fiscal year 2014  
7 and \$1,700,000 for fiscal year 2015 . . . . . \$3,400,000  
8 State Lottery Account: For transfer to the education  
9 legacy trust account, \$6,050,000 for fiscal year 2014  
10 and \$6,050,000 for fiscal year 2015 . . . . . \$12,100,000  
11 State Toxics Control Account: For transfer to the  
12 radioactive mixed waste account, \$2,000,000 for fiscal  
13 year 2014 . . . . . \$2,000,000

(End of part)

1  
2

PART IX  
MISCELLANEOUS

3

NEW SECTION. **Sec. 901. EXPENDITURE AUTHORIZATIONS**

4 The appropriations contained in this act are maximum expenditure  
5 authorizations. Pursuant to RCW 43.88.037, moneys disbursed from the  
6 treasury on the basis of a formal loan agreement shall be recorded as  
7 loans receivable and not as expenditures for accounting purposes. To  
8 the extent that moneys are disbursed on a loan basis, the corresponding  
9 appropriation shall be reduced by the amount of loan moneys disbursed  
10 from the treasury during the 2011-2013 fiscal biennium.

11

NEW SECTION. **Sec. 902. EMERGENCY FUND ALLOCATIONS**

12 Whenever allocations are made from the governor's emergency fund  
13 appropriation to an agency that is financed in whole or in part by  
14 other than general fund moneys, the director of financial management  
15 may direct the repayment of such allocated amount to the general fund  
16 from any balance in the fund or funds which finance the agency. An  
17 appropriation is not necessary to effect such repayment.

18

NEW SECTION. **Sec. 903. STATUTORY APPROPRIATIONS**

19 In addition to the amounts appropriated in this act for revenues  
20 for distribution, and bond retirement and interest including ongoing  
21 bond registration and transfer charges, transfers, interest on  
22 registered warrants, and certificates of indebtedness, there is also  
23 appropriated such further amounts as may be required or available for  
24 these purposes under any statutory formula or under chapters 39.94 and  
25 39.96 RCW or any proper bond covenant made under law.

26

NEW SECTION. **Sec. 904. BOND EXPENSES**

27 In addition to such other appropriations as are made by this act,  
28 there is hereby appropriated to the state finance committee from  
29 legally available bond proceeds in the applicable construction or  
30 building funds and accounts such amounts as are necessary to pay the  
31 expenses incurred in the issuance and sale of the subject bonds.

1           NEW SECTION.    **Sec. 905. VOLUNTARY RETIREMENT, SEPARATION, AND**  
2 **DOWNSHIFTING INCENTIVES**

3           As a management tool to reduce costs and make more effective use of  
4 resources, while improving employee productivity and morale, agencies  
5 may implement a voluntary retirement and/or separation, program that is  
6 cost neutral or results in cost savings (including costs to the state  
7 pension systems) over a two-year period following the commencement of  
8 the program, provided that such a program is approved by the director  
9 of financial management. Agencies participating in this authorization  
10 may offer voluntary retirement and/or separation incentives and options  
11 according to procedures and guidelines established by the office of  
12 financial management, in consultation with the office of the state  
13 human resources director and the department of retirement systems. The  
14 options may include, but are not limited to, financial incentives for  
15 voluntary separation or retirement. An employee does not have a  
16 contractual right to a financial incentive offered under this section.  
17 Offers shall be reviewed and monitored jointly by the office of the  
18 state human resources director and the department of retirement  
19 systems. Agencies are required to submit a report by July 30, 2015, to  
20 the legislature and the office of financial management on the outcome  
21 of their approved incentive program. The report should include  
22 information on the details of the program including the incentive  
23 payment amount for each participant, the total cost to the state, and  
24 the projected or actual net dollar savings over the two year period.

25           The department of retirement systems may collect from employers the  
26 actuarial cost of any incentive provided under this program, or any  
27 other incentive to retire provided by employers to members of the  
28 state's pension systems, for deposit in the appropriate pension  
29 account.

30           NEW SECTION.    **Sec. 906. COLLECTIVE BARGAINING AGREEMENTS NOT**  
31 **IMPAIRED**

32           Nothing in this act prohibits the expenditure of any funds by an  
33 agency or institution of the state for benefits guaranteed by any  
34 collective bargaining agreement in effect on the effective date of this  
35 section.

1            NEW SECTION.    **Sec. 907. COLLECTIVE BARGAINING AGREEMENTS**

2            The following sections represent the results of the 2013-2015  
3 collective bargaining process required under the provisions of chapters  
4 41.80, 41.56 and 74.39A RCW. Provisions of the collective bargaining  
5 agreements contained in sections 908 through 938 of this act are  
6 described in general terms. Only major economic terms are included in  
7 the descriptions. These descriptions do not contain the complete  
8 contents of the agreements. The collective bargaining agreements or  
9 the continuation of terms and conditions of the 2011-2013 agreements  
10 contained in Part IX of this act may also be funded by expenditures  
11 from nonappropriated accounts. If positions are funded with lidded  
12 grants or dedicated fund sources with insufficient revenue, additional  
13 funding from other sources is not provided.

14           NEW SECTION.    **Sec. 908. COLLECTIVE BARGAINING AGREEMENT--WFSE**

15           An agreement has been reached between the governor and the  
16 Washington federation of state employees general government under the  
17 provisions of chapter 41.80 RCW for the 2013-2015 fiscal biennium.  
18 Funding is provided to add a longevity step and for backfill costs for  
19 a personal leave day. The agreement also includes a one percent salary  
20 increase for all bargaining unit members effective July 1, 2014,  
21 through June 30, 2015, contingent on the state collecting \$200,000,000  
22 or more in unanticipated general fund-state revenue from increased  
23 economic activity.

24           NEW SECTION.    **Sec. 909. COLLECTIVE BARGAINING AGREEMENT--WPEA**

25           An agreement has been reached between the governor and the  
26 Washington public employees association general government under the  
27 provisions of chapter 41.80 RCW for the 2013-2015 fiscal biennium.  
28 Funding is provided to add a longevity step. The agreement also  
29 includes a one percent salary increase for all bargaining unit members  
30 effective July 1, 2014, through June 30, 2015, contingent on the state  
31 collecting \$200,000,000 or more in unanticipated general fund-state  
32 revenue from increased economic activity.

33           NEW SECTION.            **Sec. 910. COLLECTIVE BARGAINING AGREEMENT--**  
34 **COALITION OF UNIONS**

1 An agreement has been reached between the governor and the  
2 coalition of unions under the provisions of chapter 41.80 RCW for the  
3 2013-2015 fiscal biennium. Funding is provided to add a longevity  
4 step. The agreement also includes a one percent salary increase for  
5 all bargaining unit members effective July 1, 2014, through June 30,  
6 2015, contingent on the state collecting \$200,000,000 or more in  
7 unanticipated general fund-state revenue from increased economic  
8 activity.

9 NEW SECTION. **Sec. 911. COLLECTIVE BARGAINING AGREEMENT--WAFWP**

10 An agreement has been reached between the governor and the  
11 Washington association of fish and wildlife professionals under the  
12 provisions of chapter 41.80 RCW for the 2013-2015 fiscal biennium.  
13 Funding is provided to add a longevity step. The agreement also  
14 includes a one percent salary increase for all bargaining unit members  
15 effective July 1, 2014, through June 30, 2015, contingent on the state  
16 collecting \$200,000,000 or more in unanticipated general fund-state  
17 revenue from increased economic activity.

18 NEW SECTION. **Sec. 912. COLLECTIVE BARGAINING AGREEMENT--PTE**  
19 **LOCAL 17**

20 An agreement has been reached between the governor and the  
21 professional and technical employees local 17 under the provisions of  
22 chapter 41.80 RCW for the 2013-2015 fiscal biennium. Funding is  
23 provided to add a longevity step. The agreement also includes a one  
24 percent salary increase for all bargaining unit members effective July  
25 1, 2014, through June 30, 2015, contingent on the state collecting  
26 \$200,000,000 or more in unanticipated general fund-state revenue from  
27 increased economic activity.

28 NEW SECTION. **Sec. 913. COLLECTIVE BARGAINING AGREEMENT--SEIU**  
29 **1199NW**

30 An agreement has been reached between the governor and the service  
31 employees international union healthcare 1199nw under the provisions of  
32 chapter 41.80 RCW for the 2013-2015 fiscal biennium. Funding is  
33 provided to add a longevity step and for backfill costs for a personal  
34 leave day. The agreement also includes a one percent salary increase  
35 for all bargaining unit members effective July 1, 2014, through June

1 30, 2015, contingent on the state collecting \$200,000,000 or more in  
2 unanticipated general fund-state revenue from increased economic  
3 activity.

4 NEW SECTION.      **Sec. 914.      COLLECTIVE BARGAINING AGREEMENT--**  
5 **TEAMSTERS LOCAL 117**

6 An agreement has been reached between the governor and the  
7 international brotherhood of teamsters local 117 under the provisions  
8 of chapter 41.80 RCW for the 2013-2015 fiscal biennium. Funding is  
9 provided to add a longevity step. The agreement also includes a one  
10 percent salary increase for all bargaining unit members effective July  
11 1, 2014, through June 30, 2015, contingent on the state collecting  
12 \$200,000,000 or more in unanticipated general fund-state revenue from  
13 increased economic activity.

14 NEW SECTION.      **Sec. 915.      COLLECTIVE BARGAINING AGREEMENT--WFSE**  
15 **HIGHER EDUCATION COMMUNITY COLLEGE COALITION**

16 An agreement has been reached between the governor and the  
17 Washington federation of state employees community college coalition  
18 under the provisions of chapter 41.80 RCW for the 2013-2015 fiscal  
19 biennium. Funding is provided to add a longevity step. The agreement  
20 also includes a one percent salary increase for all bargaining unit  
21 members effective July 1, 2014, through June 30, 2015, contingent on  
22 the state collecting \$200,000,000 or more in unanticipated general  
23 fund-state revenue from increased economic activity.

24 NEW SECTION.      **Sec. 916.      COLLECTIVE BARGAINING AGREEMENT--WPEA**  
25 **HIGHER EDUCATION COMMUNITY COLLEGE COALITION**

26 An agreement has been reached between the governor and the  
27 Washington public employees association community college coalition  
28 under the provisions of chapter 41.80 RCW for the 2013-2015 fiscal  
29 biennium. Funding is provided to add a longevity step. The agreement  
30 also includes a one percent salary increase for all bargaining unit  
31 members effective July 1, 2014, through June 30, 2015, contingent on  
32 the state collecting \$200,000,000 or more in unanticipated general  
33 fund-state revenue from increased economic activity.

34 NEW SECTION.      **Sec. 917.      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. 918. 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. 919. 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. 920. 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. 921. 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. 922. 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. 923. 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. 924. 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. 925. 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. 926. 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, and a  
31 two percent wage increase for all bargaining unit members beginning  
32 July 1, 2014. The agreement also provides that if the university  
33 agrees to across-the-board salary increases for any SEIU 925 bargaining  
34 unit that are more favorable than those negotiated with WFSE, the  
35 university will grant the same salary increase to WFSE-represented  
36 employees.

1            NEW SECTION.            **Sec. 927. 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 Washington federation of state employees  
5 under the provisions of chapter 41.80 RCW for the 2013-2015 fiscal  
6 biennium. Funding is provided for additional step increases, a two  
7 percent salary increase for all bargaining unit members beginning July  
8 1, 2013, and a two percent salary increase for all bargaining unit  
9 members beginning July 1, 2014. The agreement also provides that if  
10 the university agrees to across-the-board salary increases or general  
11 increases for a SEIU 1199 or Washington state nurse association  
12 bargaining unit that are more favorable than those negotiated with SEIU  
13 925, the university will grant the same salary increase to SEIU  
14 925-represented employees.

15           NEW SECTION.           **Sec. 928. COLLECTIVE BARGAINING AGREEMENT--**  
16 **UNIVERSITY OF WASHINGTON--TEAMSTERS 117 (UW POLICE OFFICERS)**

17           An agreement has been reached between the University of Washington  
18 and the teamsters 117 under the provisions of chapter 41.80 RCW for the  
19 2013-2015 fiscal biennium. Funding is provided for a two percent  
20 salary increase for all bargaining unit members beginning July 1, 2013,  
21 and a two percent salary increase for all bargaining unit members  
22 beginning July 1, 2014.

23           NEW SECTION.           **Sec. 929. COLLECTIVE BARGAINING AGREEMENT--**  
24 **WASHINGTON STATE UNIVERSITY--WFSE**

25           An agreement has been reached between the Washington State  
26 University and the Washington federation of state employees under the  
27 provisions of chapter 41.80 RCW for the 2013-2015 fiscal biennium. The  
28 agreement provides that if a general salary increase, implementation of  
29 a salary survey, or a longevity step (Step M) is approved and funded by  
30 the state for university nonbargaining unit covered classified staff,  
31 WFSE bargaining unit members will receive the same.

32           NEW SECTION.           **Sec. 930. COLLECTIVE BARGAINING AGREEMENT--**  
33 **WASHINGTON STATE UNIVERSITY--PSE**

34           An agreement has been reached between the Washington State  
35 University and the public schools employees under the provisions of

1 chapter 41.80 RCW for the 2013-2015 fiscal biennium. The agreement  
2 provides that the bargaining unit members have a "me-too" agreement  
3 regarding cost of living increases with university classified staff  
4 utilizing the general service higher education salary schedule should  
5 the university request and receive funding to provide an across-the-  
6 board salary increase for classified staff.

7 NEW SECTION. **Sec. 931. COLLECTIVE BARGAINING AGREEMENT--**  
8 **WASHINGTON STATE UNIVERSITY--WSU POLICE GUILD**

9 An agreement has been reached between the Washington State  
10 University and the WSU Police Guild under the provisions of chapter  
11 41.80 RCW for the 2013-2015 fiscal biennium. Funding is provided to  
12 add a longevity step.

13 NEW SECTION. **Sec. 932. COMPENSATION--REPRESENTED EMPLOYEES--**  
14 **SUPER COALITION--INSURANCE BENEFITS**

15 No agreement was reached between the governor and the health care  
16 super coalition under the provisions of chapter 41.80 RCW for the  
17 2013-2015 fiscal biennium. Appropriations in this act for state  
18 agencies, including institutions of higher education are sufficient to  
19 continue the provisions of the 2011-2013 collective bargaining  
20 agreement, and are subject to the following conditions and limitations:

21 (1)(a) The monthly employer funding rate for insurance benefit  
22 premiums, public employees' benefits board administration, and the  
23 uniform medical plan, shall not exceed \$782 per eligible employee for  
24 fiscal year 2014. For fiscal year 2015 the monthly employer funding  
25 rate shall not exceed \$763 per eligible employee.

26 (b) In order to achieve the level of funding provided for health  
27 benefits, the public employees' benefits board shall require or make  
28 any or all of the following: Employee premium copayments, increases in  
29 point-of-service cost sharing, the implementation of managed  
30 competition, or other changes to benefits consistent with RCW  
31 41.05.065. Beginning July 1, 2014, the board shall add a \$25 per month  
32 surcharge to the premiums due from members who use tobacco products and  
33 a surcharge of not less than \$50 per month to the premiums due from  
34 members who cover a spouse or domestic partner where the spouse or  
35 domestic partner has chosen not to enroll in other employer-based group

1 health insurance that has benefits and premiums with an actuarial value  
2 of not less than 95 percent of the actuarial value of the public  
3 employees' benefits board plan with the largest enrollment.

4 (c) The health care authority shall deposit any moneys received on  
5 behalf of the uniform medical plan as a result of rebates on  
6 prescription drugs, audits of hospitals, subrogation payments, or any  
7 other moneys recovered as a result of prior uniform medical plan claims  
8 payments, into the public employees' and retirees' insurance account to  
9 be used for insurance benefits. Such receipts shall not be used for  
10 administrative expenditures.

11 (2) The health care authority, subject to the approval of the  
12 public employees' benefits board, shall provide subsidies for health  
13 benefit premiums to eligible retired or disabled public employees and  
14 school district employees who are eligible for medicare, pursuant to  
15 RCW 41.05.085. The subsidy provided for calendar years 2014 and 2015  
16 shall be up to \$150 per month.

17 NEW SECTION. **Sec. 933. COMPENSATION--REPRESENTED EMPLOYEES**  
18 **OUTSIDE SUPER COALITION--INSURANCE BENEFITS**

19 Appropriations for state agencies in this act are sufficient for  
20 represented employees outside the super coalition for health benefits,  
21 and are subject to the following conditions and limitations:

22 (1)(a) The monthly employer funding rate for insurance benefit  
23 premiums, public employees' benefits board administration, and the  
24 uniform medical plan, shall not exceed \$782 per eligible employee for  
25 fiscal year 2014. For fiscal year 2015 the monthly employer funding  
26 rate shall not exceed \$763 per eligible employee.

27 (b) In order to achieve the level of funding provided for health  
28 benefits, the public employees' benefits board shall require or make  
29 any or all of the following: Employee premium copayments, increases in  
30 point-of-service cost sharing, the implementation of managed  
31 competition, or other changes to benefits consistent with RCW  
32 41.05.065. Beginning July 1, 2014, the board shall add a \$25 per month  
33 surcharge to the premiums due from members who use tobacco products and  
34 a surcharge of not less than \$50 per month to the premiums due from  
35 members who cover a spouse or domestic partner where the spouse or  
36 domestic partner has chosen not to enroll in other employer-based group

1 health insurance that has benefits and premiums with an actuarial value  
2 of not less than 95 percent of the actuarial value of the public  
3 employees' benefits board plan with the largest enrollment.

4 (c) The health care authority shall deposit any moneys received on  
5 behalf of the uniform medical plan as a result of rebates on  
6 prescription drugs, audits of hospitals, subrogation payments, or any  
7 other moneys recovered as a result of prior uniform medical plan claims  
8 payments, into the public employees' and retirees' insurance account to  
9 be used for insurance benefits. Such receipts shall not be used for  
10 administrative expenditures.

11 (2) The health care authority, subject to the approval of the  
12 public employees' benefits board, shall provide subsidies for health  
13 benefit premiums to eligible retired or disabled public employees and  
14 school district employees who are eligible for medicare, pursuant to  
15 RCW 41.05.085. The subsidy provided for calendar years 2014 and 2015  
16 shall be up to \$150 per month.

17 NEW SECTION. **Sec. 934. COLLECTIVE BARGAINING AGREEMENTS**

18 For collective bargaining agreements negotiated with the state for  
19 the 2013-2015 fiscal biennium under chapter 41.80 RCW, the governor may  
20 request funds to implement the terms and conditions of any agreement  
21 negotiated by an institution of higher education and submitted to the  
22 office of financial management after October 1, 2012, but before  
23 December 20, 2012, if that agreement is determined to be financially  
24 feasible to the state by the director of financial management.

25 NEW SECTION. **Sec. 935. COLLECTIVE BARGAINING AGREEMENT FOR**  
26 **NONSTATE EMPLOYEES--LANGUAGE ACCESS PROVIDERS WFSE**

27 An agreement has been reached between the governor and the  
28 Washington federation of state employees for the language access  
29 providers under the provisions of chapter 41.56 RCW for the 2013-2015  
30 fiscal biennium. Funding is provided for a rate increase of 50 cents  
31 per hour effective July 1, 2013, and rate increase of 50 cents per hour  
32 effective July 1, 2014. Funding is also provided to accommodate a  
33 change to the no-show payment rules.

34 NEW SECTION. **Sec. 936. COLLECTIVE BARGAINING AGREEMENT FOR**  
35 **NONSTATE EMPLOYEES--SEIU HEALTHCARE 775NW HOMECARE WORKERS**

1 An agreement has been reached between the governor and the service  
2 employees international union healthcare 775nw through an interest  
3 arbitration decision under the provisions of chapter 74.39A and 41.56  
4 RCW for the 2013-2015 fiscal biennium. Funding is provided for  
5 increases to wages and pay differentials, mileage allowance, and  
6 healthcare contributions. Funding is also provided for a paid holiday  
7 and payment of certification and testing fees.

8 NEW SECTION. **Sec. 937. COLLECTIVE BARGAINING AGREEMENT FOR**  
9 **NONSTATE EMPLOYEES--SEIU LOCAL 925 CHILDCARE WORKERS**

10 An agreement has been reached between the governor and the service  
11 employees international union local 925 under the provisions of chapter  
12 41.56 RCW for the 2013-2015 fiscal biennium. Funding is provided for  
13 increases to health care, scholarship funding and non-standard hours  
14 bonus.

15 NEW SECTION. **Sec. 938. COLLECTIVE BARGAINING AGREEMENT FOR**  
16 **NONSTATE EMPLOYEES--WSRCC ADULT FAMILY HOMES**

17 An agreement has been reached between the governor and the  
18 Washington state residential care council under the provisions of  
19 chapter 41.56 RCW for the 2013-2015 fiscal biennium. Funding is  
20 provided for a specialty adult family home contract for community  
21 placement of clients currently in western state hospital and an  
22 increase in the daily bed hold rate (days eight through twenty).

23 NEW SECTION. **Sec. 939. COMPENSATION--NONREPRESENTED EMPLOYEES--**  
24 **INSURANCE BENEFITS**

25 Appropriations for state agencies in this act are sufficient for  
26 nonrepresented state employee health benefits for state agencies,  
27 including institutions of higher education, and are subject to the  
28 following conditions and limitations:

29 (1)(a) The monthly employer funding rate for insurance benefit  
30 premiums, public employees' benefits board administration, and the  
31 uniform medical plan, shall not exceed \$782 per eligible employee for  
32 fiscal year 2014. For fiscal year 2015 the monthly employer funding  
33 rate shall not exceed \$763 per eligible employee.

34 (b) In order to achieve the level of funding provided for health  
35 benefits, the public employees' benefits board shall require or make



1 any or all of the following: Employee premium copayments, increases in  
2 point-of-service cost sharing, the implementation of managed  
3 competition, or other changes to benefits consistent with RCW  
4 41.05.065. Beginning July 1, 2014, the board shall add a \$25 per month  
5 surcharge to the premiums due from members who use tobacco products and  
6 a surcharge of not less than \$50 per month to the premiums due from  
7 members who cover a spouse or domestic partner where the spouse or  
8 domestic partner has chosen not to enroll in other employer-based group  
9 health insurance that has benefits and premiums with an actuarial value  
10 of not less than 95 percent of the actuarial value of the public  
11 employees' benefits board plan with the largest enrollment.

12 (c) The health care authority shall deposit any moneys received on  
13 behalf of the uniform medical plan as a result of rebates on  
14 prescription drugs, audits of hospitals, subrogation payments, or any  
15 other moneys recovered as a result of prior uniform medical plan claims  
16 payments, into the public employees' and retirees' insurance account to  
17 be used for insurance benefits. Such receipts shall not be used for  
18 administrative expenditures.

19 (2) The health care authority, subject to the approval of the  
20 public employees' benefits board, shall provide subsidies for health  
21 benefit premiums to eligible retired or disabled public employees and  
22 school district employees who are eligible for medicare, pursuant to  
23 RCW 41.05.085. The subsidy provided for calendar years 2014 and 2015  
24 shall be up to \$150 per month.

25 (3) Technical colleges, school districts, and educational service  
26 districts shall remit to the health care authority for deposit into the  
27 public employees' and retirees' insurance account established in RCW  
28 41.05.120 the following amounts:

29 (a) For each full-time employee, \$64.40 per month beginning  
30 September 1, 2013, and \$70.39 beginning September 1, 2014; and

31 (b) For each part-time employee, who at the time of the remittance  
32 is employed in an eligible position as defined in RCW 41.32.010 or  
33 41.40.010 and is eligible for employer fringe benefit contributions for  
34 basic benefits, \$64.40 each month beginning September 1, 2013, and  
35 \$70.39 beginning September 1, 2014, prorated by the proportion of  
36 employer fringe benefit contributions for a full-time employee that the  
37 part-time employee receives. The remittance requirements specified in

1 this subsection (3) shall not apply to employees of a technical  
2 college, school district, or educational service district who purchase  
3 insurance benefits through contracts with the health care authority.

4 NEW SECTION. **Sec. 940. COMPENSATION--REVISE PENSION CONTRIBUTION**  
5 **RATES**

6 The appropriations for school districts and state agencies,  
7 including institutions of higher education are subject to the following  
8 conditions and limitations: Appropriations are adjusted to reflect  
9 changes to agency appropriations to reflect pension contribution rates  
10 adopted by the pension funding council and the law enforcement  
11 officers' and firefighters' retirement system plan 2 board.

12 NEW SECTION. **Sec. 941. NONREPRESENTED EMPLOYEE LONGEVITY STEP**

13 For classified state employees, except those within the Washington  
14 management service and except those represented by a bargaining unit  
15 under chapters 41.80, 41.56, or 47.64 RCW, funding is provided within  
16 agency appropriations for implementation of a longevity step, in  
17 accordance with rules adopted under RCW 41.06.133.

18 NEW SECTION. **Sec. 942. COMPENSATION--CONTINGENT INCREASE IN**  
19 **SALARIES AND WAGES**

20 (1) If the director of the office of financial management  
21 determines that the February 2014 economic and revenue forecast council  
22 forecast for general fund--state revenues for fiscal year 2015 is  
23 \$200,000,000 or more than the September 2012 economic and revenue  
24 forecast council forecast for general fund--state revenues for fiscal  
25 year 2015 as a result of increased economic activity, effective July 1,  
26 2014, appropriations to state agencies will increase in the amounts  
27 specified in LEAP Document 2013-H01 to fund a one percent salary  
28 increase effective July 1, 2014, through June 30, 2015, for the  
29 following state employees:

- 30 (a) All classified employees;
- 31 (b) Employees in the Washington management service;
- 32 (c) Except as provided in subsection (2) of this section, employees  
33 exempt from merit system rules in the executive, legislative, and  
34 judicial branches;

1 (d) Employees of the marine division of the department of  
2 transportation represented by the office and professional employees  
3 international union local eight and service employees international  
4 union local six.

5 (2) The salary increase in this section is not provided to the  
6 following state employees:

7 (a) Commissioned officers of the Washington state patrol  
8 represented by the Washington state patrol troopers association and the  
9 Washington state patrol lieutenants association;

10 (b) Employees of the marine division of the department of  
11 transportation represented by:

12 (i) The ferry agents, supervisors, project administrators  
13 association;

14 (ii) The Pacific northwest regional council of carpenters;

15 (iii) The Puget Sound metal trades council;

16 (iv) The marine engineers' beneficial association unlicensed engine  
17 room employees;

18 (v) The marine engineers' beneficial association licensed engineer  
19 officers;

20 (vi) The masters, mates and pilots - mates;

21 (vii) The masters, mates and pilots - masters;

22 (viii) The masters, mates and pilots - watch supervisors; and

23 (ix) The inlandboatmen's union of the pacific.

24 (c) Employees whose maximum salaries are set by the commission on  
25 salaries for elected officials; and

26 (d) Faculty employees and employees exempt from merit system rules  
27 at institutions of higher education.

28 (3) For purposes of this section, "increased economic activity"  
29 means additional revenue derived from taxable business and consumer  
30 activity and does not include revenue changes from changes in state or  
31 federal law or revenue changes characterized by the economic and  
32 revenue forecast council as a noneconomic change.

33 NEW SECTION. **Sec. 943. ACQUISITION OF INFORMATION TECHNOLOGY**  
34 **PROJECTS THROUGH FINANCIAL CONTRACTS**

35 (1) Financial contracts for the acquisition of the information  
36 technology projects authorized in this section must be approved jointly

1 by the office of the financial management and the office of the chief  
2 information officer. Information technology projects funded under this  
3 section shall meet the following requirements:

4 (a) The project reduces costs and achieves economies of scale by  
5 leveraging statewide investments in systems and data and other common  
6 or enterprise-wide solutions within and across state agencies;

7 (b) The project begins or continues replacement of legacy  
8 information technology systems and replacing these systems with modern  
9 and more efficient information technology systems;

10 (c) The project improves the ability of an agency to recover from  
11 major disaster;

12 (d) The project provides future savings and efficiencies for an  
13 agency through reduced operating costs, improved customer service, or  
14 increased revenue collections; and

15 (e) Preference for project approval must be given to an agency that  
16 has prior approval from the office of the chief information officer, an  
17 approved business plan, and where the primary hurdle to project funding  
18 is the lack of funding capacity.

19 (2) The following state agencies may enter into financial contracts  
20 to finance expenditures for the acquisition and implementation of the  
21 following information technology projects for up to the respective  
22 amounts indicated, plus financing expenses and required reserves  
23 pursuant to chapter 39.94 RCW:

24 (a) Subject to subsection (4) of this section, \$10,000,000 for the  
25 department of enterprise services time, leave, and attendance pilot  
26 project;

27 (b) \$3,867,000 for the Washington state patrol for continuation of  
28 the mobile office platform;

29 (c) \$8,500,000 for the department of social and health services  
30 conversion to the tenth version of the world health organization's  
31 international classification of diseases;

32 (d) \$5,558,000 for the department of early learning system  
33 implementation of electronic benefit transfers;

34 (e) \$4,323,000 for the department of corrections for radio  
35 infrastructure upgrades.

36 (3) The office of financial management with assistance from the  
37 office of the chief information officer will report to the governor and  
38 fiscal committees of the legislature by November 1st of each year on

1 the status of distributions and expenditures on information technology  
2 projects and improved statewide or agency performance results achieved  
3 by project funding.

4 (4) If the Washington state department of transportation enters  
5 into financial contracts pursuant to chapter 39.94 RCW for the  
6 acquisition and implementation of a time, leave, and labor distribution  
7 system, the authorization provided to the department of enterprise  
8 services in subsection (2)(a) of this section expires.

9 NEW SECTION. **Sec. 944. INFORMATION TECHNOLOGY PROJECTS**

10 (1) The office of the chief information officer, in coordination  
11 with the technology services board, must evaluate existing state  
12 technology policies on technology investment planning and project  
13 implementation to determine whether these policies reflect current  
14 industry leading practices. Where necessary, the office of the chief  
15 information officer shall develop revisions to these policies designed  
16 to incorporate leading practices, and to incorporate appropriate  
17 reporting mechanisms designed to improve the transparency of agency  
18 compliance with these policies. All revisions must be submitted to the  
19 technology services board for approval no later than September 30,  
20 2013. The technology services board may create a subcommittee  
21 responsible for the ongoing review and oversight of state technology  
22 policy development.

23 (2) The office of the chief information officer shall improve the  
24 transparency of agency technology planning and development activities  
25 by implementing a publicly facing web-based reporting tool for  
26 centralized reporting and posting of these documents. The office of  
27 the chief information officer shall develop and implement a policy  
28 requiring that all critical planning documents, including but not  
29 limited to feasibility studies, project management plans, and quality  
30 assurance plans for all major projects, and all quality assurance  
31 status reports. The reporting tool should be in place no later than  
32 September 30, 2013.

33 NEW SECTION. **Sec. 945. PERSONAL COMPUTER ACQUISITION AND**  
34 **REPLACEMENT**

35 (1) The legislature finds that the state must achieve reduced costs  
36 in the acquisition and deployment of new and replacement personal

1 computers. The office of the chief information officer of the state  
2 must develop a policy on the procurement of personal computers with the  
3 goal of reducing the total life cycle cost of ownership. The policy  
4 must be effective no later than September 1, 2013.

5 (2) At a minimum, the policy must address frequency of replacement,  
6 identify a preferred financing method, and identify one or more  
7 preferred equipment configurations. Financing methods examined in  
8 developing the policy must include leasing, lease purchasing,  
9 purchasing using certificates of participation and cash purchase. In  
10 determining total life cycle costs, the office of the chief information  
11 officer must consider the cost of acquisition, deployment, financing,  
12 maintenance, and decommissioning of personal computers including any  
13 residual software licensing costs. The office of the chief information  
14 officer may include any other criteria deemed appropriate in developing  
15 the policy.

16 (3) The office of the attorney general shall participate in a pilot  
17 acquisition program. Key elements of the pilot will include a regular  
18 replacement cycle that ensures reliable equipment and is acquired by  
19 lease. Deployment of the replacement computer and decommissioning of  
20 the old computer must also be part of the acquisition contract. The  
21 office of the attorney general must work with the office of the chief  
22 information officer to determine the costs and benefits of this  
23 approach relative to cash procurement and agency deployment and  
24 decommissioning. The office of the chief information officer shall  
25 report on the findings of the pilot not later than January 1, 2015.

26 (4) While judicial, legislative, and higher education agencies are  
27 exempt from this policy, they are encouraged to adhere to the policy to  
28 the maximum extent practicable in meeting the goal of lowering the  
29 total life cycle cost of ownership for personal computers.

30 NEW SECTION. **Sec. 946. INFORMATION TECHNOLOGY SECURITY PROGRAMS**  
31 **AND TRAINING**

32 (1) The office of the chief information officer has developed  
33 information technology security policies and standards to assist state  
34 agencies in implementing an information technology security program.  
35 Before any agency may expend amounts appropriated in this act on  
36 information technology equipment, the agency must adopt the information

1 technology security policies and standards and the state chief  
2 information officer must approve an agency's information technology  
3 security program.

4 (2) Every agency shall submit to the office of the chief  
5 information officer a schedule for employee information technology  
6 security training, in accordance with technology security policies, no  
7 later than September 1, 2013. In the event an agency has not complied  
8 with this requirement, the chief information officer may request the  
9 office of financial management to embargo all or part of the amounts  
10 appropriated to the agency in this act for information technology  
11 equipment purchases until the agency training schedule is received.

12 **Sec. 947.** 2013 c 306 s 517 (uncodified) is amended to read as  
13 follows:

14 **COMPENSATION--REPRESENTED EMPLOYEES--SUPER COALITION--INSURANCE**  
15 **BENEFITS**

16 No agreement has been reached between the governor and the health  
17 care super coalition under chapter 41.80 RCW for the 2013-2015 fiscal  
18 biennium. Appropriations in this act for state agencies, including  
19 institutions of higher education, are sufficient to continue the  
20 provisions of the 2011-2013 collective bargaining agreement and are  
21 subject to the following conditions and limitations:

22 (1)(a) The monthly employer funding rate for insurance benefit  
23 premiums, public employees' benefits board administration, and the  
24 uniform medical plan must not exceed (~~(\$809)~~) \$782 per eligible  
25 employee for fiscal year 2014. For fiscal year 2015, the monthly  
26 employer funding rate must not exceed (~~(\$820)~~) \$763 per eligible  
27 employee.

28 (b) In order to achieve the level of funding provided for health  
29 benefits, the public employees' benefits board must require any of the  
30 following: Employee premium copayments; increases in point-of-service  
31 cost sharing; the implementation of managed competition; or other  
32 changes to benefits consistent with RCW 41.05.065. Beginning July 1,  
33 2014, the board shall add a \$25 per month surcharge to the premiums due  
34 from members who use tobacco products and a surcharge of not less than  
35 \$50 per month to the premiums due from members who cover a spouse or  
36 domestic partner where the spouse or domestic partner has chosen not to  
37 enroll in other employer-based group health insurance that has benefits

1 and premiums with an actuarial value not less than 95 percent of the  
2 actuarial value of the public employees' benefits board plan with the  
3 largest enrollment.

4 (c) The health care authority shall deposit any moneys received on  
5 behalf of the uniform medical plan as a result of rebates on  
6 prescription drugs, audits of hospitals, subrogation payments, or any  
7 other moneys recovered as a result of prior uniform medical plan claims  
8 payments into the public employees' and retirees' insurance account to  
9 be used for insurance benefits. Such receipts must not be used for  
10 administrative expenditures.

11 (2) The health care authority, subject to the approval of the  
12 public employees' benefits board, shall provide subsidies for health  
13 benefit premiums to eligible retired or disabled public employees and  
14 school district employees who are eligible for medicare, pursuant to  
15 RCW 41.05.085. For calendar years 2014 and 2015, the subsidy must be  
16 \$150.00 per month.

17 **Sec. 948.** 2013 c 306 s 518 (uncodified) is amended to read as  
18 follows:

19 **COMPENSATION--REPRESENTED EMPLOYEES OUTSIDE SUPER COALITION--INSURANCE**  
20 **BENEFITS**

21 Appropriations for state agencies in this act are sufficient for  
22 represented employees outside the super coalition for health benefits  
23 and are subject to the following conditions and limitations:

24 (1)(a) The monthly employer funding rate for insurance benefit  
25 premiums, public employees' benefits board administration, and the  
26 uniform medical plan must not exceed (~~(\$809)~~) \$782 per eligible  
27 employee for fiscal year 2014. For fiscal year 2015, the monthly  
28 employer funding rate must not exceed (~~(\$820)~~) \$763 per eligible  
29 employee.

30 (b) In order to achieve the level of funding provided for health  
31 benefits, the public employees' benefits board shall require any of the  
32 following: Employee premium copayments; increases in point-of-service  
33 cost sharing; the implementation of managed competition; or other  
34 changes to benefits consistent with RCW 41.05.065. Beginning July 1,  
35 2014, the board shall add a \$25 per month surcharge to the premiums due  
36 from members who use tobacco products and a surcharge of not less than  
37 \$50 per month to the premiums due from members who cover a spouse or



1 domestic partner where the spouse or domestic partner has chosen not to  
2 enroll in other employer-based group health insurance that has benefits  
3 and premiums with an actuarial value not less than 95 percent of the  
4 actuarial value of the public employees' benefits board plan with the  
5 largest enrollment.

6 (c) The health care authority shall deposit any moneys received on  
7 behalf of the uniform medical plan as a result of rebates on  
8 prescription drugs, audits of hospitals, subrogation payments, or any  
9 other moneys recovered as a result of prior uniform medical plan claims  
10 payments into the public employees' and retirees' insurance account to  
11 be used for insurance benefits. Such receipts must not be used for  
12 administrative expenditures.

13 (2) The health care authority, subject to the approval of the  
14 public employees' benefits board, shall provide subsidies for health  
15 benefit premiums to eligible retired or disabled public employees and  
16 school district employees who are eligible for medicare, pursuant to  
17 RCW 41.05.085. For calendar years 2014 and 2015, the subsidy must be  
18 \$150.00 per month.

19 **Sec. 949.** 2013 c 306 s 519 (uncodified) is amended to read as  
20 follows:

21 **COMPENSATION--NONREPRESENTED EMPLOYEES--INSURANCE BENEFITS**

22 Appropriations for state agencies in this act are sufficient for  
23 nonrepresented state employee health benefits for state agencies,  
24 including institutions of higher education, and are subject to the  
25 following conditions and limitations:

26 (1)(a) The monthly employer funding rate for insurance benefit  
27 premiums, public employees' benefits board administration, and the  
28 uniform medical plan must not exceed (~~(\$809)~~) \$782 per eligible  
29 employee for fiscal year 2014. For fiscal year 2015, the monthly  
30 employer funding rate must not exceed (~~(\$820)~~) \$763 per eligible  
31 employee.

32 (b) In order to achieve the level of funding provided for health  
33 benefits, the public employees' benefits board shall require any of the  
34 following: Employee premium copayments; increases in point-of-service  
35 cost sharing; the implementation of managed competition; or make other  
36 changes to benefits consistent with RCW 41.05.065. Beginning July 1,  
37 2014, the board shall add a \$25 per month surcharge to the premiums due

1 from members who use tobacco products and a surcharge of not less than  
2 \$50 per month to the premiums due from members who cover a spouse or  
3 domestic partner where the spouse or domestic partner has chosen not to  
4 enroll in other employer-based group health insurance that has benefits  
5 and premiums with an actuarial value not less than 95 percent of the  
6 actuarial value of the public employees' benefits board plan with the  
7 largest enrollment.

8 (c) The health care authority shall deposit any moneys received on  
9 behalf of the uniform medical plan as a result of rebates on  
10 prescription drugs, audits of hospitals, subrogation payments, or any  
11 other moneys recovered as a result of prior uniform medical plan claims  
12 payments into the public employees' and retirees' insurance account to  
13 be used for insurance benefits. Such receipts must not be used for  
14 administrative expenditures.

15 (2) The health care authority, subject to the approval of the  
16 public employees' benefits board, shall provide subsidies for health  
17 benefit premiums to eligible retired or disabled public employees and  
18 school district employees who are eligible for medicare, pursuant to  
19 RCW 41.05.085. For calendar years 2014 and 2015, the subsidy must be  
20 \$150.00 per month.

21 **Sec. 950.** RCW 2.68.020 and 2012 2nd sp.s. c 7 s 913 are each  
22 amended to read as follows:

23 There is created an account in the custody of the state treasurer  
24 to be known as the judicial information system account. The  
25 administrative office of the courts shall maintain and administer the  
26 account, in which shall be deposited all moneys received from in-state  
27 noncourt users and any out-of-state users of the judicial information  
28 system and moneys as specified in RCW 2.68.040 for the purposes of  
29 providing judicial information system access to noncourt users and  
30 providing an adequate level of automated services to the judiciary.  
31 The legislature shall appropriate the funds in the account for the  
32 purposes of the judicial information system. The account shall be used  
33 for the acquisition of equipment, software, supplies, services, and  
34 other costs incidental to the acquisition, development, operation, and  
35 administration of information services, telecommunications, systems,  
36 software, supplies, and equipment, including the payment of principal  
37 and interest on items paid in installments. During the 2011-2013

1 fiscal biennium, the judicial information system(~~s~~[system]) account  
2 may be appropriated to support the state law library. During the 2013-  
3 2015 fiscal biennium, the judicial information system account may be  
4 appropriated to support the information systems and other activities in  
5 the administrative office of the courts.

6 **Sec. 951.** RCW 2.28.170 and 2009 c 445 s 2 are each amended to read  
7 as follows:

8 (1) Counties may establish and operate drug courts.

9 (2) For the purposes of this section, "drug court" means a court  
10 that has special calendars or dockets designed to achieve a reduction  
11 in recidivism and substance abuse among nonviolent, substance abusing  
12 felony and nonfelony offenders, whether adult or juvenile, by  
13 increasing their likelihood for successful rehabilitation through  
14 early, continuous, and intense judicially supervised treatment;  
15 mandatory periodic drug testing; and the use of appropriate sanctions  
16 and other rehabilitation services.

17 (3)(a) Any jurisdiction that seeks a state appropriation to fund a  
18 drug court program must first:

19 (i) Exhaust all federal funding that is available to support the  
20 operations of its drug court and associated services; and

21 (ii) Match, on a dollar-for-dollar basis, state moneys allocated  
22 for drug court programs with local cash or in-kind resources. Moneys  
23 allocated by the state must be used to supplement, not supplant, other  
24 federal, state, and local funds for drug court operations and  
25 associated services. However, from July 26, 2009, until June 30,  
26 (~~2013~~) 2015, no match is required for state moneys expended for the  
27 administrative and overhead costs associated with the operation of a  
28 drug court pursuant to RCW 70.96A.350.

29 (b) Any county that establishes a drug court pursuant to this  
30 section shall establish minimum requirements for the participation of  
31 offenders in the program. The drug court may adopt local requirements  
32 that are more stringent than the minimum. The minimum requirements  
33 are:

34 (i) The offender would benefit from substance abuse treatment;

35 (ii) The offender has not previously been convicted of a serious  
36 violent offense or sex offense as defined in RCW 9.94A.030; and

1 (iii) Without regard to whether proof of any of these elements is  
2 required to convict, the offender is not currently charged with or  
3 convicted of an offense:

4 (A) That is a sex offense;

5 (B) That is a serious violent offense;

6 (C) During which the defendant used a firearm; or

7 (D) During which the defendant caused substantial or great bodily  
8 harm or death to another person.

9 **Sec. 952.** RCW 2.28.170 and 2013 c 257 s 5 are each amended to read  
10 as follows:

11 (1) Jurisdictions may establish and operate drug courts.

12 (2) For the purposes of this section, "drug court" means a court  
13 that has special calendars or dockets designed to achieve a reduction  
14 in recidivism and substance abuse among nonviolent, substance abusing  
15 felony and nonfelony offenders, whether adult or juvenile, by  
16 increasing their likelihood for successful rehabilitation through  
17 early, continuous, and intense judicially supervised treatment;  
18 mandatory periodic drug testing; and the use of appropriate sanctions  
19 and other rehabilitation services.

20 (3)(a) Any jurisdiction that seeks a state appropriation to fund a  
21 drug court program must first:

22 (i) Exhaust all federal funding that is available to support the  
23 operations of its drug court and associated services; and

24 (ii) Match, on a dollar-for-dollar basis, state moneys allocated  
25 for drug court programs with local cash or in-kind resources. Moneys  
26 allocated by the state must be used to supplement, not supplant, other  
27 federal, state, and local funds for drug court operations and  
28 associated services. However, from July 26, 2009, until June 30,  
29 (~~2013~~) 2015, no match is required for state moneys expended for the  
30 administrative and overhead costs associated with the operation of a  
31 drug court pursuant to RCW 70.96A.350.

32 (b) Any jurisdiction that establishes a drug court pursuant to this  
33 section shall establish minimum requirements for the participation of  
34 offenders in the program. The drug court may adopt local requirements  
35 that are more stringent than the minimum. The minimum requirements  
36 are:

37 (i) The offender would benefit from substance abuse treatment;

1 (ii) The offender has not previously been convicted of a serious  
2 violent offense or sex offense as defined in RCW 9.94A.030; and

3 (iii) Without regard to whether proof of any of these elements is  
4 required to convict, the offender is not currently charged with or  
5 convicted of an offense:

6 (A) That is a sex offense;

7 (B) That is a serious violent offense;

8 (C) During which the defendant used a firearm; or

9 (D) During which the defendant caused substantial or great bodily  
10 harm or death to another person.

11 **Sec. 953.** RCW 13.40.466 and 2006 c 304 s 4 are each amended to  
12 read as follows:

13 (1) The reinvesting in youth account is created in the state  
14 treasury. Moneys in the account shall be spent only after  
15 appropriation. Expenditures from the account may be used to reimburse  
16 local governments for the implementation of the reinvesting in youth  
17 program established in RCW 13.40.462 and 13.40.464. During the  
18 2013-2015 fiscal biennium, the legislature may appropriate moneys from  
19 the reinvesting in youth account for juvenile rehabilitation purposes.

20 (2) Revenues to the reinvesting in youth account consist of  
21 revenues appropriated to or deposited in the account.

22 (3) The department of social and health services juvenile  
23 rehabilitation administration shall review and monitor the expenditures  
24 made by any county or group of counties that is funded, in whole or in  
25 part, with funds provided through the reinvesting in youth account.  
26 Counties shall repay any funds that are not spent in accordance with  
27 RCW 13.40.462 and 13.40.464.

28 **Sec. 954.** RCW 18.43.150 and 1991 c 277 s 2 are each amended to  
29 read as follows:

30 All fees collected under the provisions of RCW 18.43.050,  
31 18.43.060, 18.43.080, 18.43.100, and 18.43.130 and fines collected  
32 under RCW 18.43.110 shall be paid into the professional engineers'  
33 account, which account is hereby established in the state treasury to  
34 be used to carry out the purposes and provisions of RCW 18.43.050,  
35 18.43.060, 18.43.080, 18.43.100, 18.43.110, 18.43.120, 18.43.130(~~18.43.140~~),  
36 ~~18.43.140~~), and all other duties required for operation and

1 enforcement of this chapter. During the 2013-2015 fiscal biennium, the  
2 legislature may transfer moneys from the professional engineers'  
3 account to the state general fund such amounts as reflect the excess  
4 fund balance of the fund.

5 **Sec. 955.** RCW 18.85.061 and 2008 c 23 s 29 are each amended to  
6 read as follows:

7 All fees required under this chapter shall be set by the director  
8 in accordance with RCW 43.24.086 and shall be paid to the state  
9 treasurer. All fees paid under the provisions of this chapter shall be  
10 placed in the real estate commission account in the state treasury.  
11 All money derived from fines imposed under this chapter shall be  
12 deposited in the real estate education program account created in RCW  
13 18.85.321. During the 2013-2015 fiscal biennium, the legislature may  
14 transfer to the state general fund such amounts as reflect the excess  
15 fund balance in the real estate commission account.

16 **Sec. 956.** RCW 19.28.351 and 2003 1st sp.s. c 25 s 910 are each  
17 amended to read as follows:

18 All sums received from licenses, permit fees, or other sources,  
19 herein shall be paid to the state treasurer and placed in a special  
20 fund designated as the "electrical license fund," and paid out upon  
21 vouchers duly and regularly issued therefor and approved by the  
22 director of labor and industries or the director's designee following  
23 determination by the board that the sums are necessary to accomplish  
24 the intent of chapter 19.28 RCW. The treasurer shall keep an accurate  
25 record of payments into, or receipts of, the fund, and of all  
26 disbursements therefrom.

27 During the ((2003-2005)) 2013-2015 biennium, the legislature may  
28 transfer moneys from the electrical license fund to the state general  
29 fund such amounts as reflect the excess fund balance of the fund.

30 **Sec. 957.** RCW 28A.500.020 and 2010 c 237 s 5 are each amended to  
31 read as follows:

32 (1) Unless the context clearly requires otherwise, the definitions  
33 in this section apply throughout this chapter.

34 (a) "Prior tax collection year" means the year immediately

1 preceding the year in which the local effort assistance shall be  
2 allocated.

3 (b) "Statewide average fourteen percent levy rate" means fourteen  
4 percent of the total levy bases as defined in RCW 84.52.0531 (3)  
5 through (5) for calendar years 2014 and 2015, and as defined in RCW  
6 84.52.0531 (3) and (4) in calendar years 2016 and thereafter, summed  
7 for all school districts, and divided by the total assessed valuation  
8 for excess levy purposes in the prior tax collection year for all  
9 districts as adjusted to one hundred percent by the county indicated  
10 ratio established in RCW 84.48.075.

11 (c) The "district's fourteen percent levy amount" means the school  
12 district's maximum levy authority after transfers determined under RCW  
13 84.52.0531(2) (a) through (c) divided by the district's maximum levy  
14 percentage determined under RCW 84.52.0531(~~(+5)~~) (6) multiplied by  
15 fourteen percent.

16 (d) The "district's fourteen percent levy rate" means the  
17 district's fourteen percent levy amount divided by the district's  
18 assessed valuation for excess levy purposes for the prior tax  
19 collection year as adjusted to one hundred percent by the county  
20 indicated ratio.

21 (e) "Districts eligible for local effort assistance" means those  
22 districts with a fourteen percent levy rate that exceeds the statewide  
23 average fourteen percent levy rate.

24 (2) Unless otherwise stated all rates, percents, and amounts are  
25 for the calendar year for which local effort assistance is being  
26 calculated under this chapter.

27 **Sec. 958.** RCW 28B.15.067 and 2012 2nd sp.s. c 7 s 914 and 2012 c  
28 228 s 6 are each reenacted and amended to read as follows:

29 (1) Tuition fees shall be established under the provisions of this  
30 chapter.

31 (2) Beginning in the 2011-12 academic year, reductions or increases  
32 in full-time tuition fees shall be as provided in the omnibus  
33 appropriations act for resident undergraduate students at community and  
34 technical colleges. The governing boards of the state universities,  
35 regional universities, and The Evergreen State College; and the state  
36 board for community and technical colleges may reduce or increase full-  
37 time tuition fees for all students other than resident undergraduates,

1 including nonresident students, summer school students, and students in  
2 other self-supporting degree programs. Percentage increases in full-  
3 time tuition may exceed the fiscal growth factor. Except during the  
4 ((2011-2013)) 2013-2015 fiscal biennium, the state board for community  
5 and technical colleges may pilot or institute differential tuition  
6 models. The board may define scale, scope, and rationale for the  
7 models.

8 (3)(a) Beginning with the 2011-12 academic year and through the end  
9 of the 2014-15 academic year, the governing boards of the state  
10 universities, the regional universities, and The Evergreen State  
11 College may reduce or increase full-time tuition fees for all students,  
12 including summer school students and students in other self-supporting  
13 degree programs. Percentage increases in full-time tuition fees may  
14 exceed the fiscal growth factor. Reductions or increases may be made  
15 for all or portions of an institution's programs, campuses, courses, or  
16 students; however, during the ((2011-2013)) 2013-2015 fiscal biennium,  
17 reductions or increases in tuition must be uniform among resident  
18 undergraduate students.

19 (b) Prior to reducing or increasing tuition for each academic year,  
20 the governing boards of the state universities, the regional  
21 universities, and The Evergreen State College shall consult with  
22 existing student associations or organizations with student  
23 undergraduate and graduate representatives regarding the impacts of  
24 potential tuition increases. Each governing board shall make public  
25 its proposal for tuition and fee increases twenty-one days before the  
26 governing board of the institution considers adoption and allow  
27 opportunity for public comment. However, the requirement to make  
28 public a proposal for tuition and fee increases twenty-one days before  
29 the governing board considers adoption shall not apply if the omnibus  
30 appropriations act has not passed the legislature by May 15th.  
31 Governing boards shall be required to provide data regarding the  
32 percentage of students receiving financial aid, the sources of aid, and  
33 the percentage of total costs of attendance paid for by aid.

34 (c) Prior to reducing or increasing tuition for each academic year,  
35 the state board for community and technical college system shall  
36 consult with existing student associations or organizations with  
37 undergraduate student representation regarding the impacts of potential  
38 tuition increases. The state board for community and technical



1 colleges shall provide data regarding the percentage of students  
2 receiving financial aid, the sources of aid, and the percentage of  
3 total costs of attendance paid for by aid.

4 (4) Beginning with the 2015-16 academic year through the 2018-19  
5 academic year, the governing boards of the state universities, regional  
6 universities, and The Evergreen State College may set tuition for  
7 resident undergraduates as follows:

8 (a) If state funding for a college or university falls below the  
9 state funding provided in the operating budget for fiscal year 2011,  
10 the governing board may increase tuition up to the limits set in (d) of  
11 this subsection, reduce enrollments, or both;

12 (b) If state funding for a college or university is at least at the  
13 level of state funding provided in the operating budget for fiscal year  
14 2011, the governing board may increase tuition up to the limits set in  
15 (d) of this subsection and shall continue to at least maintain the  
16 actual enrollment levels for fiscal year 2011 or increase enrollments  
17 as required in the omnibus appropriations act;

18 (c) If state funding is increased so that combined with resident  
19 undergraduate tuition the sixtieth percentile of the total per-student  
20 funding at similar public institutions of higher education in the  
21 global challenge states under RCW 28B.15.068 is exceeded, the governing  
22 board shall decrease tuition by the amount needed for the total per-  
23 student funding to be at the sixtieth percentile under RCW 28B.15.068;  
24 and

25 (d) The amount of tuition set by the governing board for an  
26 institution under this subsection (4) may not exceed the sixtieth  
27 percentile of the resident undergraduate tuition of similar public  
28 institutions of higher education in the global challenge states.

29 (5) The tuition fees established under this chapter shall not apply  
30 to high school students enrolling in participating institutions of  
31 higher education under RCW 28A.600.300 through 28A.600.400.

32 (6) The tuition fees established under this chapter shall not apply  
33 to eligible students enrolling in a dropout reengagement program  
34 through an interlocal agreement between a school district and a  
35 community or technical college under RCW 28A.175.100 through  
36 28A.175.110.

37 (7) The tuition fees established under this chapter shall not apply

1 to eligible students enrolling in a community or technical college  
2 participating in the pilot program under RCW 28B.50.534 for the purpose  
3 of obtaining a high school diploma.

4 (8) Beginning in the 2019-20 academic year, reductions or increases  
5 in full-time tuition fees for resident undergraduates at four-year  
6 institutions of higher education shall be as provided in the omnibus  
7 appropriations act.

8 (9) The legislative advisory committee to the committee on advanced  
9 tuition payment established in RCW 28B.95.170 shall:

10 (a) Review the impact of differential tuition rates on the funded  
11 status and future unit price of the Washington advanced college tuition  
12 payment program; and

13 (b) No later than January 14, 2013, make a recommendation to the  
14 appropriate policy and fiscal committees of the legislature regarding  
15 how differential tuition should be addressed in order to maintain the  
16 ongoing solvency of the Washington advanced college tuition payment  
17 program.

18 **Sec. 959.** RCW 28B.15.069 and 2012 c 229 s 701 are each amended to  
19 read as follows:

20 (1) The building fee for each academic year shall be a percentage  
21 of total tuition fees. This percentage shall be calculated by the  
22 office of financial management and be based on the actual percentage  
23 the building fee is of total tuition for each tuition category in the  
24 1994-95 academic year, rounded up to the nearest half percent.

25 (2) The governing boards of each institution of higher education,  
26 except for the technical colleges, shall charge to and collect from  
27 each student a services and activities fee. A governing board may  
28 increase the existing fee annually, consistent with budgeting  
29 procedures set forth in RCW 28B.15.045, by a percentage not to exceed  
30 the annual percentage increase in student tuition fees for resident  
31 undergraduate students: PROVIDED, That such percentage increase shall  
32 not apply to that portion of the services and activities fee previously  
33 committed to the repayment of bonded debt. These rate adjustments may  
34 exceed the fiscal growth factor. ~~((For the 2003-04 academic year, the  
35 services and activities fee shall be based upon the resident  
36 undergraduate services and activities fee in 2002-03))~~ For the 2013-  
37 2015 fiscal biennium, each governing board is authorized to increase

1 the services and activities fees by amounts judged reasonable and  
2 necessary by the services and activities fee committee and the  
3 governing board consistent with the budgeting procedures set forth in  
4 RCW 28B.15.045. The services and activities fee committee provided for  
5 in RCW 28B.15.045 may initiate a request to the governing board for a  
6 fee increase.

7 (3) Tuition and services and activities fees consistent with  
8 subsection (2) of this section shall be set by the state board for  
9 community and technical colleges for community college summer school  
10 students unless the community college charges fees in accordance with  
11 RCW 28B.15.515.

12 (4) Subject to the limitations of RCW 28B.15.910, each governing  
13 board of a community college may charge such fees for ungraded courses,  
14 noncredit courses, community services courses, and self-supporting  
15 courses as it, in its discretion, may determine, consistent with the  
16 rules of the state board for community and technical colleges.

17 (5) The governing board of a college offering an applied  
18 baccalaureate degree program under RCW 28B.50.810 may charge tuition  
19 fees for those courses above the associate degree level at rates  
20 consistent with rules adopted by the state board for community and  
21 technical colleges, not to exceed tuition fee rates at the regional  
22 universities.

23 **Sec. 960.** RCW 28B.20.476 and 2007 c 216 s 2 are each amended to  
24 read as follows:

25 The geoduck aquaculture research account is created in the custody  
26 of the state treasurer. All receipts from any legislative  
27 appropriations, the aquaculture industry, or any other private or  
28 public source directed to the account must be deposited in the account.  
29 Expenditures from the account may only be used by the sea grant program  
30 for the geoduck research projects identified by RCW 28B.20.475. Only  
31 the president of the University of Washington or the president's  
32 designee may authorize expenditures from the account. The account is  
33 subject to the allotment procedures under chapter 43.88 RCW, but an  
34 appropriation is not required for expenditures. During the 2013-2015  
35 fiscal biennium, amounts available in the geoduck aquaculture research  
36 account may also be appropriated for the sea grant program at the

1 University of Washington to conduct research examining the possible  
2 negative and positive effects of evolving shellfish aquaculture  
3 techniques and practices on Washington's economy and marine ecosystems.

4 **Sec. 961.** RCW 28B.67.030 and 2012 c 46 s 2 are each amended to  
5 read as follows:

6 (1) All payments received from a participant in the Washington  
7 customized employment training program created in RCW 28B.67.020 must  
8 be deposited into the employment training finance account, which is  
9 hereby created in the custody of the state treasurer. Only the state  
10 board for community and technical colleges may authorize expenditures  
11 from the account and no appropriation is required for expenditures.  
12 The money in the account must be used solely for training allowances  
13 under the Washington customized employment training program created in  
14 RCW 28B.67.020 and for providing up to seventy-five thousand dollars  
15 per year for training, marketing, and facilitation services to increase  
16 the use of the program. The deposit of payments under this section  
17 from a participant ceases when the board specifies that the participant  
18 has met the monetary obligations of the program. During the ((2007–  
19 2009)) 2013-2015 fiscal biennium, the legislature may transfer from the  
20 employment training finance account to the state general fund such  
21 amounts as reflect the excess fund balance in the account.

22 (2) All revenue solicited and received under the provisions of RCW  
23 28B.67.020(4) must be deposited into the employment training finance  
24 account to provide training allowances.

25 (3) The definitions in RCW 28B.67.010 apply to this section.

26 (4) This section expires July 1, 2017.

27 **Sec. 962.** RCW 28B.95.160 and 2011 1st sp.s. c 11 s 173 are each  
28 amended to read as follows:

29 Ownership of tuition units purchased by the office for the GET  
30 ready for math and science scholarship program under RCW 28B.105.070  
31 shall be in the name of the state of Washington and may be redeemed by  
32 the state of Washington on behalf of recipients of GET ready for math  
33 and science scholarship program scholarships for tuition and fees  
34 except that during the 2013-2015 fiscal biennium any unused tuition  
35 units may be used for the college bound scholarship program established  
36 in chapter 28B.118 RCW.

1           **Sec. 963.** RCW 28B.105.110 and 2011 1st sp.s. c 11 s 188 are each  
2 amended to read as follows:

3           (1) The GET ready for math and science scholarship account is  
4 created in the custody of the state treasurer.

5           (2) The office shall deposit into the account all money received  
6 for the GET ready for math and science scholarship program from  
7 appropriations and private sources. The account shall be  
8 self-sustaining.

9           (3) Expenditures from the account shall be used for scholarships to  
10 eligible students and for purchases of GET units. Purchased GET units  
11 shall be owned and held in trust by the office. Expenditures from the  
12 account shall be an equal match of state appropriations and private  
13 funds raised by the program administrator. During the 2009-2011 fiscal  
14 biennium, expenditures from the account not to exceed five percent may  
15 be used by the program administrator to carry out the provisions of RCW  
16 28B.105.090.

17           (4) With the exception of the operating costs associated with the  
18 management of the account by the treasurer's office as authorized in  
19 chapter 43.79A RCW, the account shall be credited with all investment  
20 income earned by the account.

21           (5) Disbursements from the account are exempt from appropriations  
22 and the allotment provisions of chapter 43.88 RCW.

23           (6) Disbursements from the account shall be made only on the  
24 authorization of the office.

25           (7) During the ~~((2009-2011))~~ 2013-2015 fiscal biennium, ~~((the~~  
26 ~~legislature may transfer from))~~ appropriated state funds available in  
27 the GET ready for math and science scholarship account and GET units  
28 owned by the office and not used for the GET ready for math and science  
29 scholarship ~~((account to the state general fund such amounts as have~~  
30 ~~not been donated from or matched by private contributions))~~ program may  
31 be used for the college bound scholarship program created in chapter  
32 28B.118 RCW.

33           **Sec. 964.** RCW 28C.04.535 and 2011 1st sp.s. c 50 s 930 are each  
34 amended to read as follows:

35           Except for the ~~((2011-12 and 2012-13))~~ 2013-14 and 2014-15 school  
36 years, the Washington award for vocational excellence shall be granted  
37 annually. The workforce training and education coordinating board

1 shall notify the students receiving the award, their vocational  
2 instructors, local chambers of commerce, the legislators of their  
3 respective districts, and the governor, after final selections have  
4 been made. The workforce training and education coordinating board, in  
5 conjunction with the governor's office, shall prepare appropriate  
6 certificates to be presented to the selected students. Awards shall be  
7 presented in public ceremonies at times and places determined by the  
8 workforce training and education coordinating board in cooperation with  
9 the office of the governor.

10 **Sec. 965.** RCW 28C.10.082 and 1991 sp.s. c 13 s 85 are each amended  
11 to read as follows:

12 The tuition recovery trust fund is hereby established in the  
13 custody of the state treasurer. The agency shall deposit in the fund  
14 all moneys received under RCW 28C.10.084. Moneys in the fund may be  
15 spent only for the purposes under RCW 28C.10.084. Disbursements from  
16 the fund shall be on authorization of the agency. During the 2013-2015  
17 fiscal biennium, the legislature may transfer from the tuition recovery  
18 trust fund to the state general fund such amounts as reflect the excess  
19 fund balance in the fund. The fund is subject to the allotment  
20 procedure provided under chapter 43.88 RCW, but no appropriation is  
21 required for disbursements.

22 **Sec. 966.** RCW 38.52.540 and 2012 2nd sp.s. c 7 s 915 are each  
23 amended to read as follows:

24 (1) The enhanced 911 account is created in the state treasury. All  
25 receipts from the state enhanced 911 excise taxes imposed by RCW  
26 82.14B.030 must be deposited into the account. Moneys in the account  
27 must be used only to support the statewide coordination and management  
28 of the enhanced 911 system, for the implementation of wireless enhanced  
29 911 statewide, for the modernization of enhanced 911 emergency  
30 communications systems statewide, and to help supplement, within  
31 available funds, the operational costs of the system, including  
32 adequate funding of counties to enable implementation of wireless  
33 enhanced 911 service and reimbursement of radio communications service  
34 companies for costs incurred in providing wireless enhanced 911 service  
35 pursuant to negotiated contracts between the counties or their agents  
36 and the radio communications service companies. (~~For the 2011-2013~~

1 ~~fiscal biennium, the account may be used for modernizing narrowband~~  
2 ~~radio capability in the department of corrections.))~~ For the 2013-2015  
3 fiscal biennium, the account may be used for a criminal history system  
4 upgrade in the Washington state patrol and for activities and programs  
5 in the military department. A county must show just cause, including  
6 but not limited to a true and accurate accounting of the funds  
7 expended, for any inability to provide reimbursement to radio  
8 communications service companies of costs incurred in providing  
9 enhanced 911 service.

10 (2) Funds generated by the enhanced 911 excise tax imposed by RCW  
11 82.14B.030(5) may not be distributed to any county that has not imposed  
12 the maximum county enhanced 911 excise tax allowed under RCW  
13 82.14B.030(1). Funds generated by the enhanced 911 excise tax imposed  
14 by RCW 82.14B.030(6) may not be distributed to any county that has not  
15 imposed the maximum county enhanced 911 excise tax allowed under RCW  
16 82.14B.030(2).

17 (3) The state enhanced 911 coordinator, with the advice and  
18 assistance of the enhanced 911 advisory committee, is authorized to  
19 enter into statewide agreements to improve the efficiency of enhanced  
20 911 services for all counties and shall specify by rule the additional  
21 purposes for which moneys, if available, may be expended from this  
22 account.

23 **Sec. 967.** RCW 41.06.280 and 2011 1st sp.s. c 43 s 419 are each  
24 amended to read as follows:

25 There is hereby created a fund within the state treasury,  
26 designated as the "personnel service fund," to be used by the office of  
27 financial management and the department of enterprise services as a  
28 revolving fund for the payment of salaries, wages, and operations  
29 required for the administration of the provisions of this chapter,  
30 applicable provisions of chapter 41.04 RCW, and chapter 41.60 RCW. An  
31 amount not to exceed one and one-half percent of the salaries and wages  
32 for all positions in the classified service in each of the agencies  
33 subject to this chapter, except the institutions of higher education,  
34 shall be charged to the operations appropriations of each agency and  
35 credited to the personnel service fund as the allotments are approved  
36 pursuant to chapter 43.88 RCW. Subject to the above limitations, the  
37 amount shall be charged against the allotments pro rata, at a rate to

1 be fixed by the director from time to time which, together with income  
2 derived from services rendered under RCW 41.06.080, will provide the  
3 office of financial management and the department of enterprise  
4 services with funds to meet its anticipated expenditures during the  
5 allotment period, including the training requirements in RCW 41.06.500  
6 and 41.06.530.

7 The director shall fix the terms and charges for services rendered  
8 by the department of enterprise services and the office of financial  
9 management pursuant to RCW 41.06.080, which amounts shall be credited  
10 to the personnel service fund and charged against the proper fund or  
11 appropriation of the recipient of such services on a monthly basis.  
12 Payment for services so rendered under RCW 41.06.080 shall be made on  
13 a monthly basis to the state treasurer and deposited in the personnel  
14 service fund.

15 Moneys from the personnel service fund shall be disbursed by the  
16 state treasurer by warrants on vouchers duly authorized by the office  
17 of financial management and the department of enterprise services.

18 During the 2013-2015 fiscal biennium, the legislature may transfer  
19 from the personnel service fund to the state general fund such amounts  
20 as reflect the excess fund balance of the account.

21 **Sec. 968.** RCW 41.06.280 and 2013 c 251 s 1 are each amended to  
22 read as follows:

23 There is hereby created a fund within the state treasury,  
24 designated as the "personnel service fund," to be used by the office of  
25 financial management as a revolving fund for the payment of salaries,  
26 wages, and operations required for the administration of the provisions  
27 of this chapter, applicable provisions of chapter 41.04 RCW, and  
28 chapter 41.60 RCW. An amount not to exceed one and one-half percent of  
29 the salaries and wages for all positions in the classified service in  
30 each of the agencies subject to this chapter, except the institutions  
31 of higher education, shall be charged to the operations appropriations  
32 of each agency and credited to the personnel service fund as the  
33 allotments are approved pursuant to chapter 43.88 RCW. Subject to the  
34 above limitations, the amount shall be charged against the allotments  
35 pro rata, at a rate to be fixed by the director from time to time  
36 which, together with income derived from services rendered under RCW  
37 41.06.080, will provide the office of financial management with funds



1 to meet its anticipated expenditures during the allotment period,  
2 including the training requirements in RCW 41.06.500 and 41.06.530.  
3 All revenues, net of expenditures, previously derived from services  
4 provided by the department of enterprise services under RCW 41.06.080  
5 must be transferred to the enterprise services account.

6 The director shall fix the terms and charges for services rendered  
7 by the office of financial management pursuant to RCW 41.06.080, which  
8 amounts shall be credited to the personnel service fund and charged  
9 against the proper fund or appropriation of the recipient of such  
10 services on a monthly basis. Payment for services so rendered under  
11 RCW 41.06.080 shall be made on a monthly basis to the state treasurer  
12 and deposited in the personnel service fund.

13 Moneys from the personnel service fund shall be disbursed by the  
14 state treasurer by warrants on vouchers duly authorized by the office  
15 of financial management.

16 During the 2013-2015 fiscal biennium, the legislature may transfer  
17 from the personnel service fund to the state general fund such amounts  
18 as reflect the excess fund balance of the account.

19 **Sec. 969.** RCW 41.26.802 and 2008 c 99 s 4 are each amended to read  
20 as follows:

21 (1) By September 30, 2011, if the prior fiscal biennium's general  
22 state revenues exceed the previous fiscal biennium's revenues by more  
23 than five percent, subject to appropriation by the legislature, the  
24 state treasurer shall transfer five million dollars to the local public  
25 safety enhancement account.

26 ~~(2) ((By September 30, 2013, if the prior fiscal biennium's general~~  
27 ~~state revenues exceed the previous fiscal biennium's revenues by more~~  
28 ~~than five percent, subject to appropriation by the legislature, the~~  
29 ~~state treasurer shall transfer ten million dollars to the local public~~  
30 ~~safety enhancement account.~~

31 ~~(3))~~ By September 30, 2015, if the prior fiscal biennium's general  
32 state revenues exceed the previous fiscal biennium's revenues by more  
33 than five percent, subject to appropriation by the legislature, the  
34 state treasurer shall transfer twenty million dollars to the local  
35 public safety enhancement account.

36 ~~((4))~~ (3) By September 30, 2017, and by September 30 of each  
37 odd-numbered year thereafter, if the prior fiscal biennium's general

1 state revenues exceed the previous fiscal biennium's revenues by more  
2 than five percent, subject to appropriation by the legislature, the  
3 state treasurer shall transfer the lesser of one-third of the increase,  
4 or fifty million dollars, to the local public safety enhancement  
5 account.

6 **Sec. 970.** RCW 41.60.050 and 2011 1st sp.s. c 50 s 937 and 2011 1st  
7 sp.s. c 43 s 473 are each reenacted and amended to read as follows:

8 The legislature shall appropriate from the personnel service fund  
9 for the payment of administrative costs of the productivity board.  
10 However, during the 2011-2013 and 2013-2015 fiscal (~~biennium~~)  
11 biennia, the operations of the productivity board shall be suspended.

12 **Sec. 971.** RCW 41.80.010 and 2011 1st sp.s. c 50 s 938 and 2011 c  
13 344 s 1 are each reenacted and amended to read as follows:

14 (1) For the purpose of negotiating collective bargaining agreements  
15 under this chapter, the employer shall be represented by the governor  
16 or governor's designee, except as provided for institutions of higher  
17 education in subsection (4) of this section.

18 (2)(a) If an exclusive bargaining representative represents more  
19 than one bargaining unit, the exclusive bargaining representative shall  
20 negotiate with each employer representative as designated in subsection  
21 (1) of this section one master collective bargaining agreement on  
22 behalf of all the employees in bargaining units that the exclusive  
23 bargaining representative represents. For those exclusive bargaining  
24 representatives who represent fewer than a total of five hundred  
25 employees each, negotiation shall be by a coalition of all those  
26 exclusive bargaining representatives. The coalition shall bargain for  
27 a master collective bargaining agreement covering all of the employees  
28 represented by the coalition. The governor's designee and the  
29 exclusive bargaining representative or representatives are authorized  
30 to enter into supplemental bargaining of agency-specific issues for  
31 inclusion in or as an addendum to the master collective bargaining  
32 agreement, subject to the parties' agreement regarding the issues and  
33 procedures for supplemental bargaining. This section does not prohibit  
34 cooperation and coordination of bargaining between two or more  
35 exclusive bargaining representatives.

1 (b) This subsection (2) does not apply to exclusive bargaining  
2 representatives who represent employees of institutions of higher  
3 education, except when the institution of higher education has elected  
4 to exercise its option under subsection (4) of this section to have its  
5 negotiations conducted by the governor or governor's designee under the  
6 procedures provided for general government agencies in subsections (1)  
7 through (3) of this section.

8 (c) If five hundred or more employees of an independent state  
9 elected official listed in RCW 43.01.010 are organized in a bargaining  
10 unit or bargaining units under RCW 41.80.070, the official shall be  
11 consulted by the governor or the governor's designee before any  
12 agreement is reached under (a) of this subsection concerning  
13 supplemental bargaining of agency specific issues affecting the  
14 employees in such bargaining unit.

15 (3) The governor shall submit a request for funds necessary to  
16 implement the compensation and fringe benefit provisions in the master  
17 collective bargaining agreement or for legislation necessary to  
18 implement the agreement. Requests for funds necessary to implement the  
19 provisions of bargaining agreements shall not be submitted to the  
20 legislature by the governor unless such requests:

21 (a) Have been submitted to the director of the office of financial  
22 management by October 1 prior to the legislative session at which the  
23 requests are to be considered; and

24 (b) Have been certified by the director of the office of financial  
25 management as being feasible financially for the state.

26 The legislature shall approve or reject the submission of the  
27 request for funds as a whole. The legislature shall not consider a  
28 request for funds to implement a collective bargaining agreement unless  
29 the request is transmitted to the legislature as part of the governor's  
30 budget document submitted under RCW 43.88.030 and 43.88.060. If the  
31 legislature rejects or fails to act on the submission, either party may  
32 reopen all or part of the agreement or the exclusive bargaining  
33 representative may seek to implement the procedures provided for in RCW  
34 41.80.090.

35 (4)(a)(i) For the purpose of negotiating agreements for  
36 institutions of higher education, the employer shall be the respective  
37 governing board of each of the universities, colleges, or community  
38 colleges or a designee chosen by the board to negotiate on its behalf.

1 (ii) A governing board of a university or college may elect to have  
2 its negotiations conducted by the governor or governor's designee under  
3 the procedures provided for general government agencies in subsections  
4 (1) through (3) of this section, except that:

5 (A) The governor or the governor's designee and an exclusive  
6 bargaining representative shall negotiate one master collective  
7 bargaining agreement for all of the bargaining units of employees of a  
8 university or college that the representative represents; or

9 (B) If the parties mutually agree, the governor or the governor's  
10 designee and an exclusive bargaining representative shall negotiate one  
11 master collective bargaining agreement for all of the bargaining units  
12 of employees of more than one university or college that the  
13 representative represents.

14 (iii) A governing board of a community college may elect to have  
15 its negotiations conducted by the governor or governor's designee under  
16 the procedures provided for general government agencies in subsections  
17 (1) through (3) of this section.

18 (b) Prior to entering into negotiations under this chapter, the  
19 institutions of higher education or their designees shall consult with  
20 the director of the office of financial management regarding financial  
21 and budgetary issues that are likely to arise in the impending  
22 negotiations.

23 (c)(i) In the case of bargaining agreements reached between  
24 institutions of higher education other than the University of  
25 Washington and exclusive bargaining representatives agreed to under the  
26 provisions of this chapter, if appropriations are necessary to  
27 implement the compensation and fringe benefit provisions of the  
28 bargaining agreements, the governor shall submit a request for such  
29 funds to the legislature according to the provisions of subsection (3)  
30 of this section, except as provided in (c)(iii) of this subsection.

31 (ii) In the case of bargaining agreements reached between the  
32 University of Washington and exclusive bargaining representatives  
33 agreed to under the provisions of this chapter, if appropriations are  
34 necessary to implement the compensation and fringe benefit provisions  
35 of a bargaining agreement, the governor shall submit a request for such  
36 funds to the legislature according to the provisions of subsection (3)  
37 of this section, except as provided in this subsection (4)(c)(ii) and  
38 as provided in (c)(iii) of this subsection.

1 (A) If appropriations of less than ten thousand dollars are  
2 necessary to implement the provisions of a bargaining agreement, a  
3 request for such funds shall not be submitted to the legislature by the  
4 governor unless the request has been submitted to the director of the  
5 office of financial management by October 1 prior to the legislative  
6 session at which the request is to be considered.

7 (B) If appropriations of ten thousand dollars or more are necessary  
8 to implement the provisions of a bargaining agreement, a request for  
9 such funds shall not be submitted to the legislature by the governor  
10 unless the request:

11 (I) Has been submitted to the director of the office of financial  
12 management by October 1 prior to the legislative session at which the  
13 request is to be considered; and

14 (II) Has been certified by the director of the office of financial  
15 management as being feasible financially for the state.

16 (C) If the director of the office of financial management does not  
17 certify a request under (c)(ii)(B) of this subsection as being feasible  
18 financially for the state, the parties shall enter into collective  
19 bargaining solely for the purpose of reaching a mutually agreed upon  
20 modification of the agreement necessary to address the absence of those  
21 requested funds. The legislature may act upon the compensation and  
22 fringe benefit provisions of the modified collective bargaining  
23 agreement if those provisions are agreed upon and submitted to the  
24 office of financial management and legislative budget committees before  
25 final legislative action on the biennial or supplemental operating  
26 budget by the sitting legislature.

27 (iii) In the case of a bargaining unit of employees of institutions  
28 of higher education in which the exclusive bargaining representative is  
29 certified during or after the conclusion of a legislative session, the  
30 legislature may act upon the compensation and fringe benefit provisions  
31 of the unit's initial collective bargaining agreement if those  
32 provisions are agreed upon and submitted to the office of financial  
33 management and legislative budget committees before final legislative  
34 action on the biennial or supplemental operating budget by the sitting  
35 legislature.

36 (5) There is hereby created a joint committee on employment  
37 relations, which consists of two members with leadership positions in  
38 the house of representatives, representing each of the two largest

1 caucuses; the chair and ranking minority member of the house  
2 appropriations committee, or its successor, representing each of the  
3 two largest caucuses; two members with leadership positions in the  
4 senate, representing each of the two largest caucuses; and the chair  
5 and ranking minority member of the senate ways and means committee, or  
6 its successor, representing each of the two largest caucuses. The  
7 governor shall periodically consult with the committee regarding  
8 appropriations necessary to implement the compensation and fringe  
9 benefit provisions in the master collective bargaining agreements, and  
10 upon completion of negotiations, advise the committee on the elements  
11 of the agreements and on any legislation necessary to implement the  
12 agreements.

13 (6) If, after the compensation and fringe benefit provisions of an  
14 agreement are approved by the legislature, a significant revenue  
15 shortfall occurs resulting in reduced appropriations, as declared by  
16 proclamation of the governor or by resolution of the legislature, both  
17 parties shall immediately enter into collective bargaining for a  
18 mutually agreed upon modification of the agreement.

19 (7) After the expiration date of a collective bargaining agreement  
20 negotiated under this chapter, all of the terms and conditions  
21 specified in the collective bargaining agreement remain in effect until  
22 the effective date of a subsequently negotiated agreement, not to  
23 exceed one year from the expiration date stated in the agreement.  
24 Thereafter, the employer may unilaterally implement according to law.

25 (8) For the ((2011-2013)) 2013-2015 fiscal biennium, a collective  
26 bargaining agreement related to employee health care benefits  
27 negotiated between the employer and coalition pursuant to RCW  
28 41.80.020(3) regarding the dollar amount expended on behalf of each  
29 employee shall be a separate agreement for which the governor may  
30 request funds necessary to implement the agreement. ((If such an  
31 agreement is negotiated and funded by the legislature, this agreement  
32 will supersede any terms and conditions of an expired 2009-2011  
33 biennial master collective bargaining agreement under this chapter  
34 regarding health care benefits.)) The legislature may act upon a  
35 2013-2015 collective bargaining agreement related to employee health  
36 care benefits if an agreement is reached and submitted to the office of  
37 financial management and legislative budget committees before final

1 legislative action on the biennial or supplemental operating  
2 appropriations act by the sitting legislature.

3 **Sec. 972.** RCW 41.80.020 and 2011 1st sp.s. c 50 s 939 and 2011 1st  
4 sp.s. c 43 s 445 are each reenacted and amended to read as follows:

5 (1) Except as otherwise provided in this chapter, the matters  
6 subject to bargaining include wages, hours, and other terms and  
7 conditions of employment, and the negotiation of any question arising  
8 under a collective bargaining agreement.

9 (2) The employer is not required to bargain over matters pertaining  
10 to:

11 (a) Health care benefits or other employee insurance benefits,  
12 except as required in subsection (3) of this section;

13 (b) Any retirement system or retirement benefit; or

14 (c) Rules of the human resources director, the director of  
15 enterprise services, or the Washington personnel resources board  
16 adopted under RCW 41.06.157.

17 (3) Matters subject to bargaining include the number of names to be  
18 certified for vacancies, promotional preferences, and the dollar amount  
19 expended on behalf of each employee for health care benefits. However,  
20 except as provided otherwise in this subsection for institutions of  
21 higher education, negotiations regarding the number of names to be  
22 certified for vacancies, promotional preferences, and the dollar amount  
23 expended on behalf of each employee for health care benefits shall be  
24 conducted between the employer and one coalition of all the exclusive  
25 bargaining representatives subject to this chapter. The exclusive  
26 bargaining representatives for employees that are subject to chapter  
27 47.64 RCW shall bargain the dollar amount expended on behalf of each  
28 employee for health care benefits with the employer as part of the  
29 coalition under this subsection. Any such provision agreed to by the  
30 employer and the coalition shall be included in all master collective  
31 bargaining agreements negotiated by the parties. For institutions of  
32 higher education, promotional preferences and the number of names to be  
33 certified for vacancies shall be bargained under the provisions of RCW  
34 41.80.010(4). For agreements covering the ((2011-2013)) 2013-2015  
35 fiscal biennium, any agreement between the employer and the coalition  
36 regarding the dollar amount expended on behalf of each employee for

1 health care benefits is a separate agreement and shall not be included  
2 in the master collective bargaining agreements negotiated by the  
3 parties.

4 (4) The employer and the exclusive bargaining representative shall  
5 not agree to any proposal that would prevent the implementation of  
6 approved affirmative action plans or that would be inconsistent with  
7 the comparable worth agreement that provided the basis for the salary  
8 changes implemented beginning with the 1983-1985 biennium to achieve  
9 comparable worth.

10 (5) The employer and the exclusive bargaining representative shall  
11 not bargain over matters pertaining to management rights established in  
12 RCW 41.80.040.

13 (6) Except as otherwise provided in this chapter, if a conflict  
14 exists between an executive order, administrative rule, or agency  
15 policy relating to wages, hours, and terms and conditions of employment  
16 and a collective bargaining agreement negotiated under this chapter,  
17 the collective bargaining agreement shall prevail. A provision of a  
18 collective bargaining agreement that conflicts with the terms of a  
19 statute is invalid and unenforceable.

20 (7) This section does not prohibit bargaining that affects  
21 contracts authorized by RCW 41.06.142.

22 **Sec. 973.** RCW 43.08.190 and 2011 1st sp.s. c 50 s 941 are each  
23 amended to read as follows:

24 There is hereby created a fund within the state treasury to be  
25 known as the "state treasurer's service fund." Such fund shall be used  
26 solely for the payment of costs and expenses incurred in the operation  
27 and administration of the state treasurer's office.

28 Moneys shall be allocated monthly and placed in the state  
29 treasurer's service fund equivalent to a maximum of one percent of the  
30 trust and treasury average daily cash balances from the earnings  
31 generated under the authority of RCW 43.79A.040 and 43.84.080 other  
32 than earnings generated from investment of balances in funds and  
33 accounts specified in RCW 43.79A.040(4)(c). The allocation shall  
34 precede the distribution of the remaining earnings as prescribed under  
35 RCW 43.79A.040 and 43.84.092. The state treasurer shall establish a  
36 uniform allocation rate for all funds and accounts; except that the  
37 state treasurer may negotiate a different allocation rate with any



1 state agency that has independent authority over funds not statutorily  
2 required to be held in the state treasury or in the custody of the  
3 state treasurer. In no event shall the rate be less than the actual  
4 costs incurred by the state treasurer's office. If no rate is  
5 separately negotiated, the default rate for any funds held shall be the  
6 rate set for funds held pursuant to statute.

7 During the 2009-2011 fiscal biennium and the 2011-2013 and 2013-  
8 2015 fiscal ((biennium)) biennia, the legislature may transfer from the  
9 state treasurer's service fund to the state general fund such amounts  
10 as reflect the excess fund balance of the fund.

11 **Sec. 974.** RCW 43.09.475 and 2011 1st sp.s. c 50 s 942 are each  
12 amended to read as follows:

13 The performance audits of government account is hereby created in  
14 the custody of the state treasurer. Revenue identified in RCW  
15 82.08.020(5) and 82.12.0201 shall be deposited in the account. Money  
16 in the account shall be used to fund the performance audits and follow-  
17 up performance audits under RCW 43.09.470 and shall be expended by the  
18 state auditor in accordance with chapter 1, Laws of 2006. Only the  
19 state auditor or the state auditor's designee may authorize  
20 expenditures from the account. The account is subject to allotment  
21 procedures under chapter 43.88 RCW, but an appropriation is not  
22 required for expenditures. (~~During the 2009-2011 fiscal biennium, the~~  
23 ~~legislature may transfer from the performance audits of government~~  
24 ~~account to the state general fund such amounts as deemed to be~~  
25 ~~appropriate or necessary.)) During (({the})) the 2011-2013 and the  
26 2013-2015 fiscal ((biennium)) biennia, the performance audits of  
27 government account may be appropriated for fraud investigations in the  
28 state auditor's office and the department of social and health  
29 services, audit and collection functions in the department of revenue,  
30 the joint legislative audit and review committee, the office of  
31 financial management, the superintendent of public instruction and  
32 audits of school districts. In addition, during the 2011-2013 and  
33 2013-2015 fiscal ((biennium)) biennia the account may be used to fund  
34 the office of financial management's contract for the compliance audit  
35 of the state auditor.~~

1           **Sec. 975.** RCW 43.10.150 and 1974 ex.s. c 146 s 1 are each amended  
2 to read as follows:

3           A legal services revolving fund is hereby created in the state  
4 treasury for the purpose of a centralized funding, accounting, and  
5 distribution of the actual costs of the legal services provided to  
6 agencies of the state government by the attorney general. During the  
7 2013-2015 fiscal biennium, the legislature may transfer from the legal  
8 services revolving account to the state general fund such amounts as  
9 reflect the excess fund balance of the account.

10           **Sec. 976.** RCW 43.19.791 and 2011 2nd sp.s. c 9 s 906 are each  
11 amended to read as follows:

12           There is created a revolving fund to be known as the data  
13 processing revolving fund in the custody of the state treasurer. The  
14 revolving fund shall be used for the acquisition of equipment,  
15 software, supplies, and services and the payment of salaries, wages,  
16 and other costs incidental to the acquisition, development, operation,  
17 and administration of information services, telecommunications,  
18 systems, software, supplies and equipment, including the payment of  
19 principal and interest on bonds issued for capital projects, by the  
20 department, Washington State University's computer services center, the  
21 department of enterprise services' personnel information systems group  
22 and financial systems management group, and other users as determined  
23 by the office of financial management. The revolving fund is subject  
24 to the allotment procedure provided under chapter 43.88 RCW. The chief  
25 information officer or the chief information officer's designee, with  
26 the approval of the technology services board, is authorized to expend  
27 up to one million dollars per fiscal biennium for the technology  
28 services board to conduct independent technical and financial analysis  
29 of proposed information technology projects, and such an expenditure  
30 does not require an appropriation. Disbursements from the revolving  
31 fund for the services component of the department are not subject to  
32 appropriation. Disbursements for the strategic planning and policy  
33 component of the department are subject to appropriation. All  
34 disbursements from the fund are subject to the allotment procedures  
35 provided under chapter 43.88 RCW. The department shall establish and  
36 implement a billing structure to assure all agencies pay an equitable  
37 share of the costs.

1           During the 2011-2013 and the 2013-2015 fiscal (~~(biennium)~~) biennia,  
2 the legislature may transfer from the data processing revolving account  
3 to the state general fund such amounts as reflect the excess fund  
4 balance and may use the data processing revolving account for  
5 information technology projects.

6           As used in this section, the word "supplies" shall not be  
7 interpreted to delegate or abrogate the division of purchasing's  
8 responsibilities and authority to purchase supplies as described in RCW  
9 43.19.190 and 43.19.200.

10           **Sec. 977.** RCW 43.24.150 and 2011 c 298 s 25 are each amended to  
11 read as follows:

12           (1) The business and professions account is created in the state  
13 treasury. All receipts from business or professional licenses,  
14 registrations, certifications, renewals, examinations, or civil  
15 penalties assessed and collected by the department from the following  
16 chapters must be deposited into the account:

- 17           (a) Chapter 18.11 RCW, auctioneers;
- 18           (b) Chapter 18.16 RCW, cosmetologists, barbers, and manicurists;
- 19           (c) Chapter 18.145 RCW, court reporters;
- 20           (d) Chapter 18.165 RCW, private investigators;
- 21           (e) Chapter 18.170 RCW, security guards;
- 22           (f) Chapter 18.185 RCW, bail bond agents;
- 23           (g) Chapter 18.280 RCW, home inspectors;
- 24           (h) Chapter 19.16 RCW, collection agencies;
- 25           (i) Chapter 19.31 RCW, employment agencies;
- 26           (j) Chapter 19.105 RCW, camping resorts;
- 27           (k) Chapter 19.138 RCW, sellers of travel;
- 28           (l) Chapter 42.44 RCW, notaries public;
- 29           (m) Chapter 64.36 RCW, timeshares;
- 30           (n) Chapter 67.08 RCW, boxing, martial arts, and wrestling;
- 31           (o) Chapter 18.300 RCW, body art, body piercing, and tattooing;
- 32           (p) Chapter 79A.60 RCW, whitewater river outfitters; and
- 33           (q) Chapter 19.158 RCW, commercial telephone solicitation.

34           Moneys in the account may be spent only after appropriation.  
35 Expenditures from the account may be used only for expenses incurred in  
36 carrying out these business and professions licensing activities of the  
37 department. Any residue in the account must be accumulated and may not

1 revert to the general fund at the end of the biennium. However, during  
2 the 2013-2015 fiscal biennium the legislature may transfer to the state  
3 general fund such amounts as reflect the excess fund balance in the  
4 account.

5 (2) The director must biennially prepare a budget request based on  
6 the anticipated costs of administering the business and professions  
7 licensing activities listed in subsection (1) of this section, which  
8 must include the estimated income from these business and professions  
9 fees.

10 **Sec. 978.** RCW 43.24.150 and 2013 c 322 s 30 are each amended to  
11 read as follows:

12 (1) The business and professions account is created in the state  
13 treasury. All receipts from business or professional licenses,  
14 registrations, certifications, renewals, examinations, or civil  
15 penalties assessed and collected by the department from the following  
16 chapters must be deposited into the account:

- 17 (a) Chapter 18.11 RCW, auctioneers;
- 18 (b) Chapter 18.16 RCW, cosmetologists, barbers, and manicurists;
- 19 (c) Chapter 18.145 RCW, court reporters;
- 20 (d) Chapter 18.165 RCW, private investigators;
- 21 (e) Chapter 18.170 RCW, security guards;
- 22 (f) Chapter 18.185 RCW, bail bond agents;
- 23 (g) Chapter 18.280 RCW, home inspectors;
- 24 (h) Chapter 19.16 RCW, collection agencies;
- 25 (i) Chapter 19.31 RCW, employment agencies;
- 26 (j) Chapter 19.105 RCW, camping resorts;
- 27 (k) Chapter 19.138 RCW, sellers of travel;
- 28 (l) Chapter 42.44 RCW, notaries public;
- 29 (m) Chapter 64.36 RCW, timeshares;
- 30 (n) Chapter 67.08 RCW, boxing, martial arts, and wrestling;
- 31 (o) Chapter 18.300 RCW, body art, body piercing, and tattooing;
- 32 (p) Chapter 79A.60 RCW, whitewater river outfitters;
- 33 (q) Chapter 19.158 RCW, commercial telephone solicitation; and
- 34 (r) Chapter 19.290 RCW, scrap metal businesses.

35 Moneys in the account may be spent only after appropriation.  
36 Expenditures from the account may be used only for expenses incurred in  
37 carrying out these business and professions licensing activities of the

1 department. Any residue in the account must be accumulated and may not  
2 revert to the general fund at the end of the biennium. However, during  
3 the 2013-2015 fiscal biennium the legislature may transfer to the state  
4 general fund such amounts as reflect the excess fund balance in the  
5 account.

6 (2) The director must biennially prepare a budget request based on  
7 the anticipated costs of administering the business and professions  
8 licensing activities listed in subsection (1) of this section, which  
9 must include the estimated income from these business and professions  
10 fees.

11 **Sec. 979.** 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. 980.** 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. 981.** 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. The director of (~~general administration~~) enterprise  
20 services may enter into a long-term lease greater than ten years in  
21 duration upon a determination by the director of the office of  
22 financial management that the long-term lease provides a more favorable  
23 rate than would otherwise be available, it appears to a substantial  
24 certainty that the facility is necessary for use by the state for the  
25 full length of the lease term, and the facility meets the standards  
26 adopted pursuant to subsection (2) of this section. The director of  
27 (~~general administration~~) enterprise services may enter into a long-  
28 term lease greater than ten years in duration if an analysis shows that  
29 the life-cycle cost of leasing the facility is less than the life-cycle  
30 cost of purchasing or constructing a facility in lieu of leasing the  
31 facility.

32 (4) Except as permitted under chapter 39.94 RCW, no lease for or on  
33 behalf of any state agency may be used or referred to as collateral or  
34 security for the payment of securities offered for sale through a  
35 public offering. Except as permitted under chapter 39.94 RCW, no lease  
36 for or on behalf of any state agency may be used or referred to as  
37 collateral or security for the payment of securities offered for sale  
38 through a private placement without the prior written approval of the

1 state treasurer. However, this limitation shall not prevent a lessor  
2 from assigning or encumbering its interest in a lease as security for  
3 the repayment of a promissory note provided that the transaction would  
4 otherwise be an exempt transaction under RCW 21.20.320. The state  
5 treasurer shall adopt rules that establish the criteria under which any  
6 such approval may be granted. In establishing such criteria the state  
7 treasurer shall give primary consideration to the protection of the  
8 state's credit rating and the integrity of the state's debt management  
9 program. If it appears to the state treasurer that any lease has been  
10 used or referred to in violation of this subsection or rules adopted  
11 under this subsection, then he or she may recommend that the governor  
12 cause such lease to be terminated. The department of (~~general~~  
13 ~~administration~~) enterprise services shall promptly notify the state  
14 treasurer whenever it may appear to the department that any lease has  
15 been used or referred to in violation of this subsection or rules  
16 adopted under this subsection.

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

22 (6) The director of (~~general administration~~) enterprise services  
23 shall provide coordinated long-range planning services to identify and  
24 evaluate opportunities for collocating and consolidating state  
25 facilities. Upon the renewal of any lease, the inception of a new  
26 lease, or the purchase of a facility, the director of (~~general~~  
27 ~~administration~~) enterprise services shall determine whether an  
28 opportunity exists for collocating the agency or agencies in a single  
29 facility with other agencies located in the same geographic area. If  
30 a collocation opportunity exists, the director of (~~general~~  
31 ~~administration~~) enterprise services shall consult with the affected  
32 state agencies and the office of financial management to evaluate the  
33 impact collocation would have on the cost and delivery of agency  
34 programs, including whether program delivery would be enhanced due to  
35 the centralization of services. The director of (~~general~~  
36 ~~administration~~) enterprise services, in consultation with the office  
37 of financial management, shall develop procedures for implementing  
38 collocation and consolidation of state facilities.



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

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

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

31           (10) The director of (~~general administration~~) enterprise services  
32 may construct new buildings on, or improve existing facilities, and  
33 furnish and equip, all real estate under his or her management. Prior  
34 to the construction of new buildings or major improvements to existing  
35 facilities or acquisition of facilities using a lease purchase  
36 contract, the director of (~~general administration~~) enterprise  
37 services shall conduct an evaluation of the facility design and budget

1 using life-cycle cost analysis, value-engineering, and other techniques  
2 to maximize the long-term effectiveness and efficiency of the facility  
3 or improvement.

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

10 (12) The director of (~~general administration~~) enterprise services  
11 may delegate any or all of the functions specified in this section to  
12 any agency upon such terms and conditions as the director deems  
13 advisable. By January 1st of each year, beginning January 1, 2008, the  
14 department shall submit an annual report to the office of financial  
15 management and the appropriate committees of the legislature on all  
16 delegated leases.

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

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

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

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

27 (d) The department of commerce for community college health career  
28 training programs, offices for the department of commerce or other  
29 appropriate state agencies, and other nonprofit community uses,  
30 including community meeting and training facilities, where the real  
31 estate is acquired during the 2013-2015 fiscal biennium.

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

37 (15) The department of (~~general administration~~) enterprise  
38 services shall report annually to the office of financial management

1 and the appropriate fiscal committees of the legislature on facility  
2 leases executed for all state agencies for the preceding year, lease  
3 terms, and annual lease costs. The report must include leases executed  
4 under RCW 43.82.045 and subsection (12) of this section.

5 **Sec. 982.** RCW 43.101.200 and 2011 1st sp.s. c 50 s 949 are each  
6 amended to read as follows:

7 (1) All law enforcement personnel, except volunteers, and reserve  
8 officers whether paid or unpaid, initially employed on or after January  
9 1, 1978, shall engage in basic law enforcement training which complies  
10 with standards adopted by the commission pursuant to RCW 43.101.080.  
11 For personnel initially employed before January 1, 1990, such training  
12 shall be successfully completed during the first fifteen months of  
13 employment of such personnel unless otherwise extended or waived by the  
14 commission and shall be requisite to the continuation of such  
15 employment. Personnel initially employed on or after January 1, 1990,  
16 shall commence basic training during the first six months of employment  
17 unless the basic training requirement is otherwise waived or extended  
18 by the commission. Successful completion of basic training is  
19 requisite to the continuation of employment of such personnel initially  
20 employed on or after January 1, 1990.

21 (2) Except as otherwise provided in this chapter, the commission  
22 shall provide the aforementioned training together with necessary  
23 facilities, supplies, materials, and the board and room of noncommuting  
24 attendees for seven days per week, except during the ((2011-2013))  
25 2013-2015 fiscal biennium when the employing, county, city((+,+)) or  
26 state law enforcement agency shall reimburse the commission for twenty-  
27 five percent of the cost of training its personnel. Additionally, to  
28 the extent funds are provided for this purpose, the commission shall  
29 reimburse to participating law enforcement agencies with ten or less  
30 full-time commissioned patrol officers the cost of temporary  
31 replacement of each officer who is enrolled in basic law enforcement  
32 training: PROVIDED, That such reimbursement shall include only the  
33 actual cost of temporary replacement not to exceed the total amount of  
34 salary and benefits received by the replaced officer during his or her  
35 training period.

1           **Sec. 983.** RCW 43.155.050 and 2012 2nd sp.s. c 2 s 6004 are each  
2 amended to read as follows:

3           The public works assistance account is hereby established in the  
4 state treasury. Money may be placed in the public works assistance  
5 account from the proceeds of bonds when authorized by the legislature  
6 or from any other lawful source. Money in the public works assistance  
7 account shall be used to make loans and to give financial guarantees to  
8 local governments for public works projects. Moneys in the account may  
9 also be appropriated to provide for state match requirements under  
10 federal law for projects and activities conducted and financed by the  
11 board under the drinking water assistance account. Not more than  
12 fifteen percent of the biennial capital budget appropriation to the  
13 public works board from this account may be expended or obligated for  
14 preconstruction loans, emergency loans, or loans for capital facility  
15 planning under this chapter; of this amount, not more than ten percent  
16 of the biennial capital budget appropriation may be expended for  
17 emergency loans and not more than one percent of the biennial capital  
18 budget appropriation may be expended for capital facility planning  
19 loans. During the 2011-2013 and 2013-2015 fiscal biennium, the  
20 legislature may transfer from the public works assistance account to  
21 the general fund, the water pollution control revolving account, and  
22 the drinking water assistance account such amounts as reflect the  
23 excess fund balance of the account. During the 2011-2013 fiscal  
24 biennium, the legislature may appropriate moneys from the account for  
25 economic development, innovation, and export grants, including  
26 brownfields; main street improvement grants; and the loan program  
27 consolidation board. During the 2013-2015 fiscal biennium, the  
28 legislature may transfer from the public works assistance account to  
29 the education legacy trust account such amounts as specified by the  
30 legislature.

31           **Sec. 984.** RCW 43.325.040 and 2009 c 564 s 942 and 2009 c 451 s 5  
32 are each reenacted and amended to read as follows:

33           (1) The energy freedom account is created in the state treasury.  
34 All receipts from appropriations made to the account and any loan  
35 payments of principal and interest derived from loans made under the  
36 energy freedom account must be deposited into the account. Moneys in  
37 the account may be spent only after appropriation. Expenditures from

1 the account may be used only for financial assistance for further  
2 funding for projects consistent with this chapter or otherwise  
3 authorized by the legislature.

4 (2) The green energy incentive account is created in the state  
5 treasury as a subaccount of the energy freedom account. All receipts  
6 from appropriations made to the green energy incentive account shall be  
7 deposited into the account, and may be spent only after appropriation.  
8 Expenditures from the account may be used only for:

9 (a) Refueling projects awarded under this chapter;

10 (b) Pilot projects for plug-in hybrids, including grants provided  
11 for the electrification program set forth in RCW 43.325.110; and

12 (c) Demonstration projects developed with state universities as  
13 defined in RCW 28B.10.016 and local governments that result in the  
14 design and building of a hydrogen vehicle fueling station.

15 (3)(a) The energy recovery act account is created in the state  
16 treasury. State and federal funds may be deposited into the account  
17 and any loan payments of principal and interest derived from loans made  
18 from the energy recovery act account must be deposited into the  
19 account. Moneys in the account may be spent only after appropriation.

20 (b) Expenditures from the account may be used only for loans, loan  
21 guarantees, and grants that encourage the establishment of innovative  
22 and sustainable industries for renewable energy and energy efficiency  
23 technology, including but not limited to:

24 (i) Renewable energy projects or programs that require interim  
25 financing to complete project development and implementation;

26 (ii) Companies with innovative, near-commercial or commercial,  
27 clean energy technology; and

28 (iii) Energy efficiency technologies that have a viable repayment  
29 stream from reduced utility costs.

30 (c) The director shall establish policies and procedures for  
31 processing, reviewing, and approving applications for funding under  
32 this section. When developing these policies and procedures, the  
33 department must consider the clean energy leadership strategy developed  
34 under section 2, chapter 318, Laws of 2009.

35 (d) The director shall enter into agreements with approved  
36 applicants to fix the term and rates of funding provided from this  
37 account.

1 (e) The policies and procedures of this subsection (3) do not apply  
2 to assistance awarded for projects under RCW 43.325.020(3).

3 (4) Any state agency receiving funding from the energy freedom  
4 account is prohibited from retaining greater than three percent of any  
5 funding provided from the energy freedom account for administrative  
6 overhead or other deductions not directly associated with conducting  
7 the research, projects, or other end products that the funding is  
8 designed to produce unless this provision is waived in writing by the  
9 director.

10 (5) Any university, institute, or other entity that is not a state  
11 agency receiving funding from the energy freedom account is prohibited  
12 from retaining greater than fifteen percent of any funding provided  
13 from the energy freedom account for administrative overhead or other  
14 deductions not directly associated with conducting the research,  
15 projects, or other end products that the funding is designed to  
16 produce.

17 (6) Subsections (2), (4), and (5) of this section do not apply to  
18 assistance awarded for projects under RCW 43.325.020(3).

19 (7) During the (~~2009-2011~~) 2013-2015 fiscal biennium, the  
20 legislature may transfer from the energy freedom account to the state  
21 general fund such amounts as reflect the excess fund balance of the  
22 account.

23 **Sec. 985.** RCW 46.66.080 and 2011 1st sp.s. c 50 s 958 are each  
24 amended to read as follows:

25 (1) The Washington auto theft prevention authority account is  
26 created in the state treasury, subject to appropriation. All revenues  
27 from the traffic infraction surcharge in RCW 46.63.110(7)(b) and all  
28 receipts from gifts, grants, bequests, devises, or other funds from  
29 public and private sources to support the activities of the auto theft  
30 prevention authority must be deposited into the account. Expenditures  
31 from the account may be used only for activities relating to motor  
32 vehicle theft, including education, prevention, law enforcement,  
33 investigation, prosecution, and confinement. During the (~~2009-2011~~  
34 ~~and~~) 2011-2013 and 2013-2015 fiscal biennia, the legislature may  
35 appropriate moneys from the Washington auto theft prevention authority  
36 account for criminal justice purposes and community building and may

1 transfer funds to the state general fund such amounts as reflect the  
2 excess fund balance of the account.

3 (2) The authority shall allocate moneys appropriated from the  
4 account to public agencies for the purpose of establishing,  
5 maintaining, and supporting programs that are designed to prevent motor  
6 vehicle theft, including:

7 (a) Financial support to prosecution agencies to increase the  
8 effectiveness of motor vehicle theft prosecution;

9 (b) Financial support to a unit of local government or a team  
10 consisting of units of local governments to increase the effectiveness  
11 of motor vehicle theft enforcement;

12 (c) Financial support for the procurement of equipment and  
13 technologies for use by law enforcement agencies for the purpose of  
14 enforcing motor vehicle theft laws; and

15 (d) Financial support for programs that are designed to educate and  
16 assist the public in the prevention of motor vehicle theft.

17 (3) The costs of administration shall not exceed ten percent of the  
18 moneys in the account in any one year so that the greatest possible  
19 portion of the moneys available to the authority is expended on  
20 combating motor vehicle theft.

21 (4) Prior to awarding any moneys from the Washington auto theft  
22 prevention authority account for motor vehicle theft enforcement, the  
23 auto theft prevention authority must verify that the financial award  
24 includes sufficient funding to cover proposed activities, which  
25 include, but are not limited to: (a) State, municipal, and county  
26 offender and juvenile confinement costs; (b) administration costs; (c)  
27 law enforcement costs; (d) prosecutor costs; and (e) court costs, with  
28 a priority being given to ensuring that sufficient funding is available  
29 to cover state, municipal, and county offender and juvenile confinement  
30 costs.

31 (5) Moneys expended from the Washington auto theft prevention  
32 authority account under subsection (2) of this section shall be used to  
33 supplement, not supplant, other moneys that are available for motor  
34 vehicle theft prevention.

35 (6) Grants provided under subsection (2) of this section constitute  
36 reimbursement for purposes of RCW 43.135.060(1).

1       **Sec. 986.** RCW 46.68.340 and 2008 c 282 s 3 are each amended to  
2 read as follows:

3       The ignition interlock device revolving account is created in the  
4 state treasury. All receipts from the fee assessed under RCW  
5 46.20.385(6) must be deposited into the account. Moneys in the account  
6 may be spent only after appropriation. Expenditures from the account  
7 may be used only for administering and operating the ignition interlock  
8 device revolving account program and during the 2013-2015 fiscal  
9 biennium, the legislature may appropriate moneys from the ignition  
10 interlock device revolving account for substance abuse programs for  
11 offenders.

12       **Sec. 987.** RCW 67.70.190 and 2009 c 564 s 949 are each amended to  
13 read as follows:

14       Unclaimed prizes shall be retained in the state lottery account for  
15 the person entitled thereto for one hundred eighty days after the  
16 drawing in which the prize is won, or after the official end of the  
17 game for instant prizes. If no claim is made for the prize within this  
18 time, all rights to the prize shall be extinguished, and the prize  
19 shall be retained in the state lottery fund for further use as prizes,  
20 except that one-third of all unclaimed prize money shall be deposited  
21 in the economic development strategic reserve account created in RCW  
22 43.330.250.

23       On July 1, 2009, June 30, 2010, and June 30, 2011, all unclaimed  
24 prize money retained in the state lottery ((~~fund {account}~~)) account in  
25 excess of three million dollars, excluding amounts distributed to the  
26 economic development strategic reserve account, shall be transferred  
27 into the state general fund.

28       During the 2013-2015 fiscal biennium, the legislature may transfer  
29 to the education legacy trust account such amounts as reflect the  
30 excess fund balance in the state lottery account from unclaimed prizes.

31       **Sec. 988.** RCW 70.42.090 and 1989 c 386 s 10 are each amended to  
32 read as follows:

33       (1) The department shall establish a schedule of fees for license  
34 applications, renewals, amendments, and waivers. In fixing said fees,  
35 the department shall set the fees at a sufficient level to defray the  
36 cost of administering the licensure program. All such fees shall be



1 fixed by rule adopted in accordance with the provisions of the  
2 administrative procedure act, chapter 34.05 RCW. In determining the  
3 fee schedule, the department shall consider the following: (a)  
4 Complexity of the license required; (b) number and type of tests  
5 performed at the test site; (c) degree of supervision required from the  
6 department staff; (d) whether the license is granted under RCW  
7 70.42.040; and (e) general administrative costs of the test site  
8 licensing program established under this chapter. For each category of  
9 license, fees charged shall be related to program costs.

10 (2) The medical test site licensure account is created in the state  
11 treasury. The state treasurer shall transfer into the medical test  
12 site licensure account all revenue received from medical test site  
13 license fees. Funds for this account may only be appropriated for the  
14 support of the activities defined under this chapter. For the 2013-  
15 2015 fiscal biennium, moneys in the account may be spent for laboratory  
16 services in the department of health.

17 (3) The department may establish separate fees for repeat  
18 inspections and repeat audits it performs under RCW 70.42.170.

19 **Sec. 989.** RCW 70.93.180 and 2011 1st sp.s. c 50 s 963 are each  
20 amended to read as follows:

21 (1) There is hereby created an account within the state treasury to  
22 be known as the ((~~the~~))waste reduction, recycling, and litter control  
23 account((~~the~~)). Moneys in the account may be spent only after  
24 appropriation. Expenditures from the waste reduction, recycling, and  
25 litter control account shall be used as follows:

26 (a) Fifty percent to the department of ecology, for use by the  
27 departments of ecology, natural resources, revenue, transportation, and  
28 corrections, and the parks and recreation commission, for use in litter  
29 collection programs, to be distributed under RCW 70.93.220. The amount  
30 to the department of ecology shall also be used for a central  
31 coordination function for litter control efforts statewide((~~the~~));  
32 the biennial litter survey under RCW 70.93.200(8)((~~the~~and));  
33 statewide public awareness programs under RCW 70.93.200(7); and during  
34 the 2013-2015 biennium, to support employment of youth in litter clean  
35 up as intended in RCW 70.93.020, and for litter pick up using other  
36 authorized agencies. The amount to the department shall also be used  
37 to defray the costs of administering the funding, coordination, and

1 oversight of local government programs for waste reduction, litter  
2 control, and recycling, so that local governments can apply one hundred  
3 percent of their funding to achieving program goals. The amount to the  
4 department of revenue shall be used to enforce compliance with the  
5 litter tax imposed in chapter 82.19 RCW;

6 (b) Twenty percent to the department: (i) For local government  
7 funding programs for waste reduction, litter control, and recycling  
8 activities by cities and counties under RCW 70.93.250, to be  
9 administered by the department of ecology; and (ii) during the 2013-  
10 2015 biennium, to create a matching fund competitive grant program to  
11 be used by local governments and nonprofit organizations for local or  
12 statewide education programs designed to help the public with litter  
13 reduction, and recycling of primarily the products taxed under chapter  
14 82.19 RCW. Unspent funds from (a) and (c) of this subsection may be  
15 applied to the competitive grant program; and

16 (c) Thirty percent to the department of ecology for waste reduction  
17 and recycling efforts. During the 2013-2015 biennium, these funds are  
18 to be used to: (i) Implement activities under RCW 70.93.200 for waste  
19 reduction, recycling efforts; (ii) provide technical assistance to  
20 local governments for commercial business and residential recycling  
21 programs primarily for the products taxed under chapter 82.19 RCW  
22 designed to educate citizens about waste and litter reduction and  
23 recyclable products and programs; and (iii) increase access to  
24 recycling programs, particularly for food packaging and plastic bags  
25 and appropriate techniques of discarding products.

26 (2) All taxes imposed in RCW 82.19.010 and fines and bail  
27 forfeitures collected or received pursuant to this chapter shall be  
28 deposited in the waste reduction, recycling, and litter control account  
29 and used for the programs under subsection (1) of this section.

30 (3) Not less than five percent and no more than ten percent of the  
31 amount appropriated into the waste reduction, recycling, and litter  
32 control account every biennium shall be reserved for capital needs,  
33 including the purchase of vehicles for transporting crews and for  
34 collecting litter and solid waste. Capital funds shall be distributed  
35 among state agencies and local governments according to the same  
36 criteria provided in RCW 70.93.220 for the remainder of the funds, so  
37 that the most effective waste reduction, litter control, and recycling  
38 programs receive the most funding. The intent of this subsection is to

1 provide funds for the purchase of equipment that will enable the  
2 department to account for the greatest return on investment in terms of  
3 reaching a zero litter goal.

4 ~~(4) ((During the 2009-2011 fiscal biennium, the legislature may  
5 transfer from the waste reduction, recycling, and litter control  
6 account to the state general fund such amounts as reflect the excess  
7 fund balance of the account. Additionally, during the 2009-2011 fiscal  
8 biennium, subsection (1)(a), (b), and (c) of this section is suspended.~~

9 ~~(5))~~ During the 2011-2013 fiscal biennium, the legislature may  
10 transfer from the waste reduction, recycling, and litter control  
11 account to the state general fund such amounts as reflect the excess  
12 fund balance of the account. Additionally, during the 2011-2013 fiscal  
13 biennium, subsection (1)(a), (b), and (c) of this section is suspended.

14 (5) During the 2013-2015 biennium, funds in the waste reduction,  
15 recycling, and litter control account, collected under chapter 82.19  
16 RCW, must be prioritized for the products identified under RCW  
17 82.19.020 solely for the purposes of recycling and litter collection,  
18 reduction, and control programs.

19 (6) During the 2013-2015 biennium, the legislature may appropriate  
20 funds from the waste reduction, recycling, and litter control account  
21 to the state parks and recreation commission for parks operation and  
22 maintenance.

23 **Sec. 990.** RCW 70.96A.350 and 2011 2nd sp.s. c 9 s 910 are each  
24 amended to read as follows:

25 (1) The criminal justice treatment account is created in the state  
26 treasury. Moneys in the account may be expended solely for: (a)  
27 Substance abuse treatment and treatment support services for offenders  
28 with an addiction or a substance abuse problem that, if not treated,  
29 would result in addiction, against whom charges are filed by a  
30 prosecuting attorney in Washington state; (b) the provision of drug and  
31 alcohol treatment services and treatment support services for  
32 nonviolent offenders within a drug court program; (c) the  
33 administrative and overhead costs associated with the operation of a  
34 drug court; and (d) during the 2011-2013 biennium, the legislature may  
35 appropriate up to three million dollars from the account in order to  
36 offset reductions in the state general fund for treatment services  
37 provided by counties. This amount is not subject to the requirements

1 of subsections (5) through (9) of this section. During the 2013-2015  
2 fiscal biennium, the legislature may transfer from the criminal justice  
3 treatment account to the state general fund amounts as reflect the  
4 state savings associated with the implementation of the medicaid  
5 expansion of the federal affordable care act. Moneys in the account  
6 may be spent only after appropriation.

7 (2) For purposes of this section:

8 (a) "Treatment" means services that are critical to a participant's  
9 successful completion of his or her substance abuse treatment program,  
10 but does not include the following services: Housing other than that  
11 provided as part of an inpatient substance abuse treatment program,  
12 vocational training, and mental health counseling; and

13 (b) "Treatment support" means transportation to or from inpatient  
14 or outpatient treatment services when no viable alternative exists, and  
15 child care services that are necessary to ensure a participant's  
16 ability to attend outpatient treatment sessions.

17 (3) Revenues to the criminal justice treatment account consist of:

18 (a) Funds transferred to the account pursuant to this section; and (b)  
19 any other revenues appropriated to or deposited in the account.

20 (4)(a) For the fiscal biennium beginning July 1, 2003, the state  
21 treasurer shall transfer eight million nine hundred fifty thousand  
22 dollars from the general fund into the criminal justice treatment  
23 account, divided into eight equal quarterly payments. For the fiscal  
24 year beginning July 1, 2005, and each subsequent fiscal year, the state  
25 treasurer shall transfer eight million two hundred fifty thousand  
26 dollars from the general fund to the criminal justice treatment  
27 account, divided into four equal quarterly payments. For the fiscal  
28 year beginning July 1, 2006, and each subsequent fiscal year, the  
29 amount transferred shall be increased on an annual basis by the  
30 implicit price deflator as published by the federal bureau of labor  
31 statistics.

32 (b) In each odd-numbered year, the legislature shall appropriate  
33 the amount transferred to the criminal justice treatment account in (a)  
34 of this subsection to the division of alcohol and substance abuse for  
35 the purposes of subsection (5) of this section.

36 (5) Moneys appropriated to the division of alcohol and substance  
37 abuse from the criminal justice treatment account shall be distributed  
38 as specified in this subsection. The department shall serve as the

1 fiscal agent for purposes of distribution. Until July 1, 2004, the  
2 department may not use moneys appropriated from the criminal justice  
3 treatment account for administrative expenses and shall distribute all  
4 amounts appropriated under subsection (4)(b) of this section in  
5 accordance with this subsection. Beginning in July 1, 2004, the  
6 department may retain up to three percent of the amount appropriated  
7 under subsection (4)(b) of this section for its administrative costs.

8 (a) Seventy percent of amounts appropriated to the division from  
9 the account shall be distributed to counties pursuant to the  
10 distribution formula adopted under this section. The division of  
11 alcohol and substance abuse, in consultation with the department of  
12 corrections, the Washington state association of counties, the  
13 Washington state association of drug court professionals, the superior  
14 court judges' association, the Washington association of prosecuting  
15 attorneys, representatives of the criminal defense bar, representatives  
16 of substance abuse treatment providers, and any other person deemed by  
17 the division to be necessary, shall establish a fair and reasonable  
18 methodology for distribution to counties of moneys in the criminal  
19 justice treatment account. County or regional plans submitted for the  
20 expenditure of formula funds must be approved by the panel established  
21 in (b) of this subsection.

22 (b) Thirty percent of the amounts appropriated to the division from  
23 the account shall be distributed as grants for purposes of treating  
24 offenders against whom charges are filed by a county prosecuting  
25 attorney. The division shall appoint a panel of representatives from  
26 the Washington association of prosecuting attorneys, the Washington  
27 association of sheriffs and police chiefs, the superior court judges'  
28 association, the Washington state association of counties, the  
29 Washington defender's association or the Washington association of  
30 criminal defense lawyers, the department of corrections, the Washington  
31 state association of drug court professionals, substance abuse  
32 treatment providers, and the division. The panel shall review county  
33 or regional plans for funding under (a) of this subsection and grants  
34 approved under this subsection. The panel shall attempt to ensure that  
35 treatment as funded by the grants is available to offenders statewide.

36 (6) The county alcohol and drug coordinator, county prosecutor,  
37 county sheriff, county superior court, a substance abuse treatment  
38 provider appointed by the county legislative authority, a member of the

1 criminal defense bar appointed by the county legislative authority,  
2 and, in counties with a drug court, a representative of the drug court  
3 shall jointly submit a plan, approved by the county legislative  
4 authority or authorities, to the panel established in subsection (5)(b)  
5 of this section, for disposition of all the funds provided from the  
6 criminal justice treatment account within that county. The funds shall  
7 be used solely to provide approved alcohol and substance abuse  
8 treatment pursuant to RCW 70.96A.090, treatment support services, and  
9 for the administrative and overhead costs associated with the operation  
10 of a drug court.

11 (a) No more than ten percent of the total moneys received under  
12 subsections (4) and (5) of this section by a county or group of  
13 counties participating in a regional agreement shall be spent on the  
14 administrative and overhead costs associated with the operation of a  
15 drug court.

16 (b) No more than ten percent of the total moneys received under  
17 subsections (4) and (5) of this section by a county or group of  
18 counties participating in a regional agreement shall be spent for  
19 treatment support services.

20 (7) Counties are encouraged to consider regional agreements and  
21 submit regional plans for the efficient delivery of treatment under  
22 this section.

23 (8) Moneys allocated under this section shall be used to  
24 supplement, not supplant, other federal, state, and local funds used  
25 for substance abuse treatment.

26 (9) Counties must meet the criteria established in RCW  
27 2.28.170(3)(b).

28 (10) The authority under this section to use funds from the  
29 criminal justice treatment account for the administrative and overhead  
30 costs associated with the operation of a drug court expires June 30,  
31 ((2013)) 2015.

32 **Sec. 991.** RCW 70.105D.--- and 2013 2nd sp.s. c 1 s 10 are each  
33 amended to read as follows:

34 (1) The environmental legacy stewardship account is created in the  
35 state treasury. Beginning July 1, 2013, and every fiscal year  
36 thereafter, the annual amount received from the tax imposed by RCW  
37 82.21.030 that exceeds one hundred forty million dollars must be

1 deposited into the environmental legacy stewardship account. The state  
2 treasurer may make periodic deposits into the environmental legacy  
3 stewardship account based on forecasted revenue. Moneys in the account  
4 may only be spent after appropriation.

5 (2) Moneys in the environmental legacy stewardship account may be  
6 spent on performance and outcome based projects, model remedies,  
7 demonstrated technologies, procedures, contracts, and project  
8 management and oversight that result in significant reductions in the  
9 time to complete compared to baseline averages for:

10 (a) Purposes authorized under RCW 70.105D.070 (3) and (4);

11 (b) Storm water low-impact retrofit projects and other projects  
12 with significant environmental benefits that reduce storm water  
13 pollution from existing infrastructure and development;

14 (c) Cleanup and disposal of hazardous substances from abandoned or  
15 derelict vessels, defined for the purposes of this section as vessels  
16 that have little or no value and either have no identified owner or  
17 have an identified owner lacking financial resources to clean up and  
18 dispose of the vessel, that pose a threat to human health or the  
19 environment; and

20 (d) Appropriations to the state and local toxics control accounts  
21 created in RCW 70.105D.070 if the legislature determines that  
22 priorities for spending exceed available funds in those accounts.

23 (3) Except as provided under RCW 70.105D.070(3) (k) and (q),  
24 nothing in chapter 1, Laws of 2013 2nd sp. sess. expands the ability of  
25 a potentially liable person to receive public funding.

26 (4) Moneys in the environmental legacy stewardship account may also  
27 be used as follows:

28 (a) During the 2013-2015 fiscal biennia, shoreline update technical  
29 assistance and for local government shoreline master program update  
30 grants;

31 (b) During the 2013-2015 fiscal biennium, solid and hazardous waste  
32 compliance at the department of corrections;

33 (c) During the 2013-2015 fiscal biennium, activities at the  
34 department of fish and wildlife concerning water quality monitoring,  
35 hatchery water quality regulatory compliance, and technical assistance  
36 to local governments on growth management and shoreline management;

37 (d) During the 2013-2015 fiscal biennium, forest practices

1 regulation and aquatic land investigation and cleanup activities at the  
2 department of natural resources.

3 **Sec. 992.** RCW 70.105D.070 and 2013 2nd sp.s. c 1 s 9 are each  
4 amended to read as follows:

5 (1) The state toxics control account and the local toxics control  
6 account are hereby created in the state treasury.

7 (2)(a) Moneys collected under RCW 82.21.030 must be deposited as  
8 follows: Fifty-six percent to the state toxics control account under  
9 subsection (3) of this section and forty-four percent to the local  
10 toxics control account under subsection (4) of this section. When the  
11 cumulative amount of deposits made to the state and local toxics  
12 control accounts under this section reaches the limit during a fiscal  
13 year as established in (b) of this subsection, the remainder of the  
14 moneys collected under RCW 82.21.030 during that fiscal year must be  
15 deposited into the environmental legacy stewardship account created in  
16 RCW 70.105D.--- (section 10, chapter 1, Laws of 2013 2nd sp. sess.).

17 (b) The limit on distributions of moneys collected under RCW  
18 82.21.030 to the state and local toxics control accounts for the fiscal  
19 year beginning July 1, 2013, is one hundred forty million dollars.

20 (c) In addition to the funds required under (a) of this subsection,  
21 the following moneys must be deposited into the state toxics control  
22 account: (i) The costs of remedial actions recovered under this  
23 chapter or chapter 70.105A RCW; (ii) penalties collected or recovered  
24 under this chapter; and (iii) any other money appropriated or  
25 transferred to the account by the legislature.

26 (3) Moneys in the state toxics control account must be used only to  
27 carry out the purposes of this chapter, including but not limited to  
28 the following activities:

29 (a) The state's responsibility for hazardous waste planning,  
30 management, regulation, enforcement, technical assistance, and public  
31 education required under chapter 70.105 RCW;

32 (b) The state's responsibility for solid waste planning,  
33 management, regulation, enforcement, technical assistance, and public  
34 education required under chapter 70.95 RCW;

35 (c) The hazardous waste clean-up program required under this  
36 chapter;

37 (d) State matching funds required under federal cleanup law;



- 1 (e) Financial assistance for local programs in accordance with  
2 chapters 70.95, 70.95C, 70.95I, and 70.105 RCW;
- 3 (f) State government programs for the safe reduction, recycling, or  
4 disposal of paint and hazardous wastes from households, small  
5 businesses, and agriculture;
- 6 (g) Oil and hazardous materials spill prevention, preparedness,  
7 training, and response activities;
- 8 (h) Water and environmental health protection and monitoring  
9 programs;
- 10 (i) Programs authorized under chapter 70.146 RCW;
- 11 (j) A public participation program;
- 12 (k) Public funding to assist potentially liable persons to pay for  
13 the costs of remedial action in compliance with clean-up standards  
14 under RCW 70.105D.030(2)(e) but only when the amount and terms of such  
15 funding are established under a settlement agreement under RCW  
16 70.105D.040(4) and when the director has found that the funding will  
17 achieve both: (i) A substantially more expeditious or enhanced cleanup  
18 than would otherwise occur; and (ii) the prevention or mitigation of  
19 unfair economic hardship;
- 20 (l) Development and demonstration of alternative management  
21 technologies designed to carry out the hazardous waste management  
22 priorities of RCW 70.105.150;
- 23 (m) State agriculture and health programs for the safe use,  
24 reduction, recycling, or disposal of pesticides;
- 25 (n) Storm water pollution control projects and activities that  
26 protect or preserve existing remedial actions or prevent hazardous  
27 clean-up sites;
- 28 (o) Funding requirements to maintain receipt of federal funds under  
29 the federal solid waste disposal act (42 U.S.C. Sec. 6901 et seq.);
- 30 (p) Air quality programs and actions for reducing public exposure  
31 to toxic air pollution;
- 32 (q) Public funding to assist prospective purchasers to pay for the  
33 costs of remedial action in compliance with clean-up standards under  
34 RCW 70.105D.030(2)(e) if:
- 35 (i) The facility is located within a redevelopment opportunity zone  
36 designated under RCW 70.105D.--- (section 4, chapter 1, Laws of 2013  
37 2nd sp. sess.);

1 (ii) The amount and terms of the funding are established under a  
2 settlement agreement under RCW 70.105D.040(5); and

3 (iii) The director has found the funding meets any additional  
4 criteria established in rule by the department, will achieve a  
5 substantially more expeditious or enhanced cleanup than would otherwise  
6 occur, and will provide a public benefit in addition to cleanup  
7 commensurate with the scope of the public funding;

8 (r) Petroleum-based plastic or expanded polystyrene foam debris  
9 cleanup activities in fresh or marine waters; (~~and~~)

10 (s) Appropriations to the local toxics control account or the  
11 environmental legacy stewardship account created in RCW 70.105D.---  
12 (section 10, chapter 1, Laws of 2013 2nd sp. sess.), if the legislature  
13 determines that priorities for spending exceed available funds in those  
14 accounts(~~(-)~~);

15 (t) During the 2013-2015 fiscal biennium, the department of  
16 ecology's water quality, shorelands, environmental assessment,  
17 administration, and air quality programs;

18 (u) During the 2013-2015 fiscal biennium, actions at the state  
19 conservation commission to improve water quality for shellfish; and

20 (v) During the 2013-2015 fiscal biennium, actions at the University  
21 of Washington for reducing ocean acidification.

22 (4)(a) The department shall use moneys deposited in the local  
23 toxics control account for grants or loans to local governments for the  
24 following purposes in descending order of priority:

25 (i) Extended grant agreements entered into under (c)(i) of this  
26 subsection;

27 (ii) Remedial actions, including planning for adaptive reuse of  
28 properties as provided for under (c)(iv) of this subsection. The  
29 department must prioritize funding of remedial actions at:

30 (A) Facilities on the department's hazardous sites list with a high  
31 hazard ranking for which there is an approved remedial action work plan  
32 or an equivalent document under federal cleanup law;

33 (B) Brownfield properties within a redevelopment opportunity zone  
34 if the local government is a prospective purchaser of the property and  
35 there is a department-approved remedial action work plan or equivalent  
36 document under the federal cleanup law;

37 (iii) Storm water pollution source projects that: (A) Work in

1 conjunction with a remedial action; (B) protect completed remedial  
2 actions against recontamination; or (C) prevent hazardous clean-up  
3 sites;

4 (iv) Hazardous waste plans and programs under chapter 70.105 RCW;

5 (v) Solid waste plans and programs under chapters 70.95, 70.95C,  
6 70.95I, and 70.105 RCW;

7 (vi) Petroleum-based plastic or expanded polystyrene foam debris  
8 cleanup activities in fresh or marine waters; and

9 (vii) Appropriations to the state toxics control account or the  
10 environmental legacy stewardship account created in RCW 70.105D.---  
11 (section 10, chapter 1, Laws of 2013 2nd sp. sess.), if the legislature  
12 determines that priorities for spending exceed available funds in those  
13 accounts.

14 (b) Funds for plans and programs must be allocated consistent with  
15 the priorities and matching requirements established in chapters  
16 70.105, 70.95C, 70.95I, and 70.95 RCW.

17 (c) During the 2013-2015 fiscal biennium, the local toxics control  
18 account may also be used for local government storm water planning and  
19 implementation activities.

20 (d) During the 2013-2015 fiscal biennium, the legislature may  
21 transfer from the local toxics control account to the state general  
22 fund, such amounts as reflect the excess fund balance in the account.

23 (e) To expedite cleanups throughout the state, the department may  
24 use the following strategies when providing grants to local governments  
25 under this subsection:

26 (i) Enter into an extended grant agreement with a local government  
27 conducting remedial actions at a facility where those actions extend  
28 over multiple biennia and the total eligible cost of those actions  
29 exceeds twenty million dollars. The agreement is subject to the  
30 following limitations:

31 (A) The initial duration of such an agreement may not exceed ten  
32 years. The department may extend the duration of such an agreement  
33 upon finding substantial progress has been made on remedial actions at  
34 the facility;

35 (B) Extended grant agreements may not exceed fifty percent of the  
36 total eligible remedial action costs at the facility; and

37 (C) The department may not allocate future funding to an extended  
38 grant agreement unless the local government has demonstrated to the

1 department that funds awarded under the agreement during the previous  
2 biennium have been substantially expended or contracts have been  
3 entered into to substantially expend the funds;

4 (ii) Enter into a grant agreement with a local government  
5 conducting a remedial action that provides for periodic reimbursement  
6 of remedial action costs as they are incurred as established in the  
7 agreement;

8 (iii) Enter into a grant agreement with a local government prior to  
9 it acquiring a property or obtaining necessary access to conduct  
10 remedial actions, provided the agreement is conditioned upon the local  
11 government acquiring the property or obtaining the access in accordance  
12 with a schedule specified in the agreement;

13 (iv) Provide integrated planning grants to local governments to  
14 fund studies necessary to facilitate remedial actions at brownfield  
15 properties and adaptive reuse of properties following remediation.  
16 Eligible activities include, but are not limited to: Environmental  
17 site assessments; remedial investigations; health assessments;  
18 feasibility studies; site planning; community involvement; land use and  
19 regulatory analyses; building and infrastructure assessments; economic  
20 and fiscal analyses; and any environmental analyses under chapter  
21 43.21C RCW;

22 (v) Provide grants to local governments for remedial actions  
23 related to areawide groundwater contamination. To receive the funding,  
24 the local government does not need to be a potentially liable person or  
25 be required to seek reimbursement of grant funds from a potentially  
26 liable person;

27 (vi) The director may alter grant matching requirements to create  
28 incentives for local governments to expedite cleanups when one of the  
29 following conditions exists:

30 (A) Funding would prevent or mitigate unfair economic hardship  
31 imposed by the clean-up liability;

32 (B) Funding would create new substantial economic development,  
33 public recreational opportunities, or habitat restoration opportunities  
34 that would not otherwise occur; or

35 (C) Funding would create an opportunity for acquisition and  
36 redevelopment of brownfield property under RCW 70.105D.040(5) that  
37 would not otherwise occur;

1 (vii) When pending grant applications under (c)(iv) and (v) of this  
2 subsection (4) exceed the amount of funds available, designated  
3 redevelopment opportunity zones must receive priority for distribution  
4 of available funds.

5 (d) To expedite multiparty clean-up efforts, the department may  
6 purchase remedial action cost-cap insurance.

7 (5) Except for unanticipated receipts under RCW 43.79.260 through  
8 43.79.282, moneys in the state and local toxics control accounts may be  
9 spent only after appropriation by statute.

10 (6) No moneys deposited into either the state or local toxics  
11 control account may be used for: Natural disasters where there is no  
12 hazardous substance contamination; high performance buildings; solid  
13 waste incinerator facility feasibility studies, construction,  
14 maintenance, or operation; or after January 1, 2010, for projects  
15 designed to address the restoration of Puget Sound, funded in a  
16 competitive grant process, that are in conflict with the action agenda  
17 developed by the Puget Sound partnership under RCW 90.71.310. However,  
18 this subsection does not prevent an appropriation from the state toxics  
19 control account to the department of revenue to enforce compliance with  
20 the hazardous substance tax imposed in chapter 82.21 RCW.

21 (7) Except during the 2011-2013 fiscal biennium, one percent of the  
22 moneys collected under RCW 82.21.030 shall be allocated only for public  
23 participation grants to persons who may be adversely affected by a  
24 release or threatened release of a hazardous substance and to not-for-  
25 profit public interest organizations. The primary purpose of these  
26 grants is to facilitate the participation by persons and organizations  
27 in the investigation and remedying of releases or threatened releases  
28 of hazardous substances and to implement the state's solid and  
29 hazardous waste management priorities. No grant may exceed sixty  
30 thousand dollars. Grants may be renewed annually. Moneys appropriated  
31 for public participation that are not expended at the close of any  
32 biennium revert to the state toxics control account.

33 (8) The department shall adopt rules for grant or loan issuance and  
34 performance. To accelerate both remedial action and economic recovery,  
35 the department may expedite the adoption of rules necessary to  
36 implement chapter 1, Laws of 2013 2nd sp. sess. using the expedited  
37 procedures in RCW 34.05.353. The department shall initiate the award  
38 of financial assistance by August 1, 2013. To ensure the adoption of

1 rules will not delay financial assistance, the department may  
2 administer the award of financial assistance through interpretive  
3 guidance pending the adoption of rules through July 1, 2014.

4 (9) Except as provided under subsection (3)(k) and (q) of this  
5 section, nothing in chapter 1, Laws of 2013 2nd sp. sess. effects the  
6 ability of a potentially liable person to receive public funding.

7 **Sec. 993.** RCW 70.148.020 and 2012 1st sp.s. c 3 s 1 are each  
8 amended to read as follows:

9 (1) The pollution liability insurance program trust account is  
10 established in the custody of the state treasurer. All funds  
11 appropriated for this chapter and all premiums collected for  
12 reinsurance shall be deposited in the account. Expenditures from the  
13 account shall be used exclusively for the purposes of this chapter  
14 including payment of costs of administering the pollution liability  
15 insurance and underground storage tank community assistance programs.  
16 Expenditures for payment of administrative and operating costs of the  
17 agency are subject to the allotment procedures under chapter 43.88 RCW  
18 and may be made only after appropriation by statute. No appropriation  
19 is required for other expenditures from the account.

20 (2) Each calendar quarter, the director shall report to the  
21 insurance commissioner the loss and surplus reserves required for the  
22 calendar quarter. The director shall notify the department of revenue  
23 of this amount by the fifteenth day of each calendar quarter.

24 (3) Each calendar quarter the director shall determine the amount  
25 of reserves necessary to fund commitments made to provide financial  
26 assistance under RCW 70.148.130 to the extent that the financial  
27 assistance reserves do not jeopardize the operations and liabilities of  
28 the pollution liability insurance program. The director shall notify  
29 the department of revenue of this amount by the fifteenth day of each  
30 calendar quarter. The director may immediately establish an initial  
31 financial assistance reserve of five million dollars from available  
32 revenues. The director may not expend more than fifteen million  
33 dollars for the financial assistance program.

34 ~~((4))~~ (4) During the 2013-2015 fiscal biennium, the legislature  
35 may transfer from the pollution liability insurance program trust  
36 account to the state general fund such amounts as reflect the excess  
37 fund balance of the account.

1       (5) This section expires July 1, 2020.

2       **Sec. 994.** RCW 71.24.310 and 2009 c 564 s 1810 and 2009 c 564 s 952  
3 are each reenacted and amended to read as follows:

4       The legislature finds that administration of chapter 71.05 RCW and  
5 this chapter can be most efficiently and effectively implemented as  
6 part of the regional support network defined in RCW 71.24.025. For  
7 this reason, the legislature intends that the department and the  
8 regional support networks shall work together to implement chapter  
9 71.05 RCW as follows:

10       (1) By June 1, 2006, regional support networks shall recommend to  
11 the department the number of state hospital beds that should be  
12 allocated for use by each regional support network. The statewide  
13 total allocation shall not exceed the number of state hospital beds  
14 offering long-term inpatient care, as defined in this chapter, for  
15 which funding is provided in the biennial appropriations act.

16       (2) If there is consensus among the regional support networks  
17 regarding the number of state hospital beds that should be allocated  
18 for use by each regional support network, the department shall contract  
19 with each regional support network accordingly.

20       (3) If there is not consensus among the regional support networks  
21 regarding the number of beds that should be allocated for use by each  
22 regional support network, the department shall establish by emergency  
23 rule the number of state hospital beds that are available for use by  
24 each regional support network. The emergency rule shall be effective  
25 September 1, 2006. The primary factor used in the allocation shall be  
26 the estimated number of adults with acute and chronic mental illness in  
27 each regional support network area, based upon population-adjusted  
28 incidence and utilization.

29       (4) The allocation formula shall be updated at least every three  
30 years to reflect demographic changes, and new evidence regarding the  
31 incidence of acute and chronic mental illness and the need for long-  
32 term inpatient care. In the updates, the statewide total allocation  
33 shall include (a) all state hospital beds offering long-term inpatient  
34 care for which funding is provided in the biennial appropriations act;  
35 plus (b) the estimated equivalent number of beds or comparable  
36 diversion services contracted in accordance with subsection (5) of this  
37 section.

1 (5) The department is encouraged to enter performance-based  
2 contracts with regional support networks to provide some or all of the  
3 regional support network's allocated long-term inpatient treatment  
4 capacity in the community, rather than in the state hospital. The  
5 performance contracts shall specify the number of patient days of care  
6 available for use by the regional support network in the state  
7 hospital.

8 (6) If a regional support network uses more state hospital patient  
9 days of care than it has been allocated under subsection (3) or (4) of  
10 this section, or than it has contracted to use under subsection (5) of  
11 this section, whichever is less, it shall reimburse the department for  
12 that care, except during the period of July 1, 2012, through December  
13 31, 2013, where reimbursements may be temporarily altered per section  
14 204 of this act. The reimbursement rate per day shall be the  
15 hospital's total annual budget for long-term inpatient care, divided by  
16 the total patient days of care assumed in development of that budget.

17 (7) One-half of any reimbursements received pursuant to subsection  
18 (6) of this section shall be used to support the cost of operating the  
19 state hospital and, during the 2007-2009 fiscal biennium, implementing  
20 new services that will enable a regional support network to reduce its  
21 utilization of the state hospital. The department shall distribute the  
22 remaining half of such reimbursements among regional support networks  
23 that have used less than their allocated or contracted patient days of  
24 care at that hospital, proportional to the number of patient days of  
25 care not used.

26 **Sec. 995.** RCW 74.09.215 and 2012 c 241 s 103 are each amended to  
27 read as follows:

28 The medicaid fraud penalty account is created in the state  
29 treasury. All receipts from civil penalties collected under RCW  
30 74.09.210, all receipts received under judgments or settlements that  
31 originated under a filing under the federal false claims act, and all  
32 receipts received under judgments or settlements that originated under  
33 the state medicaid fraud false claims act, chapter 74.66 RCW must be  
34 deposited into the account. Moneys in the account may be spent only  
35 after appropriation and must be used only for medicaid services, fraud  
36 detection and prevention activities, recovery of improper payments, and  
37 for other medicaid fraud enforcement activities. For the 2013-2015



1 fiscal biennium, moneys in the account may be spent on inpatient and  
2 outpatient rebasing and conversion to the tenth version of the  
3 international classification of diseases.

4 **Sec. 996.** RCW 74.13.621 and 2009 c 564 s 954 are each amended to  
5 read as follows:

6 (1) Within existing resources, the department shall establish an  
7 oversight committee to monitor, guide, and report on kinship care  
8 recommendations and implementation activities. The committee shall:

9 (a) Draft a kinship care definition that is restricted to persons  
10 related by blood, marriage, or adoption, including marriages that have  
11 been dissolved, or for a minor defined as an "Indian child" under the  
12 federal Indian child welfare act (25 U.S.C. Sec. 1901 et seq.), the  
13 definition of "extended family member" under the federal Indian child  
14 welfare act, and a set of principles. If the committee concludes that  
15 one or more programs or services would be more efficiently and  
16 effectively delivered under a different definition of kin, it shall  
17 state what definition is needed, and identify the program or service in  
18 the report. It shall also provide evidence of how the program or  
19 service will be more efficiently and effectively delivered under the  
20 different definition. The department shall not adopt rules or policies  
21 changing the definition of kin without authorizing legislation;

22 (b) Monitor and provide consultation on the implementation of  
23 recommendations contained in the 2002 kinship care report, including  
24 but not limited to the recommendations relating to legal and respite  
25 care services and resources;

26 (c) Partner with nonprofit organizations and private sector  
27 businesses to guide a public education awareness campaign; and

28 (d) Assist with developing future recommendations on kinship care  
29 issues.

30 (2) The department shall consult with the oversight committee on  
31 its efforts to better collaborate and coordinate services to benefit  
32 kinship care families.

33 (3) The oversight committee must consist of a minimum of thirty  
34 percent kinship caregivers, who shall represent a diversity of kinship  
35 families. Statewide representation with geographic, ethnic, and gender  
36 diversity is required. Other members shall include representatives of  
37 the department, representatives of relevant state agencies,

1 representatives of the private nonprofit and business sectors, child  
2 advocates, representatives of Washington state Indian tribes as defined  
3 under the federal Indian welfare act (25 U.S.C. Sec. 1901 et seq.), and  
4 representatives of the legal or judicial field. Birth parents, foster  
5 parents, and others who have an interest in these issues may also be  
6 included.

7 (4) To the extent funding is available, the department may  
8 reimburse nondepartmental members of the oversight committee for costs  
9 incurred in participating in the meetings of the oversight committee.

10 (5) The kinship care oversight committee shall update the  
11 legislature and governor annually on committee activities, with the  
12 first update due by January 1, 2006.

13 (6) This section expires June 30, (~~2011~~) 2015.

14 **Sec. 997.** RCW 74.09.215 and 2013 c 36 s 3 are each amended to read  
15 as follows:

16 The medicaid fraud penalty account is created in the state  
17 treasury. All receipts from civil penalties collected under RCW  
18 74.09.210, all receipts received under judgments or settlements that  
19 originated under a filing under the federal false claims act, and all  
20 receipts received under judgments or settlements that originated under  
21 the state medicaid fraud false claims act, chapter 74.66 RCW, must be  
22 deposited into the account. Moneys in the account may be spent only  
23 after appropriation and must be used only for medicaid services, fraud  
24 detection and prevention activities, recovery of improper payments, for  
25 other medicaid fraud enforcement activities, and the prescription  
26 monitoring program established in chapter 70.225 RCW. For the 2013-  
27 2015 fiscal biennium, moneys in the account may be spent on inpatient  
28 and outpatient rebasing and conversion to the tenth version of the  
29 international classification of diseases.

30 **Sec. 998.** RCW 77.12.201 and 2012 2nd sp.s. c 7 s 923 are each  
31 amended to read as follows:

32 The legislative authority of a county may elect, by giving written  
33 notice to the director and the treasurer prior to January 1st of any  
34 year, to obtain for the following year an amount in lieu of real  
35 property taxes on game lands as provided in RCW 77.12.203. Upon the  
36 election, the county shall keep a record of all fines, forfeitures,

1 reimbursements, and costs assessed and collected, in whole or in part,  
2 under this title for violations of law or rules adopted pursuant to  
3 this title, with the exception of the 2011-2013 and 2013-2015 fiscal  
4 (~~biennium~~) biennia, and shall monthly remit an amount equal to the  
5 amount collected to the state treasurer for deposit in the state  
6 general fund. The election shall continue until the department is  
7 notified differently prior to January 1st of any year.

8 **Sec. 999.** RCW 77.12.203 and 2012 2nd sp.s. c 7 s 924 are each  
9 amended to read as follows:

10 (1) Except as provided in subsection (5) of this section and  
11 notwithstanding RCW 84.36.010 or other statutes to the contrary, the  
12 director shall pay by April 30th of each year on game lands in each  
13 county, if requested by an election under RCW 77.12.201, an amount in  
14 lieu of real property taxes equal to that amount paid on similar  
15 parcels of open space land taxable under chapter 84.34 RCW or the  
16 greater of seventy cents per acre per year or the amount paid in 1984  
17 plus an additional amount for control of noxious weeds equal to that  
18 which would be paid if such lands were privately owned. This amount  
19 shall not be assessed or paid on department buildings, structures,  
20 facilities, game farms, fish hatcheries, tidelands, or public fishing  
21 areas of less than one hundred acres.

22 (2) "Game lands," as used in this section and RCW 77.12.201, means  
23 those tracts one hundred acres or larger owned in fee by the department  
24 and used for wildlife habitat and public recreational purposes. All  
25 lands purchased for wildlife habitat, public access or recreation  
26 purposes with federal funds in the Snake River drainage basin shall be  
27 considered game lands regardless of acreage.

28 (3) This section shall not apply to lands transferred after April  
29 23, 1990, to the department from other state agencies.

30 (4) The county shall distribute the amount received under this  
31 section in lieu of real property taxes to all property taxing districts  
32 except the state in appropriate tax code areas the same way it would  
33 distribute local property taxes from private property. The county  
34 shall distribute the amount received under this section for weed  
35 control to the appropriate weed district.

36 (5) For the 2011-2013 and 2013-2015 fiscal (~~biennium~~) biennia,

1 the director shall pay by April 30th of each year on game lands in each  
2 county, if requested by an election under RCW 77.12.201, an amount in  
3 lieu of real property taxes and shall be distributed as follows:

4	County
5	
6	Adams.....1,909
7	Asotin.....36,123
8	Chelan..... 24,757
9	Columbia.....7,795
10	Ferry..... 6,781
11	Garfield..... 4,840
12	Grant.....37,443
13	<del>((Grays Harbor.....7,264))</del>
14	Kittitas ..... 143,974
15	Klickitat.....21,906
16	Lincoln.....13,535
17	Okanogan..... 151,402
18	Pend Oreille.....3,309
19	Yakima..... 126,225

20 These amounts shall not be assessed or paid on department buildings,  
21 structures, facilities, game farms, fish hatcheries, tidelands, or  
22 public fishing areas of less than one hundred acres.

23 **Sec. 1000.** RCW 79.64.020 and 2011 c 216 s 15 are each amended to  
24 read as follows:

25 A resource management cost account in the state treasury is created  
26 to be used solely for the purpose of defraying the costs and expenses  
27 necessarily incurred by the department in managing and administering  
28 state lands, community forest trust lands, and aquatic lands and the  
29 making and administering of leases, sales, contracts, licenses,  
30 permits, easements, and rights-of-way as authorized under the  
31 provisions of this title. Appropriations from the resource management  
32 cost account to the department shall be expended for no other purposes.  
33 Funds in the resource management cost account may be appropriated or  
34 transferred by the legislature for the benefit of all of the trusts

1 from which the funds were derived. During the 2013-2015 fiscal  
2 biennium, the legislature may transfer from the aquatics revenues in  
3 the resources management cost account to the marine resources  
4 stewardship trust account for the purposes of chapter 43.372 RCW.

5 **Sec. 1001.** RCW 79.64.040 and 2012 2nd sp.s. c 7 s 927 are each  
6 amended to read as follows:

7 (1) The board shall determine the amount deemed necessary in order  
8 to achieve the purposes of this chapter and shall provide by rule for  
9 the deduction of this amount from the moneys received from all leases,  
10 sales, contracts, licenses, permits, easements, and rights-of-way  
11 issued by the department and affecting state lands, community forest  
12 trust lands, and aquatic lands, provided that no deduction shall be  
13 made from the proceeds from agricultural college lands.

14 (2) Moneys received as deposits from successful bidders, advance  
15 payments, and security under RCW 79.15.100, 79.15.080, and 79.11.150  
16 prior to December 1, 1981, which have not been subjected to deduction  
17 under this section are not subject to deduction under this section.

18 (3) Except as otherwise provided in subsections (4) and (6) of this  
19 section, the deductions authorized under this section shall not exceed  
20 twenty-five percent of the moneys received by the department in  
21 connection with any one transaction pertaining to state lands and  
22 aquatic lands other than second-class tide and shore lands and the beds  
23 of navigable waters, and fifty percent of the moneys received by the  
24 department pertaining to second-class tide and shore lands and the beds  
25 of navigable waters.

26 (4) Deductions authorized under this section for transactions  
27 pertaining to community forest trust lands must be established at a  
28 level sufficient to defray over time the management costs for  
29 activities prescribed in a parcel's management plan adopted pursuant to  
30 RCW 79.155.080, and, if deemed appropriate by the board consistent with  
31 RCW 79.155.090, to reimburse the state and any local entities' eligible  
32 financial contributions for acquisition of the parcel.

33 (5) In the event that the department sells logs using the contract  
34 harvesting process described in RCW 79.15.500 through 79.15.530, the  
35 moneys received subject to this section are the net proceeds from the  
36 contract harvesting sale.

1 (6) During the 2011-2013 and 2013-2015 fiscal ((~~biennium~~)) biennia,  
2 the twenty-five percent limitation on deductions set in subsection (3)  
3 of this section may be increased up to thirty percent by the board.

4 **Sec. 1002.** RCW 79.105.150 and 2012 2nd sp.s. c 7 s 929 and 2012  
5 2nd sp.s. c 2 s 6008 are each reenacted and amended to read as follows:

6 (1) After deduction for management costs as provided in RCW  
7 79.64.040 and payments to towns under RCW 79.115.150(2), all moneys  
8 received by the state from the sale or lease of state-owned aquatic  
9 lands and from the sale of valuable material from state-owned aquatic  
10 lands shall be deposited in the aquatic lands enhancement account which  
11 is hereby created in the state treasury. After appropriation, these  
12 funds shall be used solely for aquatic lands enhancement projects; for  
13 the purchase, improvement, or protection of aquatic lands for public  
14 purposes; for providing and improving access to the lands; and for  
15 volunteer cooperative fish and game projects. (~~((During the 2011-2013  
16 fiscal biennium, the aquatic lands enhancement account may also be used  
17 for scientific research as part of the adaptive management process and  
18 for developing a planning report for McNeil Island. During the 2011-  
19 2013 fiscal biennium, the legislature may transfer from the aquatic  
20 lands enhancement account to the state general fund such amounts as  
21 reflect excess fund balance of the account.))~~) During the ((2011-2013))  
22 2013-2015 fiscal biennium, the aquatic lands enhancement account may be  
23 used to support the shellfish program, the ballast water program,  
24 ((~~parks,~~)) hatcheries, ((~~and~~)) the Puget Sound toxic sampling program  
25 at the department of fish and wildlife, the knotweed program at the  
26 department of agriculture, actions at the University of Washington for  
27 reducing ocean acidification, which may include the creation of a  
28 center on ocean acidification, and the Puget SoundCorps program.  
29 (~~((During the 2011-2013 fiscal biennium, the legislature may transfer  
30 from the aquatic lands enhancement account to the marine resources  
31 stewardship trust account funds for the purposes of RCW 43.372.070))~~)  
32 During the 2013-2015 fiscal biennium, the legislature may transfer from  
33 the aquatic lands enhancement account to the geoduck aquaculture  
34 research account for research related to shellfish aquaculture.

35 (2) In providing grants for aquatic lands enhancement projects, the  
36 recreation and conservation funding board shall:

1 (a) Require grant recipients to incorporate the environmental  
2 benefits of the project into their grant applications;

3 (b) Utilize the statement of environmental benefits, consideration,  
4 except as provided in RCW 79.105.610, of whether the applicant is a  
5 Puget Sound partner, as defined in RCW 90.71.010, whether a project is  
6 referenced in the action agenda developed by the Puget Sound  
7 partnership under RCW 90.71.310, and except as otherwise provided in  
8 RCW 79.105.630, and effective one calendar year following the  
9 development and statewide availability of model evergreen community  
10 management plans and ordinances under RCW 35.105.050, whether the  
11 applicant is an entity that has been recognized, and what gradation of  
12 recognition was received, in the evergreen community recognition  
13 program created in RCW 35.105.030 in its prioritization and selection  
14 process; and

15 (c) Develop appropriate outcome-focused performance measures to be  
16 used both for management and performance assessment of the grants.

17 (3) To the extent possible, the department should coordinate its  
18 performance measure system with other natural resource-related agencies  
19 as defined in RCW 43.41.270.

20 (4) The department shall consult with affected interest groups in  
21 implementing this section.

22 (5) After January 1, 2010, any project designed to address the  
23 restoration of Puget Sound may be funded under this chapter only if the  
24 project is not in conflict with the action agenda developed by the  
25 Puget Sound partnership under RCW 90.71.310.

26 **Sec. 1003.** RCW 82.08.160 and 2012 2nd sp.s. c 5 s 3 are each  
27 amended to read as follows:

28 (1) On or before the twenty-fifth day of each month, all taxes  
29 collected under RCW 82.08.150 during the preceding month must be  
30 remitted to the state department of revenue, to be deposited with the  
31 state treasurer. Except as provided in subsections (2) (~~and~~), (3),  
32 and (4) of this section, upon receipt of such moneys the state  
33 treasurer must credit sixty-five percent of the sums collected and  
34 remitted under RCW 82.08.150 (1) and (2) and one hundred percent of the  
35 sums collected and remitted under RCW 82.08.150 (3) and (4) to the  
36 state general fund and thirty-five percent of the sums collected and

1 remitted under RCW 82.08.150 (1) and (2) to a fund which is hereby  
2 created to be known as the "liquor excise tax fund."

3 (2) During the 2012 fiscal year, 66.19 percent of the sums  
4 collected and remitted under RCW 82.08.150 (1) and (2) must be  
5 deposited in the state general fund and the remainder collected and  
6 remitted under RCW 82.08.150 (1) and (2) must be deposited in the  
7 liquor excise tax fund.

8 (3) During fiscal year 2013, all funds collected under RCW  
9 82.08.150 (1), (2), (3), and (4) must be deposited into the state  
10 general fund.

11 (4) During the 2013-2015 fiscal biennium, eighty two and one-half  
12 percent of the sums collected and remitted under RCW 82.08.150 (1) and  
13 (2) must be deposited in the state general fund and the remainder  
14 collected and remitted under RCW 82.08.150 (1) and (2) must be  
15 deposited in the liquor excise tax fund.

16 **Sec. 1004.** RCW 82.14.310 and 2011 1st sp.s. c 50 s 970 are each  
17 amended to read as follows:

18 (1) The county criminal justice assistance account is created in  
19 the state treasury. Beginning in fiscal year 2000, the state treasurer  
20 must transfer into the county criminal justice assistance account from  
21 the general fund the sum of twenty-three million two hundred thousand  
22 dollars divided into four equal deposits occurring on July 1, October  
23 1, January 1, and April 1. For each fiscal year thereafter, the state  
24 treasurer must increase the total transfer by the fiscal growth factor,  
25 as defined in RCW 43.135.025, forecast for that fiscal year by the  
26 office of financial management in November of the preceding year.

27 (2) The moneys deposited in the county criminal justice assistance  
28 account for distribution under this section, less any moneys  
29 appropriated for purposes under subsection (4) of this section, must be  
30 distributed at such times as distributions are made under RCW 82.44.150  
31 and on the relative basis of each county's funding factor as determined  
32 under this subsection.

33 (a) A county's funding factor is the sum of:

34 (i) The population of the county, divided by one thousand, and  
35 multiplied by two-tenths;

36 (ii) The crime rate of the county, multiplied by three-tenths; and



1 (iii) The annual number of criminal cases filed in the county  
2 superior court, for each one thousand in population, multiplied by  
3 five-tenths.

4 (b) Under this section and RCW 82.14.320 and 82.14.330:

5 (i) The population of the county or city is as last determined by  
6 the office of financial management;

7 (ii) The crime rate of the county or city is the annual occurrence  
8 of specified criminal offenses, as calculated in the most recent annual  
9 report on crime in Washington state as published by the Washington  
10 association of sheriffs and police chiefs, for each one thousand in  
11 population;

12 (iii) The annual number of criminal cases filed in the county  
13 superior court must be determined by the most recent annual report of  
14 the courts of Washington, as published by the administrative office of  
15 the courts;

16 (iv) Distributions and eligibility for distributions in the 1989-  
17 1991 biennium must be based on 1988 figures for both the crime rate as  
18 described under (ii) of this subsection and the annual number of  
19 criminal cases that are filed as described under (iii) of this  
20 subsection. Future distributions must be based on the most recent  
21 figures for both the crime rate as described under (ii) of this  
22 subsection and the annual number of criminal cases that are filed as  
23 described under (iii) of this subsection.

24 (3) Moneys distributed under this section must be expended  
25 exclusively for criminal justice purposes and may not be used to  
26 replace or supplant existing funding. Criminal justice purposes are  
27 defined as activities that substantially assist the criminal justice  
28 system, which may include circumstances where ancillary benefit to the  
29 civil or juvenile justice system occurs, and which includes (a)  
30 domestic violence services such as those provided by domestic violence  
31 programs, community advocates, and legal advocates, as defined in RCW  
32 70.123.020, and (b) during the 2001-2003 fiscal biennium, juvenile  
33 dispositional hearings relating to petitions for at-risk youth,  
34 truancy, and children in need of services. Existing funding for  
35 purposes of this subsection is defined as calendar year 1989 actual  
36 operating expenditures for criminal justice purposes. Calendar year  
37 1989 actual operating expenditures for criminal justice purposes  
38 exclude the following: Expenditures for extraordinary events not

1 likely to reoccur, changes in contract provisions for criminal justice  
2 services, beyond the control of the local jurisdiction receiving the  
3 services, and major nonrecurring capital expenditures.

4 (4) Not more than five percent of the funds deposited to the county  
5 criminal justice assistance account may be available for appropriations  
6 for enhancements to the state patrol crime laboratory system and the  
7 continuing costs related to these enhancements. Funds appropriated  
8 from this account for such enhancements may not supplant existing funds  
9 from the state general fund.

10 (5) During the 2011-2013 fiscal biennium, the amount that would  
11 otherwise be transferred into the county criminal justice assistance  
12 account from the general fund under subsection (1) of this section must  
13 be reduced by 3.4 percent.

14 (6) During the 2013-2015 fiscal biennium, for the purposes of  
15 substance abuse and other programs for offenders, the legislature may  
16 appropriate from the county criminal justice assistance account such  
17 amounts as are in excess of the amounts necessary to fully meet the  
18 state's obligations to the counties and to the Washington state patrol.  
19 Excess amounts in this account are not the result of subsection (5) of  
20 this section.

21 **Sec. 1005.** RCW 86.26.007 and 2012 2nd sp.s. c 7 s 932 are each  
22 amended to read as follows:

23 The flood control assistance account is hereby established in the  
24 state treasury. At the beginning of the 2005-2007 fiscal biennium, the  
25 state treasurer shall transfer three million dollars from the general  
26 fund to the flood control assistance account. Each biennium thereafter  
27 the state treasurer shall transfer four million dollars from the  
28 general fund to the flood control assistance account, except that  
29 during the 2011-2013 fiscal biennium, the state treasurer shall  
30 transfer one million dollars from the general fund to the flood control  
31 assistance account. Moneys in the flood control assistance account may  
32 be spent only after appropriation for purposes specified under this  
33 chapter. During the 2013-2015 fiscal biennium, the legislature may  
34 transfer from the flood control assistance account to the state general  
35 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)	. . . . .	<del>(\$6,561,000)</del>
9			<u>\$6,603,000</u>
10	TOTAL APPROPRIATION	. . . . .	<del>(\$13,318,000)</del>
11			<u>\$13,360,000</u>

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	<u>General Fund--State Appropriation (FY 2013)</u>	. . . . .	<u>\$24,000</u>
17	Judicial Information System Account--State		
18	Appropriation	. . . . .	\$1,500,000
19	TOTAL APPROPRIATION	. . . . .	<del>(\$3,004,000)</del>
20			<u>\$3,028,000</u>

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)	. . . . .	<del>(\$15,168,000)</del>
31			<u>\$15,253,000</u>
32	TOTAL APPROPRIATION	. . . . .	<del>(\$30,443,000)</del>
33			<u>\$30,528,000</u>

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) . . . . .	<del>(\$48,429,000)</del>
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 . . . . .	<del>(\$5,954,000)</del>
13		<u>\$5,425,000</u>
14	TOTAL APPROPRIATION . . . . .	<del>(\$150,392,000)</del>
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) . . . . .	<del>(\$5,247,000)</del>
34		<u>\$5,259,000</u>
35	Economic Development Strategic Reserve Account--State	
36	Appropriation . . . . .	\$1,500,000
37	TOTAL APPROPRIATION . . . . .	<del>(\$11,849,000)</del>

\$11,861,000

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

(1) \$1,500,000 of the economic development strategic reserve account appropriation is provided solely for efforts to assist with currently active industrial recruitment efforts that will bring new jobs to the state or will retain headquarter locations of major companies currently housed in the state.

(2) \$540,000 of the general fund--state appropriation for fiscal year 2012 and \$526,000 of the general fund--state appropriation for fiscal year 2013 are provided solely for the office of the education ombudsman.

(3) \$12,000 of the general fund--state appropriation for fiscal year 2013 is provided solely for implementation of Engrossed Second Substitute Senate Bill No. 5802 (greenhouse gas emissions). If the bill is not enacted by June 30, 2012, the amount provided in this subsection shall lapse.

**Sec. 1106.** 2012 2nd sp.s. c 7 s 121 (uncodified) is amended to read as follows:

**FOR THE SECRETARY OF STATE**

General Fund--State Appropriation (FY 2012)	\$16,047,000
General Fund--State Appropriation (FY 2013)	<del>(\$8,612,000)</del>
	<u>\$9,972,000</u>
General Fund--Federal Appropriation	\$7,326,000
Public Records Efficiency, Preservation, and Access	
Account--State Appropriation	<del>(\$7,074,000)</del>
	<u>\$7,185,000</u>
Charitable Organization Education Account--State	
Appropriation	\$362,000
Local Government Archives Account--State	
Appropriation	\$8,516,000
Election Account--Federal Appropriation	\$17,284,000
Washington State Heritage Center Account--State	
Appropriation	\$5,028,000
TOTAL APPROPRIATION	<del>(\$70,249,000)</del>
	<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) . . . . .	<del>(\$7,690,000)</del>
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 . . . . .	<del>(\$197,375,000)</del>
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 . . . . .	<del>(\$222,205,000)</del>
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) . . . . .	<del>(\$72,839,000)</del>
33		<u>\$58,839,000</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>\$526,123,000</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)~~) \$25,527,000 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 \$41,000,000 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) . . . . .	<del>(\$18,584,000)</del>
14		<u>\$18,678,000</u>
15	General Fund--Federal Appropriation . . . . .	<del>(\$31,530,000)</del>
16		<u>\$35,530,000</u>
17	General Fund--Private/Local Appropriation . . . . .	\$1,370,000
18	Performance Audits of Government Account--State	
19	Appropriation . . . . .	\$198,000
20	Economic Development Strategic Reserve Account--State	
21	Appropriation . . . . .	\$280,000
22	Department of Personnel Services--State	
23	Appropriation . . . . .	\$8,551,000
24	Data Processing Revolving Account--State	
25	Appropriation . . . . .	\$5,910,000
26	Higher Education Personnel Services Account--State	
27	Appropriation . . . . .	\$1,537,000
28	Aquatic Lands Enhancement Account--State Appropriation . . . .	\$100,000
29	TOTAL APPROPRIATION . . . . .	<del>(\$86,429,000)</del>
30		<u>\$90,523,000</u>

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

33 (1) \$1,210,000 of the general fund--state appropriation for fiscal  
 34 year 2012 and \$1,210,000 of the general fund--state appropriation for  
 35 fiscal year 2013 are provided solely for implementation of House Bill  
 36 No. 1178 (regulatory assistance office). If the bill is not enacted by  
 37 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 **Sec. 1110.** 2012 2nd sp.s. c 7 s 132 (uncodified) is amended to  
24 read as follows:

25 **FOR THE OFFICE OF ADMINISTRATIVE HEARINGS**

26 Administrative Hearings Revolving Account--State  
27 Appropriation . . . . . ~~(((\$35,713,000))~~  
28 \$36,413,000

29 The appropriation in this section is subject to the following  
30 conditions and limitations: ~~(((\$769,000))~~ \$700,000 of the  
31 administrative hearings revolving account--state appropriation is  
32 provided solely to ~~((implement Engrossed Substitute Senate Bill No.~~  
33 ~~5921 (social services programs). If the bill is not enacted by June~~  
34 ~~30, 2011, the amount provided in this subsection shall lapse))~~  
35 accommodate the number of fair hearings associated with medical  
36 assistance programs on behalf of the health care authority.

1           **Sec. 1111.** 2012 2nd sp.s. c 7 s 136 (uncodified) is amended to  
2 read as follows:

3 **FOR THE DEPARTMENT OF RETIREMENT SYSTEMS--OPERATIONS**

4 Department of Retirement Systems Expense	
5        Account--State Appropriation . . . . .	(( <del>\$46,511,000</del> ))
6	<u>\$46,591,000</u>

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

9           (1) \$146,000 of the department of retirement systems--state  
10 appropriation is provided solely for the administrative costs  
11 associated with implementation of House Bill No. 2070 (state and local  
12 government employees). If the bill is not enacted by June 30, 2011,  
13 the amount provided in this subsection shall lapse.

14          (2) \$65,000 of the department of retirement systems--state  
15 appropriation is provided solely for the administrative costs  
16 associated with implementation of House Bill No. 1625 (plan 3 default  
17 investment option). If the bill is not enacted by June 30, 2011, the  
18 amount provided in this subsection shall lapse.

19          (3) \$133,000 of the department of retirement systems--state  
20 appropriation is provided solely for the administrative costs  
21 associated with implementation of Engrossed House Bill No. 1981 as  
22 amended (post-retirement employment). If the bill is not enacted by  
23 June 30, 2011, the amount provided in this subsection shall lapse.

24          (4) \$15,000 of the department of retirement systems expense  
25 account--state appropriation is provided solely for the administrative  
26 costs associated with implementation of Substitute House Bill No. 2021  
27 (plan 1 annual increase amounts). If the bill is not enacted by June  
28 30, 2011, the amount provided in this section shall lapse.

29          (5) \$32,000 of the department of retirement systems--state  
30 appropriation is provided solely for the administrative costs  
31 associated with implementation of Engrossed Senate Bill No. 5159 (state  
32 patrol retirement system service credit). If the bill is not enacted  
33 by June 30, 2012, the amount provided in this subsection shall lapse.

34           **Sec. 1112.** 2012 2nd sp.s. c 7 s 139 (uncodified) is amended to  
35 read as follows:

36 **FOR THE OFFICE OF MINORITY AND WOMEN'S BUSINESS ENTERPRISES**

37 OMWBE Enterprises Account--State Appropriation . . . . .	(( <del>\$3,654,000</del> ))
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The appropriations in this section are subject to the following conditions and limitations: \$100,000 of the minority and women's business enterprises account--state appropriation is provided for implementation of a certification program for small business enterprises. The agency will collaborate with the department of transportation to certify small businesses as small business enterprises.

Sec. 1113. 2012 2nd sp.s. c 7 s 142 (uncodified) is amended to read as follows:

FOR THE LIQUOR CONTROL BOARD

Liquor Control Board Construction and Maintenance

Table with 2 columns: Description and Amount. Rows include Account--State Appropriation (\$3,063,000), Liquor Revolving Account--State Appropriation (\$171,838,000), General Fund--Federal Appropriation (\$945,000), General Fund--Private/Local Appropriation (\$25,000), and TOTAL APPROPRIATION (\$175,871,000).

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

(1) The legislature intends to facilitate the orderly transition of liquor services as required by Initiative Measure No. 1183. For liquor control board employees that remain through June 15, 2012, a temporary opportunity to cash out sick leave is provided to assist the unique challenges to the liquor control board and its employees posed by this transition.

(2) Within the amounts appropriated in this section from the liquor revolving account--state appropriation, liquor control board employees who: (a) Occupy positions in the job classifications provided in subsection (3)(c) of this section that will be eliminated after the liquor control board ceases to distribute liquor; and (b) remain as liquor control board employees through June 15, 2012, and who separate from service due to lay off by October 1, 2012, may elect to receive remuneration for their entire sick leave balance at a rate equal to one day's current monetary compensation of the employee for each four full days of accrued sick leave.

(3) The following conditions apply to sick leave cash out under this subsection:

1 (a) The rate of monetary compensation for the purposes of this  
2 subsection shall not be reduced by any temporary salary reduction;

3 (b) Remuneration or benefits received under this subsection shall  
4 not be included for the purpose of computing a retirement allowance  
5 under any public retirement system in this state;

6 (c) The following job classifications are eligible:

- 7 (i) Liquor store clerk;
- 8 (ii) Retail assistant store manager 1;
- 9 (iii) Retail assistant store manager 2;
- 10 (iv) Retail store manager 3;
- 11 (v) Retail store manager 4;
- 12 (vi) Retail district manager;
- 13 (vii) Retail operations manager;
- 14 (viii) Director of retail services;
- 15 (ix) Director of distribution center;
- 16 (x) Director of purchasing;
- 17 (xi) Director of business enterprise;
- 18 (xii) Warehouse operator 1;
- 19 (xiii) Warehouse operator 2;
- 20 (xiv) Warehouse operator 3; and
- 21 (xv) Warehouse operator 4; and

22 (d) Should the legislature revoke any remuneration or benefits  
23 granted under this section, an affected employee shall not be entitled  
24 thereafter to receive such benefits as a matter of contractual right.

25 (4) Within the amounts appropriated in this section from the liquor  
26 revolving account--state appropriation, up to \$946,000 may be used by  
27 the liquor control board to implement Initiative Measure No. 502.

28 **Sec. 1114.** 2012 2nd sp.s. c 7 s 144 (uncodified) is amended to  
29 read as follows:

30 **FOR THE MILITARY DEPARTMENT**

31	General Fund--State Appropriation (FY 2012) . . . . .	\$7,116,000
32	General Fund--State Appropriation (FY 2013) . . . . .	<del>(\$6,872,000)</del>
33		<u>\$6,938,000</u>
34	General Fund--Federal Appropriation . . . . .	<del>(\$159,075,000)</del>
35		<u>\$159,114,000</u>
36	Enhanced 911 Account--State Appropriation . . . . .	\$48,620,000
37	Disaster Response Account--State Appropriation . . . . .	\$23,119,000





1       **Sec. 1115.** 2012 2nd sp.s. c 7 s 149 (uncodified) is amended to  
2 read as follows:

3 **FOR THE DEPARTMENT OF ENTERPRISE SERVICES**

4	General Fund--State Appropriation (FY 2012) . . . . .	\$3,401,000
5	General Fund--State Appropriation (FY 2013) . . . . .	\$3,309,000
6	<del>(General Fund--Federal Appropriation . . . . .</del>	<del>\$177,000</del>
7	<del>General Fund--Private/Local Appropriation . . . . .</del>	<del>\$368,000)</del>
8	Building Code Council Account--State Appropriation . . . . .	\$1,186,000
9	Department of Personnel Service Account--State	
10	Appropriation . . . . .	\$11,117,000
11	Enterprise Services Account--State Appropriation . . . . .	\$26,336,000
12	TOTAL APPROPRIATION . . . . .	<del>(\$45,894,000)</del>
13		<u>\$45,349,000</u>

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

16       (1) The appropriations in this section are for the operations and  
17 expenses of the department of enterprise services as established by  
18 Engrossed Substitute Senate Bill No. 5931 (central service functions of  
19 state government), effective October 1, 2011. Prior to October 1,  
20 2011, the appropriations in this section may be expended for the  
21 continued operations and expenses of the office of financial  
22 management, the department of general administration, the department of  
23 information services, and the department of personnel, pursuant to the  
24 expenditure authority schedules produced by the office of financial  
25 management, in accordance with chapter 43.88 RCW.

26       (2) \$3,028,000 of the general fund--state appropriation for fiscal  
27 year 2012 and \$2,967,000 of the general fund--state appropriation for  
28 fiscal year 2013 are provided solely for the payment of facilities and  
29 services charges, utilities and contracts charges, public and historic  
30 facilities charges, and capital projects surcharges allocable to the  
31 senate, house of representatives, statute law committee, and joint  
32 legislative systems committee. The department shall allocate charges  
33 attributable to these agencies among the affected revolving funds. The  
34 department shall maintain an interagency agreement with these agencies  
35 to establish performance standards, prioritization of preservation and  
36 capital improvement projects, and quality assurance provisions for the  
37 delivery of services under this subsection. The legislative agencies

1 named in this subsection shall continue to enjoy all of the same rights  
2 of occupancy and space use on the capitol campus as historically  
3 established.

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

7 (4) The building code council account appropriation is provided  
8 solely for the operation of the state building code council as required  
9 by statute and modified by the standards established by executive order  
10 10-06. The council shall not consider any proposed code amendment or  
11 take any other action not authorized by statute or in compliance with  
12 the standards established in executive order 10-06. No member of the  
13 council may receive compensation, per diem, or reimbursement for  
14 activities other than physical attendance at those meetings of the  
15 state building code council or the council's designated committees, at  
16 which the opportunity for public comment is provided generally and on  
17 all agenda items upon which the council proposes to take action.

18 (5) Specific funding is provided for the purposes of section 3 of  
19 House Bill No. 1770 (state purchasing).

20 (6) The amounts appropriated in this section are for implementation  
21 of Senate Bill No. 5931 (streamlining central service functions).

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

26 (8) Before any agency may purchase a passenger motor vehicle as  
27 defined in RCW 43.19.560, the agency must have written approval from  
28 the director of the department of enterprise services.

29 (9) The department shall adjust billings for self-insurance  
30 premiums to transportation agencies to reflect rate reductions assumed  
31 in this act.

(End of part)

**PART XII**  
**HUMAN SERVICES**

**Sec. 1201.** 2012 2nd sp.s. c 7 s 201 (uncodified) is amended to read as follows:

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

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

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

(3)(a) The health care authority and the department are authorized to develop an integrated health care program designed to slow the progression of illness and disability and better manage medicaid expenditures for the aged and disabled population. Under the 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) . . . . .	<del>(\$285,018,000)</del>
16		<u>\$277,399,000</u>
17	General Fund--Federal Appropriation . . . . .	<del>(\$479,315,000)</del>
18		<u>\$477,138,000</u>
19	General Fund--Private/Local Appropriation . . . . .	<del>(\$1,354,000)</del>
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 . . . . .	<del>(\$1,065,407,000)</del>
26		<u>\$1,056,061,000</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) . . . . .	<del>(\$85,258,000)</del>
36		<u>\$85,546,000</u>
37	General Fund--Federal Appropriation . . . . .	<del>(\$3,809,000)</del>

1		<u>\$3,808,000</u>
2	General Fund--Private/Local Appropriation . . . . .	(( <del>\$1,903,000</del> ))
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 . . . . .	(( <del>\$179,690,000</del> ))
9		<u>\$179,978,000</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) . . . . .	(( <del>\$324,319,000</del> ))
2		<u>\$321,411,000</u>
3	General Fund--Federal Appropriation . . . . .	(( <del>\$449,593,000</del> ))
4		<u>\$446,421,000</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 . . . . .	(( <del>\$1,114,761,000</del> ))
9		<u>\$1,108,681,000</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 (f) \$4,582,000 of the general fund--state appropriation for fiscal  
25 year 2012 and \$4,582,000 of the general fund--state appropriation for  
26 fiscal year 2013 are provided solely for mental health services for  
27 mentally ill offenders while confined in a county or city jail and for  
28 facilitating access to programs that offer mental health services upon  
29 release from confinement.

30 (g) 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 (h) \$750,000 of the general fund--state appropriation for fiscal  
34 year 2012 and \$750,000 of the general fund--state appropriation for  
35 fiscal year 2013 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 (i) \$1,125,000 of the general fund--state appropriation for fiscal  
5 year 2012 and \$1,125,000 of the general fund--state appropriation for  
6 fiscal year 2013 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 (j) \$1,529,000 of the general fund--state appropriation for fiscal  
24 year 2012 and \$1,529,000 of the general fund--state appropriation for  
25 fiscal year 2013 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 (k) 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 (l) Given the recent approval of federal medicaid matching funds  
4 for the disability lifeline and the alcohol and drug abuse treatment  
5 support act programs, the department shall charge regional support  
6 networks for only the state share rather than the total cost of  
7 community psychiatric hospitalization for persons enrolled in those  
8 programs.

9 (m) \$750,000 of the general fund--state appropriation for fiscal  
10 year 2012, \$750,000 of the general fund--state appropriation for fiscal  
11 year 2013, and \$1,500,000 of the general fund--federal appropriation  
12 are provided solely to adjust regional support network capitation rates  
13 to account for the per diem rates actually paid for psychiatric care  
14 provided at hospitals participating in the certified public expenditure  
15 program operated pursuant to section 213 of this act.

16 (n) The appropriations in this section reflect efficiencies to be  
17 achieved through voluntary consolidation of regional support networks  
18 in accordance with Substitute House Bill No. 2139 (regional support  
19 networks). Voluntary consolidation of regional support networks is  
20 expected to result in administrative efficiencies and maximize dollars  
21 available for direct services to individuals with mental illnesses  
22 without corresponding increases in state appropriations.

23 (2) INSTITUTIONAL SERVICES

24	General Fund--State Appropriation (FY 2012) . . . . .	\$115,017,000
25	General Fund--State Appropriation (FY 2013) . . . . .	<del>(\$112,603,000)</del>
26		<u>\$118,883,000</u>
27	General Fund--Federal Appropriation . . . . .	<del>(\$153,618,000)</del>
28		<u>\$152,917,000</u>
29	General Fund--Private/Local Appropriation . . . . .	<del>(\$67,325,000)</del>
30		<u>\$64,555,000</u>
31	TOTAL APPROPRIATION . . . . .	<del>(\$448,563,000)</del>
32		<u>\$451,372,000</u>

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

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

1 (b) \$231,000 of the general fund--state appropriation for fiscal  
 2 year 2012 and \$231,000 of the general fund--state appropriation for  
 3 fiscal year 2013 are provided solely for a community partnership  
 4 between western state hospital and the city of Lakewood to support  
 5 community policing efforts in the Lakewood community surrounding  
 6 western state hospital. The amounts provided in this subsection (2)(b)  
 7 are for the salaries, benefits, supplies, and equipment for one full-  
 8 time investigator, one full-time police officer, and one full-time  
 9 community service officer at the city of Lakewood.

10 (c) \$45,000 of the general fund--state appropriation for fiscal  
 11 year 2012 and \$45,000 of the general fund--state appropriation for  
 12 fiscal year 2013 are provided solely for payment to the city of  
 13 Lakewood for police services provided by the city at western state  
 14 hospital and adjacent areas.

15 (d) \$20,000,000 of the general fund--state appropriation for fiscal  
 16 year 2012 and \$20,000,000 of the general fund--state appropriation for  
 17 fiscal year 2013 are provided solely to maintain staffed capacity to  
 18 serve an average daily census in forensic wards at western state  
 19 hospital of 270 patients per day.

20 (e) The appropriations in this section reflect efficiencies to be  
 21 achieved through enactment of Substitute Senate Bill No. 6492  
 22 (competency to stand trial). These efficiencies are expected to enable  
 23 the hospitals to substantially increase the timeliness with which  
 24 evaluations of defendant competency to stand trial are completed, and  
 25 treatment to restore competency is initiated, without corresponding  
 26 increases in state appropriations.

27 (3) SPECIAL PROJECTS

28	General Fund--State Appropriation (FY 2012) . . . . .	\$1,148,000
29	General Fund--State Appropriation (FY 2013) . . . . .	\$1,276,000
30	General Fund--Federal Appropriation . . . . .	<del>(\$4,198,000)</del>
31		<u>\$5,198,000</u>
32	General Fund--Private/Local Appropriation . . . . .	\$700,000
33	TOTAL APPROPRIATION . . . . .	<del>(\$7,322,000)</del>
34		<u>\$8,322,000</u>

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

37 (a) \$1,161,000 of the general fund--state appropriation for fiscal  
 38 year 2012 and \$1,161,000 of the general fund--state appropriation for

1 fiscal year 2013 are provided solely for children's evidence-based  
2 mental health services. Funding is sufficient to continue serving  
3 children at the same levels as fiscal year 2009.

4 (b) \$700,000 of the general fund--private/local appropriation is  
5 provided solely for the University of Washington's evidence-based  
6 practice institute which supports the identification, evaluation, and  
7 implementation of evidence-based or promising practices for serving  
8 children and youth with mental health disorders. The department shall  
9 enter into an interagency agreement with the office of the attorney  
10 general for expenditure of \$700,000 of the state's proceeds of the *cy*  
11 *pres* settlement in *State of Washington v. AstraZeneca (Seroquel)* for  
12 this purpose.

13 (c) \$135,000 of the general fund--state appropriation for fiscal  
14 year 2013 and \$89,000 of the general fund--federal appropriation are  
15 provided solely for the department to contract with the University of  
16 Washington's evidence-based practice institute and the Washington state  
17 institute for public policy to consult with the department and the  
18 health care authority on the implementation of Engrossed Second  
19 Substitute House Bill No. 2536 (children services/delivery). The  
20 department's programs responsible for administration of mental health,  
21 child welfare, and juvenile justice programs will coordinate with the  
22 health care authority on the development of contract terms which  
23 facilitate efforts to meet requirements of the bill. If Engrossed  
24 Second Substitute House Bill No. 2536 (children services/delivery) is  
25 not enacted by June 30, 2012, the amounts provided in this subsection  
26 shall lapse.

27 (4) PROGRAM SUPPORT

28	General Fund--State Appropriation (FY 2012) . . . . .	\$4,482,000
29	General Fund--State Appropriation (FY 2013) . . . . .	<del>(\$4,247,000)</del>
30		<u>\$4,161,000</u>
31	General Fund--Federal Appropriation . . . . .	<del>(\$7,210,000)</del>
32		<u>\$7,128,000</u>
33	General Fund--Private/Local Appropriation . . . . .	\$446,000
34	TOTAL APPROPRIATION . . . . .	<del>(\$16,385,000)</del>
35		<u>\$16,217,000</u>

36 (a) The appropriations in this subsection are subject to the  
37 following conditions and limitations: In accordance with RCW  
38 43.20B.110, 43.135.055, and 71.24.035, the department is authorized to

1 increase license and certification fees in fiscal years 2012 and 2013  
 2 to support the costs of the regulatory program. The fee schedule  
 3 increases must be developed so that the maximum amount of additional  
 4 fees paid by providers statewide in the 2011-2013 fiscal biennium is  
 5 \$446,000. The department's fee schedule shall have differential rates  
 6 for providers with proof of accreditation from organizations that the  
 7 department has determined to have substantially equivalent standards to  
 8 those of the department, including but not limited to the joint  
 9 commission on accreditation of health care organizations, the  
 10 commission on accreditation of rehabilitation facilities, and the  
 11 council on accreditation. To reflect the reduced costs associated with  
 12 regulation of accredited programs, the department's fees for  
 13 organizations with such proof of accreditation must reflect the lower  
 14 costs of licensing for these programs than for other organizations  
 15 which are not accredited.

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

26 **Sec. 1205.** 2012 2nd sp.s. c 7 s 205 (uncodified) is amended to  
 27 read as follows:

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

30 (1) COMMUNITY SERVICES

31	General Fund--State Appropriation (FY 2012) . . . . .	\$405,412,000
32	General Fund--State Appropriation (FY 2013) . . . . .	<del>(\$420,327,000)</del>
33		<u>\$409,868,000</u>
34	General Fund--Federal Appropriation . . . . .	<del>(\$752,059,000)</del>
35		<u>\$743,824,000</u>
36	General Fund--Private/Local Appropriation . . . . .	\$184,000
37	TOTAL APPROPRIATION . . . . .	<del>(\$1,577,982,000)</del>

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

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

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

(c) Amounts appropriated in this subsection are sufficient to develop and implement the use of a consistent, statewide outcome-based vendor contract for employment and day services by July 1, 2012. The rates paid to vendors under this contract shall also be made consistent. In its description of activities the agency shall include activity listings and dollars appropriated for: Employment services, day services, child development services and county administration of services to the developmentally disabled. The department shall begin reporting to the office of financial management on these activities beginning in fiscal year 2010.

(d) \$944,000 of the general fund--state appropriation for fiscal year 2012, \$944,000 of the general fund--state appropriation for fiscal year 2013, and \$1,888,000 of the general fund--federal appropriation are provided solely for state contributions for individual provider health care benefits. Pursuant to the collective bargaining agreement negotiated with the exclusive bargaining representative of individual providers established under RCW 74.39A.270, the state shall contribute to the multiemployer health benefits trust fund \$2.21 per paid hour worked by individual providers.

(e) \$1,329,000 of the general fund--state appropriation for fiscal year 2012, \$1,622,000 of the general fund--state appropriation for fiscal year 2013, and \$2,947,000 of the general fund--federal appropriation are provided solely for the state's contribution to the training partnership, as provided in RCW 74.39A.360, for instructional costs associated with the training of individual providers.

1 Contributions are funded at \$0.22 per benefit-eligible paid hour worked  
2 by all home care workers. Expenditures for the purposes specified in  
3 this subsection shall not exceed the amounts provided in this  
4 subsection. However, if the governor and the service employees  
5 international union healthcare 775nw can reach agreement on repurposing  
6 funding that is currently provided in the individual provider  
7 collective bargaining agreement for new individual provider wages paid  
8 during training or other training related items, then expenditures for  
9 training trust contributions for individual providers may include the  
10 amounts provided in this subsection and the agreed upon repurposed  
11 funding. Funding in this section for purposes other than the  
12 individual provider collective bargaining agreement cannot be used for  
13 the purposes of this subsection (1)(e). It is the intent of the  
14 legislature that the funding provided in this subsection, including any  
15 repurposed funding, is sufficient to cover the costs of individual  
16 provider training and therefore tuition or other entrance fees are not  
17 necessary.

18 (f) (~~(\$104,669,000)~~) \$107,538,000 of the general fund--state  
19 appropriation for fiscal year 2013 and (~~(\$104,669,000)~~) \$107,535,000 of  
20 the general fund--federal appropriation are provided solely for the  
21 department to provide personal care services to waiver and nonwaiver  
22 in-home clients. The department shall provide the legislature with a  
23 report by December 5, 2012, on the feasibility of converting the  
24 medicaid personal care program for in-home adults to a medicaid program  
25 as found in section 1915(i) of the federal social security act that  
26 utilizes the option for self-direction of individualized budgets. The  
27 department shall operate the personal care program within the amounts  
28 specifically provided.

29 (g)(i) Within the amounts appropriated in this subsection, the  
30 department shall revise the current working age adult policy to allow  
31 clients to choose between employment and community access activities.  
32 Clients age 21 and older who are receiving services through a home- and  
33 community-based medicaid waiver shall be offered the choice to  
34 transition to a community access program after nine months of  
35 enrollment in an employment program, and the option to transition from  
36 a community access program to an employment program at any time. The  
37 department shall inform clients and their legal representatives of all  
38 available options for employment and day services. Information



1 provided to the client and the client's legal representative shall  
2 include the types of activities each service option provides, and the  
3 amount, scope, and duration of service for which the client would be  
4 eligible under each service option. An individual client may be  
5 authorized for only one service option, either employment services or  
6 community access services. Clients may not participate in more than  
7 one of these services at any given time.

8 (ii) The department shall work with counties and stakeholders to  
9 strengthen and expand the existing community access program. The  
10 program must emphasize support for the client so they are able to  
11 participate in activities that integrate them into their community and  
12 support independent living and skills.

13 (iii) The appropriation in this subsection includes funding to  
14 provide employment or community access services to 168 medicaid  
15 eligible young adults with developmental disabilities living with their  
16 families who need employment opportunities and assistance after high  
17 school graduation.

18 (h) \$75,000 of the general fund--state appropriation for fiscal  
19 year 2012 and \$75,000 of the general fund--state appropriation for  
20 fiscal year 2013 are provided solely for the restoration of direct  
21 support to local organizations that utilize parent-to-parent networks  
22 and communication to promote access and quality of care for individuals  
23 with developmental disabilities and their families.

24 (i) In accordance with Engrossed Substitute House Bill No. 1277  
25 (licensed settings for vulnerable adults), adult family home license  
26 fees are increased in fiscal years 2012 and 2013 to support the costs  
27 of conducting licensure, inspection, and regulatory programs.

28 (i) The current annual renewal license fee for adult family homes  
29 shall be increased to \$100 per bed beginning in fiscal year 2012 and  
30 \$175 per bed beginning in fiscal year 2013. Adult family homes shall  
31 receive a corresponding vendor rate increase per medicaid patient day  
32 of \$0.22 in fiscal year 2012 and \$0.43 in fiscal year 2013, or the  
33 amount necessary to fully fund the license fee increase for publicly  
34 funded beds, pursuant to the most recent bed estimates maintained by  
35 the department.

36 (ii) Beginning in fiscal year 2012, a processing fee of \$2,750  
37 shall be charged to each adult family home when the home is initially  
38 licensed. This fee is nonrefundable.

1 (j) Clients with developmental disabilities have demonstrated a  
 2 need and a desire for a day services program as verified by over 900  
 3 clients currently accessing day programs through a long-term care  
 4 service model. In addition, every individual, to include those with a  
 5 developmental disability, should have the opportunity for meaningful  
 6 employment which allows them to contribute to their communities and to  
 7 become as self-sufficient as possible. Providing choice empowers  
 8 recipients of publicly funded services and their families by expanding  
 9 their degree of control over the services and supports they need.

10 The department shall work with legislators and stakeholders to  
 11 develop a new approach to employment and day services. The objective  
 12 of this plan is to ensure that adults with developmental disabilities  
 13 have optimum choices, and that employment and day offerings are  
 14 comprehensive enough to meet the needs of all clients currently served  
 15 on a home and community based waiver. The proposal shall be submitted  
 16 to the 2012 legislature for consideration and shall be constructed such  
 17 that a client ultimately receives employment, community access, or the  
 18 community day option but not more than one service at a time. The  
 19 proposal shall include options for program efficiencies within the  
 20 current employment and day structure and shall provide details on the  
 21 plan to implement a consistent, statewide outcome-based vendor contract  
 22 for employment and day services as specified in (c) of this subsection.

23 (2) INSTITUTIONAL SERVICES

24	General Fund--State Appropriation (FY 2012) . . . . .	\$75,436,000
25	General Fund--State Appropriation (FY 2013) . . . . .	<del>(\$80,356,000)</del>
26		<u>\$78,154,000</u>
27	General Fund--Federal Appropriation . . . . .	<del>(\$153,570,000)</del>
28		<u>\$152,963,000</u>
29	General Fund--Private/Local Appropriation . . . . .	\$22,043,000
30	TOTAL APPROPRIATION . . . . .	<del>(\$331,405,000)</del>
31		<u>\$328,596,000</u>

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

34 (a) Individuals receiving services as supplemental security income  
 35 (SSI) state supplemental payments shall not become eligible for medical  
 36 assistance under RCW 74.09.510 due solely to the receipt of SSI state  
 37 supplemental payments.

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

8 (3) PROGRAM SUPPORT

9	General Fund--State Appropriation (FY 2012) . . . . .	\$1,382,000
10	General Fund--State Appropriation (FY 2013) . . . . .	<del>(\$1,366,000)</del>
11		<u>\$1,759,000</u>
12	General Fund--Federal Appropriation . . . . .	<del>(\$1,319,000)</del>
13		<u>\$1,519,000</u>
14	TOTAL APPROPRIATION . . . . .	<del>(\$4,067,000)</del>
15		<u>\$4,660,000</u>

16 (4) SPECIAL PROJECTS

17	General Fund--State Appropriation (FY 2012) . . . . .	\$4,634,000
18	General Fund--State Appropriation (FY 2013) . . . . .	<del>(\$4,553,000)</del>
19		<u>\$6,313,000</u>
20	General Fund--Federal Appropriation . . . . .	<del>(\$9,588,000)</del>
21		<u>\$9,786,000</u>
22	General Fund--Private/Local Appropriation . . . . .	<del>(\$998,000)</del>
23		<u>\$791,000</u>
24	TOTAL APPROPRIATION . . . . .	<del>(\$19,773,000)</del>
25		<u>\$21,524,000</u>

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

28 Amounts appropriated in this subsection are for the purposes of  
 29 transitioning clients with developmental disabilities into community  
 30 settings. The department is authorized as needed to use these funds to  
 31 either pay for clients residing within a residential habilitation  
 32 center or for placements in the community. Pursuant to Second  
 33 Substitute Senate Bill No. 5459 (services for people with developmental  
 34 disabilities), funding in this subsection must be prioritized for the  
 35 purpose of facilitating the consolidation and closure of Frances Haddon  
 36 Morgan Center. The department shall use a person-centered approach in  
 37 developing the discharge plan to assess each resident's needs and  
 38 identify services the resident requires to successfully transition to

1 the community or another residential habilitation center. The  
 2 department is authorized to use any savings from this effort for the  
 3 purpose of developing community resources to address the needs of  
 4 clients with developmental disabilities who are in crisis or in need of  
 5 respite. The department shall track the costs and savings of closing  
 6 Frances Haddon Morgan Center and any investments into community  
 7 placements and resources. The department shall provide a fiscal  
 8 progress report to the legislature by December 5, 2011.

9 **Sec. 1206.** 2012 2nd sp.s. c 7 s 206 (uncodified) is amended to  
 10 read as follows:

11 **FOR THE DEPARTMENT OF SOCIAL AND HEALTH SERVICES--AGING AND ADULT**  
 12 **SERVICES PROGRAM**

13	General Fund--State Appropriation (FY 2012) . . . . .	\$791,493,000
14	General Fund--State Appropriation (FY 2013) . . . . .	<del>(( \$809,338,000 ))</del>
15		<u>\$800,181,000</u>
16	General Fund--Federal Appropriation . . . . .	<del>(( \$1,690,993,000 ))</del>
17		<u>\$1,685,120,000</u>
18	General Fund--Private/Local Appropriation . . . . .	\$27,517,000
19	Traumatic Brain Injury Account--State Appropriation . . . . .	\$3,388,000
20	Nursing Facility Quality Assurance Account--State	
21	Appropriation . . . . .	\$88,000,000
22	TOTAL APPROPRIATION . . . . .	<del>(( \$3,410,729,000 ))</del>
23		<u>\$3,395,699,000</u>

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

26 (1) For purposes of implementing chapter 74.46 RCW, the weighted  
 27 average nursing facility payment rate shall not exceed \$170.37 for  
 28 fiscal year 2012 and shall not exceed ~~(( \$171.43 ))~~ \$171.09 for fiscal  
 29 year 2013, including the rate add-ons described in (a) and (b) of this  
 30 subsection. However, if the waiver requested from the federal centers  
 31 for medicare and medicaid services in relation to the safety net  
 32 assessment created by Engrossed Substitute Senate Bill No. 5581  
 33 (nursing home payments) is for any reason not approved and implemented,  
 34 the weighted average nursing facility payment rate shall not exceed  
 35 \$159.87 for fiscal year 2012 and shall not exceed ~~(( \$160.93 ))~~ \$161.29  
 36 for fiscal year 2013. There will be no adjustments for economic trends  
 37 and conditions in fiscal years 2012 and 2013. The economic trends and

1 conditions factor or factors defined in the biennial appropriations act  
2 shall not be compounded with the economic trends and conditions factor  
3 or factors defined in any other biennial appropriations acts before  
4 applying it to the component rate allocations established in accordance  
5 with chapter 74.46 RCW. When no economic trends and conditions factor  
6 for either fiscal year is defined in a biennial appropriations act, no  
7 economic trends and conditions factor or factors defined in any earlier  
8 biennial appropriations act shall be applied solely or compounded to  
9 the component rate allocations established in accordance with chapter  
10 74.46 RCW.

11 (a) Within the funds provided, the department shall continue to  
12 provide an add-on per medicaid resident day per facility not to exceed  
13 \$1.57. The add-on shall be used to increase wages, benefits, and/or  
14 staffing levels for certified nurse aides; or to increase wages and/or  
15 benefits for dietary aides, housekeepers, laundry aides, or any other  
16 category of worker whose statewide average dollars-per-hour wage was  
17 less than \$15 in calendar year 2008, according to cost report data.  
18 The add-on may also be used to address resulting wage compression for  
19 related job classes immediately affected by wage increases to low-wage  
20 workers. The department shall continue reporting requirements and a  
21 settlement process to ensure that the funds are spent according to this  
22 subsection.

23 (b) The department shall do a comparative analysis of the facility-  
24 based payment rates calculated on July 1, 2012, using the payment  
25 methodology defined in chapter 74.46 RCW and as funded in the omnibus  
26 appropriations act, excluding the comparative add-on, acuity add-on,  
27 and safety net reimbursement, to the facility-based payment rates in  
28 effect June 30, 2010. If the facility-based payment rate calculated on  
29 July 1, 2012, is smaller than the facility-based payment rate on June  
30 30, 2010, then the difference shall be provided to the individual  
31 nursing facilities as an add-on payment per medicaid resident day.

32 (c) During the comparative analysis performed in subsection (b) of  
33 this section, if it is found that the direct care rate for any facility  
34 calculated using the payment methodology defined in chapter 74.46 RCW  
35 and as funded in the omnibus appropriations act, excluding the  
36 comparative add-on, acuity add-on, and safety net reimbursement, is  
37 greater than the direct care rate in effect on June 30, 2010, then the

1 facility shall receive a ten percent direct care rate add-on to  
2 compensate that facility for taking on more acute clients than they  
3 have in the past.

4 (d) The department shall provide a medicaid rate add-on to  
5 reimburse the medicaid share of the skilled nursing facility safety net  
6 assessment as a medicaid allowable cost. The nursing facility safety  
7 net rate add-on may not be included in the calculation of the annual  
8 statewide weighted average nursing facility payment rate.

9 (e) If the waiver requested from the federal centers for medicare  
10 and medicaid services in relation to the safety net assessment created  
11 by Engrossed Substitute Senate Bill No. 5581 (nursing home payments) is  
12 for any reason not approved and implemented, (b), (c), and (d) of this  
13 subsection do not apply.

14 (2) After examining actual nursing facility cost information, the  
15 legislature finds that the medicaid nursing facility rates calculated  
16 pursuant to Engrossed Substitute Senate Bill No. 5581 (nursing home  
17 payments) provide sufficient reimbursement to efficiently and  
18 economically operating nursing facilities and bear a reasonable  
19 relationship to costs.

20 (3) In accordance with chapter 74.46 RCW, the department shall  
21 issue no additional certificates of capital authorization for fiscal  
22 year 2012 and no new certificates of capital authorization for fiscal  
23 year 2013 and shall grant no rate add-ons to payment rates for capital  
24 improvements not requiring a certificate of need and a certificate of  
25 capital authorization for fiscal years 2012 and 2013.

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

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

1 (6) \$1,883,000 of the general fund--state appropriation for fiscal  
2 year 2012, \$1,883,000 of the general fund--state appropriation for  
3 fiscal year 2013, and \$3,766,000 of the general fund--federal  
4 appropriation are provided solely for state contributions for  
5 individual provider health care benefits. Pursuant to the collective  
6 bargaining agreement negotiated with the exclusive bargaining  
7 representative of individual providers established under RCW  
8 74.39A.270, the state shall contribute to the multiemployer health  
9 benefits trust fund \$2.21 per paid hour worked by individual providers.

10 (7) \$2,449,000 of the general fund--state appropriation for fiscal  
11 year 2012, \$3,012,000 of the general fund--state appropriation for  
12 fiscal year 2013, and \$5,463,000 of the general fund--federal  
13 appropriation are provided solely for the state's contribution to the  
14 training partnership, as provided in RCW 74.39A.360, for instructional  
15 costs associated with the training of individual providers.  
16 Contributions are funded at \$0.22 per benefit-eligible paid hour worked  
17 by all home care workers. Expenditures for the purposes specified in  
18 this subsection shall not exceed the amounts provided in this  
19 subsection. However, if the governor and the service employees  
20 international union healthcare 775nw can reach agreement on repurposing  
21 funding that is currently provided in the individual provider  
22 collective bargaining agreement for new individual provider wages paid  
23 during training or other training related items, then expenditures for  
24 training trust contributions for individual providers may include the  
25 amounts provided in this subsection and the agreed upon repurposed  
26 funding. Funding in this section for purposes other than the  
27 individual provider collective bargaining agreement cannot be used for  
28 the purposes of this subsection (7). It is the intent of the  
29 legislature that the funding provided in this subsection, including any  
30 repurposed funding, is sufficient to cover the costs of individual  
31 provider training and therefore tuition or other entrance fees are not  
32 necessary.

33 (8) (~~(\$338,550,000)~~) \$325,203,000 of the general fund--state  
34 appropriation for fiscal year 2013 and (~~(\$338,550,000)~~) \$324,653,000 of  
35 the general fund--federal appropriation are provided solely for the  
36 department to provide personal care services to waiver and nonwaiver  
37 in-home clients. The department shall provide the legislature with a  
38 report by December 5, 2012, on the feasibility of converting the

1    medicaid personal care program for in-home adults to a medicaid program  
2    as found in section 1915(i) of the federal social security act that  
3    utilizes the option for self-direction of individualized budgets. The  
4    department shall operate the personal care program within the amounts  
5    specifically provided.

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

10           (10) The department shall eliminate the adult day health program  
11    under the state plan 1915(i) option and shall reestablish it under the  
12    long-term care home and community-based waiver.

13           (11) \$4,588,000 of the general fund--state appropriation for fiscal  
14    year 2012, \$4,559,000 of the general fund--state appropriation for  
15    fiscal year 2013, and \$9,237,000 of the general fund--federal  
16    appropriation are provided solely for the continued operation of  
17    community residential and support services for persons who are older  
18    adults or who have co-occurring medical and behavioral disorders and  
19    who have been discharged or diverted from a state psychiatric hospital.  
20    These funds shall be used to serve individuals whose treatment needs  
21    constitute substantial barriers to community placement, who no longer  
22    require active psychiatric treatment at an inpatient hospital level of  
23    care, and who no longer meet the criteria for inpatient involuntary  
24    commitment.

25           (12) \$1,840,000 of the general fund--state appropriation for fiscal  
26    year 2012 and \$1,877,000 of the general fund--state appropriation for  
27    fiscal year 2013 are provided solely for operation of the volunteer  
28    services program. Funding shall be prioritized towards serving  
29    populations traditionally served by long-term care services to include  
30    senior citizens and persons with disabilities.

31           (13) In accordance with Engrossed Substitute House Bill No. 1277  
32    (licensed settings for vulnerable adults), nursing facility fees are  
33    increased in fiscal year 2012 and adult family home fees are increased  
34    in fiscal year 2012 and fiscal year 2013 to support the costs of  
35    conducting licensure, inspection, and regulatory programs.

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



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

4 (b) The current annual renewal license fee for adult family homes  
5 shall be increased to \$100 per bed beginning in fiscal year 2012 and  
6 assumes \$1,449,000 of the general fund--private/local appropriation;  
7 and \$175 per bed beginning in fiscal year 2013 and assumes \$2,463,000  
8 of the general fund--private/local appropriation. Adult family homes  
9 shall receive a corresponding vendor rate increase per medicaid patient  
10 day of \$0.22 in fiscal year 2012 and \$0.43 in fiscal year 2013, or the  
11 amount necessary to fully fund the license fee increase for publicly  
12 funded beds, pursuant to the most recent bed estimates maintained by  
13 the department.

14 (c) Beginning in fiscal year 2012, a processing fee of \$2,750 shall  
15 be charged to each adult family home when the home is initially  
16 licensed. This fee is nonrefundable.

17 (d) \$72,000 of the general fund--state appropriation for fiscal  
18 year 2012, \$708,000 of the general fund--private/local appropriation  
19 and \$708,000 of the general fund--federal appropriation are provided  
20 solely to implement sections 501 through 503 of Engrossed Substitute  
21 House Bill No. 1277 (licensed settings for vulnerable adults). The  
22 department shall use additional investigative resources to address  
23 complaints about provider practices as well as alleged abuse, neglect,  
24 abandonment, and exploitation of residents in adult family homes. The  
25 department shall develop a statewide internal quality review and  
26 accountability program to improve the accountability of staff and the  
27 consistent application of investigative activities, and shall convene  
28 a quality assurance panel to review problems in the quality of care in  
29 adult family homes.

30 (14) \$3,316,000 of the traumatic brain injury account--state  
31 appropriation is provided solely to continue services for persons with  
32 traumatic brain injury (TBI) as defined in chapter 143, Laws of 2011  
33 (traumatic brain injury strategic partnership).

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

1 (16) The department shall participate in the work group established  
2 by the department of corrections in section 220(2) of this act to  
3 review release options for elderly and infirm offenders.

4 **Sec. 1207.** 2012 2nd sp.s. c 7 s 207 (uncodified) is amended to  
5 read as follows:

6 **FOR THE DEPARTMENT OF SOCIAL AND HEALTH SERVICES--ECONOMIC SERVICES**  
7 **PROGRAM**

8	General Fund--State Appropriation (FY 2012) . . . . .	\$415,553,000
9	General Fund--State Appropriation (FY 2013) . . . . .	<del>(\$438,483,000)</del>
10		<u>\$386,686,000</u>
11	General Fund--Federal Appropriation . . . . .	<del>(\$1,174,416,000)</del>
12		<u>\$1,177,251,000</u>
13	General Fund--Private/Local Appropriation . . . . .	\$30,592,000
14	TOTAL APPROPRIATION . . . . .	<del>(\$2,059,044,000)</del>
15		<u>\$2,010,082,000</u>

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

18 (1) \$195,410,000 of the general fund--state appropriation for  
19 fiscal year 2012, ~~(\$235,808,000)~~ \$178,052,000 of the general  
20 fund--state appropriation for fiscal year 2013, and ~~(\$725,586,000)~~  
21 \$710,001,000 of the general fund--federal appropriation are provided  
22 solely for all components of the WorkFirst program. Under section 2 of  
23 Engrossed Substitute Senate Bill No. 5921 (social services programs),  
24 the amounts in this subsection assume that any participant in the  
25 temporary assistance for needy families where their participation is  
26 suspended and does not volunteer to participate in WorkFirst services  
27 or unsubsidized employment does not receive child care subsidies or  
28 WorkFirst subsidies as a condition of the suspension. Within the  
29 amounts provided for the WorkFirst program, the department may provide  
30 assistance using state-only funds for families eligible for temporary  
31 assistance for needy families.

32 (a) Within the amounts provided for WorkFirst in this subsection,  
33 the department shall continue to implement WorkFirst program  
34 improvements that are designed to achieve progress against outcome  
35 measures specified in Engrossed House Bill No. 2262 (WorkFirst and  
36 child care) and RCW 74.08A.410.

1 (b) The department may establish a career services work transition  
2 program.

3 (c) Within amounts appropriated in this section, the legislature  
4 expressly mandates that the department exercise its authority, granted  
5 in 1997 under RCW 74.08A.290, to contract for work activities services  
6 pursuant to that statutory authority and RCW 41.06.142(3).

7 (d) The department shall create a temporary assistance for needy  
8 families budget structure that allows for more transparent tracking of  
9 budget units and subunits of expenditures where these units and  
10 subunits are mutually exclusive from other department budget units.  
11 The budget structure shall include budget units for the following:  
12 Grants, child care, WorkFirst activities, and administration of the  
13 program.

14 (2) \$23,679,000 of the general fund--state appropriation for fiscal  
15 year 2012, in addition to supplemental security income recoveries, is  
16 provided solely for financial assistance and other services to  
17 recipients in the program established in section 4, chapter 8, Laws of  
18 2010 1st sp. sess., until the program terminates on October 31, 2011.

19 (3)(a) \$12,457,000 of the general fund--state appropriation for  
20 fiscal year 2012 and \$21,959,000 of the general fund--state  
21 appropriation for fiscal year 2013, in addition to supplemental  
22 security income recoveries, are provided solely for the programs  
23 created in Engrossed Substitute House Bill No. 2082 (essential needs  
24 and assistance program) beginning November 1, 2011.

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

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

37 (4) \$1,657,000 of the general fund--state appropriation for fiscal

1 year 2012 and \$1,657,000 of the general fund--state appropriation for  
2 fiscal year 2013 are provided solely for naturalization services.

3 (5) \$2,366,000 of the general fund--state appropriation for fiscal  
4 year 2012 is provided solely for ((refugee)) employment services for  
5 refugees and immigrants, of which \$1,774,000 is provided solely for the  
6 department to pass through to statewide refugee and immigrant  
7 assistance organizations for limited English proficiency pathway  
8 services; and \$2,366,000 of the general fund--state appropriation for  
9 fiscal year 2013 is provided solely for ((refugee)) employment services  
10 for refugees and immigrants, of which \$1,774,000 is provided solely for  
11 the department to pass through to statewide refugee and immigrant  
12 assistance organizations for limited English proficiency pathway  
13 services.

14 (6) On December 1, 2011, and annually thereafter, the department  
15 must report to the legislature on all sources of funding available for  
16 both refugee and immigrant services and naturalization services during  
17 the current fiscal year and the amounts expended to date by service  
18 type and funding source. The report must also include the number of  
19 clients served and outcome data for the clients.

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

25 **Sec. 1208.** 2012 2nd sp.s. c 7 s 208 (uncodified) is amended to  
26 read as follows:

27 **FOR THE DEPARTMENT OF SOCIAL AND HEALTH SERVICES--ALCOHOL AND**  
28 **SUBSTANCE ABUSE PROGRAM**

29	General Fund--State Appropriation (FY 2012) . . . . .	\$73,742,000
30	General Fund--State Appropriation (FY 2013) . . . . .	(( <del>\$71,218,000</del> ))
31		<u>\$71,019,000</u>
32	General Fund--Federal Appropriation . . . . .	(( <del>\$184,401,000</del> ))
33		<u>\$187,979,000</u>
34	General Fund--Private/Local Appropriation . . . . .	(( <del>\$13,486,000</del> ))
35		<u>\$16,248,000</u>
36	Criminal Justice Treatment Account--State	
37	Appropriation . . . . .	\$20,748,000

1 Problem Gambling Account--State Appropriation . . . . . \$1,448,000  
2 TOTAL APPROPRIATION . . . . . ((~~\$365,043,000~~))  
3 \$371,184,000

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

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

11 (2) Within the amounts appropriated in this section, the department  
12 shall continue to provide for chemical dependency treatment services  
13 for adult medicaid eligible, pregnant and parenting women, disability  
14 lifeline, and alcoholism and drug addiction treatment and support act,  
15 and medical care services clients.

16 (3) In accordance with RCW 70.96A.090 and 43.135.055, the  
17 department is authorized to increase fees for the review and approval  
18 of treatment programs in fiscal years 2012 and 2013 as necessary to  
19 support the costs of the regulatory program. The department's fee  
20 schedule shall have differential rates for providers with proof of  
21 accreditation from organizations that the department has determined to  
22 have substantially equivalent standards to those of the department,  
23 including but not limited to the joint commission on accreditation of  
24 health care organizations, the commission on accreditation of  
25 rehabilitation facilities, and the council on accreditation. To  
26 reflect the reduced costs associated with regulation of accredited  
27 programs, the department's fees for organizations with such proof of  
28 accreditation must reflect the lower cost of licensing for these  
29 programs than for other organizations which are not accredited.

30 (4) \$3,500,000 of the general fund--federal appropriation (from the  
31 substance abuse prevention and treatment federal block grant) is  
32 provided solely for the continued funding of existing county drug and  
33 alcohol use prevention programs.

34 (5) Within amounts appropriated in this section, the department is  
35 required to increase federal match available for intensive inpatient  
36 services. During fiscal year 2013, the department shall shift  
37 contracts for a minimum of 32 intensive inpatient beds currently  
38 provided in settings that are considered institutions for mental

1 diseases to two or more facilities with no more than 16 beds that are  
 2 able to claim federal match for services provided to medicaid clients  
 3 or individuals covered under the department's section 1115 medicaid  
 4 waiver. The department is authorized to conduct a request for proposal  
 5 process to fulfill this requirement. By December 1, 2012, the  
 6 department shall provide a plan to the office of financial management  
 7 and to the relevant fiscal and policy committees of the legislature for  
 8 transitioning all remaining intensive inpatient beds currently provided  
 9 in settings that are considered institutions for mental diseases into  
 10 facilities with no more than 16 beds by June 2017. The plan shall  
 11 identify the maximum number of additional beds that can be transitioned  
 12 into facilities with no more than 16 beds during the 2013-2015 fiscal  
 13 biennium and the remaining number that will be transitioned during the  
 14 2015-2017 fiscal biennium, a timeline and process for accomplishing  
 15 this, and a projection of the related general fund--state savings for  
 16 each biennium.

17 (6) The amounts appropriated in this section include reductions of  
 18 \$303,000 in the general fund--state appropriation for fiscal year 2012  
 19 and \$1,815,000 in the general fund--state appropriation for fiscal year  
 20 2013. The department must apply this reduction across all levels of  
 21 chemical dependency residential treatment services excluding services  
 22 contracted through the counties, services provided to pregnant and  
 23 parenting women, services provided to juveniles, and services provided  
 24 to parents in dependency proceedings.

25 **Sec. 1209.** 2012 2nd sp.s. c 7 s 209 (uncodified) is amended to  
 26 read as follows:

27 **FOR THE DEPARTMENT OF SOCIAL AND HEALTH SERVICES--VOCATIONAL**  
 28 **REHABILITATION PROGRAM**

29	General Fund--State Appropriation (FY 2012) . . . . .	\$10,854,000
30	General Fund--State Appropriation (FY 2013) . . . . .	<del>(\$10,401,000)</del>
31		<u>\$10,353,000</u>
32	General Fund--Federal Appropriation . . . . .	<del>(\$105,060,000)</del>
33		<u>\$104,922,000</u>
34	Telecommunications Devices for the Hearing and	
35	Speech Impaired--State Appropriation . . . . .	\$2,766,000
36	TOTAL APPROPRIATION . . . . .	<del>(\$129,081,000)</del>
37		<u>\$128,895,000</u>

1 The appropriations in this section are subject to the following  
2 conditions and limitations: \$480,000 of the telecommunications devices  
3 for the hearing and speech impaired account--state appropriation is  
4 provided solely for the office of deaf and hard of hearing to contract  
5 for services that provide employment support and help with life  
6 activities for deaf-blind individuals in King county.

7 **Sec. 1210.** 2012 2nd sp.s. c 7 s 210 (uncodified) is amended to  
8 read as follows:

9 **FOR THE DEPARTMENT OF SOCIAL AND HEALTH SERVICES--SPECIAL COMMITMENT**  
10 **PROGRAM**

11	General Fund--State Appropriation (FY 2012) . . . . .	\$48,167,000
12	General Fund--State Appropriation (FY 2013) . . . . .	<del>(\$36,128,000)</del>
13		<u>\$38,098,000</u>
14	TOTAL APPROPRIATION . . . . .	<del>(\$84,295,000)</del>
15		<u>\$86,265,000</u>

16 **Sec. 1211.** 2012 2nd sp.s. c 7 s 211 (uncodified) is amended to  
17 read as follows:

18 **FOR THE DEPARTMENT OF SOCIAL AND HEALTH SERVICES--ADMINISTRATION AND**  
19 **SUPPORTING SERVICES PROGRAM**

20	General Fund--State Appropriation (FY 2012) . . . . .	\$26,069,000
21	General Fund--State Appropriation (FY 2013) . . . . .	<del>(\$24,474,000)</del>
22		<u>\$26,301,000</u>
23	General Fund--Federal Appropriation . . . . .	<del>(\$39,550,000)</del>
24		<u>\$42,090,000</u>
25	General Fund--Private/Local Appropriation . . . . .	\$2,116,000
26	Performance Audits of State Government--State	
27	Appropriation . . . . .	\$4,812,000
28	TOTAL APPROPRIATION . . . . .	<del>(\$97,021,000)</del>
29		<u>\$101,388,000</u>

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

32 (1) \$300,000 of the general fund--state appropriation for fiscal  
33 year 2012 and \$300,000 of the general fund--state appropriation for  
34 fiscal year 2013 are provided solely for the Washington state mentors  
35 program to continue its public-private partnerships to provide

1 technical assistance and training to mentoring programs that serve  
2 at-risk youth.

3 (2) \$445,000 of the general fund--state appropriation for fiscal  
4 year 2012 and \$445,000 of the general fund--state appropriation for  
5 fiscal year 2013 are provided solely for funding of the teamchild  
6 project.

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

11 (4) \$4,812,000 of the performance audits of state government--state  
12 appropriation is provided solely for support and expansion of the  
13 division of fraud investigation. The division shall conduct  
14 investigatory and enforcement activities for all department programs,  
15 including the child support and TANF programs.

16 (5) \$1,400,000 of the general fund--state appropriation for fiscal  
17 year 2012 is provided solely for the department to distribute as  
18 support to community public health and safety networks that have a  
19 history of providing training and services related to adverse childhood  
20 experiences. Distribution of these funds is contingent upon securing  
21 funding from a private entity or entities to provide one dollar in  
22 matching funds for each dollar in state funds received by a network so  
23 that the funding received by a community public health and safety  
24 network will be equal portions of state and private funding.

25 ((+7)) (6) \$250,000 of the general fund--state appropriation for  
26 fiscal year 2013 is provided solely for a grant program focused on  
27 criminal street gang prevention and intervention. The Washington state  
28 partnership council on juvenile justice may award grants under this  
29 subsection. The council shall give priority to applicants who have  
30 demonstrated the greatest problems with criminal street gangs.  
31 Applicants composed of, at a minimum, one or more local governmental  
32 entities and one or more nonprofit, nongovernmental organizations that  
33 have a documented history of creating and administering effective  
34 criminal street gang prevention and intervention programs may apply for  
35 funding under this subsection.

36 ((+8)) (7) \$113,000 of the general fund--state appropriation for  
37 fiscal year 2013 and \$105,000 of the general fund--federal  
38 appropriation are provided solely for staffing costs associated with



1 implementation of Engrossed Second Substitute House Bill No. 2536  
2 (children services/delivery). The amounts provided in this subsection  
3 must be used for coordinated evidence-based practice implementation  
4 amongst the department's programs providing mental health, child  
5 welfare, and juvenile justice services to children. If Engrossed  
6 Second Substitute House Bill No. 2536 (children services/delivery) is  
7 not enacted by June 30, 2012, the amounts provided in this subsection  
8 shall lapse.

9 **Sec. 1212.** 2012 2nd sp.s. c 7 s 212 (uncodified) is amended to  
10 read as follows:

11 **FOR THE DEPARTMENT OF SOCIAL AND HEALTH SERVICES--PAYMENTS TO OTHER**  
12 **AGENCIES PROGRAM**

13	General Fund--State Appropriation (FY 2012) . . . . .	\$62,140,000
14	General Fund--State Appropriation (FY 2013) . . . . .	(( <del>\$46,303,000</del> ))
15		<u>\$49,584,000</u>
16	General Fund--Federal Appropriation . . . . .	(( <del>\$53,049,000</del> ))
17		<u>\$53,409,000</u>
18	TOTAL APPROPRIATION . . . . .	(( <del>\$161,492,000</del> ))
19		<u>\$165,133,000</u>

20 The appropriations in this section are subject to the following  
21 conditions and limitations: \$469,000 of the general fund--state  
22 appropriation for fiscal year ((~~2011~~) 2012 and \$270,000 of the general  
23 fund--state appropriation for fiscal year ((~~2012~~) 2013 are provided  
24 solely for implementation of Engrossed Substitute Senate Bill No. 5921  
25 (social services programs). If the bill is not enacted by June 30,  
26 2011, the amounts provided in this subsection shall lapse.

27 **Sec. 1213.** 2012 2nd sp.s. c 7 s 213 (uncodified) is amended to  
28 read as follows:

29 **FOR THE STATE HEALTH CARE AUTHORITY**

30	General Fund--State Appropriation (FY 2012) . . . . .	\$2,034,296,000
31	General Fund--State Appropriation (FY 2013) . . . . .	(( <del>\$2,031,185,000</del> ))
32		<u>\$2,107,688,000</u>
33	General Fund--Federal Appropriation . . . . .	(( <del>\$5,307,323,000</del> ))
34		<u>\$5,331,122,000</u>
35	General Fund--Private/Local Appropriation . . . . .	(( <del>\$62,597,000</del> ))
36		<u>\$60,570,000</u>

1	Emergency Medical Services and Trauma Care Systems	
2	Trust Account--State Appropriation . . . . .	(((\$15,077,000))
3		<u>\$14,032,000</u>
4	Hospital Safety Net Assessment Fund--State	
5	Appropriation . . . . .	(((\$434,087,000))
6		<u>\$442,929,000</u>
7	State Health Care Authority Administration Account--	
8	State Appropriation . . . . .	\$34,040,000
9	Basic Health Plan Stabilization Account--	
10	State Appropriation . . . . .	\$44,000,000
11	Medical Aid Account--State Appropriation . . . . .	\$529,000
12	Medicaid Fraud Penalty Account--State Appropriation . . . . .	(((\$9,200,000))
13		<u>\$9,408,000</u>
14	TOTAL APPROPRIATION . . . . .	(((\$9,972,334,000))
15		<u>\$10,078,614,000</u>

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

18 (1) The appropriations to the authority in this act shall be  
19 expended for the purposes and in the amounts specified in this act. To  
20 the extent that appropriations in this section are insufficient to fund  
21 actual expenditures in excess of caseload forecasts and utilization  
22 assumptions, the authority, after May 1, ((2012)) 2013, may transfer  
23 general fund--state appropriations for fiscal year ((2012)) 2013 that  
24 are provided solely for a specified purpose. The authority shall not  
25 transfer funds, and the director of financial management shall not  
26 approve the transfer, unless the transfer is consistent with the  
27 objective of conserving, to the maximum extent possible, the  
28 expenditure of state funds. The director of financial management shall  
29 notify the appropriate fiscal committees of the senate and house of  
30 representatives in writing seven days prior to approving any allotment  
31 modifications or transfers under this subsection. The written  
32 notification shall include a narrative explanation and justification of  
33 the changes, along with expenditures and allotments by budget unit and  
34 appropriation, both before and after any allotment modifications or  
35 transfers.

36 (2) Within amounts appropriated in this section and sections 205  
37 and 206 of this act, the health care authority shall continue to  
38 provide an enhanced basic health plan subsidy for foster parents

1 licensed under chapter 74.15 RCW and workers in state-funded home care  
2 programs. Under this enhanced subsidy option, foster parents eligible  
3 to participate in the basic health plan as subsidized enrollees and  
4 home care workers with family incomes below 200 percent of the federal  
5 poverty level shall be allowed to enroll in the basic health plan at  
6 the minimum premium amount charged to enrollees with incomes below  
7 sixty-five percent of the federal poverty level.

8 (3) The health care authority shall require organizations and  
9 individuals that are paid to deliver basic health plan services and  
10 that choose to sponsor enrollment in the subsidized basic health plan  
11 to pay 133 percent of the premium amount which would otherwise be due  
12 from the sponsored enrollees.

13 (4)(a) \$1,200,000 of the general fund--state appropriation for  
14 fiscal year 2012 is provided solely to plan the implementation of a  
15 system of consolidated public school employee health benefits  
16 purchasing.

17 It is the intent of the legislature to improve the administration,  
18 transparency, and equity in delivering a K-12 employees' health  
19 benefits system. In addition, the legislature intends that any cost  
20 savings that result from changes to K-12 health benefits be dedicated  
21 to public schools.

22 To further this legislative intent, the state health care authority  
23 shall develop a plan to implement a consolidated health benefits'  
24 system for K-12 employees for the 2013-14 school year. The health care  
25 authority shall deliver a report to the legislature by December 15,  
26 2011, that sets forth the implementation plan to the ways and means  
27 committees of the house of representatives and the senate.

28 (b) The report prepared by the health care authority shall compare  
29 and contrast the costs and benefits, both long and short term, of:

30 (i) The current K-12 health benefits system;

31 (ii) A new K-12 employee benefits pool; and

32 (iii) Enrolling K-12 employees into the health benefits pool for  
33 state employees.

34 (c) In addition to the implementation plan, the report shall  
35 include the following information:

36 (i) The costs and benefits of the current K-12 health benefits  
37 system;

1 (ii) The costs and benefits of providing a new statewide K-12  
2 employees' health benefits pool to school districts and school  
3 employees;

4 (iii) The costs and benefits of enrolling K-12 employees into the  
5 existing health benefits pool for state employees;

6 (iv) Recommendations of ways to limit administrative duplication  
7 and costs, improve transparency to employees, the legislature, and the  
8 public and assure equity among beneficiaries of publicly provided  
9 employee health benefits;

10 (v) Recommendations for standardizing benefit packages and  
11 purchasing efforts in a manner that seeks to maximize funding and  
12 equity for all school employees;

13 (vi) Recommendations regarding the use of incentives, including how  
14 changes to state health benefit allocations could provide employees  
15 with benefits that would encourage participation;

16 (vii) Recommendations regarding the implementation of a new K-12  
17 employee benefit plan, with separate options for voluntary  
18 participation and mandatory statewide participation;

19 (viii) Recommendations regarding methods to reduce inequities  
20 between individual and family coverage;

21 (ix) Consolidation of the purchasing and budget accountability for  
22 school employee benefits to maximize administrative efficiency and  
23 leverage existing skills and resources; and

24 (x) Other details the health care authority deems necessary,  
25 including but not limited to recommendations on the following:

26 (A) Approaches for implementing the transition to a statewide pool,  
27 including administrative and statutory changes necessary to ensure a  
28 successful transition, and whether the pool should be separate from, or  
29 combined with, the public employees' benefits pool;

30 (B) The structure of a permanent governing group to provide ongoing  
31 oversight to the consolidated pool, in a manner similar to the public  
32 employees benefits board functions for employee health benefits,  
33 including statutory duties and authorities of the board; and

34 (C) Options for including potential changes to: Eligibility  
35 standardization, the public employees benefits risk pools, the movement  
36 of school employee retirees into the new K-12 pool or pools, and the  
37 movement of educational service district employees into the new K-12  
38 pool or pools.

1 (d) In determining its costs and benefits of a new statewide K-12  
2 employees' health benefits pool for school districts and school  
3 employees, the health care authority shall assume the following:

4 (i) School district enrollees must constitute an entire bargaining  
5 unit, or an entire group of nonrepresented employees;

6 (ii) Staffing and administration for benefits purchasing shall be  
7 provided by the health care authority; and

8 (iii) The new K-12 pool would operate on a schedule that  
9 coordinates with the financing and enrollment schedule used for school  
10 districts.

11 (e) The office of the superintendent of public instruction and the  
12 office of the insurance commissioner shall provide information and  
13 technical assistance to the health care authority as requested by the  
14 health care authority. The health care authority shall not implement  
15 the new school employee benefits pool until authorized to do so by the  
16 legislature.

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

35 (6) Enrollment in the subsidized basic health plan shall be limited  
36 to only include persons who qualify as subsidized enrollees as defined  
37 in RCW 70.47.020 and who (a) qualify for services under 1115 medicaid

1 demonstration project number 11-W-00254/10; or (b) are foster parents  
2 licensed under chapter 74.15 RCW.

3 (7) \$23,700,000 of the general fund--federal appropriation is  
4 provided solely for planning and implementation of a health benefit  
5 exchange under the federal patient protection and affordable care act.  
6 Within the amounts provided in this subsection, funds used by the  
7 authority for information technology projects are conditioned on the  
8 authority satisfying the requirements of Engrossed Second Substitute  
9 Senate Bill No. 5931 (central service agencies).

10 (8) Based on quarterly expenditure reports and caseload forecasts,  
11 if the health care authority estimates that expenditures for the  
12 medical assistance program will exceed the appropriations, the health  
13 care authority shall take steps including but not limited to reduction  
14 of rates or elimination of optional services to reduce expenditures so  
15 that total program costs do not exceed the annual appropriation  
16 authority.

17 (9) In determining financial eligibility for medicaid-funded  
18 services, the health care authority is authorized to disregard  
19 recoveries by Holocaust survivors of insurance proceeds or other  
20 assets, as defined in RCW 48.104.030.

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

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

29 (12) \$4,261,000 of the general fund--state appropriation for fiscal  
30 year 2012, \$4,261,000 of the general fund--state appropriation for  
31 fiscal year 2013, and \$8,522,000 of the general fund--federal  
32 appropriation are provided solely for low-income disproportionate share  
33 hospital payments (~~(under RCW 74.09.730(1)(a))~~).

34 (13) \$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 (14) The health care authority shall continue the inpatient  
19 hospital certified public expenditures program for the 2011-2013 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, 2011, and by November 1, 2012, 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 2012 and fiscal  
31 year 2013, 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 2011-13 biennial operating appropriations act  
7 and in effect on July 1, 2011, (b) one half of the indigent assistance  
8 disproportionate share hospital payment amounts paid to and retained by  
9 each hospital during fiscal year 2005, and (c) all of the other  
10 disproportionate share hospital payment amounts paid to and retained by  
11 each hospital during fiscal year 2005 to the extent the same  
12 disproportionate share hospital programs exist in the 2011-13 biennium.  
13 If payments during the fiscal year exceed the hospital's baseline  
14 amount, no additional payments will be made to the hospital except the  
15 federal portion of allowable disproportionate share hospital payments  
16 for which the hospital can certify allowable match. If payments during  
17 the fiscal year are less than the baseline amount, the hospital will be  
18 paid a state grant equal to the difference between payments during the  
19 fiscal year and the applicable baseline amount. Payment of the state  
20 grant shall be made in the applicable fiscal year and distributed in  
21 monthly payments. The grants will be recalculated and redistributed as  
22 the baseline is updated during the fiscal year. The grant payments are  
23 subject to an interim settlement within eleven months after the end of  
24 the fiscal year. A final settlement shall be performed. To the extent  
25 that either settlement determines that a hospital has received funds in  
26 excess of what it would have received as described in this subsection,  
27 the hospital must repay the excess amounts to the state when requested.  
28 \$8,102,000 of the general fund--state appropriation for fiscal year  
29 2012, of which \$6,570,000 is appropriated in section 204(1) of this  
30 act, and (~~(\$3,162,000)~~) \$10,498,000 of the general fund--state  
31 appropriation for fiscal year 2013, of which \$6,570,000 is appropriated  
32 in section 204(1) of this act, are provided solely for state grants for  
33 the participating hospitals. CPE hospitals will receive the inpatient  
34 and outpatient reimbursement rate restorations in RCW 74.60.080 and  
35 rate increases in RCW 74.60.090 funded through the hospital safety net  
36 assessment fund rather than through the baseline mechanism specified in  
37 this subsection.



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

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

18 ~~(17) ((For children with family incomes above 200 percent of the  
19 federal poverty level in the state funded children's health program for  
20 children who are not eligible for coverage under the federally funded  
21 children's health insurance program, premiums shall be set every two  
22 years in an amount equal to the average state only share of the per  
23 capita cost of coverage in the state funded children's health program  
24 for children in families with incomes at or less than two hundred  
25 percent of the federal poverty level.~~

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

31 ~~((19))~~ (18) \$859,000 of the general fund--state appropriation for  
32 fiscal year 2012, \$979,000 of the general fund--state appropriation for  
33 fiscal year 2013, and \$1,841,000 of the general fund--federal  
34 appropriation are provided solely to increase prior authorization  
35 activities for advanced imaging procedures.

36 ~~((20))~~ (19) \$196,000 of the general fund--state appropriation for  
37 fiscal year 2012, \$246,000 of the general fund--state appropriation for  
38 fiscal year 2013, and \$442,000 of the general fund--federal

1 appropriation are provided solely to increase prior authorization  
2 activities for surgical procedures, which may include orthopedic  
3 procedures, spinal procedures and interventions, and nerve procedures.

4 ~~((+21))~~ (20) \$300,000 of the general fund--private/local  
5 appropriation and \$300,000 of the general fund--federal appropriation  
6 are provided solely for a prescriptive practices improvement  
7 collaborative focusing upon atypical antipsychotics and other  
8 medications commonly used in the treatment of severe and persistent  
9 mental illnesses among adults. The project shall promote collaboration  
10 among community mental health centers, other major prescribers of  
11 atypical antipsychotic medications to adults enrolled in state medical  
12 assistance programs, and psychiatrists, pharmacists, and other  
13 specialists at the University of Washington department of psychiatry  
14 and/or other research universities. The collaboration shall include  
15 patient-specific prescriber consultations by psychiatrists and  
16 pharmacists specializing in treatment of severe and persistent mental  
17 illnesses among adults; production of profiles to assist prescribers  
18 and clinics in tracking their prescriptive practices and their  
19 patients' medication use and adherence relative to evidence-based  
20 practices guidelines, other prescribers, and patients at other clinics;  
21 and in-service seminars at which participants can share and increase  
22 their knowledge of evidence-based and other effective prescriptive  
23 practices. The health care authority shall enter into an interagency  
24 agreement with the office of the attorney general for expenditure of  
25 \$300,000 of the state's proceeds of the *cy pres* settlement in *State of*  
26 *Washington v. AstraZeneca* (Seroquel) for this purpose.

27 ~~((+22))~~ (21) \$570,000 of the general fund--private/local  
28 appropriation is provided solely for continued operation of the  
29 partnership access line for child mental health consultations. The  
30 health care authority shall enter into an interagency agreement with  
31 the office of the attorney general for expenditure of \$570,000 of the  
32 state's proceeds of the *cy pres* settlement in *State of Washington v.*  
33 *AstraZeneca* (Seroquel) for this purpose.

34 ~~((+23))~~ (22) \$80,000 of the general fund--state appropriation for  
35 fiscal year 2012, \$80,000 of the general fund--state appropriation for  
36 fiscal year 2013, and \$160,000 of the general fund--federal  
37 appropriation are provided solely to fund the Tacoma-Pierce county

1 health department for access and outreach activities to reduce infant  
2 mortality.

3 ~~((+24))~~ (23) \$75,000 of the general fund--state appropriation for  
4 fiscal year 2012, \$75,000 of the general fund--state appropriation for  
5 fiscal year 2013, and \$150,000 of the general fund--federal  
6 appropriation are provided solely to assist with development and  
7 implementation of evidence-based strategies regarding the appropriate,  
8 safe, and effective role of C-section surgeries and early induced labor  
9 in births and neonatal care. The strategies shall be identified and  
10 implemented in consultation with clinical research specialists,  
11 physicians, hospitals, advanced registered nurse practitioners, and  
12 organizations concerned with maternal and child health.

13 ~~((+25))~~ (24) Within the amounts appropriated in this section, the  
14 health care authority shall continue to provide school-based medical  
15 services by means of an intergovernmental transfer arrangement. Under  
16 the arrangement, the state shall provide forty percent and school  
17 districts sixty percent of the nonfederal matching funds required for  
18 receipt of federal medicaid funding for the service.

19 ~~((+26))~~ (25) \$263,000 of the general fund--state appropriation for  
20 fiscal year 2012, \$88,000 of the general fund--state appropriation for  
21 fiscal year 2013, and \$351,000 of the general fund--federal  
22 appropriation are provided solely for development and submission to the  
23 federal government by October 1, 2011, of a demonstration project  
24 proposal as provided in Substitute Senate Bill No. 5596 (medicaid  
25 demonstration waiver).

26 ~~((+27))~~ (26) Within the amounts appropriated in this section, the  
27 health care authority shall provide spoken-language interpreter  
28 services. The authority shall develop and implement a new model for  
29 delivery of such services no later than July 1, 2012. The model shall  
30 include:

31 (a) Development by the authority in consultation with subject-area  
32 experts of guidelines to assist medical practitioners identify the  
33 circumstances under which it is appropriate to use telephonic or video-  
34 remote interpreting;

35 (b) The requirement that the state contract with delivery  
36 organizations, including foreign language agencies, who employ or  
37 subcontract only with language access providers or interpreters working  
38 in the state who are certified or authorized by the state. When a

1 state-certified or state-authorized in-state language access provider  
2 or interpreter is not available, the delivery organization, including  
3 foreign language agencies, may use a provider with other certifications  
4 or qualifications deemed to meet state standards, including  
5 interpreters in other states; and

6 (c) Provision of a secure, web-based tool that medical  
7 practitioners will use to schedule appointments for interpreter  
8 services and to identify the most appropriate, cost-effective method of  
9 service delivery in accordance with the state guidelines.

10 Nothing in this subsection affects the ability of health care  
11 providers to provide interpretive services through employed staff or  
12 through telephone and video remote technologies when not reimbursed  
13 directly by the department. The amounts in this subsection do not  
14 include federal administrative funds provided to match nonstate  
15 expenditures by local health jurisdictions and governmental hospitals.

16 ~~((+28))~~ (27) In its procurement of contractors for delivery of  
17 medical managed care services for nondisabled, nonelderly persons, the  
18 medical assistance program shall (a) place substantial emphasis upon  
19 price competition in the selection of successful bidders; and (b) not  
20 require delivery of any services that would increase the actuarial cost  
21 of service beyond the levels included in current healthy options  
22 contracts.

23 ~~((+29))~~ (28) \$1,430,000 of the general fund--state appropriation  
24 for fiscal year 2012, \$1,430,000 of the general fund--state  
25 appropriation for fiscal year 2013, and \$2,860,000 of the general  
26 fund--federal appropriation are provided solely to pay  
27 federally-designated rural health clinics their standard encounter rate  
28 for prenatal and well-child visits, whether delivered under a managed  
29 care contract or fee-for-service. In reconciling managed care  
30 enhancement payments for calendar years 2009 and 2010, the department  
31 shall treat well-child and prenatal care visits as encounters subject  
32 to the clinic's encounter rate.

33 ~~((+30))~~ (29) \$280,000 of the general fund--state appropriation for  
34 fiscal year 2012 and \$282,000 of the general fund--federal  
35 appropriation are provided solely to increase utilization management of  
36 drugs and drug classes for which there is evidence of over-utilization,  
37 off-label use, excessive dosing, duplicative therapy, or opportunities  
38 to shift utilization to less expensive, equally effective formulations.

1        ~~((31))~~ (30) \$70,000 of the general fund--state appropriation for  
2 fiscal year 2012, \$70,000 of the general fund--state appropriation for  
3 fiscal year 2013, and \$140,000 of the general fund--federal  
4 appropriation are provided solely to continue operation by a nonprofit  
5 organization of a toll-free hotline that assists families to learn  
6 about and enroll in the apple health for kids program.

7        ~~((32))~~ (31) \$400,000 of the general fund--state appropriation for  
8 fiscal year 2012 and \$400,000 of the general fund--state appropriation  
9 for fiscal year 2013 is provided solely for the local outreach, case  
10 management, and coordination with dental providers needed to execute  
11 the access to baby and child dentistry program, which provides dental  
12 care to Medicaid eligible children up to age six.

13        ~~((33))~~ (32) Within the amounts appropriated in this section, the  
14 health care authority shall continue to provide dental services to  
15 pregnant women. Services shall include preventive, routine, and  
16 emergent dental care.

17        ~~((34))~~ (33) \$395,000 of the general fund--state appropriation for  
18 fiscal year 2012, \$395,000 of the general fund--state appropriation for  
19 fiscal year 2013, and \$790,000 of the general fund--federal  
20 appropriation are provided solely for continued operation of the  
21 dental education in care of persons with disabilities (DECOD) program  
22 at the University of Washington.

23        ~~((35))~~ (34) \$159,000 of the general fund--state appropriation for  
24 fiscal year 2012, \$302,000 of the general fund--private/local  
25 appropriation, and \$146,072,000 of the general fund--federal  
26 appropriation are provided solely for the provider incentive program  
27 and other initiatives related to the health information technology  
28 Medicaid plan. The general fund--private/local appropriation in this  
29 subsection shall be funded with proceeds from settlements in the case  
30 of *State of Washington vs. GlaxoSmithKline*. The authority and the  
31 office of the attorney general shall enter an interagency agreement  
32 regarding use of these funds.

33        ~~((36))~~ (35) \$2,926,000 of the general fund--local appropriation  
34 and \$2,928,000 of the general fund--federal appropriation are provided  
35 solely to support medical airlift services.

36        ~~((37))~~ (36) The authority shall collect data on enrollment and  
37 utilization to study whether the expansion of family planning coverage

1 under Substitute Senate Bill No. 5912 is reducing state medical  
2 expenditures by reducing unwanted pregnancies. The authority shall  
3 report its findings to the legislature by December 1, 2012.

4 ~~((+38+))~~ (37) \$480,000 of the general fund--state appropriation for  
5 fiscal year 2012, \$480,000 of the general fund--state appropriation for  
6 fiscal year 2013, and \$824,000 of the general fund--federal  
7 appropriation are provided solely for customer services staff. The  
8 authority will attempt to improve the phone answer rate to 40 percent  
9 and reduce the response times to written questions to ten days for  
10 clients and 25 days for providers. The authority will report to the  
11 legislature on its progress toward achieving these goals by January 1,  
12 2012. If the authority has not achieved these goals by July 1, 2012,  
13 then the authority shall reduce expenditures on management staff in  
14 order to increase expenditures on customer service staff until the  
15 goals are achieved.

16 ~~((+39+))~~ (38) The department shall purchase a brand name drug when  
17 it determines that the cost of the brand name drug after rebates is  
18 less than the cost of generic alternatives and that purchase of the  
19 brand rather than generic version can save at least \$250,000. The  
20 department may purchase generic alternatives when changes in market  
21 prices make the price of the brand name drug after rebates more  
22 expensive than the generic alternatives.

23 ~~((+41+))~~ (39) \$150,000 of the general fund--state appropriation for  
24 fiscal year 2012 and \$1,964,000 of the general fund--state  
25 appropriation for fiscal year 2013 are provided solely to implement  
26 Engrossed Second Substitute House Bill No. 2319 (affordable care act).  
27 If the bill is not enacted by June 30, 2012, the amounts provided in  
28 this subsection shall lapse.

29 ~~((+42+))~~ (40) \$1,109,000 of the general fund--state appropriation  
30 for fiscal year 2012, \$1,471,000 of the general fund--state  
31 appropriation for fiscal year 2013, and \$21,890,000 of the general  
32 fund--federal appropriation are provided solely to implement phase two  
33 of the project to create a single provider payment system that  
34 consolidates medicaid medical and social services payments and replaces  
35 the social service payment system.

36 ~~((+43+))~~ (41) In order to achieve the twelve percent reduction in  
37 emergency room expenditures in the fiscal year 2013 appropriations  
38 provided in this section, the authority, in consultation with the

1 Washington state hospital association, the Washington state medical  
2 association, and the Washington chapter of the American college of  
3 emergency physicians shall designate best practices and performance  
4 measures to reduce medically unnecessary emergency room visits of  
5 medicaid clients. The Washington state hospital association, the  
6 Washington state medical association, and the Washington chapter of the  
7 American college of emergency physicians will work with the authority  
8 to promote these best practices. The best practices and performance  
9 measures shall consist of the following items:

10 (a) Adoption of a system to exchange patient information among  
11 emergency room departments on a regional or statewide basis;

12 (b) Active dissemination of patient educational materials produced  
13 by the Washington state hospital association, Washington state medical  
14 association, and the Washington chapter of the American college of  
15 emergency physicians that instruct patients on appropriate facilities  
16 for nonemergent health care needs;

17 (c) Designation of hospital personnel and emergency room physician  
18 personnel to receive and appropriately disseminate information on  
19 clients participating in the medicaid patient review and coordination  
20 program and to review monthly utilization reports on those clients  
21 provided by the authority;

22 (d) A process to assist the authority's patient review and  
23 coordination program clients with their care plans. The process must  
24 include substantial efforts by hospitals to schedule an appointment  
25 with the client's assigned primary care provider within seventy-two  
26 hours of the client's medically unnecessary emergency room visit when  
27 appropriate under the client's care plan;

28 (e) Implementation of narcotic guidelines that incorporate the  
29 Washington chapter of the American college of emergency physician  
30 guidelines;

31 (f) Physician enrollment in the state's prescription monitoring  
32 program, as long as the program is funded; and

33 (g) Designation of a hospital emergency department physician  
34 responsible for reviewing the state's medicaid utilization management  
35 feedback reports, which will include defined performance measures. The  
36 emergency department physician and hospital will have a process to take  
37 appropriate action in response to the information in the feedback  
38 reports if performance measures are not met. The authority must

1 develop feedback reports that include timely emergency room utilization  
2 data such as visit rates, medically unnecessary visit rates (by  
3 hospital and by client), emergency department imaging utilization  
4 rates, and other measures as needed. The authority may utilize the  
5 Robert Bree collaborative for assistance related to this best practice.

6 The requirements for best practices for a critical access hospital  
7 should not include adoption of a system to exchange patient information  
8 if doing so would pose a financial burden, and should not include  
9 requirements related to the authority's patient review and coordination  
10 program if the volume of those patients seen at the critical access  
11 hospital are small.

12 Hospitals participating in this medicaid best practices program  
13 shall submit to the authority a declaration from executive level  
14 leadership indicating hospital adoption of and compliance with the best  
15 practices enumerated above. In the declaration, hospitals will affirm  
16 that they have in place written policies, procedures, or guidelines to  
17 implement these best practices and are willing to share them upon  
18 request. The declaration must also give consent for the authority to  
19 disclose feedback reports and performance measures on its web site.  
20 The authority shall submit a list of declaring hospitals to the  
21 relevant policy and fiscal committees of the legislature by July 15,  
22 2012.

23 If the authority does not receive by July 1, 2012, declarations  
24 from hospitals representing at least seventy-five percent of emergency  
25 room visits by medicaid clients in fiscal year 2010, the authority may  
26 implement a policy of nonpayment of medically unnecessary emergency  
27 room visits, with appropriate client and clinical safeguards such as  
28 exemptions and expedited prior authorization. The authority shall by  
29 January 15, 2013, perform a preliminary fiscal analysis of trends in  
30 implementing the best practices in this subsection, focusing on outlier  
31 hospitals with high rates of unnecessary visits by medicaid clients,  
32 high emergency room visit rates for patient review and coordination  
33 clients, low rates of completion of treatment plans for patient review  
34 and coordination clients assigned to the hospital, and high rates of  
35 prescribed long-acting opiates. In cooperation with the leadership of  
36 the hospital, medical, and emergency physician associations, additional  
37 efforts shall be focused on assisting those outlier hospitals and  
38 providers to achieve more substantial savings. The authority by



1 January 15, 2013, will report to the legislature about whether assumed  
2 savings based on preliminary trend and forecasted data are on target  
3 and if additional best practices or other actions need to be  
4 implemented.

5 If necessary, pursuant to RCW 34.05.350(1)(c), the authority may  
6 employ emergency rulemaking to achieve the reductions assumed in the  
7 appropriations under this section.

8 Nothing in this subsection shall in any way impact the authority's  
9 ability to adopt and implement policies pertaining to the patient  
10 review and coordination program.

11 ~~((46))~~ (42) The ~~((department))~~ authority shall seek a medicaid  
12 state plan amendment to create a ~~((graduate medical education))~~  
13 professional services supplemental payment managed care program for  
14 professional services delivered to managed care recipients by  
15 University of Washington medicine and other public professional  
16 providers. This program shall be effective as soon as administratively  
17 possible and shall operate concurrently with the existing professional  
18 services supplemental payment program. ~~((Providers that participate in  
19 the graduate medical education supplemental payment program are not  
20 eligible to participate in the professional services supplemental  
21 payment program.))~~ The ~~((department))~~ authority shall apply federal  
22 rules for identifying the difference between ~~((current physician  
23 encounter))~~ average commercial rates and fee-for-service medicaid  
24 payments ~~((to participating providers and the applicable federal upper  
25 payment limit))~~. This difference will be multiplied by the number of  
26 managed care encounters and incorporated into the managed care plan  
27 capitation rates by a certified actuary. The managed care plans will  
28 pay the providers the difference attributable to the increased  
29 capitation rate. Participating providers shall be solely responsible  
30 for providing the local funds required to obtain federal matching  
31 funds. Any incremental costs incurred by the ~~((department))~~ authority  
32 in the development, implementation, and maintenance of this program  
33 shall be the responsibility of the participating providers.  
34 Participating providers shall retain the full amount of supplemental  
35 payments provided under this program, net of any costs related to the  
36 program that are disallowed due to audits or litigation against the  
37 state.

1        ~~((47))~~ (43) The authority shall exclude antiretroviral drugs used  
2 to treat HIV/AIDS, anticancer medication that is used to kill or slow  
3 the growth of cancerous cells, antihemophilic drugs, insulin and other  
4 drugs to lower blood glucose, and immunosuppressive drugs from any  
5 formulary limitations implemented to operate within the appropriations  
6 provided in this section.

7        ~~((48))~~ (44) If Engrossed Substitute Senate Bill No. 5978  
8 (medicaid fraud) is not enacted by June 30, 2012, the amounts  
9 appropriated in this section from the medicaid fraud penalty account--  
10 state appropriation shall lapse and an additional \$3,608,000 shall be  
11 appropriated from the general fund--state for fiscal year 2013 for  
12 medicaid services, fraud detection and prevention activities, recovery  
13 of improper payments, and for other medicaid fraud enforcement  
14 activities.

15        ~~((50))~~ (45) Within the amounts appropriated in this section, the  
16 health care authority and the department of social and health services  
17 shall implement the state option to provide health homes for enrollees  
18 with chronic conditions under section 2703 of the federal affordable  
19 care act. The total state match for enrollees who are dually-eligible  
20 for both medicare and medicaid and not enrolled in managed care shall  
21 be no more than the net savings to the state from the enhanced match  
22 rate for its medicaid-only managed care enrollees under section 2703.

23        ~~((51))~~ (46) The health care authority shall not initiate any  
24 services that require expenditure of state general fund moneys unless  
25 expressly authorized in this act or other law. The health care  
26 authority may seek, receive, and spend, under RCW 43.79.260 through  
27 43.79.282, federal moneys not anticipated in this act as long as the  
28 federal funding does not require expenditure of state moneys for the  
29 program in excess of amounts anticipated in this act. If the health  
30 care authority receives unanticipated unrestricted federal moneys,  
31 those moneys shall be spent for services authorized in this act or in  
32 any other legislation providing appropriation authority, and an equal  
33 amount of appropriated state general fund moneys shall lapse. Upon the  
34 lapsing of any moneys under this subsection, the office of financial  
35 management shall notify the legislative fiscal committees. As used in  
36 this subsection, "unrestricted federal moneys" includes block grants  
37 and other funds that federal law does not require to be spent on

1 specifically defined projects or matched on a formula basis by state  
2 funds.

3 ~~((+52+))~~ (47) \$66,000 of the general fund--state appropriation for  
4 fiscal year 2013 and \$66,000 of the general fund--federal appropriation  
5 are provided solely to implement Engrossed Second Substitute House Bill  
6 No. 2536 (children services/delivery). The department of social and  
7 health services' programs responsible for administration of mental  
8 health, child welfare, and juvenile justice programs will coordinate  
9 with the health care authority on the development of contract terms  
10 which facilitate efforts to meet requirements of the bill. If the bill  
11 is not enacted by June 30, 2012, the amounts provided in this  
12 subsection shall lapse.

13 ~~((+53+))~~ (48) The health care authority shall participate in the  
14 work group established by the department of corrections in section  
15 220(2) of this act to review release options for elderly and infirm  
16 offenders.

17 (49) \$208,000 of the medicaid fraud penalty account--state  
18 appropriation for fiscal year 2013 and \$728,000 of the general fund--  
19 federal appropriation are provided solely for the rebasing of  
20 outpatient and inpatient payment methods.

21 **Sec. 1214.** 2012 2nd sp.s. c 7 s 216 (uncodified) is amended to  
22 read as follows:

23 **FOR THE CRIMINAL JUSTICE TRAINING COMMISSION**

24	General Fund--State Appropriation (FY 2012) . . . . .	\$14,589,000
25	General Fund--State Appropriation (FY 2013) . . . . .	<del>((14,147,000))</del>
26		<u>\$14,504,000</u>
27	General Fund--Federal Appropriation . . . . .	\$456,000
28	General Fund--Private/Local Appropriation . . . . .	<del>((4,048,000))</del>
29		<u>\$3,940,000</u>
30	Death Investigations Account--State Appropriation . . . . .	\$148,000
31	Municipal Criminal Justice Assistance Account--	
32	State Appropriation . . . . .	\$460,000
33	Washington Auto Theft Prevention Authority Account--	
34	State Appropriation . . . . .	\$8,597,000
35	TOTAL APPROPRIATION . . . . .	<del>((42,445,000))</del>
36		<u>\$42,694,000</u>

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

3 (1) \$5,000,000 of the general fund--state appropriation for fiscal  
4 year 2012 and \$5,000,000 of the general fund--state appropriation for  
5 fiscal year 2013, are provided to the Washington association of  
6 sheriffs and police chiefs solely to verify the address and residency  
7 of registered sex offenders and kidnapping offenders under RCW  
8 9A.44.130.

9 (2) \$321,000 of the general fund--local appropriation is provided  
10 solely to purchase ammunition for the basic law enforcement academy.  
11 Jurisdictions shall reimburse to the criminal justice training  
12 commission the costs of ammunition, based on the average cost of  
13 ammunition per cadet, for cadets that they enroll in the basic law  
14 enforcement academy.

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

17 (4) \$100,000 of the general fund--state appropriation for fiscal  
18 year 2012 and \$100,000 of the general fund--state appropriation for  
19 fiscal year 2013 are provided solely for a school safety program. The  
20 commission, in collaboration with the school safety center advisory  
21 committee, shall provide the school safety training for all school  
22 administrators and school safety personnel hired after the effective  
23 date of this section.

24 (5) \$96,000 of the general fund--state appropriation for fiscal  
25 year 2012 and \$96,000 of the general fund--state appropriation for  
26 fiscal year 2013 are provided solely for the school safety center  
27 within the commission. The safety center shall act as an information  
28 dissemination and resource center when an incident occurs in a school  
29 district in Washington or in another state, coordinate activities  
30 relating to school safety, and review and approve manuals and curricula  
31 used for school safety models and training. Through an interagency  
32 agreement, the commission shall provide funding for the office of the  
33 superintendent of public instruction to continue to develop and  
34 maintain a school safety information web site. The school safety  
35 center advisory committee shall develop and revise the training  
36 program, using the best practices in school safety, for all school  
37 safety personnel. The commission shall provide research-related

1 programs in school safety and security issues beneficial to both law  
2 enforcement and schools.

3 (6) \$1,000,000 of the general fund--state appropriation for fiscal  
4 year 2012 and \$1,000,000 of the general fund--state appropriation for  
5 fiscal year 2013 are provided solely for grants to counties enforcing  
6 illegal drug laws and which have been underserved by federally funded  
7 state narcotics task forces. The Washington association of sheriffs  
8 and police chiefs, the Washington association of prosecuting attorneys,  
9 and the Washington association of county officials shall jointly  
10 develop funding allocations for the offices of the county sheriff,  
11 county prosecutor, and county clerk in qualifying counties. The  
12 commission shall not impose an administrative cost on this program.

13 **Sec. 1215.** 2012 2nd sp.s. c 7 s 218 (uncodified) is amended to  
14 read as follows:

15 **FOR THE DEPARTMENT OF VETERANS AFFAIRS**

16 (1) HEADQUARTERS

17	General Fund--State Appropriation (FY 2012) . . . . .	\$1,829,000
18	General Fund--State Appropriation (FY 2013) . . . . .	\$1,801,000
19	Charitable, Educational, Penal, and Reformatory	
20	Institutions Account--State Appropriation . . . . .	\$10,000
21	TOTAL APPROPRIATION . . . . .	\$3,640,000

22 (2) FIELD SERVICES

23	General Fund--State Appropriation (FY 2012) . . . . .	\$5,002,000
24	General Fund--State Appropriation (FY 2013) . . . . .	\$4,964,000
25	General Fund--Federal Appropriation . . . . .	\$3,348,000
26	General Fund--Private/Local Appropriation . . . . .	<del>(\$4,722,000)</del>
27		<u>\$5,447,000</u>
28	Veterans Innovations Program Account--State	
29	Appropriation . . . . .	\$810,000
30	Veteran Estate Management Account--Private/Local	
31	Appropriation . . . . .	\$1,079,000
32	TOTAL APPROPRIATION . . . . .	<del>(\$19,925,000)</del>
33		<u>\$20,650,000</u>

34 The appropriations in this subsection are subject to the following  
35 conditions and limitations: \$821,000 of the veterans innovations  
36 program account--state appropriation is provided solely for the  
37 department to continue support for returning combat veterans through

1 the veterans innovation program, including emergency financial  
2 assistance through the defenders' fund and long-term financial  
3 assistance through the competitive grant program.

4 (3) INSTITUTIONAL SERVICES

5 General Fund--State Appropriation (FY 2012) . . . . . \$1,743,000  
  
6 General Fund--Federal Appropriation . . . . . ((~~\$61,437,000~~))  
7 \$63,019,000  
8 General Fund--Private/Local Appropriation . . . . . ((~~\$29,506,000~~))  
9 \$30,569,000  
10 TOTAL APPROPRIATION . . . . . ((~~\$92,686,000~~))  
11 \$95,331,000

12 **Sec. 1216.** 2012 2nd sp.s. c 7 s 219 (uncodified) is amended to  
13 read as follows:

14 **FOR THE DEPARTMENT OF HEALTH**

15 General Fund--State Appropriation (FY 2012) . . . . . \$79,404,000  
16 General Fund--State Appropriation (FY 2013) . . . . . ((~~\$78,114,000~~))  
17 \$77,589,000  
18 General Fund--Federal Appropriation . . . . . ((~~\$553,078,000~~))  
19 \$573,078,000  
20 General Fund--Private/Local Appropriation . . . . . ((~~\$148,055,000~~))  
21 \$144,055,000  
22 Hospital Data Collection Account--State Appropriation . . . . . \$214,000  
23 Health Professions Account--State Appropriation . . . . . \$99,085,000  
24 Aquatic Lands Enhancement Account--State Appropriation . . . . . \$604,000  
25 Emergency Medical Services and Trauma Care Systems  
26 Trust Account--State Appropriation . . . . . ((~~\$12,300,000~~))  
27 \$10,523,000  
28 Safe Drinking Water Account--State Appropriation . . . . . \$4,464,000  
29 Drinking Water Assistance Account--Federal  
30 Appropriation . . . . . \$21,965,000  
31 Waterworks Operator Certification--State  
32 Appropriation . . . . . \$1,528,000  
33 Drinking Water Assistance Administrative Account--  
34 State Appropriation . . . . . \$326,000  
35 Site Closure Account--State Appropriation . . . . . \$79,000  
36 Biotoxin Account--State Appropriation . . . . . ((~~\$1,167,000~~))

1		<u>\$1,231,000</u>
2	State Toxics Control Account--State Appropriation . . . . .	\$3,628,000
3	Medical Test Site Licensure Account--State	
4	Appropriation . . . . .	\$2,311,000
5	Youth Tobacco Prevention Account--State	
6	Appropriation . . . . .	(( <del>\$1,512,000</del> ))
7		<u>\$1,348,000</u>
8	Community and Economic Development Fee Account--State	
9	Appropriation . . . . .	\$298,000
10	Public Health Supplemental Account--Private/Local	
11	Appropriation . . . . .	\$3,598,000
12	Accident Account--State Appropriation . . . . .	\$295,000
13	Medical Aid Account--State Appropriation . . . . .	\$50,000
14	Tobacco Prevention and Control Account--State	
15	Appropriation . . . . .	\$1,729,000
16	TOTAL APPROPRIATION . . . . .	(( <del>\$1,013,804,000</del> ))
17		<u>\$1,027,402,000</u>

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

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

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

4 (2) In accordance with RCW 43.70.250 and 43.135.055, the department  
5 is authorized to establish and raise fees in fiscal year 2012 as  
6 necessary to meet the actual costs of conducting business and the  
7 appropriation levels in this section. This authorization applies to  
8 fees required for: The review of health care facility construction;  
9 review of health facility requests for certificate of need; the  
10 regulation and inspection of farm worker housing, hospital licensing,  
11 in-home health service agencies, and producers of radioactive waste;  
12 the regulation and inspection of shellfish sanitary control, surgical  
13 facility licensing, and; fees associated with the following  
14 professions: Dietitians and nutritionists, occupational therapists,  
15 pharmacy, veterinarian, orthotics and prosthetics, surgical  
16 technicians, nursing home administrators, health care assistants,  
17 hearing and speech, psychology, hypnotherapy, chiropractic, social  
18 workers, physicians, and physician assistants.

19 (3) Pursuant to RCW 18.130.250, the department is authorized to  
20 establish a lower cost fee category for retired licensed practical  
21 nurses and registered nurses.

22 (4) In accordance with RCW 43.135.055, the department is authorized  
23 to adopt fees set forth in and previously authorized in chapter 92,  
24 Laws of 2010.

25 (5) \$1,969,000 of the health professions account--state  
26 appropriation is provided solely to implement online licensing for  
27 health care providers. The department must submit a detailed  
28 investment plan for this project to the office of financial management.  
29 The office of financial management must review and approve this plan  
30 before funding may be expended. The department of health must  
31 successfully implement online application and renewal for at least one  
32 profession as a pilot project before pursuing additional professions.  
33 The department must report to the office of financial management on the  
34 outcome of the pilot project.

35 (6) \$16,000 of the health professions account--state appropriation  
36 is provided solely for the implementation of House Bill No. 1181 (board  
37 of naturopathy). If the bill is not enacted by June 30, 2011, the  
38 amount provided in this subsection shall lapse.



1 (7) \$21,000 of the health professions account--state appropriation  
2 is provided solely for the implementation of Substitute House Bill No.  
3 1304 (health care assistants). If the bill is not enacted by June 30,  
4 2011, the amount provided in this subsection shall lapse.

5 (8) \$54,000 of the health professions account--state appropriation  
6 is provided solely for the implementation of House Bill No. 1353  
7 (pharmacy technicians). If the bill is not enacted by June 30, 2011,  
8 the amount provided in this subsection shall lapse.

9 (9) \$142,000 of the health professions account--state appropriation  
10 is provided solely for the implementation of Engrossed Substitute  
11 Senate Bill No. 5020 (social workers). If the bill is not enacted by  
12 June 30, 2011, the amount provided in this subsection shall lapse.

13 (10) \$336,000 of the health professions account--state  
14 appropriation is provided solely for the implementation of Senate Bill  
15 No. 5480 (physicians and physician assistants). If the bill is not  
16 enacted by June 30, 2011, the amount provided in this subsection shall  
17 lapse.

18 (11) \$46,000 of the health professions account--state appropriation  
19 is provided solely for the implementation of Substitute Senate Bill No.  
20 5071 (online access for midwives and marriage and family therapists).  
21 If the bill is not enacted by June 30, 2011, the amount provided in  
22 this subsection shall lapse.

23 (12) \$137,000 of the health professions account--state  
24 appropriation is provided solely for implementation of Substitute House  
25 Bill No. 1133 (massage practitioner license). If the bill is not  
26 enacted by June 30, 2011, the amount provided in this subsection shall  
27 lapse.

28 (13) \$85,000 of the general fund--state appropriation for fiscal  
29 year 2012 is provided solely for the developmental disabilities council  
30 to contract for a family-to-family mentor program to provide  
31 information and support to families and guardians of persons who are  
32 transitioning out of residential habilitation centers. To the maximum  
33 extent allowable under federal law, these funds shall be matched under  
34 medicaid through the department of social and health services and  
35 federal funds shall be transferred to the department for the purposes  
36 stated in this subsection. If Second Substitute Senate Bill No. 5459  
37 (people with developmental disabilities) is not enacted by June 30,  
38 2011, the amounts provided in this subsection shall lapse.

1 (14) \$57,000 of the general fund--state appropriation for fiscal  
2 year 2012 and \$58,000 of the general fund--state appropriation for  
3 fiscal year 2013 are provided solely for the midwifery licensure and  
4 regulatory program to offset a reduction in revenue from fees. There  
5 shall be no change to the current annual fees for new or renewed  
6 licenses for the midwifery program, except from online access to HEAL-  
7 WA. The department shall convene the midwifery advisory committee on  
8 a quarterly basis to address issues related to licensed midwifery.

9 (15) \$118,000 of the general fund--state appropriation for fiscal  
10 year 2012 and \$118,000 of the general fund--state appropriation for  
11 fiscal year 2013 are provided solely for prevention of youth suicides.

12 (16) \$87,000 of the general fund--state appropriation for fiscal  
13 year 2012 and \$87,000 of the general fund--state appropriation for  
14 fiscal year 2013 are provided solely for the senior falls prevention  
15 program.

16 (17) \$19,000 of the health professions account--state appropriation  
17 is provided solely for implementation of Senate Bill No. 6290 (military  
18 spouses and partners). If the bill is not enacted by June 30, 2012,  
19 the amount provided in this subsection shall lapse.

20 (18) \$102,000 of the health professions account--state  
21 appropriation is provided solely for implementation of Engrossed  
22 Substitute Senate Bill No. 6237 (career pathway/medical assistants).  
23 If the bill is not enacted by June 30, 2012, the amount provided in  
24 this subsection shall lapse.

25 (19) \$21,000 of the health professions account--state appropriation  
26 is provided solely for implementation of Substitute Senate Bill No.  
27 6328 (mental health professionals). If the bill is not enacted by June  
28 30, 2012, the amount provided in this subsection shall lapse.

29 (20) \$61,000 of the health professions account--state appropriation  
30 is provided solely for implementation of Engrossed Substitute Senate  
31 Bill No. 6103 (reflexologists). If the bill is not enacted by June 30,  
32 2012, the amount provided in this subsection shall lapse.

33 (21) \$28,000 of the health professions account--state appropriation  
34 is provided solely for implementation of Engrossed Second Substitute  
35 Senate Bill No. 5620 (dental anesthesia assistants). If the bill is  
36 not enacted by June 30, 2012, the amount provided in this subsection  
37 shall lapse.

1 (22) Appropriations for fiscal year 2013 include funding for  
2 consolidation of the department of ecology's low-level radioactive  
3 waste site use permit program in the department of health.

4 (23) During the remainder of the 2011-2013 fiscal biennium, each  
5 person subject to RCW 43.70.110(3)(c) is required to pay only one  
6 surcharge of up to twenty-five dollars annually for the purposes of RCW  
7 43.70.112, regardless of how many professional licenses the person  
8 holds.

9 (24) \$15,000 of the health professions account--state appropriation  
10 is provided solely to implement Substitute House Bill No. 2056  
11 (assisted living facilities). If the bill is not enacted by June 30,  
12 2012, the amount provided in this subsection shall lapse.

13 (25) \$11,000 of the health professions account--state appropriation  
14 is provided solely to implement Engrossed House Bill No. 2186 (licensed  
15 midwives). If the bill is not enacted by June 30, 2012, the amount  
16 provided in this subsection shall lapse.

17 (26) \$11,000 of the general fund--state appropriation for fiscal  
18 year 2013 is provided solely to implement Engrossed Substitute House  
19 Bill No. 2229 (hospital employees). If the bill is not enacted by June  
20 30, 2012, the amount provided in this subsection shall lapse.

21 (27) \$48,000 of the health professions account--state appropriation  
22 is provided solely to implement Engrossed Substitute House Bill No.  
23 2314 (long-term care workers). If the bill is not enacted by June 30,  
24 2012, the amount provided in this subsection shall lapse.

25 (28) \$280,000 of the health professions account--state  
26 appropriation is provided solely to implement Engrossed Substitute  
27 House Bill No. 2366 (suicide assessment and training). If the bill is  
28 not enacted by June 30, 2012, the amounts provided in this subsection  
29 shall lapse.

30 (29) \$11,000 of the general fund--state appropriation for fiscal  
31 year 2013 is provided solely to implement Engrossed Substitute House  
32 Bill No. 2582 (health care services billing). If the bill is not  
33 enacted by June 30, 2012, the amount provided in this subsection shall  
34 lapse.

35 (30) \$22,000 of the general fund--state appropriation for fiscal  
36 year 2013 is provided solely to implement Substitute Senate Bill No.  
37 6105 (prescription monitoring program). If the bill is not enacted by  
38 June 30, 2012, the amount provided in this subsection shall lapse.

1 (31) \$30,000 of the health professions account--state appropriation  
2 is provided solely for implementation of Engrossed Substitute House  
3 Bill No. 2473 (medication assistant endorsement). If the bill is not  
4 enacted by June 30, 2012, the amount provided in this subsection shall  
5 lapse.

6 (32) General fund--state appropriations for fiscal year 2013  
7 includes funding to subsidize operating license and inspection fees in  
8 the temporary worker housing program. In implementing this subsidy,  
9 the department shall evaluate program regulations including but not  
10 limited to the use of occupancy levels to determine the fee structure  
11 and the frequency of inspections.

12 **Sec. 1217.** 2012 2nd sp.s. c 7 s 220 (uncodified) is amended to  
13 read as follows:

14 **FOR THE DEPARTMENT OF CORRECTIONS**

15 The appropriations to the department of corrections in this act  
16 shall be expended for the programs and in the amounts specified in this  
17 section. However, after May 1, ((2012)) 2013, after approval by the  
18 director of financial management and unless specifically prohibited by  
19 this act, the department may transfer general fund--state  
20 appropriations for fiscal year ((2012)) 2013 between programs. The  
21 department shall not transfer funds, and the director of financial  
22 management shall not approve the transfer, unless the transfer is  
23 consistent with the objective of conserving, to the maximum extent  
24 possible, the expenditure of state funds. The director of financial  
25 management shall notify the appropriate fiscal committees of the senate  
26 and house of representatives in writing seven days prior to approving  
27 any deviations from appropriation levels. The written notification  
28 shall include a narrative explanation and justification of the changes,  
29 along with expenditures and allotments by budget unit and  
30 appropriation, both before and after any allotment modifications or  
31 transfers.

32 (1) ADMINISTRATION AND SUPPORT SERVICES

33 General Fund--State Appropriation (FY 2012) . . . . .	\$52,025,000
34 General Fund--State Appropriation (FY 2013) . . . . .	(( <del>\$52,981,000</del> ))
	<u>\$52,706,000</u>
36 TOTAL APPROPRIATION . . . . .	(( <del>\$105,006,000</del> ))
	<u>\$104,731,000</u>

37

1 The appropriations in this subsection are subject to the following  
 2 conditions and limitations: \$35,000 of the general fund--state  
 3 appropriation for fiscal year 2012 and \$35,000 of the general fund--  
 4 state appropriation for fiscal year 2013 are provided solely for the  
 5 support of a statewide council on mentally ill offenders that includes  
 6 as its members representatives of community-based mental health  
 7 treatment programs, current or former judicial officers, and directors  
 8 and commanders of city and county jails and state prison facilities.  
 9 The council will investigate and promote cost-effective approaches to  
 10 meeting the long-term needs of adults and juveniles with mental  
 11 disorders who have a history of offending or who are at-risk of  
 12 offending, including their mental health, physiological, housing,  
 13 employment, and job training needs.

14 (2) CORRECTIONAL OPERATIONS

15	General Fund--State Appropriation (FY 2012) . . . . .	\$598,237,000
16	General Fund--State Appropriation (FY 2013) . . . . .	<del>(( \$575,457,000 ))</del>
17		<u>\$581,890,000</u>
18	General Fund--Federal Appropriation . . . . .	\$3,324,000
19	Washington Auto Theft Prevention Authority Account--	
20	State Appropriation . . . . .	<del>(( \$14,079,000 ))</del>
21		<u>\$13,177,000</u>
22	Enhanced 911 Account--State Appropriation . . . . .	\$2,000,000
23	TOTAL APPROPRIATION . . . . .	<del>(( \$1,193,097,000 ))</del>
24		<u>\$1,198,628,000</u>

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

27 (a) During the 2011-13 biennium, when contracts are established or  
 28 renewed for offender pay phone and other telephone services provided to  
 29 inmates, the department shall select the contractor or contractors  
 30 primarily based on the following factors: (i) The lowest rate charged  
 31 to both the inmate and the person paying for the telephone call; and  
 32 (ii) the lowest commission rates paid to the department, while  
 33 providing reasonable compensation to cover the costs of the department  
 34 to provide the telephone services to inmates and provide sufficient  
 35 revenues for the activities funded from the institutional welfare  
 36 betterment account.

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

6 (c) \$102,000 of the general fund--state appropriation for fiscal  
7 year 2012 and \$102,000 of the general fund--state appropriation for  
8 fiscal year 2013 are provided solely to implement House Bill No. 1290  
9 (health care employee overtime). If the bill is not enacted by June  
10 30, 2011, the amounts provided in this subsection shall lapse.

11 (d) \$32,000 of the general fund--state appropriation for fiscal  
12 year 2012 and \$33,000 of the general fund--state appropriation for  
13 fiscal year 2013 are provided solely to implement Substitute House Bill  
14 No. 1718 (offenders with developmental disabilities). If the bill is  
15 not enacted by June 30, 2011, the amounts provided in this subsection  
16 shall lapse.

17 (e) The department of corrections shall contract with local and  
18 tribal governments for the provision of jail capacity to house  
19 offenders. A contract shall not have a cost of incarceration in excess  
20 of \$85 per day per offender. A contract shall not have a year-to-year  
21 increase in excess of three percent per year. The contracts may  
22 include rates for the medical care of offenders which exceed the daily  
23 cost of incarceration and the limitation on year-to-year increase,  
24 provided that medical payments conform to the department's offender  
25 health plan, pharmacy formulary, and all off-site medical expenses are  
26 preapproved by department utilization management staff.

27 (f) \$311,000 of the general fund--state appropriation for fiscal  
28 year 2013 is provided solely for implementation of House Bill No. 2346  
29 (correctional officer uniforms). If the bill is not enacted by June  
30 30, 2012, the amount provided in this subsection shall lapse.

31 (g) \$41,000 of the general fund--state appropriation for fiscal  
32 year 2012 and (~~(\$165,000)~~) \$501,000 of the general fund--state  
33 appropriation for fiscal year 2013 are provided solely for the  
34 department to maintain the facility, property, and assets at the  
35 institution formerly known as the maple lane school in Rochester. The  
36 department may not house incarcerated offenders at the maple lane site  
37 until specifically directed by the legislature. By November 1, 2012,

1 the department shall report to the appropriate fiscal committees of the  
2 house of representatives and the senate with a plan for the future use  
3 of the facility.

4 (h) By December 1, 2012, the department shall provide to the  
5 legislative fiscal committees a report that evaluates health care  
6 expenditures in Washington state correctional institutions and makes  
7 recommendations for controlling health care costs. The report shall  
8 evaluate the source of health care costs, including offender health  
9 issues, use of pharmaceuticals, offsite and specialist medical care,  
10 chronic disease costs, and mental health issues. The department may  
11 include information from other states on cost control in offender  
12 health care, trends in offender health care that indicate potential  
13 cost increases, and management of high-cost diagnoses.

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

25 (j) The department of corrections, with participation of the health  
26 care authority and the department of social and health services, aging  
27 and adult services administration, shall establish a work group to  
28 analyze and review release options for elderly and infirm offenders and  
29 submit recommendations to the appropriate policy and fiscal committees  
30 of the legislature with release options for these populations no later  
31 than December 1, 2012. In making its recommendations, the work group  
32 shall identify:

33 (i) The most expensive medical conditions for which the department  
34 has had to treat its offenders and the offenders receiving the most  
35 costly ongoing medical treatments;

36 (ii) For identified populations, the age, level of disability, cost  
37 of care while incarcerated, safety issues related to release, ease of  
38 placement, and time served in relation to the offender's sentence;

- 1 (iii) Potential cost savings to the state that may be generated by
- 2 the early release of elderly and infirm offenders;
- 3 (iv) Housing options to expedite the release of aging and infirm
- 4 offenders while maintaining the safety of housing providers, other
- 5 housing residents, and the general public; and
- 6 (v) Optimal procedures for reviewing offenders on a case-by-case
- 7 basis to ensure that the interests of justice and public safety are
- 8 considered in any early release decision.

9 (3) COMMUNITY SUPERVISION

10	General Fund--State Appropriation (FY 2012) . . . . .	\$127,121,000
11	General Fund--State Appropriation (FY 2013) . . . . .	<del>(\$128,494,000)</del>
12		<u>\$126,251,000</u>
13	Federal Narcotics Forfeiture Account--Federal	
14	Appropriation . . . . .	\$372,000
15	Controlled Substances Account--State	
16	Appropriation . . . . .	\$32,000
17	TOTAL APPROPRIATION . . . . .	<del>(\$256,019,000)</del>
18		<u>\$253,776,000</u>

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

- 21 (a) \$875,000 of the general fund--state appropriation for fiscal
- 22 year 2012 is provided solely to implement Engrossed Substitute House
- 23 Bill No. 5891 (criminal justice cost savings). If the bill is not
- 24 enacted by June 30, 2011, the amount provided in this subsection shall
- 25 lapse.
- 26 (b) ~~(\$6,362,000)~~ \$3,753,000 of the general fund--state
- 27 appropriation for fiscal year 2013 is provided solely to implement an
- 28 evidence-based risk-needs-responsivity model for community supervision
- 29 of offenders.

30 (4) CORRECTIONAL INDUSTRIES

31	General Fund--State Appropriation (FY 2012) . . . . .	\$2,513,000
32	General Fund--State Appropriation (FY 2013) . . . . .	\$2,431,000
33	TOTAL APPROPRIATION . . . . .	\$4,944,000

34 The appropriations in this subsection are subject to the following  
 35 conditions and limitations: \$66,000 of the general fund--state  
 36 appropriation for fiscal year 2012 is provided solely for transfer to  
 37 the jail industries board. The board shall use the amounts provided



1 only for administrative expenses, equipment purchases, and technical  
2 assistance associated with advising cities and counties in developing,  
3 promoting, and implementing consistent, safe, and efficient offender  
4 work programs.

5 (5) INTERAGENCY PAYMENTS

6	General Fund--State Appropriation (FY 2012) . . . . .	\$35,821,000
7	General Fund--State Appropriation (FY 2013) . . . . .	(( <del>\$27,264,000</del> ))
8		<u>\$27,539,000</u>
9	TOTAL APPROPRIATION . . . . .	(( <del>\$63,085,000</del> ))
10		<u>\$63,360,000</u>

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

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

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

20 (c) The department shall reduce payments to the department of  
21 information services or its successor by \$213,000 in fiscal year 2012  
22 and by \$1,150,000 in fiscal year 2013. The reduction in payment shall  
23 be related to the elimination of the offender base tracking system,  
24 including moving remaining portions of the offender base tracking  
25 system into the offender management network information system.

26 **Sec. 1218.** 2012 2nd sp.s. c 7 s 221 (uncodified) is amended to  
27 read as follows:

28 **FOR THE DEPARTMENT OF SERVICES FOR THE BLIND**

29	General Fund--State Appropriation (FY 2012) . . . . .	\$2,159,000
30	General Fund--State Appropriation (FY 2013) . . . . .	\$2,131,000
31	General Fund--Federal Appropriation . . . . .	(( <del>\$19,239,000</del> ))
32		<u>\$19,739,000</u>
33	General Fund--Private/Local Appropriation . . . . .	(( <del>\$30,000</del> ))
34		<u>\$105,000</u>
35	TOTAL APPROPRIATION . . . . .	(( <del>\$23,559,000</del> ))
36		<u>\$24,134,000</u>

1       **Sec. 1219.** 2012 2nd sp.s. c 7 s 222 (uncodified) is amended to  
2 read as follows:

3 **FOR THE EMPLOYMENT SECURITY DEPARTMENT**

4	General Fund--Federal Appropriation . . . . .	\$267,069,000
5	General Fund--Private/Local Appropriation . . . . .	\$33,856,000
6	Unemployment Compensation Administration Account--	
7	Federal Appropriation . . . . .	<del>(\$349,247,000)</del>
8		<u>\$356,767,000</u>
9	Administrative Contingency Account--State	
10	Appropriation . . . . .	\$20,940,000
11	Employment Service Administrative Account--State	
12	Appropriation . . . . .	\$33,609,000
13	TOTAL APPROPRIATION . . . . .	<del>(\$704,721,000)</del>
14		<u>\$712,241,000</u>

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

17       (1) \$39,666,000 of the unemployment compensation administration  
18 account--federal appropriation is from amounts made available to the  
19 state by section 903 (d), (f), and (g) of the social security act (Reed  
20 act). This amount is provided solely for continuing current  
21 unemployment insurance functions and department services to employers  
22 and job seekers.

23       (2) \$35,584,000 of the unemployment compensation administration  
24 account--federal appropriation is from amounts made available to the  
25 state by section 903 (d), (f), and (g) of the social security act (Reed  
26 act). This amount is provided solely for the replacement of the  
27 unemployment insurance tax information system for the employment  
28 security department. The employment security department shall support  
29 the department of revenue and department of labor and industries to  
30 develop a common vision to ensure technological compatibility between  
31 the three agencies to facilitate a coordinated business tax system for  
32 the future that improves services to business customers. The amounts  
33 provided in this subsection are conditioned on the department  
34 satisfying the requirements of the project management oversight  
35 standards and policies established by the office of the chief  
36 information officer created in Engrossed Substitute Senate Bill No.  
37 5931 (information technology management).

1 (3) \$25,000 of the unemployment compensation administration  
2 account--federal appropriation is from amounts made available to the  
3 state by section 903 (d), (f), and (g) of the social security act (Reed  
4 act). This amount is provided solely for implementation of system  
5 changes to the unemployment insurance tax information system required  
6 under chapter 4, Laws of 2011 (unemployment insurance program).

7 (4) \$1,459,000 of the unemployment compensation administration  
8 account--federal appropriation is from amounts available to the state  
9 by section 903 (d), (f), and (g) of the social security act (Reed act).  
10 This amount is provided solely for implementation of chapter 4, Laws of  
11 2011 (unemployment insurance program).

12 (5) \$80,000 of the unemployment compensation administration  
13 account--federal appropriation is provided solely for costs associated  
14 with the initial review and evaluation of the training benefits program  
15 as directed in section 15(2), chapter 4, Laws of 2011 (unemployment  
16 insurance program). The initial review shall be developed by the joint  
17 legislative audit and review committee. This appropriation is provided  
18 from funds made available to the state by section 903 (d), (f), and (g)  
19 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	<del>(\$1,759,000)</del>
	<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	<del>(\$141,234,000)</del>
	<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) . . . . .	<del>(\$23,618,000)</del>
14		<u>\$26,417,000</u>
15	General Fund--Federal Appropriation . . . . .	<del>(\$105,481,000)</del>
16		<u>\$105,725,000</u>
17	General Fund--Private/Local Appropriation . . . . .	<del>(\$56,923,000)</del>
18		<u>\$57,107,000</u>
19	ORV and Nonhighway Vehicle Account--State Appropriation . . .	\$391,000
20	Aquatic Lands Enhancement Account--State	
21	Appropriation . . . . .	<del>(\$12,113,000)</del>
22		<u>\$12,125,000</u>
23	Recreational Fisheries Enhancement--State	
24	Appropriation . . . . .	<del>(\$2,794,000)</del>
25		<u>\$2,809,000</u>
26	Warm Water Game Fish Account--State Appropriation . . .	<del>(\$2,841,000)</del>
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 . . . . .	<del>(\$100,742,000)</del>
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 . . . . .	<del>(\$357,900,000)</del>
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 . . . . .	(( <del>\$46,254,000</del> ))
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 . . . . .	(( <del>\$262,782,000</del> ))
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)	<del>(\$32,323,000)</del>
	<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	<del>(\$125,432,000)</del>
	<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~~) through 43.43.964. The  
5 state 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) . . . . .	<del>(\$27,133,000)</del>
	<u>\$27,383,000</u>
General Fund--Federal Appropriation . . . . .	<del>(\$77,011,000)</del>
	<u>\$82,011,000</u>
General Fund--Private/Local Appropriation . . . . .	\$4,000,000
TOTAL APPROPRIATION . . . . .	<del>(\$133,466,000)</del>
	<u>\$138,716,000</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)~~ \$15,116,000 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) \$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 (d) \$1,744,000 of the general fund--state appropriation for fiscal  
31 year 2012 and \$1,387,000 of the general fund--state appropriation for  
32 fiscal year 2013 are provided solely to the professional educator  
33 standards board for the following:

34 (i) \$1,050,000 in fiscal year 2012 and \$1,050,000 in fiscal year  
35 2013 are for the operation and expenses of the Washington professional  
36 educator standards board;

37 (ii) \$694,000 of the general fund--state appropriation for fiscal  
38 year 2012 and \$312,000 of the general fund--state appropriation for

1 fiscal year 2013 are for conditional scholarship loans and mentor  
2 stipends provided through the alternative routes to certification  
3 program administered by the professional educator standards board,  
4 including the pipeline for paraeducators program and the retooling to  
5 teach conditional loan programs. Funding within this subsection  
6 (1)(d)(ii) is also provided for the recruiting Washington teachers  
7 program. Funding reductions in this subsection (1)(d)(ii) in the 2011-  
8 2013 fiscal biennium are intended to be one-time; and

9 (iii) \$25,000 of the general fund--state appropriation for fiscal  
10 year 2013 is provided solely for the professional educator standards  
11 board to develop educator interpreter standards and identify  
12 interpreter assessments that are available to school districts.  
13 Interpreter assessments should meet the following criteria: (A)  
14 Include both written assessment and performance assessment; (B) be  
15 offered by a national organization of professional sign language  
16 interpreters and transliterators; and (C) be designed to assess  
17 performance in more than one sign system or sign language. The board  
18 shall establish a performance standard, defining what constitutes a  
19 minimum assessment result, for each educational interpreter assessment  
20 identified. The board shall publicize the standards and assessments  
21 for school district use.

22 (e) \$133,000 of the general fund--state appropriation for fiscal  
23 year 2012 and \$133,000 of the general fund--state appropriation for  
24 fiscal year 2013 are provided solely for the implementation of chapter  
25 240, Laws of 2010, including staffing the office of equity and civil  
26 rights.

27 (f) \$50,000 of the general fund--state appropriation for fiscal  
28 year 2012 and \$50,000 of the general fund--state appropriation for  
29 fiscal year 2013 are provided solely for the ongoing work of the  
30 education opportunity gap oversight and accountability committee.

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

36 (h) \$159,000 of the general fund--state appropriation for fiscal  
37 year 2012 and \$93,000 of the general fund--state appropriation for  
38 fiscal year 2013 are provided solely for the implementation of chapter

1 185, Laws of 2011 (bullying prevention), which requires the office of  
2 the superintendent of public instruction to convene an ongoing  
3 workgroup on school bullying and harassment prevention. Within the  
4 amounts provided, \$140,000 is for youth suicide prevention activities.

5 (i) \$1,227,000 of the general fund--state appropriation for fiscal  
6 year 2012 and \$1,227,000 of the general fund--state appropriation for  
7 fiscal year 2013 are provided solely for implementing a comprehensive  
8 data system to include financial, student, and educator data, including  
9 development and maintenance of the comprehensive education data and  
10 research system (CEDARS).

11 (j) \$25,000 of the general fund--state appropriation for fiscal  
12 year 2012 and \$25,000 of the general fund--state appropriation for  
13 fiscal year 2013 are provided solely for project citizen, a program  
14 sponsored by the national conference of state legislatures and the  
15 center for civic education to promote participation in government by  
16 middle school students.

17 (k) \$166,000 of the general fund--state appropriation for fiscal  
18 year 2012 is provided solely for the implementation of chapter 192,  
19 Laws of 2011 (school district insolvency). Funding is provided to  
20 develop a clear legal framework and process for dissolution of a school  
21 district.

22 (l) \$1,500,000 of the general fund--state appropriation for fiscal  
23 year 2013 is provided solely for implementation of House Bill No. 2799  
24 (collaborative schools). If such legislation is not enacted by June  
25 30, 2012, the amount provided in this subsection shall lapse.

26 (m) \$128,000 of the general fund--state appropriation for fiscal  
27 year 2013 is provided solely pursuant to Substitute House Bill No. 2254  
28 (foster care outcomes). The office of the superintendent of public  
29 instruction shall report on the implementation of the state's plan of  
30 cross-system collaboration to promote educational stability and improve  
31 education outcomes of foster youth. The first report is due December  
32 1, 2012, and annually thereafter through 2015. If the bill is not  
33 enacted by June 30, 2012, the amount provided in this subsection shall  
34 lapse.

35 (n) \$250,000 of the general fund--state appropriation for fiscal  
36 year 2013 is provided solely for implementation of House Bill No. 2337  
37 (open K-12 education resources). If the bill is not enacted by June  
38 30, 2012, the amount provided in this subsection shall lapse.

1       (o) \$250,000 of the general fund--state appropriation for fiscal  
2 year 2013 is provided solely for allocation to the office of the  
3 superintendent of public instruction to provide financial assistance to  
4 nonhigh school districts that are experiencing budgetary shortfalls due  
5 to a significant financial condition, including, but not limited to:  
6 Declining total enrollment; increased enrollment of students with  
7 special education needs; and debts owed to school districts serving the  
8 nonhigh school district's high school aged students. The financial  
9 assistance shall be in the form of a loan. The loan agreement shall:

10       (i) Include conditions, binding on the school district, designed to  
11 improve the district's financial condition;

12       (ii) Include a repayment schedule of no more than five years in  
13 length; and

14       (iii) Prohibit districts that receive loans under this subsection  
15 from using cash basis accounting.

16       (2) \$9,267,000 of the general fund--state appropriation for fiscal  
17 year 2012 and \$12,267,000 of the general fund--state appropriation for  
18 fiscal year 2013 are for statewide programs.

19       (a) HEALTH AND SAFETY

20       (i) \$2,541,000 of the general fund--state appropriation for fiscal  
21 year 2012 and \$2,541,000 of the general fund--state appropriation for  
22 fiscal year 2013 are provided solely for a corps of nurses located at  
23 educational service districts, as determined by the superintendent of  
24 public instruction, to be dispatched to the most needy schools to  
25 provide direct care to students, health education, and training for  
26 school staff.

27       (ii) \$50,000 of the general fund--state appropriation for fiscal  
28 year 2012 and \$50,000 of the general fund--state appropriation for  
29 fiscal year 2013 are provided solely for a nonviolence and leadership  
30 training program provided by the institute for community leadership.

31       (b) TECHNOLOGY

32       \$1,221,000 of the general fund--state appropriation for fiscal year  
33 2012 and \$1,221,000 of the general fund--state appropriation for fiscal  
34 year 2013 are provided solely for K-20 telecommunications network  
35 technical support in the K-12 sector to prevent system failures and  
36 avoid interruptions in school utilization of the data processing and  
37 video-conferencing capabilities of the network. These funds may be

1 used to purchase engineering and advanced technical support for the  
2 network.

3 (c) GRANTS AND ALLOCATIONS

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

10 (ii) \$1,000,000 of the general fund--state appropriation for fiscal  
11 year 2012 and \$1,000,000 of the general fund--state appropriation for  
12 fiscal year 2013 are provided solely for contracting with a college  
13 scholarship organization with expertise in conducting outreach to  
14 students concerning eligibility for the Washington college bound  
15 scholarship consistent with chapter 405, Laws of 2007.

16 (iii) \$2,808,000 of the general fund--state appropriation for  
17 fiscal year 2012 and \$2,808,000 of the general fund--state  
18 appropriation for fiscal year 2013 are provided solely for the  
19 dissemination of the navigation 101 curriculum to all districts. The  
20 funding shall support electronic student planning tools and software  
21 for analyzing the impact of navigation 101 on student performance, as  
22 well as grants to a maximum of one hundred school districts each year,  
23 based on progress and need for the implementation of the navigation 101  
24 program. The implementation grants shall be awarded to a cross-section  
25 of school districts reflecting a balance of geographic and demographic  
26 characteristics. Within the amounts provided, the office of the  
27 superintendent of public instruction will create a navigation 101  
28 accountability model to analyze the impact of the program.

29 (iv) \$337,000 of the general fund--state appropriation for fiscal  
30 year 2012 and \$337,000 of the general fund--state appropriation for  
31 fiscal year 2013 are provided solely for implementation of the building  
32 bridges statewide program for comprehensive dropout prevention,  
33 intervention, and reengagement strategies.

34 (v) \$135,000 of the general fund--state appropriation for fiscal  
35 year 2012 and \$135,000 of the general fund--state appropriation for  
36 fiscal year 2013 are provided solely for dropout prevention programs at  
37 the office of the superintendent of public instruction, including the  
38 jobs for America's graduates (JAG) program.

1 (vi) \$500,000 of the general fund--state appropriation for fiscal  
2 year 2012 and \$1,400,000 of the general fund--state appropriation for  
3 fiscal year 2013 are provided solely for the implementation of chapter  
4 340, Laws of 2011 (assessment of students in state-funded full-day  
5 kindergarten classrooms), including the development and implementation  
6 of the Washington kindergarten inventory of developing skills (WaKIDS).  
7 Of the amounts in this subsection, \$1,000,000 of the fiscal year 2013  
8 appropriation is for the implementation of House Bill No. 2586  
9 (kindergarten inventory). If the bill is not enacted by June 30, 2012,  
10 this amount shall lapse.

11 (vii) \$2,000,000 of the general fund--state appropriation for  
12 fiscal year 2013 is provided solely for an urban school turnaround  
13 initiative as follows:

14 (A) The office of the superintendent of public instruction shall  
15 select two schools in the largest urban school district in the state.  
16 The selected schools shall be among the state's lowest-performing  
17 schools; be located within the same community and form a continuum of  
18 education for the students in that community; have significant  
19 educational achievement gaps; and include a mix of elementary, middle,  
20 or high schools.

21 (B) The office shall allocate the funds under this subsection  
22 (2)(c)(vii) to the school district to be used exclusively in the  
23 selected schools. The district may not charge an overhead or indirect  
24 fee for the allocated funds or supplant other state, federal, or local  
25 funds in the selected schools. The school district shall use the funds  
26 for intensive supplemental instruction, services, and materials in the  
27 selected schools, including but not limited to professional development  
28 for school staff; updated curriculum, materials, and technology;  
29 extended learning opportunities for students; reduced class size;  
30 summer enrichment activities; school-based health clinics; and other  
31 research-based initiatives to dramatically turn around the performance  
32 and close the achievement gap in the schools. The office shall enter  
33 into an expenditure agreement with the school district under which any  
34 funds under this subsection (2)(c)(vii) remaining unspent on August 31,  
35 2015, shall be returned to the state. Priorities for the expenditure  
36 of the funds shall be determined by the leadership and staff of each  
37 school.

1 (C) The office shall monitor the activities in the selected schools  
2 and the expenditure of funds to ensure the intent of this subsection  
3 (2)(c)(vii) is met, and submit a report to the legislature by December  
4 1, 2013, including outcomes resulting from the urban school turnaround  
5 initiative. The report submitted to the legislature must include a  
6 comparison of student learning achievement in the selected schools with  
7 schools of comparable demographics that have not participated in the  
8 grant program.

9 (D) Funding provided in this subsection (2)(c)(vii) is intended to  
10 be one-time.

11 (viii) \$100,000 of the general fund--state appropriation for fiscal  
12 year 2013 is provided solely to subsidize advanced placement exam fees  
13 and international baccalaureate class fees and exam fees for low-income  
14 students. To be eligible for the subsidy, a student must be either  
15 enrolled or eligible to participate in the federal free or reduced  
16 price lunch program, and the student must have maximized the allowable  
17 federal contribution. The office of the superintendent of public  
18 instruction shall set the subsidy in an amount so that the advanced  
19 placement exam fee does not exceed \$15.00 and the combined class and  
20 exam fee for the international baccalaureate does not exceed \$14.50.

21 **Sec. 1502.** 2012 2nd sp.s. c 7 s 502 (uncodified) is amended to  
22 read as follows:

23 **FOR THE SUPERINTENDENT OF PUBLIC INSTRUCTION--FOR GENERAL**  
24 **APPORTIONMENT**

25	General Fund--State Appropriation (FY 2012) . . . . .	\$5,241,233,000
26	General Fund--State Appropriation (FY 2013) . . . . .	<del>(( \$5,170,854,000 ))</del>
27		<u>\$5,138,619,000</u>
28	General Fund--Federal Appropriation . . . . .	\$22,327,000
29	TOTAL APPROPRIATION . . . . .	<del>(( \$10,434,414,000 ))</del>
30		<u>\$10,402,179,000</u>

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

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

36 (b) For the 2011-12 and 2012-13 school years, the superintendent

1 shall allocate general apportionment funding to school districts as  
2 provided in the funding formulas and salary schedules in sections 502  
3 and 503 of this act, excluding (c) of this subsection.

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

8 (d) The appropriations in this section include federal funds  
9 provided through section 101 of P.L. No. 111-226 (education jobs fund),  
10 which shall be used to support general apportionment program funding.  
11 In distributing general apportionment allocations under this section  
12 for the 2011-12 school year, the superintendent shall include the  
13 additional amount of \$3,327,000 allocated by the United States  
14 department of education on September 16, 2011, provided through 101 of  
15 P.L. No. 111-226 (education jobs fund) as part of each district's  
16 general apportionment allocation.

17 (e) The enrollment of any district shall be the annual average  
18 number of full-time equivalent students and part-time students as  
19 provided in RCW 28A.150.350, enrolled on the fourth day of school in  
20 September and on the first school day of each month October through  
21 June, including students who are in attendance pursuant to RCW  
22 28A.335.160 and 28A.225.250 who do not reside within the servicing  
23 school district. Any school district concluding its basic education  
24 program in May must report the enrollment of the last school day held  
25 in May in lieu of a June enrollment.

26 (2) CERTIFICATED INSTRUCTIONAL STAFF ALLOCATIONS

27 Allocations for certificated instructional staff salaries for the  
28 2011-12 and 2012-13 school years are determined using formula-generated  
29 staff units calculated pursuant to this subsection.

30 (a) Certificated instructional staff units, as defined in RCW  
31 28A.150.410, shall be allocated to reflect the minimum class size  
32 allocations, requirements, and school prototypes assumptions as  
33 provided in RCW 28A.150.260. The superintendent shall make allocations  
34 to school districts based on the district's annual average full-time  
35 equivalent student enrollment in each grade.

36 (b) Additional certificated instructional staff units provided in  
37 this subsection (2) that exceed the minimum requirements in RCW



1 28A.150.260 are enhancements outside the program of basic education,  
2 except as otherwise provided in this section.

3 (c)(i) The superintendent shall base allocations for each level of  
4 prototypical school on the following regular education average class  
5 size of full-time equivalent students per teacher, except as provided  
6 in (c)(ii) of this subsection:

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

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

17 (ii) For each level of prototypical school at which more than fifty  
18 percent of the students were eligible for free and reduced-price meals  
19 in the prior school year, the superintendent shall allocate funding  
20 based on the following average class size of full-time equivalent  
21 students per teacher:

22 General education class size in high poverty		
23 school:		
24 Grades K-3	.....	24.10
25 Grade 4	.....	27.00
26 Grades 5-6	.....	27.00
27 Grades 7-8	.....	28.53
28 Grades 9-12	.....	28.74

29 (iii) Pursuant to RCW 28A.150.260(4)(a), the assumed teacher  
30 planning period, expressed as a percentage of a teacher work day, is  
31 13.42 percent in grades K-6, and 16.67 percent in grades 7-12; and

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

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

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

14 Career and Technical Education

15 students . . . . .	2.02 per 1000 student FTE's
16 Skill Center students . . . . .	2.36 per 1000 student FTE's

17 (3) ADMINISTRATIVE STAFF ALLOCATIONS

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

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

28 Career and Technical Education students . . . . .	2.5 percent
29 Skill Center students . . . . .	19.75 percent

30 (4) CLASSIFIED STAFF ALLOCATIONS

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

36 (5) CENTRAL OFFICE ALLOCATIONS  
37

1 In addition to classified and administrative staff units allocated  
2 in subsections (3) and (4) of this section, classified and  
3 administrative staff units are provided for the 2011-12 and 2012-13  
4 school year for the central office administrative costs of operating a  
5 school district, at the following rates:

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

11 (b) Of the central office staff units calculated in (a) of this  
12 subsection, 74.53 percent are allocated as classified staff units, as  
13 generated in subsection (4) of this section, and 25.47 percent shall be  
14 allocated as administrative staff units, as generated in subsection (3)  
15 of this section.

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

21 (d) For students in approved career-technical and skill center  
22 programs, central office classified units are allocated at the same  
23 staff unit per student rate as those generated for general education  
24 students of the same grade in this subsection (5), and central office  
25 administrative staff units are allocated at staff unit per student  
26 rates that exceed the general education rate established for students  
27 in the same grade in this subsection (5) by 3.69 percent for career and  
28 technical education students, and 21.92 percent for skill center  
29 students.

30 (6) FRINGE BENEFIT ALLOCATIONS

31 Fringe benefit allocations shall be calculated at a rate of 16.33  
32 percent in the 2011-12 school year and 16.34 percent in the 2012-13  
33 school year for certificated salary allocations provided under  
34 subsections (2), (3), and (5) of this section, and a rate of 18.73  
35 percent in the 2011-12 school year and 18.73 percent in the 2012-13  
36 school year for classified salary allocations provided under  
37 subsections (4) and (5) of this section.

38 (7) INSURANCE BENEFIT ALLOCATIONS  
39

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

4 (a) The number of certificated staff units determined in  
5 subsections (2), (3), and (5) of this section; and

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

13 (8) MATERIALS, SUPPLIES, AND OPERATING COSTS (MSOC) ALLOCATIONS

14 Funding is allocated per annual average full-time equivalent  
15 student for the materials, supplies, and operating costs (MSOC)  
16 incurred by school districts, consistent with the requirements of RCW  
17 28A.150.260.

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

20 MSOC RATES/STUDENT FTE

21			
22	MSOC Component	2011-12	2012-13
23		SCHOOL YEAR	SCHOOL YEAR
24			
25	Technology	\$57.42	\$58.28
26	Utilities and Insurance	\$156.03	\$158.37
27	Curriculum and Textbooks	\$61.65	\$62.58
28	Other Supplies and Library Materials	\$130.89	\$132.85
29	Instructional Professional Development for Certificated		
30	and Classified Staff	\$9.53	\$9.68
31	Facilities Maintenance	\$77.30	\$78.46
32	Security and Central Office	\$53.55	\$54.35
33	TOTAL BASIC EDUCATION MSOC/STUDENT FTE	\$546.37	\$554.57

1 (b) Students in approved skill center programs generate per student  
2 FTE MSOC allocations which equal the rate for general education  
3 students calculated in (a) of this subsection, multiplied by a factor  
4 of 2.171.

5 (c) Students in approved exploratory and preparatory career and  
6 technical education programs generate a per student MSOC allocation  
7 that is equal to the rate for general education students calculated in  
8 (a) of this subsection, multiplied by a factor of 2.442.

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

12 (9) SUBSTITUTE TEACHER ALLOCATIONS

13 For the 2011-12 and 2012-13 school years, funding for substitute  
14 costs for classroom teachers is based on four (4) funded substitute  
15 days per classroom teacher unit generated under subsection (2) of this  
16 section, at a daily substitute rate of \$151.86.

17 (10) ALTERNATIVE LEARNING EXPERIENCE PROGRAM FUNDING

18 (a) Amounts provided in this section are adjusted to reflect  
19 provisions of House Bill No. 2065 (allocation of funding for funding  
20 for students enrolled in alternative learning experiences).

21 (b) The superintendent of public instruction shall require all  
22 districts receiving general apportionment funding for alternative  
23 learning experience (ALE) programs as defined in WAC 392-121-182 to  
24 provide separate financial accounting of expenditures for the ALE  
25 programs offered in district or with a provider, including but not  
26 limited to private companies and multidistrict cooperatives, as well as  
27 accurate, monthly headcount and FTE enrollment claimed for basic  
28 education, including separate counts of resident and nonresident  
29 students.

30 (11) VOLUNTARY FULL DAY KINDERGARTEN PROGRAMS

31 Funding in this section is sufficient to fund voluntary full day  
32 kindergarten programs in qualifying high poverty schools, pursuant to  
33 RCW 28A.150.220 and 28A.150.315. Each kindergarten student who enrolls  
34 for the voluntary full-day program in a qualifying school shall count  
35 as one-half of one full-time equivalent student for purpose of making  
36 allocations under this section. Funding in this section provides full-  
37 day kindergarten programs for 21 percent of kindergarten enrollment in

1 the 2011-12 school year, and 22 percent in the 2012-13 school year.  
2 Funding priority shall be given to schools with the highest poverty  
3 levels, as measured by prior year free and reduced price lunch  
4 eligibility rates in each school. Funding in this section is  
5 sufficient to fund voluntary full day kindergarten programs for July  
6 and August of the 2010-11 school year.

7 (12) ADDITIONAL FUNDING FOR SMALL SCHOOL DISTRICTS AND REMOTE AND  
8 NECESSARY PLANTS

9 For small school districts and remote and necessary school plants  
10 within any district which have been judged to be remote and necessary  
11 by the superintendent of public instruction, additional staff units are  
12 provided to ensure a minimum level of staffing support. Additional  
13 administrative and certificated instructional staff units provided to  
14 districts in this subsection shall be reduced by the general education  
15 staff units, excluding career and technical education and skills center  
16 enhancement units, otherwise provided in subsections (2) through (5) of  
17 this section on a per district basis.

18 (a) For districts enrolling not more than twenty-five average  
19 annual full-time equivalent students in grades K-8, and for small  
20 school plants within any school district which have been judged to be  
21 remote and necessary by the superintendent of public instruction and  
22 enroll not more than twenty-five average annual full-time equivalent  
23 students in grades K-8:

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

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

34 (b) For specified enrollments in districts enrolling more than  
35 twenty-five but not more than one hundred average annual full-time  
36 equivalent students in grades K-8, and for small school plants within  
37 any school district which enroll more than twenty-five average annual

1 full-time equivalent students in grades K-8 and have been judged to be  
2 remote and necessary by the superintendent of public instruction:

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

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

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

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

18 (ii) For all other small high schools under this subsection, nine  
19 certificated instructional staff units and one-half of a certificated  
20 administrative staff unit for the first sixty average annual full-time  
21 equivalent students, and additional staff units based on a ratio of  
22 0.8732 certificated instructional staff units and 0.1268 certificated  
23 administrative staff units per each additional forty-three and one-half  
24 average annual full-time equivalent students;

25 (iii) Districts receiving staff units under this subsection shall  
26 add students enrolled in a district alternative high school and any  
27 grades nine through twelve alternative learning experience programs  
28 with the small high school enrollment for calculations under this  
29 subsection;

30 (d) For each nonhigh school district having an enrollment of more  
31 than seventy annual average full-time equivalent students and less than  
32 one hundred eighty students, operating a grades K-8 program or a grades  
33 1-8 program, an additional one-half of a certificated instructional  
34 staff unit;

35 (e) For each nonhigh school district having an enrollment of more  
36 than fifty annual average full-time equivalent students and less than  
37 one hundred eighty students, operating a grades K-6 program or a grades

1 1-6 program, an additional one-half of a certificated instructional  
2 staff unit;

3 (f)(i) For enrollments generating certificated staff unit  
4 allocations under (a) through (e) of this subsection, one classified  
5 staff unit for each 2.94 certificated staff units allocated under such  
6 subsections;

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

11 (g) School districts receiving additional staff units to support  
12 small student enrollments and remote and necessary plants under  
13 subsection (12) of this section shall generate additional MSOC  
14 allocations consistent with the nonemployee related costs (NERC)  
15 allocation formula in place for the 2010-11 school year as provided  
16 section 502, chapter 37, Laws of 2010 1st sp. sess. (2010 supplemental  
17 budget), adjusted annually for inflation.

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

27 (14) The superintendent may distribute funding for the following  
28 programs outside the basic education formula during fiscal years 2012  
29 and 2013 as follows:

30 (a) \$589,000 of the general fund--state appropriation for fiscal  
31 year 2012 and \$598,000 of the general fund--state appropriation for  
32 fiscal year 2013 are provided solely for fire protection for school  
33 districts located in a fire protection district as now or hereafter  
34 established pursuant to chapter 52.04 RCW.

35 (b) \$436,000 of the general fund--state appropriation for fiscal  
36 year 2012 and \$436,000 of the general fund--state appropriation for  
37 fiscal year 2013 are provided solely for programs providing skills  
38 training for secondary students who are enrolled in extended day



1 school-to-work programs, as approved by the superintendent of public  
2 instruction. The funds shall be allocated at a rate not to exceed \$500  
3 per full-time equivalent student enrolled in those programs.

4 (c) Funding in this section is sufficient to fund adjustments to  
5 school districts' allocations resulting from the implementation of the  
6 prototypical school funding formula, pursuant to chapter 236, Laws of  
7 2010 (K-12 education funding). The funding in this section is intended  
8 to hold school districts harmless in total for funding changes  
9 resulting from conversion to the prototypical school formula in the  
10 general apportionment program, the learning assistance program, the  
11 transitional bilingual program, and the highly capable program, after  
12 adjustment for changes in enrollment and other caseload adjustments.

13 (15) \$208,000 of the general fund--state appropriation for fiscal  
14 year 2012 and \$211,000 of the general fund--state appropriation for  
15 fiscal year 2013 are provided solely for school district emergencies as  
16 certified by the superintendent of public instruction. At the close of  
17 the fiscal year the superintendent of public instruction shall report  
18 to the office of financial management and the appropriate fiscal  
19 committees of the legislature on the allocations provided to districts  
20 and the nature of the emergency.

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

24 (17) Beginning in the 2011-12 school year, students participating  
25 in running start programs may be funded up to a combined maximum  
26 enrollment of 1.2 FTE including school district and institution of  
27 higher education enrollment. In calculating the combined 1.2 FTE, the  
28 office of the superintendent of public instruction may average the  
29 participating student's September through June enrollment to account  
30 for differences in the start and end dates for courses provided by the  
31 high school and higher education institution. Additionally, the office  
32 of the superintendent of public instruction, in consultation with the  
33 state board for community and technical colleges, the (~~higher~~  
34 ~~education coordinating board~~) student achievement council, and the  
35 education data center, shall annually track and report to the fiscal  
36 committees of the legislature on the combined FTE experience of  
37 students participating in the running start program, including course

1 load analyses at both the high school and community and technical  
2 college system.

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

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

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

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

23 (b) Career and technical education program full-time equivalent  
24 enrollment shall be reported on the same monthly basis as the  
25 enrollment for students eligible for basic support, and payments shall  
26 be adjusted for reported career and technical education program  
27 enrollments on the same monthly basis as those adjustments for  
28 enrollment for students eligible for basic support.

29 **Sec. 1503.** 2012 2nd sp.s. c 7 s 505 (uncodified) is amended to  
30 read as follows:

31 **FOR THE SUPERINTENDENT OF PUBLIC INSTRUCTION--FOR PUPIL TRANSPORTATION**

32	General Fund--State Appropriation (FY 2012) . . . . .	\$322,243,000
33	General Fund--State Appropriation (FY 2013) . . . . .	<del>(\$273,642,000)</del>
34		<u>\$273,893,000</u>
35	TOTAL APPROPRIATION . . . . .	<del>(\$595,885,000)</del>
36		<u>\$596,136,000</u>

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

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

6 (2)(a) For the 2011-12 and 2012-13 school years, the superintendent  
7 shall allocate funding to school district programs for the  
8 transportation of students as provided in RCW 28A.160.192.

9 (b) From July 1, 2011 to August 31, 2011, the superintendent shall  
10 allocate funding to school districts programs for the transportation of  
11 students as provided in section 505, chapter 564, Laws of 2009, as  
12 amended through section 1404 of this act.

13 (3) Any amounts appropriated for maintenance level funding for  
14 pupil transportation that exceed actual maintenance level expenditures  
15 as calculated under the funding formula that takes effect September 1,  
16 2011, shall be distributed to districts according to RCW  
17 28A.160.192(2)(b).

18 (4) A maximum of \$892,000 of this fiscal year 2012 appropriation  
19 and a maximum of \$892,000 of the fiscal year 2013 appropriation may be  
20 expended for regional transportation coordinators and related  
21 activities. The transportation coordinators shall ensure that data  
22 submitted by school districts for state transportation funding shall,  
23 to the greatest extent practical, reflect the actual transportation  
24 activity of each district.

25 (5) The office of the superintendent of public instruction shall  
26 provide reimbursement funding to a school district for school bus  
27 purchases only after the superintendent of public instruction  
28 determines that the school bus was purchased from the list established  
29 pursuant to RCW 28A.160.195(2) or a comparable competitive bid process  
30 based on the lowest price quote based on similar bus categories to  
31 those used to establish the list pursuant to RCW 28A.160.195.

32 (6) The superintendent of public instruction shall base  
33 depreciation payments for school district buses on the pre-sales tax  
34 five-year average of lowest bids in the appropriate category of bus.  
35 In the final year on the depreciation schedule, the depreciation  
36 payment shall be based on the lowest bid in the appropriate bus  
37 category for that school year.

1 (7) Funding levels in this section reflect waivers granted by the  
2 state board of education for four-day school weeks as allowed under RCW  
3 28A.305.141.

4 (8) Starting with the 2012-13 school year, the office of the  
5 superintendent of public instruction shall disburse payments for bus  
6 depreciation in August.

7 **Sec. 1504.** 2011 2nd sp.s. c 9 s 506 (uncodified) is amended to  
8 read as follows:

9 **FOR THE SUPERINTENDENT OF PUBLIC INSTRUCTION--FOR SCHOOL FOOD SERVICE**  
10 **PROGRAMS**

11	General Fund--State Appropriation (FY 2012) . . . . .	\$7,111,000
12	General Fund--State Appropriation (FY 2013) . . . . .	\$7,111,000
13	General Fund--Federal Appropriation . . . . .	<del>(((\$436,400,000))</del>
14		<u>\$506,000,000</u>
15	TOTAL APPROPRIATION . . . . .	<del>(((\$450,622,000))</del>
16		<u>\$520,222,000</u>

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

19 (1) \$7,111,000 of the general fund--state appropriation for fiscal  
20 year 2012 and \$7,111,000 of the general fund--state appropriation for  
21 fiscal year 2013 are provided solely for state matching money for  
22 federal child nutrition programs, and may support the meals for kids  
23 program through the following allowable uses:

24 (a) Elimination of breakfast copays for eligible public school  
25 students and lunch copays for eligible public school students in grades  
26 kindergarten through third grade who are eligible for reduced price  
27 lunch;

28 (b) Assistance to school districts and authorized public and  
29 private nonprofit organizations for supporting summer food service  
30 programs, and initiating new summer food service programs in low-income  
31 areas;

32 (c) Reimbursements to school districts for school breakfasts served  
33 to students eligible for free and reduced price lunch, pursuant to  
34 chapter 287, Laws of 2005; and

35 (d) Assistance to school districts in initiating and expanding  
36 school breakfast programs.

1 The office of the superintendent of public instruction shall report  
2 annually to the fiscal committees of the legislature on annual  
3 expenditures in (a), (b), and (c) of this subsection.

4 **Sec. 1505.** 2012 2nd sp.s. c 7 s 506 (uncodified) is amended to  
5 read as follows:

6 **FOR THE SUPERINTENDENT OF PUBLIC INSTRUCTION--FOR SPECIAL EDUCATION**  
7 **PROGRAMS**

8	General Fund--State Appropriation (FY 2012) . . . . .	\$648,369,000
9	General Fund--State Appropriation (FY 2013) . . . . .	<del>(\$679,832,000)</del>
10		<u>\$659,913,000</u>
11	General Fund--Federal Appropriation . . . . .	<del>(\$486,922,000)</del>
12		<u>\$499,922,000</u>
13	Education Legacy Trust Account--State Appropriation . . . . .	\$756,000
14	TOTAL APPROPRIATION . . . . .	<del>(\$1,815,879,000)</del>
15		<u>\$1,808,960,000</u>

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

18 (1) Funding for special education programs is provided on an excess  
19 cost basis, pursuant to RCW 28A.150.390. School districts shall ensure  
20 that special education students as a class receive their full share of  
21 the general apportionment allocation accruing through sections 502 and  
22 504 of this act. To the extent a school district cannot provide an  
23 appropriate education for special education students under chapter  
24 28A.155 RCW through the general apportionment allocation, it shall  
25 provide services through the special education excess cost allocation  
26 funded in this section.

27 (2)(a) The superintendent of public instruction shall ensure that:  
28 (i) Special education students are basic education students first;  
29 (ii) As a class, special education students are entitled to the  
30 full basic education allocation; and  
31 (iii) Special education students are basic education students for  
32 the entire school day.

33 (b) The superintendent of public instruction shall continue to  
34 implement the full cost method of excess cost accounting, as designed  
35 by the committee and recommended by the superintendent, pursuant to  
36 section 501(1)(k), chapter 372, Laws of 2006.

1 (c) Beginning with the 2010-11 school year award cycle, the office  
2 of the superintendent of public instruction shall make award  
3 determinations for state safety net funding in August of each school  
4 year. Determinations on school district eligibility for state safety  
5 net awards shall be based on analysis of actual expenditure data from  
6 the current school year.

7 (3) Each fiscal year appropriation includes such funds as are  
8 necessary to complete the school year ending in the fiscal year and for  
9 prior fiscal year adjustments.

10 (4)(a) For the 2011-12 and 2012-13 school years, the superintendent  
11 shall allocate funding to school district programs for special  
12 education students as provided in RCW 28A.150.390.

13 (b) From July 1, 2011 to August 31, 2011, the superintendent shall  
14 allocate funding to school district programs for special education  
15 students as provided in section 507, chapter 564, Laws of 2009, as  
16 amended through section 1406 of this act.

17 (5) The following applies throughout this section: The definitions  
18 for enrollment and enrollment percent are as specified in RCW  
19 28A.150.390(3). Each district's general fund--state funded special  
20 education enrollment shall be the lesser of the district's actual  
21 enrollment percent or 12.7 percent.

22 (6) At the request of any interdistrict cooperative of at least 15  
23 districts in which all excess cost services for special education  
24 students of the districts are provided by the cooperative, the maximum  
25 enrollment percent shall be calculated in accordance with RCW  
26 28A.150.390(3) (c) and (d), and shall be calculated in the aggregate  
27 rather than individual district units. For purposes of this  
28 subsection, the average basic education allocation per full-time  
29 equivalent student shall be calculated in the aggregate rather than  
30 individual district units.

31 (7) \$8,914,000 of the general fund--state appropriation for fiscal  
32 year 2012, (~~(\$34,200,000)~~) \$9,469,000 of the general fund--state  
33 appropriation for fiscal year 2013, and (~~(\$29,574,000)~~) \$32,574,000 of  
34 the general fund--federal appropriation are provided solely for safety  
35 net awards for districts with demonstrated needs for special education  
36 funding beyond the amounts provided in subsection (4) of this section.  
37 If the federal safety net awards based on the federal eligibility  
38 threshold exceed the federal appropriation in this subsection (7) in

1 any fiscal year, the superintendent shall expend all available federal  
2 discretionary funds necessary to meet this need. At the conclusion of  
3 each school year, the superintendent shall recover safety net funds  
4 that were distributed prospectively but for which districts were not  
5 subsequently eligible.

6 (a) For the 2011-12 and 2012-13 school years, safety net funds  
7 shall be awarded by the state safety net oversight committee as  
8 provided in section 109(1) chapter 548, Laws of 2009 (ESHB 2261).

9 (b) From July 1, 2011 to August 31, 2011, the superintendent shall  
10 operate the safety net oversight committee and shall award safety net  
11 funds as provided in section 507, chapter 564, Laws of 2009, as amended  
12 through section 1406 of this act.

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

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

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

28 (11) \$251,000 of the general fund--state appropriation for fiscal  
29 year 2012 and \$251,000 of the general fund--state appropriation for  
30 fiscal year 2013 are provided solely for two additional full-time  
31 equivalent staff to support the work of the safety net committee and to  
32 provide training and support to districts applying for safety net  
33 awards.

34 (12) \$50,000 of the general fund--state appropriation for fiscal  
35 year 2012, \$50,000 of the general fund--state appropriation for fiscal  
36 year 2013, and \$100,000 of the general fund--federal appropriation  
37 shall be expended to support a special education ombudsman program  
38 within the office of superintendent of public instruction.

1       **Sec. 1506.** 2012 2nd sp.s. c 7 s 507 (uncodified) is amended to  
2 read as follows:

3       **FOR THE SUPERINTENDENT OF PUBLIC INSTRUCTION--FOR EDUCATIONAL SERVICE**  
4       **DISTRICTS**

5	General Fund--State Appropriation (FY 2012) . . . . .	\$7,894,000
6	General Fund--State Appropriation (FY 2013) . . . . .	<del>(\$7,912,000)</del>
7		<u>\$7,896,000</u>
8	TOTAL APPROPRIATION . . . . .	<del>(\$15,806,000)</del>
9		<u>\$15,790,000</u>

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

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

15       (2) Funding within this section is provided for regional  
16 professional development related to mathematics and science curriculum  
17 and instructional strategies. Funding shall be distributed among the  
18 educational service districts in the same proportion as distributions  
19 in the 2007-2009 biennium. Each educational service district shall use  
20 this funding solely for salary and benefits for a certificated  
21 instructional staff with expertise in the appropriate subject matter  
22 and in professional development delivery, and for travel, materials,  
23 and other expenditures related to providing regional professional  
24 development support.

25       (3) The educational service districts, at the request of the state  
26 board of education pursuant to RCW 28A.310.010 and ~~((28A.310.340))~~  
27 28A.305.130, may receive and screen applications for school  
28 accreditation, conduct school accreditation site visits pursuant to  
29 state board of education rules, and submit to the state board of  
30 education post-site visit recommendations for school accreditation.  
31 The educational service districts may assess a cooperative service fee  
32 to recover actual plus reasonable indirect costs for the purposes of  
33 this subsection.

34       **Sec. 1507.** 2012 2nd sp.s. c 7 s 508 (uncodified) is amended to  
35 read as follows:

36       **FOR THE SUPERINTENDENT OF PUBLIC INSTRUCTION--FOR LOCAL EFFORT**



1 **ASSISTANCE**

2	General Fund--State Appropriation (FY 2012) . . . . .	\$300,768,000
3	General Fund--State Appropriation (FY 2013) . . . . .	<del>(\$298,166,000)</del>
4		<u>\$299,537,000</u>
5	General Fund--Federal Appropriation . . . . .	\$4,400,000
6	TOTAL APPROPRIATION . . . . .	<del>(\$603,334,000)</del>
7		<u>\$604,705,000</u>

8 The appropriations in this section are subject to the following  
9 conditions and limitations: For purposes of RCW 84.52.0531, the  
10 increase per full-time equivalent student is 3 percent from the 2010-11  
11 school year to the 2011-12 school year and 5 percent from the 2011-12  
12 school year to the 2012-13 school year.

13 **Sec. 1508.** 2012 2nd sp.s. c 7 s 509 (uncodified) is amended to  
14 read as follows:

15 **FOR THE SUPERINTENDENT OF PUBLIC INSTRUCTION--FOR INSTITUTIONAL**  
16 **EDUCATION PROGRAMS**

17	General Fund--State Appropriation (FY 2012) . . . . .	\$16,694,000
18	General Fund--State Appropriation (FY 2013) . . . . .	<del>(\$15,867,000)</del>
19		<u>\$14,547,000</u>
20	TOTAL APPROPRIATION . . . . .	<del>(\$32,561,000)</del>
21		<u>\$31,241,000</u>

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

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

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

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

36 (4) The funded staffing ratios for education programs for juveniles

1 age 18 or less in department of corrections facilities shall be the  
2 same as those provided in the 1997-99 biennium.

3 (5) \$586,000 of the general fund--state appropriation for fiscal  
4 year 2012 and (~~(\$549,000)~~) \$899,000 of the general fund--state  
5 appropriation for fiscal year 2013 are provided solely to maintain at  
6 least one certificated instructional staff and related support services  
7 at an institution whenever the K-12 enrollment is not sufficient to  
8 support one full-time equivalent certificated instructional staff to  
9 furnish the educational program. The following types of institutions  
10 are included: Residential programs under the department of social and  
11 health services for developmentally disabled juveniles, programs for  
12 juveniles under the department of corrections, programs for juveniles  
13 under the juvenile rehabilitation administration, and programs for  
14 juveniles operated by city and county jails.

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

17 **Sec. 1509.** 2012 2nd sp.s. c 7 s 510 (uncodified) is amended to  
18 read as follows:

19 **FOR PROGRAMS FOR HIGHLY CAPABLE STUDENTS**

20	General Fund--State Appropriation (FY 2012) . . . . .	\$8,745,000
21	General Fund--State Appropriation (FY 2013) . . . . .	( <del>(\$8,788,000)</del> )
22		<u>\$9,157,000</u>
23	TOTAL APPROPRIATION . . . . .	( <del>(\$17,533,000)</del> )
24		<u>\$17,902,000</u>

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

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

30 (2)(a) For the 2011-12 and 2012-13 school years, the superintendent  
31 shall allocate funding to school district programs for highly capable  
32 students as provided in RCW 28A.150.260(10)(c). In calculating the  
33 allocations, the superintendent shall assume the following: (i)  
34 Additional instruction of 2.1590 hours per week per funded highly  
35 capable program student; (ii) fifteen highly capable program students  
36 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, 2011, to August 31, 2011, the superintendent shall  
5 allocate funding to school districts programs for highly capable  
6 students as provided in section 511, chapter 564, Laws of 2009, as  
7 amended through section 1409 of this act.

8 (3) \$85,000 of the general fund--state appropriation for fiscal  
9 year 2012 and \$85,000 of the general fund--state appropriation for  
10 fiscal year 2013 are provided solely for the centrum program at Fort  
11 Worden state park.

12 **Sec. 1510.** 2012 2nd sp.s. c 7 s 511 (uncodified) is amended to  
13 read as follows:

14 **FOR THE SUPERINTENDENT OF PUBLIC INSTRUCTION--EDUCATION REFORM**  
15 **PROGRAMS**

16	General Fund--State Appropriation (FY 2012) . . . . .	\$58,078,000
17	General Fund--State Appropriation (FY 2013) . . . . .	<del>(\$103,655,000)</del>
18		<u>\$103,455,000</u>
19	General Fund--Federal Appropriation . . . . .	<del>(\$219,147,000)</del>
20		<u>\$221,147,000</u>
21	General Fund--Private/Local Appropriation . . . . .	\$4,000,000
22	Education Legacy Trust Account--State Appropriation . . . . .	\$1,596,000
23	TOTAL APPROPRIATION . . . . .	<del>(\$386,476,000)</del>
24		<u>\$388,276,000</u>

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

27 (1) \$40,822,000 of the general fund--state appropriation for fiscal  
28 year 2012, \$41,614,000 of the general fund--state appropriation for  
29 fiscal year 2013, \$1,350,000 of the education legacy trust  
30 account--state appropriation, and \$15,868,000 of the general fund--  
31 federal appropriation are provided solely for development and  
32 implementation of the Washington state assessment system, including:

- 33 (a) Development and implementation of retake assessments for high
- 34 school students who are not successful in one or more content areas and
- 35 (b) development and implementation of alternative assessments or
- 36 appeals procedures to implement the certificate of academic
- 37 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 shall be limited to one collection of  
6 evidence payment per student, per content-area assessment.

7 (2) \$356,000 of the general fund--state appropriation for fiscal  
8 year 2012 and \$356,000 of the general fund--state appropriation for  
9 fiscal year 2013 are provided solely for the Washington state  
10 leadership and assistance for science education reform (LASER) regional  
11 partnership activities coordinated at the Pacific science center,  
12 including instructional material purchases, teacher and principal  
13 professional development, and school and community engagement events.

14 (3) \$980,000 of the general fund--state appropriation for fiscal  
15 year 2012 and \$980,000 of the general fund--state appropriation for  
16 fiscal year 2013 are provided solely for improving technology  
17 infrastructure, monitoring and reporting on school district technology  
18 development, promoting standards for school district technology,  
19 promoting statewide coordination and planning for technology  
20 development, and providing regional educational technology support  
21 centers, including state support activities, under chapter 28A.650 RCW.

22 (4) \$3,852,000 of the general fund--state appropriation for fiscal  
23 year 2012 and \$2,624,000 of the general fund--state appropriation for  
24 fiscal year 2013 are provided solely for continued implementation of  
25 chapter 235, Laws of 2010 (education reform) including development of  
26 new performance-based evaluation systems for certificated educators.

27 (5)(a) \$39,296,000 of the general fund--state appropriation for  
28 fiscal year 2013 is provided solely for the following bonuses for  
29 teachers who hold valid, unexpired certification from the national  
30 board for professional teaching standards and who are teaching in a  
31 Washington public school, subject to the following conditions and  
32 limitations:

33 (i) For national board certified teachers, a bonus of \$5,090 per  
34 teacher in the 2011-12 and 2012-13 school years, adjusted for inflation  
35 in each school year in which Initiative 732 cost of living adjustments  
36 are provided;

37 (ii) An additional \$5,000 annual bonus shall be paid to national  
38 board certified teachers who teach in either: (A) High schools where

1 at least 50 percent of student headcount enrollment is eligible for  
2 federal free or reduced price lunch, (B) middle schools where at least  
3 60 percent of student headcount enrollment is eligible for federal free  
4 or reduced price lunch, or (C) elementary schools where at least 70  
5 percent of student headcount enrollment is eligible for federal free or  
6 reduced price lunch;

7 (iii) The superintendent of public instruction shall adopt rules to  
8 ensure that national board certified teachers meet the qualifications  
9 for bonuses under (a)(ii) of this subsection for less than one full  
10 school year receive bonuses in a pro-rated manner. Beginning in the  
11 2011-12 school year, all bonuses in (a)(i) and (ii) of this subsection  
12 will be paid in July of each school year. Bonuses in (a)(i) and (ii)  
13 of this subsection shall be reduced by a factor of 40 percent for first  
14 year NBPTS certified teachers, to reflect the portion of the  
15 instructional school year they are certified; and

16 (iv) During the 2011-12 and 2012-13 school years, and within  
17 available funds, certificated instructional staff who have met the  
18 eligibility requirements and have applied for certification from the  
19 national board for professional teaching standards may receive a  
20 conditional loan of two thousand dollars or the amount set by the  
21 office of the superintendent of public instruction to contribute toward  
22 the current assessment fee, not including the initial up-front  
23 candidacy payment. The fee shall be an advance on the first annual  
24 bonus under RCW 28A.405.415. The conditional loan is provided in  
25 addition to compensation received under a district's salary schedule  
26 and shall not be included in calculations of a district's average  
27 salary and associated salary limitation under RCW 28A.400.200.  
28 Recipients who fail to receive certification after three years are  
29 required to repay the conditional loan. The office of the  
30 superintendent of public instruction shall adopt rules to define the  
31 terms for initial grant of the assessment fee and repayment, including  
32 applicable fees. To the extent necessary, the superintendent may use  
33 revenues from the repayment of conditional loan scholarships to ensure  
34 payment of all national board bonus payments required by this section  
35 in each school year.

36 (6) \$477,000 of the general fund--state appropriation for fiscal  
37 year 2012 and \$477,000 of the general fund--state appropriation for

1 fiscal year 2013 are provided solely for the leadership internship  
2 program for superintendents, principals, and program administrators.

3 (7) \$950,000 of the general fund--state appropriation for fiscal  
4 year 2012 and \$950,000 of the general fund--state appropriation for  
5 fiscal year 2013 are provided solely for the Washington reading corps.  
6 The superintendent shall allocate reading corps members to low-  
7 performing schools and school districts that are implementing  
8 comprehensive, proven, research-based reading programs. Two or more  
9 schools may combine their Washington reading corps programs.

10 (8) \$810,000 of the general fund--state appropriation for fiscal  
11 year 2012 and \$810,000 of the general fund--state appropriation for  
12 fiscal year 2013 are provided solely for the development of a  
13 leadership academy for school principals and administrators. The  
14 superintendent of public instruction shall contract with an independent  
15 organization to design, field test, and implement a state-of-the-art  
16 education leadership academy that will be accessible throughout the  
17 state. Initial development of the content of the academy activities  
18 shall be supported by private funds. Semiannually the independent  
19 organization shall report on amounts committed by foundations and  
20 others to support the development and implementation of this program.  
21 Leadership academy partners shall include the state level organizations  
22 for school administrators and principals, the superintendent of public  
23 instruction, the professional educator standards board, and others as  
24 the independent organization shall identify.

25 (9) \$3,234,000 of the general fund--state appropriation for fiscal  
26 year 2012 and \$3,234,000 of the general fund--state appropriation for  
27 fiscal year 2013 are provided solely for grants to school districts to  
28 provide a continuum of care for children and families to help children  
29 become ready to learn. Grant proposals from school districts shall  
30 contain local plans designed collaboratively with community service  
31 providers. If a continuum of care program exists in the area in which  
32 the school district is located, the local plan shall provide for  
33 coordination with existing programs to the greatest extent possible.

34 (10) \$1,500,000 of the general fund--state appropriation for fiscal  
35 year 2012 and \$1,500,000 of the general fund--state appropriation for  
36 fiscal year 2013 are provided solely for the implementation of chapter  
37 288, Laws of 2011 (actual student success program), including  
38 allocations to the opportunity internship program, the jobs for

1 America's graduates program, the building bridges program, services  
2 provided by a college scholarship organization. Funding shall not be  
3 used in the 2011-2013 fiscal biennium to provide awards for schools and  
4 school districts.

5 (11) \$859,000 of the general fund--state appropriation for fiscal  
6 year 2012, \$808,000 of the general fund--state appropriation for fiscal  
7 year 2013, and \$248,000 of the education legacy trust account--state  
8 appropriation are for administrative support of education reform  
9 programs.

10 (12) \$2,000,000 of the general fund--state appropriation for fiscal  
11 year 2012 and \$2,000,000 of the general fund--state appropriation for  
12 fiscal year 2013 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 (13) \$977,000 of the general fund--state appropriation for fiscal  
17 year 2012 and \$1,077,000 of the general fund--state appropriation for  
18 fiscal year 2013 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 2012 appropriation and  
21 \$300,000 of the 2013 appropriation shall be used to support FIRST  
22 robotics programs. Of the amounts in this subsection, \$100,000 of the  
23 fiscal year 2013 appropriation is provided solely for the purpose of  
24 statewide supervision activities for career and technical education  
25 student leadership organizations.

26 (14) \$125,000 of the general fund--state appropriation for fiscal  
27 year 2012 and \$125,000 of the general fund--state appropriation for  
28 fiscal year 2013 are provided solely for (a) staff at the office of the  
29 superintendent of public instruction to coordinate and promote efforts  
30 to develop integrated math, science, technology, and engineering  
31 programs in schools and districts across the state; and (b) grants of  
32 \$2,500 to provide twenty middle and high school teachers each year with  
33 professional development training for implementing integrated math,  
34 science, technology, and engineering programs in their schools.

35 (15) \$135,000 of the general fund--state appropriation for fiscal  
36 year 2012 and \$135,000 of the general fund--state appropriation for  
37 fiscal year 2013 are provided solely for science, technology,

1 engineering and mathematics lighthouse projects, consistent with  
2 chapter 238, Laws of 2010.

3 (16) \$1,000,000 of the general fund--state appropriation for fiscal  
4 year 2012 and \$1,000,000 of the general fund--state appropriation for  
5 fiscal year 2013 are provided solely for a beginning educator support  
6 program. School districts and/or regional consortia may apply for  
7 grant funding. The superintendent shall implement this program in 5 to  
8 15 school districts and/or regional consortia. The program provided by  
9 a district and/or regional consortia shall include: A paid  
10 orientation; assignment of a qualified mentor; development of a  
11 professional growth plan for each beginning teacher aligned with  
12 professional certification; release time for mentors and new teachers  
13 to work together; and teacher observation time with accomplished peers.  
14 \$250,000 may be used to provide statewide professional development  
15 opportunities for mentors and beginning educators.

16 (17) \$5,767,000 of the general fund--state appropriation for fiscal  
17 year 2013 is provided solely pursuant to Engrossed Substitute Senate  
18 Bill No. 5895 (certificated employee evaluations). If the bill is not  
19 enacted by June 30, 2012, the amount provided in this subsection shall  
20 lapse.

21 ((+19)) (18) \$250,000 of the general fund--state appropriation for  
22 fiscal year 2013 is provided solely for advanced project lead the way  
23 courses at ten high schools. To be eligible for funding, a high school  
24 must have offered a foundational project lead the way course during the  
25 2011-12 school year. The funding must be used for one-time start-up  
26 course costs for an advanced project lead the way course, to be offered  
27 to students beginning in the 2012-13 school year. The office of the  
28 superintendent of public instruction and the education research and  
29 data center at the office of financial management shall track student  
30 participation and long-term outcome data.

31 ((+20)) (19) \$150,000 of the general fund--state appropriation for  
32 fiscal year 2013 is provided solely for aerospace and manufacturing  
33 technical programs housed at two skill centers. The one-time funding  
34 is provided for start-up equipment and curriculum purchases. To be  
35 eligible for funding, the skill center must agree to provide regional  
36 high schools with access to a technology laboratory, expand  
37 manufacturing certificate and course offerings at the skill center, and  
38 provide a laboratory space for local high school teachers to engage in



1 professional development in the instruction of courses leading to  
2 student employment certification in the aerospace and manufacturing  
3 industries. The office of the superintendent of public instruction  
4 shall administer the grants in consultation with the center for  
5 excellence for aerospace and advanced materials manufacturing.

6 ((+21)) (20) \$300,000 of the general fund--state appropriation for  
7 fiscal year 2013 is provided solely for start-up grants to twelve high  
8 schools to implement the aerospace assembler program. Participating  
9 high schools must agree to offer the aerospace assembler training  
10 program to students by spring semester of school year 2012-13. The  
11 office of the superintendent of public instruction and the education  
12 research and data center at the office of financial management shall  
13 track student participation and long-term outcome data.

14 **Sec. 1511.** 2012 2nd sp.s. c 7 s 512 (uncodified) is amended to  
15 read as follows:

16 **FOR THE SUPERINTENDENT OF PUBLIC INSTRUCTION--FOR TRANSITIONAL**  
17 **BILINGUAL PROGRAMS**

18	General Fund--State Appropriation (FY 2012) . . . . .	\$79,575,000
19	General Fund--State Appropriation (FY 2013) . . . . .	<del>(\$80,666,000)</del>
20		<u>\$84,101,000</u>
21	General Fund--Federal Appropriation . . . . .	\$71,001,000
22	TOTAL APPROPRIATION . . . . .	<del>(\$231,242,000)</del>
23		<u>\$234,677,000</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 districts for transitional bilingual  
31 programs as provided in RCW 28A.150.260(10)(b). In calculating the  
32 allocations, the superintendent shall assume the following averages:

- 33 (i) Additional instruction of 4.7780 hours per week per transitional  
34 bilingual program student; (ii) fifteen transitional bilingual program  
35 students per teacher; (iii) 36 instructional weeks per year; (iv) 900  
36 instructional hours per teacher; and (v) the district's average staff  
37

1 mix and compensation rates as provided in sections 503 and 504 of this  
2 act.

3 (b) From July 1, 2011, to August 31, 2011, the superintendent shall  
4 allocate funding to school districts for transitional bilingual  
5 instruction programs as provided in section 514, chapter 564, Laws of  
6 2009, as amended through section 1411 of this act.

7 (c) The allocations in this section reflect the implementation of  
8 a new funding formula for the transitional bilingual instructional  
9 program, effective September 1, 2011, as specified in RCW  
10 28A.150.260(10)(b).

11 (3) The superintendent may withhold allocations to school districts  
12 in subsection (2) of this section solely for the central provision of  
13 assessments as provided in RCW 28A.180.090 (1) and (2) up to the  
14 following amounts: 2.79 percent for school year 2011-12 and 2.11  
15 percent for school year 2012-13.

16 (4) The general fund--federal appropriation in this section is for  
17 migrant education under Title I Part C and English language  
18 acquisition, and language enhancement grants under Title III of the  
19 elementary and secondary education act.

20 (5) In preparing its 2013-15 biennial budget request, the office of  
21 the superintendent of public instruction shall prepare for  
22 implementation of a funding model for the transitional bilingual  
23 program, beginning in school year 2013-14, that is scaled to provide  
24 more support to students requiring most intensive intervention,  
25 (students with beginning levels of English language proficiency) and  
26 less support to students requiring less intervention. The funding  
27 model shall also provide up to two years of bonus funding upon  
28 successful exit from the bilingual program to facilitate successful  
29 transition to a standard program of education.

30 \$35,000 of the general fund--state appropriation for fiscal year  
31 2012 and \$35,000 of the general fund--state appropriation for fiscal  
32 year 2013 are provided solely to track current and former transitional  
33 bilingual program students.

34 **Sec. 1512.** 2012 2nd sp.s. c 7 s 513 (uncodified) is amended to  
35 read as follows:

36 **FOR THE SUPERINTENDENT OF PUBLIC INSTRUCTION--FOR THE LEARNING**

1	<b>ASSISTANCE PROGRAM</b>	
2	General Fund--State Appropriation (FY 2012) . . . . .	\$102,619,000
3	General Fund--State Appropriation (FY 2013) . . . . .	(( <del>\$128,779,000</del> ))
4		<u>\$127,447,000</u>
5	General Fund--Federal Appropriation . . . . .	(( <del>\$492,207,000</del> ))
6		<u>\$506,207,000</u>
7	Education Legacy Trust Account--State	
8	Appropriation . . . . .	\$23,990,000
9	TOTAL APPROPRIATION . . . . .	(( <del>\$747,595,000</del> ))
10		<u>\$760,263,000</u>

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 2011-12 and 2012-13 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 1.51560 hours per week per funded  
23 learning assistance program student; (B) fifteen learning assistance  
24 program students per teacher; (C) 36 instructional weeks per year; (D)  
25 900 instructional hours per teacher; and (E) the district's average  
26 staff mix and compensation rates as provided in sections 503 and 504 of  
27 this act.

28       (ii) From July 1, 2011, to August 31, 2011, the superintendent  
29 shall allocate funding to school districts for learning assistance  
30 programs as provided in section 515, chapter 564, Laws of 2009, as  
31 amended through section 1412 of this act.

32       (c) A school district's funded students for the learning assistance  
33 program shall be the sum of the district's full-time equivalent  
34 enrollment in grades K-12 for the prior school year multiplied by the  
35 district's percentage of October headcount enrollment in grades K-12  
36 eligible for free or reduced price lunch in the prior school year.

37       (2) Allocations made pursuant to subsection (1) of this section  
38 shall be adjusted to reflect ineligible applications identified through

1 the annual income verification process required by the national school  
2 lunch program, as recommended in the report of the state auditor on the  
3 learning assistance program dated February, 2010.

4 (3) The general fund--federal appropriation in this section is  
5 provided for Title I Part A allocations of the no child left behind act  
6 of 2001.

7 (4) A school district may carry over from one year to the next up  
8 to 10 percent of the general fund-state or education legacy trust funds  
9 allocated under this program; however, carryover funds shall be  
10 expended for the learning assistance program.

11 (5) The office of the superintendent of public instruction shall  
12 research and recommend options for an adjustment factor for middle  
13 school and high school free and reduced price lunch eligibility  
14 reporting rates pursuant to RCW 28A.150.260(12)(a), and submit a report  
15 to the fiscal committees of the legislature by June 1, 2012. For the  
16 2011-12 and 2012-13 school years, the adjustment factor is 1.0.

17 **Sec. 1513.** 2012 2nd sp.s. c 7 s 514 (uncodified) is amended to  
18 read as follows:

19 **FOR THE SUPERINTENDENT OF PUBLIC INSTRUCTION**

20 (1) Amounts distributed to districts by the superintendent through  
21 part V of this act are for allocations purposes only and do not entitle  
22 a particular district, district employee, or student to a specific  
23 service, beyond what has been expressly provided in statute. Part V of  
24 this act restates the requirements of various sections of Title 28A  
25 RCW. If any conflict exists, the provisions of Title 28A RCW control  
26 unless this act explicitly states that it is providing an enhancement.

27 Any amounts provided in part V of this act in excess of the amounts  
28 required by Title 28A RCW provided in statute, are not within the  
29 program of basic education.

30 (2) To the maximum extent practicable, when adopting new or revised  
31 rules or policies relating to the administration of allocations in part  
32 V of this act that result in fiscal impact, the office of the  
33 superintendent of public instruction shall attempt to seek legislative  
34 approval through the budget request process.

35 (3) Appropriations made in this act to the office of the  
36 superintendent of public instruction shall initially be allotted as

1 required by this act. Subsequent allotment modifications shall not  
2 include transfers of moneys between sections of this act except as  
3 expressly provided in subsection (4) of this section.

4 (4) The appropriations to the office of the superintendent of  
5 public instruction in this act shall be expended for the programs and  
6 amounts specified in this act. However, after May 1, (~~(2012)~~) 2013,  
7 unless specifically prohibited by this act and after approval by the  
8 director of financial management, the superintendent of public  
9 instruction may transfer state general fund appropriations for fiscal  
10 year (~~(2012)~~) 2013 among the following programs to meet the  
11 apportionment schedule for a specified formula in another of these  
12 programs: General apportionment; employee compensation adjustments;  
13 pupil transportation; special education programs; institutional  
14 education programs; transitional bilingual programs; highly capable;  
15 and learning assistance programs.

16 (5) The director of financial management shall notify the  
17 appropriate legislative fiscal committees in writing prior to approving  
18 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	<del>(\$450,000)</del>
	<u>\$350,000</u>
Accident Account--State Appropriation	\$6,681,000
Medical Aid Account--State Appropriation	\$6,488,000
TOTAL APPROPRIATION	<del>(\$436,536,000)</del>
	<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) . . . . .	(( <del>\$247,034,000</del> ))
9		<u>\$212,034,000</u>
10	General Fund--Federal Appropriation . . . . .	\$5,812,000
11	Washington Opportunity Pathways Account--State	
12	Appropriation . . . . .	(( <del>\$73,500,000</del> ))
13		<u>\$108,500,000</u>
14	<u>Aerospace Training Student Loan Account--State</u>	
15	<u>Appropriation . . . . .</u>	<u>\$12,000</u>
16	TOTAL APPROPRIATION . . . . .	(( <del>\$326,346,000</del> ))
17		<u>\$326,358,000</u>

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

20 (1) ((~~\$237,018,000~~)) \$202,018,000 of the general fund--state  
21 appropriation for fiscal year 2013, and ((~~\$73,500,000~~)) \$108,500,000 of  
22 the opportunity pathways account--state appropriation are provided  
23 solely for student financial aid payments under the state need grant  
24 and the state work study programs including up to a four percent  
25 administrative allowance for the state work study program.

26 (2) Within the funds appropriated in this section, eligibility for  
27 the state need grant shall include students with family incomes at or  
28 below 70 percent of the state median family income (MFI), adjusted for  
29 family size, and shall include students enrolled in three to five  
30 credit-bearing quarter credits, or the equivalent semester credits.  
31 The higher education coordinating board shall report to the legislature  
32 by December 1, 2013, regarding the number of students enrolled in three  
33 to five credit-bearing quarter credits, or the equivalent semester  
34 credits, and their academic progress including degree completion.  
35 Awards for all students shall be adjusted by the estimated amount by  
36 which Pell grant increases exceed projected increases in the  
37 noninstructional costs of attendance. Awards for students with incomes



1 between 51 and 70 percent of the state median shall be prorated at the  
2 following percentages of the award amount granted to those with incomes  
3 below 51 percent of the MFI: 70 percent for students with family  
4 incomes between 51 and 55 percent MFI; 65 percent for students with  
5 family incomes between 56 and 60 percent MFI; 60 percent for students  
6 with family incomes between 61 and 65 percent MFI; and 50 percent for  
7 students with family incomes between 66 and 70 percent MFI.

8 (3) \$1,250,000 of the general fund--state appropriation for fiscal  
9 year 2013 is provided solely for implementation of the aerospace  
10 training scholarship and student loan program as specified in Engrossed  
11 Substitute House Bill No. 1846 (aerospace student loans). If the bill  
12 is not enacted by June 30, 2012, the amount provided in this subsection  
13 shall lapse.

14 (4) For fiscal year 2013, the board shall defer loan or conditional  
15 scholarship repayments to the future teachers conditional scholarship  
16 and loan repayment program for up to one year for each participant if  
17 the participant has shown evidence of efforts to find a teaching job  
18 but has been unable to secure a teaching job per the requirements of  
19 the program.

20 (5) \$1,000,000 of the education legacy trust account--state  
21 appropriation is provided solely for the gaining early awareness and  
22 readiness for undergraduate programs project.

23 (6) \$1,500,000 of the general fund--state appropriation for fiscal  
24 year 2013 is provided solely for the leadership 1000 program.

25 (7) \$2,436,000 of the general fund--state appropriation for fiscal  
26 year 2013 is provided solely for the passport to college program. The  
27 maximum scholarship award shall be \$5,000. The board shall contract  
28 with a nonprofit organization to provide support services to increase  
29 student completion in their postsecondary program and shall, under this  
30 contract, provide a minimum of \$500,000 in fiscal year 2013 for this  
31 purpose.

32 (8) In addition to the entities listed in RCW 28B.122.010, the  
33 aerospace student loan program may provide loans to students attending  
34 an aerospace training program at Renton technical college.

35 (9) The office of student financial assistance and the department  
36 of health shall prioritize a portion of any nonfederal balances in the  
37 health professional loan repayment and scholarship fund for conditional  
38 loan repayment contracts with psychiatrists and with advanced

1 registered nurse practitioners for work at one of the state-operated  
2 psychiatric hospitals. The office and department shall designate the  
3 state hospitals as health professional shortage areas if necessary for  
4 this purpose. The office of student financial assistance shall  
5 coordinate with the department of social and health services to  
6 effectively incorporate these conditional loan repayments into the  
7 department's advanced psychiatric professional recruitment and  
8 retention strategies.

9 (10) \$50,000 of the amount provided in this section shall be used  
10 to convene the higher education loan program work group. The work  
11 group shall develop methods for funding the loan program in the future,  
12 as well as recommendations regarding the best loan program structure  
13 for providing financial aid to underserved populations. The work group  
14 shall seek out technical advice from the housing finance commission.  
15 At a minimum, the recommendations regarding the proposed loan program  
16 must take into account the following: Whether students could benefit  
17 from the creation of a new student loan program; the relationship  
18 between the student loan program and the state need grant program and  
19 the state need grant qualified student population; mechanisms to  
20 achieve interest rates that are below those offered in federally  
21 guaranteed and private bank student loans; sources of initial and  
22 on-going funding for loans and program operation; and default risks,  
23 reserve requirements, and other conditions required for the student  
24 loan program. The work group shall provide a report to the legislature  
25 no later than December 1, 2012.

26 **Sec. 1603.** 2012 2nd sp.s. c 7 s 615 (uncodified) is amended to  
27 read as follows:

28 **FOR THE DEPARTMENT OF EARLY LEARNING**

29	General Fund--State Appropriation (FY 2012) . . . . .	\$25,497,000
30	General Fund--State Appropriation (FY 2013) . . . . .	<del>(\$27,190,000)</del>
31		<u>\$26,658,000</u>
32	General Fund--Federal Appropriation . . . . .	\$280,619,000
33	<u>Children's Trust Account--State Appropriation . . . . .</u>	<u>\$142,000</u>
34	Opportunity Pathways Account--State Appropriation . . . . .	\$78,000,000
35	Home Visiting Services Account--Federal Appropriation . . . . .	\$300,000
36	TOTAL APPROPRIATION . . . . .	<del>(\$411,606,000)</del>
37		<u>\$411,216,000</u>

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

3 (1) \$16,028,000 of the general fund--state appropriation for fiscal  
4 year 2012, \$18,028,000 of the general fund--state appropriation of  
5 fiscal year 2013, \$78,000,000 of the opportunity pathways account  
6 appropriation, and \$2,256,000 of the general fund--federal  
7 appropriation are provided solely for the early childhood education  
8 assistance program services. Of these amounts, \$10,284,000 is a  
9 portion of the biennial amount of state maintenance of effort dollars  
10 required to receive federal child care and development fund grant  
11 dollars.

12 (2) In accordance to RCW 43.215.255(2) and 43.135.055, the  
13 department is authorized to increase child care center and child care  
14 family home licensure fees in fiscal years 2012 and 2013 for costs to  
15 the department for the licensure activity, including costs of necessary  
16 inspection. These increases are necessary to support expenditures  
17 authorized in this section.

18 (3) \$64,000 of the general fund--state appropriation for fiscal  
19 year 2012, \$638,000 of the general fund--state appropriation for fiscal  
20 year 2013, and \$574,000 of the general fund--federal appropriation are  
21 provided solely for child care resource and referral network services.

22 (4) \$200,000 of the general fund--state appropriation for fiscal  
23 year 2012 and \$200,000 of the general fund--state appropriation for  
24 fiscal year 2013 are provided solely to develop and provide culturally  
25 relevant supports for parents, family, and other caregivers.

26 (5) The department is the lead agency for and recipient of the  
27 federal child care and development fund grant. Amounts within this  
28 grant shall be used to fund child care licensing, quality initiatives,  
29 agency administration, and other costs associated with child care  
30 subsidies. The department shall transfer a portion of this grant to  
31 the department of social and health services to fund the child care  
32 subsidies paid by the department of social and health services on  
33 behalf of the department of early learning.

34 (6) The appropriations in this section reflect reductions in the  
35 appropriations for the department's administrative expenses. It is the  
36 intent of the legislature that these reductions shall be achieved, to  
37 the greatest extent possible, by reducing those administrative costs

1 that do not affect direct client services or direct service delivery or  
2 program.

3 (7) \$934,000 of the general fund--state appropriation for fiscal  
4 year 2012, \$934,000 of the general fund--state appropriation for fiscal  
5 year 2013, and \$2,400,000 of the general fund--federal appropriation  
6 are provided solely for expenditure into the home visiting services  
7 account. This funding is intended to meet federal maintenance of  
8 effort requirements and to secure private matching funds.

9 (a) All federal funds received by the department for home visiting  
10 activities must be deposited into the home visiting services account.

11 (b) The department must consult with stakeholders during the  
12 development of the Washington home visiting plan and any future  
13 proposals for federal funding.

14 (c) No more than \$300,000 of the home visiting services account--  
15 federal appropriation may be expended for program administration for  
16 fiscal year 2013 pursuant to RCW 43.215.130. No other funds may be  
17 expended for that purpose.

18 (8)(a) \$153,558,000 of the general fund--federal appropriation is  
19 provided solely for the working connections child care program under  
20 RCW 43.215.135.

21 (b) In addition to groups that were given prioritized access to the  
22 working connections child care program effective March 1, 2011, the  
23 department shall also give prioritized access into the program to  
24 families in which a parent of a child in care is a minor who is not  
25 living with a parent or guardian and who is a full-time student in a  
26 high school that has a school-sponsored on-site child care center.

27 (9)(a) \$50,000 of the general fund--state appropriation for fiscal  
28 year 2012 and (~~(\$1,050,000)~~) \$329,000 of the general fund--state  
29 appropriation for fiscal year 2013 are provided solely for  
30 implementation and administration of an electronic benefit transfer  
31 system. The system shall include electronic time keeping, integrated  
32 with an eligibility information technology system, and an electronic  
33 payment system. The department shall coordinate implementation of this  
34 system with the department of social and health services.

35 (b) \$100,000 of the general fund--state appropriation in this  
36 subsection is provided solely for the department to contract for an  
37 independent consultant to evaluate and recommend the optimum system for  
38 the eligibility determination process. The evaluation must include an

1 analysis of lean management processes that, if adopted, could improve  
2 the cost effectiveness and delivery of eligibility determination. The  
3 department shall coordinate with the department of social and health  
4 services for this evaluation. The department must report to the office  
5 of financial management and the appropriate fiscal and policy  
6 committees of the legislature by December 1, 2012.

7 (10) Within available amounts, the department in consultation with  
8 the office of financial management and the department of social and  
9 health services shall report quarterly enrollments and active caseload  
10 for the working connections child care program to the legislative  
11 fiscal committees and the legislative-executive WorkFirst oversight  
12 task force. The report shall also identify the number of cases  
13 participating in both temporary assistance for needy families and  
14 working connections child care.

15 (11) \$1,025,000 of the general fund--state appropriation for fiscal  
16 year 2013 and \$6,712,000 of the general fund--federal appropriation are  
17 provided solely for the seasonal child care program in fiscal year  
18 2013.

19 (12) \$2,522,000 of the general fund--state appropriation for fiscal  
20 year 2012, \$2,522,000 of the general fund--state appropriation for  
21 fiscal year 2013, and \$4,304,000 of the general fund--federal  
22 appropriation are provided solely for the medicaid treatment child care  
23 (MTCC) program. The department shall contract for MTCC services to  
24 provide therapeutic child care and other specialized treatment services  
25 to abused, neglected, at-risk, and/or drug-affected children. Priority  
26 for services shall be given to children referred from the department of  
27 social and health services children's administration. In addition to  
28 referrals made by children's administration, the department shall  
29 authorize services for children referred to the MTCC program, as long  
30 as the children meet the eligibility requirements as outlined in the  
31 Washington state plan for the MTCC program. Of the amounts  
32 appropriated in this subsection, \$60,000 per fiscal year may be used by  
33 the department for administering the MTCC program, if needed.

34 (13)(a) The department shall establish a birth-to-three  
35 subcommittee of the early learning advisory council. The subcommittee  
36 will be cochaired by the department and nongovernmental private-public  
37 partnership created in RCW 43.215.070. The subcommittee shall include  
38 at least one representative from each of the following:

- 1 (i) The early learning advisory council;
- 2 (ii) The office of the superintendent of public instruction;
- 3 (iii) The department of social and health services;
- 4 (iv) The department of early learning;
- 5 (v) The nongovernmental private-public partnership created in RCW  
6 43.215.070;
- 7 (vi) The early learning action alliance; and
- 8 (vii) Additional stakeholders with expertise in birth-to-three  
9 policy and programs and quality child care, as designated by the early  
10 learning advisory council.
- 11 (b) The subcommittee may convene advisory subgroups on specific  
12 topics as necessary to assure participation and input from a broad  
13 array of diverse stakeholders.
- 14 (c) The subcommittee shall be monitored and overseen by the early  
15 learning advisory council created in RCW 43.215.090.
- 16 (d) The subcommittee shall develop a birth-to-three implementation  
17 proposal, which shall include further development of the Washington  
18 state birth-to-three plan.
- 19 (e) The subcommittee must include recommendations on the following  
20 in its birth-to-three proposal:
- 21 (i) Eligibility criteria for providers and programs;
- 22 (ii) The level of funding necessary to implement birth-to-three  
23 programs, including an option which makes available funding equivalent  
24 to thirty percent of the funding provided for the program of early  
25 learning established in RCW 43.215.141;
- 26 (iii) Options for funding sources for birth-to-three programs;
- 27 (iv) Governance responsibilities for the department of early  
28 learning; and
- 29 (v) A timeline for implementation that is concurrent with the  
30 expansion to the early learning program outlined in RCW 43.215.142.
- 31 The subcommittee must present its recommendations to the early  
32 learning advisory council and the appropriate committees of the  
33 legislature by December 1, 2012.
- 34 (14) \$300,000 of the general fund--federal appropriation is  
35 provided solely for a contract with a nonprofit entity experienced in  
36 the provision of promoting early literacy for children through  
37 pediatric office visits.

1       **Sec. 1604.** 2012 2nd sp.s. c 7 s 616 (uncodified) is amended to  
2 read as follows:

3       **FOR THE STATE SCHOOL FOR THE BLIND**

4	General Fund--State Appropriation (FY 2012) . . . . .	\$5,776,000
5	General Fund--State Appropriation (FY 2013) . . . . .	<del>(\$5,671,000)</del>
6		<u>\$5,691,000</u>
7	TOTAL APPROPRIATION . . . . .	<del>(\$11,447,000)</del>
8		<u>\$11,467,000</u>

9       **Sec. 1605.** 2012 2nd sp.s. c 7 s 617 (uncodified) is amended to  
10 read as follows:

11       **FOR THE WASHINGTON STATE CENTER FOR CHILDHOOD DEAFNESS AND HEARING**  
12 **LOSS**

13	General Fund--State Appropriation (FY 2012) . . . . .	\$8,439,000
14	General Fund--State Appropriation (FY 2013) . . . . .	<del>(\$8,335,000)</del>
15		<u>\$8,431,000</u>
16	TOTAL APPROPRIATION . . . . .	<del>(\$16,774,000)</del>
17		<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 be expended into the debt-limit general fund bond retirement account by June 30, 2012.



1       **Sec. 1702.** 2012 2nd sp.s. c 7 s 702 (uncodified) is amended to  
2 read as follows:

3       **FOR THE STATE TREASURER--BOND RETIREMENT AND INTEREST, AND ONGOING**  
4       **BOND REGISTRATION AND TRANSFER CHARGES: FOR GENERAL OBLIGATION DEBT TO**  
5       **BE REIMBURSED AS PRESCRIBED BY STATUTE**

6	General Fund--State Appropriation (FY 2012) . . . . .	\$27,400,000
7	General Fund--State Appropriation (FY 2013) . . . . .	\$30,572,000
8	Nondebt-Limit Reimbursable Bond Retirement	
9	Account--State Appropriation . . . . .	<del>(\$140,128,000)</del>
10		<u>\$137,290,000</u>
11	TOTAL APPROPRIATION . . . . .	<del>(\$198,100,000)</del>
12		<u>\$195,262,000</u>

13       The appropriations in this section are subject to the following  
14 conditions and limitations: The general fund appropriation is for  
15 expenditure into the nondebt-limit general fund bond retirement  
16 account. The entire general fund--state appropriation for fiscal year  
17 2012 shall be expended into the nondebt-limit general fund bond  
18 retirement account by June 30, 2012.

19       **Sec. 1703.** 2011 2nd sp.s. c 9 s 703 (uncodified) is amended to  
20 read as follows:

21       **FOR THE STATE TREASURER--BOND RETIREMENT AND INTEREST, AND ONGOING**  
22       **BOND REGISTRATION AND TRANSFER CHARGES: FOR BOND SALE EXPENSES**

23	General Fund--State Appropriation (FY 2012) . . . . .	\$1,357,000
24	General Fund--State Appropriation (FY 2013) . . . . .	<del>(\$1,357,000)</del>
25		<u>\$616,000</u>
26	State Building Construction Account--State	
27	Appropriation . . . . .	<del>(\$356,000)</del>
28		<u>\$761,000</u>
29	Columbia River Basin Water Supply Development	
30	Account--State Appropriation . . . . .	\$21,000
31	Hood Canal Aquatic Rehabilitation Bond Account--State	
32	Appropriation . . . . .	\$1,000
33	State Taxable Building Construction Account--State	
34	Appropriation . . . . .	<del>(\$25,000)</del>
35		<u>\$31,000</u>
36	Gardner-Evans Higher Education Construction	
37	Account--State Appropriation . . . . .	<del>(\$2,000)</del>

1 \$3,000  
 2 TOTAL APPROPRIATION . . . . . ((~~\$3,119,000~~))  
 3 \$2,790,000

4 NEW SECTION. **Sec. 1704.** A new section is added to 2011 1st sp.s.  
 5 c 50 (uncodified) to read as follows:

6 **FOR THE OFFICE OF FINANCIAL MANAGEMENT--EXTRAORDINARY CRIMINAL JUSTICE**  
 7 **COSTS**

8 General Fund--State Appropriation (FY 2013) . . . . . \$728,000

9 The appropriation in this section is subject to the following  
 10 conditions and limitations: The director of financial management shall  
 11 distribute \$545,000 to Grant county and \$183,000 to Yakima county for  
 12 extraordinary criminal justice costs.

13 **Sec. 1705.** 2012 2nd sp.s. c 7 s 707 (uncodified) is amended to  
 14 read as follows:

15 **FOR SUNDRY CLAIMS**

16 The following sums, or so much thereof as may be necessary, are  
 17 appropriated from the general fund for fiscal year 2012 or fiscal year  
 18 2013, unless otherwise indicated, for relief of various individuals,  
 19 firms, and corporations for sundry claims. These appropriations are to  
 20 be disbursed on vouchers approved by the director of financial  
 21 management, except as otherwise provided, for reimbursement of criminal  
 22 defendants acquitted on the basis of self-defense, pursuant to RCW  
 23 9A.16.110, as follows:

- 24 (1) Clint L. Powell, Jr., claim number 99970048 . . . . . \$58,155.10
- 25 (2) Chance L. Hawkins, claim number 99970049 . . . . . \$28,838.95
- 26 (3) Edgar L. Hawkins, claim number 99970050 . . . . . \$25,507.00
- 27 (4) James Abbott, claim number 99970051 . . . . . \$9,880.00
- 28 (5) Richard Frisk, claim number 99970052 . . . . . \$32,788.50
- 29 (6) Brian Barnd-Spjut, claim number 99970053 . . . . . \$122,821.79
- 30 (7) Dwijen Buckendorf, claim number 99970059 . . . . . \$2,100.00
- 31 (8) Todd Chism, claim number 99970061 . . . . . \$56,183.26
- 32 (9) James Glasco, claim number 99970062 . . . . . \$18,800.00
- 33 (10) David Holtzclaw, claim number 99970057 . . . . . \$15,154.52
- 34 (11) Gary Richey, claim number 99970063 . . . . . \$9,020.00
- 35 (12) Shelly Porter, claim number 99970054 . . . . . \$12,525.72
- 36 (13) Yakov Topik, claim number 99970047 . . . . . \$28,500.00

1	<u>(14) Luther Wallace, claim number 99970060 . . . . .</u>	<u>\$76,256.93</u>
2	<u>(15) Mark Fenton, claim number 99970064 . . . . .</u>	<u>\$27,637.50</u>
3	<u>(16) Reid Woods, claim number 99970065 . . . . .</u>	<u>\$7,296.38</u>
4	<u>(17) James Daniel Emmett, claim number 99970067 . . . . .</u>	<u>\$9,000.00</u>
5	<u>(18) Matthew Collet, claim number 99970068 . . . . .</u>	<u>\$55,000.00</u>
6	<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 . . . . .	(( <del>\$25,617,000</del> ))
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 . . . . .	(( <del>\$7,478,000</del> ))
13		<u>\$7,481,000</u>
14	Columbia River Water Delivery Account Appropriation for	
15	the Spokane Tribe of Indians . . . . .	(( <del>\$4,794,000</del> ))
16		<u>\$4,795,000</u>
17	Liquor Revolving Account Appropriation for liquor	
18	profits distribution . . . . .	(( <del>\$85,132,000</del> ))
19		<u>\$96,456,000</u>
20	TOTAL APPROPRIATION . . . . .	(( <del>\$407,953,000</del> ))
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 . . . . .	(( <del>\$2,439,000</del> ))
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 . . . . .	(( <del>\$2,430,000</del> ))
2		<u>\$1,747,000</u>
3	Forest Reserve Fund Appropriation for federal forest	
4	reserve fund distribution . . . . .	(( <del>\$29,175,000</del> ))
5		<u>\$39,776,000</u>
6	TOTAL APPROPRIATION . . . . .	(( <del>\$31,679,000</del> ))
7		<u>\$41,575,000</u>

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 immediately; except for section 952 of this act which takes effect  
2 August 1, 2013, section 968 of this act which takes effect June 30,  
3 2013; sections 978 and 996 of this act which take effect July 28, 2013;  
4 and sections 991 and 992 of this act which take effect July 1, 2013.

5 NEW SECTION. **Sec. 1905.** Section 957 of this act expires August 1,  
6 2018.

7 NEW SECTION. **Sec. 1906.** Section 984 of this act expires June 30,  
8 2016.

(End of Bill)

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**2ESSB 5034** - S AMD  
By Senator

1           On page 1, line 1 of the title, after "matters;" strike the  
2 remainder of the title and insert "amending RCW 2.68.020, 2.28.170,  
3 2.28.170, 13.40.466, 18.43.150, 18.85.061, 19.28.351, 28A.500.020,  
4 28B.15.069, 28B.20.476, 28B.67.030, 28B.95.160, 28B.105.110,  
5 28C.04.535, 28C.10.082, 38.52.540, 41.06.280, 41.06.280, 41.26.802,  
6 43.08.190, 43.09.475, 43.10.150, 43.19.791, 43.24.150, 43.24.150,  
7 43.79.445, 43.79.480, 43.82.010, 43.101.200, 43.155.050, 46.66.080,  
8 46.68.340, 67.70.190, 70.42.090, 70.93.180, 70.96A.350, 70.105D.---,  
9 70.105D.070, 70.148.020, 74.09.215, 74.13.621, 74.09.215, 77.12.201,  
10 77.12.203, 79.64.020, 79.64.040, 82.08.160, 82.14.310, 86.26.007, and  
11 74.09.215; reenacting and amending RCW 28B.15.067, 41.60.050,  
12 41.80.010, 41.80.020, 43.325.040, 71.24.310, and 79.105.150; amending  
13 2013 c 147 s 1 (uncodified); amending 2013 c 306 ss 517, 518, and 519;  
14 amending 2012 2nd sp.s. c 7 ss 111, 112, 114, 115, 118, 121, 127, 129,  
15 131, 132, 136, 139, 142, 144, 149, 201, 202, 203, 204, 205, 206, 207,  
16 208, 209, 210, 211, 212, 213, 216, 218, 219, 220, 221, 222, 303, 307,  
17 308, 402, 502, 505, 506, 507, 508, 509, 510, 511, 512, 513, 514, 602,  
18 613, 615, 616, 617, 701, 702, 707, 801, 802, 803, and 804 (uncodified);  
19 amending 2011 2nd sp.s. c 9 ss 506 and 703 (uncodified); amending 2011  
20 1st sp.s. c 50 s 804 (uncodified); amending 2011 1st sp.s. c 41 s 3  
21 (uncodified); adding a new section to 2011 1st sp.s. c 50 (uncodified);  
22 creating new sections; making appropriations; providing effective  
23 dates; providing expiration dates; and declaring an emergency."

--- END ---

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