



**PROPOSED SENATE
2017-19
OPERATING BUDGET**

**PROPOSED SUBSTITUTE
TO SB 5048**

SENATE CHAIR

**SENATE WAYS & MEANS COMMITTEE
MARCH 21, 2017**

1 AN ACT Relating to fiscal matters; amending RCW 19.28.351,
2 19.118.110, 28B.15.031, 28B.15.210, 28B.15.310, 28B.15.910,
3 28B.35.370, 28B.50.360, 28C.04.535, 36.70A.725, 38.40.210, 41.16.050,
4 41.26.450, 41.26.725, 41.26.802, 41.50.110, 41.50.255, 41.60.050,
5 41.80.010, 43.08.190, 43.09.475, 43.24.150, 43.41.450, 43.43.839,
6 43.79.445, 43.79.460, 43.79.480, 43.101.200, 43.320.110, 43.330.250,
7 50.16.010, 69.50.540, 70.93.180, 70.105D.070, 70.105D.130, 71.24.580,
8 77.12.203, 79.13.120, 79.17.200, 79.64.040, 79.64.110, and
9 79.105.150; amending 2016 sp.s. c 36 ss 112, 113, 114, 117, 118, 120,
10 121, 124, 125, 127, 128, 130, 131, 132, 134, 135, 136, 137, 139, 141,
11 143, 145, 147, 148, 201, 202, 203, 204, 205, 206, 207, 208, 209, 210,
12 211, 212, 213, 214, 216, 217, 218, 219, 220, 221, 301, 302, 303, 304,
13 305, 306, 307, 308, 310, 311, 402, 501, 502, 503, 504, 505, 506, 507,
14 508, 509, 511, 512, 513, 514, 516, 517, 602, 603, 604, 605, 606, 607,
15 608, 609, 610, 611, 612, 613, 615, 617, 701, 706, 801, and 804
16 (uncodified); amending 2015 3rd sp.s. c 4 ss 125, 506, and 703
17 (uncodified); reenacting and amending RCW 43.155.050; adding new
18 sections to 2015 3rd sp.s. c 4 (uncodified); adding a new section to
19 chapter 28B.16 RCW; adding new sections to chapter 43.41 RCW; making
20 appropriations; providing an effective date; providing an expiration
21 date; and declaring an emergency.

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

1 NEW SECTION. **Sec. 1.** (1) A budget is hereby adopted and,
2 subject to the provisions set forth in the following sections, the
3 several amounts specified in parts I through IX of this act, or so
4 much thereof as shall be sufficient to accomplish the purposes
5 designated, are hereby appropriated and authorized to be incurred for
6 salaries, wages, and other expenses of the agencies and offices of
7 the state and for other specified purposes for the fiscal biennium
8 beginning July 1, 2017, and ending June 30, 2019, except as otherwise
9 provided, out of the several funds of the state hereinafter named.

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

12 (a) "Fiscal year 2018" or "FY 2018" means the fiscal year ending
13 June 30, 2018.

14 (b) "Fiscal year 2019" or "FY 2019" means the fiscal year ending
15 June 30, 2019.

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

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

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

25 **PART I**
26 **GENERAL GOVERNMENT**

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

28	General Fund—State Appropriation (FY 2018).	\$35,288,000
29	General Fund—State Appropriation (FY 2019).	\$35,688,000
30	Motor Vehicle Account—State Appropriation.	\$1,960,000
31	TOTAL APPROPRIATION.	\$72,936,000

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

33	General Fund—State Appropriation (FY 2018).	\$24,295,000
34	General Fund—State Appropriation (FY 2019).	\$26,620,000
35	Motor Vehicle Account—State Appropriation.	\$1,797,000
36	TOTAL APPROPRIATION.	\$52,712,000

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

General Fund—State Appropriation (FY 2018)	\$59,000
General Fund—State Appropriation (FY 2019)	\$23,000
Performance Audits of Government Account—State	
Appropriation	\$8,719,000
TOTAL APPROPRIATION.	\$8,801,000

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

(1) Notwithstanding the provisions of this section, the joint legislative audit and review committee may adjust the due dates for projects included on the committee's 2017-2019 work plan as necessary to efficiently manage workload.

(2) The agency is directed to use its moneys in the savings incentive account for one-time relocation, furniture, equipment, and tenant improvements costs to move to the 1063 building.

(3) \$719,000 of the performance audits of government account—state appropriation is provided solely for implementation of Engrossed Substitute Senate Bill No. 5294 (department of corrections). If the bill is not enacted by June 30, 2017, the amount provided in this subsection shall lapse.

(4) \$500,000 of the performance audit of government—state appropriation is provided solely for an evaluation and comparison of the cost efficiency of market rate housing in Washington versus publicly subsidized housing projects intended to assist low-income households.

(a) The comparison will include, but not be limited to, a comparison of the costs of:

- (i) Land acquisition;
- (ii) Preconstruction activities including development and design, environmental review, permitting, and other state and local review processes;
- (iii) Construction and rehabilitation;
- (iv) Capital and financing;
- (v) Labor costs;
- (vi) Construction administrative costs include legal, contract, and finance activities; and
- (vii) On-going maintenance and operating of the housing constructed.

1 (b) The comparison will include a review of the department of
2 commerce housing root cause analysis due to the governor on June 1,
3 2018. Included in the review will be a consideration of geographic
4 and regional factors affecting costs. The report will include a
5 recommendation for a publicly available and easy to read sources and
6 label for each publicly subsidized housing project. For purposes of
7 the evaluation and comparison, publicly subsidized housing project
8 means housing that is funded, in whole or in part, by state, local,
9 or federal funds or financing programs to assist low-income
10 households.

11 (c) The evaluation must solicit input from interested housing
12 stakeholder, including representatives from the Washington state
13 affordable housing advisory board, the department of commerce, the
14 Washington state housing finance commission, representatives from the
15 private rental housing industry, housing authorities, community
16 action agencies, local governments, and nonprofit and for-profit
17 housing developers.

18 (d) The evaluation and comparison is due to the legislature by
19 December 31, 2018.

20 (5)(a) \$250,000 of the performance audit of government—state
21 appropriation is provided solely for the committee to conduct a study
22 of the employment services and community access services provided by
23 the department of social and health services for individuals with a
24 developmental disability. The study should explore the following
25 topics:

26 (i) The costs and benefits associated with prevocational training
27 programs;

28 (ii) The process of requesting and authorizing prevocational
29 services;

30 (iii) The costs and benefits associated with employment programs,
31 including a review of hours worked each month and the usage of job
32 coaches;

33 (iv) The process of requesting and authorizing employment
34 services, including a review of clients over the age of 21 who have
35 requested service and received a denial due to a lack of funding;

36 (v) The costs and benefits associated with community access
37 services;

38 (vi) The process of requesting and authorizing community access
39 services, including a review of who have been denied an exception to
40 policy for community access services.

1 (b) The evaluation must solicit input from interested
2 stakeholders to include, but not be limited to, the ARC of
3 Washington, the developmental disabilities council, the Washington
4 association of counties, and disability rights of Washington.

5 (c) The evaluation is due to the legislature by December 1, 2018.

6 NEW SECTION. **Sec. 104. FOR THE LEGISLATIVE EVALUATION AND**
7 **ACCOUNTABILITY PROGRAM COMMITTEE**

8 Performance Audits of Government Account—State

9 Appropriation \$4,079,000

10 The appropriation in this section is subject to the following
11 conditions and limitations: The agency is directed to use its moneys
12 in the savings incentive account for one-time relocation, furniture,
13 equipment, and tenant improvements costs to move to the 1063
14 building.

15 NEW SECTION. **Sec. 105. FOR THE JOINT LEGISLATIVE SYSTEMS**
16 **COMMITTEE**

17 General Fund—State Appropriation (FY 2018) \$10,343,000

18 General Fund—State Appropriation (FY 2019) \$9,671,000

19 TOTAL APPROPRIATION. \$20,014,000

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

21 General Fund—State Appropriation (FY 2018) \$298,000

22 General Fund—State Appropriation (FY 2019) \$298,000

23 State Health Care Authority Administrative Account—State

24 Appropriation \$398,000

25 Department of Retirement Systems Expense Account—State

26 Appropriation \$4,967,000

27 TOTAL APPROPRIATION. \$5,961,000

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

29 General Fund—State Appropriation (FY 2018) \$4,841,000

30 General Fund—State Appropriation (FY 2019) \$5,221,000

31 TOTAL APPROPRIATION. \$10,062,000

32 NEW SECTION. **Sec. 108. FOR THE OFFICE OF LEGISLATIVE SUPPORT**
33 **SERVICES**

34 General Fund—State Appropriation (FY 2018) \$4,218,000

1	General Fund—State Appropriation (FY 2019)	\$4,548,000
2	TOTAL APPROPRIATION.	\$8,766,000

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

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

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

14	General Fund—State Appropriation (FY 2018)	\$7,857,000
15	General Fund—State Appropriation (FY 2019)	\$7,897,000
16	TOTAL APPROPRIATION.	\$15,754,000

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

18	General Fund—State Appropriation (FY 2018)	\$1,654,000
19	General Fund—State Appropriation (FY 2019)	\$1,646,000
20	TOTAL APPROPRIATION.	\$3,300,000

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

22	General Fund—State Appropriation (FY 2018)	\$1,318,000
23	General Fund—State Appropriation (FY 2019)	\$1,186,000
24	TOTAL APPROPRIATION.	\$2,504,000

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

26	General Fund—State Appropriation (FY 2018)	\$17,448,000
27	General Fund—State Appropriation (FY 2019)	\$17,507,000
28	TOTAL APPROPRIATION.	\$34,955,000

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

30	General Fund—State Appropriation (FY 2018)	\$51,282,000
31	General Fund—State Appropriation (FY 2019)	\$52,667,000
32	General Fund—Federal Appropriation	\$2,163,000
33	General Fund—Private/Local Appropriation	\$669,000

1	Judicial Information Systems Account—State	
2	Appropriation	\$57,297,000
3	TOTAL APPROPRIATION.	\$164,078,000

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

6 (1) The distributions made under this section, distributions from
7 the county criminal justice assistance account, and distributions
8 from the general fund for marijuana excise tax distributions made
9 pursuant to section 801 of this act constitute appropriate
10 reimbursement for costs for any new programs or increased level of
11 service for purposes of RCW 43.135.060, including distributions to
12 juvenile court administrators for costs related to processing
13 truancy, children in need of services, and at-risk youth petitions.

14 (2) \$1,399,000 of the general fund—state appropriation for fiscal
15 year 2018 and \$1,399,000 of the general fund—state appropriation for
16 fiscal year 2019 are provided solely for school districts for
17 petitions to juvenile court for truant students as provided in RCW
18 28A.225.030 and 28A.225.035. The administrator for the courts shall
19 develop an interagency agreement with the superintendent of public
20 instruction to allocate the funding provided in this subsection.
21 Allocation of this money to school districts shall be based on the
22 number of petitions filed. This funding includes amounts school
23 districts may expend on the cost of serving petitions filed under RCW
24 28A.225.030 by certified mail or by personal service or for the
25 performance of service of process for any hearing associated with RCW
26 28A.225.030.

27 (3) \$12,000,000 of the judicial information systems account—state
28 appropriation is provided solely for the continued implementation of
29 the superior courts case management system. Of the amount
30 appropriated, \$8,300,000 is provided solely for expenditures in
31 fiscal year 2018. The remaining appropriation of \$3,700,000 is
32 provided solely for expenditures in fiscal year 2019 and shall lapse
33 and remain unexpended if the superior court case management system is
34 not live and fully functional in Cowlitz, Grays Harbor, Klickitat,
35 Mason, Pacific, and Skamania counties by July 1, 2017, and Clallum,
36 Jefferson, Kitsap, Skagit, and Whatcom counties by January 1, 2018.

37 (4) \$4,339,000 of the judicial information systems account—state
38 appropriation is provided solely for the expedited data exchange

1 project, also known as the information network hub project that began
2 during the 2015-2017 fiscal biennium.

3 (5) \$10,000,000 of the judicial information systems account—state
4 appropriation is provided solely for other information technology
5 costs, excluding the projects separately funded in subsections (3)
6 and (4) of this section. The appropriation is further conditioned
7 that replacement and upgrades of computer equipment at local courts
8 and the courts of limited jurisdiction case management system
9 replacement project be given priority over all other expenditures.
10 Future costs for the courts of limited jurisdiction case management
11 system replacement project must be funded entirely from judicial
12 information system account funds in future biennia. The office is
13 expected to manage within appropriated amounts and shall make no
14 commitments with the use of this appropriation that would require the
15 total appropriations from the judicial information system account for
16 2019-2021 biennium exceed the amount provided for during the
17 2017-2019 biennium.

18 (6) \$213,000 of the general fund—state appropriation for fiscal
19 year 2018 and \$210,000 of the general fund—state appropriation for
20 fiscal year 2019 are provided solely for two full-time equivalent
21 staff for dedicated policy development and support for the Washington
22 state superior court judges association as part of an agreement
23 between the association and the office.

24 (7) \$61,000 of the general fund—state appropriation for fiscal
25 year 2018 and \$58,000 of the general fund—state appropriation for
26 fiscal year 2019 are provided solely for implementation of Substitute
27 Senate Bill No. 5577 (incapacitated persons/rights). If the bill is
28 not enacted by June 30, 2017, the amounts provided in this subsection
29 shall lapse.

30 (8) \$1,093,000 of the general fund—state appropriation for fiscal
31 year 2019 is provided solely for implementation of Senate Bill No.
32 5866 (tax appeals court). If the bill is not enacted by June 30,
33 2017, the amount provided in this subsection shall lapse.

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

35	General Fund—State Appropriation (FY 2018)	. . . . .	\$39,915,000
36	General Fund—State Appropriation (FY 2019)	. . . . .	\$39,853,000
37	Judicial Stabilization Trust Account—State		
38	Appropriation.	. . . . .	\$41,000

1 TOTAL APPROPRIATION. \$79,809,000

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

4 (1) \$900,000 of the general fund—state appropriation for fiscal
5 year 2018 and \$900,000 of the general fund—state appropriation for
6 fiscal year 2019 are provided solely for the purpose of improving the
7 quality of trial court public defense services. Funds must be
8 distributed fifty percent to counties and fifty percent to cities,
9 according to the requirements established in RCW 10.101.070 (1) and
10 (2) for counties and 10.101.080 (1) through (3) for cities.

11 (2) \$320,000 of the general fund—state appropriation for fiscal
12 year 2018 and \$320,000 of the general fund—state appropriation for
13 fiscal year 2019 are provided solely for the parent for parent
14 programs in Grays Harbor/Pacific, King, Kitsap, Pierce, Snohomish,
15 Spokane, and Thurston/Mason counties; expand services in appropriate
16 locations; and provide for program administration.

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

18 General Fund—State Appropriation (FY 2018) \$8,974,000
19 General Fund—State Appropriation (FY 2019) \$8,981,000
20 Judicial Stabilization Trust Account—State
21 Appropriation. \$10,023,000
22 TOTAL APPROPRIATION. \$27,978,000

23 The appropriations in this section are subject to the following
24 conditions and limitations: An amount not to exceed \$40,000 of the
25 general fund—state appropriation for fiscal year 2018 and an amount
26 not to exceed \$40,000 of the general fund—state appropriation for
27 fiscal year 2019 may be used to provide telephonic legal advice and
28 assistance to otherwise eligible persons who are sixty years of age
29 or older on matters authorized by RCW 2.53.030(2) (a) through (k)
30 regardless of household income or asset level.

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

32 General Fund—State Appropriation (FY 2018) \$5,566,000
33 General Fund—State Appropriation (FY 2019) \$5,537,000
34 TOTAL APPROPRIATION. \$11,103,000

35 The appropriations in this section are subject to the following
36 conditions and limitations: \$703,000 of the general fund—state

1 appropriation for fiscal year 2018 and \$703,000 of the general fund—
2 state appropriation for fiscal year 2019 are provided solely for the
3 office of the education ombuds.

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

5	General Fund—State Appropriation (FY 2018)	\$632,000
6	General Fund—State Appropriation (FY 2019)	\$641,000
7	General Fund—Local Appropriation.	\$90,000
8	TOTAL APPROPRIATION.	\$1,363,000

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

10	General Fund—State Appropriation (FY 2018)	\$2,730,000
11	General Fund—State Appropriation (FY 2019)	\$2,715,000
12	TOTAL APPROPRIATION.	\$5,445,000

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

14	General Fund—State Appropriation (FY 2018)	\$14,919,000
15	General Fund—State Appropriation (FY 2019)	\$13,054,000
16	General Fund—Federal Appropriation	\$7,685,000
17	Public Records Efficiency, Preservation & Access	
18	Account—State Appropriation	\$9,052,000
19	Charitable Organization Education Account—State	
20	Appropriation	\$673,000
21	Washington State Heritage Center Account—State	
22	Appropriation	\$10,092,000
23	Local Government Archives Account—State	
24	Appropriation	\$8,139,000
25	Election Account—Federal Appropriation	\$4,387,000
26	Performance Audits of Government Account—State	
27	Appropriation.	\$426,000
28	TOTAL APPROPRIATION.	\$68,427,000

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 2018 is provided solely to reimburse counties for the state's
33 share of primary and general election costs and the costs of
34 conducting mandatory recounts on state measures. Counties shall be
35 reimbursed only for those odd-year election costs that the secretary
36 of state validates as eligible for reimbursement.

1 (2)(a) \$2,932,000 of the general fund—state appropriation for
2 fiscal year 2018 and \$3,011,000 of the general fund—state
3 appropriation for fiscal year 2019 are provided solely for
4 contracting with a nonprofit organization to produce gavel-to-gavel
5 television coverage of state government deliberations and other
6 events of statewide significance during the 2017-2019 fiscal
7 biennium. The funding level for each year of the contract shall be
8 based on the amount provided in this subsection. The nonprofit
9 organization shall be required to raise contributions or commitments
10 to make contributions, in cash or in kind, in an amount equal to
11 forty percent of the state contribution. The office of the secretary
12 of state may make full or partial payment once all criteria in this
13 subsection have been satisfactorily documented.

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

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

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

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

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

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

35 (3) \$142,000 of the performance audits of government account—
36 state appropriation for fiscal year 2018 is provided solely for
37 election costs for Substitute Senate Bill No. 5533 (gubernatorial
38 campaign finance). If the bill is not enacted by June 30, 2017, the
39 amount provided in this subsection shall lapse.

1 (4) \$142,000 of the performance audits of government account—
2 state appropriation for fiscal year 2018 is provided solely for
3 election costs for Substitute Senate Bill No. 5607 (education). If
4 the bill is not enacted by June 30, 2017, the amount provided in this
5 subsection shall lapse.

6 (5) \$142,000 of the performance audits of government account—
7 state appropriation for fiscal year 2018 is provided solely for
8 election costs for Senate Joint Resolution No. 8204 (individual
9 income tax prohibition). If the bill is not enacted by June 30, 2017,
10 the amount provided in this subsection shall lapse.

11 (6) \$841,000 of the general fund—state appropriation for fiscal
12 year 2018 and \$841,000 of the general fund—state appropriation for
13 fiscal year 2019 are provided solely for the state library to
14 purchase statewide online access to the information technology
15 academy to allow public access to online courses and learning
16 resources through public libraries.

17 NEW SECTION. **Sec. 121. FOR THE GOVERNOR'S OFFICE OF INDIAN**
18 **AFFAIRS**

19	General Fund—State Appropriation (FY 2018)	\$281,000
20	General Fund—State Appropriation (FY 2019)	\$264,000
21	TOTAL APPROPRIATION.	\$545,000

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

33 NEW SECTION. **Sec. 122. FOR THE COMMISSION ON ASIAN PACIFIC**
34 **AMERICAN AFFAIRS**

35	General Fund—State Appropriation (FY 2018)	\$247,000
36	General Fund—State Appropriation (FY 2019)	\$252,000
37	TOTAL APPROPRIATION.	\$499,000

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

2 State Treasurer's Service Account—State Appropriation . . . \$18,341,000

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

4 General Fund—State Appropriation (FY 2018) \$28,000

5 General Fund—State Appropriation (FY 2019) \$32,000

6 Auditing Services Revolving Account—State
7 Appropriation \$10,001,000

8 Performance Audits of Government Account—State
9 Appropriation \$3,762,000

10 TOTAL APPROPRIATION. \$13,823,000

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

13 (1) \$1,585,000 of the performance audit of government account—
14 state appropriation is provided solely for staff and related costs to
15 verify the accuracy of reported school district data submitted for
16 state funding purposes; conduct school district program audits of
17 state-funded public school programs; establish the specific amount of
18 state funding adjustments whenever audit exceptions occur and the
19 amount is not firmly established in the course of regular public
20 school audits; and to assist the state special education safety net
21 committee when requested.

22 (2) \$1,000,000 of the performance audits of government account—
23 state appropriation is provided solely for the implementation of
24 Engrossed Second Substitute Senate Bill No. 5465 (corrections ombuds)
25 or Engrossed Senate Bill No. 5294 (department of corrections). If
26 neither of these bills is enacted by June 30, 2017, the amounts
27 provided in this subsection shall lapse.

28 (3) \$250,000 of the performance audit of state government—state
29 appropriation is provided solely for the review, monitoring, and
30 evaluation of the agency lean performance management system and
31 excellence assessments required of the health care authority under
32 section 213 of this act and department of commerce homeless
33 assistance programs and office of youth prevention and protection
34 programs under section 128 of this act. The state auditor must
35 provide the governor and the appropriate committees of the
36 legislature with quarterly assurance reports of the agencies'
37 activities and progress.

1 (4) \$774,000 of the performance audit of government—state
2 appropriation is provided solely for the state auditor's office to
3 conduct a performance audit of the department of health focused on
4 the fee setting for each health profession licensed by the
5 department. The performance audit must include, but is not limited
6 to:

7 (a) A review of each health profession's process for setting
8 application, licensure, renewal, examination, and indirect fees;

9 (b) A review of the costs of running each health profession
10 program or board;

11 (c) An analysis of how any moneys collected as indirect charges
12 levied on a health profession are used by the department; and

13 (d) A review of any department policies or procedures that have
14 been adopted in an attempt to reduce the fee levels of any of the
15 health professions.

16 (e) A final report of the performance audit must be submitted to
17 the appropriate legislative policy and fiscal committees by December
18 1, 2018.

19 (5) \$200,000 of the performance audits of government account—
20 state appropriation and \$133,000 of the audit services revolving
21 account—state appropriation are provided solely for implementation of
22 Substitute Senate Bill No. 5864 (ending homelessness). If the bill is
23 not enacted by June 30, 2017, the amounts provided in this subsection
24 shall lapse.

25 **NEW SECTION. Sec. 125. FOR THE CITIZENS' COMMISSION ON SALARIES**
26 **FOR ELECTED OFFICIALS**

27	General Fund—State Appropriation (FY 2018)	\$196,000
28	General Fund—State Appropriation (FY 2019)	\$193,000
29	TOTAL APPROPRIATION.	\$389,000

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

31	General Fund—State Appropriation (FY 2018)	\$4,356,000
32	General Fund—State Appropriation (FY 2019)	\$1,300,000
33	General Fund—Federal Appropriation	\$6,952,000
34	Public Service Revolving Account—State Appropriation . . .	\$2,301,000
35	New Motor Vehicle Arbitration Account—State	
36	Appropriation	\$1,119,000
37	Medicaid Fraud Penalty Account—State Appropriation	\$3,240,000

1	Child Rescue Fund—State Appropriation	\$500,000
2	Legal Services Revolving Account—State Appropriation . .	\$231,851,000
3	Tobacco Prevention and Control Account—State	
4	Appropriation	\$273,000
5	TOTAL APPROPRIATION.	\$251,892,000

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

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

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

23 (3) The attorney general shall annually report to the fiscal
24 committees of the legislature all new cy pres awards and settlements
25 and all new accounts, disclosing their intended uses, balances, the
26 nature of the claim or account, proposals, and intended time frames
27 for the expenditure of each amount. The report shall be distributed
28 electronically and posted on the attorney general's web site. The
29 report shall not be printed on paper or distributed physically.

30 (4) \$2,301,000 of the public service revolving account—state
31 appropriation is provided solely for the work of the public counsel
32 section of the office of the attorney general.

33 (5) \$353,000 of the general fund—state appropriation for fiscal
34 year 2018 and \$353,000 of the general fund—state appropriation for
35 fiscal year 2019 are provided solely for a grant to the Washington
36 coalition of crime victim advocates to provide training,
37 certification, and technical assistance for crime victim service
38 center advocates.

1 (6) The general fund—state appropriations in this section have
2 been reduced to reflect the use of increased general fund local
3 revenues from the state being a party to the national Volkswagen
4 settlement. The office of attorney general must continue to prosecute
5 sexually violent predator petitions on behalf of counties under RCW
6 71.09.020 and 71.09.030 using the local funds the office received
7 from the settlement.

8 (7) \$92,000 of the general fund—state appropriation for fiscal
9 year 2018 and \$91,000 of the general fund—state appropriation for
10 fiscal year 2019 are provided solely for the implementation of
11 Engrossed Senate Bill No. 5021 (pro bono legal services/military). If
12 the bill is not enacted by June 30, 2017, the amounts provided in
13 this subsection shall lapse.

14 (8) \$40,000 of the legal services revolving account—state
15 appropriation is provided solely for the implementation of Senate
16 Bill No. 5230 (small business owners). If the bill is not enacted by
17 June 30, 2017, the amount provided in this subsection shall lapse.

18 (9) \$138,000 of the legal services revolving account—state
19 appropriation is provided solely for the implementation of Engrossed
20 Senate Bill No. 5294 (department of corrections) or Engrossed Second
21 Substitute Senate Bill No. 5465 (corrections ombuds). If neither of
22 these bills is enacted by June 30, 2017, the amount provided in this
23 subsection shall lapse.

24 (10) \$78,000 of the general fund—state appropriation for fiscal
25 year 2018 and \$62,000 of the general fund—state appropriation for
26 fiscal year 2019 are provided solely for the implementation of
27 Engrossed Second Substitute Senate Bill No. 5312 (criminal record/
28 employment). If the bill is not enacted by June 30, 2017, the amounts
29 provided in this subsection shall lapse.

30 (11) \$49,000 of the legal services revolving account—state
31 appropriation is provided solely for the implementation of Substitute
32 Senate Bill No. 5577 (incapacitated persons/rights). If the bill is
33 not enacted by June 30, 2017, the amount provided in this subsection
34 shall lapse.

35 (12) \$276,000 of the general fund—state appropriation for fiscal
36 year 2018 and \$259,000 of the general fund—state appropriation for
37 fiscal year 2019 are provided solely for the implementation of Second
38 Substitute Senate Bill No. 5835 (health outcomes/pregnancy). If the

1 bill is not enacted by June 30, 2017, the amounts provided in this
2 subsection shall lapse.

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

4	General Fund—State Appropriation (FY 2018)	\$1,506,000
5	General Fund—State Appropriation (FY 2019)	\$1,488,000
6	TOTAL APPROPRIATION.	\$2,994,000

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

8	General Fund—State Appropriation (FY 2018)	\$26,396,000
9	General Fund—State Appropriation (FY 2019)	\$25,759,000
10	General Fund—Federal Appropriation	\$295,336,000
11	General Fund—Private/Local Appropriation	\$8,480,000
12	Drinking Water Assistance Account—State Appropriation	\$20,000
13	Public Works Assistance Account—State Appropriation	\$7,714,000
14	Drinking Water Assistance Administrative Account—State	
15	Appropriation	\$502,000
16	Lead Paint Account—State Appropriation	\$224,000
17	Building Code Council Account—State Appropriation	\$15,000
18	Economic Development Strategic Reserve Account—State	
19	Appropriation	\$5,660,000
20	Liquor Excise Tax Account—State Appropriation	\$643,000
21	Home Security Fund Account—State Appropriation	\$47,824,000
22	Energy Freedom Account—State Appropriation.	\$6,000
23	Affordable Housing for All Account—State	
24	Appropriation	\$12,859,000
25	Financial Fraud and Identity Theft Crimes	
26	Investigation and Prosecution Account—State	
27	Appropriation	\$1,974,000
28	Low-Income Weatherization and Structural Rehab.	
29	Assistance Account—State Appropriation	\$1,398,000
30	Community and Economic Development Fee Account—State	
31	Appropriation	\$4,591,000
32	Financial Service Regulation Account—State	
33	Appropriation.	\$468,000
34	Liquor Revolving Account—State Appropriation	\$4,966,000
35	Washington Housing Trust Account—State Appropriation	\$13,497,000
36	Prostitution Prevention and Intervention Account—State	
37	Appropriation	\$26,000

1	Performance Audits of Government Account—State	
2	Appropriation.	\$525,000
3	Public Facility Construction Loan Revolving Account—State	
4	Appropriation	\$810,000
5	TOTAL APPROPRIATION.	\$459,693,000

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

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

16 (2) \$1,440,000 of the home security fund account—state
17 appropriation for fiscal year 2019 is provided solely to add 100 new
18 low and no-barrier housing beds for people with a criminal history,
19 substance abuse disorder, and/or mental illness. Currently, there is
20 little to no housing specific to populations with these co-occurring
21 disorders; therefore, the department must consider how best to
22 develop new bed capacity in combination with individualized support
23 services, such as intensive case management and care coordination,
24 clinical supervision, mental health, substance abuse treatment, and
25 vocational and employment services. Case-management and care
26 coordination services must be provided. Increased case-managed
27 housing will help to reduce the use of jails and emergency services
28 and will help to reduce admissions to the state psychiatric
29 hospitals.

30 (3) \$2,460,000 of the home security fund account—state
31 appropriation is provided solely to add 128 community beds to address
32 the need for increased permanent supportive housing for individuals
33 with a history of mental illness. Priority must be given to
34 individuals on the discharge list at the state psychiatric hospitals,
35 where residential placements present significant barriers to timely
36 discharge. The department of commerce must contract with local
37 entities to provide a mix of shared supportive housing and
38 independent housing.

1 (4) \$500,000 of the general fund—state appropriation for fiscal
2 year 2018 and \$500,000 of the general fund—state appropriation for
3 fiscal year 2019 are provided solely for a grant to resolution
4 Washington to building statewide capacity for alternative dispute
5 resolution centers and dispute resolution programs that guarantee
6 that citizens have access to low-cost resolution as an alternative to
7 litigation.

8 (5) The department shall administer its growth management act
9 technical assistance and pass-through grants so that smaller cities
10 and counties receive proportionately more assistance than larger
11 cities or counties.

12 (6) \$396,000 of the general fund—state appropriation for fiscal
13 year 2018 and \$396,000 of the general fund—state appropriation for
14 fiscal year 2019 are provided solely for the Washington new Americans
15 program.

16 (7) \$5,602,000 of the economic development strategic reserve
17 account—state appropriation is provided solely for associate
18 development organizations. During the 2017-2019 fiscal biennium, the
19 department shall consider an associate development organization's
20 total resources when making contracting and fund allocation
21 decisions, in addition to the schedule provided in RCW 43.330.086.

22 (8) \$5,607,000 of the liquor revolving account—state
23 appropriation is provided solely for the department to contract with
24 the municipal research and services center of Washington subject the
25 following conditions and limitations: The department must provide a
26 report to the fiscal committees of the legislature on options for the
27 municipal research and services center to become self-sustaining
28 without a state appropriation. If the report is not received by
29 November 1, 2018, \$1,400,000 of the liquor revolving account—state
30 appropriation shall lapse and remain unexpended.

31 (9) \$150,000 of the general fund—state appropriation for fiscal
32 year 2018 and \$150,000 of the general fund—state appropriation for
33 fiscal year 2019 are provided solely for the regulatory roadmap
34 program to complete existing projects in the construction industry
35 and to identify and coordinate with businesses in key industry
36 sectors to develop additional regulatory roadmap tools.

37 (10) The department is authorized to require an applicant to pay
38 an application fee to cover the cost of reviewing the project and
39 preparing an advisory opinion on whether a proposed electric

1 generation project or conservation resource qualifies to meet
2 mandatory conservation targets.

3 (11) Within existing resources, the department shall provide
4 administrative and other indirect support to the developmental
5 disabilities council.

6 (12) \$643,000 of the general fund—state appropriation for fiscal
7 year 2018 and \$643,000 of the general fund—state appropriation for
8 fiscal year 2019 are provided solely for the department to contract
9 with a private, nonprofit organization to provide developmental
10 disability ombudsman services.

11 (13) \$557,000 of the general fund—state appropriation for fiscal
12 year 2018 and \$557,000 of the general fund—state appropriation for
13 fiscal year 2019 are provided solely for the department to provide
14 staff and administrative support to the achieving a better life
15 experience program governing board.

16 (14) \$512,000 of the general fund—state appropriation for fiscal
17 year 2018 is provided solely to complete the requirements of the
18 agricultural labor skills and safety grant program in chapter 43.330
19 RCW. This program expires July 1, 2018.

20 (15) \$1,448,000 of the general fund—state appropriation for
21 fiscal year 2018 and \$1,448,000 of the general fund—state
22 appropriation for fiscal year 2019 are provided solely for the long-
23 term care ombuds program.

24 (16) Within existing resources, the department of commerce shall
25 consult with key crime victim services stakeholders to inform
26 decisions about the funding distribution for federal fiscal years
27 2017-2019 victims of crime act victim assistance funding. These
28 stakeholders must include, at a minimum, children's advocacy centers
29 of Washington, Washington association of prosecuting attorneys,
30 Washington association of sheriffs and police chiefs, Washington
31 coalition against domestic violence, Washington coalition of sexual
32 assault programs, Washington coalition of crime victim advocates, at
33 least one representative from a child health coalition, and other
34 organizations as determined by the department. Funding distribution
35 considerations shall include, but are not limited to, geographic
36 distribution of services, underserved populations, age of victims,
37 best practices, and the unique needs of individuals, families, youth,
38 and children who are victims of crime.

1 (17)(a) \$80,000 of the general fund—state appropriation for
2 fiscal year 2016 and \$80,000 of the general fund—state appropriation
3 for fiscal year 2017 are provided solely as a grant to Klickitat
4 county for a land use planner to assist with planning and processing
5 of permits by the Columbia River gorge commission. As a condition of
6 the receipt of funds, development review application by the
7 commission must meet the following performance standards:

8 (i) Development review applications must be completed within
9 fourteen days of receipt;

10 (ii) Decisions on applications must be issued within seventy-two
11 days after an application is complete, except expedited review
12 applications, which are to be issued within thirty days after an
13 application is complete.

14 (b) If the department determines that the commission has failed
15 to achieve these performance standards on any development
16 application, any amount provided that has not yet been expended shall
17 lapse and remain unexpended.

18 (c) Within existing resources, the department and the Columbia
19 River gorge commission will prepare a report addressing compliance
20 with the performance measure that is due to the legislature annually
21 on December 1, 2017, and December 1, 2018.

22 (18) \$18,734,000 of the home security fund—state appropriation
23 and \$7,860,000 of the affordable housing for all account—state
24 appropriation are provided solely for the consolidated homeless
25 grant. Of the amount appropriated, \$5,000,000 is provided solely for
26 emergency assistance to homeless families in the temporary assistance
27 for needy families program.

28 (19) \$14,225,000 of the home security fund—state appropriation is
29 provided solely for the department to contract for services pursuant
30 to RCW 13.32A.030 and 74.15.220. The department shall contract and
31 collaborate with service providers in a manner that maintains the
32 availability and geographic representation of secure and semi-secure
33 crisis residential centers and HOPE centers. To achieve efficiencies
34 and increase utilization, the department shall allow the colocation
35 of these centers, except that a youth may not be placed in a secure
36 facility or the secure portion of a colocated facility except as
37 specifically authorized by chapter 13.32A RCW.

38 (20) \$1,800,000 of the home security fund—state appropriation is
39 provided solely for transitional housing assistance or partial

1 payments for rental assistance under the independent youth housing
2 program.

3 (21) \$2,621,000 of the home security fund—state appropriation is
4 provided solely for street youth services. Of the amount
5 appropriated, \$120,000 is provided solely for increasing services in
6 south King county. The department must distribute funds using
7 performance based contracts that include metrics and outcomes for
8 which performance may be assessed, including the percent of youth
9 served who return to stable housing. Performance reports from street
10 youth service providers must be required quarterly. The department
11 must assess each provider's performance on an annual basis, including
12 actions providers must take to improve performance to meet contract
13 expectations.

14 (22) \$868,000 of the home security fund—state appropriation is
15 provided solely for administration of the office of homeless youth
16 prevention and protection programs. The office must identify service
17 gaps for youth and young adults who are homeless or at risk of
18 homelessness. The office shall further lead efforts to improve data
19 collection, help ensure services are available statewide, and assure
20 that programs fulfill federal regulations and guidelines for
21 preventing and ending youth homelessness.

22 (23) \$3,914,000 of the home security fund—state appropriation and
23 \$1,600,000 of the Washington housing trust account—state
24 appropriation are provided solely for the department to decrease
25 homelessness of youth under 18 years of age though increasing shelter
26 capacity statewide with preference given to increasing the number of
27 contracted HOPE beds and crisis residential center beds. Of the
28 appropriated amounts, \$250,000 of the home security fund—state
29 appropriation is provided solely for a homeless youth shelter in the
30 city of Walla Walla.

31 (24) \$500,000 of the home security fund—state appropriation is
32 provided solely for funds grants to public partner organizations to
33 test new models to prevent youth from exiting systems into
34 homelessness.

35 (25) \$3,000,000 of the Washington housing trust account—state
36 appropriation is provided solely for the department of commerce for
37 services to homeless families through the Washington youth and
38 families fund.

1 (26) \$306,000 of the general fund—state appropriation for fiscal
2 year 2018 and \$306,000 of the general fund—state appropriation for
3 fiscal year 2019 are provided solely for a grant to the retired
4 senior volunteer program.

5 (27) \$375,000 of the general fund—state appropriation for fiscal
6 year 2018 and \$375,000 of the general fund—state appropriation for
7 fiscal year 2019 are provided solely as pass-through funding to Walla
8 Walla Community College for its water and environmental center.

9 (28) \$468,000 of the financial services regulation account—state
10 appropriation is provided solely for the family prosperity account
11 program.

12 (29) The department is authorized to suspend issuing any
13 nonstatutorily required grants or contracts of an amount less than
14 \$1,000,000 per year.

15 (30) \$102,000 of the general fund—state appropriation for fiscal
16 year 2018 and \$75,000 of the general fund—state appropriation for
17 fiscal year 2019 are provided solely for the implementation of
18 Engrossed Senate Bill No. 5128 (incremental electricity). If the bill
19 is not enacted by June 30, 2017, the amounts provided in this
20 subsection shall lapse.

21 (31) \$94,000 of the general fund—state appropriation for fiscal
22 year 2018 and \$253,000 of the general fund—state appropriation for
23 fiscal year 2019 are provided solely for the implementation of
24 Engrossed Senate Bill No. 5577 (incapacitated persons rights). If the
25 bill is not enacted by June 30, 2017, the amounts provided in this
26 subsection shall lapse.

27 (32) \$525,000 of the performance audit of state government—state
28 appropriation is provided solely for the department to develop an
29 agency lean performance management system by June 30, 2018, and to
30 complete an excellence assessment by June 30, 2019, for its homeless
31 assistance program and its office of youth prevention and protection
32 programs. The agency lean performance management system must provide
33 for (a) gathering, monitoring, and analysis of data to measure
34 performance and eliminate waste and inefficiency in agency
35 operations; (b) conforming to an internationally recognized quality
36 management system; (c) allocating resources to improve performance;
37 and (d) setting a goal and including all activities and requirements
38 necessary to reduce agency costs by one percent annually within two
39 years of adoption. The excellence assessment must be an assessment of

1 the authority's operational performance by a trained national or
2 state examiner using an excellence framework published by the
3 national institutes of standards and technology, United States
4 department of commerce.

5 (33) \$50,000 of the general fund—state appropriation for fiscal
6 year 2018 is provided solely for the wildfire project, a nonprofit
7 affiliate of the Wenatchee valley museum and cultural center, to
8 provide public education within the state on wildfire and forest
9 health issues through presentations, exhibits, and film.

10 (34) \$50,000 of the economic development strategic reserve
11 account—state appropriation is provided solely to the designed
12 innovation partnership zone of the city of Issaquah to host a
13 regional or national sports medicine conference.

14 (35) \$60,000 of the general fund—state appropriation for fiscal
15 year 2018 is provided solely as a grant to the Hoh Indian Tribe for
16 critical infrastructure, including a backup electrical power
17 generator to address recurrent power outages in the community.

18 (36) \$50,000 of the general fund—state appropriation for fiscal
19 year 2018 is provided solely for the department to contract with a
20 local associate development organization serving Pierce or King
21 county to conduct a study on the current state of data center
22 industry in Washington and whether changes to existing state policies
23 would result in additional investment and job creation in Washington
24 as well as advance the development of the state's technology
25 ecosystems. The study is due to the appropriate committees of the
26 legislature by December 1, 2017.

27 (37) \$1,475,000 of the general fund—state appropriation for
28 fiscal year 2018 and \$1,525,000 of the general fund—state
29 appropriation for fiscal year 2019 are provided solely for
30 implementation of Substitute Senate Bill No. 5864 (ending
31 homelessness). If the bill is not enacted by June 30, 2017, the
32 amounts provided in this subsection shall lapse.

33 (38) \$300,000 of the general fund—state appropriation for fiscal
34 year 2018 and \$300,000 of the general fund—state appropriation for
35 fiscal year 2019 are provided solely for the northwest agriculture
36 business center.

37 (39) \$3,750,000 of the general fund—state appropriation for
38 fiscal year 2018 and \$3,750,000 of the general fund—state
39 appropriation for fiscal year 2019 are provided solely for

1 homelessness assistance for an individual who is incapacitated from
 2 gainful employment that is likely to continue for at least 90 days;
 3 are citizens or aliens lawfully admitted for permanent residence or
 4 otherwise residing in the United States under color of law; are
 5 homeless or at substantial risk of homelessness; and have a dependent
 6 child within the household.

7 (40) \$600,000 of the general fund—state appropriation for fiscal
 8 year 2018 is provided solely for the William D. Ruckelshaus center to
 9 prepare a roadmap for Washington's future that recommends
 10 improvements to the state's growth planning framework and identifies
 11 areas of agreement for reforms needed to maintain and improve
 12 Washington's economic, environment, and human health. The roadmap
 13 must include a comprehensive review of the growth management act, the
 14 state environmental policy act, and shoreline management act. The
 15 work must also include regional workshops across the state to engage
 16 citizen and community involvement to shape the roadmap.

17 NEW SECTION. **Sec. 129. FOR THE ECONOMIC AND REVENUE FORECAST**
 18 **COUNCIL**

19	General Fund—State Appropriation (FY 2018)	. . . . .	\$828,000
20	General Fund—State Appropriation (FY 2019)	. . . . .	\$883,000
21	Lottery Administrative Account—State Appropriation	. . . . .	\$50,000
22	TOTAL APPROPRIATION.	. . . . .	\$1,761,000

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

24	General Fund—State Appropriation (FY 2018)	. . . . .	\$9,034,000
25	General Fund—State Appropriation (FY 2019)	. . . . .	\$9,190,000
26	General Fund—Federal Appropriation	. . . . .	\$39,671,000
27	General Fund—Private/Local Appropriation	. . . . .	\$501,000
28	Economic Development Strategic Reserve Account—State		
29	Appropriation	. . . . .	\$313,000
30	Personnel Service Account—State Appropriation	. . . . .	\$8,483,000
31	Higher Education Personnel Services Account—State		
32	Appropriation	. . . . .	\$1,497,000
33	Statewide Information Technology System Development		
34	Revolving Account—State Appropriation	. . . . .	\$6,503,000
35	Performance Audits of Government Account—State		
36	Appropriation	. . . . .	\$594,000
37	Office of Financial Management Central Service		

1	Account—State Appropriation.	\$19,237,000
2	TOTAL APPROPRIATION.	\$95,023,000

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

5 (1) The appropriations in this section represent a transfer of
6 expenditure authority of \$4,000,000 of the general fund—federal
7 appropriation from the health care authority to the office of
8 financial management to implement chapter 246, Laws of 2015 (all-
9 payer health care claims database).

10 (2)(a) The student achievement council and all institutions of
11 higher education eligible to participate in the state need grant
12 shall ensure that data needed to analyze and evaluate the
13 effectiveness of the state need grant program are promptly
14 transmitted to the education data center so that it is available and
15 easily accessible. The data to be reported must include but not be
16 limited to:

- 17 (i) The number of state need grant recipients;
- 18 (ii) The number of students on the unserved waiting list of the
19 state need grant;
- 20 (iii) Persistence and completion rates of state need grant
21 recipients and students on the state need grant unserved waiting
22 list, disaggregated by institutions of higher education;
- 23 (iv) State need grant recipients and students on state need grant
24 unserved waiting list grade point averages; and
- 25 (v) State need grant program costs.

26 (b) The student achievement council shall submit student unit
27 record data for the state need grant program applicants and
28 recipients to the education data center.

29 (3) \$4,503,000 of the statewide information technology system
30 development revolving account—state appropriation is provided solely
31 for readiness activities related to the One Washington replacement
32 project to modernize and improve administrative systems and related
33 business processes across state government over a multi-biennia time
34 period and this project is subject to the conditions, limitations,
35 and review provided in section 724 of this act. The funding provided
36 in this subsection is for conducting business warehouse planning and
37 system integrations and contracting with a strategic partner for the
38 design of the long-term program blueprint detailing the readiness,
39 planning, and implementation activities related to this project.

1 Legislative expectation is that the strategic partner selected for
2 this design of this long-term blueprint will have proven experience
3 in successfully managing similar efforts in other states or
4 jurisdictions and that the ultimate project scope will integrate
5 performance information and provide information on discrete units of
6 costs for state governmental activities with the goal of improved
7 management and efficiency. The office of financial management will
8 provide the needed management support for this design effort and will
9 ensure that state agencies fully participate in this initial design
10 effort, including the office of chief information officer. The office
11 of financial management will provide quarterly reports to the
12 legislative fiscal committees and the legislative evaluation and
13 accountability program committee. Before submitting additional
14 funding requests for this project, the office of financial management
15 will submit a comprehensive detailed feasibility study and financial
16 plan for the project to the legislative evaluation and accountability
17 program committee.

18 (4) \$4,000,000 of the general fund—federal appropriation is
19 provided solely for the procurement and implementation of the
20 Washington state all payer claims database project and this project
21 is subject to the conditions, limitations, and review provided in
22 section 724 of this act.

23 (5) \$140,000 of the general fund—state appropriation for fiscal
24 year 2018 and \$140,000 of the general fund—federal appropriation are
25 provided solely for the office of financial management to develop a
26 state inpatient psychiatric managed care capitation risk model. The
27 model shall be submitted to the governor and appropriate committees
28 of the legislature by December 31, 2017. The model must integrate
29 inpatient psychiatric hospitals services into the managed care
30 capitation rate, including commitments for medicaid and nonmedicaid
31 covered individuals. The model should phase-in the financial risk
32 such that managed care organizations bear full financial risk for
33 civil inpatient psychiatric hospital commitments beginning January
34 2020.

35 (6) \$88,000 of the general fund—state appropriation for fiscal
36 year 2018 and \$210,000 of the general fund—state appropriation for
37 fiscal year 2019 are provided solely for implementation of Substitute
38 Senate Bill No. 5443 (dynamic fiscal notes). If the bill is not

1	Timber Tax Distribution Account—State Appropriation	\$6,598,000
2	Business License Account—State Appropriation	\$26,140,000
3	Waste Reduction/Recycling/Litter Control—State	
4	Appropriation	\$144,000
5	Financial Services Regulatory Account—State	
6	Appropriation.	\$5,000,000
7	State Toxics Control Account—State Appropriation	\$103,000
8	TOTAL APPROPRIATION.	\$298,008,000

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

11 (1) \$5,628,000 of the general fund—state appropriation for fiscal
12 year 2018, \$5,628,000 of the general fund—state appropriation for
13 fiscal year 2019, and \$11,257,000 of the business license account—
14 state appropriation are provided solely for the taxpayer legacy
15 system replacement project.

16 (2) \$2,084,000 of the business license account—state
17 appropriation is provided solely for the implementation of Engrossed
18 Substitute Senate Bill No. 5777 (municipal business licenses). If the
19 bill is not enacted by June 30, 2017, the amount provided in this
20 subsection shall lapse.

21 (3) The department must renegotiate the contract for the
22 collection and distribution of the Regional Transit Authority sales
23 tax under RCW 81.104.107 and the Regional Transit Authority rental
24 car tax under RCW 81.104.160 so that the administration fee for the
25 collection and distribution of the taxes is set at one percent. This
26 new contract must be in place by January 1, 2018.

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

28	General Fund—State Appropriation (FY 2018)	\$1,340,000
29	General Fund—State Appropriation (FY 2019)	\$1,377,000
30	TOTAL APPROPRIATION.	\$2,677,000

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

33	Office of Minority and Women's Business Enterprises	
34	Account—State Appropriation	\$4,703,000

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

36	General Fund—Federal Appropriation	\$4,591,000
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1	Insurance Commissioners Regulatory Account—State	
2	Appropriation	\$57,704,000
3	TOTAL APPROPRIATION.	\$62,295,000

4 The appropriations in this section are subject to the following
5 conditions and limitations: \$79,000 of the insurance commissioners
6 regulatory account—state appropriation is provided solely for
7 implementation of Engrossed Senate Bill No. 5629 (rights and duties
8 for title insurance rating and advisory organizations). If the bill
9 is not enacted by June 30, 2017, the amount provided in this
10 subsection shall lapse.

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

12	State Investment Board Expense Account—State	
13	Appropriation	\$46,881,000

14 NEW SECTION. **Sec. 141. FOR THE LIQUOR AND CANNABIS BOARD**

15	General Fund—State Appropriation (FY 2018)	\$358,000
16	General Fund—State Appropriation (FY 2019)	\$359,000
17	General Fund—Federal Appropriation	\$2,850,000
18	General Fund—Private/Local Appropriation	\$50,000
19	Dedicated Marijuana Account—State Appropriation	
20	(FY 2018).	\$9,400,000
21	Dedicated Marijuana Account—State Appropriation	
22	(FY 2019).	\$8,696,000
23	Liquor Revolving Account—State Appropriation	\$69,419,000
24	TOTAL APPROPRIATION.	\$91,132,000

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

27 (1) \$1,420,000 of the dedicated marijuana account—state
28 appropriation for fiscal year 2018 and \$885,000 of the dedicated
29 marijuana account—state appropriation for fiscal year 2019 are
30 provided solely for the traceability system replacement project and
31 are subject to the conditions, limitations, and review provided in
32 section 724 of this act. If Senate Bill No. 5130 is not enacted by
33 June 30, 2017, the amounts provided in this subsection shall lapse.

34 (2) Within existing resources, the state liquor and cannabis
35 board shall establish a way by which any inspection or approval of a
36 marijuana processor's professional closed loop systems, equipment,

1 extraction operation, and facilities, may be performed by a qualified
2 person or entity other than a local fire code official, in the event
3 that a local fire code official does not perform such an inspection
4 or approval as required by state liquor and cannabis board rule.

5 (3) \$282,000 of the liquor revolving account—state appropriation
6 is provided solely for the implementation of Substitute Senate Bill
7 No. 5161 (theater licenses). If the bill is not enacted by June 30,
8 2017, the amount provided in this subsection shall lapse.

9 (4) \$589,000 of the liquor revolving account—state appropriation
10 is provided solely for the implementation of Substitute Senate Bill
11 No. 5165 (snack bar licenses). If the bill is not enacted by June 30,
12 2017, the amount provided in this subsection shall lapse.

13 (5) \$1,106,000 of the liquor revolving account—state
14 appropriation is provided solely for the implementation of Engrossed
15 Substitute Senate Bill No. 5781 (special occasions and banquets). If
16 the bill is not enacted by June 30, 2017, the amount provided in this
17 subsection shall lapse.

18 (6) \$57,000 of the liquor revolving account—state appropriation
19 is provided solely for the implementation of Engrossed Senate Bill
20 No. 5834 (bonded spirits warehouses). If the bill is not enacted by
21 June 30, 2017, the amount provided in this subsection shall lapse.

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

24	General Fund—Private/Local Appropriation	\$16,390,000
25	Public Service Revolving Account—State Appropriation . .	\$39,199,000
26	Pipeline Safety Account—State Appropriation	\$3,352,000
27	Pipeline Safety Account—Federal Appropriation	\$3,014,000
28	TOTAL APPROPRIATION.	\$61,955,000

29 The appropriations in this section are subject to the following
30 conditions and limitations: \$2,093,000 of the public service
31 revolving account—state appropriation is provided solely for the
32 commission to cover the costs of moving its offices to a new
33 location, in cooperation with the department of enterprise services.

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

35	General Fund—State Appropriation (FY 2018)	\$7,873,000
36	General Fund—State Appropriation (FY 2019)	\$7,615,000
37	General Fund—Federal Appropriation	\$117,339,000

1	Enhanced 911 Account—State Appropriation	\$52,239,000
2	Disaster Response Account—State Appropriation	\$24,207,000
3	Disaster Response Account—Federal Appropriation	\$59,060,000
4	Military Department Rent and Lease Account—State	
5	Appropriation	\$1,115,000
6	Worker and Community Right-to-Know Account—State	
7	Appropriation	\$2,318,000
8	Oil Spill Prevention Account—State Appropriation	\$1,006,000
9	TOTAL APPROPRIATION.	\$272,772,000

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

12 (1) The military department shall submit a report to the office
13 of financial management and the legislative fiscal committees by
14 October 1st and February 1st of each year detailing information on
15 the disaster response account, including: (a) The amount and type of
16 deposits into the account; (b) the current available fund balance as
17 of the reporting date; and (c) the projected fund balance at the end
18 of the 2017-2019 biennium based on current revenue and expenditure
19 patterns.

20 (2) \$40,000,000 of the general fund—federal appropriation is
21 provided solely for homeland security, subject to the following
22 conditions: Any communications equipment purchased by local
23 jurisdictions or state agencies shall be consistent with standards
24 set by the Washington state interoperability executive committee.

25 (3) \$784,000 of the disaster response account—state appropriation
26 is provided solely for fire suppression training and equipment to
27 national guard soldiers and airmen.

28 (4) \$100,000 of the general fund—state appropriation for fiscal
29 year 2018 and \$100,000 of the general fund—state appropriation for
30 fiscal year 2019 are provided solely for the conditional scholarship
31 program pursuant to chapter 28B.103 RCW.

32 (5) \$200,000 of the general fund—state appropriation for fiscal
33 year 2018, \$200,000 of the general fund—state appropriation for
34 fiscal year 2019, and \$500,000 of the military department rent and
35 lease account—state appropriation is provided solely for
36 implementation of Substitute Senate Bill No. 5405 (national guard
37 facilities). If the bill is not enacted by June 30, 2017, the amounts
38 provided in this subsection shall lapse.

1 (6) \$18,700,000 of the enhanced 911 account—state appropriation
2 is provided solely for financial assistance to counties.

3 (7) \$250,000 of the general fund—state appropriation for fiscal
4 year 2018 is provided solely for the emergency management division to
5 conduct a comprehensive study and make recommendations for the lahar
6 and seismic activity warning system as the issue relates to potential
7 debris flows originating from Mount Rainier and affected surrounding
8 communities. The study should identify current capabilities by
9 county, potential enhancements, and the opportunities and challenges
10 to using existing cellular based systems such as reverse 911. A
11 report to the appropriate committees of the legislature is due June
12 30, 2018.

13 NEW SECTION. **Sec. 144. FOR THE PUBLIC EMPLOYMENT RELATIONS**
14 **COMMISSION**

15	Personnel Service Account—State Appropriation	\$7,640,000
16	Higher Education Personnel Services Account—State	
17	Appropriation	\$1,223,000
18	TOTAL APPROPRIATION.	\$8,863,000

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

20	Certified Public Accountants' Account—State	
21	Appropriation	\$2,799,000

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

23	Death Investigations Account—State Appropriation	\$632,000
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24 The appropriation in this section is subject to the following
25 conditions and limitations:

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

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

1 (3) \$130,000 of the death investigations account appropriation is
 2 provided solely for the council to establish a statewide case
 3 management system for coroners and medical examiners. The council
 4 must confer with the state association of coroners and medical
 5 examiners in the section of the system.

6 NEW SECTION. **Sec. 147. FOR THE DEPARTMENT OF ENTERPRISE**
 7 **SERVICES**

8	General Fund—State Appropriation (FY 2018)	. . . . .	\$4,335,000
9	General Fund—State Appropriation (FY 2019)	. . . . .	\$4,321,000
10	General Fund—Private/Local Appropriation	. . . . .	\$102,000
11	Building Code Council Account—State Appropriation	. . . . .	\$1,036,000
12	TOTAL APPROPRIATION.	. . . . .	\$9,794,000

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

15 (1) Before any agency may purchase a passenger motor vehicle as
 16 defined in RCW 43.19.560, the agency must have written approval from
 17 the director of the department of enterprise services. Agencies that
 18 are exempted from this requirement are the Washington state
 19 department of transportation, Washington state patrol, and the
 20 department of natural resources.

21 (2) From the fee charged to master contract vendors, the
 22 department shall transfer to the office of minority and women's
 23 business enterprises account \$1,500,000 in fiscal year 2018 and
 24 \$1,300,000 in fiscal year 2019.

25 (3) In accordance with RCW 46.08.172 and 43.135.055, the
 26 department is authorized to increase parking fees in fiscal years
 27 2018 and 2019 as necessary to meet the actual costs of conducting
 28 business.

29 (4) \$3,998,000 of the general fund—state appropriation for fiscal
 30 year 2018 and \$3,998,000 of the general fund—state appropriation for
 31 fiscal year 2019 are provided solely for the payment of facilities
 32 and services charges, utilities and contracts charges, public and
 33 historic facilities charges, and capital projects surcharges
 34 allocable to the senate, house of representatives, statute law
 35 committee, legislative support services, joint legislative systems
 36 committee, and office of support services. The department shall
 37 allocate charges attributable to these agencies among the affected
 38 revolving funds. The department shall maintain an interagency

1 agreement with these agencies to establish performance standards,
2 prioritization of preservation and capital improvement projects, and
3 quality assurance provisions for the delivery of services under this
4 subsection. The legislative agencies named in this subsection shall
5 continue to enjoy all of the same rights of occupancy and space use
6 on the capitol campus as historically established.

7 (5) The risk management system project funded through the risk
8 management administration account created in RCW 4.92.220 is subject
9 to the conditions, limitations, and review provided in section 724 of
10 this act.

11 NEW SECTION. **Sec. 148. FOR THE BOARD FOR VOLUNTEER FIREFIGHTERS**
12 Volunteer Firefighters' and Reserve Officers' Administrative
13 Account—State Appropriation \$1,183,000

14 The appropriation in this section is subject to the following
15 conditions and limitations: \$128,000 of the volunteer firefighters'
16 and reserve officers' relief and pension administrative account—state
17 appropriation for fiscal year 2018 and \$128,000 of the volunteer
18 firefighters' and reserve officers' relief and pension administrative
19 account—state appropriation for fiscal year 2019 are provided solely
20 to the pension and benefit tracking system project and are subject to
21 the conditions, limitations, and review provided in section 724 of
22 this act.

23 NEW SECTION. **Sec. 149. FOR THE DEPARTMENT OF ARCHAEOLOGY AND**
24 **HISTORIC PRESERVATION**

25 General Fund—State Appropriation (FY 2018) \$1,458,000
26 General Fund—State Appropriation (FY 2019) \$1,467,000
27 General Fund—Federal Appropriation \$2,143,000
28 General Fund—Private/Local Appropriation \$14,000
29 TOTAL APPROPRIATION. \$5,082,000

30 NEW SECTION. **Sec. 150. FOR THE CONSOLIDATED TECHNOLOGY SERVICES**
31 **AGENCY**

32 Consolidated Technology Services Revolving Account—State
33 Appropriation \$16,857,000

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

1 (1) \$7,445,000 of the consolidated technology services revolving
2 account—state appropriation is for the office of the chief
3 information officer.

4 (2) \$9,725,000 of the consolidated technology services revolving
5 account—state appropriation is for the office of cyber security.

6 (3) In conjunction with the office of the chief information
7 officer's prioritization of proposed information technology
8 expenditures, agency budget requests for proposed information
9 technology expenditures shall include the following: The agency's
10 priority ranking of each information technology request; the
11 estimated cost for the current biennium; the estimated total cost of
12 the request over all biennia; and the expected timeline to complete
13 the request. The office of the chief information officer and the
14 office of financial management may request agencies to include
15 additional information on proposed information technology expenditure
16 requests.

17 (4) Within existing resources, the agency must provide oversight
18 of state procurement and contracting for information technology goods
19 and services by the department of enterprise services.

20 (5) \$9,094,000 of the consolidated technology services revolving
21 account—state appropriation is provided solely for the office of
22 cyber security.

23 (6) The consolidated technology services agency must not increase
24 fees charged for existing services without prior approval by the
25 office of financial management. Fees for desktop support services
26 must remain unchanged from those charged in the 2015-2017 fiscal
27 biennium. The agency may develop fees to recover the actual cost of
28 new infrastructure to support increased use of cloud technologies.
29 Expenditures of the consolidated technology services agency must not
30 exceed revenues.

31 (7) \$500,000 of the consolidated technology services revolving
32 account—state appropriation is provided solely for the agency, in
33 collaboration with the office of financial management, to conduct a
34 zero-based budget review of the agency's services. Information and
35 analysis submitted by the department for the zero-based review under
36 this subsection shall include:

37 (a) A statement of the statutory basis or other basis for the
38 creation of each program or service and the history of each program
39 or service that is being reviewed;

- 1 (b) A description of how each program or service fits within the
2 strategic plan and goals of the agency and an analysis of the
3 quantified objectives of each program or service within the agency;
- 4 (c) Any available performance measures indicating the
5 effectiveness and efficiency of each program or service;
- 6 (d) A description with supporting cost and staffing data of each
7 program or service and the populations served by each program or
8 service, and the level of funding and staff required to accomplish
9 the goals of the program or service if different than the actual
10 maintenance level;
- 11 (e) An analysis of the major costs and benefits of operating each
12 program or service and the rationale for specific expenditure and
13 staffing levels;
- 14 (f) An analysis estimating each program's or service's
15 administrative and other overhead costs;
- 16 (g) An analysis of the levels of services provided;
- 17 (h) An analysis estimating the amount of funds or benefits that
18 actually reach the intended recipients; and
- 19 (i) An analysis and recommendations for alternative service
20 delivery models that would save money or improve service quality.
- 21 (8) Within existing resources, the agency, in collaboration with
22 the office of financial management, must review options for selling
23 the state data center and make recommendations to the legislature.

(End of part)

PART II
HUMAN SERVICES

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

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

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

(3) The legislature finds that medicaid payment rates, as calculated by the department pursuant to the appropriations in this act, bear a reasonable relationship to the costs incurred by efficiently and economically operated facilities for providing quality services and will be sufficient to enlist enough providers so that care and services are available to the extent that such care and services are available to the general population in the geographic area. The legislature finds that cost reports, payment data from the federal government, historical utilization, economic data, and

1 clinical input constitute reliable data upon which to determine the
2 payment rates.

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

14 (5) Information technology projects or investments and proposed
15 projects or investments impacting time capture, payroll and payment
16 processes and systems, eligibility, case management, and
17 authorization systems within the department of social and health
18 services are subject to technical oversight by the office of the
19 chief information officer.

20 (6)(a) The department shall facilitate enrollment under the
21 medicaid expansion for clients applying for or receiving state funded
22 services from the department and its contractors. Prior to open
23 enrollment, the department shall coordinate with the health care
24 authority to provide referrals to the Washington health benefit
25 exchange for clients that will be ineligible for medicaid.

26 (b) To facilitate a single point of entry across public and
27 medical assistance programs, and to maximize the use of federal
28 funding, the health care authority, the department of social and
29 health services, and the health benefit exchange will coordinate
30 efforts to expand HealthPlanfinder access to public assistance and
31 medical eligibility staff. The department shall complete medicaid
32 applications in the HealthPlanfinder for households receiving or
33 applying for public assistance benefits.

34 NEW SECTION. **Sec. 202. FOR THE DEPARTMENT OF SOCIAL AND HEALTH**
35 **SERVICES—CHILDREN AND FAMILY SERVICES PROGRAM**

36	General Fund—State Appropriation (FY 2018)	. . . . .	\$334,402,000
37	General Fund—State Appropriation (FY 2019)	. . . . .	\$338,958,000
38	General Fund—Federal Appropriation	. . . . .	\$518,667,000

1	General Fund—Private/Local Appropriation	\$2,954,000
2	Domestic Violence Prevention Account—State	
3	Appropriation	\$2,004,000
4	Child Welfare System Improvement Account—State	
5	Appropriation	\$7,097,000
6	TOTAL APPROPRIATION.	\$1,204,082,000

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

9 (1) \$748,000 of the general fund—state appropriation for fiscal
10 year 2018 and \$748,000 of the general fund—state appropriation for
11 fiscal year 2019 are provided solely to contract for the operation of
12 one pediatric interim care center. The center shall provide
13 residential care for up to thirteen children through two years of
14 age. Seventy-five percent of the children served by the center must
15 be in need of special care as a result of substance abuse by their
16 mothers. The center shall also provide on-site training to
17 biological, adoptive, or foster parents. The center shall provide at
18 least three months of consultation and support to the parents
19 accepting placement of children from the center. The center may
20 recruit new and current foster and adoptive parents for infants
21 served by the center. The department shall not require case
22 management as a condition of the contract.

23 (2) \$253,000 of the general fund—state appropriation for fiscal
24 year 2018 and \$253,000 of the general fund—state appropriation for
25 fiscal year 2019 are provided solely for the costs of the eight
26 existing hub home foster families that provide a foster care delivery
27 model that includes a licensed hub home. Use of the hub home model is
28 intended to support foster parent retention, improve child outcomes,
29 and encourage the least restrictive community placements for children
30 in out-of-home care.

31 (3) \$579,000 of the general fund—state appropriation for fiscal
32 year 2018, \$579,000 of the general fund—state appropriation for
33 fiscal year 2019, and \$109,000 of the general fund—federal
34 appropriation are provided solely for a receiving care center east of
35 the Cascade mountains.

36 (4) \$990,000 of the general fund—state appropriation for fiscal
37 year 2018 and \$990,000 of the general fund—state appropriation for
38 fiscal year 2019 are provided solely for services provided through
39 children's advocacy centers.

1 (5) \$1,351,000 of the general fund—state appropriation for fiscal
2 year 2018 and \$1,351,000 of the general fund—state appropriation for
3 fiscal year 2019 are provided solely for implementation of
4 performance-based contracts for family support and related services
5 pursuant to RCW 74.13B.020.

6 (6) \$9,474,000 of the general fund—state appropriation for fiscal
7 year 2018, \$7,173,000 of the general fund—state appropriation for
8 fiscal year 2019 and \$12,043,000 of the general fund—federal
9 appropriation, are provided solely for family assessment response.

10 (7) \$94,000 of the general fund—state appropriation for fiscal
11 year 2018 and \$94,000 of the general fund—state appropriation for
12 fiscal year 2019 are provided solely for a contract with a child
13 advocacy center in Spokane to provide continuum of care services for
14 children who have experienced abuse or neglect and their families.

15 (8)(a) \$539,000 of the general fund—state appropriation for
16 fiscal year 2018, \$540,000 of the general fund—state appropriation
17 for fiscal year 2019, \$656,000 of the general fund private/local
18 appropriation, and \$253,000 of the general fund—federal appropriation
19 are provided solely for a contract with an educational advocacy
20 provider with expertise in foster care educational outreach. The
21 amounts in this subsection are provided solely for contracted
22 education coordinators to assist foster children in succeeding in
23 K-12 and higher education systems and to assure a focus on education
24 during the department's transition to performance-based contracts.
25 Funding must be prioritized to regions with high numbers of foster
26 care youth, or regions where backlogs of youth that have formerly
27 requested educational outreach services exist. The children's
28 administration is encouraged to use private matching funds to
29 maintain educational advocacy services.

30 (b) The children's administration shall contract with the office
31 of the superintendent of public instruction, which in turn shall
32 contract with a nongovernmental entity or entities to provide
33 educational advocacy services pursuant to chapter 71, Laws of 2016.

34 (9) The children's administration shall adopt policies to reduce
35 the percentage of parents requiring supervised visitation, including
36 clarification of the threshold for transition from supervised to
37 unsupervised visitation prior to reunification.

1 (10) The children's administration is encouraged to control
2 exceptional reimbursement decisions so that the child's needs are met
3 without excessive costs.

4 (11) \$97,000 of the general fund—state appropriation for fiscal
5 year 2018 and \$97,000 of the general fund—state appropriation for
6 fiscal year 2019 are provided solely for a one percent rate increase
7 for licensed family child care providers; a \$1.25 per hour increase
8 for family, friends and neighbor providers; and a 4.25 percent
9 increase in health insurance premium coverage.

10 (12) \$207,000 of the general fund—state appropriation for fiscal
11 year 2018 and \$208,000 of the general fund—state appropriation for
12 fiscal year 2019 are provided solely for a one percent base rate
13 increase for child care center providers.

14 (13) \$160,000 of the general fund—state appropriation for fiscal
15 year 2018 and \$3,000 of the general fund—federal appropriation are
16 provided solely for implementation of Second Substitute Senate Bill
17 No. 5749 (children's mental health). If the bill is not enacted by
18 June 30, 2017, the amounts provided in this subsection shall lapse.

19 (14) \$25,000 of the general fund—state appropriation for fiscal
20 year 2018 is provided solely for an entity in Yakima county to
21 provide advocacy and support services to children in foster care.

22 (15) \$250,000 of the general fund—state appropriation for fiscal
23 year 2018 and \$250,000 of the general fund—state appropriation for
24 fiscal year 2019 are provided solely to increase the travel
25 reimbursement provided for the family preservation program.

26 (16) \$2,051,000 of the child welfare system improvement account
27 appropriation is provided solely for implementation of Substitute
28 Senate Bill No. 5890 (foster care and adoption). If the bill is not
29 enacted by June 30, 2017, the amount provided in this subsection
30 shall lapse.

31 (17) \$109,000 of the general fund—state appropriation for fiscal
32 year 2018 and \$106,000 of the general fund—state appropriation for
33 fiscal year 2019 are provided solely for implementation of Substitute
34 Senate Bill No. 5864 (ending homelessness). If the bill is not
35 enacted by June 30, 2017, the amounts provided in this subsection
36 shall lapse.

37 NEW SECTION. **Sec. 203. FOR THE DEPARTMENT OF SOCIAL AND HEALTH**
38 **SERVICES—JUVENILE REHABILITATION PROGRAM**

1	General Fund—State Appropriation (FY 2018)	\$93,168,000
2	General Fund—State Appropriation (FY 2019)	\$92,747,000
3	General Fund—Federal Appropriation	\$3,464,000
4	General Fund—Private/Local Appropriation	\$1,985,000
5	Washington Auto Theft Prevention Authority Account—State	
6	Appropriation	\$196,000
7	TOTAL APPROPRIATION.	\$191,560,000

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

10 (1) \$331,000 of the general fund—state appropriation for fiscal
11 year 2018 and \$331,000 of the general fund—state appropriation for
12 fiscal year 2019 are provided solely for deposit in the county
13 criminal justice assistance account for costs to the criminal justice
14 system associated with the implementation of chapter 338, Laws of
15 1997 (juvenile code revisions). The amounts provided in this
16 subsection are intended to provide funding for county adult court
17 costs associated with the implementation of chapter 338, Laws of 1997
18 and shall be distributed in accordance with RCW 82.14.310.

19 (2) \$6,198,000 of the general fund—state appropriation for fiscal
20 year 2018 and \$6,198,000 of the general fund—state appropriation for
21 fiscal year 2019 are provided solely to implement community juvenile
22 accountability grants pursuant to chapter 338, Laws of 1997 (juvenile
23 code revisions). Funds provided in this subsection may be used solely
24 for community juvenile accountability grants, administration of the
25 grants, and evaluations of programs funded by the grants.

26 (3) The juvenile rehabilitation administration shall implement
27 alcohol and substance abuse treatment programs for locally committed
28 offenders. Funding for this purpose is provided through a memorandum
29 of understanding with the department of social and health services
30 alcohol and substance abuse program. The juvenile rehabilitation
31 administration shall award these moneys on a competitive basis to
32 counties that submitted a plan for the provision of services approved
33 by the division of alcohol and substance abuse. The juvenile
34 rehabilitation administration shall develop criteria for evaluation
35 of plans submitted and a timeline for awarding funding and shall
36 assist counties in creating and submitting plans for evaluation.

37 (4) \$2,841,000 of the general fund—state appropriation for fiscal
38 year 2018 and \$2,841,000 of the general fund—state appropriation for
39 fiscal year 2019 are provided solely for grants to county juvenile

1 courts for the following juvenile justice programs identified by the
2 Washington state institute for public policy (institute) in its:
3 "Inventory of Evidence-based, Research-based, and Promising Practices
4 for Prevention and Intervention Services for Children and Juveniles
5 in the Child Welfare, Juvenile Justice, and Mental Health Systems."
6 Additional funding for this purpose is provided through a memorandum
7 of understanding with the department of social and health services
8 alcohol and substance abuse program. County juvenile courts shall
9 apply to the juvenile rehabilitation administration for funding for
10 program-specific participation and the administration shall provide
11 grants to the courts consistent with the per-participant treatment
12 costs identified by the institute.

13 (5) \$1,537,000 of the general fund—state appropriation for fiscal
14 year 2018 and \$1,537,000 of the general fund—state appropriation for
15 fiscal year 2019 are provided solely for expansion of the following
16 juvenile justice treatments and therapies in juvenile rehabilitation
17 administration programs identified by the Washington state institute
18 for public policy in its report: "Inventory of Evidence-based,
19 Research-based, and Promising Practices for Prevention and
20 Intervention Services for Children and Juveniles in the Child
21 Welfare, Juvenile Justice, and Mental Health Systems." The
22 administration may concentrate delivery of these treatments and
23 therapies at a limited number of programs to deliver the treatments
24 in a cost-effective manner.

25 (6)(a) The juvenile rehabilitation administration shall
26 administer a block grant to county juvenile courts for the purpose of
27 serving youth adjudicated in the county juvenile justice system.
28 Funds dedicated to the block grant include: Consolidated juvenile
29 service (CJS) funds, community juvenile accountability act (CJAA)
30 grants, chemical dependency/mental health disposition alternative
31 (CDDA), and suspended disposition alternative (SDA). The juvenile
32 rehabilitation administration shall follow the following formula and
33 will prioritize evidence-based programs and disposition alternatives
34 and take into account juvenile courts program-eligible youth in
35 conjunction with the number of youth served in each approved
36 evidence-based program or disposition alternative: (i) Thirty-seven
37 and one-half percent for the at-risk population of youth ten to
38 seventeen years old; (ii) fifteen percent for moderate and high-risk
39 youth; (iii) twenty-five percent for evidence-based program
40 participation; (iv) seventeen and one-half percent for minority

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

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

1 should it be determined the changes will increase evidence-based
2 program or disposition alternative delivery and increase the cost
3 benefit to the state. These outcomes will also be considered in
4 determining when evidence-based expansion or special sex offender
5 disposition alternative funds should be included in the block grant
6 or left separate.

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

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

37 (8) \$495,000 of the general fund—state appropriation for fiscal
38 year 2018 and \$495,000 of the general fund—state appropriation for
39 fiscal year 2019 are provided solely for funding of the teamchild
40 project.

1 (9) \$283,000 of the general fund—state appropriation for fiscal
2 year 2018 and \$283,000 of the general fund—state appropriation for
3 fiscal year 2019 are provided solely for the juvenile detention
4 alternatives initiative.

5 (10) \$500,000 of the general fund—state appropriation for fiscal
6 year 2018 and \$500,000 of the general fund—state appropriation for
7 fiscal year 2019 are provided solely for a grant program focused on
8 criminal street gang prevention and intervention. The juvenile
9 rehabilitation administration may award grants under this subsection.
10 The juvenile rehabilitation administration shall give priority to
11 applicants who have demonstrated the greatest problems with criminal
12 street gangs. Applicants composed of, at a minimum, one or more local
13 governmental entities and one or more nonprofit, nongovernmental
14 organizations that have a documented history of creating and
15 administering effective criminal street gang prevention and
16 intervention programs may apply for funding under this subsection.
17 Each entity receiving funds must report to the juvenile
18 rehabilitation administration on the number and types of youth
19 served, the services provided, and the impact of those services on
20 the youth and the community.

21 (11) The juvenile rehabilitation institutions may use funds
22 appropriated in this subsection to purchase services, goods, and
23 supplies through hospital group purchasing organizations when it is
24 cost-effective to do so.

25 (12) \$75,000 of the general fund—state appropriation for fiscal
26 year 2018 is provided solely for the department to coordinate the
27 examination of data associated with juvenile gang and firearm
28 offenses. The review of data must include information from the
29 administrator of the courts, the offices of the superintendent of
30 public instruction, the office of financial management—education
31 research data center, the Washington association of sheriffs and
32 police chiefs, the caseload forecast council, and the department of
33 corrections. For the purpose of carrying out the data review, named
34 organizations are authorized to share data to include details of
35 criminal arrest and conviction data. The department shall report to
36 the governor and the appropriate legislative committees by February
37 1, 2018, with any recommendations for public policy that increases
38 public safety.

1 NEW SECTION. **Sec. 204. FOR THE DEPARTMENT OF SOCIAL AND HEALTH**
2 **SERVICES—MENTAL HEALTH PROGRAM**

3 (1) COMMUNITY SERVICES/REGIONAL SUPPORT NETWORKS

4	General Fund—State Appropriation (FY 2018).	\$383,695,000
5	General Fund—State Appropriation (FY 2019).	\$405,902,000
6	General Fund—Federal Appropriation.	\$992,257,000
7	General Fund—Private/Local Appropriation.	\$17,864,000
8	Dedicated Marijuana Account—State Appropriation	
9	(FY 2018).	\$3,684,000
10	Dedicated Marijuana Account—State Appropriation	
11	(FY 2019).	\$3,684,000
12	TOTAL APPROPRIATION.	\$1,807,086,000

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

15 (a) For the purposes of this subsection, the term "regional
16 support networks," includes, effective April 1, 2016, behavioral
17 health organizations which assume the duties of regional support
18 networks pursuant to chapter 225, Laws of 2014 (2SSB 6312).

19 (b) \$81,180,000 of the general fund—state appropriation for
20 fiscal year 2018 and \$81,180,000 of the general fund—state
21 appropriation for fiscal year 2019 are provided solely for persons
22 and services not covered by the medicaid program. To the extent
23 possible, levels of regional support network spending shall be
24 maintained in the following priority order: Crisis and commitment
25 services; community inpatient services; and residential care
26 services, including personal care and emergency housing assistance.
27 The department must allow regional support networks to use medicaid
28 capitation payments to provide services to medicaid enrollees that
29 are in addition to those covered under the state plan in accordance
30 with the conditions established under federal regulations governing
31 medicaid managed care contracts and subject to federal approval by
32 the center for medicaid and medicare services.

33 (c) \$6,590,000 of the general fund—state appropriation for fiscal
34 year 2018, \$6,590,000 of the general fund—state appropriation for
35 fiscal year 2019, and \$7,620,000 of the general fund—federal
36 appropriation are provided solely for the department and regional
37 support networks to continue to contract for implementation of high-
38 intensity programs for assertive community treatment (PACT) teams. In
39 determining the proportion of medicaid and nonmedicaid funding

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

12 (d) The number of nonforensic beds allocated for use by
13 behavioral health organizations at eastern state hospital shall be
14 192 per day. The number of nonforensic beds allocated for use by
15 behavioral health organizations at western state hospital shall be
16 557 per day in fiscal year 2018. By transitioning patients with long
17 term care needs into enhanced community settings and contracting with
18 licensed local community hospitals for 48 local community hospital
19 beds to provide treatment to individuals on a 90 or 180 day
20 involuntary commitment order, the department must reduce the number
21 of nonforensic beds allocated for use by behavioral health
22 organizations at western state hospital to 497 beginning January 1,
23 2019. The department must allocate the 48 local community hospital
24 beds to the behavioral health organizations according to the current
25 allocation methodology for western state hospital beds as a
26 replacement for the reduction in western state hospital beds.

27 (e) \$5,571,000 of the general fund—state appropriation for
28 fiscal year 2019 and \$4,941,000 of the general fund—federal
29 appropriation are provided solely for the department to contract with
30 community hospitals for up to 48 beds certified for long-term
31 inpatient psychiatric care, beginning January 1, 2019, to serve
32 patients court-ordered for 90 or 180 day stays under the involuntary
33 treatment act.

34 (f) \$1,801,000 of the general fund—state appropriation for fiscal
35 year 2018 and \$1,811,000 of the general fund—state appropriation for
36 fiscal year 2019 are provided solely for the department to implement
37 an increase to inpatient psychiatric rates for care provided in
38 community hospitals. The department will work with the health care

1 authority and the office of financial management to implement this
2 policy.

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

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

12 (i) \$750,000 of the general fund—state appropriation for fiscal
13 year 2018 and \$750,000 of the general fund—state appropriation for
14 fiscal year 2019 are provided solely to continue performance-based
15 incentive contracts to provide appropriate community support services
16 for individuals with severe mental illness who were discharged from
17 the state hospitals as part of the expanding community services
18 initiative. These funds will be used to enhance community residential
19 and support services provided by regional support networks through
20 other state and federal funding.

21 (j) \$1,125,000 of the general fund—state appropriation for fiscal
22 year 2018 and \$1,125,000 of the general fund—state appropriation for
23 fiscal year 2019 are provided solely for the Spokane regional support
24 network to implement services to reduce utilization and the census at
25 eastern state hospital. Such services shall include:

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

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

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

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

37 At least annually, the Spokane regional support network shall
38 assess the effectiveness of these services in reducing utilization at

1 eastern state hospital, identify services that are not optimally
2 effective, and modify those services to improve their effectiveness.

3 (k) \$1,204,000 of the general fund—state appropriation for fiscal
4 year 2018 and \$1,204,000 of the general fund—state appropriation for
5 fiscal year 2019 are provided solely to reimburse Pierce and Spokane
6 counties for the cost of conducting 180-day commitment hearings at
7 the state psychiatric hospitals.

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

20 (m) \$2,291,000 of the general fund—state appropriation for fiscal
21 year 2018 and \$2,291,000 of the general fund—state appropriation for
22 fiscal year 2019 are provided solely for mental health services for
23 mentally ill offenders while confined in a county or city jail and
24 for facilitating access to programs that offer mental health services
25 upon release from confinement.

26 (n) Within the amounts appropriated in this section, funding is
27 provided for the department to develop and phase in intensive mental
28 health services for high needs youth consistent with the settlement
29 agreement in *T.R. v. Dreyfus and Porter*.

30 (o) \$9,184,000 of the general fund—state appropriation for fiscal
31 year 2018, \$11,405,000 of the general fund—state appropriation for
32 fiscal year 2019, and \$17,680,000 of the general fund—federal
33 appropriation are provided solely for enhancement of community mental
34 health services. The department must contract these funds for the
35 operation of community programs in which the department determines
36 there is a need for capacity that allows individuals to be diverted
37 or transitioned from the state hospitals including but not limited
38 to: (i) Community hospital or free standing evaluation and treatment
39 services providing short-term detention and commitment services under

1 the involuntary treatment act to be located in the geographic areas
2 of the King regional support network, the Spokane regional support
3 network outside of Spokane county, and the Thurston Mason regional
4 support network; (ii) one new full program of an assertive community
5 treatment team in the King regional support network and two new half
6 programs of assertive community treatment teams in the Spokane
7 regional support network and the Pierce regional support network; and
8 (iii) three new recovery support services programs in the Grays
9 Harbor regional support network, the greater Columbia regional
10 support network, and the north sound regional support network. In
11 contracting for community evaluation and treatment services, the
12 department may not use these resources in facilities that meet the
13 criteria to be classified under federal law as institutions for
14 mental diseases. If the department is unable to come to a contract
15 agreement with a designated regional support network for any of the
16 services identified above, it may consider contracting for that
17 service in another regional support network that has the need for
18 such service.

19 (p) \$1,500,000 of the general fund—state appropriation for fiscal
20 year 2019 and \$1,500,000 of the general fund—federal appropriation
21 are provided solely to implement clubhouses as a statewide medicaid
22 program under the department's 1915(b) waiver services. The
23 department must take appropriate steps to amend its waiver with the
24 center for medicare and medicaid services to authorize clubhouse
25 services beginning July 1, 2018. If the department is unable to
26 obtain a waiver for these services, the department must report to the
27 governor and appropriate committees of the legislature by December
28 10, 2017, identifying any barriers to obtaining the amendment and the
29 steps taken to comply with this requirement.

30 (q) \$6,858,000 of the general fund—state appropriation for fiscal
31 year 2019 and \$4,023,000 of the general fund—federal appropriation
32 are provided solely to establish a combination of six new crisis
33 walk-in or stabilization facilities, with the placement of at least
34 two facilities in King county and one in Pierce county. Walk-in
35 centers will allow individuals in mental health crisis to stay up to
36 23 hours under observation with stabilization centers allowing
37 slightly longer short-term stays. Services in crisis walk-in centers
38 may include crisis stabilization and intervention, individual
39 counseling, peer support, medication management, education, and

1 referral assistance. The department shall coordinate placement of
2 crisis centers not identified in this subsection, to maximize
3 coverage and to avoid potential duplication of crisis services. The
4 department shall monitor each center's effectiveness at lowering the
5 rate of state psychiatric hospital admissions.

6 (r) \$1,000 of the general fund—state appropriation for fiscal
7 year 2018 and \$2,000 of the general fund—state appropriation for
8 fiscal year 2019 are provided solely for the implementation of Senate
9 Bill No. 5118 (personal needs allowance). If the bill is not enacted
10 by June 30, 2017, the amounts provided in this subsection shall
11 lapse.

12 (2) INSTITUTIONAL SERVICES

13	General Fund—State Appropriation (FY 2018).	\$244,523,000
14	General Fund—State Appropriation (FY 2019).	\$251,628,000
15	General Fund—Federal Appropriation.	\$147,533,000
16	General Fund—Private/Local Appropriation.	\$52,428,000
17	TOTAL APPROPRIATION.	\$696,112,000

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

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

23 (b) \$26,358,000 of the general fund—state appropriation for
24 fiscal year 2018 and \$26,358,000 of the general fund—state
25 appropriation for fiscal year 2019 are provided solely to meet the
26 requirements of the systems improvement agreement with the centers
27 for medicare and medicaid services as outlined in seven conditions of
28 participation and to maintain federal funding. The department shall
29 specifically account for all spending related to the agreement and
30 reconcile it back to the original funding plan. The department shall
31 report back to the governor and the appropriate legislative
32 committees every six months beginning December 1, 2017, regarding
33 current spending, to include any underspending, and progress towards
34 meeting the federal requirements.

35 (c) \$311,000 of the general fund—state appropriation for fiscal
36 year 2018 and \$310,000 of the general fund—state appropriation for
37 fiscal year 2019 are provided solely for a community partnership
38 between western state hospital and the city of Lakewood to support

1 community policing efforts in the Lakewood community surrounding
2 western state hospital. The amounts provided in this subsection
3 (2)(b) are for the salaries, benefits, supplies, and equipment for
4 one full-time investigator, one full-time police officer, and one
5 full-time community service officer at the city of Lakewood.

6 (d) \$231,000 of the general fund—state appropriation for fiscal
7 year 2019 is provided solely for a community partnership between
8 eastern state hospital and the city of Medical Lake to support
9 community policing efforts in the community surrounding eastern state
10 hospital. The amount provided in this subsection must be negotiated
11 and result in an agreement to include dedicated staff and services at
12 eastern state hospital similar to the program implemented by the city
13 of Lakewood for western state hospital.

14 (e) \$45,000 of the general fund—state appropriation for fiscal
15 year 2018 and \$45,000 of the general fund—state appropriation for
16 fiscal year 2019 are provided solely for payment to the city of
17 Lakewood for police services provided by the city at western state
18 hospital and adjacent areas.

19 (f) \$19,000 of the general fund—state appropriation for fiscal
20 year 2018 and \$19,000 of the general fund—state appropriation for
21 fiscal year 2019 are provided solely for payment to the city of
22 Medical Lake for police services provided by the city at eastern
23 state hospital and adjacent areas.

24 (g) \$28,053,000 of the general fund—state appropriation for
25 fiscal year 2018 and \$28,053,000 of the general fund—state
26 appropriation for fiscal year 2019 are provided solely for competency
27 restoration beds. These funds must be used to maintain current
28 forensic beds and to increase forensic bed capacity at western state
29 hospital and eastern state hospital. The department may contract some
30 of these amounts for forensic beds at alternative locations if the
31 secretary determines that is necessary to do so.

32 (h) The appropriations in this section include sufficient funding
33 for the implementation of Senate Bill No. 5894 (behavioral health
34 system).

35 (3) SPECIAL PROJECTS

36	General Fund—State Appropriation (FY 2018).	\$498,000
37	General Fund—State Appropriation (FY 2019).	\$499,000
38	General Fund—Federal Appropriation.	\$6,294,000
39	TOTAL APPROPRIATION.	\$7,291,000

1 The appropriations in this subsection are subject to the
2 following conditions and limitations: \$446,000 of the general fund—
3 state appropriation for fiscal year 2018, \$446,000 of the general
4 fund—state appropriation for fiscal year 2019, and \$178,000 of the
5 general fund—federal appropriation are provided solely for the
6 University of Washington's evidence-based practice institute which
7 supports the identification, evaluation, and implementation of
8 evidence-based or promising practices. The institute must work with
9 the department to develop a plan to seek private, federal, or other
10 grant funding in order to reduce the need for state general funds.

11 (4) PROGRAM SUPPORT

12	General Fund—State Appropriation (FY 2018).	\$9,937,000
13	General Fund—State Appropriation (FY 2019).	\$9,288,000
14	General Fund—Federal Appropriation.	\$11,859,000
15	General Fund—Private/Local Appropriation.	\$502,000
16	Performance Audits of Government Account—State	
17	Appropriation.	\$325,000
18	TOTAL APPROPRIATION.	\$31,911,000

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

21 (a) In accordance with RCW 43.20B.110, 43.135.055, and 71.24.035,
22 the department is authorized to adopt license and certification fees
23 in fiscal years 2018 and 2019 to support the costs of the regulatory
24 program. The department's fee schedule shall have differential rates
25 for providers with proof of accreditation from organizations that the
26 department has determined to have substantially equivalent standards
27 to those of the department, including but not limited to the joint
28 commission on accreditation of health care organizations, the
29 commission on accreditation of rehabilitation facilities, and the
30 council on accreditation. To reflect the reduced costs associated
31 with regulation of accredited programs, the department's fees for
32 organizations with such proof of accreditation must reflect the lower
33 costs of licensing for these programs than for other organizations
34 which are not accredited.

35 (b) Within the amounts appropriated in this section, funding is
36 provided for the department to continue to develop the child
37 adolescent needs and strengths assessment tool and build workforce
38 capacity to provide evidence based wraparound services for children,

1 consistent with the settlement agreement in *T.R. v. Dreyfus and*
2 *Porter*.

3 (c) \$62,000 of the general fund—state appropriation for fiscal
4 year 2018 and \$41,000 of the general fund—federal appropriation are
5 provided solely for the implementation of Second Substitute Senate
6 Bill No. 5749 (children's mental health). If the bill is not enacted
7 by June 30, 2017, the amounts provided in this subsection shall
8 lapse.

9 (d) \$325,000 of the performance audit of state government account
10 —state appropriation is provided solely for the department to conduct
11 a zero-based budget review of the division of mental health to be
12 submitted with their 2019-2021 biennial budget request. Information
13 and analysis submitted by the department for the zero-based review
14 under this subsection shall include:

15 (i) A statement of the statutory basis or other basis for the
16 creation of each program and the history of each program that is
17 being reviewed;

18 (ii) A description of how each program fits within the strategic
19 plan and goals of the agency and an analysis of the quantified
20 objectives of each program within the agency;

21 (iii) Any available performance measures indicating the
22 effectiveness and efficiency of each program;

23 (iv) A description with supporting cost and staffing data of each
24 program and the populations served by each program, and the level of
25 funding and staff required to accomplish the goals of the program if
26 different than the actual maintenance level;

27 (v) An analysis of the major costs and benefits of operating each
28 program and the rationale for specific expenditure and staffing
29 levels;

30 (vi) An analysis estimating each program's administrative and
31 other overhead costs;

32 (vii) An analysis of the levels of services provided; and

33 (viii) An analysis estimating the amount of funds or benefits
34 that actually reach the intended recipients.

35 **NEW SECTION. Sec. 205. FOR THE DEPARTMENT OF SOCIAL AND HEALTH**
36 **SERVICES—DEVELOPMENTAL DISABILITIES PROGRAM**

37 (1) COMMUNITY SERVICES

38 General Fund—State Appropriation (FY 2018) \$595,690,000

1	General Fund—State Appropriation (FY 2019)	\$625,693,000
2	General Fund—Federal Appropriation	\$1,237,393,000
3	General Fund—Private/Local Appropriation	\$534,000
4	TOTAL APPROPRIATION.	\$2,459,310,000

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

7 (a) Individuals receiving services as supplemental security
8 income (SSI) state supplemental payments shall not become eligible
9 for medical assistance under RCW 74.09.510 due solely to the receipt
10 of SSI state supplemental payments.

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

19 (i) The current annual renewal license fee for adult family homes
20 shall be \$225 per bed beginning in fiscal year 2018 and \$225 per bed
21 beginning in fiscal year 2019. A processing fee of \$2,750 shall be
22 charged to each adult family home when the home is initially
23 licensed. This fee is nonrefundable.

24 (ii) The current annual renewal license fee for assisted living
25 facilities shall be \$106 per bed beginning in fiscal year 2018 and
26 \$106 per bed beginning in fiscal year 2019.

27 (iii) The current annual renewal license fee for nursing
28 facilities shall be \$359 per bed beginning in fiscal year 2018 and
29 \$359 per bed beginning in fiscal year 2019.

30 (c) \$25,400,000 of the general fund—state appropriation for
31 fiscal year 2019 and \$32,318,000 of the general fund—federal
32 appropriation are provided solely for health benefits for homecare
33 workers at a rate of \$3.04 per department paid hour of work provided
34 to a multi-employer health benefits trust. This rate is sufficient to
35 ensure that no beneficiaries will lose health benefits, dental
36 benefits, or vision benefits, but modifications to the benefit plan,
37 reserve levels, ancillary programs, or trust operating costs may be
38 necessary. Modifications to the benefit plan may include, but are not
39 limited to, monthly premiums, medical deductibles, prescription drug

1 copayments, medical out-of-pocket limits, hospital inpatient
2 copayments, and hospital outpatient services copayments.

3 (d) \$2,218,000 of the general fund—state appropriation for fiscal
4 year 2019 and \$2,824,000 of the general fund—federal appropriation
5 are provided solely to implement Senate Bill No. 5899 (coordination
6 of training requirement). Beginning July 1, 2018, the department must
7 coordinate all training for long-term care workers. Funding is
8 sufficient to ensure that no long-term care workers will lose the
9 ability to receive basic training, continuing education, advanced
10 training, peer mentorship, or any other training available in the
11 prior fiscal year. If the bill is not enacted by June 30, 2017, the
12 amounts provided in this subsection shall lapse.

13 (e) The department is authorized to establish limited exemption
14 criteria in rule to address RCW 74.39A.325 when a landline phone is
15 not available to the employee.

16 (f) The department may authorize a one-time waiver of all or any
17 portion of the licensing and processing fees required under RCW
18 70.128.060 in any case in which the department determines that an
19 adult family home is being relicensed because of exceptional
20 circumstances, such as death or incapacity of a provider, and that to
21 require the full payment of the licensing and processing fees would
22 present a hardship to the applicant. In these situations the
23 department is also granted the authority to waive the required
24 residential administrator training for a period of 120 days if
25 necessary to ensure continuity of care during the relicensing
26 process.

27 (g) Community residential cost reports that are submitted by or
28 on behalf of contracted agency providers are required to include
29 information about agency staffing including health insurance, wages,
30 number of positions, and turnover.

31 (h) \$152,000 of the general fund—state appropriation for fiscal
32 year 2018, \$143,000 of the general fund—state appropriation for
33 fiscal year 2019, and \$295,000 of the general fund—federal
34 appropriation are provided solely for discharge case managers
35 stationed at the state psychiatric hospitals. Discharge case managers
36 will transition clients ready for hospital discharge into less
37 restrictive alternative community placements. The transition of
38 clients ready for discharge will free up bed capacity at the state
39 psychiatric hospitals.

1 (i) \$1,239,000 of the general fund—state appropriation for fiscal
2 year 2018, \$2,055,000 of the general fund—state appropriation for
3 fiscal year 2019, and \$3,218,000 of the general fund—federal
4 appropriation are provided solely to create new community alternative
5 placement beds that prioritize the transition of clients ready for
6 discharge from the state psychiatric hospitals, but who have
7 additional long-term care or developmental disability needs.
8 Community alternative placement beds include enhanced service
9 facility beds, adult family home beds, skilled nursing facility beds,
10 shared supportive housing beds, assisted living facility beds, state
11 operated living facilities, and state operated living alternatives.
12 In development of bed capacity, the department shall consider the
13 complex needs of individuals waiting for discharge from the state
14 psychiatric hospitals.

15 (j) By January 1, 2019, the department is directed to implement a
16 consumer-directed Medicaid program, which is intended to be a
17 voluntary alternative option for individuals with long-term care
18 needs or individuals with developmental disabilities who choose to
19 receive personal care services from a family member. Services under
20 the new Medicaid program may include, but are not limited to,
21 bathing, bed mobility, body care, dressing, eating, locomotion,
22 medication management, toilet use, transfer, and personal hygiene.

23 (k) \$738,000 of the general fund—state appropriation for fiscal
24 year 2018, \$1,963,000 of the general fund—state appropriation for
25 fiscal year 2019, and \$2,701,000 of the general fund—federal
26 appropriation are provided solely for expanding the number of clients
27 receiving services under the basic plus Medicaid waiver.
28 Approximately six hundred additional clients are anticipated to
29 graduate from high school during the 2017-2019 fiscal biennium and
30 will receive employment services under this expansion.

31 (l) \$840,000 of the general fund—state appropriation for fiscal
32 year 2018, \$3,300,000 of the general fund—state appropriation for
33 fiscal year 2019, and \$3,960,000 of the general fund—federal
34 appropriation are provided solely for transitioning clients from
35 Fircrest school residential habilitation center into community
36 settings. The department must explore placements in community
37 settings through the roads to community living program, whenever
38 possible. The transition of clients must be commenced during the
39 2017-2019 fiscal biennium.

1 (m) \$10,366,000 of the general fund—state appropriation for
 2 fiscal year 2018, \$21,877,000 of the general fund—state appropriation
 3 for fiscal year 2019, and \$33,648,000 of the general fund—federal
 4 appropriation are provided solely for a vendor rate increase of two
 5 percent in fiscal year 2018 and an additional two percent in fiscal
 6 year 2019 for all contracted vendors except nursing home providers
 7 and the program of all inclusive care for the elderly.

8 (n) \$5,000 of the general fund—state appropriation for fiscal
 9 year 2018, \$15,000 of the general fund—state appropriation for fiscal
 10 year 2019, and \$15,000 of the general fund—federal appropriation are
 11 provided solely to implement Senate Bill No. 5118 (personal needs
 12 allowance). If the bill is not enacted by June 30, 2017, the amounts
 13 provided in this subsection shall lapse.

14 (o) \$550,000 of the general fund—state appropriation for fiscal
 15 year 2018, \$550,000 of the general fund—state appropriation for
 16 fiscal year 2019, and \$1,100,000 of the general fund—federal
 17 appropriation are provided solely to implement Second Substitute
 18 Senate Bill No. 5201 (employment services and community access). If
 19 the bill is not enacted by June 30, 2017, the amounts provided in
 20 this subsection shall lapse.

21 (p) \$560,000 of the general fund—state appropriation for fiscal
 22 year 2018, \$570,000 of the general fund—state appropriation for
 23 fiscal year 2019, and \$1,130,000 of the general fund—federal
 24 appropriation are provided solely to implement Senate Bill No. 5014
 25 (benchmark rate in Snohomish county). If the bill is not enacted by
 26 June 30, 2017, the amounts provided in this subsection shall lapse.

27 (2) INSTITUTIONAL SERVICES

28	General Fund—State Appropriation (FY 2018)	. . . . .	\$97,375,000
29	General Fund—State Appropriation (FY 2019)	. . . . .	\$71,210,000
30	General Fund—Federal Appropriation	. . . . .	\$178,981,000
31	General Fund—Private/Local Appropriation	. . . . .	\$24,843,000
32	State Efficiency and Restructuring Account		
33	Appropriation	. . . . .	\$25,000,000
34	TOTAL APPROPRIATION	. . . . .	\$397,409,000

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

37 (a) Individuals receiving services as supplemental security
 38 income (SSI) state supplemental payments shall not become eligible

1 for medical assistance under RCW 74.09.510 due solely to the receipt
2 of SSI state supplemental payments.

3 (b) \$495,000 of the general fund—state appropriation for fiscal
4 year 2018 and \$495,000 of the general fund—state appropriation for
5 fiscal year 2019 are for the department to fulfill its contracts with
6 the school districts under chapter 28A.190 RCW to provide
7 transportation, building space, and other support services as are
8 reasonably necessary to support the educational programs of students
9 living in residential habilitation centers.

10 (c) The department is directed to transition clients from
11 Fircrest school residential habilitation center into community
12 settings, nursing facilities, or other residential habilitation
13 centers. The department must explore placements in community settings
14 through the roads to community living program, whenever possible. The
15 transition of clients must be commenced during the 2017-2019 fiscal
16 biennium.

17 (d) \$5,000 of the general fund—state appropriation for fiscal
18 year 2018, \$16,000 of the general fund—state appropriation for fiscal
19 year 2019, and \$16,000 of the general fund—federal appropriation are
20 provided solely to implement Senate Bill No. 5118 (personal needs
21 allowance). If the bill is not enacted by June 30, 2017, the amounts
22 provided in this subsection shall lapse.

23 (3) PROGRAM SUPPORT

24	General Fund—State Appropriation (FY 2018)	\$2,378,000
25	General Fund—State Appropriation (FY 2019)	\$2,377,000
26	General Fund—Federal Appropriation	\$2,892,000
27	TOTAL APPROPRIATION.	\$7,647,000

28 (4) SPECIAL PROJECTS

29	General Fund—State Appropriation (FY 2018)	\$64,000
30	General Fund—State Appropriation (FY 2019)	\$64,000
31	General Fund—Federal Appropriation	\$1,092,000
32	TOTAL APPROPRIATION.	\$1,220,000

33 NEW SECTION. **Sec. 206. FOR THE DEPARTMENT OF SOCIAL AND HEALTH**
34 **SERVICES—AGING AND ADULT SERVICES PROGRAM**

35	General Fund—State Appropriation (FY 2018)	\$1,072,243,000
36	General Fund—State Appropriation (FY 2019)	\$1,131,132,000
37	General Fund—Federal Appropriation	\$2,730,477,000

1	General Fund—Private/Local Appropriation	\$33,572,000
2	Traumatic Brain Injury Account—State Appropriation	\$4,540,000
3	Skilled Nursing Facility Net Trust Fund—State	
4	Appropriation	\$133,360,000
5	TOTAL APPROPRIATION.	\$5,105,324,000

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

8 (1)(a) For purposes of implementing chapter 74.46 RCW, the
9 weighted average nursing facility payment rate shall not exceed
10 \$216.76 for fiscal year 2018 and shall not exceed \$224.67 for fiscal
11 year 2019. However, if the waiver requested from the federal centers
12 for medicare and medicaid services in relation to the safety net
13 assessment is for any reason disapproved, the weighted average
14 nursing facility payment rate shall not exceed \$198.22 for fiscal
15 year 2018 and shall not exceed \$205.90 for fiscal year 2019.

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

21 (2) In accordance with RCW 18.51.050, 18.20.050, 70.128.060, and
22 43.135.055, the department is authorized to increase nursing
23 facility, assisted living facility, and adult family home fees as
24 necessary to fully support the actual costs of conducting the
25 licensure, inspection, and regulatory programs. The license fees may
26 not exceed the department's annual licensing and oversight activity
27 costs and shall include the department's cost of paying providers for
28 the amount of the license fee attributed to medicaid clients.

29 (a) The current annual renewal license fee for adult family homes
30 shall be \$225 per bed beginning in fiscal year 2018 and \$225 per bed
31 beginning in fiscal year 2019. A processing fee of \$2,750 shall be
32 charged to each adult family home when the home is initially
33 licensed. This fee is nonrefundable. A processing fee of \$700 shall
34 be charged when adult family home providers file a change of
35 ownership application.

36 (b) The current annual renewal license fee for assisted living
37 facilities shall be \$106 per bed beginning in fiscal year 2018 and
38 \$106 per bed beginning in fiscal year 2019.

1 (c) The current annual renewal license fee for nursing facilities
2 shall be \$359 per bed beginning in fiscal year 2018 and \$359 per bed
3 beginning in fiscal year 2019.

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

8 (4) In accordance with chapter 74.46 RCW, the department shall
9 issue no additional certificates of capital authorization for fiscal
10 year 2018 and no new certificates of capital authorization for fiscal
11 year 2019 and shall grant no rate add-ons to payment rates for
12 capital improvements not requiring a certificate of need and a
13 certificate of capital authorization for fiscal years 2018 and 2019.

14 (5) \$1,840,000 of the general fund—state appropriation for fiscal
15 year 2018 and \$1,877,000 of the general fund—state appropriation for
16 fiscal year 2019 are provided solely for operation of the volunteer
17 services program. Funding shall be prioritized towards serving
18 populations traditionally served by long-term care services to
19 include senior citizens and persons with disabilities.

20 (6) The department is directed to implement a consumer-directed
21 medicaid program, which is intended to be a voluntary alternative
22 option for individuals with long-term care needs or individuals with
23 developmental disabilities who choose to receive personal care
24 services from a family member. Services under the new medicaid
25 program may include, but are not limited to, bathing, bed mobility,
26 body care, dressing, eating, locomotion, medication management,
27 toilet use, transfer, and personal hygiene.

28 (7) The department may authorize a one-time waiver of all or any
29 portion of the licensing and processing fees required under RCW
30 70.128.060 in any case in which the department determines that an
31 adult family home is being relicensed because of exceptional
32 circumstances, such as death or incapacity of a provider, and that to
33 require the full payment of the licensing and processing fees would
34 present a hardship to the applicant. In these situations the
35 department is also granted the authority to waive the required
36 residential administrator training for a period of 120 days if
37 necessary to ensure continuity of care during the relicensing
38 process.

1 (8) \$450,000 of the general fund—state appropriation for fiscal
2 year 2018, \$443,000 of the general fund—state appropriation for
3 fiscal year 2019, and \$896,000 of the general fund—federal
4 appropriation are provided solely for discharge case managers
5 stationed at the state psychiatric hospitals. Discharge case managers
6 will transition clients ready for hospital discharge into less
7 restrictive alternative community placements. The transition of
8 clients ready for discharge will free up bed capacity at the state
9 psychiatric hospitals.

10 (9) \$406,000 of the general fund—state appropriation for fiscal
11 year 2018, \$377,000 of the general fund—state appropriation for
12 fiscal year 2019, and \$778,000 of the general fund—federal
13 appropriation are provided solely for financial service specialists
14 stationed at the state psychiatric hospitals. Financial service
15 specialists will help to transition clients ready for hospital
16 discharge into alternative community placements. The transition of
17 clients ready for discharge will free up bed capacity at the state
18 hospitals.

19 (10) \$4,561,000 of the general fund—state appropriation for
20 fiscal year 2018, \$8,309,000 of the general fund—state appropriation
21 for fiscal year 2019, and \$11,807,000 of the general fund—federal
22 appropriation are provided solely to create new community alternative
23 placement beds that prioritize the transition of clients ready for
24 discharge from the state psychiatric hospitals, but who have
25 additional long-term care or developmental disability needs.
26 Community alternative placement beds include enhanced service
27 facility beds, adult family home beds, skilled nursing facility beds,
28 shared supportive housing beds, assisted living facility beds, state
29 operated living facilities, and state operated living alternatives.
30 In development of bed capacity, the department shall consider the
31 complex needs of individuals waiting for discharge from the state
32 psychiatric hospitals.

33 (11) The department is authorized to establish limited exemption
34 criteria in rule to address RCW 74.39A.325 when a landline phone is
35 not available to the employee.

36 (12) In accordance with RCW 18.390.030, the biennial registration
37 fee for continuing care retirement communities shall be \$1,889 for
38 each facility.

1 (13) \$20,000 of the general fund—state appropriation for fiscal
2 year 2018, \$36,000 of the general fund—state appropriation for fiscal
3 year 2019, and \$56,000 of the general fund—federal appropriation are
4 provided solely to hold medicaid nursing facility payment rates for
5 public hospital district providers in rural communities as defined
6 under chapter 70.44 RCW to a minimum of June 30, 2016, reimbursement
7 levels. Medicaid nursing facility payment rates for public hospital
8 district providers in rural communities compensated at June 30, 2016,
9 reimbursement levels are not subject to RCW 74.46.561(10).

10 (14) \$41,388,000 of the general fund—federal appropriation is
11 provided solely for the implementation of strategy two of the
12 medicaid transformation waiver.

13 (15) The department is directed to implement a consumer-directed
14 medicaid program, which is intended to be a voluntary alternative
15 option for individuals with long-term care needs or individuals with
16 developmental disabilities who choose to receive personal care
17 services from a family member. Services under the new medicaid
18 program may include, but are not limited to, bathing, bed mobility,
19 body care, dressing, eating, locomotion, medication management,
20 toilet use, transfer, and personal hygiene.

21 (16) \$5,705,000 of the general fund—state appropriation for
22 fiscal year 2019 and \$7,261,000 of the general fund—federal
23 appropriation are provided solely to implement Senate Bill No. 5899
24 (coordination of training requirement). Beginning July 1, 2018, the
25 department must coordinate all training for long-term care workers.
26 Funding is sufficient to ensure that no long-term care workers will
27 lose the ability to receive basic training, continuing education,
28 advanced training, peer mentorship, or any other training available
29 in the prior fiscal year. If the bill is not enacted by June 30,
30 2017, the amounts provided in this subsection shall lapse.

31 (17) \$65,300,000 of the general fund—state appropriation for
32 fiscal year 2019 and \$83,100,000 of the general fund—federal
33 appropriation are provided solely for health benefits for home care
34 workers at a rate of \$3.04 per department paid hour of work provided
35 to a multi-employer health benefits trust. This rate is sufficient to
36 ensure that no beneficiaries will lose health benefits, dental
37 benefits, or vision benefits, but modifications to the benefit plan,
38 reserve levels, ancillary programs, or trust operating costs may be
39 necessary. Modifications to the benefit plan may include, but are not

1 limited to, monthly premiums, medical deductibles, prescription drug
2 co-payments, medical out-of-pocket limits, hospital inpatient co-
3 payments, and hospital outpatient services co-payments.

4 (18) \$14,023,000 of the general fund—state appropriation for
5 fiscal year 2018, \$29,893,000 of the general fund—state appropriation
6 for fiscal year 2019, and \$54,678,000 of the general fund—federal
7 appropriation are provided solely for a vendor rate increase of two
8 percent in fiscal year 2018 and an additional two percent in fiscal
9 year 2019 for all contracted vendors except nursing home providers
10 and the program of all inclusive care for the elderly.

11 (19) \$200,000 of the general fund—state appropriation for fiscal
12 year 2018, \$850,000 of the general fund—state appropriation for
13 fiscal year 2019, and \$1,050,000 of the general fund—federal
14 appropriation are provided solely for transitioning clients from
15 Fircrest school residential habilitation center into nursing
16 facilities. The transition of clients must be commenced during the
17 2017-2019 fiscal biennium.

18 (20) \$44,000 of the general fund—state appropriation for fiscal
19 year 2018, \$130,000 of the general fund—state appropriation for
20 fiscal year 2019, and \$160,000 of the general fund—federal
21 appropriation are provided solely to implement Senate Bill No. 5118
22 (personal needs allowance). If the bill is not enacted by June 30,
23 2017, the amounts provided in this subsection shall lapse.

24 (21) \$1,500,000 of the general fund—state appropriation for
25 fiscal year 2018 and \$1,500,000 of the general fund—state
26 appropriation for fiscal year 2019 are provided solely to implement
27 Senate Bill No. 5736 (nutrition assistance for older adults). If the
28 bill is not enacted by June 30, 2017, the amounts provided in this
29 subsection shall lapse.

30 (22) \$275,000 of the general fund—state appropriation for fiscal
31 year 2018 and \$2,479,000 of the general fund—federal appropriation
32 are provided solely to finish the programming necessary to give the
33 department the ability to pay individual provider overtime when hours
34 over 40 hours per week are authorized for payment and are subject to
35 the conditions, limitations, and review provided in section 724 of
36 this act.

37 (23) \$5,300,000 of the general fund—state appropriation for
38 fiscal year 2018, \$5,600,000 of the general fund—state appropriation
39 for fiscal year 2019, and \$10,900,000 of the general fund—federal

1 appropriation are provided solely to implement Senate Bill No. 5715
2 (nursing home direct care payments). If the bill is not enacted by
3 June 30, 2017, the amounts provided in this subsection shall lapse.

4 (24) Within existing appropriations, no later than November 30,
5 2017, the department shall report to the appropriate policy and
6 fiscal committees of the legislature with options for redesigning the
7 medicaid payment methodology for assisted living, adult residential
8 care, and enhanced adult residential care. The report must include
9 options identified during a work group process that includes relevant
10 stakeholders and is facilitated by the department.

11 NEW SECTION. **Sec. 207. FOR THE DEPARTMENT OF SOCIAL AND HEALTH**
12 **SERVICES—ECONOMIC SERVICES PROGRAM**

13	General Fund—State Appropriation (FY 2018)	\$353,347,000
14	General Fund—State Appropriation (FY 2019)	\$363,921,000
15	General Fund—Federal Appropriation	\$1,411,053,000
16	General Fund—Private/Local Appropriation	\$5,144,000
17	Administrative Contingency Account—State	
18	Appropriation	\$5,400,000
19	Child Welfare System Improvement Account—State	
20	Appropriation	\$4,093,000
21	TOTAL APPROPRIATION	\$2,142,958,000

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

24 (1)(a) \$114,222,000 of the general fund—state appropriation for
25 fiscal year 2018, \$117,287,000 of the general fund—state
26 appropriation for fiscal year 2019, \$807,307,000 of the general fund—
27 federal appropriation, \$5,400,000 of the administrative contingency
28 account—state appropriation, and \$4,093,000 of the child welfare
29 system improvement account—state appropriation are provided solely
30 for all components of the WorkFirst program. Within the amounts
31 provided for the WorkFirst program, the department may provide
32 assistance using state-only funds for families eligible for temporary
33 assistance for needy families. The department must create a WorkFirst
34 budget structure that allows for transparent tracking of budget units
35 and subunits of expenditures where these units and subunits are
36 mutually exclusive from other department budget units. The budget
37 structure must include budget units for the following: Cash
38 assistance, child care, WorkFirst activities, and administration of

1 the program. Within these budget units, the department must develop
2 program index codes for specific activities and develop allotments
3 and track expenditures using these codes. The department shall report
4 to the office of financial management and the relevant fiscal and
5 policy committees of the legislature prior to adopting a structure
6 change.

7 (b) \$248,058,000 of the amounts in (a) of this subsection are
8 provided solely for assistance to clients, including grants,
9 diversion cash assistance, and additional diversion emergency
10 assistance including but not limited to assistance authorized under
11 RCW 74.08A.210. The department may use state funds to provide support
12 to working families that are eligible for temporary assistance for
13 needy families but otherwise not receiving cash assistance.

14 (c) \$164,239,000 of the amounts in (a) of this subsection are
15 provided solely for WorkFirst job search, education and training
16 activities, barrier removal services, limited English proficiency
17 services, and tribal assistance under RCW 74.08A.040. The department
18 must allocate this funding based on client outcomes and cost
19 effectiveness measures. Of the amounts provided in this subsection
20 (1)(c), \$25,000,000 of the appropriation is provided solely for the
21 opportunity grant program, and \$22,168,000 of the appropriation is
22 provided solely for the state need grant.

23 (d) \$480,400,000 of the amounts in (a) of this subsection are
24 provided solely for the working connections child care program under
25 RCW 43.215.135. Of the amounts provided in this subsection (1)(d),
26 \$10,407,000 of the appropriation is provided solely for a one percent
27 rate increase for licensed family child care providers, a \$1.25 per
28 hour increase for family, friends and neighbor providers, a 4.25
29 percent increase in health insurance premium coverage and a one
30 percent rate increase for child care center providers, and \$1,616,000
31 of the appropriation is provided solely for 100 working connections
32 child care slots which shall be utilized only for foster children.
33 The amounts provided in this subsection (d) are provided conditioned
34 on the department of social and health services and the department of
35 early learning taking additional actions to identify and reduce the
36 backlog of overpayment cases related to public assistance programs,
37 including the working connections child care program. The departments
38 shall collaborate and create a plan to triage overpayment cases in a
39 manner that identifies and prioritizes cases with large overpayments
40 and likelihood of fraudulent activity. The departments shall provide

1 a quarterly report to the appropriate policy and fiscal committees of
2 the legislature detailing the specific actions taken as a result of
3 this subsection (d). In order to not exceed the appropriated amount,
4 a wait list for the working connections child care program shall be
5 implemented if enrollment reaches 31,000 households. Once the wait
6 list is in effect, and only as space or funding becomes available,
7 enrollment in the program shall be prioritized according to the
8 following order:

9 (i) Families applying for or receiving temporary assistance for
10 needy families (TANF);

11 (ii) TANF families curing sanction;

12 (iii) Foster children who will be enrolled in slots being held by
13 the state;

14 (iv) Families that include a child with special needs;

15 (v) Families in which a parent of a child in care is a minor who
16 is not living with a parent or guardian and who is a full-time
17 student in a high school that has a school-sponsored on-site child
18 care center; and

19 (vi) All other eligible families.

20 (e) \$155,611,000 of the amounts in (a) of this subsection are
21 provided solely for WorkFirst and working connections child care
22 administration and overhead.

23 (f) The amounts in (b) through (d) of this subsection shall be
24 expended for the programs and in the amounts specified. However, the
25 department may transfer up to 10 percent of funding between (b)
26 through (e) of this subsection. The department shall provide
27 notification prior to any transfer to the office of financial
28 management and to the appropriate legislative committees and the
29 legislative-executive WorkFirst oversight task force. The approval of
30 the director of financial management is required prior to any
31 transfer under this subsection.

32 (g) Each calendar quarter, the department shall provide a
33 maintenance of effort and participation rate tracking report for
34 temporary assistance for needy families to the office of financial
35 management, the appropriate policy and fiscal committees of the
36 legislature, and the legislative-executive WorkFirst oversight task
37 force. The report must detail the following information for temporary
38 assistance for needy families:

39 (i) An overview of federal rules related to maintenance of
40 effort, excess maintenance of effort, participation rates for

1 temporary assistance for needy families, and the child care
2 development fund as it pertains to maintenance of effort and
3 participation rates;

4 (ii) Countable maintenance of effort and excess maintenance of
5 effort, by source, provided for the previous federal fiscal year;

6 (iii) Countable maintenance of effort and excess maintenance of
7 effort, by source, for the current fiscal year, including changes in
8 countable maintenance of effort from the previous year;

9 (iv) The status of reportable federal participation rate
10 requirements, including any impact of excess maintenance of effort on
11 participation targets;

12 (v) Potential new sources of maintenance of effort and progress
13 to obtain additional maintenance of effort; and

14 (vi) A two-year projection for meeting federal block grant and
15 contingency fund maintenance of effort, participation targets, and
16 future reportable federal participation rate requirements.

17 (h) In the 2017-2019 fiscal biennium, it is the intent to provide
18 appropriations from the state general fund for the purposes of (b)
19 through (e) of this subsection if the department does not receive
20 additional federal temporary assistance for needy families
21 contingency funds in each fiscal year as assumed in the budget
22 outlook.

23 (2) \$1,657,000 of the general fund—state appropriation for fiscal
24 year 2018 and \$1,657,000 of the general fund—state appropriation for
25 fiscal year 2019 are provided solely for naturalization services.

26 (3) \$2,366,000 of the general fund—state appropriation for fiscal
27 year 2018 is provided solely for employment services for refugees and
28 immigrants, of which \$1,774,000 is provided solely for the department
29 to pass through to statewide refugee and immigrant assistance
30 organizations for limited English proficiency pathway services; and
31 \$2,366,000 of the general fund—state appropriation for fiscal year
32 2019 is provided solely for employment services for refugees and
33 immigrants, of which \$1,774,000 is provided solely for the department
34 to pass through to statewide refugee and immigrant assistance
35 organizations for limited English proficiency pathway services.

36 (4) On December 1, 2017, and annually thereafter, the department
37 must report to the governor and the legislature on all sources of
38 funding available for both refugee and immigrant services and
39 naturalization services during the current fiscal year and the

1 amounts expended to date by service type and funding source. The
2 report must also include the number of clients served and outcome
3 data for the clients.

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

9 (6) The department shall review clients receiving services
10 through the aged, blind, or disabled assistance program, to determine
11 whether they would benefit from assistance in becoming naturalized
12 citizens, and thus be eligible to receive federal supplemental
13 security income benefits. Those cases shall be given high priority
14 for naturalization funding through the department.

15 (7) \$433,000 of the general fund—state appropriation for fiscal
16 year 2018, \$451,000 of the general fund—state appropriation for
17 fiscal year 2019, and \$6,451,000 of the general fund—federal
18 appropriation are provided solely for ESAR Architectural Development
19 and are subject to the conditions, limitations, and review provided
20 in section 724 of this act.

21 (8) The department shall continue the interagency agreement with
22 the department of veterans' affairs to establish a process for
23 referral of veterans who may be eligible for veterans' services. This
24 agreement must include out-stationing department of veterans' affairs
25 staff in selected community service office locations in King and
26 Pierce counties to facilitate applications for veterans' services.

27 (9) The appropriations in this section include sufficient funding
28 for the implementation of Senate Bill No. 5118 (personal needs
29 allowance).

30 (10) Savings are assumed in this section as a result of the
31 department reducing the number of authorized exemptions from work
32 participation activities in the WorkFirst program and time limit
33 extensions in the temporary assistance for needy families program. To
34 the extent necessary, the department may revise its hardship
35 exemptions and good cause rules related to work participation and
36 time limits to achieve these savings.

37 (11) \$2,477,000 of the child welfare system improvement account—
38 state appropriation is provided solely for implementation of
39 Substitute Senate Bill No. 5890 (foster care and adoption). If the

1 bill is not enacted by June 30, 2017, the amount provided in this
2 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 2018).	\$78,898,000
6	General Fund—State Appropriation (FY 2019).	\$83,037,000
7	General Fund—Federal Appropriation.	\$572,943,000
8	General Fund—Private/Local Appropriation.	\$20,211,000
9	Criminal Justice Treatment Account—State	
10	Appropriation.	\$12,978,000
11	Problem Gambling Account—State Appropriation.	\$1,453,000
12	Dedicated Marijuana Account—State Appropriation	
13	(FY 2018).	\$24,802,000
14	Dedicated Marijuana Account—State Appropriation	
15	(FY 2019).	\$24,802,000
16	TOTAL APPROPRIATION.	\$819,124,000

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

19 (1) Within the amounts appropriated in this section, the
20 authority may contract with the University of Washington and
21 community-based providers for the provision of the parent-child
22 assistance program or other specialized chemical dependency case
23 management providers for pregnant, post-partum, and parenting women.
24 For all contractors: (a) Service and other outcome data must be
25 provided to the authority by request; and (b) indirect charges for
26 administering the program shall not exceed ten percent of the total
27 contract amount.

28 (2) In accordance with RCW 70.96A.090 and 43.135.055, the
29 authority is authorized to adopt fees for the review and approval of
30 treatment programs in fiscal years 2018 and 2019 as necessary to
31 support the costs of the regulatory program. The department's fee
32 schedule shall have differential rates for providers with proof of
33 accreditation from organizations that the department has determined
34 to have substantially equivalent standards to those of the authority,
35 including but not limited to the joint commission on accreditation of
36 health care organizations, the commission on accreditation of
37 rehabilitation facilities, and the council on accreditation. To
38 reflect the reduced costs associated with regulation of accredited

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

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

8 (4) \$200,000 of the dedicated marijuana account—state
9 appropriation for fiscal year 2018 and \$200,000 of the dedicated
10 marijuana account—state appropriation for fiscal year 2019 are
11 provided solely for a contract with the Washington state institute
12 for public policy to conduct cost-benefit evaluations of the
13 implementation of chapter 3, Laws of 2013 (Initiative Measure No.
14 502).

15 (5) \$500,000 of the dedicated marijuana account—state
16 appropriation for fiscal year 2018 and \$500,000 of the dedicated
17 marijuana account—state appropriation for fiscal year 2019 are
18 provided solely to design and administer the Washington state healthy
19 youth survey and the Washington state young adult behavioral health
20 survey.

21 (6) \$396,000 of the dedicated marijuana account—state
22 appropriation for fiscal year 2018 and \$396,000 of the dedicated
23 marijuana account—state appropriation for fiscal year 2019 are
24 provided solely for increasing services to pregnant and parenting
25 women provided through the parent child assistance program.

26 (7) \$250,000 of the dedicated marijuana account—state
27 appropriation for fiscal year 2018 and \$250,000 of the dedicated
28 marijuana account—state appropriation for fiscal year 2019 are
29 provided solely for a grant to the office of superintendent of public
30 instruction to provide life skills training to children and youth in
31 schools that are in high needs communities.

32 (8) \$386,000 of the dedicated marijuana account—state
33 appropriation for fiscal year 2018 and \$386,000 of the dedicated
34 marijuana account—state appropriation for fiscal year 2019 are
35 provided solely to increase prevention and treatment services
36 provided by tribes to children and youth.

37 (9) \$2,684,000 of the dedicated marijuana account—state
38 appropriation for fiscal year 2018, \$2,684,000 of the dedicated
39 marijuana account—state appropriation for fiscal year 2019, and

1 \$1,900,000 of the general fund—federal appropriation are provided
2 solely to increase residential treatment services for children and
3 youth.

4 (10) \$250,000 of the dedicated marijuana account—state
5 appropriation for fiscal year 2018 and \$250,000 of the dedicated
6 marijuana account—state appropriation for fiscal year 2019 are
7 provided solely for training and technical assistance for the
8 implementation of evidence based, research based, and promising
9 programs which prevent or reduce substance use disorders.

10 (11) \$2,434,000 of the dedicated marijuana account—state
11 appropriation for fiscal year 2018 and \$2,434,000 of the dedicated
12 marijuana account—state appropriation for fiscal year 2019 are
13 provided solely for expenditure into the home visiting services
14 account.

15 (12) \$3,278,000 of the dedicated marijuana account—state
16 appropriation for fiscal year 2018 and \$3,278,000 of the dedicated
17 marijuana account—state appropriation for fiscal year 2019 are
18 provided solely for a memorandum of understanding with the department
19 of social and health services juvenile rehabilitation administration
20 to provide substance abuse treatment programs for juvenile offenders.
21 Of the amounts provided in this subsection:

22 (a) \$1,130,000 of the dedicated marijuana account—state
23 appropriation for fiscal year 2018 and \$1,130,000 of the dedicated
24 marijuana account—state appropriation for fiscal year 2019 are
25 provided solely for alcohol and substance abuse treatment programs
26 for locally-committed offenders. The juvenile rehabilitation
27 administration shall award these funds as described in section 203(3)
28 of this act.

29 (b) \$282,000 of the dedicated marijuana account—state
30 appropriation for fiscal year 2018 and \$282,000 of the dedicated
31 marijuana account—state appropriation for fiscal year 2019 are
32 provided solely for the expansion of evidence-based treatments and
33 therapies as described in section 203(12) of this act.

34 (13) \$2,500,000 of the dedicated marijuana account—state
35 appropriation for fiscal year 2018 and \$2,500,000 of the dedicated
36 marijuana account—state appropriation for fiscal year 2019 are
37 provided solely for grants to community-based programs that provide
38 prevention services or activities to youth, including programs for

1 school-based resource officers. These funds must be utilized in
2 accordance with RCW 69.50.540.

3 (14) Within the amounts provided in this section, behavioral
4 health organizations must provide outpatient chemical dependency
5 treatment for offenders enrolled in the medicaid program who are
6 supervised by the department of corrections pursuant to a term of
7 community supervision. Contracts with behavioral health organizations
8 must require that behavioral health organizations include in their
9 provider network specialized expertise in the provision of
10 manualized, evidence-based chemical dependency treatment services for
11 offenders. The department of corrections and the department must
12 maintain a memorandum of understanding for department of corrections
13 offenders on active supervision who are medicaid eligible and meet
14 medical necessity for outpatient substance use disorder treatment.
15 The agreement will ensure that treatment services provided are
16 coordinated, do not result in duplication of services, and maintain
17 access and quality of care for the individuals being served. The
18 department must provide all necessary data, access, and reports to
19 the department of corrections for all department of corrections
20 offenders that receive medicaid paid services.

21 (15) \$100,000 of the general fund—state appropriation for fiscal
22 year 2018 and \$100,000 of the general fund—state appropriation for
23 fiscal year 2019 are provided solely for parenting education services
24 focused on pregnant and parenting women.

25 (16) Within existing appropriations, the department shall
26 prioritize the prevention and treatment of intravenous opiate-based
27 drug use.

28 (17) \$500,000 of the general fund—state appropriation for fiscal
29 year 2018 and \$500,000 of the general fund—state appropriation for
30 fiscal year 2019 are provided solely to increase funding for
31 substance abuse treatment and support services for offenders and to
32 support drug courts.

33 (18) \$836,000 of the general fund—state appropriation for fiscal
34 year 2018, \$2,350,000 of the general fund—state appropriation for
35 fiscal year 2019, and \$2,300,000 of the general fund—federal
36 appropriation are provided solely to establish two new secure
37 detoxification facilities.

38 (19) \$816,000 of the general fund—federal appropriation is
39 provided solely for the department to grant funding to King and

1 Snohomish counties for the purchase of Naxalone kits. The department
2 shall use funding from its state targeted response: Opioid crisis
3 grant for this purpose and must identify options for expanding to
4 other regions in the state.

5 (20) The department must review the treatment services provided
6 by the behavioral health organizations (BHO) to individuals
7 supervised by the department of corrections in the community. In
8 reviewing, the department shall compile data specific to BHOs and in
9 the aggregate for access to services, timeliness, number of referrals
10 from the department of corrections, and number of individuals served.
11 The department will consult with the department of corrections and
12 must report to the governor and the appropriate legislative
13 committees no later than November 30, 2017, the transition of
14 services from the department of corrections to the BHOs and identify
15 barriers to access and services for community supervised individuals
16 and provide recommendations for improved services to this population.

17 NEW SECTION. **Sec. 209. FOR THE DEPARTMENT OF SOCIAL AND HEALTH**
18 **SERVICES—VOCATIONAL REHABILITATION PROGRAM**

19	General Fund—State Appropriation (FY 2018)	. . . . .	\$13,485,000
20	General Fund—State Appropriation (FY 2019)	. . . . .	\$13,437,000
21	General Fund—Federal Appropriation	. . . . .	\$97,328,000
22	TOTAL APPROPRIATION.	. . . . .	\$124,250,000

23 NEW SECTION. **Sec. 210. FOR THE DEPARTMENT OF SOCIAL AND HEALTH**
24 **SERVICES—SPECIAL COMMITMENT PROGRAM**

25	General Fund—State Appropriation (FY 2018)	. . . . .	\$42,904,000
26	General Fund—State Appropriation (FY 2019)	. . . . .	\$42,361,000
27	TOTAL APPROPRIATION.	. . . . .	\$85,265,000

28 The appropriations in this section are subject to the following
29 conditions and limitations: The special commitment center may use
30 funds appropriated in this subsection to purchase services, goods,
31 and supplies through hospital group purchasing organizations when it
32 is cost-effective to do so.

33 NEW SECTION. **Sec. 211. FOR THE DEPARTMENT OF SOCIAL AND HEALTH**
34 **SERVICES—ADMINISTRATION AND SUPPORTING SERVICES PROGRAM**

35	General Fund—State Appropriation (FY 2018)	. . . . .	\$35,668,000
36	General Fund—State Appropriation (FY 2019)	. . . . .	\$35,083,000

1	General Fund—Federal Appropriation	\$41,805,000
2	General Fund—Private/Local Appropriation	\$654,000
3	TOTAL APPROPRIATION.	\$113,210,000

4 NEW SECTION. **Sec. 212. FOR THE DEPARTMENT OF SOCIAL AND HEALTH**
5 **SERVICES—PAYMENTS TO OTHER AGENCIES PROGRAM**

6	General Fund—State Appropriation (FY 2018)	\$75,937,000
7	General Fund—State Appropriation (FY 2019)	\$76,951,000
8	General Fund—Federal Appropriation	\$65,277,000
9	TOTAL APPROPRIATION.	\$218,165,000

10 The appropriations in this section are subject to the following
11 conditions and limitations: \$12,000 of the general fund—state
12 appropriation for fiscal year 2018, \$12,000 of the general fund—state
13 appropriation for fiscal year 2019, and \$24,000 of the general fund—
14 federal appropriation are provided solely to implement Substitute
15 Senate Bill No. 5577 (incapacitated persons/rights). If the bill is
16 not enacted by June 30, 2017, the amounts provided in this subsection
17 shall lapse.

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

19 During the 2017-2019 fiscal biennium, the health care authority
20 shall provide support and data as required by the office of the state
21 actuary in providing the legislature with health care actuarial
22 analysis, including providing any information in the possession of
23 the health care authority or available to the health care authority
24 through contracts with providers, plans, insurers, consultants, or
25 any other entities contracting with the health care authority.

26 Information technology projects or investments and proposed
27 projects or investments impacting time capture, payroll and payment
28 processes and systems, eligibility, case management, and
29 authorization systems within the health care authority are subject to
30 technical oversight by the office of the chief information officer.

31 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
37 in excess of amounts anticipated in this act. If the health care

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

11 (1) MEDICAL ASSISTANCE

12	General Fund—State Appropriation (FY 2018)	\$2,093,314,000
13	General Fund—State Appropriation (FY 2019).	\$2,142,133,000
14	General Fund—Federal Appropriation.	\$11,123,508,000
15	General Fund—Private/Local Appropriation.	\$78,640,000
16	Emergency Medical Services and Trauma Care Systems	
17	Trust Account—State Appropriation.	\$15,086,000
18	Hospital Safety Net Assessment Account—State	
19	Appropriation.	\$703,962,000
20	Medicaid Fraud Penalty Account—State Appropriation.	\$27,840,000
21	Medical Aid Account—State Appropriation.	\$528,000
22	Dedicated Marijuana Account—State Appropriation	
23	(FY 2018).	\$15,676,000
24	Dedicated Marijuana Account—State Appropriation	
25	(FY 2019).	\$17,036,000
26	Performance Audits of Governments Account—State	
27	Appropriation.	\$525,000
28	TOTAL APPROPRIATION.	\$16,218,248,000

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

31 (a) \$259,313,000 of the general fund—state appropriation for
 32 fiscal year 2018 and \$271,550,000 of the general fund—state
 33 appropriation for fiscal year 2019 are provided solely for the
 34 authority to implement a single, standard state preferred drug list
 35 to be used by all contracted medicaid managed health care systems, on
 36 or before January 1, 2018. The preferred drug list shall be developed
 37 in consultation with all contracted managed health care systems and
 38 the state pharmacy and therapeutics committee. The list shall be
 39 designed to maximize federal rebates and supplemental rebates and

1 ensure access to clinically effective and appropriate drug therapies
2 under each class. The authority may utilize external consultants with
3 expertise in evidence based drug class reviews, pharmacy benefit
4 management, and purchasing to assist with the completion of this
5 development and implementation. To assist in the implementation of
6 the single preferred drug list, contracted medicaid managed health
7 care systems shall provide the authority drug specific financial
8 information in a format and frequency determined by the authority to
9 include: The actual amounts paid to pharmacies for prescription drugs
10 dispensed to covered individuals compared to the cost invoiced to the
11 health plan and individual rebates collected for prescription drugs
12 dispensed to medicaid members. The administration of the prescription
13 drug benefit for medicaid managed health care systems shall be
14 carried out by a single pharmacy benefits manager under the
15 prescription drug purchasing consortium with full transparency of all
16 rebates, supplemental rebates, and associated administrative costs.
17 The authority shall provide a report to the governor and appropriate
18 committees of the legislature by November 15, 2018, and no later than
19 November 15, 2019, including a comparison of the amount spent in the
20 previous two fiscal years to expenditures under the new system by, at
21 a minimum, fund source, total expenditure, drug class, and top
22 twenty-five drugs.

23 (b) \$147,921,000 of the general fund—state appropriation for
24 fiscal year 2018 and \$149,599,000 of the general fund—state
25 appropriation for fiscal year 2019 are provided solely for holding
26 managed care capitation rates flat at calendar year 2017 levels in
27 state fiscal years and calendar years 2018 and 2019.

28 (c) \$122,244,000 of the general fund—state appropriation for
29 fiscal year 2018 and \$116,038,000 of the general fund—state
30 appropriation for fiscal year 2019 are provided solely for the
31 authority through the competitive procurement process, to contract
32 with licensed dental health plans or managed health care plans on a
33 pre-paid or fixed-sum risk basis to provide carved-out managed dental
34 care services on a statewide basis that will result in greater
35 efficiency and will facilitate better access and oral health outcomes
36 for medicaid enrollees. Except in areas where only a single plan is
37 available, the authority must contract with at least two plans. The
38 authority shall include in the contracts: (i) Quarterly reporting
39 requirements to include medicaid utilization and encounter data by

1 current dental technology (CDT) code; (ii) a direction to increase
2 the dental provider network; (iii) a commitment to retain innovative
3 programs that improve access and care such as the access to baby and
4 child dentistry program; (iv) a program to reduce emergency room use
5 for dental purposes; (v) a requirement to ensure that dental care is
6 being coordinated with the primary care provider of the patient to
7 ensure integrated care; (vi) a provision that no less than eighty-
8 five percent of the contracting fee be used to directly offset the
9 cost of providing direct patient care as opposed to administrative
10 costs; and (vii) a provision to ensure the contracting fee shall be
11 sufficient to compensate county health departments and federally
12 qualified health centers for dental patient care. The plan(s) awarded
13 this contract must absorb all start-up costs associated with moving
14 the program from fee-for-service to managed care and shall commit to
15 achieving an overall savings to the program based on 2016 fee-for-
16 service experience. In order to comply with state insurance
17 underwriting standards, the authority shall ensure that savings
18 offered by dental plans are actuarially sound. By October 15, 2018,
19 the authority shall submit a report to the governor and the
20 appropriate committees of the legislature comparing the data provided
21 by the contracting entity with comparable data for the prior fiscal
22 year. The authority is authorized to seek any necessary state plan
23 amendments or federal waivers to implement this subsection.

24 (d) \$1,694,097,000 of the general fund—state appropriation for
25 fiscal year 2018 and \$1,730,629,000 of the general fund—state
26 appropriation for fiscal year 2019 are provided solely for medicaid
27 services and the medicaid program. However, the authority shall not
28 accept or expend any federal funds received under a medicaid
29 transformation demonstration waiver under healthier Washington unless
30 specifically approved and appropriated by the legislature.

31 (e) Sufficient amounts are appropriated in this subsection to
32 implement the medicaid expansion as defined in the social security
33 act, section 1902(a)(10)(A)(i)(VIII).

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

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

5 (g) Based on quarterly expenditure reports and caseload
6 forecasts, if the health care authority estimates that expenditures
7 for the medical assistance program will exceed the appropriations,
8 the health care authority shall take steps including but not limited
9 to reduction of rates or elimination of optional services to reduce
10 expenditures so that total program costs do not exceed the annual
11 appropriation authority.

12 (h) In determining financial eligibility for medicaid-funded
13 services, the health care authority is authorized to disregard
14 recoveries by Holocaust survivors of insurance proceeds or other
15 assets, as defined in RCW 48.104.030.

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

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

24 (k) \$4,261,000 of the general fund—state appropriation for fiscal
25 year 2018, \$4,261,000 of the general fund—state appropriation for
26 fiscal year 2019, and \$8,522,000 of the general fund—federal
27 appropriation are provided solely for low-income disproportionate
28 share hospital payments.

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

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

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

19 (n) The health care authority shall continue the inpatient
20 hospital certified public expenditures program for the 2017-2019
21 fiscal biennium. The program shall apply to all public hospitals,
22 including those owned or operated by the state, except those
23 classified as critical access hospitals or state psychiatric
24 institutions. The health care authority shall submit reports to the
25 governor and legislature by November 1, 2017, and by November 1,
26 2018, that evaluate whether savings continue to exceed costs for this
27 program. If the certified public expenditures (CPE) program in its
28 current form is no longer cost-effective to maintain, the health care
29 authority shall submit a report to the governor and legislature
30 detailing cost-effective alternative uses of local, state, and
31 federal resources as a replacement for this program. During fiscal
32 year 2018 and fiscal year 2019, hospitals in the program shall be
33 paid and shall retain one hundred percent of the federal portion of
34 the allowable hospital cost for each medicaid inpatient fee-for-
35 service claim payable by medical assistance and one hundred percent
36 of the federal portion of the maximum disproportionate share hospital
37 payment allowable under federal regulations. Inpatient medicaid
38 payments shall be established using an allowable methodology that
39 approximates the cost of claims submitted by the hospitals. Payments
40 made to each hospital in the program in each fiscal year of the

1 biennium shall be compared to a baseline amount. The baseline amount
2 will be determined by the total of (i) the inpatient claim payment
3 amounts that would have been paid during the fiscal year had the
4 hospital not been in the CPE program based on the reimbursement rates
5 developed, implemented, and consistent with policies approved in the
6 2017-2019 biennial operating appropriations act and in effect on July
7 1, 2015, (ii) one-half of the indigent assistance disproportionate
8 share hospital payment amounts paid to and retained by each hospital
9 during fiscal year 2005, and (iii) all of the other disproportionate
10 share hospital payment amounts paid to and retained by each hospital
11 during fiscal year 2005 to the extent the same disproportionate share
12 hospital programs exist in the 2017-2019 fiscal biennium. If payments
13 during the fiscal year exceed the hospital's baseline amount, no
14 additional payments will be made to the hospital except the federal
15 portion of allowable disproportionate share hospital payments for
16 which the hospital can certify allowable match. If payments during
17 the fiscal year are less than the baseline amount, the hospital will
18 be paid a state grant equal to the difference between payments during
19 the fiscal year and the applicable baseline amount. Payment of the
20 state grant shall be made in the applicable fiscal year and
21 distributed in monthly payments. The grants will be recalculated and
22 redistributed as the baseline is updated during the fiscal year. The
23 grant payments are subject to an interim settlement within eleven
24 months after the end of the fiscal year. A final settlement shall be
25 performed. To the extent that either settlement determines that a
26 hospital has received funds in excess of what it would have received
27 as described in this subsection, the hospital must repay the excess
28 amounts to the state when requested. \$10,575,000 of the general fund—
29 state appropriation for fiscal year 2018 and \$13,185,000 of the
30 general fund—state appropriation for fiscal year 2019 are provided
31 solely for state grants for the participating hospitals.

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

37 (p) The health care authority shall target funding for maternity
38 support services towards pregnant women with factors that lead to
39 higher rates of poor birth outcomes, including hypertension, a
40 preterm or low birth weight birth in the most recent previous birth,

1 a cognitive deficit or developmental disability, substance abuse,
2 severe mental illness, unhealthy weight or failure to gain weight,
3 tobacco use, or African American or Native American race. The health
4 care authority shall prioritize evidence-based practices for delivery
5 of maternity support services. To the extent practicable, the health
6 care authority shall develop a mechanism to increase federal funding
7 for maternity support services by leveraging local public funding for
8 those services.

9 (q) The authority shall submit reports to the governor and the
10 legislature by September 15, 2018, and no later than September 15,
11 2019, that delineate the number of individuals in medicaid managed
12 care, by carrier, age, gender, and eligibility category, receiving
13 preventative services and vaccinations. The reports should include
14 baseline and benchmark information from the previous two fiscal years
15 and should be inclusive of, but not limited to, services recommended
16 under the United States preventative services task force, advisory
17 committee on immunization practices, early and periodic screening,
18 diagnostic, and treatment (EPSDT) guidelines, and other relevant
19 preventative and vaccination medicaid guidelines and requirements.

20 (r) Managed care contracts must incorporate accountability
21 measures that monitor patient health and improved health outcomes,
22 and shall include an expectation that each patient receive a wellness
23 examination that documents the baseline health status and allows for
24 monitoring of health improvements and outcome measures.

25 (s) Sufficient amounts are appropriated in this section for the
26 authority to provide an adult dental benefit.

27 (t) The health care authority shall coordinate with the
28 department of social and health services to provide referrals to the
29 Washington health benefit exchange for clients that will be
30 ineligible for medicaid.

31 (u) To facilitate a single point of entry across public and
32 medical assistance programs, and to maximize the use of federal
33 funding, the health care authority, the department of social and
34 health services, and the health benefit exchange will coordinate
35 efforts to expand HealthPlanfinder access to public assistance and
36 medical eligibility staff. The health care authority shall complete
37 medicaid applications in the HealthPlanfinder for households
38 receiving or applying for medical assistance benefits.

39 (v) \$90,000 of the general fund—state appropriation for fiscal
40 year 2018, \$90,000 of the general fund—state appropriation for fiscal

1 year 2019, and \$180,000 of the general fund—federal appropriation are
2 provided solely to continue operation by a nonprofit organization of
3 a toll-free hotline that assists families to learn about and enroll
4 in the apple health for kids program.

5 (w) The appropriations in this section reflect savings and
6 efficiencies by transferring children receiving medical care provided
7 through fee-for-service to medical care provided through managed
8 care.

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

12 (y) Within the amounts appropriated in this section, the
13 authority shall continue to provide coverage for pregnant teens that
14 qualify under existing pregnancy medical programs, but whose
15 eligibility for pregnancy related services would otherwise end due to
16 the application of the new modified adjusted gross income eligibility
17 standard.

18 (z) Sufficient amounts are appropriated in this section to remove
19 the mental health visit limit and to provide the shingles vaccine and
20 screening, brief intervention, and referral to treatment benefits
21 that are available in the medicaid alternative benefit plan in the
22 classic medicaid benefit plan.

23 (aa) The authority shall use revenue appropriated from the
24 dedicated marijuana fund for contracts with community health centers
25 under RCW 69.50.540 in lieu of general fund—state payments to
26 community health centers for services provided to medical assistance
27 clients, and it is the intent of the legislature that this policy
28 will be continued in subsequent fiscal biennia.

29 (bb) \$127,000 of the general fund—state appropriation for fiscal
30 year 2018 and \$1,144,000 of the general fund—federal appropriation
31 are provided solely to the ProviderOne provider overtime project and
32 are subject to the conditions, limitations, and review provided in
33 section 724 of this act.

34 (cc) \$175,000 of the general fund—state appropriation for fiscal
35 year 2018 and \$825,000 of the general fund—federal appropriation are
36 provided solely to the ProviderOne CORE operating rules project and
37 are subject to the conditions, limitations, and review provided in
38 section 724 of this act.

1 (dd) \$600,000 of the general fund—state appropriation for fiscal
2 year 2018 and \$800,000 of the general fund—state appropriation for
3 fiscal year 2019 are provided solely to increase payments for health
4 home services and these are the maximum amounts in each fiscal year
5 the authority may expend for this purpose.

6 (ee) Sufficient amounts are appropriated in this section for the
7 authority to provide a collaborative care benefit beginning July 1,
8 2017.

9 (ff) Within the amounts appropriated within this section, the
10 authority shall implement the plan to show how improved access to
11 home health nursing reduces potentially preventable readmissions,
12 increases access to care, reduces hospital length of stay, and
13 prevents overall hospital admissions for clients receiving private
14 duty nursing, medically intensive care, or home health benefits as
15 described in their report to the legislature dated December 15, 2016,
16 entitled home health nursing. The authority shall report to the
17 governor and appropriate committees of the legislature by December
18 31, 2017, information regarding the effect of the ten dollar rate
19 increases for skilled nursing care delivered via private duty nursing
20 or home health nursing, and how the rate changes impacted the
21 utilization and cost of emergency room visits, reduced the length of
22 stay for initial hospital admissions, and reduced utilization and
23 costs of preventable hospital readmissions. The report will quantify
24 potential cost saving opportunities that may exist through improved
25 access to private duty and home health nursing statewide.

26 (gg) \$1,500,000 of the general fund—state appropriation for
27 fiscal year 2018 and \$1,500,000 of the general fund—state
28 appropriation for fiscal year 2019 are provided solely for the
29 authority to contract with Washington autism alliance and advocacy to
30 educate and assist persons seeking the authority's services to
31 address a suspected or diagnosed autism spectrum disorder. Each
32 person seeking the authority's services will be given a referral to
33 Washington autism alliance and advocacy for the purpose of navigating
34 the health care system to include, but be limited to providing
35 information on potential benefits of maintaining employer sponsored
36 insurance; options under the medicaid premium payment program through
37 the authority; and assisting persons with accessing and appealing
38 denials of insurance services. The authority must collaborate with
39 the department of social and health services to ensure that persons

1 who access state services through the department are also served
2 under the contract and given a referral to Washington autism alliance
3 and advocacy.

4 (hh) Within the amounts appropriated within this section,
5 beginning July 1, 2017, the authority must increase facility fees to
6 birth centers to the amount listed on page two of their report to the
7 legislature dated October 15, 2016, entitled reimbursement for births
8 performed at birth centers. This increased rate is applicable in both
9 a fee for service setting and is the minimum allowable rate in a
10 managed care setting. The authority shall report to the governor and
11 appropriate committees of the legislature by October 15, 2018,
12 updated information regarding access to care, improvements to the
13 Cesarean section rate, and savings outcomes for utilizing birth
14 centers as an alternative to hospitals.

15 (ii) Sufficient amounts are appropriated in this section for the
16 full implementation of chapter 154, Laws of 2016 (SSB 6430 -
17 continuity of care during incarceration). During the 2017-2019 fiscal
18 biennium, the authority shall fully implement this act within the
19 amounts provided in this section.

20 (jj) Beginning no later than January 1, 2018, for any service
21 eligible under the medicaid state plan for encounter payments,
22 managed care organizations at the request of a rural health clinic
23 shall pay the full published encounter rate directly to the clinic.
24 At no time will a managed care organization be at risk for or have
25 any right to the supplemental portion of the claim. Payments will be
26 reconciled on at least an annual basis between the managed care
27 organization and the authority, with final review and approval by the
28 authority. By September 31, 2017, the authority shall report to the
29 legislature on its progress implementing this subsection.

30 (kk) Within the amounts appropriated in this section, and in
31 consultation with appropriate parties, including the rural health
32 clinic association of Washington and the centers for medicare and
33 medicaid services, by December 1, 2017, the authority shall submit a
34 report to the governor and appropriate committees of the legislature
35 evaluating legislative and administrative options to reduce or
36 eliminate any amounts owed by rural health clinics under the payment
37 reconciliation process established in the medicaid state plan.

38 (ll) \$3,408,000 of the general fund—state appropriation for
39 fiscal year 2019 is provided solely for implementation of Engrossed
40 Second Substitute Senate Bill No. 5540 (oral health pilot program for

1 adults with diabetes and pregnant women). If the bill is not enacted
2 by June 30, 2017, the amount provided in this subsection shall lapse.

3 (mm) \$332,000 of the general fund—state appropriation for fiscal
4 year 2018 and \$672,000 of the general fund—state appropriation for
5 fiscal year 2019 are provided solely for implementation of Engrossed
6 Second Substitute Senate Bill No. 5179 (hearing instruments under
7 public employee and medicaid programs). If the bill is not enacted by
8 June 30, 2017, the amounts provided in this subsection shall lapse.

9 (nn) The appropriations in this section include sufficient
10 funding for the implementation of Engrossed Substitute Senate Bill
11 No. 5779 (behavioral health integration in primary care).

12 (oo) \$525,000 of the performance audit of state government—state
13 appropriation and \$525,000 of the general fund—federal appropriation
14 are provided solely for the authority to develop an agency lean
15 performance management system by June 30, 2018, and to complete an
16 excellence assessment by June 30, 2019. The agency lean performance
17 management system must provide for (a) gathering, monitoring, and
18 analysis of data to measure performance and eliminate waste and
19 inefficiency in agency operations; (b) conforming to an
20 internationally recognized quality management system; (c) allocating
21 resources to improve performance; and (d) setting a goal and includes
22 all activities and requirements necessary to reduce agency costs by
23 one percent annually within two years of adoption. The excellence
24 assessment must be an assessment of the authority's operational
25 performance by a trained national or state examiner using an
26 excellence framework published by the national institutes of
27 standards and technology, United States department of commerce.

28 (2) PUBLIC EMPLOYEES BENEFITS BOARD AND EMPLOYEE BENEFITS
29 PROGRAMS

30 State Health Care Authority Administration Account—
31 State Appropriation. \$33,360,000

32 The appropriation in this subsection is subject to the following
33 conditions and limitations:

34 (a) The authority and the public employees' benefits board shall
35 consult with the Washington state institute for public policy on the
36 cost-effectiveness of the wellness plan and any changes to the plan
37 that can be made to increase the health care efficiency of the
38 wellness plan. The authority shall report its findings to the

1 governor and the appropriate committees of the legislature by October
2 15, 2018.

3 (b) The authority and the public employees' benefits board shall
4 ensure that procurement for employee health benefits during the
5 2019-2021 fiscal biennium is consistent with the funding limitations
6 provided in part 9 of this act.

7 (c) \$236,000 of the state health care authority administration
8 account—state appropriation for fiscal year 2018 and \$236,000 of the
9 state health care authority administration account—state
10 appropriation for fiscal year 2019 are provided solely to the
11 affordable care act employer shared responsibility project and are
12 subject to the conditions, limitations, and review provided in
13 section 724 of this act.

14 (d) All savings resulting from reduced claim costs or other
15 factors identified after December 31, 2016, must be reserved for
16 funding employee health benefits in the 2019-2021 fiscal biennium.
17 Any changes to benefits, including covered prescription drugs, must
18 be approved by the public employees' benefits board. Upon procuring
19 benefits for calendar years 2018 and 2019, the public employees'
20 benefits board shall: (1) Not consider any changes to benefits,
21 including prescription drugs, without considering comprehensive
22 analysis of the cost of those changes; and (2) not adopt a package of
23 benefits and premiums that results in a projected unrestricted
24 reserve funding level lower than was projected under the assumptions
25 made prior to procurement. For this purpose, assumptions means
26 projections about the levels of future claims, costs, enrollment and
27 other factors, prior to any changes in benefits. The certificates of
28 coverage agreed to by the health care authority for calendar years
29 2018 and 2019 must ensure that no increases in coverage of
30 prescription drugs, services, or other benefits may occur prior to
31 approval by the public employees' benefits board at the time of
32 procurement of benefits for the ensuing calendar year.

33 (e) Within the amounts appropriated within this section, the
34 authority, in consultation with one Washington within the office of
35 financial management, the office of the chief information officer,
36 and other state agencies with statewide payroll or benefit systems,
37 shall prepare a report describing options for the replacement of the
38 Pay 1 information technology system. The report shall evaluate the
39 potential costs, benefits, and feasibility of integrating the
40 functions currently performed by Pay 1 into an existing or new

1 statewide system, as well for a stand-alone system. The report shall
2 also update the business and system requirements documents previously
3 developed for a Pay 1 replacement system. This report shall be
4 provided to the governor and appropriate committees of the
5 legislature by September 30, 2018.

6 (3) HEALTH BENEFIT EXCHANGE

7	General Fund—State Appropriation (FY 2018).	\$5,184,000
8	General Fund—State Appropriation (FY 2019).	\$5,184,000
9	General Fund—Federal Appropriation.	\$52,437,000
10	Health Benefit Exchange Account—State Appropriation. . .	\$55,636,000
11	TOTAL APPROPRIATION.	\$118,441,000

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

14 (a) The receipt and use of medicaid funds provided to the health
15 benefit exchange from the health care authority are subject to
16 compliance with state and federal regulations and policies governing
17 the Washington apple health programs, including timely and proper
18 application, eligibility, and enrollment procedures.

19 (b)(i) By July 15th and January 15th of each year, the authority
20 shall make a payment of one-half the general fund—state appropriation
21 and one-half the health benefit exchange account—state appropriation
22 to the exchange.

23 (ii) The exchange shall monitor actual to projected revenues and
24 make necessary adjustments in expenditures or carrier assessments to
25 ensure expenditures do not exceed actual revenues.

26 (iii) Payments made from general fund—state appropriation and
27 health benefit exchange account—state appropriation shall be
28 available for expenditure for no longer than the period of the
29 appropriation from which it was made. When the actual cost of
30 materials and services have been fully determined, and in no event
31 later than the lapsing of the appropriation, any unexpended balance
32 of the payment shall be returned to the authority for credit to the
33 fund or account from which it was made, and under no condition shall
34 expenditures exceed actual revenue.

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

36	General Fund—State Appropriation (FY 2018)	\$2,209,000
37	General Fund—State Appropriation (FY 2019)	\$2,204,000

1	General Fund—Federal Appropriation	\$2,354,000
2	TOTAL APPROPRIATION.	\$6,767,000

3 NEW SECTION. **Sec. 215. FOR THE BOARD OF INDUSTRIAL INSURANCE**
4 **APPEALS**

5	Worker and Community Right-to-Know Account—State	
6	Appropriation	\$10,000
7	Accident Account—State Appropriation	\$21,276,000
8	Medical Aid Account—State Appropriation	\$21,382,000
9	TOTAL APPROPRIATION.	\$42,658,000

10 The appropriations in this subsection are subject to the
11 following conditions and limitations: \$25,000 of the accident account
12 —state appropriation and \$25,000 of the medical aid account—state
13 appropriation are provided solely for structured settlement reviews
14 pursuant to Senate Bill No. 5822 (workers' compensation system). If
15 the bill is not enacted by June 30, 2017, the amounts provided in
16 this subsection shall lapse.

17 NEW SECTION. **Sec. 216. FOR THE CRIMINAL JUSTICE TRAINING**
18 **COMMISSION**

19	General Fund—State Appropriation (FY 2018)	\$20,856,000
20	General Fund—State Appropriation (FY 2019)	\$19,744,000
21	General Fund—Private/Local Appropriation	\$5,881,000
22	Death Investigations Account—State Appropriation	\$148,000
23	Municipal Criminal Justice Assistance Account—State	
24	Appropriation	\$460,000
25	Washington Auto Theft Prevention Authority Account—State	
26	Appropriation	\$8,167,000
27	24/7 Sobriety Account—State Appropriation	\$30,000
28	TOTAL APPROPRIATION.	\$55,286,000

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

- 31 (1) \$5,000,000 of the general fund—state appropriation for fiscal
32 year 2018 and \$5,000,000 of the general fund—state appropriation for
33 fiscal year 2019, are provided to the Washington association of
34 sheriffs and police chiefs solely to verify the address and residency
35 of registered sex offenders and kidnapping offenders under RCW

1 9A.44.130. The association may use no more than \$50,000 per fiscal
2 year of the amounts provided on program management activities.

3 (2) \$1,712,000 of the general fund—state appropriation for fiscal
4 year 2018 and \$1,712,000 of the general fund—state appropriation for
5 fiscal year 2019 are provided solely for seventy-five percent of the
6 costs of providing eight additional statewide basic law enforcement
7 trainings in each fiscal year. The criminal justice training
8 commission must schedule its funded classes to minimize wait times
9 throughout each fiscal year and meet statutory wait time
10 requirements.

11 (3) \$838,080 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 (4) The criminal justice training commission may not run a basic
18 law enforcement academy class of fewer than 30 students.

19 (5) \$100,000 of the general fund—state appropriation for fiscal
20 year 2018 and \$100,000 of the general fund—state appropriation for
21 fiscal year 2019 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 (6) \$96,000 of the general fund—state appropriation for fiscal
27 year 2018 and \$96,000 of the general fund—state appropriation for
28 fiscal year 2019 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
33 curricula used for school safety models and training. Through an
34 interagency agreement, the commission shall provide funding for the
35 office of the superintendent of public instruction to continue to
36 develop and maintain a school safety information web site. The school
37 safety center advisory committee shall develop and revise the
38 training program, using the best practices in school safety, for all
39 school safety personnel. The commission shall provide research-

1 related programs in school safety and security issues beneficial to
2 both law enforcement and schools.

3 (7) \$146,000 of the general fund—state appropriation for fiscal
4 year 2018 and \$146,000 of the general fund—state appropriation for
5 fiscal year 2019 are provided solely for the costs of providing
6 statewide advanced driving training with the use of a driving
7 simulator.

8 (8) \$595,000 of the general fund—state appropriation for fiscal
9 year 2018 and \$595,000 of the general fund—state appropriation for
10 fiscal year 2019 are provided solely to continue crisis intervention
11 training required in chapter 87, Laws of 2015.

12 (9) \$250,000 of the general fund—state appropriation for fiscal
13 year 2018 and \$250,000 of the general fund—state appropriation for
14 fiscal year 2019 are provided solely for the criminal justice
15 training commission to deliver research-based programs to instruct,
16 guide, and support local law enforcement agencies in fostering the
17 "guardian philosophy" of policing, which emphasizes de-escalating
18 conflicts and reducing the use of force.

19 (10) \$429,000 of the general fund—state appropriation for fiscal
20 year 2018 and \$429,000 of the general fund—state appropriation for
21 fiscal year 2019 are provided solely for expenditure into the
22 nonappropriated Washington internet crimes against children account
23 for the implementation of chapter 84, Laws of 2015.

24 (11) \$842,000 of the general fund—state appropriation for fiscal
25 year 2018 and \$353,000 of the general fund—state appropriation for
26 fiscal year 2019 are provided solely for the purposes of updating and
27 providing basic and in-service training for peace officers and
28 corrections officers that emphasizes de-escalation and use of less
29 lethal force.

30 (12) \$100,000 of the general fund—state appropriation for fiscal
31 year 2018 and \$100,000 of the general fund—state appropriation for
32 fiscal year 2019 are provided solely to the Washington association of
33 sheriffs and police chiefs to fund pilot projects in Benton and
34 Franklin counties to support local law enforcement education for law
35 enforcement, medical professionals, first responders, courts,
36 educators, and others to raise awareness and identifying warning
37 signs of human trafficking.

38 (13) \$500,000 of the general fund—state appropriation for fiscal
39 year 2018 is provided solely to the Washington association of

1 sheriffs and police chiefs to administer statewide training in the
2 use of the Washington state gang database, established in compliance
3 with RCW 43.43.762, and provide grant funding to ensure agencies
4 enter appropriate and reliable data into the database. The training
5 shall develop professionals with regional responsibilities for
6 database administration throughout the state.

7 NEW SECTION. **Sec. 217.** **FOR THE DEPARTMENT OF LABOR AND**
8 **INDUSTRIES**

9	General Fund—State Appropriation (FY 2018)	\$17,371,000
10	General Fund—State Appropriation (FY 2019)	\$17,777,000
11	General Fund—Federal Appropriation	\$11,876,000
12	Asbestos Account—State Appropriation	\$489,000
13	Electrical License Account—State Appropriation	\$50,826,000
14	Farm Labor Contractor Account—State Appropriation	\$28,000
15	Worker and Community Right-to-Know Account—State	
16	Appropriation	\$962,000
17	Public Works Administration Account—State	
18	Appropriation	\$6,063,000
19	Manufactured Home Installation Training	
20	Account—State Appropriation	\$363,000
21	Accident Account—State Appropriation	\$298,448,000
22	Accident Account—Federal Appropriation	\$16,765,000
23	Medical Aid Account—State Appropriation	\$312,245,000
24	Medical Aid Account—Federal Appropriation	\$3,739,000
25	Plumbing Certificate Account—State Appropriation	\$1,829,000
26	Pressure Systems Safety Account—State Appropriation	\$4,323,000
27	TOTAL APPROPRIATION.	\$743,104,000

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

30 (1) \$8,421,000 of the accident account—state appropriation and
31 \$8,242,000 of the medical aid account—state appropriation are
32 provided solely to business transformation and are subject to the
33 conditions, limitations, and review provided in section 724 of this
34 act.

35 (2) \$2,000,000 of the accident account—state appropriation and
36 \$2,000,000 of the medical account—state appropriation are provided
37 solely for a contract with the WTIA workforce institute to provide

1 supplemental instruction for information technology apprentices.
2 Funds spent for this purpose must be matched by an equal amount of
3 funding from the information technology industry members.

4 (3) \$2,117,000 of the electrical license account—state
5 appropriation is provided solely for grants to local governments to
6 start their own electrical inspection programs.

7 (4)(a) \$100,000 of the general fund—state appropriation for
8 fiscal year 2018 is provided solely to engage in rule making under
9 RCW 49.46.020 to review the minimum wage for employees under eighteen
10 years of age in light of the enactment of Initiative Measure No.
11 1433. In the development of a proposed rule for public comment and
12 consideration, the department shall consider:

13 (i) Academic research on the contribution employment has on high
14 school graduation rates; admission to institutions of higher
15 education, apprenticeship programs, and other post-secondary
16 educational opportunities; and earnings outcomes later in life;

17 (ii) Data, where available, on the impact on teen employment in
18 cities that have implemented increases in their minimum wage;

19 (iii) Options that provide incentives for employers to hire teen
20 workers in their first job, or in roles connected to training
21 programs; and

22 (iv) Options that insure the safety of teens and adherence to
23 state and federal youth employment laws.

24 (b) The results of the review and a proposed rule for
25 consideration must be complete by December 1, 2017.

26 (5)(a) \$250,000 of the medical aid account—state appropriation
27 and \$250,000 of the accident fund—state appropriation are provided
28 solely for the department to conduct a study on occupational disease
29 claims. The purpose of the study is to identify medical providers who
30 are inappropriately submitting occupational diseases claims and to
31 develop best practices to better identify where employment is the
32 proximate cause of diseases and conditions that are covered under
33 industrial insurance. The study must specifically develop new tools
34 and practices for the department and medical providers to use to
35 assess when a disease or infection is proximately caused by
36 distinctive conditions in employment as opposed to exposure to the
37 disease or infection outside of his or her employment or as an
38 ordinary condition of life to which the general public is exposed
39 without regard to employment. The department, in consultation with

1 the workers' compensation advisory committee, may select distinct
2 diseases, infections, or conditions for review such as hearing loss.

3 (b) The department must work with its appropriate advisory
4 committees to develop the study and provide a written report on the
5 study to the appropriate committees of the legislature in December
6 2017 and December 2018.

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

8 (1) HEADQUARTERS

9	General Fund—State Appropriation (FY 2018)	\$1,881,000
10	General Fund—State Appropriation (FY 2019)	\$1,867,000
11	Charitable, Educational, Penal, and Reformatory	
12	Institutions Account—State Appropriation	\$10,000
13	TOTAL APPROPRIATION.	\$3,758,000

14 (2) FIELD SERVICES

15	General Fund—State Appropriation (FY 2018)	\$6,128,000
16	General Fund—State Appropriation (FY 2019)	\$6,105,000
17	General Fund—Federal Appropriation	\$3,691,000
18	General Fund—Private/Local Appropriation	\$4,715,000
19	Veteran Estate Management Account—Private/Local	
20	Appropriation	\$645,000
21	TOTAL APPROPRIATION.	\$21,284,000

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

24 (a) \$300,000 of the general fund—state appropriation for fiscal
25 year 2018 and \$300,000 of the general fund—state appropriation for
26 fiscal year 2019 are provided solely to provide crisis and emergency
27 relief and education, training, and employment assistance to veterans
28 and their families in their communities through the veterans
29 innovation program.

30 (b) \$200,000 of the general fund—state appropriation for fiscal
31 year 2018 and \$200,000 of the general fund—state appropriation for
32 fiscal year 2019 are provided solely to implement Senate Bill No.
33 5849 (addressing the need for veterans services). If the bill is not
34 enacted by June 30, 2017, the amounts provided in this subsection
35 shall lapse.

36 (c) \$110,000 of the general fund—state appropriation for fiscal
37 year 2018 and \$110,000 of the general fund—state appropriation for

1 fiscal year 2019 are provided solely for the expansion of the
2 veterans conservation corps by fifteen paid internships.

3 (3) INSTITUTIONAL SERVICES

4	General Fund—State Appropriation (FY 2018)	\$1,054,000
5	General Fund—State Appropriation (FY 2019)	\$970,000
6	General Fund—Federal Appropriation	\$86,126,000
7	General Fund—Private/Local Appropriation	\$33,486,000
8	TOTAL APPROPRIATION.	\$121,636,000

9 NEW SECTION. **Sec. 219. FOR THE DEPARTMENT OF HEALTH**

10	General Fund—State Appropriation (FY 2018)	\$64,657,000
11	General Fund—State Appropriation (FY 2019)	\$64,681,000
12	General Fund—Federal Appropriation	\$536,640,000
13	General Fund—Private/Local Appropriation	\$182,973,000
14	Hospital Data Collection Account—State Appropriation	\$336,000
15	Health Professions Account—State Appropriation	\$121,022,000
16	Aquatic Lands Enhancement Account—State Appropriation	\$619,000
17	Emergency Medical Services and Trauma Care Systems	
18	Trust Account—State Appropriation	\$9,236,000
19	Safe Drinking Water Account—State Appropriation	\$5,505,000
20	Drinking Water Assistance Account—Federal	
21	Appropriation	\$15,600,000
22	Waterworks Operator Certification—State Appropriation	\$1,626,000
23	Drinking Water Assistance Administrative Account—State	
24	Appropriation	\$363,000
25	Site Closure Account—State Appropriation	\$2,025,000
26	Biotoxin Account—State Appropriation	\$1,920,000
27	State Toxics Control Account—State Appropriation	\$4,119,000
28	Medicaid Fraud Penalty Account—State Appropriation	\$938,000
29	Medical Test Site Licensure Account—State	
30	Appropriation	\$2,558,000
31	Youth Tobacco and Vapor Products Prevention Account—State	
32	Appropriation	\$4,963,000
33	Dedicated Marijuana Account—State Appropriation	
34	(FY 2018).	\$9,754,000
35	Dedicated Marijuana Account—State Appropriation	
36	(FY 2019).	\$9,754,000
37	Public Health Supplemental Account—Private/Local	

1	Appropriation	\$3,247,000
2	Accident Account—State Appropriation	\$332,000
3	Medical Aid Account—State Appropriation	\$53,000
4	TOTAL APPROPRIATION.	\$1,042,921,000

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

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

29 (2) During the 2017-2019 fiscal biennium, each person subject to
30 RCW 43.70.110(3)(c) is required to pay only one surcharge of up to
31 twenty-five dollars annually for the purposes of RCW 43.70.112,
32 regardless of how many professional licenses the person holds.

33 (3) Under the authority provided by RCW 43.20B.020, the
34 department is authorized to increase the newborn screening fee by
35 \$4.05 per baby screened in order to add X-linked adrenoleukodystrophy
36 to the mandatory newborn screening panel.

37 (4) In accordance with RCW 43.20B.110, 43.135.055, and 71.24.035,
38 the department is authorized to adopt license and certification fees
39 in fiscal years 2018 and 2019 to support the costs of the regulatory

1 program. The department's fee schedule shall have differential rates
2 for providers with proof of accreditation from organizations that the
3 department has determined to have substantially equivalent standards
4 to those of the department, including but not limited to the joint
5 commission on accreditation of health care organizations, the
6 commission on accreditation of rehabilitation facilities, and the
7 council on accreditation. To reflect the reduced costs associated
8 with regulation of accredited programs, the department's fees for
9 organizations with such proof of accreditation must reflect the lower
10 costs of licensing for these programs than for other organizations
11 which are not accredited.

12 (5) \$6,096,000 of the general fund—private/local appropriation is
13 provided solely for an expansion of targeted case management for
14 high-risk populations with health disparities in the HIV program.
15 High-risk populations include minorities, people with HIV who are
16 over the age of 50, and intravenous drug users. High-risk behavior
17 includes not adhering to medications, skipping medical appointments,
18 dropping out of care, or utilizing an ineffective treatment regimen.

19 (6) \$41,000 of the general fund—state appropriation for fiscal
20 year 2018 and \$41,000 of the general fund—state appropriation for
21 fiscal year 2019 are provided solely for the department to submit
22 action plans to address the prevalence of diabetes in the Washington
23 state population.

24 (7) \$1,214,000 of the general fund—state appropriation for fiscal
25 year 2018 and \$1,151,000 of the general fund—state appropriation for
26 fiscal year 2019 are provided solely for the sampling and testing of
27 drinking water and water fixtures in public schools. The department,
28 in collaboration with the educational service districts, must
29 prioritize testing within elementary schools where drinking water and
30 water fixtures have not been tested for contaminants at any time, and
31 elementary schools where drinking water and water fixtures have not
32 been tested within the past three years.

33 (8) Within existing appropriations, the department must study the
34 experience of other state agencies, in collaboration with the office
35 of the chief information officer, to prepare for the cost effective
36 migration of servers from the town center campus into the state data
37 center during the 2019-2021 fiscal biennium.

38 (9) \$290,000 of the general fund—state appropriation for fiscal
39 year 2018, \$334,000 of the general fund—state appropriation for

1 fiscal year 2019, \$500,000 of the general fund—federal appropriation,
2 and \$273,000 of the health professions account appropriation are
3 provided solely to implement Substitute Senate Bill No. 5248
4 (addressing the use and misuse of opioids). If the bill is not
5 enacted by June 30, 2017, the amounts provided in this subsection
6 shall lapse.

7 (10) \$28,000 of the general fund—state appropriation for fiscal
8 year 2018 and \$28,000 of the general fund—state appropriation for
9 fiscal year 2019 are provided solely for staffing capacity at the
10 department to support a performance audit of the fee setting process
11 for each health profession licensed by the department.

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

13 (1) ADMINISTRATION AND SUPPORT SERVICES

14	General Fund—State Appropriation (FY 2018)	\$60,847,000
15	General Fund—State Appropriation (FY 2019)	\$59,858,000
16	General Fund—Federal Appropriation	\$4,000
17	TOTAL APPROPRIATION.	\$120,709,000

18 The appropriations in this subsection are subject to the
19 following conditions and limitations: \$35,000 of the general fund—
20 state appropriation for fiscal year 2018 and \$35,000 of the general
21 fund—state appropriation for fiscal year 2019 are provided solely for
22 the support of a statewide council on mentally ill offenders that
23 includes as its members representatives of community-based mental
24 health treatment programs, current or former judicial officers, and
25 directors and commanders of city and county jails and state prison
26 facilities. The council will investigate and promote cost-effective
27 approaches to meeting the long-term needs of adults and juveniles
28 with mental disorders who have a history of offending or who are at-
29 risk of offending, including their mental health, physiological,
30 housing, employment, and job training needs.

31 (2) CORRECTIONAL OPERATIONS

32	General Fund—State Appropriation (FY 2018)	\$503,499,000
33	General Fund—State Appropriation (FY 2019)	\$500,597,000
34	General Fund—Federal Appropriation	\$818,000
35	Washington Auto Theft Prevention Authority Account—State	
36	Appropriation	\$5,846,000
37	TOTAL APPROPRIATION.	\$1,010,760,000

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

3 (a) The department may contract for beds statewide to the extent
4 that it is at no net cost to the department. The department shall
5 calculate and report the average cost per offender per day, inclusive
6 of all services, on an annual basis for a facility that is
7 representative of average medium or lower offender costs. The
8 duration of the contracts may be for up to four years. The department
9 shall not pay a rate greater than \$98 per day per offender for all
10 costs associated with the offender while in the local correctional
11 facility to include programming and health care costs, or the
12 equivalent of \$98 per day per bed including programming and health
13 care costs for full units. The capacity provided at local
14 correctional facilities must be for offenders whom the department of
15 corrections defines as medium or lower security offenders.
16 Programming provided for inmates held in local jurisdictions is
17 included in the rate, and details regarding the type and amount of
18 programming, and any conditions regarding transferring offenders must
19 be negotiated with the department as part of any contract. Local
20 jurisdictions must provide health care to offenders that meet
21 standards set by the department. The local jail must provide all
22 medical care including unexpected emergent care. The department must
23 utilize a screening process to ensure that offenders with existing
24 extraordinary medical/mental health needs are not transferred to
25 local jail facilities. If extraordinary medical conditions develop
26 for an inmate while at a jail facility, the jail may transfer the
27 offender back to the department, subject to terms of the negotiated
28 agreement. Health care costs incurred prior to transfer are the
29 responsibility of the jail.

30 (b) \$501,000 of the general fund—state appropriation for fiscal
31 year 2018 and \$501,000 of the general fund—state appropriation for
32 fiscal year 2019 are provided solely for the department to maintain
33 the facility, property, and assets at the institution formerly known
34 as the maple lane school in Rochester.

35 (c) \$1,379,000 of the general fund—state appropriation for fiscal
36 year 2018, and \$1,379,000 of the general fund—state appropriation for
37 fiscal year 2019 are provided solely for the department to contract
38 for the use of inmate bed capacity in lieu of prison beds operated by
39 the state to meet prison capacity needs.

1 (d) \$250,000 of the general fund—state appropriation for fiscal
2 year 2018 and \$250,000 of the general fund—state appropriation for
3 fiscal year 2019 are provided solely for the department to enter into
4 an agreement to purchase electricity for the Monroe correctional
5 complex from a sawmill waste cogeneration system that is connected to
6 a lumber mill that employs at least 150 people. The agreement cannot
7 increase the total cost for the purchase of electricity for the
8 entire complex.

9 (e) \$434,000 of the general fund—state appropriation for fiscal
10 year 2018 and \$1,504,000 of the general fund—state appropriation are
11 provided solely for the implementation of Senate Bill No. 5037 (DUI
12 4th offense/felony). If the bill is not enacted by June 30, 2017, the
13 amounts provided in this subsection shall lapse.

14 (f) The appropriations in this section include sufficient funding
15 for the implementation of Substitute Senate Bill No. 5099 (vulnerable
16 persons/crimes).

17 (g) The appropriations in this section include sufficient funding
18 for the implementation of Engrossed Second Substitute Senate Bill No.
19 5294 (Department of Corrections).

20 (h) The appropriations in this section include sufficient funding
21 for the implementation of Senate Bill No. . . . (concerning convicted
22 persons).

23 (3) COMMUNITY SUPERVISION

24	General Fund—State Appropriation (FY 2018)	. . . . .	\$171,517,000
25	General Fund—State Appropriation (FY 2019)	. . . . .	\$164,555,000
26	General Fund—Federal Appropriation	. . . . .	\$2,207,000
27	TOTAL APPROPRIATION.	. . . . .	\$338,279,000

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

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

1 plan and pharmacy formulary, and all off-site medical expenses are
2 preapproved by department utilization management staff.

3 (b) The department shall engage in ongoing mitigation strategies
4 to reduce the costs associated with community supervision violators,
5 including improvements in data collection and reporting and
6 alternatives to short-term confinement for low-level violators.

7 (c) By November 1, 2017, the department of corrections shall
8 provide a report to the office of financial management and the
9 appropriate fiscal and policy committees of the legislature to
10 include a review of the department's policies and procedures related
11 to swift and certain sanctioning, and identification of legal
12 decisions that impact caseload and operations. The report shall
13 include recommendations for improving public and staff safety while
14 decreasing recidivism through improved alignment of the department's
15 policies and procedures with current best practices concerning swift
16 and certain sanctioning. The report shall include a review of
17 department practices, legal decisions that impact caseload and
18 operations, an analysis of current best practices in other
19 jurisdictions that have adopted swift and certain sanctioning, and
20 recommendations to improve the department's practices and procedures.

21 (d) \$16,000 of the general fund—state appropriation for fiscal
22 year 2018, and \$363,000 of the general fund—state appropriation are
23 provided solely for the implementation of Senate Bill No. 5037 (DUI
24 4th offense/felony). If the bill is not enacted by June 30, 2017, the
25 amounts provided in this subsection shall lapse.

26 (e) The appropriations in this section include sufficient funding
27 for the implementation of Senate Bill No. . . . (concerning convicted
28 persons).

29 (4) CORRECTIONAL INDUSTRIES

30	General Fund—State Appropriation (FY 2018)	. . . . .	\$5,932,000
31	General Fund—State Appropriation (FY 2019)	. . . . .	\$5,923,000
32	TOTAL APPROPRIATION.	. . . . .	\$11,855,000

33 (5) INTERAGENCY PAYMENTS

34	General Fund—State Appropriation (FY 2018)	. . . . .	\$41,996,000
35	General Fund—State Appropriation (FY 2019)	. . . . .	\$38,959,000
36	TOTAL APPROPRIATION.	. . . . .	\$80,955,000

37 (6) OFFENDER CHANGE

38	General Fund—State Appropriation (FY 2018)	\$50,847,000
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1 General Fund—State Appropriation (FY 2019) \$50,996,000
 2 TOTAL APPROPRIATION. \$101,843,000

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

5 (a) The department of corrections shall use funds appropriated in
 6 this subsection (6) for offender programming. The department shall
 7 develop and implement a written comprehensive plan for offender
 8 programming that prioritizes programs which follow the risk-needs-
 9 responsivity model, are evidence-based, and have measurable outcomes.
 10 The department is authorized to discontinue ineffective programs and
 11 to repurpose underspent funds according to the priorities in the
 12 written plan.

13 (b) \$32,000 of the general fund—state appropriation for fiscal
 14 year 2018 and \$165,000 of the general fund—state appropriation are
 15 provided solely for the implementation of Senate Bill No. 5037 (DUI
 16 4th offense/felony). If the bill is not enacted by June 30, 2017, the
 17 amounts provided in this subsection shall lapse.

18 (7) HEALTH CARE SERVICES

19 General Fund—State Appropriation (FY 2018). \$128,761,000
 20 General Fund—State Appropriation (FY 2019). \$127,932,000
 21 TOTAL APPROPRIATION. \$256,693,000

22 NEW SECTION. **Sec. 221. FOR THE DEPARTMENT OF SERVICES FOR THE**
 23 **BLIND**

24 General Fund—State Appropriation (FY 2018) \$2,434,000
 25 General Fund—State Appropriation (FY 2019) \$2,451,000
 26 General Fund—Federal Appropriation \$24,580,00
 27 General Fund—Private/Local Appropriation \$60,000
 28 TOTAL APPROPRIATION. \$29,525,000

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

30 General Fund—Federal Appropriation \$215,863,000
 31 General Fund—Private/Local Appropriation \$34,930,000
 32 Unemployment Compensation Administration Account—Federal
 33 Appropriation \$263,307,000
 34 Administrative Contingency Account—State Appropriation . \$20,082,000
 35 Employment Service Administrative Account—State
 36 Appropriation \$52,896,000

1 TOTAL APPROPRIATION. \$587,078,000

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

4 (1) The department is directed to maximize the use of federal
5 funds. The department must update its budget annually to align
6 expenditures with anticipated changes in projected revenues.

7 (2) \$4,152,000 of the unemployment compensation administration
8 account—federal appropriation is provided solely to the unemployment
9 tax and benefits systems and is subject to the conditions,
10 limitations, and review provided in section 724 of this act.

11 (3)(a) For any workforce development council located in a county
12 with a population greater than eight hundred forty thousand, but less
13 than one million five hundred thousand that receives moneys or
14 assistance from appropriations in this section, as a condition of
15 receipt of such moneys or assistance, the workforce development
16 council must participate in a local workforce coordinating committee
17 convened by the county executive authority. The purpose of the local
18 workforce coordinating committee is to facilitate local
19 implementation of the state comprehensive plan for workforce training
20 and education. This committee shall adopt an implementation plan that
21 operationalizes the strategic priorities of the state comprehensive
22 plan in a locally relevant manner.

23 (b) The local workforce coordinating committee shall be chaired
24 by the county executive authority, and shall be composed of five
25 voting members: (i) The county executive authority; (ii) the
26 chairperson of the county legislative authority; (iii) the
27 chairperson of the local workforce development council; (iv) the
28 chief elected official of a city with a population greater than two
29 hundred thousand; and (v) the chief executive of the local economic
30 development agency.

31 (c) The local workforce coordinating committee shall include
32 nonvoting, ex officio representation from the following state
33 agencies: (i) The employment security department; (ii) the department
34 of social and health services; (iii) the state board for community
35 and technical colleges; and (iv) the workforce training and education
36 coordinating board.

37 (d) To assure a locally integrated workforce development system,
38 all publicly funded workforce development activities conducted within

1 the county must align with the implementation plan adopted by the
2 local workforce coordinating committee.

3 (e) If any part of this section is found to be in conflict with
4 federal requirements that are a prescribed condition to the
5 allocation of federal funds to the state, the conflicting part of
6 this act is inoperative solely to the extent of the conflict and with
7 respect to the agencies directly affected, and this finding does not
8 affect the operation of the remainder of this act in its application
9 to the agencies concerned.

(End of part)

PART III
NATURAL RESOURCES

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

General Fund—State Appropriation (FY 2018)	\$226,000
General Fund—State Appropriation (FY 2019)	\$236,000
General Fund—Federal Appropriation	\$32,000
General Fund—Private/Local Appropriation	\$930,000
TOTAL APPROPRIATION.	\$1,424,000

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

General Fund—State Appropriation (FY 2018)	\$25,348,000
General Fund—State Appropriation (FY 2019)	\$24,986,000
General Fund—Federal Appropriation	\$104,720,000
General Fund—Private/Local Appropriation	\$22,358,000
Reclamation Account—State Appropriation	\$4,025,000
Flood Control Assistance Account—State Appropriation	\$2,100,000
State Emergency Water Projects Revolving Account—State Appropriation	\$40,000
Waste Reduction/Recycling/Litter Control—State Appropriation	\$13,367,000
State Drought Preparedness Account—State Appropriation	\$204,000
State and Local Improvements Revolving Account (Water Supply Facilities)—State Appropriation	\$156,000
Aquatic Algae Control Account—State Appropriation	\$519,000
Water Rights Tracking System Account—State Appropriation	\$46,000
Wood Stove Education and Enforcement Account—State Appropriation	\$555,000
Worker and Community Right-to-Know Account—State Appropriation	\$1,821,000
Water Rights Processing Account—State Appropriation	\$39,000
State Toxics Control Account—State Appropriation	\$126,215,000
State Toxics Control Account—Private/Local Appropriation	\$499,000
Local Toxics Control Account—State Appropriation	\$4,678,000
Water Quality Permit Account—State Appropriation	\$42,628,000
Underground Storage Tank Account—State Appropriation	\$3,446,000
Biosolids Permit Account—State Appropriation	\$2,146,000
Environmental Legacy Stewardship Account—State	

1	Appropriation	\$39,707,000
2	Hazardous Waste Assistance Account—State Appropriation . .	\$6,194,000
3	Radioactive Mixed Waste Account—State Appropriation . . .	\$17,182,000
4	Air Pollution Control Account—State Appropriation	\$3,331,000
5	Oil Spill Prevention Account—State Appropriation	\$8,180,000
6	Air Operating Permit Account—State Appropriation	\$3,682,000
7	Freshwater Aquatic Weeds Account—State Appropriation . . .	\$1,447,000
8	Oil Spill Response Account—State Appropriation	\$7,076,000
9	Water Pollution Control Revolving Administration	
10	Account—State Appropriation	\$3,473,000
11	TOTAL APPROPRIATION.	\$470,167,000

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

14 (1) \$170,000 of the oil spill prevention account—state
15 appropriation is provided solely for a contract with the University
16 of Washington's sea grant program to continue an educational program
17 targeted to small spills from commercial fishing vessels, ferries,
18 cruise ships, ports, and marinas.

19 (2) \$310,000 of the state toxics control account—state
20 appropriation is provided solely for the Spokane river regional
21 toxics task force to address elevated levels of polychlorinated
22 biphenyls in the Spokane river.

23 (3) \$15,000,000 of the general fund—state appropriation for
24 fiscal year 2018 and \$15,000,000 of the general fund—state
25 appropriation for fiscal year 2019 are provided solely for activities
26 within the water resources program.

27 (4) Appropriations in this section are sufficient to implement
28 Senate Bill No. 5230 (small business owners).

29 (5) \$872,000 of the radioactive mixed waste account—state
30 appropriation is provided solely for information technology and
31 regulatory and engineering support to administer the federal
32 department of energy permit, and to properly develop and issue
33 current and future permits. The department shall work cooperatively
34 with the United States department of energy and the environmental
35 protection agency to find efficiencies by streamlining the regulatory
36 cleanup processes, accelerate the permitting process, and develop a
37 clear prioritization of Hanford site cleanup projects.

38 (6) \$150,000 of the general fund—state appropriation for fiscal
39 year 2018 is provided solely for the department of ecology to convene

1 a temporary work group to examine options for repealing or amending
2 the rule codified at chapter 173-503 WAC. The department of ecology
3 must consider the advice of the work group and develop
4 recommendations for repealing or amending chapter 173-503 WAC in
5 order to provide relief for individuals harmed by the rule, and to
6 promote more opportunities for development of private property in the
7 area governed by the rule.

8 (a) The department shall organize the work group; invite
9 individuals to serve as members of the work group; arrange for
10 meeting dates, times, and locations; and provide the administrative
11 support necessary for the operation of the work group, including
12 facilitation of meetings. The department must invite one
13 representative from each of the following groups, organizations, or
14 entities to be a member of the work group: (i) An organization
15 representing landowners affected by chapter 173-503 WAC; (ii) a
16 private property rights advocacy organization; (iii) Skagit county;
17 (iv) Snohomish county; (v) a chamber of commerce or similar business
18 organization representing business interests in Skagit county; (vi)
19 an organization representing agricultural interests in Skagit county;
20 (vii) an organization representing real estate sales or development
21 interests in Skagit county; (viii) the Swinomish Indian tribal
22 community; (ix) the Upper Skagit Indian tribe; (x) the Sauk-Suiattle
23 tribe; (xi) an environmental advocacy organization; and (xii) the
24 department of ecology. Legislators and legislative staff may
25 participate in any meeting of the work group but shall not be members
26 of the work group.

27 (b) Meetings of the work group must be open to the public and
28 include opportunity for public comment, which may be limited at the
29 discretion of the department in its role as facilitator of meetings.
30 The work group must hold no more than three meetings, each of which
31 must be held in Skagit county. After the final meeting, the
32 department must produce a report based on the advice of the work
33 group containing recommendations for repealing or amending the rule
34 currently codified at chapter 173-503 WAC, consistent with the
35 purpose of the work group as described in this subsection. The
36 department must invite all work group members to submit optional
37 separate concise statements that may be included in an appendix to
38 the report. A work group member is not required to submit a separate
39 statement. The department must provide the report to the legislature
40 by January 8, 2018. The report must include a statement indicating

1 whether the department of ecology will propose to repeal or amend
2 chapter 173-503 WAC. The work group shall be dissolved as of January
3 8, 2018.

4 (7) Sufficient funds are provided for implementation of Engrossed
5 Second Substitute Senate Bill No. 5239 (water availability).

6 (8) The department must convene a work group to develop the
7 state's submission to the environmental mitigation trust created in
8 the national Volkswagen partial consent decree. The purpose of the
9 mitigation trust is to fund eligible mitigation actions that replace
10 diesel emission sources with cleaner technology and allows the
11 beneficiary states to select from a broad array of actions. To become
12 a beneficiary, the state must file a certification form and a state
13 mitigation plan. In order to provide legislators, state agencies,
14 local governments, environmental groups, and other interested
15 stakeholders with an opportunity to shape and provide input on the
16 state's mitigation plan, a work group is created with members as
17 provided in this subsection:

18 (i) The majority and minority leaders of the senate must appoint
19 one member from each of the two largest caucuses of the senate;

20 (ii) The speaker of the house of representatives shall appoint
21 one member from each of the two largest caucuses of the house;

22 (iii) The director of the department of ecology; and

23 (iv) One additional representative appointed by the governor.

24 (b) The work group must select a chair from among its membership.
25 Meetings of the work group must be open to the public and allow for
26 public comment.

27 (c) The department of ecology must provide staff support to the
28 work group. Legislative members of the committee are reimbursed for
29 travel expenses in accordance with RCW 44.04.120. Nonlegislative
30 members are not entitled to be reimbursed for travel expenses if they
31 are elected officials or are participating on behalf of an employer,
32 government entity, or other organization. Any reimbursement for other
33 nonlegislative members is subject to chapter 43.03 RCW. Committee
34 expenditures are subject to approval by the senate facilities and
35 operations committee and the house of representatives executive rules
36 committee, or their successor committees.

37 (d) The work group must develop a recommended plan for submittal
38 to the governor and the appropriate committees of the legislature at
39 least ninety days prior to submittal of the state's mitigation plan
40 to the trustee.

1 (e) \$250,000 of the air pollution control account—state
2 appropriation must be held in unallotted reserve status and remain
3 unexpended until the work group completes its work.

4 (9) No moneys may be expended from the appropriations in this
5 section for public participation grants under RCW 70.150D.070 for any
6 work in Whatcom county.

7 NEW SECTION. **Sec. 303. FOR THE STATE PARKS AND RECREATION**
8 **COMMISSION**

9	General Fund—State Appropriation (FY 2018)	\$9,349,000
10	General Fund—State Appropriation (FY 2019)	\$9,357,000
11	General Fund—Federal Appropriation	\$6,934,000
12	Winter Recreation Program Account—State Appropriation . .	\$3,336,000
13	ORV & Nonhighway Vehicle Account—State Appropriation	\$229,000
14	Snowmobile Account—State Appropriation	\$5,803,000
15	Aquatic Lands Enhancement Account—State Appropriation . . .	\$367,000
16	Outdoor Education and Recreation Program Account—State	
17	Appropriation	\$1,000,000
18	Recreation Access Pass Account—State Appropriation.	\$50,000
19	Parks Renewal and Stewardship Account—State	
20	Appropriation	\$121,518,000
21	Parks Renewal and Stewardship Account—Private/Local	
22	Appropriation	\$318,000
23	TOTAL APPROPRIATION.	\$158,261,000

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

26 (1) \$79,000 of the general fund—state appropriation for fiscal
27 year 2018, \$79,000 of the general fund—state appropriation for fiscal
28 year 2019, and \$50,000 of the winter recreation program account—state
29 appropriation are provided solely for a grant for the operation of
30 the Northwest weather and avalanche center.

31 (2) \$100,000 of the general fund—state appropriation for fiscal
32 year 2018 and \$100,000 of the general fund—state appropriation for
33 fiscal year 2019 are provided solely for the commission to pay
34 assessments charged by local improvement districts.

35 (3) \$700,000 of the parks renewal and stewardship account—state
36 appropriation is provided solely for the commission to replace 32

1 existing automated pay stations and to install 38 additional
2 automated pay stations within state parks.

3 (4) The commission must design and implement a recreational metal
4 detector pilot project throughout the state park system. The
5 commission must authorize the recreational use of metal detectors in
6 all developed and disturbed areas of state parks including in
7 campsites, parking areas, boat launches, swim beach areas, and
8 similar areas that have been subject to development. Metal detector
9 use in these areas is subject to reasonable rules and guidelines as
10 described on the department's web site to protect cultural and
11 historical resources. State parks may identify areas of a particular
12 park to be excluded from the pilot project based on the likelihood of
13 impacts to cultural or historical resources in that specific park.
14 The pilot project must be in effect by August 1, 2017.

15 (5) \$50,000 of the recreation access pass account—state
16 appropriation is provided solely for the commission, using its
17 authority under RCW 79A.05.055(3) and in partnership with the
18 department of fish and wildlife and the department of natural
19 resources, to coordinate a process to develop options and
20 recommendations to improve consistency, equity, and simplicity in
21 recreational access fee systems while accounting for the fiscal
22 health and stability of public land management. The process must be
23 collaborative and include other relevant agencies and appropriate
24 stakeholders. The commission must contract with the William D.
25 Ruckelshaus Center or another neutral third party to facilitate
26 meetings and discussions with parties involved in the process and
27 provide a report to the appropriate committees of the legislature by
28 December 1, 2017. The process must analyze and make recommendations
29 on:

30 (a) Opportunities for federal and state recreational permit fee
31 coordination, including the potential for developing a system that
32 allows a single pass to provide access to federal and state lands;

33 (b) Opportunities to enhance consistency in the way state and
34 federal recreational access fees apply to various types of
35 recreational users, including those that travel to public lands by
36 motor vehicle, boat, bicycle, foot, or another method; and

37 (c) Opportunities to develop a comprehensive and consistent
38 statewide approach to recreational fee discounts and exemptions to
39 social and other groups including, but not limited to, disabled
40 persons, seniors, disabled veterans, foster families, low-income

1 residents, and volunteers. This analysis must examine the cost of
2 such a program, and should consider how recreational fee discounts
3 fit into the broader set of benefits provided by the state to these
4 social groups. This includes a review of the efficacy, purpose, and
5 cost of existing recreational fee discounts and exemptions, as well
6 as opportunities for new or modified social group discounts and
7 exemptions. The department of veterans affairs and the department of
8 social and health services must be included in this portion of the
9 process.

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

12	General Fund—State Appropriation (FY 2018)	\$.	\$1,413,000
13	General Fund—State Appropriation (FY 2019)	\$.	\$1,374,000
14	General Fund—Federal Appropriation	\$.	\$3,578,000
15	General Fund—Private/Local Appropriation	\$.	\$24,000
16	Aquatic Lands Enhancement Account—State Appropriation	\$.	\$493,000
17	Firearms Range Account—State Appropriation	\$.	\$37,000
18	Recreation Resources Account—State Appropriation	\$.	\$3,421,000
19	NOVA Program Account—State Appropriation	\$.	\$1,033,000
20	TOTAL APPROPRIATION.	\$.	\$11,373,000

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

23 (1) \$375,000 of the general fund—state appropriation for fiscal
24 year 2018 and \$375,000 of the general fund—state appropriation for
25 fiscal year 2019 are provided solely for the salmon recovery funding
26 board to grant to the Hood Canal coordinating council for the sole
27 purpose of conducting an ecosystem impact assessment on the Hood
28 Canal. The assessment is to study any causal relationship between the
29 Hood Canal bridge and migrating steelhead and salmon.

30 (2) \$156,000 of the general fund—state appropriation for fiscal
31 year 2018 and \$156,000 of the general fund—state appropriation for
32 fiscal year 2019 are provided solely for the board to grant to the
33 Nisqually River Foundation for implementation of the Nisqually
34 watershed stewardship plan.

35 NEW SECTION. **Sec. 305. FOR THE ENVIRONMENTAL AND LAND USE**
36 **HEARINGS OFFICE**

37	General Fund—State Appropriation (FY 2018)	\$.	\$2,228,000
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1	General Fund—State Appropriation (FY 2019)	\$2,237,000
2	TOTAL APPROPRIATION.	\$4,465,000

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

4	General Fund—State Appropriation (FY 2018)	\$6,815,000
5	General Fund—State Appropriation (FY 2019)	\$6,817,000
6	General Fund—Federal Appropriation	\$2,301,000
7	Public Works Assistance Account—State Appropriation . . .	\$7,602,000
8	State Toxics Control Account—State Appropriation	\$1,000,000
9	TOTAL APPROPRIATION.	\$24,535,000

10 The appropriations in this section are subject to the following
11 conditions and limitations: \$7,600,000 of the public works assistance
12 account—state appropriation is provided solely for implementation of
13 the voluntary stewardship program. This amount may not be used to
14 fund agency indirect and administrative expenses.

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

16	General Fund—State Appropriation (FY 2018)	\$42,112,000
17	General Fund—State Appropriation (FY 2019)	\$40,184,000
18	General Fund—Federal Appropriation	\$116,617,000
19	General Fund—Private/Local Appropriation	\$62,393,000
20	ORV & Nonhighway Vehicle Account—State Appropriation	\$435,000
21	Aquatic Lands Enhancement Account—State Appropriation . .	\$9,643,000
22	Recreational Fisheries Enhancement—State Appropriation . .	\$3,022,000
23	Warm Water Game Fish Account—State Appropriation	\$2,664,000
24	Eastern Washington Pheasant Enhancement Account—State	
25	Appropriation	\$675,000
26	State Wildlife Account—State Appropriation	\$114,680,000
27	Special Wildlife Account—State Appropriation	\$70,000
28	Special Wildlife Account—Federal Appropriation	\$502,000
29	Special Wildlife Account—Private/Local Appropriation . . .	\$3,540,000
30	Wildlife Rehabilitation Account—State Appropriation	\$361,000
31	Hydraulic Project Approval Account—State Appropriation . . .	\$678,000
32	Environmental Legacy Stewardship Account—State	
33	Appropriation	\$2,728,000
34	Regional Fisheries Enhancement Salmonid Recovery Account—Federal	
35	Appropriation	\$5,001,000
36	Oil Spill Prevention Account—State Appropriation	\$1,073,000

1	Oyster Reserve Land Account—State Appropriation	\$527,000
2	Aquatic Invasive Species Enforcement Account—State	
3	Appropriation.	\$224,000
4	Aquatic Invasive Species Prevention Account—State	
5	Appropriation	\$788,000
6	TOTAL APPROPRIATION.	\$407,917,000

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

9 (1) \$403,000 of the general fund—state appropriation for fiscal
10 year 2018 and \$403,000 for fiscal year 2019 are provided solely to
11 pay for emergency fire suppression costs. This amount may not be used
12 to fund agency indirect and administrative expenses.

13 (2) \$1,616,500 of the general fund—state appropriation for fiscal
14 year 2018 and \$1,616,500 of the general fund—state appropriation for
15 fiscal year 2019 are provided solely for payments in lieu of real
16 property taxes to counties that elect to receive the payments for
17 department owned game lands within the county.

18 (3) \$415,000 of the general fund—state appropriation for fiscal
19 year 2018, \$415,000 of the general fund—state appropriation for
20 fiscal year 2019, and \$440,000 of the general fund—federal
21 appropriation are provided solely for county assessments.

22 (4) Prior to submitting its 2019-2021 biennial operating and
23 capital budget requests related to state fish hatcheries to the
24 office of financial management, the department shall contract with
25 the hatchery scientific review group (HSRG) to review the proposed
26 requests. This review shall: (a) Determine if the proposed requests
27 are consistent with HSRG recommendations; (b) prioritize the
28 components of the requests based on their contributions to protecting
29 wild salmonid stocks and meeting the recommendations of the HSRG; and
30 (c) evaluate whether the proposed requests are being made in the most
31 cost effective manner. The department shall provide a copy of the
32 HSRG review to the office of financial management with its agency
33 budget proposal.

34 (5) \$400,000 of the general fund—state appropriation for fiscal
35 year 2018 and \$400,000 of the general fund—state appropriation for
36 fiscal year 2019 are provided solely for a state match to support the
37 Puget Sound nearshore partnership between the department and the
38 United States army corps of engineers. Prior to implementation of any
39 Puget Sound nearshore ecosystem restoration projects in Whatcom

1 county, the department must consult with and seek, to the maximum
2 extent practicable, consensus on those projects among appropriate
3 landowners, federally recognized Indian tribes, agencies, and
4 community and interest groups.

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

10 (7) Within available funds, the department must consult with
11 affected tribes and landowners in Skagit county to develop and
12 implement a plan designed to address elk-related agricultural damage
13 and vehicular collisions by using all available and appropriate
14 methods including, but not limited to, cooperative fencing projects
15 and harvest in order to minimize elk numbers on private lands and
16 maximize the number of elk located on state and federal lands. The
17 plan must be implemented by September 1, 2018.

18 (8) \$725,000 of the general fund—state appropriation for fiscal
19 year 2018 and \$725,000 of the general fund—state appropriation for
20 fiscal year 2019 are provided solely for the department to enter into
21 cost-sharing contracts with livestock producers to use nonlethal
22 actions to minimize livestock loss from wolves and other carnivores.
23 The department must also support the wolf advisory group in
24 continuing to resolve conflicts between livestock producers, hunters,
25 and wolf population recovery efforts.

26 (9)(a) \$2,500,000 of the general fund—state appropriation for
27 fiscal year 2018 and \$2,500,000 of the general fund—state
28 appropriation for fiscal year 2019 are provided solely as one time
29 funding to support the department in response to its budget
30 shortfall. In order to address this shortfall on a long-term basis,
31 the department must develop a plan for balancing projected revenue
32 and expenditures and improving the efficiency and effectiveness of
33 agency operations, including:

34 (i) Expenditure reduction options that maximize administrative
35 and organizational efficiencies and savings, while avoiding hatchery
36 closures and minimizing impacts to fisheries and hunting
37 opportunities; and

38 (ii) Additional revenue options and an associated outreach plan
39 designed to ensure that the public, stakeholders, the commission, and

1 legislators have the opportunity to understand and impact the design
2 of the revenue options.

3 (iii) The range of options created under (a)(i) and (ii) of this
4 subsection must be prioritized by impact on achieving financial
5 stability, impact on the public and fisheries and hunting
6 opportunities, and on timeliness and ability to achieve intended
7 outcomes.

8 (b) In consultation with the office of financial management, the
9 department must consult with an outside management consultant to
10 evaluate and implement efficiencies to the agency's operations and
11 management practices. Specific areas of evaluation must include:

12 (i) Potential inconsistencies and increased costs associated with
13 the decentralized nature of organizational authority and operations;

14 (ii) The department's budgeting and accounting processes,
15 including work done at the central, program, and region levels, with
16 specific focus on efficiencies to be gained by centralized budget
17 control;

18 (iii) Executive management, program management, and regional
19 management structures, specifically addressing accountability.

20 (c) In carrying out these planning requirements, the department
21 must provide quarterly updates to the commission, office of financial
22 management, and appropriate legislative committees. The department
23 must provide a final summary of its process and plan by December 1,
24 2017.

25 (10) \$325,000 of the performance audit of state government
26 account—state appropriation is provided solely for the department, in
27 cooperation with the office of financial management to conduct a
28 zero-based budget review of its operating budget and activities to be
29 submitted with the department's 2019-2021 biennial budget submittal.
30 Information and analysis submitted by the department for the zero-
31 based review under this subsection shall include:

32 (a) A statement of the statutory basis or other basis for the
33 creation of each program and the history of each program that is
34 being reviewed;

35 (b) A description of how each program fits within the strategic
36 plan and goals of the agency and an analysis of the quantified
37 objectives of each program within the agency;

38 (c) Any available performance measures indicating the
39 effectiveness and efficiency of each program;

1 (d) A description with supporting cost and staffing data of each
2 program and the populations served by each program, and the level of
3 funding and staff required to accomplish the goals of the program if
4 different than the actual maintenance level;

5 (e) An analysis of the major costs and benefits of operating each
6 program and the rationale for specific expenditure and staffing
7 levels;

8 (f) An analysis estimating each program's administrative and
9 other overhead costs;

10 (g) An analysis of the levels of services provided; and

11 (h) An analysis estimating the amount of funds or benefits that
12 actually reach the intended recipients.

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

14	General Fund—State Appropriation (FY 2018)	\$48,051,000
15	General Fund—State Appropriation (FY 2019)	\$50,229,000
16	General Fund—Federal Appropriation	\$27,201,000
17	General Fund—Private/Local Appropriation	\$2,372,000
18	Forest Development Account—State Appropriation	\$50,023,000
19	ORV & Nonhighway Vehicle Account—State Appropriation	\$7,127,000
20	Surveys and Maps Account—State Appropriation	\$3,429,000
21	Aquatic Lands Enhancement Account—State Appropriation	\$11,934,000
22	Resources Management Cost Account—State Appropriation	\$110,488,000
23	Surface Mining Reclamation Account—State Appropriation	\$4,035,000
24	Disaster Response Account—State Appropriation	\$23,076,000
25	Forest and Fish Support Account—State Appropriation	\$12,770,000
26	Aquatic Land Dredged Material Disposal Site Account—State	
27	Appropriation	\$400,000
28	Natural Resources Conservation Areas Stewardship	
29	Account—State Appropriation	\$34,000
30	Marine Resources Stewardship Trust Account—State	
31	Appropriation	\$3,000
32	State Toxics Control Account—State Appropriation	\$5,685,000
33	Forest Practices Application Account—State Appropriation	\$1,666,000
34	Air Pollution Control Account—State Appropriation	\$845,000
35	NOVA Program Account—State Appropriation	\$714,000
36	Derelict Vessel Removal Account—State Appropriation	\$1,938,000
37	Community Forest Trust Account—State Appropriation	\$52,000
38	Agricultural College Trust Management Account—State	

1 Appropriation \$2,969,000
2 TOTAL APPROPRIATION. \$365,041,000

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

5 (1) \$1,420,000 of the general fund—state appropriation for fiscal
6 year 2018 and \$1,352,000 of the general fund—state appropriation for
7 fiscal year 2019 are provided solely for deposit into the
8 agricultural college trust management account and are provided solely
9 to manage approximately 70,700 acres of Washington State University's
10 agricultural college trust lands.

11 (2) \$16,546,000 of the general fund—state appropriation for
12 fiscal year 2018 and \$16,546,000 of the general fund—state
13 appropriation for fiscal year 2019 are provided solely for emergency
14 fire suppression. The general fund—state appropriations provided in
15 this subsection may not be used to fund the department's indirect and
16 administrative expenses. The department's indirect and administrative
17 costs shall be allocated among its remaining accounts and
18 appropriations.

19 (3) \$5,000,000 of the forest and fish support account—state
20 appropriation is provided solely for outcome-based, performance
21 contracts with tribes to participate in the implementation of the
22 forest practices program. Contracts awarded may only contain indirect
23 costs set at or below the rate in the contracting tribe's indirect
24 cost agreement with the federal government. If federal funding for
25 this purpose is reinstated, the amount provided in this subsection
26 shall lapse.

27 (4) \$1,640,000 of the general fund—state appropriation for fiscal
28 year 2018 and \$1,640,000 of the general fund—state appropriation for
29 fiscal year 2019 are provided solely for the department to carry out
30 the forest practices adaptive management program pursuant to RCW
31 76.09.370 and the May 24, 2012, settlement agreement entered into by
32 the department and the department of ecology. Scientific research
33 must be carried out according to the master project schedule and work
34 plan of cooperative monitoring, evaluation, and research priorities
35 adopted by the forest practices board. The forest practices board
36 shall submit a report to the legislature following review, approval,
37 and solicitation of public comment on the cooperative monitoring,
38 evaluation, and research master project schedule, to include:
39 Cooperative monitoring, evaluation, and research science and related

1 adaptive management expenditure details, accomplishments, the use of
2 cooperative monitoring, evaluation, and research science in decision-
3 making, and funding needs for the coming biennium. The report shall
4 be provided to the appropriate committees of the legislature by
5 October 1, 2018.

6 (5) \$211,000 of the general fund—state appropriation for fiscal
7 year 2018 is provided solely for implementation of Engrossed
8 Substitute Senate Bill No. 5198 (fire retardant use). The department
9 shall study and report on the types and efficacy of fire retardants
10 used in fire suppression activities, their potential impact on human
11 health and natural resources, and make recommendations to the
12 legislature by December 31, 2017. If the bill is not enacted by June
13 30, 2017, the amount provided in this subsection shall lapse.

14 (6) \$505,000 of the general fund—state appropriation for fiscal
15 year 2018 and \$486,000 of the general fund—state appropriation for
16 fiscal year 2019 are provided solely for implementation of Second
17 Substitute Senate Bill No. 5546 (forest health treatment assessment).
18 The department shall establish a forest health assessment and
19 treatment framework that consists of biennial forest health
20 assessments, treatments, and progress review and reporting. If the
21 bill is not enacted by June 30, 2017, the amounts provided in this
22 subsection shall lapse.

23 (7) \$150,000 of the aquatic lands enhancement account—state
24 appropriation is provided solely for implementation of the marine
25 resources advisory council's work and plan, including refinements of
26 mapping activities, data tools, and stakeholder engagement.

27 (8) \$250,000 of the aquatic lands enhancement account—state
28 appropriation is provided solely for ongoing costs of the Washington
29 coastal marine advisory council to serve as a forum and provide
30 recommendations on coastal management issues.

31 (9) \$533,000 of the general fund—state appropriation for fiscal
32 year 2018 and \$477,000 of the general fund—state appropriation for
33 fiscal year 2019 are provided solely for Teanaway community forest
34 costs for law enforcement, payments for noxious weed and forest fire
35 protection assessment, and other operations management costs.

36 (10) \$150,000 of the state toxics control account—state
37 appropriation is provided solely for the department to meet its
38 obligations as a potentially liable party under the Washington model
39 toxics control act at Whitmarsh landfill and the east waterway site.

1 (11) \$25,000 of the general fund—state appropriation for fiscal
2 year 2018 is provided solely for conducting an aerial survey of the
3 Washington coast forests to monitor the occurrence and spread of
4 Swiss needle cast disease.

5 (12)(a) The department must make:

6 (i) Water right S3-28687C available for sale to the city of Pasco
7 pursuant to RCW 79.17.200 for the benefit of the common school trust;
8 and

9 (ii) The commercially zoned portions of state trust land known as
10 "Pasco 16" that is south of Interstate 82 and west of road 68 also
11 known as lots 10 and 11 available for lease pursuant to RCW
12 79.13.120.

13 (b) If these actions in (a)(i) and (ii) of this subsection are
14 not completed by January 1, 2018, \$500,000 of the resource management
15 cost account—state appropriation must be placed in unallotted reserve
16 status and remain unexpended.

17 (13) Within existing resources, the department, in collaboration
18 with the emergency management division of the military department,
19 must develop agreements with other state agencies to recruit state
20 employees to voluntarily participate in the wildfire suppression
21 program. Other agency staff are eligible to receive training, fire
22 gear, and any other necessary items to be ready for deployment to
23 fight wildfires when called. The department shall cover agency staff
24 costs directly or through reimbursement and must submit a request for
25 an appropriation in the next legislative session to fulfill this
26 requirement. The department must provide a report detailing the
27 opportunities, challenges, and recommendations for increasing state
28 employee voluntary participation in the wildfire suppression program
29 to the appropriate committees of the legislature by December 1, 2017.

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

31	General Fund—State Appropriation (FY 2018)	\$16,619,000
32	General Fund—State Appropriation (FY 2019)	\$16,541,000
33	General Fund—Federal Appropriation	\$31,030,000
34	General Fund—Private/Local Appropriation	\$193,000
35	Aquatic Lands Enhancement Account—State Appropriation	\$2,516,000
36	State Toxics Control Account—State Appropriation	\$5,416,000
37	Water Quality Permit Account—State Appropriation	\$73,000
38	TOTAL APPROPRIATION.	\$72,388,000

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

3 (1) \$6,108,445 of the general fund—state appropriation for fiscal
4 year 2018 and \$6,102,905 of the general fund—state appropriation for
5 fiscal year 2019 are provided solely for implementing the food
6 assistance program as defined in RCW 43.23.290.

7 (2) Appropriations in this section are sufficient to implement
8 Senate Bill No. 5230 (small business owners).

9 NEW SECTION. **Sec. 310. FOR THE WASHINGTON POLLUTION LIABILITY**
10 **INSURANCE PROGRAM**

11	PLIA Underground Storage Tank Revolving Account—State	
12	Appropriation	\$10,000
13	Pollution Liability Insurance Program Trust Account—State	
14	Appropriation	\$1,281,000
15	TOTAL APPROPRIATION.	\$1,291,000

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

17	General Fund—State Appropriation (FY 2018)	\$2,433,000
18	General Fund—State Appropriation (FY 2019)	\$2,379,000
19	General Fund—Federal Appropriation	\$8,026,000
20	Aquatic Lands Enhancement Account—State Appropriation	\$1,403,000
21	State Toxics Control Account—State Appropriation	\$713,000
22	TOTAL APPROPRIATION.	\$14,954,000

23 The appropriations in this section are subject to the following
24 conditions and limitations: By October 15, 2018, the Puget Sound
25 partnership shall provide the governor a single, prioritized list of
26 state agency 2019-2021 capital and operating budget requests related
27 to Puget Sound restoration.

(End of part)

PART IV
TRANSPORTATION

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

General Fund—State Appropriation (FY 2018)	\$1,642,000
General Fund—State Appropriation (FY 2019)	\$1,624,000
Architects' License Account—State Appropriation	\$975,000
Professional Engineers' Account—State Appropriation	\$3,812,000
Real Estate Commission Account—State Appropriation	\$10,709,000
Uniform Commercial Code Account—State Appropriation	\$3,351,000
Real Estate Education Program Account—State Appropriation	\$276,000
Real Estate Appraiser Commission Account—State Appropriation	\$1,818,000
Business and Professions Account—State Appropriation	\$18,696,000
Real Estate Research Account—State Appropriation	\$415,000
Geologists' Account—State Appropriation	\$53,000
Derelict Vessel Removal Account—State Appropriation	\$33,000
TOTAL APPROPRIATION	\$43,404,000

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

(1) \$75,000 of the general fund—state appropriation for fiscal year 2018 is provided solely for the implementation of Engrossed Senate Bill No. 5268 (concealed pistol license notices). If the bill is not enacted by June 30, 2017, the amount provided in this subsection shall lapse.

(2) \$198,000 of the general fund—state appropriation for fiscal year 2018 and \$11,000 of the general fund—state appropriation for fiscal year 2019 are provided solely for costs related to sending notices to persons to encourage the renewal of vessel registrations.

NEW SECTION. Sec. 402. FOR THE STATE PATROL

General Fund—State Appropriation (FY 2018)	\$41,387,000
General Fund—State Appropriation (FY 2019)	\$41,335,000
General Fund—Federal Appropriation	\$16,142,000
General Fund—Private/Local Appropriation	\$3,081,000
Death Investigations Account—State Appropriation	\$6,577,000
County Criminal Justice Assistance Account—State	

1	Appropriation	\$3,572,000
2	Municipal Criminal Justice Assistance Account—State	
3	Appropriation	\$1,460,000
4	Fire Service Trust Account—State Appropriation	\$131,000
5	Vehicle License Fraud Account—State Appropriation	\$64,000
6	Disaster Response Account—State Appropriation	\$8,000,000
7	Fire Service Training Account—State Appropriation	\$10,982,000
8	Aquatic Invasive Species Management Account—State	
9	Appropriation	\$54,000
10	State Toxics Control Account—State Appropriation	\$537,000
11	Fingerprint Identification Account—State Appropriation	\$15,399,000
12	TOTAL APPROPRIATION.	\$148,721,000

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

15 (1) \$270,000 of the fire service training account—state
16 appropriation is provided solely for two FTEs in the office of the
17 state director of fire protection to exclusively review K-12
18 construction documents for fire and life safety in accordance with
19 the state building code. It is the intent of this appropriation to
20 provide these services only to those districts that are located in
21 counties without qualified review capabilities.

22 (2) \$8,000,000 of the disaster response account—state
23 appropriation is provided solely for Washington state fire service
24 resource mobilization costs incurred in response to an emergency or
25 disaster authorized under RCW 43.43.960 through 43.43.964. The state
26 patrol shall submit a report quarterly to the office of financial
27 management and the legislative fiscal committees detailing
28 information on current and planned expenditures from this account.
29 This work shall be done in coordination with the military department.

30 (3) The Washington state patrol shall comply with RCW 43.88.110
31 in maintaining proper accounting records and in submitting final
32 adjustments necessary to close their books at the end of each fiscal
33 year in the statutorily required timely manner. These submittals
34 shall be in compliance with applicable budget and accounting
35 regulations to reflect the fiscal position of the patrol and
36 specifically to ensure sufficient accounting of accruals.

37 (4) \$700,000 of the fire service training account—state
38 appropriation is provided solely for the firefighter apprenticeship
39 training program.

1 (5) \$3,421,000 of the fingerprint identification account—state
2 appropriation is provided solely for the completion of the state
3 patrol's plan to upgrade the criminal history system, and is subject
4 to the conditions, limitations, and review provided in section 724 of
5 this act.

6 (6) \$1,039,000 of the fingerprint identification account—state
7 appropriation is provided solely for the implementation of a sexual
8 assault kit tracking database project and is subject to the
9 conditions, limitations, and review provided in section 724 of this
10 act.

11 (7) \$50,000 of the general fund—state appropriation for fiscal
12 year 2018 and \$50,000 of the general fund—state appropriation for
13 fiscal year 2019 are provided solely for the implementation of Senate
14 Bill No. 5274 (WSPRS salary definition). If the bill is not enacted
15 by June 30, 2017, the amounts provided in this subsection shall
16 lapse.

(End of part)

PART V
EDUCATION

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

General Fund—State Appropriation (FY 2018)	\$50,828,000
General Fund—State Appropriation (FY 2019)	\$43,036,000
General Fund—Federal Appropriation	\$67,624,000
General Fund—Private/Local Appropriation	\$8,037,000
WA Opportunity Pathways Account—State Appropriation	\$584,000
Dedicated Marijuana Account—State Appropriation (FY 2018)	\$512,000
Dedicated Marijuana Account—State Appropriation (FY 2019)	\$512,000
Performance Audits of Government Account—State Appropriation	\$210,000
TOTAL APPROPRIATION.	\$171,343,000

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

(1) \$9,997,000 of the general fund—state appropriation for fiscal year 2018 and \$10,261,000 of the general fund—state appropriation for fiscal year 2019 are provided solely for the operation and expenses of the office of the superintendent of public instruction.

(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.

(b) 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.

(c) By September of each year, the office of the superintendent of public instruction shall produce an annual status report on implementation of the budget provisos in sections 501 and 513 of this act. The status report of each proviso shall include, but not be limited to, the following information: Purpose and objective, number of state staff funded by the proviso, number of contractors, status of proviso implementation, number of beneficiaries by year, list of

1 beneficiaries, a comparison of budgeted funding and actual
2 expenditures, other sources and amounts of funding, and proviso
3 outcomes and achievements.

4 (d) The superintendent of public instruction, in consultation
5 with the secretary of state, shall update the program prepared and
6 distributed under RCW 28A.230.150 for the observation of temperance
7 and good citizenship day to include providing an opportunity for
8 eligible students to register to vote at school.

9 (e) Districts shall annually report to the office of the
10 superintendent of public instruction on: (i) The annual number of
11 graduating high school seniors within the district earning the
12 Washington state seal of biliteracy provided in RCW 28A.300.575; and
13 (ii) the number of high school students earning competency-based high
14 school credits for world languages by demonstrating proficiency in a
15 language other than English. The office of the superintendent of
16 public instruction shall provide a summary report to the office of
17 the governor and the appropriate committees of the legislature by
18 December 1st of each year.

19 (2) \$857,000 of the general fund—state appropriation for fiscal
20 year 2018 and \$857,000 of the general fund—state appropriation for
21 fiscal year 2019 are provided solely for activities associated with
22 the implementation of new school finance systems required by chapter
23 236, Laws of 2010 (K-12 education funding) and chapter 548, Laws of
24 2009 (state's education system), including technical staff, systems
25 reprogramming, and workgroup deliberations, including the data
26 governance working group.

27 (3)(a) \$911,000 of the general fund—state appropriation for
28 fiscal year 2018 and \$911,000 of the general fund—state appropriation
29 for fiscal year 2019 are provided solely for the operation and
30 expenses of the state board of education, including basic education
31 assistance activities.

32 (b) \$322,000 of the Washington opportunity pathways account—state
33 appropriation is provided solely for the state board of education to
34 provide assistance to public schools other than common schools
35 authorized under chapter 28A.710 RCW.

36 (4) \$4,618,000 of the general fund—state appropriation for fiscal
37 year 2018 and \$4,618,000 of the general fund—state appropriation for
38 fiscal year 2019 are provided solely to the professional educator
39 standards board for the following:

1 (a) \$1,115,000 in fiscal year 2018 and \$1,115,000 in fiscal year
2 2019 are for the operation and expenses of the Washington
3 professional educator standards board;

4 (b) \$2,372,000 of the general fund—state appropriation for fiscal
5 year 2018 and \$2,372,000 of the general fund—state appropriation for
6 fiscal year 2019 are for grants to improve preservice teacher
7 training and for funding of alternate routes to certification
8 programs administered by the professional educator standards board.
9 Alternate routes programs include the pipeline for paraeducators
10 program, the retooling to teach conditional loan programs, and the
11 recruiting Washington teachers program. Priority shall be given to
12 programs that support bilingual teachers and English language
13 learners. Within this subsection (4)(b), up to \$500,000 per fiscal
14 year is available for grants to public or private colleges of
15 education in Washington state to develop models and share best
16 practices for increasing the classroom teaching experience of
17 preservice training programs;

18 (c) \$25,000 of the general fund—state appropriation for fiscal
19 year 2018 and \$25,000 of the general fund—state appropriation for
20 fiscal year 2019 are provided solely for the professional educator
21 standards board to develop educator interpreter standards and
22 identify interpreter assessments that are available to school
23 districts. Interpreter assessments should meet the following
24 criteria: (A) Include both written assessment and performance
25 assessment; (B) be offered by a national organization of professional
26 sign language interpreters and transliterators; and (C) be designed
27 to assess performance in more than one sign system or sign language.
28 The board shall establish a performance standard, defining what
29 constitutes a minimum assessment result, for each educational
30 interpreter assessment identified. The board shall publicize the
31 standards and assessments for school district use.

32 (d) \$1,106,000 of the general fund—state appropriation for fiscal
33 year 2018 and \$1,106,000 of the general fund—state appropriation for
34 fiscal year 2019 are provided solely for implementation of Senate
35 Bill No. 5070 (paraeducators). If the bill is not enacted by June 30,
36 2017, the amounts provided in this subsection shall lapse.

37 (5) \$266,000 of the general fund—state appropriation for fiscal
38 year 2018 and \$266,000 of the general fund—state appropriation for
39 fiscal year 2019 are provided solely for the implementation of

1 chapter 240, Laws of 2010, including staffing the office of equity
2 and civil rights. Within the amounts provided in this subsection, the
3 office of the superintendent of public instruction shall:

4 (a) Maintain and have available upon request a list of school
5 districts that have and have not adopted the Washington state school
6 directors' association's model policy on language access for limited-
7 English proficient parents;

8 (b) Adopt rules regarding school districts' communication of the
9 language access policy and procedure to parents, students, employees,
10 and volunteers; and

11 (c) Publish to the agency web site a listing of language access
12 services providers available to school districts, including but not
13 limited to, the telephonic, in-person, or video-remote interpreter
14 services vendors on contract with the state of Washington, including
15 contact information and training programs that are available to
16 support school districts in preparing employees for how to access and
17 effectively use an interpreter.

18 (6) \$50,000 of the general fund—state appropriation for fiscal
19 year 2018 and \$50,000 of the general fund—state appropriation for
20 fiscal year 2019 are provided solely for the ongoing work of the
21 education opportunity gap oversight and accountability committee.

22 (7) \$61,000 of the general fund—state appropriation for fiscal
23 year 2018 and \$61,000 of the general fund—state appropriation for
24 fiscal year 2019 are provided solely for the implementation of
25 chapter 380, Laws of 2009 (enacting the interstate compact on
26 educational opportunity for military children).

27 (8) \$262,000 of the Washington opportunity pathways account—state
28 appropriation is provided solely for activities related to public
29 schools other than common schools authorized under chapter 28A.710
30 RCW.

31 (9) \$1,802,000 of the general fund—state appropriation for fiscal
32 year 2018 and \$1,802,000 of the general fund—state appropriation for
33 fiscal year 2019 are provided solely for implementing a comprehensive
34 data system to include financial, student, and educator data,
35 including development and maintenance of the comprehensive education
36 data and research system (CEDARS).

37 (10) \$50,000 of the general fund—state appropriation for fiscal
38 year 2018 and \$50,000 of the general fund—state appropriation for
39 fiscal year 2019 are provided solely for project citizen, a program

1 sponsored by the national conference of state legislatures and the
2 center for civic education to promote participation in government by
3 middle school students.

4 (11) \$1,500,000 of the general fund—state appropriation for
5 fiscal year 2018 is provided solely for collaborative schools for
6 innovation and success authorized under chapter 53, Laws of 2012. The
7 office of the superintendent of public instruction shall award
8 \$500,000 in funding for each collaborative school for innovation and
9 success selected for participation in the pilot program during 2012.

10 (12) \$123,000 of the general fund—state appropriation for fiscal
11 year 2018 and \$123,000 of the general fund—state appropriation for
12 fiscal year 2019 are provided solely for implementation of chapter
13 163, Laws of 2012 (foster care outcomes). The office of the
14 superintendent of public instruction shall annually report each
15 December on the implementation of the state's plan of cross-system
16 collaboration to promote educational stability and improve education
17 outcomes of foster youth.

18 (13) \$250,000 of the general fund—state appropriation for fiscal
19 year 2018 is provided solely for implementation of chapter 178, Laws
20 of 2012 (open K-12 education resources).

21 (14) \$93,000 of the general fund—state appropriation for fiscal
22 year 2016 and \$93,000 of the general fund—state appropriation for
23 fiscal year 2017 are provided solely for chapter 185, Laws of 2011
24 (bullying prevention), which requires the office of the
25 superintendent of public instruction to convene an ongoing workgroup
26 on school bullying and harassment prevention. Within the amounts
27 provided, \$140,000 is for youth suicide prevention activities.

28 (15) \$14,000 of the general fund—state appropriation for fiscal
29 year 2018 and \$14,000 of the general fund—state appropriation for
30 fiscal year 2019 are provided solely for implementation of chapter
31 242, Laws of 2013 (state-tribal education compacts).

32 (16) \$62,000 of the general fund—state appropriation for fiscal
33 year 2018 and \$62,000 of the general fund—state appropriation for
34 fiscal year 2019 are provided solely for competitive grants to school
35 districts to increase the capacity of high schools to offer AP
36 computer science courses. In making grant allocations, the office of
37 the superintendent of public instruction must give priority to
38 schools and districts in rural areas, with substantial enrollment of
39 low-income students, and that do not offer AP computer science.

1 School districts may apply to receive either or both of the following
2 grants:

3 (a) 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 (b) 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 (17) \$10,000 of the general fund—state appropriation for fiscal
12 year 2018 and \$10,000 of the general fund—state appropriation for
13 fiscal year 2019 are provided solely for the superintendent of public
14 instruction to convene a committee for the selection and recognition
15 of Washington innovative schools. The committee shall select and
16 recognize Washington innovative schools based on the selection
17 criteria established by the office of the superintendent of public
18 instruction, in accordance with chapter 202, Laws of 2011 (innovation
19 schools—recognition) and chapter 260, Laws of 2011 (innovation
20 schools and zones).

21 (18) \$100,000 of the general fund—state appropriation for fiscal
22 year 2018 and \$100,000 of the general fund—state appropriation for
23 fiscal year 2019 are provided solely for the Mobius science center to
24 expand mobile outreach of science, technology, engineering, and
25 mathematics (STEM) education to students in rural, tribal, and low-
26 income communities.

27 (19) \$131,000 of the general fund—state appropriation for fiscal
28 year 2018, \$131,000 of the general fund—state appropriation for
29 fiscal year 2019, and \$210,000 of the performance audits of
30 government account—state appropriation are provided solely for the
31 office of the superintendent of public instruction to perform on-
32 going program reviews of alternative learning experience programs,
33 dropout reengagement programs, and other high risk programs. Findings
34 from the program reviews will be used to support and prioritize the
35 office of the superintendent of public instruction outreach and
36 education efforts that assist school districts in implementing the
37 programs in accordance with statute and legislative intent, as well
38 as to support financial and performance audit work conducted by the
39 office of the state auditor.

1 (20) \$31,000 of the general fund—state appropriation for fiscal
2 year 2018 and \$55,000 of the general fund—state appropriation for
3 fiscal year 2019 are provided solely for the office of the
4 superintendent of public instruction for statewide implementation of
5 career and technical education course equivalency frameworks
6 authorized under RCW 28A.700.070 for math and science. This may
7 include development of additional equivalency course frameworks,
8 course performance assessments, and professional development for
9 districts implementing the new frameworks.

10 (21) \$142,000 of the general fund—state appropriation for fiscal
11 year 2018 and \$142,000 of the general fund—state appropriation for
12 fiscal year 2019 are provided solely for youth suicide prevention
13 activities.

14 (22) \$2,541,000 of the general fund—state appropriation for
15 fiscal year 2018 and \$2,541,000 of the general fund—state
16 appropriation for fiscal year 2019 are provided solely for a corps of
17 nurses located at educational service districts, as determined by the
18 superintendent of public instruction, to be dispatched to the most
19 needy schools to provide direct care to students, health education,
20 and training for school staff.

21 (23) \$210,000 of the general fund—state appropriation for fiscal
22 year 2018 and \$210,000 of the general fund—state appropriation for
23 fiscal year 2019 are provided solely for a nonviolence and leadership
24 training program provided by the institute for community leadership.

25 (24) \$1,221,000 of the general fund—state appropriation for
26 fiscal year 2018 and \$1,221,000 of the general fund—state
27 appropriation for fiscal year 2019 are provided solely for K-20
28 telecommunications network technical support in the K-12 sector to
29 prevent system failures and avoid interruptions in school utilization
30 of the data processing and video-conferencing capabilities of the
31 network. These funds may be used to purchase engineering and advanced
32 technical support for the network.

33 (25) \$3,940,000 of the general fund—state appropriation for
34 fiscal year 2018 and \$3,940,000 of the general fund—state
35 appropriation for fiscal year 2019 are provided solely for the
36 Washington state achievers scholarship and Washington higher
37 education readiness program. The funds shall be used to: Support
38 community involvement officers that recruit, train, and match
39 community volunteer mentors with students selected as achievers

1 scholars; and to identify and reduce barriers to college for low-
2 income and underserved middle and high school students.

3 (26) \$1,354,000 of the general fund—state appropriation for
4 fiscal year 2018 and \$1,354,000 of the general fund—state
5 appropriation for fiscal year 2019 are provided solely for
6 contracting with a college scholarship organization with expertise in
7 conducting outreach to students concerning eligibility for the
8 Washington college bound scholarship consistent with chapter 405,
9 Laws of 2007.

10 (27) \$1,000,000 of the general fund—state appropriation for
11 fiscal year 2018, \$1,000,000 of the general fund—state appropriation
12 for fiscal year 2019, and \$1,024,000 of the dedicated marijuana
13 account—state appropriation are provided solely for dropout
14 prevention, intervention, and reengagement programs, including the
15 jobs for America's graduates (JAG) program, dropout prevention
16 programs that provide student mentoring, and the building bridges
17 statewide program. Students in the foster care system or who are
18 homeless shall be given priority by districts offering the jobs for
19 America's graduates program. The office of the superintendent of
20 public instruction shall convene staff representatives from high
21 schools to meet and share best practices for dropout prevention. Of
22 these amounts, \$512,000 of the dedicated marijuana account—state
23 appropriation for fiscal year 2018, and \$512,000 of the dedicated
24 marijuana account—state appropriation for fiscal year 2019 are
25 provided solely for the building bridges statewide program.

26 (28) \$2,984,000 of the general fund—state appropriation for
27 fiscal year 2018 and \$2,984,000 of the general fund—state
28 appropriation for fiscal year 2019 are provided solely for the
29 Washington kindergarten inventory of developing skills. State funding
30 shall support statewide administration and district implementation of
31 the inventory under RCW 28A.655.080.

32 (29) \$75,000 of the general fund—state appropriation for fiscal
33 year 2018 and \$75,000 of the general fund—state appropriation for
34 fiscal year 2019 are provided solely to subsidize advanced placement
35 exam fees and international baccalaureate class fees and exam fees
36 for low-income students. To be eligible for the subsidy, a student
37 must be either enrolled or eligible to participate in the federal
38 free or reduced-price lunch program, and the student must have
39 maximized the allowable federal contribution. The office of the

1 superintendent of public instruction shall set the subsidy in an
2 amount so that the advanced placement exam fee does not exceed \$15.00
3 and the combined class and exam fee for the international
4 baccalaureate does not exceed \$14.50.

5 (30) \$293,000 of the general fund—state appropriation for fiscal
6 year 2018 and \$293,000 of the general fund—state appropriation for
7 fiscal year 2019 are provided solely for the office of the
8 superintendent of public instruction to support district
9 implementation of comprehensive guidance and planning programs
10 consistent with RCW 28A.600.045.

11 (31) \$3,758,000 of the general fund—state appropriation for
12 fiscal year 2018 and \$3,758,000 of the general fund—state
13 appropriation for fiscal year 2019 are provided solely for
14 implementation of Engrossed Second Substitute House Bill No. 1546
15 (dual credit education opportunities).

16 (32) \$117,000 of the general fund—state appropriation for fiscal
17 year 2018 and \$117,000 of the general fund—state appropriation for
18 fiscal year 2019 are provided solely for implementation of chapter 3
19 (SHB No. 1813), Laws of 2015 1st sp. sess. (computer science).

20 (33)(a) \$250,000 of the general fund—state appropriation for
21 fiscal year 2018 and \$250,000 of the general fund—state appropriation
22 for fiscal year 2019 are provided solely for the office of the
23 superintendent of public instruction to implement a K-12 dual
24 language expansion grant program to build and expand well-
25 implemented, sustainable dual language programs and create state-
26 level infrastructure dedicated to dual language instruction.

27 (b) The superintendent shall award grants to pairs of school
28 districts for periods of two years. Each awarded pair must have one
29 district with an established dual language program with a plan for
30 expansion, and another district with the desire to implement a new
31 dual language program.

32 (c) Grant funds may be used for professional development,
33 supplemental materials, training, administrative staffing of the
34 program, site visits, recruiting bilingual teachers and instructional
35 aides, program evaluation, and coaching.

36 (34) \$125,000 of the general fund—state appropriation for fiscal
37 year 2018 and \$125,000 of the general fund—state appropriation for
38 fiscal year 2019 are provided solely for the Kip Tokuda memorial
39 Washington civil liberties public education program. The

1 superintendent of public instruction shall award grants consistent
2 with RCW 28A.300.410.

3 (35) \$1,000,000 of the general fund—state appropriation for
4 fiscal year 2016 and \$1,000,000 of the general fund—state
5 appropriation for fiscal year 2017 are provided solely for the
6 computer science and education grant program to support the following
7 three purposes: Train and credential teachers in computer sciences;
8 provide and upgrade technology needed to learn computer science; and,
9 for computer science frontiers grants to introduce students to and
10 engage them in computer science. The office of the superintendent of
11 public instruction must use the computer science learning standards
12 adopted pursuant to Substitute House Bill No. 1813 (computer science)
13 in implementing the grant, to the extent possible. Additionally,
14 grants provided for the purpose of introducing students to computer
15 science are intended to support innovative ways to introduce and
16 engage students from historically underrepresented groups, including
17 girls, low-income students, and minority students, to computer
18 science and to inspire them to enter computer science careers. Grant
19 funds for the computer science and education grant program may be
20 expended only to the extent that they are equally matched by private
21 sources for the program, including gifts, grants, or endowments.

22 (36) \$1,461,000 of the general fund—state appropriation for
23 fiscal year 2018 and \$1,461,000 of the general fund—state
24 appropriation for fiscal year 2019 are provided solely for a contract
25 with a nongovernmental entity or entities for demonstration sites to
26 improve the educational outcomes of students who are dependent
27 pursuant to chapter 13.34 RCW pursuant to chapter 71, Laws of 2016
28 (Fourth Substitute House Bill No. 1999, foster youth edu. outcomes).

29 (a) Of the amount provided in this subsection, \$446,000 of the
30 general fund—state appropriation for fiscal year 2018 and \$446,000 of
31 the general fund—state appropriation for fiscal year 2019 are
32 provided solely for the demonstration site established pursuant to
33 the 2013-2015 omnibus appropriations act, section 202(10), chapter 4,
34 Laws of 2013, 2nd sp. sess.

35 (b) Of the amount provided in this subsection, \$1,015,000 of the
36 general fund—state appropriation for fiscal year 2018 and \$1,015,000
37 of the general fund—state appropriation for fiscal year 2019 are
38 provided solely for the demonstration site established pursuant to

1 the 2015-2017 omnibus appropriations act, section 501(43)(b), chapter
2 4, Laws of 2015, 3rd sp. sess., as amended.

3 (37) \$753,000 of the general fund—state appropriation for fiscal
4 year 2018 and \$703,000 of the general fund—state appropriation for
5 fiscal year 2019 are provided solely for implementation of chapter
6 72, Laws of 2016 (Fourth Substitute House Bill No. 1541, educational
7 opportunity gap).

8 (38) \$57,000 of the general fund—state appropriation for fiscal
9 year 2018 and \$15,000 of the general fund—state appropriation for
10 fiscal year 2019 are provided solely for implementation of chapter
11 240, Laws of 2016 (Engrossed Senate Bill No. 6620, school safety).

12 (39) \$6,340,000 of the general fund—state appropriation for
13 fiscal year 2018 is provided solely for implementation of Substitute
14 Senate Bill No. 5607 (education). If the bill is not enacted by June
15 30, 2017, the amount provided in this subsection shall lapse.

16 (40) \$741,000 of the general fund—state appropriation for fiscal
17 year 2018 and \$741,000 of the general fund—state appropriation for
18 fiscal year 2019 are provided solely for implementation of Substitute
19 Senate Bill No. 5712 (bilingual workforce). If the bill is not
20 enacted by June 30, 2017, the amounts provided in this subsection
21 shall lapse.

22 (41) \$62,000 of the general fund—state appropriation for fiscal
23 year 2018 and \$63,000 of the general fund—state appropriation for
24 fiscal year 2019 are provided solely for implementation of Second
25 Substitute Senate Bill No. 5236 (civics learning partnership). If the
26 bill is not enacted by June 30, 2017, the amounts provided in this
27 subsection shall lapse.

28 (42) \$200,000 of the general fund—state appropriation for fiscal
29 year 2018 and \$300,000 of the general fund—state appropriation for
30 fiscal year 2019 are provided solely for implementation of a
31 statewide career and technical education course equivalency framework
32 for high schools and skill centers in science, technology,
33 engineering, and mathematics as required under Substitute Senate Bill
34 No. 5853 (career technical education).

35 (43) \$178,000 of the general fund—state appropriation for fiscal
36 year 2018 and \$179,000 of the general fund—state appropriation for
37 fiscal year 2019 are provided solely for implementation of Second
38 Substitute Senate Bill No. 5258 (Washington Aim Program). If the bill

1 is not enacted by June 30, 2017, the amounts provided in this
2 subsection shall lapse.

3 NEW SECTION. **Sec. 502. FOR THE SUPERINTENDENT OF PUBLIC**
4 **INSTRUCTION—FOR GENERAL APPORTIONMENT**

5	General Fund—State Appropriation (FY 2018)	. . . . .	\$7,241,916,000
6	General Fund—State Appropriation (FY 2019)	. . . . .	\$8,765,841,000
7	Education Legacy Trust Account—State Appropriation	. . .	\$1,095,730,000
8	TOTAL APPROPRIATION.	. . . . .	\$17,103,487,000

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

11 (1)(a) Each general fund fiscal year appropriation includes such
12 funds as are necessary to complete the school year ending in the
13 fiscal year and for prior fiscal year adjustments.

14 (b) For the 2017-18 school year, the superintendent shall
15 allocate general apportionment funding to school districts as
16 provided in the funding formulas and salary schedules in sections 502
17 and 503 of this act, excluding (c) and (d) of this subsection.

18 (c) From July 1, 2017, to August 31, 2017, the superintendent
19 shall allocate general apportionment funding to school districts
20 programs as provided in sections 502 and 503, chapter 4, Laws of 2015
21 3rd sp. sess., as amended.

22 (d) From July 1, 2018, to August 31, 2018, the superintendent
23 shall allocate general apportionment funding to school districts
24 programs as provided in subsections (2) through (13) of this section.

25 **FOR THE 2017-18 SCHOOL YEAR**

26 (2) CERTIFICATED INSTRUCTIONAL STAFF ALLOCATIONS

27 Allocations for certificated instructional staff salaries for the
28 2017-18 school year are determined using formula-generated staff
29 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, except that the allocation for guidance
34 counselors in a middle school shall be 1.216 for the 2017-18 school
35 year, this enhancement is within the program of basic education. The
36 superintendent shall make allocations to school districts based on

1 the district's annual average full-time equivalent student enrollment
2 in each grade.

3 (b) Additional certificated instructional staff units provided in
4 this subsection (2) that exceed the minimum requirements in RCW
5 28A.150.260 are enhancements outside the program of basic education,
6 except as otherwise provided in this section.

7 (c)(i) The superintendent shall base allocations for each level
8 of prototypical school on the following regular education average
9 class size of full-time equivalent students per teacher, except as
10 provided in (c)(ii) of this subsection:

11 General education class size:

12 Grade	RCW 28A.150.260	2017-18
		School Year
14 Grade K		17.00
15 Grade 1		17.00
16 Grade 2		17.00
17 Grade 3		17.00
18 Grade 4		27.00
19 Grades 5-6		27.00
20 Grades 7-8		28.53
21 Grades 9-12		28.74

22 The superintendent shall base allocations for laboratory science,
23 career and technical education (CTE) and skill center programs
24 average class size as provided in RCW 28A.150.260.

25 (ii) For each level of prototypical school at which more than
26 fifty percent of the students were eligible for free and reduced-
27 price meals in the prior school year, the superintendent shall
28 allocate funding based on the following average class size of full-
29 time equivalent students per teacher:

30 General education class size in high poverty schools:

31 Grade	RCW 28A.150.260	2017-18
		School Year
33 Grade K		17.00
34 Grade 1		17.00
35 Grade 2		17.00

1	Grade 3	17.00
2	Grade 4	27.00
3	Grades 5-6	27.00
4	Grades 7-8	28.53
5	Grades 9-12	28.74

6 (iii) Pursuant to RCW 28A.150.260(4)(a), the assumed teacher
7 planning period, expressed as a percentage of a teacher work day, is
8 13.42 percent in grades K-6, and 16.67 percent in grades 7-12; and

9 (iv) Advanced placement and international baccalaureate courses
10 are funded at the same class size assumptions as general education
11 schools in the same grade; and

12 (d)(i) Funding for teacher librarians, school nurses, social
13 workers, school psychologists, and guidance counselors is allocated
14 based on the school prototypes as provided in RCW 28A.150.260 and (a)
15 of this subsection and is considered certificated instructional
16 staff, except as provided in (d)(ii) of this subsection.

17 (ii) Students in approved career and technical education and
18 skill center programs generate certificated instructional staff units
19 to provide for the services of teacher librarians, school nurses,
20 social workers, school psychologists, and guidance counselors at the
21 following combined rate per 1000 student full-time equivalent
22 enrollment:

23		2017-18
24		School Year
25	Career and Technical Education	3.07
26	Skill Center	3.41

27 (3) ADMINISTRATIVE STAFF ALLOCATIONS

28 (a) Allocations for school building-level certificated
29 administrative staff salaries for the 2017-18 school year for general
30 education students are determined using the formula generated staff
31 units calculated pursuant to this subsection. The superintendent
32 shall make allocations to school districts based on the district's
33 annual average full-time equivalent enrollment in each grade. The
34 following prototypical school values shall determine the allocation
35 for principals, assistance principals, and other certificated
36 building level administrators:

1	Prototypical School Building:	
2	Elementary School	1.253
3	Middle School	1.353
4	High School	1.880

5 (b) Students in approved career and technical education and skill
6 center programs generate certificated school building-level
7 administrator staff units at per student rates that are a multiple of
8 the general education rate in (a) of this subsection by the following
9 factors: Career and Technical Education students. 1.025
10 Skill Center students. 1.198

11 (4) CLASSIFIED STAFF ALLOCATIONS

12 Allocations for classified staff units providing school building-
13 level and district-wide support services for the 2017-18 school year
14 are determined using the formula-generated staff units provided in
15 RCW 28A.150.260, and adjusted based on each district's annual average
16 full-time equivalent student enrollment in each grade, except that
17 the allocation for parent involvement coordinators in an elementary
18 school shall be 0.0825 for the 2017-18 school year, which enhancement
19 is within the program of basic education.

20 (5) CENTRAL OFFICE ALLOCATIONS

21 In addition to classified and administrative staff units
22 allocated in subsections (3) and (4) of this section, classified and
23 administrative staff units are provided for the 2017-18 school year
24 for the central office administrative costs of operating a school
25 district, at the following rates:

26 (a) The total central office staff units provided in this
27 subsection (5) are calculated by first multiplying the total number
28 of eligible certificated instructional, certificated administrative,
29 and classified staff units providing school-based or district-wide
30 support services, as identified in RCW 28A.150.260(6)(b) and the
31 increased allocations provided pursuant to subsections (2) and (4) of
32 this section, by 5.3 percent.

33 (b) Of the central office staff units calculated in (a) of this
34 subsection, 74.53 percent are allocated as classified staff units, as
35 generated in subsection (4) of this section, and 25.47 percent shall
36 be allocated as administrative staff units, as generated in
37 subsection (3) of this section.

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

6 (d) For students in approved career-technical and skill center
7 programs, central office classified units are allocated at the same
8 staff unit per student rate as those generated for general education
9 students of the same grade in this subsection (5), and central office
10 administrative staff units are allocated at staff unit per student
11 rates that exceed the general education rate established for students
12 in the same grade in this subsection (5) by 1.71 percent in the
13 2017-18 school year for career and technical education students, and
14 17.61 percent in the 2017-18 school year for skill center students.

15 (6) FRINGE BENEFIT ALLOCATIONS

16 Fringe benefit allocations shall be calculated at a rate of 23.49
17 percent in the 2017-18 school year for certificated salary
18 allocations provided under subsections (2), (3), and (5) of this
19 section, and a rate of 24.6 percent in the 2017-18 school year for
20 classified salary allocations provided under subsections (4) and (5)
21 of this section.

22 (7) INSURANCE BENEFIT ALLOCATIONS

23 Insurance benefit allocations shall be calculated at the
24 maintenance rate specified in section 504 of this act, based on the
25 number of benefit units determined as follows:

26 (a) The number of certificated staff units determined in
27 subsections (2), (3), and (5) of this section; and

28 (b) The number of classified staff units determined in
29 subsections (4) and (5) of this section multiplied by 1.152. This
30 factor is intended to adjust allocations so that, for the purpose of
31 distributing insurance benefits, full-time equivalent classified
32 employees may be calculated on the basis of 1,440 hours of work per
33 year, with no individual employee counted as more than one full-time
34 equivalent.

35 (8) MATERIALS, SUPPLIES, AND OPERATING COSTS (MSOC) ALLOCATIONS

36 Funding is allocated per annual average full-time equivalent
37 student for the materials, supplies, and operating costs (MSOC)
38 incurred by school districts, consistent with the requirements of RCW
39 28A.150.260.

1 (a)(i) MSOC funding for general education students are allocated
2 at the following per student rates:

3 MSOC RATES/STUDENT FTE

4		
5	MSOC Component	2017-18
6		School Year
7		
8	Technology	\$130.76
9	Utilities and Insurance	\$355.30
10	Curriculum and Textbooks	\$140.39
11	Other Supplies and Library Materials	\$298.05
12	Instructional Professional Development for Certificated	\$21.71
13	and Classified Staff	
14	Facilities Maintenance	\$176.01
15	Security and Central Office	\$121.94
16	TOTAL BASIC EDUCATION MSOC/STUDENT FTE	\$1,244.16

17 (ii) For the 2017-18 school year, as part of the budget
18 development, hearing, and review process required by chapter 28A.505
19 RCW, each school district must disclose: (A) The amount of state
20 funding to be received by the district under (a) and (d) of this
21 subsection (8); (B) the amount the district proposes to spend for
22 materials, supplies, and operating costs; (C) the difference between
23 these two amounts; and (D) if (A) of this subsection (8)(a)(ii)
24 exceeds (B) of this subsection (8)(a)(ii), any proposed use of this
25 difference and how this use will improve student achievement.

26 (b) Students in approved skill center programs generate per
27 student FTE MSOC allocations of \$1,308.87 for the 2017-18 school
28 year.

29 (c) Students in approved exploratory and preparatory career and
30 technical education programs generate a per student MSOC allocation
31 of \$1,472.01 for the 2017-18 school year.

32 (d) Students in grades 9-12 generate per student FTE MSOC
33 allocations in addition to the allocation provided in (a) through (c)
34 of this subsection at the following rate:

35	MSOC Component	2017-18
36		School Year

1	Technology	\$37.60
2	Curriculum and Textbooks	\$41.02
3	Other Supplies and Library Materials	\$85.46
4	Instructional Professional Development for Certified	\$6.83
5	and Classified Staff	
6	TOTAL GRADE 9-12 BASIC EDUCATION MSOC/STUDENT FTE	\$170.91

7 (9) SUBSTITUTE TEACHER ALLOCATIONS

8 For the 2017-18 school year, funding for substitute costs for
9 classroom teachers is based on four (4) funded substitute days per
10 classroom teacher unit generated under subsection (2) of this
11 section, at a daily substitute rate of \$151.86.

12 (10) ALTERNATIVE LEARNING EXPERIENCE PROGRAM FUNDING

13 (a) Amounts provided in this section from July 1, 2017, to August
14 31, 2017, are adjusted to reflect provisions of chapter 4, Laws of
15 2015 3rd sp. sess., as amended (allocation of funding for students
16 enrolled in alternative learning experiences).

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

26 (11) DROPOUT REENGAGEMENT PROGRAM

27 The superintendent shall adopt rules to require students claimed
28 for general apportionment funding based on enrollment in dropout
29 reengagement programs authorized under RCW 28A.175.100 through
30 28A.175.115 to meet requirements for at least weekly minimum
31 instructional contact, academic counseling, career counseling, or
32 case management contact. Districts must also provide separate
33 financial accounting of expenditures for the programs offered by the
34 district or under contract with a provider, as well as accurate
35 monthly headcount and full-time equivalent enrollment claimed for
36 basic education, including separate enrollment counts of resident and
37 nonresident students.

1 (12) ALL DAY KINDERGARTEN PROGRAMS

2 Funding in this section is sufficient to fund all day
3 kindergarten programs in all schools in the 2017-18 school year,
4 pursuant to RCW 28A.150.220 and 28A.150.315.

5 (13) ADDITIONAL FUNDING FOR SMALL SCHOOL DISTRICTS AND REMOTE AND
6 NECESSARY PLANTS

7 For small school districts and remote and necessary school plants
8 within any district which have been judged to be remote and necessary
9 by the superintendent of public instruction, additional staff units
10 are provided to ensure a minimum level of staffing support for school
11 year 2017-18. Additional administrative and certificated
12 instructional staff units provided to districts in this subsection
13 shall be reduced by the general education staff units, excluding
14 career and technical education and skills center enhancement units,
15 otherwise provided in subsections (2) through (5) of this section on
16 a per district basis.

17 (a) For districts enrolling not more than twenty-five average
18 annual full-time equivalent students in grades K-8, and for small
19 school plants within any school district which have been judged to be
20 remote and necessary by the superintendent of public instruction and
21 enroll not more than twenty-five average annual full-time equivalent
22 students in grades K-8:

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

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

33 (b) For specified enrollments in districts enrolling more than
34 twenty-five but not more than one hundred average annual full-time
35 equivalent students in grades K-8, and for small school plants within
36 any school district which enroll more than twenty-five average annual
37 full-time equivalent students in grades K-8 and have been judged to
38 be remote and necessary by the superintendent of public instruction:

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

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

8 (c) For districts operating no more than two high schools with
9 enrollments of less than three hundred average annual full-time
10 equivalent students, for enrollment in grades 9-12 in each such
11 school, other than alternative schools, except as noted in this
12 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-
21 time equivalent students, and additional staff units based on a ratio
22 of 0.8732 certificated instructional staff units and 0.1268
23 certificated administrative staff units per each additional forty-
24 three and one-half 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
32 than one hundred eighty students, operating a grades K-8 program or a
33 grades 1-8 program, an additional one-half of a certificated
34 instructional 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
38 grades 1-6 program, an additional one-half of a certificated
39 instructional staff unit;

1 (f)(i) For enrollments generating certificated staff unit
2 allocations under (a) through (e) of this subsection, one classified
3 staff unit for each 2.94 certificated staff units allocated under
4 such subsections;

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

9 (g) School districts receiving additional staff units to support
10 small student enrollments and remote and necessary plants under this
11 subsection (12) shall generate additional MSOC allocations consistent
12 with the nonemployee related costs (NERC) allocation formula in place
13 for the 2010-11 school year as provided section 502, chapter 37, Laws
14 of 2010 1st sp. sess. (2010 supplemental budget), adjusted annually
15 for inflation.

16 **FOR THE 2018-19 SCHOOL YEAR**

17 (14)(a) The superintendent shall allocate general apportionment
18 funding to school districts for the 2018-19 school year as provided
19 in section 102(4)(a) and (5) of chapter . . . , Laws of 2017
20 (Substitute Senate Bill No. 5607) and chapter . . . , Laws of 2017
21 (Substitute Senate Bill No. 5875).

22 (b) Funding is provided for a state basic per pupil guarantee of
23 \$9,200 per student for the 2018-19 school year. The per pupil
24 guarantee is set at \$10,200 per student for the 2019-20 school year.

25 (c) The \$63,865,096 housing allowance distribution in school year
26 2018-19 and the \$65,014,667 housing allowance distribution in school
27 year 2019-20, as required under section 504, chapter . . .
28 (Substitute Senate Bill No. 5607), Laws of 2017, as amended by
29 chapter . . . (Substitute Senate Bill No. 5875), Laws of 2017, are
30 not considered part of the definition or funding of the instructional
31 program of basic education under Article IX of the state
32 constitution.

33 (d) For purposes of the tax specified in RCW 84.52.065, as
34 amended by section 201, c . . . (Substitute Senate Bill No. 5607),
35 Laws of 2017, as amended by chapter . . . (Substitute Senate Bill No.
36 5875), Laws of 2017, the tax rate is \$0.45 per thousand dollars of
37 assessed value for calendar year 2018 and \$1.55 per thousand dollars
38 of assessed value for calendar year 2019. These tax rates shall be
39 applied to the assessed valuation of all taxable property within the

1 state adjusted to the state equalized value in accordance with the
2 indicated ratio fixed by the state department of revenue.

3 **FOR THE 2017-18 AND 2018-19 SCHOOL YEARS**

4 (15) Any school district board of directors may petition the
5 superintendent of public instruction by submission of a resolution
6 adopted in a public meeting to reduce or delay any portion of its
7 basic education allocation for any school year. The superintendent of
8 public instruction shall approve such reduction or delay if it does
9 not impair the district's financial condition. Any delay shall not be
10 for more than two school years. Any reduction or delay shall have no
11 impact on levy authority pursuant to RCW 84.52.0531 and local effort
12 assistance pursuant to chapter 28A.500 RCW.

13 (16) The enrollment of any district shall be the annual average
14 number of full-time equivalent students and part-time students as
15 provided in RCW 28A.150.350, enrolled on the fourth day of school in
16 September and on the first school day of each month October through
17 June, including students who are in attendance pursuant to RCW
18 28A.335.160 and 28A.225.250 who do not reside within the servicing
19 school district. Any school district concluding its basic education
20 program in May must report the enrollment of the last school day held
21 in May in lieu of a June enrollment.

22 (a)(i) Funding provided in this part V of this act is sufficient
23 to provide each full-time equivalent student with the minimum hours
24 of instruction required under RCW 28A.150.220.

25 (ii) The office of the superintendent of public instruction shall
26 align the agency rules defining a full-time equivalent student with
27 the increase in the minimum instructional hours under RCW
28 28A.150.220, as amended by the legislature in 2014.

29 (b) The superintendent shall adopt rules requiring school
30 districts to report full-time equivalent student enrollment as
31 provided in RCW 28A.655.210.

32 (c) For the 2017-18 school year, school districts must report to
33 the office of the superintendent of public instruction the monthly
34 actual average district-wide class size across each grade level of
35 kindergarten, first grade, second grade, and third grade classes. The
36 superintendent of public instruction shall report this information to
37 the education and fiscal committees of the house of representatives
38 and the senate by September 30, 2018.

1 (17) The superintendent may distribute funding for the following
2 programs outside the basic education formula during fiscal years 2018
3 and 2019 as follows:

4 (a) \$638,000 of the general fund—state appropriation for fiscal
5 year 2018 and \$648,000 of the general fund—state appropriation for
6 fiscal year 2019 are provided solely for fire protection for school
7 districts located in a fire protection district as now or hereafter
8 established pursuant to chapter 52.04 RCW.

9 (b) \$436,000 of the general fund—state appropriation for fiscal
10 year 2018 and \$436,000 of the general fund—state appropriation for
11 fiscal year 2019 are provided solely for programs providing skills
12 training for secondary students who are enrolled in extended day
13 school-to-work programs, as approved by the superintendent of public
14 instruction. The funds shall be allocated at a rate not to exceed
15 \$500 per full-time equivalent student enrolled in those programs.

16 (18) \$225,000 of the general fund—state appropriation for fiscal
17 year 2018 and \$229,000 of the general fund—state appropriation for
18 fiscal year 2019 are provided solely for school district emergencies
19 as certified by the superintendent of public instruction. Funding
20 provided must be conditioned upon the written commitment and plan of
21 the school district board of directors to repay the grant with any
22 insurance payments or other judgments that may be awarded, if
23 applicable. At the close of the fiscal year the superintendent of
24 public instruction shall report to the office of financial management
25 and the appropriate fiscal committees of the legislature on the
26 allocations provided to districts and the nature of the emergency.

27 (19) Funding in this section is sufficient to fund a maximum of
28 1.6 FTE enrollment for skills center students pursuant to chapter
29 463, Laws of 2007.

30 (20) Students participating in running start programs may be
31 funded up to a combined maximum enrollment of 1.2 FTE including
32 school district and institution of higher education enrollment
33 consistent with the running start course requirements provided in
34 Engrossed Second Substitute House Bill No. 1546 (dual credit
35 education opportunities). In calculating the combined 1.2 FTE, the
36 office of the superintendent of public instruction may average the
37 participating student's September through June enrollment to account
38 for differences in the start and end dates for courses provided by
39 the high school and higher education institution. Additionally, the

1 office of the superintendent of public instruction, in consultation
2 with the state board for community and technical colleges, the
3 student achievement council, and the education data center, shall
4 annually track and report to the fiscal committees of the legislature
5 on the combined FTE experience of students participating in the
6 running start program, including course load analyses at both the
7 high school and community and technical college system.

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

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

15 (b) For the fourth through eighth school years following
16 consolidation, the difference between the basic education formula
17 staff units received by the districts for the school year prior to
18 consolidation and the basic education formula staff units after
19 consolidation pursuant to subsection (12) of this section shall be
20 reduced in increments of twenty percent per year.

21 (22)(a) The maximum allowable indirect cost school district for
22 career and technical education programs funded through state and
23 federal funds must not exceed the limitations provided under federal
24 law for federal career and technical education funding provided to
25 districts, or five percent, whichever is lower.

26 (b) Career and technical education program full-time equivalent
27 enrollment shall be reported on the same monthly basis as the
28 enrollment for students eligible for basic support, and payments
29 shall be adjusted for reported career and technical education program
30 enrollments on the same monthly basis as those adjustments for
31 enrollment for students eligible for basic support.

32 NEW SECTION. **Sec. 503. FOR THE SUPERINTENDENT OF PUBLIC**
33 **INSTRUCTION—BASIC EDUCATION EMPLOYEE COMPENSATION**
34 **FOR THE 2017-18 SCHOOL YEAR**

35 (1) The following calculations determine the salaries used in the
36 state allocations for certificated instructional, certificated
37 administrative, and classified staff units as provided in RCW
38 28A.150.260 and under section 502 of this act:

(a) For the 2017-18 school year, salary allocations for certificated instructional staff units are determined for each district by multiplying the district's certificated instructional total base salary shown on LEAP Document 2 by the district's average staff mix factor for certificated instructional staff in that school year, computed using LEAP document 1; and

(b) For the 2017-18 school year, salary allocations for certificated administrative staff units and classified staff units for each district are determined based on the district's certificated administrative and classified salary allocation amounts shown on LEAP Document 2.

(2) For the purposes of this section:

(a) "LEAP Document 1" means the staff mix factors for certificated instructional staff according to education and years of experience, as developed by the legislative evaluation and accountability program committee on March 17, 2017, at 17:15 hours; and

(b) "LEAP Document 2" means the school year salary allocations for certificated administrative staff and classified staff and derived and total base salaries for certificated instructional staff as developed by the legislative evaluation and accountability program committee on March 17, 2017, at 17:15 hours.

(3) Incremental fringe benefit factors are applied to salary adjustments at a rate of 22.85 percent for school year 2017-18 for certificated instructional and certificated administrative staff and 21.10 percent for school year 2017-18 for classified staff.

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

**Table Of Total Base Salaries For Certificated Instructional Staff
For School Year 2017-18**

*** 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	35,884	36,853	37,857	38,864	42,093	44,173	43,022	46,251	48,333	
1	36,367	37,350	38,366	39,417	42,680	44,749	43,500	46,763	48,831	
2	36,827	37,819	38,847	39,979	43,232	45,323	43,982	47,235	49,325	

1	3	37,301	38,303	39,342	40,509	43,757	45,897	44,438	47,683	49,825
2	4	37,766	38,812	39,857	41,065	44,332	46,488	44,916	48,183	50,340
3	5	38,247	39,298	40,353	41,628	44,883	47,082	45,403	48,658	50,858
4	6	38,741	39,768	40,860	42,199	45,437	47,649	45,901	49,140	51,350
5	7	39,608	40,652	41,757	43,169	46,456	48,728	46,835	50,120	52,394
6	8	40,879	41,979	43,110	44,639	47,970	50,326	48,303	51,636	53,990
7	9		43,353	44,541	46,125	49,534	51,969	49,788	53,199	55,635
8	10			45,988	47,687	51,141	53,658	51,351	54,807	57,323
9	11				49,294	52,824	55,391	52,959	56,490	59,056
10	12				50,850	54,552	57,196	54,630	58,217	60,862
11	13					56,322	59,045	56,359	59,987	62,709
12	14					58,101	60,963	58,140	61,882	64,629
13	15					59,613	62,549	59,651	63,491	66,309
14	16 or					60,804	63,800	60,844	64,761	67,635
15	more									

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

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

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

26 (5) For the purposes of this section:

27 (a) "BA" means a baccalaureate degree.

28 (b) "MA" means a masters degree.

29 (c) "PHD" means a doctorate degree.

30 (d) "Years of service" shall be calculated under the same rules
31 adopted by the superintendent of public instruction.

32 (e) "Credits" means college quarter hour credits and equivalent
33 in-service credits computed in accordance with RCW 28A.415.020 and
34 28A.415.023.

35 (6) No more than ninety college quarter-hour credits received by
36 any employee after the baccalaureate degree may be used to determine

1 compensation allocations under the state salary allocation schedule
2 and LEAP documents referenced in this part V, or any replacement
3 schedules and documents, unless:

4 (a) The employee has a masters degree; or

5 (b) The credits were used in generating state salary allocations
6 before January 1, 1992.

7 (7) The salary allocation schedules established in this section
8 are for allocation purposes only except as provided in RCW
9 28A.400.200(2). Subsections (1) through (7) of this section only
10 apply to the 2017-18 school year.

11 **FOR THE 2018-19 SCHOOL YEAR**

12 (8) For the 2018-19 school year, funding for compensation is a
13 component part of the allocation of general apportionment funding to
14 school districts as provided in section 502(14) of this act and
15 sections 102(4)(a) and (5) of chapter . . . , Laws of 2017 (Substitute
16 Senate Bill No. 5607) and chapter . . . , Laws of 2017 (Substitute
17 Senate Bill 5875).

18 **NEW SECTION. Sec. 504. FOR THE SUPERINTENDENT OF PUBLIC**
19 **INSTRUCTION—FOR SCHOOL EMPLOYEE COMPENSATION ADJUSTMENTS**

20 General Fund—State Appropriation (FY 2018) \$117,641,000
21 General Fund—State Appropriation (FY 2019) \$29,558,000
22 TOTAL APPROPRIATION. \$147,199,000

23 **FOR THE 2017-18 SCHOOL YEAR**

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

26 (1) Funding in this section is sufficient to provide a salary
27 increase of 2.3 percent effective September 1, 2017, for the 2017-18
28 school year.

29 (2)(a) Additional salary adjustments as necessary to fund the
30 base salaries for certificated instructional staff as listed for each
31 district in LEAP Document 2, defined in section 503(2)(b) of this
32 act.

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

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

5 (d) The appropriation in this subsection (2) includes associated
6 incremental fringe benefit allocations at 22.85 percent for the
7 2017-18 school year for certificated instructional and certificated
8 administrative staff and 21.10 percent for the 2017-18 school year
9 for classified staff.

10 (e) The appropriation 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(2) through (13)
15 and 503 of this act. Changes for special education result from
16 changes in each district's basic education allocation per student.
17 Changes for educational service districts and institutional education
18 programs are determined by the superintendent of public instruction
19 using the methodology for general apportionment salaries and benefits
20 in sections 502 and 503 of this act.

21 (f) The appropriation in this section include no salary
22 adjustments for substitute teachers.

23 (3) The maintenance rate for insurance benefit allocations is
24 \$780.00 per month for the 2017-18 school year. The appropriations in
25 this section reflect the incremental change in cost of allocating
26 rates of \$780.00 per month for the 2017-18 school year.

27 (4) The rates specified in this section are subject to revision
28 each year by the legislature.

29 (5) From July 1, 2018, to August 31, 2018, the superintendent
30 shall allocate funding to school districts programs for employee
31 compensation as provided in subsections (1) through (4) of this
32 section.

33 **FOR THE 2018-19 SCHOOL YEAR**

34 (6) For the 2018-19 school year, funding for compensation is a
35 component part of the allocation of general apportionment funding to
36 school districts as provided in section 502(14) of this act and
37 sections 102(4)(a) and (5) of chapter . . . , Laws of 2017 (Substitute
38 Senate Bill No. 5607).

1	<u>NEW SECTION.</u>	Sec. 505.	FOR THE SUPERINTENDENT OF PUBLIC
2	INSTRUCTION—FOR PUPIL TRANSPORTATION		
3	General Fund—State Appropriation (FY 2018)	. . . . .	\$499,641,000
4	General Fund—State Appropriation (FY 2019)	. . . . .	\$143,877,000
5	TOTAL APPROPRIATION.	. . . . .	\$643,518,000

6 **FOR THE 2017-18 SCHOOL YEAR**

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

9 (1)(a) For the 2017-18 school year, the superintendent shall
10 allocate funding to school district programs for the transportation
11 of eligible students as provided in RCW 28A.160.192. Funding in this
12 section constitutes full implementation of RCW 28A.160.192, which
13 enhancement is within the program of basic education. Students are
14 considered eligible only if meeting the definitions provided in RCW
15 28A.160.160.

16 (b) From July 1, 2017, to August 31, 2017, the superintendent
17 shall allocate funding to school district programs for the
18 transportation of students as provided in section 505, chapter 4,
19 Laws of 2015 3rd sp. sess., as amended.

20 (c) From July 1, 2018, to August 31, 2018, the superintendent
21 shall allocate funding to school district programs for the
22 transportation of students as provided in subsection (2) through (5)
23 of this section.

24 (2) The office of the superintendent of public instruction shall
25 provide reimbursement funding to a school district for school bus
26 purchases only after the superintendent of public instruction
27 determines that the school bus was purchased from the list
28 established pursuant to RCW 28A.160.195(2) or a comparable
29 competitive bid process based on the lowest price quote based on
30 similar bus categories to those used to establish the list pursuant
31 to RCW 28A.160.195.

32 (3) The superintendent of public instruction shall base
33 depreciation payments for school district buses on the presales 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 (4) Funding levels in this section reflect waivers granted by the
2 state board of education for four-day school weeks as allowed under
3 RCW 28A.305.141.

4 (5) The office of the superintendent of public instruction shall
5 disburse payments for bus depreciation in August 2018.

6 **FOR THE 2018-19 SCHOOL YEAR**

7 (6) For the 2018-19 school year, funding for pupil transportation
8 is a component part of the allocation of general apportionment
9 funding to school districts as provided in section 502(14) of this
10 act and sections 102(4)(a) and (5) of chapter . . . , Laws of 2017
11 (Substitute Senate Bill No. 5607) and chapter . . . , Laws of 2017
12 (Substitute Senate Bill No. 5875).

13 **FOR THE 2017-18 AND 2018-19 SCHOOL YEARS**

14 (7) A maximum of \$913,000 of the fiscal year 2018 appropriation
15 and a maximum of \$913,000 of the fiscal year 2019 appropriation may
16 be 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 **NEW SECTION. Sec. 506. FOR THE SUPERINTENDENT OF PUBLIC**
22 **INSTRUCTION—FOR SCHOOL FOOD SERVICE PROGRAMS**

23	General Fund—State Appropriation (FY 2018)	\$7,111,000
24	General Fund—State Appropriation (FY 2019)	\$7,111,000
25	General Fund—Federal Appropriation	\$537,178,000
26	TOTAL APPROPRIATION.	\$551,400,000

27 The appropriations in this section are subject to the following
28 conditions and limitations: \$7,111,000 of the general fund—state
29 appropriation for fiscal year 2018 and \$7,111,000 of the general fund
30 —state appropriation for fiscal year 2019 are provided solely for
31 state matching money for federal child nutrition programs, and may
32 support the meals for kids program through the following allowable
33 uses:

- 34 (1) Elimination of breakfast copays for eligible public school
35 students and lunch copays for eligible public school students in
36 grades kindergarten through third grade who are eligible for reduced-
37 price lunch;

1 (2) Assistance to school districts and authorized public and
2 private nonprofit organizations for supporting summer food service
3 programs, and initiating new summer food service programs in low-
4 income areas;

5 (3) Reimbursements to school districts for school breakfasts
6 served to students eligible for free and reduced-price lunch,
7 pursuant to chapter 287, Laws of 2005; and

8 (4) Assistance to school districts in initiating and expanding
9 school breakfast programs.

10 The office of the superintendent of public instruction shall
11 report annually to the fiscal committees of the legislature on annual
12 expenditures in subsections (1), (2), and (3) of this section.

13 NEW SECTION. **Sec. 507. FOR THE SUPERINTENDENT OF PUBLIC**
14 **INSTRUCTION—FOR SPECIAL EDUCATION PROGRAMS**

15	General Fund—State Appropriation (FY 2018)	\$942,565,000
16	General Fund—State Appropriation (FY 2019)	\$1,089,154,000
17	General Fund—Federal Appropriation	\$470,673,000
18	Education Legacy Trust Account—State Appropriation	\$54,694,000
19	TOTAL APPROPRIATION.	\$2,557,086,000

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

22 (1)(a) Funding for special education programs is provided on an
23 excess cost basis, pursuant to RCW 28A.150.390. School districts
24 shall ensure that special education students as a class receive their
25 full share of the general apportionment allocation accruing through
26 sections 502(2) through (14) and 504 of this act. To the extent a
27 school district cannot provide an appropriate education for special
28 education students under chapter 28A.155 RCW through the general
29 apportionment allocation, it shall provide services through the
30 special education excess cost allocation funded in this section.

31 (b) Funding provided within this section is sufficient for
32 districts to provide school principals and lead special education
33 teachers annual professional development on the best-practices for
34 special education instruction and strategies for implementation.
35 Districts shall annually provide a summary of professional
36 development activities to the office of the superintendent of public
37 instruction.

1 (2)(a) The superintendent of public instruction shall ensure
2 that:

3 (i) Special education students are basic education students
4 first;

5 (ii) As a class, special education students are entitled to the
6 full basic education allocation; and

7 (iii) Special education students are basic education students for
8 the entire school day.

9 (b) The superintendent of public instruction shall continue to
10 implement the full cost method of excess cost accounting, as designed
11 by the committee and recommended by the superintendent, pursuant to
12 section 501(1)(k), chapter 372, Laws of 2006.

13 (3)(a) Each fiscal year appropriation includes such funds as are
14 necessary to complete the school year ending in the fiscal year and
15 for prior fiscal year adjustments.

16 (b) From July 1, 2017, to August 31, 2017, the superintendent
17 shall allocate funding to school district programs for special
18 education students as provided in section 507, chapter 4, Laws of
19 2015 3rd sp. sess., as amended.

20 (c) From July 1, 2018, to August 31, 2018, the superintendent
21 shall allocate funding to school districts programs for special
22 education students as provided in subsections (1) through (4) and (6)
23 and (7) of this section.

24 **FOR THE 2017-18 SCHOOL YEAR**

25 (4) For the 2017-18 school year, the superintendent shall
26 allocate funding to school district programs for special education
27 students as provided in RCW 28A.150.390, except that the calculation
28 of the base allocation also includes allocations provided under
29 section 502 (2) and (4) of this act, which enhancement is within the
30 program of basic education.

31 **FOR THE 2018-19 SCHOOL YEAR**

32 (5) For the 2018-19 school year, the superintendent shall
33 allocate funding to school districts programs for special education
34 students as provided in RCW 28A.150.390 and section 102(4)(f),
35 chapter . . . , Laws of 2017 (Substitute Senate Bill No. 5607) and
36 chapter . . . , Laws of 2017 (Substitute Senate Bill No. 5875).

37 **FOR THE 2017-18 AND 2018-19 SCHOOL YEARS**

1 (6) The following applies throughout this section: The
2 definitions for enrollment and enrollment percent are as specified in
3 RCW 28A.150.390(3). Each district's general fund—state funded special
4 education enrollment shall be the lesser of the district's actual
5 enrollment percent or 12.7 percent.

6 (7) At the request of any interdistrict cooperative of at least
7 15 districts in which all excess cost services for special education
8 students of the districts are provided by the cooperative, the
9 maximum enrollment percent shall be calculated in accordance with RCW
10 28A.150.390(3) (c) and (d), and shall be calculated in the aggregate
11 rather than individual district units. For purposes of this
12 subsection, the average basic education allocation per full-time
13 equivalent student shall be calculated in the aggregate rather than
14 individual district units.

15 (8) \$31,087,000 of the general fund—state appropriation for
16 fiscal year 2018, \$31,087,000 of the general fund—state appropriation
17 for fiscal year 2019, and \$31,024,000 of the general fund—federal
18 appropriation are provided solely for safety net awards for districts
19 with demonstrated needs for special education funding beyond the
20 amounts provided in subsection (4) of this section. If the federal
21 safety net awards based on the federal eligibility threshold exceed
22 the federal appropriation in this subsection (8) in any fiscal year,
23 the superintendent shall expend all available federal discretionary
24 funds necessary to meet this need. At the conclusion of each school
25 year, the superintendent shall recover safety net funds that were
26 distributed prospectively but for which districts were not
27 subsequently eligible.

28 (a) For the 2017-18 and 2018-19 school years, safety net funds
29 shall be awarded by the state safety net oversight committee as
30 provided in section 109(1) chapter 548, Laws of 2009 (ESHB 2261).

31 (b) The office of the superintendent of public instruction shall
32 make award determinations for state safety net funding in August of
33 each school year, except that the superintendent of public
34 instruction shall make award determinations for state safety net
35 funding in July of each school year for the Washington state school
36 for the blind and for the center for childhood deafness and hearing
37 loss. Determinations on school district eligibility for state safety
38 net awards shall be based on analysis of actual expenditure data from
39 the current school year.

1 (9) A maximum of \$931,000 may be expended from the general fund—
2 state appropriations to fund 5.43 full-time equivalent teachers and
3 2.1 full-time equivalent aides at children's orthopedic hospital and
4 medical center. This amount is in lieu of money provided through the
5 home and hospital allocation and the special education program.

6 (10) The superintendent shall maintain the percentage of federal
7 flow-through to school districts at 85 percent. In addition to other
8 purposes, school districts may use increased federal funds for high-
9 cost students, for purchasing regional special education services
10 from educational service districts, and for staff development
11 activities particularly relating to inclusion issues.

12 (11) A school district may carry over from one year to the next
13 year up to 10 percent of the general fund—state funds allocated under
14 this program; however, carryover funds shall be expended in the
15 special education program.

16 (12) \$256,000 of the general fund—state appropriation for fiscal
17 year 2018 and \$256,000 of the general fund—state appropriation for
18 fiscal year 2019 are provided solely for two additional full-time
19 equivalent staff to support the work of the safety net committee and
20 to provide training and support to districts applying for safety net
21 awards.

22 (13) \$50,000 of the general fund—state appropriation for fiscal
23 years 2018 and 2019, and \$100,000 of the general fund—federal
24 appropriation are provided solely for a special education family
25 liaison position within the office of the superintendent of public
26 instruction.

27 **NEW SECTION. Sec. 508. FOR THE SUPERINTENDENT OF PUBLIC**
28 **INSTRUCTION—FOR EDUCATIONAL SERVICE DISTRICTS**

29	General Fund—State Appropriation (FY 2018)	\$8,485,000
30	General Fund—State Appropriation (FY 2019)	\$8,485,000
31	TOTAL APPROPRIATION.	\$16,970,000

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

34 (1) The educational service districts shall continue to furnish
35 financial services required by the superintendent of public
36 instruction and RCW 28A.310.190 (3) and (4).

37 (2) Funding within this section is provided for regional
38 professional development related to mathematics and science

1 curriculum and instructional strategies aligned with common core
2 state standards and next generation science standards. Funding shall
3 be distributed among the educational service districts in the same
4 proportion as distributions in the 2007-2009 biennium. Each
5 educational service district shall use this funding solely for salary
6 and benefits for a certificated instructional staff with expertise in
7 the appropriate subject matter and in professional development
8 delivery, and for travel, materials, and other expenditures related
9 to providing regional professional development support.

10 (3) The educational service districts, at the request of the
11 state board of education pursuant to RCW 28A.310.010 and 28A.305.130,
12 may receive and screen applications for school accreditation, conduct
13 school accreditation site visits pursuant to state board of education
14 rules, and submit to the state board of education post-site visit
15 recommendations for school accreditation. The educational service
16 districts may assess a cooperative service fee to recover actual plus
17 reasonable indirect costs for the purposes of this subsection.

18 NEW SECTION. **Sec. 509. FOR THE SUPERINTENDENT OF PUBLIC**
19 **INSTRUCTION—FOR LOCAL EFFORT ASSISTANCE**

20	General Fund—State Appropriation (FY 2018)	. . . . .	\$449,808,000
21	General Fund—State Appropriation (FY 2019)	. . . . .	\$215,881,000
22	TOTAL APPROPRIATION.	. . . . .	\$665,689,000

23 The appropriations in this section are subject to the following
24 conditions and limitations: For purposes of RCW 84.52.0531, the
25 increase per full-time equivalent student is 5.85 percent from the
26 2016-17 school year to the 2017-18 school year.

27 NEW SECTION. **Sec. 510. FOR THE SUPERINTENDENT OF PUBLIC**
28 **INSTRUCTION—FOR INSTITUTIONAL EDUCATION PROGRAMS**

29	General Fund—State Appropriation (FY 2018)	. . . . .	\$13,521,000
30	General Fund—State Appropriation (FY 2019)	. . . . .	\$13,598,000
31	TOTAL APPROPRIATION.	. . . . .	\$27,119,000

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

34 (1) Each general fund—state fiscal year appropriation includes
35 such funds as are necessary to complete the school year ending in the
36 fiscal year and for prior fiscal year adjustments.

1 (2) State funding provided under this section is based on
2 salaries and other expenditures for a 220-day school year. The
3 superintendent of public instruction shall monitor school district
4 expenditure plans for institutional education programs to ensure that
5 districts plan for a full-time summer program.

6 (3) State funding for each institutional education program shall
7 be based on the institution's annual average full-time equivalent
8 student enrollment. Staffing ratios for each category of institution
9 shall remain the same as those funded in the 1995-97 biennium.

10 (4) The funded staffing ratios for education programs for
11 juveniles age 18 or less in department of corrections facilities
12 shall be the same as those provided in the 1997-99 biennium.

13 (5) \$701,000 of the general fund—state appropriation for fiscal
14 year 2018 and \$701,000 of the general fund—state appropriation for
15 fiscal year 2019 are provided solely to maintain at least one
16 certificated instructional staff and related support services at an
17 institution whenever the K-12 enrollment is not sufficient to support
18 one full-time equivalent certificated instructional staff to furnish
19 the educational program. The following types of institutions are
20 included: Residential programs under the department of social and
21 health services for developmentally disabled juveniles, programs for
22 juveniles under the department of corrections, programs for juveniles
23 under the juvenile rehabilitation administration, and programs for
24 juveniles operated by city and county jails.

25 (6) Ten percent of the funds allocated for each institution may
26 be carried over from one year to the next.

27 **NEW SECTION. Sec. 511. FOR THE SUPERINTENDENT OF PUBLIC**
28 **INSTRUCTION—FOR PROGRAMS FOR HIGHLY CAPABLE STUDENTS**

29	General Fund—State Appropriation (FY 2018)	\$10,627,000
30	General Fund—State Appropriation (FY 2019)	\$22,000,000
31	TOTAL APPROPRIATION.	\$32,627,000

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

34 (1)(a) Each general fund fiscal year appropriation includes such
35 funds as are necessary to complete the school year ending in the
36 fiscal year and for prior fiscal year adjustments.

37 (b) From July 1, 2017, to August 31, 2017, the superintendent
38 shall allocate funding to school districts programs for highly

1 capable students as provided in section 511, chapter 4, Laws of 2015
2 3rd sp. sess., as amended.

3 (c) From July 1, 2018, to August 31, 2018, the superintendent
4 shall allocate funding to school districts programs for highly
5 capable students as provided in subsection (3)(a) of this section.

6 **FOR THE 2017-18 SCHOOL YEAR**

7 (2)(a) For the 2017-18 school year, the superintendent shall
8 allocate funding to school district programs for highly capable
9 students as provided in RCW 28A.150.260(10)(c). In calculating the
10 allocations, the superintendent shall assume the following: (i)
11 Additional instruction of 2.1590 hours per week per funded highly
12 capable program student; (ii) fifteen highly capable program students
13 per teacher; (iii) 36 instructional weeks per year; (iv) 900
14 instructional hours per teacher; and (v) the district's average staff
15 mix and compensation rates as provided in sections 503 and 504 of
16 this act.

17 (b) The enhancements within this section are within the program
18 of basic education.

19 **FOR THE 2018-19 SCHOOL YEAR**

20 (3) For the 2018-19 school year, funding for highly capable
21 students shall be allocated as provided in section 102(4)(c),
22 chapter. . . , Laws of 2017 (Substitute Senate Bill No. 5607) and
23 chapter . . . , Laws of 2017 (Substitute Senate Bill No. 5875).

24 **FOR THE 2017-18 AND 2018-19 SCHOOL YEARS**

25 (4) \$85,000 of the general fund—state appropriation for fiscal
26 year 2018 and \$85,000 of the general fund—state appropriation for
27 fiscal year 2019 are provided solely for the centrum program at Fort
28 Worden state park.

29 NEW SECTION. **Sec. 512. FOR THE SUPERINTENDENT OF PUBLIC**
30 **INSTRUCTION—FOR MISCELLANEOUS—EVERY STUDENT SUCCEEDS ACT**

31 General Fund—Federal Appropriation \$4,802,000

32 NEW SECTION. **Sec. 513. FOR THE SUPERINTENDENT OF PUBLIC**
33 **INSTRUCTION—EDUCATION REFORM PROGRAMS**

34 General Fund—State Appropriation (FY 2018) \$132,735,000

35 General Fund—State Appropriation (FY 2019) \$79,135,000

36 General Fund—Federal Appropriation \$93,177,000

1	General Fund—Private/Local Appropriation	\$1,435,000
2	Education Legacy Trust Account—State Appropriation	\$1,611,000
3	TOTAL APPROPRIATION.	\$308,093,000

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

6 (1) \$29,724,000 of the general fund—state appropriation for
7 fiscal year 2018, \$28,765,000 of the general fund—state appropriation
8 for fiscal year 2019, \$1,350,000 of the education legacy trust
9 account—state appropriation, and \$15,868,000 of the general fund—
10 federal appropriation are provided solely for development and
11 implementation of the Washington state assessment system, including:
12 (a) Development and implementation of retake assessments for high
13 school students who are not successful in one or more content areas;
14 and (b) development and implementation of alternative assessments or
15 appeals procedures to implement the certificate of academic
16 achievement. The superintendent of public instruction shall report
17 quarterly on the progress on development and implementation of
18 alternative assessments or appeals procedures. Within these amounts,
19 the superintendent of public instruction shall contract for the early
20 return of 10th grade student assessment results, on or around June
21 10th of each year. State funding to districts shall be limited to one
22 collection of evidence payment per student, per content-area
23 assessment. The alternative assessment method that consists of an
24 evaluation of a collection of student work samples under RCW
25 28A.655.065 (5) and (6) is intended to provide an alternative way for
26 students to meet the state standards for high school graduation
27 purposes. To ensure that students are learning the state standards,
28 prior to the collection of work samples being submitted to the state
29 for evaluation, a classroom teacher or other educator must review the
30 collection of work to determine whether the sample is likely to meet
31 the minimum required score to meet the state standard. Appropriations
32 are reduced to reflect savings from implementation of Senate Bill No.
33 5891 (high school graduation/science test).

34 (2) \$356,000 of the general fund—state appropriation for fiscal
35 year 2018 and \$356,000 of the general fund—state appropriation for
36 fiscal year 2019 are provided solely for the Washington state
37 leadership and assistance for science education reform (LASER)
38 regional partnership activities coordinated at the Pacific science
39 center, including instructional material purchases, teacher and

1 principal professional development, and school and community
2 engagement events.

3 (3) \$3,935,000 of the general fund—state appropriation for fiscal
4 year 2018 and \$3,935,000 of the general fund—state appropriation for
5 fiscal year 2019 are provided solely for implementation of a new
6 performance-based evaluation for certificated educators and other
7 activities as provided in chapter 235, Laws of 2010 (education
8 reform) and chapter 35, Laws of 2012 (certificated employee
9 evaluations).

10 (4) \$62,672,000 of the general fund—state appropriation for
11 fiscal year 2018 is provided solely for the national board certified
12 teachers bonuses earned in the 2016-17 school year as provided in
13 section 513, chapter 4, Laws of 2015 3rd sp. sess., as amended.

14 (5) \$477,000 of the general fund—state appropriation for fiscal
15 year 2018 and \$477,000 of the general fund—state appropriation for
16 fiscal year 2019 are provided solely for the leadership internship
17 program for superintendents, principals, and program administrators.

18 (6) \$950,000 of the general fund—state appropriation for fiscal
19 year 2018 and \$950,000 of the general fund—state appropriation for
20 fiscal year 2019 are provided solely for the Washington reading
21 corps. The superintendent shall allocate reading corps members to
22 low-performing schools and school districts that are implementing
23 comprehensive, proven, research-based reading programs. Two or more
24 schools may combine their Washington reading corps programs.

25 (7) \$810,000 of the general fund—state appropriation for fiscal
26 year 2018 and \$810,000 of the general fund—state appropriation for
27 fiscal year 2019 are provided solely for the development of a
28 leadership academy for school principals and administrators. The
29 superintendent of public instruction shall contract with an
30 independent organization to operate a state-of-the-art education
31 leadership academy that will be accessible throughout the state.
32 Semiannually the independent organization shall report on amounts
33 committed by foundations and others to support the development and
34 implementation of this program. Leadership academy partners shall
35 include the state level organizations for school administrators and
36 principals, the superintendent of public instruction, the
37 professional educator standards board, and others as the independent
38 organization shall identify.

1 (8) \$3,000,000 of the general fund—state appropriation for fiscal
2 year 2018 and \$3,000,000 of the general fund—state appropriation for
3 fiscal year 2019 are provided solely for a statewide information
4 technology (IT) academy program. This public-private partnership will
5 provide educational software, as well as IT certification and
6 software training opportunities for students and staff in public
7 schools.

8 (9) \$1,677,000 of the general fund—state appropriation for fiscal
9 year 2018 and \$1,677,000 of the general fund—state appropriation for
10 fiscal year 2019 are provided solely for secondary career and
11 technical education grants pursuant to chapter 170, Laws of 2008. If
12 equally matched by private donations, \$800,000 of the 2018
13 appropriation and \$800,000 of the 2019 appropriation shall be used to
14 support FIRST robotics programs. Of the amounts in this subsection,
15 \$100,000 of the fiscal year 2018 appropriation and \$100,000 of the
16 fiscal year 2019 appropriation are provided solely for the purpose of
17 statewide supervision activities for career and technical education
18 student leadership organizations.

19 (10) \$125,000 of the general fund—state appropriation for fiscal
20 year 2018 and \$125,000 of the general fund—state appropriation for
21 fiscal year 2019 are provided solely for (a) staff at the office of
22 the superintendent of public instruction to coordinate and promote
23 efforts to develop integrated math, science, technology, and
24 engineering programs in schools and districts across the state; and
25 (b) grants of \$2,500 to provide twenty middle and high school
26 teachers each year with professional development training for
27 implementing integrated math, science, technology, and engineering
28 programs in their schools.

29 (11) \$135,000 of the general fund—state appropriation for fiscal
30 year 2018 and \$135,000 of the general fund—state appropriation for
31 fiscal year 2019 are provided solely for science, technology,
32 engineering and mathematics lighthouse projects, consistent with
33 chapter 238, Laws of 2010.

34 (12) \$5,500,000 of the general fund—state appropriation for
35 fiscal year 2018 and \$5,500,000 of the general fund—state
36 appropriation for fiscal year 2019 are provided solely for a
37 beginning educator support program. The program shall prioritize
38 first year teachers in the mentoring program. School districts and/or
39 regional consortia may apply for grant funding. The program provided

1 by a district and/or regional consortia shall include: A paid
2 orientation; assignment of a qualified mentor; development of a
3 professional growth plan for each beginning teacher aligned with
4 professional certification; release time for mentors and new teachers
5 to work together; and teacher observation time with accomplished
6 peers. Funding may be used to provide statewide professional
7 development opportunities for mentors and beginning educators.

8 (13) \$250,000 of the general fund—state appropriation for fiscal
9 year 2018 and \$250,000 of the general fund—state appropriation for
10 fiscal year 2019 are provided solely for advanced project lead the
11 way courses at ten high schools. To be eligible for funding in 2018,
12 a high school must have offered a foundational project lead the way
13 course during the 2016-17 school year. The 2018 funding must be used
14 for one-time start-up course costs for an advanced project lead the
15 way course, to be offered to students beginning in the 2017-18 school
16 year. To be eligible for funding in 2019, a high school must have
17 offered a foundational project lead the way course during the 2017-18
18 school year. The 2018 funding must be used for one-time start-up
19 course costs for an advanced project lead the way course, to be
20 offered to students beginning in the 2018-19 school year. The office
21 of the superintendent of public instruction and the education
22 research and data center at the office of financial management shall
23 track student participation and long-term outcome data.

24 (14) \$450,000 of the general fund—state appropriation for fiscal
25 year 2018 and \$450,000 of the general fund—state appropriation for
26 fiscal year 2019 are provided solely for annual start-up, expansion,
27 or maintenance of existing programs in aerospace and advanced
28 manufacturing programs. To be eligible for funding, the skills center
29 and high schools must agree to engage in developing local business
30 and industry partnerships for oversight and input regarding program
31 components. Program instructors must also agree to participate in
32 professional development leading to student employment, or
33 certification in aerospace or advanced manufacturing industries as
34 determined by the superintendent of public instruction. The office of
35 the superintendent of public instruction and the education research
36 and data center shall report annually student participation and long-
37 term outcome data.

38 (15) \$5,000,000 of the general fund—state appropriation for
39 fiscal year 2018 and \$5,000,000 of the general fund—state

1 appropriation for fiscal year 2019 are provided solely for the
2 provision of training for teachers in the performance-based teacher
3 principal evaluation program.

4 (16) \$9,352,000 of the general fund—state appropriation for
5 fiscal year 2018 and \$19,352,000 of the general fund—state
6 appropriation for fiscal year 2019 are provided solely for the
7 implementation of chapter 159, Laws of 2013 (Engrossed Second
8 Substitute Senate Bill No. 5329) (persistently failing schools).

9 (17) \$100,000 of the general fund—state appropriation for fiscal
10 year 2018 and \$100,000 of the general fund—state appropriation for
11 fiscal year 2019 are provided solely to promote the financial
12 literacy of students. The effort will be coordinated through the
13 financial literacy public-private partnership.

14 (18) \$2,194,000 of the general fund—state appropriation for
15 fiscal year 2018 and \$2,194,000 of the general fund—state
16 appropriation for fiscal year 2019 are provided solely to implement
17 chapter 18, Laws of 2013 2nd sp. sess. (Engrossed Substitute Senate
18 Bill No. 5946) (strengthening student educational outcomes).

19 (19) \$1,061,000 of the general fund—state appropriation for
20 fiscal year 2018 and \$1,061,000 of the general fund—state
21 appropriation for fiscal year 2019 are provided solely for chapter
22 184, Laws of 2013 (Second Substitute House Bill No. 1642) (academic
23 acceleration).

24 (20) \$36,000 of the general fund—state appropriation for fiscal
25 year 2018 and \$36,000 of the general fund—state appropriation for
26 fiscal year 2019 are provided solely for chapter 212, Laws of 2014
27 (Substitute Senate Bill No. 6074) (homeless student educational
28 outcomes).

29 (21) \$80,000 of the general fund—state appropriation for fiscal
30 year 2018 and \$40,000 of the general fund—state appropriation for
31 fiscal year 2019 are provided solely for chapter 219, Laws of 2014
32 (Second Substitute Senate Bill No. 6163) (expanded learning).

33 (22) \$10,000 of the general fund—state appropriation for fiscal
34 year 2018 and \$10,000 of the general fund—state appropriation for
35 fiscal year 2019 are provided solely for chapter 102, Laws of 2014
36 (Senate Bill No. 6424) (biliteracy seal).

37 (23) \$500,000 of the general fund—state appropriation for fiscal
38 year 2018 and \$500,000 of the general fund—state appropriation for
39 fiscal year 2019 are provided solely for the office of the

1 superintendent of public instruction to contract with a nonprofit
2 organization to integrate the state learning standards in English
3 language arts, mathematics, and science with FieldSTEM outdoor field
4 studies and project-based and work-based learning opportunities
5 aligned with the environmental, natural resource, and agricultural
6 sectors.

7 (24) Within the amounts provided in this section, the
8 superintendent of public instruction shall obtain an existing student
9 assessment inventory tool that is free and openly licensed and
10 distribute the tool to every school district. Each school district
11 shall use the student assessment inventory tool to identify all
12 state-level and district-level assessments that are required of
13 students. The state-required assessments should include: Reading
14 proficiency assessments used for compliance with RCW 28A.320.202; the
15 required statewide assessments under chapter 28A.655 RCW in grades
16 three through eight and at the high school level in English language
17 arts, mathematics, and science, as well as the practice and training
18 tests used to prepare for them; and the high school end-of-course
19 exams in mathematics under RCW 28A.655.066. District-required
20 assessments should include: The second grade reading assessment used
21 to comply with RCW 28A.300.320; interim smarter balanced assessments,
22 if required; the measures of academic progress assessment, if
23 required; and other required interim, benchmark, or summative
24 standardized assessments, including assessments used in social
25 studies, the arts, health, and physical education in accordance with
26 RCW 28A.230.095, and for educational technology in accordance with
27 RCW 28A.655.075. The assessments identified should not include
28 assessments used to determine eligibility for any categorical program
29 including the transitional bilingual instruction program, learning
30 assistance program, highly capable program, special education
31 program, or any formative or diagnostic assessments used solely to
32 inform teacher instructional practices, other than those already
33 identified. By October 15th of each year, each district shall report
34 to the superintendent the amount of student time in the previous
35 school year that is spent taking each assessment identified. By
36 December 15th of each year, the superintendent shall summarize the
37 information reported by the school districts and report to the
38 education committees of the house of representatives and the senate.

39 (25) \$3,000,000 of the general fund—state appropriation for
40 fiscal year 2018 and \$3,000,000 of the general fund—state

1 appropriation for fiscal year 2019 are provided solely for
2 implementation of Senate Bill No. 5853 (career and technical
3 education). If the bill is not enacted by June 30, 2017, the amount
4 provided in this subsection shall lapse.

5 **NEW SECTION. Sec. 514. FOR THE SUPERINTENDENT OF PUBLIC**
6 **INSTRUCTION—FOR TRANSITIONAL BILINGUAL PROGRAMS**

7	General Fund—State Appropriation (FY 2018)	. . . . .	\$136,642,000
8	General Fund—State Appropriation (FY 2019)	. . . . .	\$155,740,000
9	General Fund—Federal Appropriation	. . . . .	\$92,244,000
10	TOTAL APPROPRIATION.	. . . . .	\$384,626,000

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

13 (1)(a) Each general fund fiscal year appropriation includes such
14 funds as are necessary to complete the school year ending in the
15 fiscal year and for prior fiscal year adjustments.

16 (b) From July 1, 2017, to August 31, 2017, the superintendent
17 shall allocate funding to school districts for transitional bilingual
18 instruction programs as provided in section 514, chapter 4, Laws of
19 2015, 3rd sp. sess., as amended.

20 (c) From July 1, 2018, to August 31, 2018, the superintendent
21 shall allocate funding to school districts for transitional bilingual
22 instruction programs as provided in subsection (2) of this section.

23 **FOR THE 2017-18 SCHOOL YEAR**

24 (2) For the 2017-18 school year, the superintendent shall
25 allocate funding to school districts for transitional bilingual
26 programs under RCW 28A.180.010 through 28A.180.080, including
27 programs for exited students, as provided in RCW 28A.150.260(10)(b)
28 and the provisions of this section. In calculating the allocations,
29 the superintendent shall assume the following averages: (i)
30 Additional instruction of 4.7780 hours per week per transitional
31 bilingual program student in grades kindergarten through twelve in
32 school year 2017-18; (ii) additional instruction of 3.0000 hours per
33 week in school year 2017-18 for the head count number of students who
34 have exited the transitional bilingual instruction program within the
35 previous two years based on their performance on the English
36 proficiency assessment; (iii) fifteen transitional bilingual program
37 students per teacher; (iv) 36 instructional weeks per year; (v) 900

1 instructional hours per teacher; and (vi) the district's average
2 staff mix and compensation rates as provided in sections 503 and 504
3 of this act. Pursuant to RCW 28A.180.040(1)(g), the instructional
4 hours specified in (a)(ii) of this subsection (2) are within the
5 program of basic education.

6 **FOR THE 2018-19 SCHOOL YEAR**

7 (3) For the 2018-19 school year, the superintendent shall
8 allocate funding to school districts for transitional bilingual
9 programs as provided in section 102(4)(b), chapter. . . , Laws of 2017
10 (Substitute Senate Bill No. 5607) and chapter . . . , Laws of 2017
11 (Substitute Senate Bill No. 5875).

12 **FOR THE 2017-18 AND 2018-19 SCHOOL YEARS**

13 (4) The superintendent may withhold allocations to school
14 districts in subsections (2) and (3) of this section solely for the
15 central provision of assessments as provided in RCW 28A.180.090 (1)
16 and (2) up to the following amounts: 2.81 percent for school year
17 2017-18 and 2.55 percent for school year 2018-19.

18 (5) The general fund—federal appropriation in this section is for
19 migrant education under Title I Part C and English language
20 acquisition, and language enhancement grants under Title III of the
21 elementary and secondary education act.

22 (6) \$35,000 of the general fund—state appropriation for fiscal
23 year 2018 and \$35,000 of the general fund—state appropriation for
24 fiscal year 2019 are provided solely to track current and former
25 transitional bilingual program students.

26 **NEW SECTION. Sec. 515. FOR THE SUPERINTENDENT OF PUBLIC**
27 **INSTRUCTION—FOR THE LEARNING ASSISTANCE PROGRAM**

28	General Fund—State Appropriation (FY 2018)	. . . . .	\$236,487,000
29	General Fund—State Appropriation (FY 2019)	. . . . .	\$299,399,000
30	General Fund—Federal Appropriation	. . . . .	\$505,487,000
31	TOTAL APPROPRIATION.	. . . . .	\$1,041,373,000

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

34 (1) The general fund—state appropriations in this section are
35 subject to the following conditions and limitations:

1 (a) The appropriations include such funds as are necessary to
2 complete the school year ending in the fiscal year and for prior
3 fiscal year adjustments.

4 (b) From July 1, 2017, to August 31, 2017, the superintendent
5 shall allocate funding to school districts for learning assistance
6 programs as provided in section 515, chapter 4, Laws of 2015, 3rd sp.
7 sess., as amended.

8 (c) From July 1, 2018, to August 31, 2018, the superintendent
9 shall allocate funding to school districts for the learning
10 assistance program as provided in subsections (2) through (4) of this
11 section.

12 **FOR THE 2017-18 SCHOOL YEAR**

13 (2) For the 2017-18 school year, the superintendent shall
14 allocate funding to school districts for learning assistance programs
15 as provided in RCW 28A.150.260(10)(a), except that the allocation for
16 the additional instructional hours shall be enhanced as provided in
17 this section, which enhancements are within the program of the basic
18 education. In calculating the allocations, the superintendent shall
19 assume the following averages: (A) Additional instruction of 2.3975
20 hours per week per funded learning assistance program student for the
21 2017-18 school year; (B) fifteen learning assistance program students
22 per teacher; (C) 36 instructional weeks per year; (D) 900
23 instructional hours per teacher; and (E) the district's average staff
24 mix and compensation rates as provided in sections 503 and 504 of
25 this act.

26 (3) For the 2017-18 school year, a school district's funded
27 students under subsection (1) of this section for the learning
28 assistance program shall be the sum of the district's full-time
29 equivalent enrollment in grades K-12 for the prior school year
30 multiplied by the district's percentage of October headcount
31 enrollment in grades K-12 eligible for free or reduced-price lunch in
32 the prior school year. The prior school year's October headcount
33 enrollment for free and reduced-price lunch shall be as reported in
34 the comprehensive education data and research system.

35 (4) For the 2017-18 school year, allocations made pursuant to
36 subsections (1) through (3) of this section shall be adjusted to
37 reflect ineligible applications identified through the annual income
38 verification process required by the national school lunch program,

1 as recommended in the report of the state auditor on the learning
2 assistance program dated February 2010.

3 **FOR THE 2018-19 SCHOOL YEAR**

4 (5) For the 2018-19 school year, the superintendent shall
5 allocate funding to school districts for the learning assistance
6 program as provided in section 102(4)(d), chapter. . . , Laws of 2017
7 (Substitute Senate Bill No. 5607) and chapter . . . , Laws of 2017
8 (Substitute Senate Bill No. 5875). A school district's funded
9 students under this subsection (5) for the learning assistance
10 program is based on the most recent estimates of poverty rates within
11 school districts for children ages five to seventeen under the United
12 States census bureau's small area and poverty estimates program.

13 **FOR THE 2017-18 AND 2018-19 SCHOOL YEARS**

14 (6) The general fund—federal appropriation in this section is
15 provided for Title I Part A allocations of the every student succeeds
16 act of 2016.

17 (7) A school district may carry over from one year to the next up
18 to 10 percent of the general fund—state funds allocated under this
19 program; however, carryover funds shall be expended for the learning
20 assistance program.

21 NEW SECTION. **Sec. 516. FOR THE SUPERINTENDENT OF PUBLIC**
22 **INSTRUCTION**

23 (1) Amounts distributed to districts by the superintendent
24 through part V of this act are for allocations purposes only, unless
25 specified by part V of this act, and do not entitle a particular
26 district, district employee, or student to a specific service, beyond
27 what has been expressly provided in statute. Part V of this act
28 restates the requirements of various sections of Title 28A RCW. If
29 any conflict exists, the provisions of Title 28A RCW control unless
30 this act explicitly states that it is providing an enhancement. Any
31 amounts provided in part V of this act in excess of the amounts
32 required by Title 28A RCW provided in statute, are not within the
33 program of basic education unless clearly stated by this act.

34 (2) To the maximum extent practicable, when adopting new or
35 revised rules or policies relating to the administration of
36 allocations in part V of this act that result in fiscal impact, the

1 office of the superintendent of public instruction shall attempt to
2 seek legislative approval through the budget request process.

3 (3) Appropriations made in this act to the office of the
4 superintendent of public instruction shall initially be allotted as
5 required by this act. Subsequent allotment modifications shall not
6 include transfers of moneys between sections of this act.

7 (4) As required by RCW 28A.710.110, the office of the
8 superintendent of public instruction shall transmit the charter
9 school authorizer oversight fee for the charter school commission to
10 the charter school oversight account.

11 (5) Washington opportunity pathways account—state appropriations
12 distributed through Part V of this act for the operation and
13 administration of charter schools as provided in chapter 28A.710 RCW
14 shall not include state common school levy revenues collected under
15 RCW 84.52.065.

16 NEW SECTION. **Sec. 517. FOR THE OFFICE OF THE SUPERINTENDENT OF**
17 **PUBLIC INSTRUCTION—FOR CHARTER SCHOOLS**

18 Washington Opportunity Pathways Account—State
19 Appropriation. \$65,672,000

20 The appropriation in this section is subject to the following
21 conditions and limitations: The superintendent shall distribute
22 funding appropriated in this section to charter schools under chapter
23 28A.710 RCW. Within amounts provided in this section the
24 superintendent shall distribute funding for safety net awards for
25 charter schools with demonstrated needs for special education funding
26 beyond the amounts provided under chapter 28A.710 RCW.

27 NEW SECTION. **Sec. 518. FOR THE OFFICE OF THE SUPERINTENDENT OF**
28 **PUBLIC INSTRUCTION—FOR THE WASHINGTON STATE CHARTER SCHOOL COMMISSION**

29 WA Opportunity Pathways Account—State Appropriation \$798,000
30 Charter Schools Oversight Account—State Appropriation . . \$2,101,000
31 TOTAL APPROPRIATION. \$2,899,000

32 The appropriations in this section are subject to the following
33 conditions and limitations: The entire Washington opportunity
34 pathways account—state appropriation in this section is provided to
35 the superintendent of public instruction solely for the operations of
36 the Washington state charter school commission under chapter 28A.710
37 RCW.

(End of part)

PART VI
HIGHER EDUCATION

NEW SECTION. **Sec. 601.** The appropriations in sections 605 through 611 of this act are subject to the following conditions and limitations:

(1) "Institutions" means the institutions of higher education receiving appropriations under sections 605 through 611 of this act.

(2) The legislature, the office of financial management, and other state agencies need consistent and accurate personnel data from institutions of higher education for policy planning purposes. Institutions of higher education shall report personnel data to the office of financial management for inclusion in the agency's data warehouse. Uniform reporting procedures shall be established by the office of financial management's office of the state human resources director for use by the reporting institutions, including provisions for common job classifications and common definitions of full-time equivalent staff. Annual contract amounts, number of contract months, and funding sources shall be consistently reported for employees under contract.

(3) In addition to waivers granted under the authority of RCW 28B.15.910, the governing boards and the state board may waive all or a portion of operating fees for any student. State general fund appropriations shall not be provided to replace tuition and fee revenue foregone as a result of waivers granted under this subsection.

(4)(a) For institutions receiving appropriations in section 605 of this act, the only allowable salary increases provided are those with normally occurring promotions and increases related to faculty and staff retention, except as provided in Part IX of this act. In fiscal year 2018 and fiscal year 2019, the state board for community and technical colleges may use salary and benefit savings from faculty turnover to provide salary increments and associated benefits for faculty who qualify through professional development and training.

(b) For each institution of higher education receiving appropriations under sections 606 through 611 of this act:

(i) The only allowable salary increases are those associated with normally occurring promotions and increases related to faculty and staff retention and as provided in Part IX of this act; and

1 (ii) Institutions may provide salary increases from other sources
2 to instructional and research faculty at the universities and The
3 Evergreen State College, exempt professional staff, teaching and
4 research assistants, as classified by the office of financial
5 management, and all other nonclassified staff, but not including
6 employees under chapter 41.80 RCW. Any salary increase granted under
7 the authority of this subsection (4)(b)(ii) shall not be included in
8 an institution's salary base for future state funding. It is the
9 intent of the legislature that state general fund support for an
10 institution shall not increase during the current or any future
11 biennium as a result of any salary increases authorized under this
12 subsection (4)(b)(ii).

13 NEW SECTION. **Sec. 602.** (1) Within the amounts appropriated in
14 this act, each institution of higher education shall seek to:

15 (a) Maintain and to the extent possible increase enrollment
16 opportunities at branch campuses;

17 (b) Maintain and to the extent possible increase enrollment
18 opportunities at university centers and other partnership programs
19 that enable students to earn baccalaureate degrees on community
20 college campuses; and

21 (c) Eliminate and consolidate programs of study for which there
22 is limited student or employer demand, or that are not areas of core
23 academic strength for the institution, particularly when such
24 programs duplicate offerings by other in-state institutions.

25 (3) For purposes of monitoring and reporting statewide
26 enrollment, the University of Washington and Washington State
27 University shall notify the office of financial management of the
28 number of full-time student equivalent enrollments for each of their
29 campuses.

30 NEW SECTION. **Sec. 603. PUBLIC BACCALAUREATE INSTITUTIONS**

31 (1) The state universities, the regional universities, and The
32 Evergreen State College must accept the transfer of college-level
33 courses taken by students under RCW 28A.600.290 or 28A.600.300 if a
34 student seeking a transfer of the college-level courses has been
35 admitted to the state university, the regional university, or The
36 Evergreen State College, and if the college-level courses are
37 recognized as transferrable by the admitting institution of higher
38 education.

1 (2) Appropriations in section 737 of this act are sufficient
2 general wage increases as described in section 737 at institutions of
3 higher education. The institutions may also use these funds for any
4 other purpose including increasing compensation and implementing
5 other collective bargaining agreements.

6 NEW SECTION. **Sec. 604. STATE BOARD FOR COMMUNITY AND TECHNICAL**
7 **COLLEGES**

8 Appropriations in section 737 of this act are sufficient to fund
9 general wage increases as described in section 737 of this act at
10 institutions of higher education. The institutions may also use these
11 funds for any other purpose including increasing compensation.

12 NEW SECTION. **Sec. 605. FOR THE STATE BOARD FOR COMMUNITY AND**
13 **TECHNICAL COLLEGES**

14	General Fund—State Appropriation (FY 2018)	. . . . .	\$642,785,000
15	General Fund—State Appropriation (FY 2019)	. . . . .	\$302,634,000
16	Community/Technical College Capital Projects		
17	Account—State Appropriation.	. . . . .	\$23,841,000
18	Education Legacy Trust Account—State Appropriation	. . .	\$449,532,000
19	TOTAL APPROPRIATION.	. . . . .	\$1,418,792,000

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

22 (1) \$33,261,000 of the general fund—state appropriation for
23 fiscal year 2018 and \$33,261,000 of the general fund—state
24 appropriation for fiscal year 2019 are provided solely as special
25 funds for training and related support services, including financial
26 aid, as specified in RCW 28C.04.390. Funding is provided to support
27 at least 7,170 full-time equivalent students in fiscal year 2018 and
28 at least 7,170 full-time equivalent students in fiscal year 2019.

29 (2) \$5,450,000 of the education legacy trust account—state
30 appropriation is provided solely for administration and customized
31 training contracts through the job skills program. The state board
32 shall make an annual report by January 1st of each year to the
33 governor and to the appropriate policy and fiscal committees of the
34 legislature regarding implementation of this section, listing the
35 scope of grant awards, the distribution of funds by educational
36 sector and region of the state, and the results of the partnerships
37 supported by these funds.

1 (3) \$425,000 of the general fund—state appropriation for fiscal
2 year 2018 and \$425,000 of the general fund—state appropriation for
3 fiscal year 2019 are provided solely for Seattle central college's
4 expansion of allied health programs.

5 (4) \$5,250,000 of the general fund—state appropriation for fiscal
6 year 2018 and \$5,250,000 of the general fund—state appropriation for
7 fiscal year 2019 are provided solely for the student achievement
8 initiative.

9 (5) \$860,000 of the general fund—state appropriation for fiscal
10 year 2018, and \$860,000 of the general fund—state appropriation for
11 fiscal year 2019 are provided solely for the expansion of the
12 mathematics, engineering, and science achievement program. The state
13 board shall report back to the appropriate committees of the
14 legislature on the number of campuses and students served by December
15 31, 2018.

16 (6) \$1,500,000 of the general fund—state appropriation for fiscal
17 year 2018 and \$1,500,000 of the general fund—state appropriation for
18 fiscal year 2019 are provided solely for operating a fabrication
19 composite wing incumbent worker training program to be housed at the
20 Washington aerospace training and research center.

21 (7) \$100,000 of the general fund—state appropriation for fiscal
22 year 2018 and \$100,000 of the general fund—state appropriation for
23 fiscal year 2019 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
26 industry sectors, industry organizations, businesses, K-12 schools,
27 colleges, and universities;

28 (b) Enhance information technology to increase business and
29 student accessibility and use of the center's web site; and

30 (c) Act as the information entry point for prospective students
31 and job seekers regarding education, training, and employment in the
32 industry.

33 (8) \$18,588,000 of the general fund—state appropriation for
34 fiscal year 2018 and \$18,960,000 of the general fund—state
35 appropriation for fiscal year 2019 are provided solely for the
36 implementation of the college affordability program as set forth in
37 RCW 28B.15.066.

38 (9) Community and technical colleges are not required to send
39 mass mailings of course catalogs to residents of their districts.

1 Community and technical colleges shall consider lower cost
2 alternatives, such as mailing postcards or brochures that direct
3 individuals to online information and other ways of acquiring print
4 catalogs.

5 (10) The state board for community and technical colleges shall
6 not use funds appropriated in this section to support intercollegiate
7 athletics programs.

8 (11) \$157,000 of the general fund—state appropriation for fiscal
9 year 2018 and \$157,000 of the general fund—state appropriation for
10 fiscal year 2019 are provided solely for Wenatchee Valley college to
11 develop a wildfire prevention program.

12 (12) Within funds appropriated in this section, teacher
13 preparation programs shall meet the requirements of RCW 28B.10.710 to
14 incorporate information on the culture, history, and government of
15 American Indian people in this state by integrating the curriculum
16 developed and made available free of charge by the office of the
17 superintendent of public instruction into existing programs or
18 courses and may modify that curriculum in order to incorporate
19 elements that have a regionally specific focus.

20 (13) \$100,000 of the general fund—state appropriation for fiscal
21 year 2018 is provided solely for implementation of Substitute Senate
22 Bill No. 5022 (education loan information). If the bill is not
23 enacted by June 30, 2017, the amount provided in this subsection
24 shall lapse.

25 (14) \$185,000 of the general fund—state appropriation for fiscal
26 year 2018 and \$185,000 of the general fund—state appropriation for
27 fiscal year 2019 are provided solely for implementation of Substitute
28 Senate Bill No. 5100 (financial literacy seminars). If the bill is
29 not enacted by June 30, 2017, the amounts provided in this subsection
30 shall lapse.

31 (15)(a) The state board must provide quality assurance reports on
32 the ctcLink project at the frequency directed by the office of chief
33 information officer for review and for posting on its information
34 technology project dashboard.

35 (b) The state board must develop a technology budget using a
36 method similar to the state capital budget, identifying project
37 costs, funding sources, and anticipated deliverables through each
38 stage of the investment and across fiscal periods and biennia from
39 project initiation to implementation. The budget must be updated at

1 the frequency directed by the office of chief information officer for
2 review and for posting on its information technology project
3 dashboard.

4 (c) The office of the chief information officer may suspend the
5 ctcLink project at any time if the office of the chief information
6 officer determines that the project is not meeting or is not expected
7 to meet anticipated performance measures, implementation timelines,
8 or budget estimates. Once suspension or termination occurs, the state
9 board shall not make additional expenditures on the ctcLink project
10 without approval of the chief information officer. The ctcLink
11 project funded through the community and technical college innovation
12 account created in RCW 28B.50.515 is subject to the conditions,
13 limitations, and review provided in section 724 of this act.

14 (16) \$300,000 of the general fund—state appropriation for fiscal
15 year 2018 and \$300,000 of the general fund—state appropriation for
16 fiscal year 2019 are provided solely for the aerospace center of
17 excellence hosted by Everett Community College to develop an unmanned
18 aircraft system program in Sunnyside.

19 NEW SECTION. **Sec. 606. FOR THE UNIVERSITY OF WASHINGTON**

20	General Fund—State Appropriation (FY 2018)	\$327,546,000
21	General Fund—State Appropriation (FY 2019)	\$333,708,000
22	General Fund—Private/Local Appropriation	\$114,000
23	Aquatic Lands Enhancement Account—State Appropriation . . .	\$1,350,000
24	Education Legacy Trust Account—State Appropriation	\$30,002,000
25	Economic Development Strategic Reserve Account—State	
26	Appropriation	\$3,014,000
27	Biotoxin Account—State Appropriation	\$595,000
28	Dedicated Marijuana Account—State Appropriation	
29	(FY 2018).	\$247,000
30	Dedicated Marijuana Account—State Appropriation	
31	(FY 2019).	\$247,000
32	Accident Account—State Appropriation	\$7,197,000
33	Medical Aid Account—State Appropriation	\$562,000
34	University of Washington Building Account—State	
35	Appropriation	\$1,052,000
36	TOTAL APPROPRIATION.	\$705,634,000

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

1 (1) \$52,000 of the general fund—state appropriation for fiscal
2 year 2018 and \$52,000 of the general fund—state appropriation for
3 fiscal year 2019 are provided solely for the center for international
4 trade in forest products in the college of forest resources.

5 (2) \$38,581,000 of the general fund—state appropriation for
6 fiscal year 2018 and \$39,353,000 of the general fund—state
7 appropriation for fiscal year 2019 are provided solely for the
8 implementation of the college affordability program as set forth in
9 RCW 28B.15.066.

10 (3) \$200,000 of the general fund—state appropriation for fiscal
11 year 2018 and \$200,000 of the general fund—state appropriation for
12 fiscal year 2019 are provided solely for labor archives of
13 Washington. The university shall work in collaboration with the state
14 board for community and technical colleges.

15 (4) \$8,000,000 of the education legacy trust account—state
16 appropriation is provided solely for the family medicine residency
17 network at the university to expand the number of residency slots
18 available in Washington.

19 (5) The university must continue work with the education research
20 and data center to demonstrate progress in computer science and
21 engineering enrollments. By September 1st of each year, the
22 university shall provide a report including but not limited to the
23 cost per student, student completion rates, and the number of low-
24 income students enrolled in each program, any process changes or
25 best-practices implemented by the university, and how many students
26 are enrolled in computer science and engineering programs above the
27 prior academic year.

28 (6) \$1,350,000 of the aquatic lands enhancement account—state is
29 provided solely for ocean acidification monitoring, forecasting, and
30 research and for operation of the Washington ocean acidification
31 center. By September 1, 2017, the center must provide a biennial work
32 plan and begin quarterly progress reports to the Washington marine
33 resources advisory council created under RCW 43.06.338.

34 (7) \$8,000,000 of the education legacy trust account—state
35 appropriation is provided solely for the expansion of degrees in the
36 department of computer science and engineering at the Seattle campus.

37 (8) \$3,000,000 of the economic development strategic reserve
38 account appropriation is provided solely to support the joint center
39 for aerospace innovation technology.

1 (9) The University of Washington shall not use funds appropriated
2 in this section to support intercollegiate athletics programs.

3 (10) \$250,000 of the general fund—state appropriation for fiscal
4 year 2018 and \$250,000 of the general fund—state appropriation for
5 fiscal year 2019 are provided solely for the Latino health center.

6 (11) \$200,000 of the general fund—state appropriation for fiscal
7 year 2018 and \$200,000 of the general fund—state appropriation for
8 fiscal year 2019 are provided solely for the climate impacts group in
9 the college of the environment.

10 (12) \$8,400,000 of the general fund—state appropriation for
11 fiscal year 2018 and \$7,400,000 of the general fund—state
12 appropriation for fiscal year 2019 are provided solely for the
13 continued operations and expansion of the Washington, Wyoming,
14 Alaska, Montana, Idaho medical school program.

15 (13) \$3,200,000 of the general fund—state appropriation for
16 fiscal year 2019 is provided solely for the university to host the
17 Special Olympics USA Games in July 2018.

18 (14) Within funds appropriated in this section, teacher
19 preparation programs shall meet the requirements of RCW 28B.10.710 to
20 incorporate information on the culture, history, and government of
21 American Indian people in this state by integrating the curriculum
22 developed and made available free of charge by the office of the
23 superintendent of public instruction into existing programs or
24 courses and may modify that curriculum in order to incorporate
25 elements that have a regionally specific focus.

26 (15) Within the funds appropriated in this section, the
27 University of Washington shall:

28 (a) Review the scholarly literature on the short-term and long-
29 term effects of marijuana use to assess if other states or private
30 entities are conducting marijuana research in areas that may be
31 useful to the state.

32 (b) Provide as part of its budget request for the 2019-2021
33 biennium:

34 (i) A list of intended state, federal, and privately funded
35 marijuana research, including cost, duration, and scope; and

36 (ii) Plans for partnerships with other universities, state
37 agencies, or private entities, including entities outside the state,
38 for purposes related to researching short-term and long-term effects
39 of marijuana use.

1 (16) The appropriations in this section include sufficient
2 funding for the implementation of Substitute Senate Bill No. 5022
3 (education loan information).

4 (17) The appropriations in this section include sufficient
5 funding for the implementation of Substitute Senate Bill No. 5100
6 (financial literacy seminars).

7 (18) \$56,000 of the general fund—state appropriation for fiscal
8 year 2018 and \$56,000 of the general fund—state appropriation for
9 fiscal year 2019 are provided solely for implementation of Senate
10 Bill No. 5525 (veterans' mental health services). The university
11 shall use revenue from student health services fees, as defined in
12 RCW 28B.15.041, that are deposited in local accounts located outside
13 of the state treasury to fund the remainder of costs to implement the
14 bill. If the bill is not enacted by June 30, 2017, the amounts
15 provided in this subsection shall lapse.

16 (19) \$3,000,000 of the general fund—state appropriation for
17 fiscal year 2018 and \$3,000,000 of the general fund—state
18 appropriation for fiscal year 2019 are provided solely for the
19 institute for stem cell and regenerative medicine.

20 (20) \$3,456,000 of the general fund—state appropriation for
21 fiscal year 2018 and \$7,074,000 of the general fund—state
22 appropriation for fiscal year 2019 are provided solely for the
23 university to increase full-time equivalent state-supported resident
24 undergraduate enrollment by 250 students in the 2017-18 academic year
25 and 500 students in the 2018-19 academic year. If Senate Bill No.
26 5902 is not enacted by June 30, 2017, the amounts provided in this
27 subsection shall lapse.

28 (a) The university shall fill seventy percent of the additional
29 resident undergraduate enrollment with students majoring in science,
30 technology, engineering, and mathematics.

31 (b) If the university is unable to fill the additional resident
32 undergraduate enrollment in the 2017-18 academic year, the amount
33 provided in this subsection for fiscal year 2018 shall lapse. For the
34 purpose of determining if funding provided in this subsection for
35 fiscal year 2018 shall be lapsed, the university shall report to the
36 office of financial management and the legislative fiscal committees,
37 by September 1, 2018, on the number of additional resident
38 undergraduate students enrolled in the 2017-18 academic year with the
39 funding provided in this subsection for fiscal year 2018.

1 (c) Within funds appropriated in this section, the university
2 shall establish a pre-law program in Tacoma

3 NEW SECTION. **Sec. 607. FOR WASHINGTON STATE UNIVERSITY**

4	General Fund—State Appropriation (FY 2018)	\$211,346,000
5	General Fund—State Appropriation (FY 2019)	\$213,854,000
6	General Fund—Private/Local Appropriation	\$96,000
7	Education Legacy Trust Account—State Appropriation . . .	\$33,995,000
8	Dedicated Marijuana Account—State Appropriation	
9	(FY 2018)	\$138,000
10	Dedicated Marijuana Account—State Appropriation	
11	(FY 2019)	\$138,000
12	Washington State University Building Account—State	
13	Appropriation	\$792,000
14	TOTAL APPROPRIATION.	\$460,359,000

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

17 (1) \$90,000 of the general fund—state appropriation for fiscal
18 year 2018 and \$90,000 of the general fund—state appropriation for
19 fiscal year 2019 are provided solely for a rural economic development
20 and outreach coordinator.

21 (2) The university must continue work with the education research
22 and data center to demonstrate progress in computer science and
23 engineering enrollments. By September 1st of each year, the
24 university shall provide a report including but not limited to the
25 cost per student, student completion rates, and the number of low-
26 income students enrolled in each program, any process changes or
27 best-practices implemented by the university, and how many students
28 are enrolled in computer science and engineering programs above the
29 prior academic year.

30 (3) \$630,000 of the general fund—state appropriation for fiscal
31 2018 and \$630,000 of the general fund—state appropriation for fiscal
32 year 2019 are provided solely for the creation of an electrical
33 engineering program located in Bremerton. At full implementation, the
34 university is expected to increase degree production by 25 new
35 bachelor's degrees per year. The university must identify these
36 students separately when providing data to the education research
37 data center as required in subsection (2) of this section.

1 (4) \$1,370,000 of the general fund—state appropriation for fiscal
2 year 2018 and \$1,370,000 of the general fund—state appropriation for
3 fiscal year 2019 are provided solely for the creation of software
4 engineering and data analytic programs at the university center in
5 Everett. At full implementation, the university is expected to enroll
6 50 students per academic year. The university must identify these
7 students separately when providing data to the education research
8 data center as required in subsection (2) of this section.

9 (5) \$500,000 of the general fund—state appropriation for fiscal
10 year 2018 and \$500,000 of the general fund—state appropriation for
11 fiscal year 2019 are provided solely for state match requirements
12 related to the federal aviation administration grant.

13 (6) Washington State University shall not use funds appropriated
14 in this section to support intercollegiate athletic programs.

15 (7) Within the funds appropriated in this section, Washington
16 State University is required to provide administrative support to the
17 sustainable aviation biofuels work group authorized under RCW
18 28B.30.904.

19 (8) \$135,000 of the general fund—state appropriation for fiscal
20 year 2018 and \$135,000 of the general fund—state appropriation for
21 fiscal year 2019 are provided solely for a honey bee biology research
22 position.

23 (9) \$580,000 of the general fund—state appropriation for fiscal
24 year 2018 and \$580,000 of the general fund—state appropriation for
25 fiscal year 2019 are provided solely for the development of an
26 organic agriculture systems degree program located at the university
27 center in Everett.

28 (10) \$27,425,000 of the general fund—state appropriation for
29 fiscal year 2018 and \$27,973,000 of the general fund—state
30 appropriation for fiscal year 2019 are provided solely for the
31 implementation of the college affordability program as set forth in
32 RCW 28B.15.066.

33 (11) Within funds appropriated in this section, teacher
34 preparation programs shall meet the requirements of RCW 28B.10.710 to
35 incorporate information on the culture, history, and government of
36 American Indian people in this state by integrating the curriculum
37 developed and made available free of charge by the office of the
38 superintendent of public instruction into existing programs or

1 courses and may modify that curriculum in order to incorporate
2 elements that have a regionally specific focus.

3 (12) Within the funds appropriated in this section, Washington
4 State University shall:

5 (a) Review the scholarly literature on the short-term and long-
6 term effects of marijuana use to assess if other states or private
7 entities are conducting marijuana research in areas that may be
8 useful to the state.

9 (b) Provide as part of its budget request for the 2019-2021
10 fiscal biennium:

11 (i) A list of intended state, federal, and privately funded
12 marijuana research, including cost, duration, and scope;

13 (ii) Plans for partnerships with other universities, state
14 agencies, or private entities, including entities outside the state,
15 for purposes related to researching short-term and long-term effects
16 of marijuana use.

17 (13) The appropriations in this section include sufficient
18 funding for the implementation of Substitute Senate Bill No. 5022
19 (education loan information).

20 (14) The appropriations in this section include sufficient
21 funding for the implementation of Substitute Senate Bill No. 5100
22 (financial literacy seminars).

23 (15) \$48,000 of the general fund—state appropriation for fiscal
24 year 2018 and \$48,000 of the general fund—state appropriation for
25 fiscal year 2019 are provided solely for implementation of Senate
26 Bill No. 5525 (veterans' mental health services). The university
27 shall use revenue from student health services fees, as defined in
28 RCW 28B.15.041, that are deposited in local accounts located outside
29 of the state treasury to fund the remainder of costs to implement the
30 bill. If the bill is not enacted by June 30, 2017, the amounts
31 provided in this subsection shall lapse.

32 (16) \$760,000 of the general fund—state appropriation for fiscal
33 year 2018 and \$760,000 of the general fund—state appropriation for
34 fiscal year 2019 are provided solely for implementation of Second
35 Substitute Senate Bill No. 5474 (elk hoof disease). If the bill is
36 not enacted by June 30, 2017, the amounts provided in this subsection
37 shall lapse.

38 (17) \$2,374,000 of the general fund—state appropriation for
39 fiscal year 2018 and \$4,861,000 of the general fund—state

1 appropriation for fiscal year 2019 are provided solely for the
2 university to increase full-time equivalent state-supported resident
3 undergraduate enrollment by 250 students in the 2017-18 academic year
4 and 500 students in the 2018-19 academic year. If Senate Bill No.
5 5902 is not enacted by June 30, 2017, the amounts provided in this
6 subsection shall lapse.

7 (a) The university shall fill seventy percent of the additional
8 resident undergraduate enrollment with students majoring in science,
9 technology, engineering, and mathematics.

10 (b) If the university is unable to fill the additional resident
11 undergraduate enrollment in the 2017-18 academic year, the amount
12 provided in this subsection for fiscal year 2018 shall lapse. For the
13 purpose of determining if funding provided in this subsection for
14 fiscal year 2018 shall be lapsed, the university shall report to the
15 office of financial management and the legislative fiscal committees,
16 by September 1, 2018, on the number of additional resident
17 undergraduate students enrolled in the 2017-18 academic year with the
18 funding provided in this subsection for fiscal year 2018.

19 (c) \$3,000,000 of the general fund—state appropriation for fiscal
20 year 2018 and \$2,000,000 of the general fund—state appropriation for
21 fiscal year 2019 are provided solely for the continued development
22 and operations of a medical school program in Spokane.

23 **NEW SECTION. Sec. 608. FOR EASTERN WASHINGTON UNIVERSITY**

24	General Fund—State Appropriation (FY 2018)	. . . . .	\$48,853,000
25	General Fund—State Appropriation (FY 2019)	. . . . .	\$49,818,000
26	General Fund—Private/Local Appropriation	. . . . .	\$104,000
27	Education Legacy Trust Account—State Appropriation	. . . . .	\$16,598,000
28	TOTAL APPROPRIATION.	. . . . .	\$115,373,000

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

31 (1) At least \$200,000 of the general fund—state appropriation for
32 fiscal year 2018 and at least \$200,000 of the general fund—state
33 appropriation for fiscal year 2019 must be expended on the Northwest
34 autism center.

35 (2) The university must continue work with the education research
36 and data center to demonstrate progress in computer science and
37 engineering enrollments. By September 1st of each year, the
38 university shall provide a report including but not limited to the

1 cost per student, student completion rates, and the number of low-
2 income students enrolled in each program, any process changes or
3 best-practices implemented by the university, and how many students
4 are enrolled in computer science and engineering programs above the
5 prior academic year.

6 (3) Eastern Washington University shall not use funds
7 appropriated in this section to support intercollegiate athletics
8 programs.

9 (4) \$750,000 of the general fund—state appropriation for fiscal
10 year 2018 and \$750,000 of the general fund—state appropriation for
11 fiscal year 2019 are provided solely for programs or initiatives
12 designed to improve student academic success and increase degree
13 completion.

14 (5) \$9,851,000 of the general fund—state appropriation for fiscal
15 year 2018 and \$10,048,000 of the general fund—state appropriation for
16 fiscal year 2019 are provided solely for the implementation of the
17 college affordability program as set forth in RCW 28B.15.066.

18 (6) Within funds appropriated in this section, teacher
19 preparation programs shall meet the requirements of RCW 28B.10.710 to
20 incorporate information on the culture, history, and government of
21 American Indian people in this state by integrating the curriculum
22 developed and made available free of charge by the office of the
23 superintendent of public instruction into existing programs or
24 courses and may modify that curriculum in order to incorporate
25 elements that have a regionally specific focus.

26 (7) The appropriations in this section include sufficient funding
27 for the implementation of Substitute Senate Bill No. 5022 (education
28 loan information).

29 (8) The appropriations in this section include sufficient funding
30 for the implementation of Substitute Senate Bill No. 5100 (financial
31 literacy seminars).

32 (9) \$52,000 of the general fund—state appropriation for fiscal
33 year 2018 and \$52,000 of the general fund—state appropriation for
34 fiscal year 2019 are provided solely for implementation of Senate
35 Bill No. 5525 (veterans' mental health services). The university
36 shall use revenue from student health services fees, as defined in
37 RCW 28B.15.041, that are deposited in local accounts located outside
38 of the state treasury to fund the remainder of costs to implement the

1 bill. If the bill is not enacted by June 30, 2017, the amounts
2 provided in this subsection shall lapse.

3 (10) \$790,000 of the general fund—state appropriation for fiscal
4 year 2018 and \$1,617,000 of the general fund—state appropriation for
5 fiscal year 2019 are provided solely for the university to increase
6 full-time equivalent state-supported resident undergraduate
7 enrollment by 100 students in the 2017-18 academic year and 200
8 students in the 2018-19 academic year. If Senate Bill No. 5902 is not
9 enacted by June 30, 2017, the amounts provided in this subsection
10 shall lapse.

11 (a) The university shall fill seventy percent of the additional
12 resident undergraduate enrollment with students majoring in science,
13 technology, engineering, and mathematics.

14 (b) If the university is unable to fill the additional resident
15 undergraduate enrollment in the 2017-18 academic year, the amount
16 provided in this subsection for fiscal year 2018 shall lapse. For the
17 purpose of determining if funding provided in this subsection for
18 fiscal year 2018 shall be lapsed, the university shall report to the
19 office of financial management and the legislative fiscal committees,
20 by September 1, 2018, on the number of additional resident
21 undergraduate students enrolled in the 2017-18 academic year with the
22 funding provided in this subsection for fiscal year 2018.

23 **NEW SECTION. Sec. 609. FOR CENTRAL WASHINGTON UNIVERSITY**

24	General Fund—State Appropriation (FY 2018)	\$48,406,000
25	General Fund—State Appropriation (FY 2019)	\$49,415,000
26	General Fund—Private/Local Appropriation	\$96,000
27	Education Legacy Trust Account—State Appropriation	\$19,076,000
28	Central Washington University Capital Projects	
29	Account—State Appropriation	\$76,000
30	TOTAL APPROPRIATION.	\$117,069,000

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

33 (1) The university must continue work with the education research
34 and data center to demonstrate progress in engineering enrollments.
35 By September 1st of each year, the university shall provide a report
36 including but not limited to the cost per student, student completion
37 rates, and the number of low-income students enrolled in each
38 program, any process changes or best-practices implemented by the

1 university, and how many students are enrolled in engineering
2 programs above the prior academic year.

3 (2) Central Washington University shall not use funds
4 appropriated in this section to support intercollegiate athletics
5 programs.

6 (3) \$750,000 of the general fund—state appropriation for fiscal
7 year 2018 and \$750,000 of the general fund—state appropriation for
8 fiscal year 2019 are provided solely for programs or initiatives
9 designed to improve student academic success and increase degree
10 completion.

11 (4) \$11,104,000 of the general fund—state appropriation for
12 fiscal year 2018 and \$11,326,000 of the general fund—state
13 appropriation for fiscal year 2019 are provided solely for the
14 implementation of the college affordability program as set forth in
15 RCW 28B.15.066.

16 (5) Within funds appropriated in this section, teacher
17 preparation programs shall meet the requirements of RCW 28B.10.710 to
18 incorporate information on the culture, history, and government of
19 American Indian people in this state by integrating the curriculum
20 developed and made available free of charge by the office of the
21 superintendent of public instruction into existing programs or
22 courses and may modify that curriculum in order to incorporate
23 elements that have a regionally specific focus.

24 (6) The appropriations in this section include sufficient funding
25 for the implementation of Substitute Senate Bill No. 5022 (education
26 loan information).

27 (7) The appropriations in this section include sufficient funding
28 for the implementation of Substitute Senate Bill No. 5100 (financial
29 literacy seminars).

30 (8) \$48,000 of the general fund—state appropriation for fiscal
31 year 2018 and \$48,000 of the general fund—state appropriation for
32 fiscal year 2019 are provided solely for implementation of Senate
33 Bill No. 5525 (veterans' mental health services). The university
34 shall use revenue from student health services fees, as defined in
35 RCW 28B.15.041, that are deposited in local accounts located outside
36 of the state treasury to fund the remainder of costs to implement the
37 bill. If the bill is not enacted by June 30, 2017, the amounts
38 provided in this subsection shall lapse.

1 (9) \$742,000 of the general fund—state appropriation for fiscal
2 year 2018 and \$1,518,000 of the general fund—state appropriation for
3 fiscal year 2019 are provided solely for the university to increase
4 full-time equivalent state-supported resident undergraduate
5 enrollment by 100 students in the 2017-18 academic year and 200
6 students in the 2018-19 academic year. If Senate Bill No. 5902 is not
7 enacted by June 30, 2017, the amounts provided in this subsection
8 shall lapse.

9 (a) The university shall fill seventy percent of the additional
10 resident undergraduate enrollment with students majoring in science,
11 technology, engineering, and mathematics.

12 (b) If the university is unable to fill the additional resident
13 undergraduate enrollment in the 2017-18 academic year, the amount
14 provided in this subsection for fiscal year 2018 shall lapse. For the
15 purpose of determining if funding provided in this subsection for
16 fiscal year 2018 shall be lapsed, the university shall report to the
17 office of financial management and the legislative fiscal committees,
18 by September 1, 2018, on the number of additional resident
19 undergraduate students enrolled in the 2017-18 academic year with the
20 funding provided in this subsection for fiscal year 2018.

21 NEW SECTION. **Sec. 610. FOR THE EVERGREEN STATE COLLEGE**

22	General Fund—State Appropriation (FY 2018)	\$26,754,000
23	General Fund—State Appropriation (FY 2019)	\$27,218,000
24	General Fund—Private/Local Appropriation	\$88,000
25	Education Legacy Trust Account—State Appropriation	\$5,450,000
26	The Evergreen State College Capital Projects	
27	Account—State Appropriation	\$80,000
28	TOTAL APPROPRIATION.	\$59,590,000

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

31 (1) \$3,377,000 of the general fund—state appropriation for fiscal
32 year 2018 and \$3,445,000 of the general fund—state appropriation for
33 fiscal year 2019 are provided solely for the implementation of the
34 college affordability program as set forth in RCW 28B.15.066.

35 (2) \$750,000 of the general fund—state appropriation for fiscal
36 year 2018 and \$750,000 of the general fund—state appropriation for
37 fiscal year 2019 are provided solely for programs or initiatives

1 designed to improve student academic success and increase degree
2 completion.

3 (3) Funding provided in this section is sufficient for The
4 Evergreen State College to continue operations of the Longhouse
5 Center and the Northwest Indian applied research institute.

6 (4) Notwithstanding other provisions in this section, the board
7 of directors for the Washington state institute for public policy may
8 adjust due dates for projects included on the institute's 2017-19
9 work plan as necessary to efficiently manage workload.

10 (5) The Evergreen State College shall not use funds appropriated
11 in this section to support intercollegiate athletics programs.

12 (6) Within funds appropriated in this section, teacher
13 preparation programs shall meet the requirements of RCW 28B.10.710 to
14 incorporate information on the culture, history, and government of
15 American Indian people in this state by integrating the curriculum
16 developed and made available free of charge by the office of the
17 superintendent of public instruction into existing programs or
18 courses and may modify that curriculum in order to incorporate
19 elements that have a regionally specific focus.

20 (7) The appropriations in this section include sufficient funding
21 for the implementation of Substitute Senate Bill No. 5022 (education
22 loan information).

23 (8) The appropriations in this section include sufficient funding
24 for the implementation of Substitute Senate Bill No. 5100 (financial
25 literacy seminars).

26 (9) \$43,000 of the general fund—state appropriation for fiscal
27 year 2018 and \$44,000 of the general fund—state appropriation for
28 fiscal year 2019 are provided solely for implementation of Senate
29 Bill No. 5525 (veterans' mental health services). The university
30 shall use revenue from student health services fees, as defined in
31 RCW 28B.15.041, that are deposited in local accounts located outside
32 of the state treasury to fund the remainder of costs to implement the
33 bill. If the bill is not enacted by June 30, 2017, the amounts
34 provided in this subsection shall lapse.

35 (10) \$200,000 of the general fund—state appropriation for fiscal
36 year 2018 and \$49,000 of the general fund—state appropriation for
37 fiscal year 2019 are provided solely for implementation of Substitute
38 Senate Bill No. 5443 (dynamic fiscal notes). If the bill is not

1 enacted by June 30, 2017, the amounts provided in this subsection
2 shall lapse.

3 (11) \$17,000 of the general fund—state appropriation for fiscal
4 year 2018 and \$34,000 of the general fund—state appropriation for
5 fiscal year 2019 are provided solely for the implementation of
6 chapter 29, Laws of 2016, sp.s. (mental health chemical dependency).

7 (12) \$122,000 of the general fund—state appropriation for fiscal
8 year 2018 and \$40,000 of the general fund—state appropriation for
9 fiscal year 2019 are provided solely for the implementation of
10 chapter 244, Laws of 2015 (college bound).

11 (13) \$1,000 of the general fund—state appropriation for fiscal
12 year 2018 and \$1,000 of the general fund—state appropriation for
13 fiscal year 2019 are provided solely for the implementation of
14 chapter 7, Laws of 2015, 3rd sp.s. (early start act).

15 (14) \$889,000 of the general fund—state appropriation for fiscal
16 year 2018 and \$1,819,000 of the general fund—state appropriation for
17 fiscal year 2019 are provided solely for the college to increase
18 full-time equivalent state-supported resident undergraduate
19 enrollment by 100 students in the 2017-18 academic year and 200
20 students in the 2018-19 academic year. If Senate Bill No. 5902 is not
21 enacted by June 30, 2017, the amounts provided in this subsection
22 shall lapse.

23 (a) The college shall fill seventy percent of the additional
24 resident undergraduate enrollment with students majoring in science,
25 technology, engineering, and mathematics.

26 (b) If the college is unable to fill the additional resident
27 undergraduate enrollment in the 2017-18 academic year, the amount
28 provided in this subsection for fiscal year 2018 shall lapse. For the
29 purpose of determining if funding provided in this subsection for
30 fiscal year 2018 shall be lapsed, the college shall report to the
31 office of financial management and the legislative fiscal committees,
32 by September 1, 2018, on the number of additional resident
33 undergraduate students enrolled in the 2017-18 academic year with the
34 funding provided in this subsection for fiscal year 2018.

35 (15) \$35,000 of the general fund—state appropriation for fiscal
36 year 2018 and \$70,000 of the general fund—state appropriation for
37 fiscal year 2019 are provided solely for implementation of Substitute
38 Senate Bill No. 5890 (foster care and adoption). If the bill is not

1 enacted by June 30, 2017, the amounts provided in this subsection
2 shall lapse.

3 (16) \$250,000 of the general fund—state appropriation for fiscal
4 year 2018 and \$250,000 of the general fund—state appropriation for
5 fiscal year 2019 are provided solely for the Washington state
6 institute for public policy to evaluate the impact of changes within
7 the adult behavioral health system. The institute shall assess the
8 effects on the state hospital system and behavioral health clients,
9 in alignment with other legislative reporting. The goal for the
10 effort is to provide policymakers with additional information to aid
11 in decision making on an ongoing basis. Therefore, the institute
12 shall:

13 (a) Create a framework for assessing the effectiveness of
14 investments both in the whole and in specific program investments;

15 (b) Determine baseline data measures for analysis; and

16 (c) Consult with the relevant legislative and agency staff to
17 prioritize research questions and evaluation activities.

18 The institute shall provide a report to the governor and the
19 appropriate committees of the legislature each year no later than
20 November 1st, beginning in calendar year 2018 outlining the framework
21 and the evaluations done to date.

22 (17) \$62,000 of the general fund—state appropriation for fiscal
23 year 2018 is provided solely for the Washington state institute for
24 public policy to conduct a study on the effectiveness of
25 paraeducators pursuant to Substitute Senate Bill No. 5607
26 (education). If the bill is not enacted by June 30, 2017, the amount
27 provided in this subsection shall lapse.

28 **NEW SECTION. Sec. 611. FOR WESTERN WASHINGTON UNIVERSITY**

29	General Fund—State Appropriation (FY 2018)	. . . . .	\$68,006,000
30	General Fund—State Appropriation (FY 2019)	. . . . .	\$69,108,000
31	General Fund—Private/Local Appropriation	. . . . .	\$78,000
32	Education Legacy Trust Account—State Appropriation	. . . . .	\$13,831,000
33	Western Washington University Capital Projects		
34	Account—State Appropriation.	. . . . .	\$1,483,000
35	TOTAL APPROPRIATION.	. . . . .	\$152,506,000

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

1 (1) The university must continue work with the education research
2 and data center to demonstrate progress in computer science and
3 engineering enrollments. By September 1st of each year, the
4 university shall provide a report including but not limited to the
5 cost per student, student completion rates, and the number of low-
6 income students enrolled in each program, any process changes or
7 best-practices implemented by the university, and how many students
8 are enrolled in computer science and engineering programs above the
9 prior academic year.

10 (2) \$630,000 of the general fund—state appropriation for fiscal
11 year 2018 and \$630,000 of the general fund—state appropriation for
12 fiscal year 2019 are provided solely for the creation of a computer
13 and information systems security program located at Olympic college -
14 Poulsbo. The university must identify these students separately when
15 providing data to the educational data centers as required in (1) of
16 this section.

17 (3) Western Washington University shall not use funds
18 appropriated in this section to support intercollegiate athletics
19 programs.

20 (4) \$15,326,000 of the general fund—state appropriation for
21 fiscal year 2018 and \$15,632,000 of the general fund—state
22 appropriation for fiscal year 2019 are provided solely for the
23 implementation of the college affordability program as set forth in
24 RCW 28B.15.066.

25 (5) Within funds appropriated in this section, teacher
26 preparation programs shall meet the requirements of RCW 28B.10.710 to
27 incorporate information on the culture, history, and government of
28 American Indian people in this state by integrating the curriculum
29 developed and made available free of charge by the office of the
30 superintendent of public instruction into existing programs or
31 courses and may modify that curriculum in order to incorporate
32 elements that have a regionally specific focus.

33 (6) The appropriations in this section include sufficient funding
34 for the implementation of Substitute Senate Bill No. 5022 (education
35 loan information).

36 (7) The appropriations in this section include sufficient funding
37 for the implementation of Substitute Senate Bill No. 5100 (financial
38 literacy seminars).

1 (8) \$38,000 of the general fund—state appropriation for fiscal
2 year 2018 and \$38,000 of the general fund—state appropriation for
3 fiscal year 2019 are provided solely for implementation of Senate
4 Bill No. 5525 (veterans' mental health services). The university
5 shall use revenue from student health services fees, as defined in
6 RCW 28B.15.041, that are deposited in local accounts located outside
7 of the state treasury to fund the remainder of costs to implement the
8 bill. If the bill is not enacted by June 30, 2017, the amounts
9 provided in this subsection shall lapse.

10 (9) \$741,000 of the general fund—state appropriation for fiscal
11 year 2018 and \$1,517,000 of the general fund—state appropriation for
12 fiscal year 2019 are provided solely for the university to increase
13 full-time equivalent state-supported resident undergraduate
14 enrollment by 100 students in the 2017-18 academic year and 200
15 students in the 2018-19 academic year. If Senate Bill No. 5902 is not
16 enacted by June 30, 2017, the amounts provided in this subsection
17 shall lapse.

18 (a) The university shall fill seventy percent of the additional
19 resident undergraduate enrollment with students majoring in science,
20 technology, engineering, and mathematics.

21 (b) If the university is unable to fill the additional resident
22 undergraduate enrollment in the 2017-18 academic year, the amount
23 provided in this subsection for fiscal year 2018 shall lapse. For the
24 purpose of determining if funding provided in this subsection for
25 fiscal year 2018 shall be lapsed, the university shall report to the
26 office of financial management and the legislative fiscal committees,
27 by September 1, 2018, on the number of additional resident
28 undergraduate students enrolled in the 2017-18 academic year with the
29 funding provided in this subsection for fiscal year 2018.

30 NEW SECTION. **Sec. 612. FOR THE STUDENT ACHIEVEMENT COUNCIL—**
31 **POLICY COORDINATION AND ADMINISTRATION**

32	General Fund—State Appropriation (FY 2018)	. . . . .	\$5,371,000
33	General Fund—State Appropriation (FY 2019)	. . . . .	\$5,388,000
34	General Fund—Federal Appropriation	. . . . .	\$4,871,000
35	TOTAL APPROPRIATION.	. . . . .	\$15,630,000

36 NEW SECTION. **Sec. 613. FOR THE STUDENT ACHIEVEMENT COUNCIL—**
37 **OFFICE OF STUDENT FINANCIAL ASSISTANCE**

1	General Fund—State Appropriation (FY 2018)	\$217,710,000
2	General Fund—State Appropriation (FY 2019)	\$215,966,000
3	General Fund—Federal Appropriation	\$11,842,000
4	General Fund—Private/Local Appropriation	\$300,000
5	Education Legacy Trust Account—State Appropriation	\$149,264,000
6	WA Opportunity Pathways Account—State Appropriation	\$81,389,000
7	Aerospace Training Student Loan Account—State	
8	Appropriation	\$708,000
9	Health Professionals Loan Repayment and Scholarship	
10	Program Account—State Appropriation	\$4,720,000
11	TOTAL APPROPRIATION.	\$681,899,000

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

14 (1) \$223,073,000 of the general fund—state appropriation for
15 fiscal year 2018, \$202,844,000 of the general fund—state
16 appropriation for fiscal year 2019, \$100,415,000 of the education
17 legacy trust account—state appropriation, and \$60,000,000 of the
18 Washington opportunity pathways account—state appropriation are
19 provided solely for student financial aid payments under the state
20 need grant and state work study programs, including up to four
21 percent administrative allowance for the state work study program.

22 (2) Changes made to the state need grant program in the 2011-2013
23 fiscal biennium are continued in the 2017-2019 fiscal biennium. For
24 the 2017-2019 fiscal biennium, awards given to private institutions
25 shall be the same amount as the prior year.

26 (3) Changes made to the state work study program in the 2009-2011
27 and 2011-2013 fiscal biennia are continued in the 2017-2019 fiscal
28 biennium including maintaining the increased required employer share
29 of wages; adjusted employer match rates; discontinuation of
30 nonresident student eligibility for the program; and revising
31 distribution methods to institutions by taking into consideration
32 other factors such as off-campus job development, historical
33 utilization trends, and student need.

34 (4) Within the funds appropriated in this section, eligibility
35 for the state need grant includes students with family incomes at or
36 below 70 percent of the state median family income (MFI), adjusted
37 for family size, and shall include students enrolled in three to five
38 credit-bearing quarter credits, or the equivalent semester credits.
39 Awards for students with incomes between 51 and 70 percent of the

1 state median shall be prorated at the following percentages of the
2 award amount granted to those with incomes below 51 percent of the
3 MFI: 70 percent for students with family incomes between 51 and 55
4 percent MFI; 65 percent for students with family incomes between 56
5 and 60 percent MFI; 60 percent for students with family incomes
6 between 61 and 65 percent MFI; and 50 percent for students with
7 family incomes between 66 and 70 percent MFI.

8 (5) Of the amounts provided in subsection (1) of this section,
9 \$100,000 of the general fund—state appropriation for fiscal year 2018
10 and \$100,000 of the general fund—state appropriation for fiscal year
11 2019 are provided for the council to process an alternative financial
12 aid application system pursuant to RCW 28B.92.010.

13 (6)(a) Students who are eligible for the college bound
14 scholarship shall be given priority for the state need grant program.
15 These eligible college bound students whose family incomes are in the
16 0-65 percent median family income ranges must be awarded the maximum
17 state need grant for which they are eligible under state policies and
18 may not be denied maximum state need grant funding due to
19 institutional policies or delayed awarding of college bound
20 scholarship students. The council shall provide directions to
21 institutions to maximize the number of college bound scholarship
22 students receiving the maximum state need grant for which they are
23 eligible with a goal of 100 percent coordination. Institutions shall
24 identify all college bound scholarship students to receive state need
25 grant priority. If an institution is unable to identify all college
26 bound scholarship students at the time of initial state aid
27 packaging, the institution should reserve state need grant funding
28 sufficient to cover the projected enrollments of college bound
29 scholarship students.

30 (b) In calculating the college bound award, public institutions
31 of higher education are subject to the conditions and limitations in
32 chapter 28B.118 RCW.

33 (7) \$15,849,000 of the education legacy trust account—state
34 appropriation and \$29,389,000 of the Washington opportunity pathways
35 account—state appropriation are provided solely for the college bound
36 scholarship program and may support scholarships for summer session.

37 (8) \$2,236,000 of the general fund—state appropriation for fiscal
38 year 2018 and \$2,236,000 of the general fund—state appropriation for
39 fiscal year 2019 are provided solely for the passport to college

1 program. The maximum scholarship award is up to \$5,000. The board
2 shall contract with a nonprofit organization to provide support
3 services to increase student completion in their postsecondary
4 program and shall, under this contract, provide a minimum of \$500,000
5 in fiscal years 2018 and 2019 for this purpose.

6 (9) \$10,400,000 of the general fund—state appropriation for
7 fiscal year 2018 and \$4,330,000 of the general fund—state
8 appropriation for fiscal year 2019 are provided solely to meet state
9 match requirements associated with the opportunity scholarship
10 program. The legislature will evaluate subsequent appropriations to
11 the opportunity scholarship program based on the extent that
12 additional private contributions are made, program spending patterns,
13 and fund balance.

14 (10) \$2,325,000 of the general fund—state appropriation for
15 fiscal year 2018 and \$2,325,000 of the general fund—state
16 appropriation for fiscal year 2019 are provided solely for
17 expenditure into the health professionals loan repayment and
18 scholarship program account. These amounts and \$4,720,000
19 appropriated from the health professionals loan repayment and
20 scholarship program account—state appropriation must be used to
21 increase the number of licensed primary care health professionals to
22 serve in licensed primary care health professional critical shortage
23 areas. The office of student financial assistance and the department
24 of health shall prioritize a portion of any nonfederal balances in
25 the health professional loan repayment and scholarship fund for
26 conditional loan repayment contracts with psychiatrists and with
27 advanced registered nurse practitioners for work at one of the state-
28 operated psychiatric hospitals. The office and department shall
29 designate the state hospitals as health professional shortage areas
30 if necessary for this purpose. The office shall coordinate with the
31 department of social and health services to effectively incorporate
32 three conditional loan repayments into the department's advanced
33 psychiatric professional recruitment and retention strategies. The
34 office may use these targeted amounts for other program participants
35 should there be any remaining amounts after eligible psychiatrists
36 and advanced registered nurse practitioners have been served. The
37 office shall also work to prioritize loan repayments to professionals
38 working at health care delivery sites that demonstrate a commitment
39 to serving uninsured clients.

1 (11) \$42,000 of the general fund—state appropriation for fiscal
2 year 2018 and \$42,000 of the general fund—state appropriation for
3 fiscal year 2019 are provided solely for the council to design and
4 implement a program that provides customized information to high-
5 achieving (as determined by local school districts), low-income, high
6 school students. "Low-income" means students who are from low-income
7 families as defined by the education data center in RCW 43.41.400.
8 For the purposes of designing, developing, and implementing the
9 program, the council shall partner with a national entity that offers
10 aptitude tests and shall consult with institutions of higher
11 education with a physical location in Washington. The council shall
12 implement the program no later than fall 2016, giving consideration
13 to spring mailings in order to capture early action decisions offered
14 by institutions of higher education and nonprofit baccalaureate
15 degree-granting institutions. The information packet for students
16 must include at a minimum:

- 17 (a) Materials that help students to choose colleges;
- 18 (b) An application guidance booklet;
- 19 (c) Application fee waivers, if available, for four-year
20 institutions of higher education and independent nonprofit
21 baccalaureate degree-granting institutions in the state that enable
22 students receiving a packet to apply without paying application fees;
- 23 (d) Information on college affordability and financial aid that
24 includes information on the net cost of attendance for each four-year
25 institution of higher education and each nonprofit baccalaureate
26 degree-granting institution, and information on merit and need-based
27 aid from federal, state, and institutional sources; and
- 28 (e) A personally addressed cover letter signed by the governor
29 and the president of each four-year institution of higher education
30 and nonprofit baccalaureate degree-granting institution in the state.

31 NEW SECTION. **Sec. 614. FOR THE WORKFORCE TRAINING AND EDUCATION**
32 **COORDINATING BOARD**

33	General Fund—State Appropriation (FY 2018)	. . . . .	\$1,848,000
34	General Fund—State Appropriation (FY 2019)	. . . . .	\$1,746,000
35	General Fund—Federal Appropriation	. . . . .	\$55,206,000
36	General Fund—Private/Local Appropriation	. . . . .	\$206,000
37	TOTAL APPROPRIATION.	. . . . .	\$59,006,000

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

3 (1) For the 2017-2019 fiscal biennium the board shall not
4 designate recipients of the Washington award for vocational
5 excellence or recognize them at award ceremonies as provided in RCW
6 28C.04.535.

7 (2) The health workforce council of the state workforce training
8 and education coordinating board, in partnership with work underway
9 with the office of the governor, shall, within resources available
10 for such purpose, but not to exceed \$250,000, assess workforce
11 shortages across behavioral health disciplines. The board shall
12 create a recommended action plan to address behavioral health
13 workforce shortages and to meet the increased demand for services
14 now, and with the integration of behavioral health and primary care
15 in 2020. The analysis and recommended action plan shall align with
16 the recommendations of the adult behavioral health system task force
17 and related work of the healthier Washington initiative. The board
18 shall consider workforce data, gaps, distribution, pipeline,
19 development, and infrastructure, including innovative high school,
20 postsecondary, and postgraduate programs to evolve, align, and
21 respond accordingly to our state's behavioral health and related and
22 integrated primary care workforce needs. The board will continue its
23 work and submit final recommendations in calendar year 2017.

24 (3) \$22,000 of the general fund—state appropriation for fiscal
25 year 2018 is provided solely for implementation of Substitute Senate
26 Bill No. 5022 (education loan information). If the bill is not
27 enacted by June 30, 2017, the amount provided in this subsection
28 shall lapse.

29 (4) \$110,000 of the general fund—state appropriation for fiscal
30 year 2018 and \$61,000 of the general fund—state appropriation for
31 fiscal year 2019 are provided solely for implementation of Second
32 Substitute Senate Bill No. 5285 (workforce employment sectors study).
33 If the bill is not enacted by June 30, 2017, the amounts provided in
34 this subsection shall lapse.

35 (5)(a) For any workforce development council located in a county
36 with a population greater than eight hundred forty thousand, but less
37 than one million five hundred thousand that receives moneys or
38 assistance from appropriations in this section, as a condition of
39 receipt of such moneys or assistance, the workforce development

1 council must participate in a local workforce coordinating committee
2 convened by the county executive authority. The purpose of the local
3 workforce coordinating committee is to facilitate local
4 implementation of the state comprehensive plan for workforce training
5 and education. This committee shall adopt an implementation plan that
6 operationalizes the strategic priorities of the state comprehensive
7 plan in a locally relevant manner.

8 (b) The local workforce coordinating committee shall be chaired
9 by the county executive authority, and shall be composed of five
10 voting members: (i) The county executive authority; (ii) the
11 chairperson of the county legislative authority; (iii) the
12 chairperson of the local workforce development council; (iv) the
13 chief elected official of a city with a population greater than two
14 hundred thousand; and (v) the chief executive of the local economic
15 development agency.

16 (c) The local workforce coordinating committee shall include
17 nonvoting, ex officio representation from the following state
18 agencies: (i) The employment security department; (ii) the department
19 of social and health services; (iii) the state board for community
20 and technical colleges; and (iv) the workforce training and education
21 coordinating board.

22 (d) To assure a locally integrated workforce development system,
23 all publicly funded workforce development activities conducted within
24 the county must align with the implementation plan adopted by the
25 local workforce coordinating committee.

26 (e) If any part of this section is found to be in conflict with
27 federal requirements that are a prescribed condition to the
28 allocation of federal funds to the state, the conflicting part of
29 this act is inoperative solely to the extent of the conflict and with
30 respect to the agencies directly affected, and this finding does not
31 affect the operation of the remainder of this act in its application
32 to the agencies concerned.

33 **NEW SECTION. Sec. 615. FOR THE DEPARTMENT OF EARLY LEARNING**

34 General Fund—State Appropriation (FY 2018)	\$108,201,000
35 General Fund—State Appropriation (FY 2019)	\$102,737,000
36 General Fund—Federal Appropriation	\$310,268,000
37 Education Legacy Trust Account—State Appropriation	\$28,258,000
38 Home Visiting Services Account—State Appropriation	\$6,309,000

1	Home Visiting Services Account—Federal Appropriation . . .	\$23,836,000
2	WA Opportunity Pathways Account—State Appropriation . . .	\$80,000,000
3	TOTAL APPROPRIATION.	\$659,609,000

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

6 (1) \$49,801,000 of the general fund—state appropriation for
7 fiscal year 2018, \$48,904,000 of the general fund—state appropriation
8 for fiscal year 2019, \$24,250,000 of the education legacy trust
9 account—state appropriation, and \$80,000,000 of the opportunity
10 pathways account appropriation are provided solely for the early
11 childhood education and assistance program. These amounts shall
12 support at least 11,691 slots in fiscal year 2018 and 11,691 slots in
13 fiscal year 2019.

14 (2) \$200,000 of the general fund—state appropriation for fiscal
15 year 2018 and \$200,000 of the general fund—state appropriation for
16 fiscal year 2019 are provided solely to develop and provide
17 culturally relevant supports for parents, family, and other
18 caregivers.

19 (3) The department is the lead agency for and recipient of the
20 federal child care and development fund grant. Amounts within this
21 grant shall be used to fund child care licensing, quality
22 initiatives, agency administration, and other costs associated with
23 child care subsidies. The department shall transfer a portion of this
24 grant to the department of social and health services to fund the
25 child care subsidies paid by the department of social and health
26 services on behalf of the department of early learning.

27 (4) \$153,244,000 of the general fund—federal appropriation is
28 provided solely for the working connections child care program under
29 RCW 43.215.135. In order to not exceed the appropriated amount, a
30 wait list for the working connections child care program shall be
31 implemented if enrollment reaches 31,000 households. Once the wait
32 list is in effect, and only as space or funding becomes available,
33 enrollment in the program shall be prioritized according to the
34 following order:

- 35 (a) Families applying for or receiving temporary assistance for
36 needy families (TANF);
- 37 (b) TANF families curing sanction;
- 38 (c) Foster children who will be enrolled in slots being held by
39 the state;

1 (d) Families that include a child with special needs;

2 (e) Families in which a parent of a child in care is a minor who
3 is not living with a parent or guardian and who is a full-time
4 student in a high school that has a school-sponsored on-site child
5 care center; and

6 (f) All other eligible families.

7 (5) 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 enrollments and active caseload for the
10 working connections child care program to the legislative fiscal
11 committees and the legislative-executive WorkFirst oversight task
12 force on an agreed upon schedule. The report shall also identify the
13 number of cases participating in both temporary assistance for needy
14 families and working connections child care. The department must also
15 report on the number of children served through contracted slots.

16 (6) \$1,560,000 of the general fund—state appropriation for fiscal
17 year 2018, \$1,560,000 of the general fund—state appropriation for
18 fiscal year 2019, and \$13,424,000 of the general fund—federal
19 appropriation are provided solely for the seasonal child care
20 program. If federal sequestration cuts are realized, cuts to the
21 seasonal child care program must be proportional to other federal
22 reductions made within the department.

23 (7) \$31,996,000 of the general fund—state appropriation for
24 fiscal year 2018, \$33,565,000 of the general fund—state appropriation
25 for fiscal year 2019, and \$36,006,000 of the general fund—federal
26 appropriation are provided solely to maintain the requirements set
27 forth in chapter 7, Laws of 2015 3rd special session. The department
28 shall place a ten percent administrative overhead cap on any contract
29 entered into with the University of Washington. In its annual report
30 to the governor and the legislature, the department shall report the
31 total amount of funds spent on the quality rating and improvements
32 system and the total amount of funds spent on degree incentives,
33 scholarships, and tuition reimbursements.

34 (8) \$1,808,000 of the general fund—state appropriation for fiscal
35 year 2018 and \$1,808,000 of the general fund—state appropriation for
36 fiscal year 2019 are provided solely for reducing barriers for low-
37 income providers to participate in the early achievers program.

1 (9) \$4,000,000 of the education legacy trust account—state
2 appropriation is provided solely for early intervention assessment
3 and services.

4 (10) \$11,424,000 of the general fund—federal appropriation is
5 provided solely for the department to procure a time and attendance
6 system and are subject to the conditions, limitations, and review
7 provided in section 724 of this act.

8 (11) Information technology projects or investments and proposed
9 projects or investments impacting time capture, payroll and payment
10 processes and systems, eligibility, case management and authorization
11 systems within the department of early learning are subject to
12 technical oversight by the office of the chief information officer.
13 The department must collaborate with the office of the chief
14 information officer to develop a strategic business and technology
15 architecture plan for a child care attendance and billing system that
16 supports a statewide architecture.

17 (12)(a)(i) The department of early learning is required to
18 provide to the education research and data center, housed at the
19 office of financial management, data on all state-funded early
20 childhood programs. These programs include the early support for
21 infants and toddlers, early childhood education and assistance
22 program (ECEAP), and the working connections and seasonal subsidized
23 childcare programs including license exempt facilities or family,
24 friend, and neighbor care. The data provided by the department to the
25 education research data center must include information on children
26 who participate in these programs, including their name and date of
27 birth, and dates the child received services at a particular
28 facility.

29 (ii) By October 2017, and every October thereafter, the
30 department must provide updated ECEAP early learning professional
31 data to the education research data center.

32 (iii) The department must request federally funded head start
33 programs to voluntarily provide data to the department and the
34 education research data center that is equivalent to what is being
35 provided for state-funded programs.

36 (iv) The education research and data center must provide an
37 updated report on early childhood program participation and K-12
38 outcomes to the house of representatives appropriations committee and
39 the senate ways and means committee using available data by November

1 2017 for the school year ending in 2016 and again in March 2018 for
2 the school year ending in 2017.

3 (b) The department, in consultation with the department of social
4 and health services, must withhold payment for services to early
5 childhood programs that do not report on the name, date of birth, and
6 the dates a child received services at a particular facility.

7 (13) The department shall work with state and local law
8 enforcement, federally recognized tribal governments, and tribal law
9 enforcement to develop a process for expediting fingerprinting and
10 data collection necessary to conduct background checks for tribal
11 early learning and child care providers.

12 (14) \$136,000 of the general fund—state appropriation for fiscal
13 year 2018 and \$137,000 of the general fund—state appropriation for
14 fiscal year 2019 are provided solely for a one percent rate increase
15 for licensed family child care providers; a \$1.25 per hour increase
16 for family, friends, and neighbor providers; and a 4.25 percent
17 increase in health insurance premium coverage.

18 (15) \$292,000 of the general fund—state appropriation for fiscal
19 year 2018 and \$291,000 of the general fund—state appropriation for
20 fiscal year 2019 are provided solely for a one percent base rate
21 increase for child care center providers.

22 **NEW SECTION. Sec. 616. FOR THE STATE SCHOOL FOR THE BLIND**

23	General Fund—State Appropriation (FY 2018)	\$6,724,000
24	General Fund—State Appropriation (FY 2019)	\$6,728,000
25	General Fund—Private/Local Appropriation	\$34,000
26	TOTAL APPROPRIATION.	\$13,486,000

27 The appropriations in this section are subject to the following
28 conditions and limitations: Funding provided in this section is
29 sufficient for the school to offer to students enrolled in grades
30 nine through twelve for full-time instructional services at the
31 Vancouver campus with the opportunity to participate in a minimum of
32 one thousand eighty hours of instruction and the opportunity to earn
33 twenty-four high school credits.

34 **NEW SECTION. Sec. 617. FOR THE WASHINGTON STATE CENTER FOR**
35 **CHILDHOOD DEAFNESS AND HEARING LOSS**

36	General Fund—State Appropriation (FY 2018)	\$10,222,000
37	General Fund—State Appropriation (FY 2019)	\$10,237,000

1 TOTAL APPROPRIATION. \$20,459,000

2 The appropriations in this section are subject to the following
3 conditions and limitations: Funding provided in this section is
4 sufficient for the center to offer to students enrolled in grades
5 nine through twelve for full-time instructional services at the
6 Vancouver campus with the opportunity to participate in a minimum of
7 one thousand eighty hours of instruction and the opportunity to earn
8 twenty-four high school credits.

9 NEW SECTION. **Sec. 618. FOR THE WASHINGTON STATE ARTS COMMISSION**

10 General Fund—State Appropriation (FY 2018) \$1,368,000
11 General Fund—State Appropriation (FY 2019) \$1,380,000
12 General Fund—Federal Appropriation \$2,112,000
13 General Fund—Private/Local Appropriation \$16,000
14 TOTAL APPROPRIATION. \$4,876,000

15 NEW SECTION. **Sec. 619. FOR THE WASHINGTON STATE HISTORICAL**
16 **SOCIETY**

17 General Fund—State Appropriation (FY 2018) \$2,462,000
18 General Fund—State Appropriation (FY 2019) \$2,515,000
19 TOTAL APPROPRIATION. \$4,977,000

20 NEW SECTION. **Sec. 620. FOR THE EASTERN WASHINGTON STATE**
21 **HISTORICAL SOCIETY**

22 General Fund—State Appropriation (FY 2018) \$1,898,000
23 General Fund—State Appropriation (FY 2019) \$1,908,000
24 TOTAL APPROPRIATION. \$3,806,000

(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 2018)	. . . . .	\$1,134,941,000
General Fund—State Appropriation (FY 2019)	. . . . .	\$1,193,207,000
State Building Construction Account—State Appropriation	.	\$6,456,000
Columbia River Basin Water Supply—State Appropriation	. . . . .	\$79,000
State Taxable Building Construction Account—State		
Appropriation	. . . . .	\$376,000
Debt-Limit Reimbursable Bond Retire Account—State		
Appropriation	. . . . .	\$570,000
TOTAL APPROPRIATION.	. . . . .	\$2,335,629,000

The appropriations in this section are subject to the following conditions and limitations: The general fund appropriations are for expenditure into the debt-limit general fund bond retirement account.

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 AS PRESCRIBED BY STATUTE**

General Fund—State Appropriation (FY 2018)	. . . . .	\$9,592,000
General Fund—State Appropriation (FY 2019)	. . . . .	\$1,517,000
Nondebt-Limit Reimbursable Bond Retirement Account—State		
Appropriation	. . . . .	\$184,549,000
TOTAL APPROPRIATION.	. . . . .	\$195,658,000

The appropriations in this section are subject to the following conditions and limitations: The general fund appropriations are for expenditure into the nondebt-limit general fund bond retirement account.

NEW SECTION. **Sec. 703. FOR THE STATE TREASURER—BOND RETIREMENT AND INTEREST, AND ONGOING BOND REGISTRATION AND TRANSFER CHARGES: FOR BOND SALE EXPENSES**

General Fund—State Appropriation (FY 2018)	. . . . .	\$1,400,000
General Fund—State Appropriation (FY 2019)	. . . . .	\$1,400,000
Hood Canal Aquatic Rehabilitation—State		

1	Appropriation.	\$1,000
2	State Building Construction Account—State	
3	Appropriation	\$2,191,000
4	Columbia River Basin Water Supply—State Appropriation	\$58,000
5	Columbia River Basin Taxable Bond Water	
6	Supply—State Appropriation.	\$14,000
7	State Taxable Building Construction Account—State	
8	Appropriation	\$150,000
9	TOTAL APPROPRIATION.	\$5,214,000

10 NEW SECTION. **Sec. 704. FOR THE OFFICE OF FINANCIAL MANAGEMENT—**
11 **EMERGENCY FUND**

12	General Fund—State Appropriation (FY 2018)	\$850,000
13	General Fund—State Appropriation (FY 2019)	\$850,000
14	TOTAL APPROPRIATION.	\$1,700,000

15 The appropriations in this section are subject to the following
16 conditions and limitations: The appropriations in this section are
17 for the governor's emergency fund for the critically necessary work
18 of any agency.

19 NEW SECTION. **Sec. 705. FOR THE OFFICE OF FINANCIAL MANAGEMENT—**
20 **EDUCATION TECHNOLOGY REVOLVING ACCOUNT**

21	General Fund—State Appropriation (FY 2018)	\$8,000,000
22	General Fund—State Appropriation (FY 2019)	\$8,000,000
23	TOTAL APPROPRIATION.	\$16,000,000

24 The appropriations in this section are subject to the following
25 conditions and limitations: The appropriations in this section are
26 provided solely for expenditure into the education technology
27 revolving account for the purpose of covering ongoing operational and
28 equipment replacement costs incurred by the K-20 educational network
29 program in providing telecommunication services to network
30 participants.

31 NEW SECTION. **Sec. 706. FOR THE OFFICE OF FINANCIAL MANAGEMENT—**
32 **O'BRIEN BUILDING IMPROVEMENT**

33	General Fund—State Appropriation (FY 2018)	\$2,797,000
34	General Fund—State Appropriation (FY 2019)	\$2,798,000
35	TOTAL APPROPRIATION.	\$5,595,000

1 The appropriations in this section are subject to the following
2 conditions and limitations: The appropriations are provided solely
3 for expenditure into the enterprise services account for payment of
4 principal, interest, and financing expenses associated with the
5 certificate of participation for the O'Brien building improvement,
6 project number 20081007.

7 NEW SECTION. **Sec. 707. FOR THE OFFICE OF FINANCIAL MANAGEMENT—**
8 **CHERBERG BUILDING REHABILITATION**

9	General Fund—State Appropriation (FY 2018)	. . . . .	\$552,000
10	General Fund—State Appropriation (FY 2019)	. . . . .	\$554,000
11	TOTAL APPROPRIATION.	. . . . .	\$1,106,000

12 The appropriations in this section are subject to the following
13 conditions and limitations: The appropriations are provided solely
14 for expenditure into the enterprise services account for payment for
15 the principal, interest, and financing expenses associated with the
16 certificate of participation for the Cherberg building improvements,
17 project number 2002-1-005.

18 NEW SECTION. **Sec. 708. FOR THE OFFICE OF FINANCIAL MANAGEMENT—**
19 **ANDY HILL CANCER RESEARCH ENDOWMENT FUND MATCH TRANSFER ACCOUNT**

20	General Fund—State Appropriation (FY 2018)	. . . . .	\$5,000,000
21	General Fund—State Appropriation (FY 2019)	. . . . .	\$5,000,000
22	TOTAL APPROPRIATION.	. . . . .	\$10,000,000

23 The appropriations in this section are subject to the following
24 conditions and limitations: The appropriations in this section are
25 provided solely for expenditure into the Andy Hill cancer research
26 endowment fund match transfer account per RCW 43.348.080 to fund the
27 cancer research endowment program.

28 NEW SECTION. **Sec. 709. FOR THE STATE TREASURER—COUNTY PUBLIC**
29 **HEALTH ASSISTANCE**

30	General Fund—State Appropriation (FY 2018)	. . . . .	\$36,386,000
31	General Fund—State Appropriation (FY 2019)	. . . . .	\$36,386,000
32	TOTAL APPROPRIATION.	. . . . .	\$72,772,000

33 The appropriations in this section are subject to the following
34 conditions and limitations: The state treasurer shall distribute the
35 appropriations to the counties and health districts listed in this

1 section in the amounts designated to support public health services,
 2 including public health nursing. Counties and health districts that
 3 have safe injection sites located within their territory or area
 4 shall not receive a distribution. For purposes of this section, "Safe
 5 injection site" means any building, structure, site, facility, or
 6 program, including but not limited to safe consumption or safe
 7 injection programs, with a function of providing a space or area for
 8 either use or consumption, or both, of federally controlled
 9 substances.

10	Health District	FY 2018	FY 2019	2017-2019
11				Biennium
12	Adams County Health District	\$121,213	\$121,213	\$242,426
13	Asotin County Health District	\$159,890	\$159,890	\$319,780
14	Benton-Franklin Health District	\$1,614,337	\$1,614,337	\$3,228,674
15	Chelan-Douglas Health District	\$399,634	\$399,634	\$799,268
16	Clallam County Health and Human Services Department	\$291,401	\$291,401	\$582,802
17	Clark County Health District	\$1,767,341	\$1,767,341	\$3,534,682
18	Skamania County Health Department	\$111,327	\$111,327	\$222,654
19	Columbia County Health District	\$119,991	\$119,991	\$239,982
20	Cowlitz County Health Department	\$477,981	\$477,981	\$955,962
21	Garfield County Health District	\$93,154	\$93,154	\$186,308
22	Grant County Health District	\$297,761	\$297,761	\$595,522
23	Grays Harbor Health Department	\$335,666	\$335,666	\$671,332
24	Island County Health Department	\$255,224	\$255,224	\$510,448
25	Jefferson County Health and Human Services	\$184,080	\$184,080	\$368,160
26	Seattle-King County Department of Public Health	\$12,685,521	\$12,685,521	\$25,371,042
27	Bremerton-Kitsap County Health District	\$997,476	\$997,476	\$1,994,952
28	Kittitas County Health Department	\$198,979	\$198,979	\$397,958
29	Klickitat County Health Department	\$153,784	\$153,784	\$307,568
30	Lewis County Health Department	\$263,134	\$263,134	\$526,268
31	Lincoln County Health Department	\$113,917	\$113,917	\$227,834
32	Mason County Department of Health Services	\$227,448	\$227,448	\$454,896
33	Okanogan County Health District	\$169,882	\$169,882	\$339,764
34	Pacific County Health Department	\$169,075	\$169,075	\$338,150

1	Tacoma-Pierce County Health Department	\$4,143,169	\$4,143,169	\$8,286,338
2	San Juan County Health and Community Services	\$126,569	\$126,569	\$253,138
3	Skagit County Health Department	\$449,745	\$449,745	\$899,490
4	Snohomish Health District	\$3,433,291	\$3,433,291	\$6,866,582
5	Spokane County Health District	\$2,877,318	\$2,877,318	\$5,754,636
6	Northeast Tri-County Health District	\$249,303	\$249,303	\$498,606
7	Thurston County Health Department	\$1,046,897	\$1,046,897	\$2,093,794
8	Wahkiakum County Health Department	\$93,181	\$93,181	\$186,362
9	Walla Walla County-City Health Department	\$302,173	\$302,173	\$604,346
10	Whatcom County Health Department	\$1,214,301	\$1,214,301	\$2,428,602
11	Whitman County Health Department	\$189,355	\$189,355	\$378,710
12	Yakima Health District	\$1,052,482	\$1,052,482	\$2,104,964
13	TOTAL APPROPRIATIONS	\$36,386,000	\$36,386,000	\$72,772,000

14 NEW SECTION. **Sec. 710. FOR THE STATE TREASURER—COUNTY CLERK**
15 **LEGAL FINANCIAL OBLIGATION GRANTS**

16	General Fund—State Appropriation (FY 2018)	. . . . .	\$541,000
17	General Fund—State Appropriation (FY 2019)	. . . . .	\$441,000
18	TOTAL APPROPRIATION.	. . . . .	\$982,000

19 The appropriations in this section are subject to the following
20 conditions and limitations: By October 1st of each fiscal year, the
21 state treasurer shall distribute the appropriations to the following
22 county clerk offices in the amounts designated as grants for the
23 collection of legal financial obligations pursuant to RCW 2.56.190:

24	County Clerk	FY 2018	FY 2019
25	Adams County Clerk	\$2,103	\$1,714
26	Asotin County Clerk	\$2,935	\$2,392
27	Benton County Clerk	\$18,231	\$14,858
28	Chelan County Clerk	\$7,399	\$6,030
29	Clallam County Clerk	\$5,832	\$4,753
30	Clark County Clerk	\$32,635	\$26,597
31	Columbia County Clerk	\$384	\$313
32	Cowlitz County Clerk	\$16,923	\$13,792
33	Douglas County Clerk	\$3,032	\$2,471

1	Ferry County Clerk	\$422	\$344
2	Franklin County Clerk	\$5,486	\$4,471
3	Garfield County Clerk	\$243	\$198
4	Grant County Clerk	\$10,107	\$8,237
5	Grays Harbor County Clerk	\$8,659	\$7,057
6	Island County Clerk	\$3,059	\$2,493
7	Jefferson County Clerk	\$1,859	\$1,515
8	King County Court Clerk	\$119,290	\$97,266
9	Kitsap County Clerk	\$22,242	\$18,127
10	Kittitas County Clerk	\$3,551	\$2,894
11	Klickitat County Clerk	\$2,151	\$1,753
12	Lewis County Clerk	\$10,340	\$8,427
13	Lincoln County Clerk	\$724	\$590
14	Mason County Clerk	\$5,146	\$4,194
15	Okanogan County Clerk	\$3,978	\$3,242
16	Pacific County Clerk	\$2,411	\$1,965
17	Pend Oreille County Clerk	\$611	\$498
18	Pierce County Clerk	\$77,102	\$62,837
19	San Juan County Clerk	\$605	\$493
20	Skagit County Clerk	\$11,059	\$9,013
21	Skamania County Clerk	\$1,151	\$938
22	Snohomish County Clerk	\$38,143	\$31,086
23	Spokane County Clerk	\$44,825	\$36,578
24	Stevens County Clerk	\$2,984	\$2,432
25	Thurston County Clerk	\$22,204	\$18,096
26	Wahkiakum County Clerk	\$400	\$326
27	Walla Walla County Clerk	\$4,935	\$4,022
28	Whatcom County Clerk	\$20,728	\$16,893
29	Whitman County Clerk	\$2,048	\$1,669
30	Yakima County Clerk	\$25,063	\$20,426
31			
32	TOTAL APPROPRIATIONS	\$541,000	\$441,000

1 NEW SECTION. **Sec. 711. BELATED CLAIMS**

2 The agencies and institutions of the state may expend moneys
3 appropriated in this act, upon approval of the office of financial
4 management, for the payment of supplies and services furnished to the
5 agency or institution in prior fiscal biennia.

6 NEW SECTION. **Sec. 712. FOR THE DEPARTMENT OF RETIREMENT SYSTEMS**
7 **—CONTRIBUTIONS TO RETIREMENT SYSTEMS**

8 The appropriations in this section are subject to the following
9 conditions and limitations: The appropriations for the law
10 enforcement officers' and firefighters' retirement system shall be
11 made on a monthly basis consistent with chapter 41.45 RCW and section
12 938 and 939 of this act, and the appropriations for the judges and
13 judicial retirement systems shall be made on a quarterly basis
14 consistent with chapters 2.10 and 2.12 RCW.

15 (1) There is appropriated for state contributions to the law
16 enforcement officers' and firefighters' retirement system:

17 General Fund—State Appropriation (FY 2018) \$17,085,000
18 General Fund—State Appropriation (FY 2019) \$17,888,000
19 TOTAL APPROPRIATION. \$34,973,000

20 (2) There is appropriated for contributions to the judicial
21 retirement system:

22 General Fund—State Appropriation (FY 2018) \$8,700,000
23 General Fund—State Appropriation (FY 2019) \$8,400,000
24 TOTAL APPROPRIATION. \$17,100,000

25 (3) There is appropriated for contributions to the judges'
26 retirement system:

27 General Fund—State Appropriation (FY 2018) \$500,000
28 General Fund—State Appropriation (FY 2019) \$500,000
29 TOTAL APPROPRIATION. \$1,000,000

30 NEW SECTION. **Sec. 713. FOR THE OFFICE OF FINANCIAL MANAGEMENT—**
31 **STATE EFFICIENCY AND RESTRUCTURING REPAYMENT**

32 General Fund—State Appropriation (FY 2018) \$5,000,000
33 General Fund—State Appropriation (FY 2019) \$5,002,000
34 TOTAL APPROPRIATION. \$10,002,000

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

1 provided solely for expenditure into the cleanup settlement account
2 on July 1, 2017, and July 1, 2018, as repayment of moneys that were
3 transferred to the state efficiency and restructuring account.

4 NEW SECTION. **Sec. 714. FOR THE OFFICE OF FINANCIAL MANAGEMENT—**
5 **COMMON SCHOOL CONSTRUCTION ACCOUNT**

6	General Fund—State Appropriation (FY 2018)	\$600,000
7	General Fund—State Appropriation (FY 2019)	\$600,000
8	TOTAL APPROPRIATION.	\$1,200,000

9 The appropriations in this section are subject to the following
10 conditions and limitations: The appropriations in this section are
11 provided solely for expenditure into the common school construction
12 account—state on July 1, 2017, and July 1, 2018, for an interest
13 payment pursuant to RCW 90.38.130.

14 NEW SECTION. **Sec. 715. FOR THE OFFICE OF FINANCIAL MANAGEMENT—**
15 **NATURAL RESOURCES REAL PROPERTY REPLACEMENT ACCOUNT**

16	General Fund—State Appropriation (FY 2018)	\$300,000
17	General Fund—State Appropriation (FY 2019)	\$300,000
18	TOTAL APPROPRIATION.	\$600,000

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 natural resources real
22 property replacement account—state on July 1, 2017, and July 1, 2018,
23 for an interest payment pursuant to RCW 90.38.130.

24 NEW SECTION. **Sec. 716. FOR THE OFFICE OF FINANCIAL MANAGEMENT—**
25 **COUNTY CRIMINAL JUSTICE ASSISTANCE ACCOUNT**

26	General Fund—State Appropriation (FY 2018)	\$227,000
27	General Fund—State Appropriation (FY 2019)	\$227,000
28	TOTAL APPROPRIATION.	\$454,000

29 The appropriations in this section are subject to the following
30 conditions and limitations: The appropriations in this section, or so
31 much thereof as may be necessary, are provided solely for expenditure
32 into the county criminal justice assistance account—state. The
33 treasurer shall make quarterly distributions from the county criminal
34 justice assistance account of the amounts provided in this section in
35 accordance with RCW 82.14.310 for the purposes of reimbursing local

1 jurisdictions for increased costs incurred as a result of the
2 mandatory arrest of repeat offenders pursuant to chapter 35, Laws of
3 2013 2nd sp. sess. The appropriations and distributions made under
4 this section constitute appropriate reimbursement for costs for any
5 new programs or increased level of services for the purposes of RCW
6 43.135.060.

7 NEW SECTION. **Sec. 717. FOR THE OFFICE OF FINANCIAL MANAGEMENT—**
8 **MUNICIPAL CRIMINAL JUSTICE ASSISTANCE ACCOUNT**

9	General Fund—State Appropriation (FY 2018)	\$133,000
10	General Fund—State Appropriation (FY 2019)	\$133,000
11	TOTAL APPROPRIATION.	\$266,000

12 The appropriations in this section are subject to the following
13 conditions and limitations: The appropriations in this section, or so
14 much thereof as may be necessary, are appropriated for expenditure
15 into the municipal criminal justice assistance account. The treasurer
16 shall make quarterly distributions from the municipal criminal
17 justice assistance account of the amounts provided in this section in
18 accordance with RCW 82.14.320 and 82.14.330, for the purposes of
19 reimbursing local jurisdictions for increased costs incurred as a
20 result of the mandatory arrest of repeat offenders pursuant to
21 chapter 35, Laws of 2013 2nd sp. sess. The appropriations and
22 distributions made under this section constitute appropriate
23 reimbursement for costs for any new programs or increased level of
24 services for the purposes of RCW 43.135.060.

25 NEW SECTION. **Sec. 718. FOR THE OFFICE OF FINANCIAL MANAGEMENT—**
26 **COMMUNICATION SERVICES REFORM**

27	General Fund—State Appropriation (FY 2018)	\$5,000,000
28	General Fund—State Appropriation (FY 2019)	\$5,000,000
29	TOTAL APPROPRIATION.	\$10,000,000

30 The appropriations in this section are subject to the following
31 conditions and limitations: The appropriations in this section are
32 provided solely for expenditure into the universal communications
33 services fund to fund the temporary universal communications services
34 program.

35 NEW SECTION. **Sec. 719. FOR THE OFFICE OF FINANCIAL MANAGEMENT—**
36 **OUTDOOR EDUCATION AND RECREATION ACCOUNT**

1	General Fund—State Appropriation (FY 2018)	\$500,000
2	General Fund—State Appropriation (FY 2019)	\$500,000
3	TOTAL APPROPRIATION.	\$1,000,000

4 The appropriations in this section are subject to the following
5 conditions and limitations: The appropriations are provided solely
6 for expenditure into the outdoor education and recreation account for
7 the state parks and recreation commission's outdoor education and
8 recreation program purposes identified in RCW 79A.05.351.

9 NEW SECTION. **Sec. 720. FOR THE OFFICE OF FINANCIAL MANAGEMENT—**
10 **INDIVIDUAL-BASED/PORTABLE BACKGROUND CHECK CLEARANCE ACCOUNT**

11	General Fund—State Appropriation (FY 2018)	\$326,000
12	General Fund—State Appropriation (FY 2019)	\$82,000
13	TOTAL APPROPRIATION.	\$408,000

14 The appropriations in this section are subject to the following
15 conditions and limitations: The appropriations are provided solely
16 for expenditure into the individual-based/portable background check
17 clearance account to reimburse background check fees for unlicensed
18 family, friends, and neighbors who provide subsidized child care for
19 the working connections child care program.

20 NEW SECTION. **Sec. 721. FOR THE OFFICE OF FINANCIAL MANAGEMENT—**
21 **HOME VISITING SERVICES ACCOUNT**

22	General Fund—State Appropriation (FY 2018)	\$691,000
23	General Fund—State Appropriation (FY 2019)	\$744,000
24	TOTAL APPROPRIATION.	\$1,435,000

25 The appropriations in this section are subject to the following
26 conditions and limitations: The appropriations are provided solely
27 for expenditure into the home visiting services account for the home
28 visiting program.

29 NEW SECTION. **Sec. 722. FOR THE OFFICE OF FINANCIAL MANAGEMENT—**
30 **EXTRAORDINARY CRIMINAL JUSTICE COSTS**

31	General Fund—State Appropriation (FY 2018)	\$240,000
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32 The appropriation in this section is subject to the following
33 conditions and limitations: The director of financial management
34 shall distribute \$240,000 to Franklin county for extraordinary
35 criminal justice costs pursuant to RCW 43.330.190.

1 NEW SECTION. **Sec. 723. FOR THE OFFICE OF FINANCIAL MANAGEMENT—**

2 **FAIR ACCOUNT**

3 General Fund—State Appropriation (FY 2018) \$91,000

4 The appropriation in this section is subject to the following
5 conditions and limitations: The appropriation is provided solely for
6 expenditure into the fair account.

7 NEW SECTION. **Sec. 724. FOR THE OFFICE OF FINANCIAL MANAGEMENT—**

8 **INFORMATION TECHNOLOGY INVESTMENT POOL**

9 General Fund—State Appropriation (FY 2019) \$8,693,000

10 General Fund—Federal Appropriation \$1,256,000

11 Other Appropriated Funds \$71,000

12 TOTAL APPROPRIATION. \$10,020,000

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

15 (1) The appropriations in this section are provided solely for
16 expenditure into the information technology investment revolving
17 account created in section 964 of this act. Funds in the account are
18 provided solely for the information technology projects shown in LEAP
19 omnibus document IT-2017, dated March 14, 2017, which is hereby
20 incorporated by reference. To facilitate the transfer of moneys from
21 other funds and accounts that are associated with projects contained
22 in LEAP omnibus document IT-2017, dated March 14, 2017, the state
23 treasurer is directed to transfer moneys from other funds and
24 accounts to the information technology investment revolving account
25 in accordance with schedules provided by the office of financial
26 management.

27 (2) Agencies may apply to the office of financial management to
28 receive funds from the information technology investment revolving
29 account. Preference must be given to projects that utilize commercial
30 off-the-shelf or software as a service technology solution.

31 (3) Allocations and allotments may be made only during discrete
32 stages of projects, which at a minimum must include a planning stage,
33 procurement stage, and implementation and integration stage. At least
34 fourteen days prior to an allocation or allotment of funds to an
35 agency, the office of financial management, jointly with the office
36 of the chief information officer, must deliver to the legislative
37 fiscal committees the following information for each project
38 receiving an allocation from the account:

1 (a) A technology budget using a method similar to the state
2 capital budget, identifying project costs, funding sources, and
3 anticipated deliverables through each stage of the investment and
4 across fiscal periods and biennia from project initiation to
5 implementation. If the project affects more than one agency, a
6 technology budget must be prepared for each agency;

7 (b) The technology implementation plan that includes:

8 (i) An organizational chart of the project management team that
9 identifies team members and their roles and responsibilities;

10 (ii) The office of the chief information officer staff assigned
11 to the project;

12 (iii) An implementation schedule covering activities, critical
13 milestones, and deliverables at each stage of the project for the
14 life of the project at each agency affected by the project; and

15 (iv) Performance measures used to determine that the project is
16 on time, within budget, and meeting expectations for quality of work
17 product.

18 (c) A letter from the office of the chief information officer
19 certifying that:

20 (i) The project is consistent with the state's enterprise
21 architecture and other policies developed by the office of the chief
22 information officer;

23 (ii) The agency has the organizational capacity, preparedness,
24 and leadership to implement the project successfully;

25 (iii) The agency has adequately assessed and minimized the risks
26 inherent with the project;

27 (iv) The project has the management, staffing, and oversight
28 resources needed for the cost, complexity, and risks associated with
29 the project;

30 (v) The project has implementation schedules and performance
31 measures for timeliness, deliverables, quality, and budget;

32 (vi) The agency has an adequate risk management plan that also
33 enables the office of the chief information officer to assess,
34 intervene, and take necessary action when performance measures are
35 not being met; and

36 (vii) For any investment that does not use commercial off-the-
37 shelf or software as a service technology solution, the proposed
38 project represents the best business solution and should not be
39 delayed.

1 (4) For any project that exceeds two million dollars in total
2 funds to complete, requires more than one biennium to complete, or is
3 financed through financial contracts, bonds, or other indebtedness:

4 (i) Quality assurance for the project must report independently
5 to the office of the chief information officer;

6 (ii) The office of the chief information officer must review, and
7 if necessary, revise the proposed project to ensure it is flexible
8 and adaptable to advances in technology;

9 (iii) The technology budget must specifically identify the uses
10 of any financing proceeds. No more than thirty percent of the
11 financing proceeds may be used for payroll-related costs for state
12 employees assigned to project management, installation, testing, or
13 training;

14 (iv) The agency must consult with the office of the state
15 treasurer during the competitive procurement process to evaluate
16 early in the process whether products and services to be solicited
17 and the responsive bids from a solicitation may be financed; and

18 (v) The agency must consult with the contracting division of the
19 department of enterprise services for a review of all contracts and
20 agreements related to the project's information technology
21 procurements.

22 (5) The office of the chief information officer may suspend or
23 terminate a project at any time if the office of the chief
24 information officer determines that the project is not meeting or is
25 not expected to meet anticipated performance measures. Once
26 suspension or termination occurs, the agency shall not make
27 additional expenditures on the project without approval of the state
28 chief information officer. If a project is terminated, the office of
29 financial management must terminate the agency's allocation from the
30 information technology investment revolving account and the agency
31 shall return any remaining funds to the account to be reallocated to
32 other projects by the office of financial management.

33 (6) Any cost to administer or implement this section for projects
34 contained in LEAP omnibus document IT-2017, dated March 14, 2017,
35 must be paid from the information technology investment revolving
36 account. For any other information technology project made subject to
37 the conditions, limitations, and review of this section, the cost to
38 implement this section must be paid from the funds for that project.

1 NEW SECTION. **Sec. 725. FOR THE OFFICE OF FINANCIAL MANAGEMENT—**

2 **SECRETARY OF STATE ARCHIVES AND RECORDS MANAGEMENT**

3	General Fund—State Appropriation (FY 2018)	\$77,000
4	General Fund—State Appropriation (FY 2019)	\$86,000
5	General Fund—Federal Appropriation	\$37,000
6	General Fund—Private/Local Appropriation	\$5,000
7	Other Appropriated Funds	\$74,000
8	TOTAL APPROPRIATION.	\$279,000

9 The appropriations in this section are subject to the following
10 conditions and limitations: The appropriations in this section
11 reflect adjustments in agency appropriations related to corresponding
12 adjustments in the secretary of state's billing authority for
13 archives and records management. The office of financial management
14 shall adjust allotments in the amounts specified, and to the state
15 agencies specified in LEAP omnibus document 92C-2017, dated March 14,
16 2017, and adjust appropriation schedules accordingly.

17 NEW SECTION. **Sec. 726. FOR THE OFFICE OF FINANCIAL MANAGEMENT—**

18 **STATE AUDITOR AUDIT SERVICES**

19	General Fund—State Appropriation (FY 2018)	\$8,000
20	General Fund—State Appropriation (FY 2019)	\$20,000
21	General Fund—Federal Appropriation	\$11,000
22	Other Appropriated Funds	\$8,000
23	TOTAL APPROPRIATION.	\$47,000

24 The appropriations in this section are subject to the following
25 conditions and limitations: The appropriations in this section
26 reflect adjustments in agency appropriations related to corresponding
27 adjustments in the state auditor's billing authority for state agency
28 auditing services. The office of financial management shall adjust
29 allotments in the amounts specified, and to the state agencies
30 specified in LEAP omnibus document 92D-2017, dated March 14, 2017,
31 and adjust appropriation schedules accordingly.

32 NEW SECTION. **Sec. 727. FOR THE OFFICE OF FINANCIAL MANAGEMENT—**

33 **OFFICE OF ATTORNEY GENERAL LEGAL SERVICES**

34	General Fund—State Appropriation (FY 2018)	\$1,235,000
35	General Fund—State Appropriation (FY 2019)	\$1,436,000
36	General Fund—Federal Appropriation	\$1,031,000

1	General Fund—Private/Local Appropriation	\$11,000
2	Other Appropriated Funds	\$550,000
3	TOTAL APPROPRIATION.	\$4,263,000

4 The appropriations in this section are subject to the following
5 conditions and limitations: The appropriations in this section
6 reflect adjustments in agency appropriations related to corresponding
7 adjustments in the office of attorney general's billing authority for
8 legal services. The office of financial management shall adjust
9 allotments in the amounts specified, and to the state agencies
10 specified in LEAP omnibus document 92E-2017, dated March 14, 2017,
11 and adjust appropriation schedules accordingly.

12 NEW SECTION. **Sec. 728. FOR THE OFFICE OF FINANCIAL MANAGEMENT—**
13 **ADMINISTRATIVE HEARINGS**

14	General Fund—State Appropriation (FY 2018)	\$26,000
15	General Fund—State Appropriation (FY 2019)	\$61,000
16	General Fund—Federal Appropriation	\$90,000
17	General Fund—Private/Local Appropriation	\$1,000
18	Other Appropriated Funds	\$79,000
19	TOTAL APPROPRIATION.	\$257,000

20 The appropriations in this section are subject to the following
21 conditions and limitations: The appropriations in this section
22 reflect adjustments in agency appropriations related to corresponding
23 adjustments in the office of administrative hearing's billing
24 authority. The office of financial management shall adjust allotments
25 in the amounts specified, and to the state agencies specified in LEAP
26 omnibus document 92G-2017, dated March 14, 2017, and adjust
27 appropriation schedules accordingly.

28 NEW SECTION. **Sec. 729. FOR THE OFFICE OF FINANCIAL MANAGEMENT—**
29 **CONSOLIDATED TECHNOLOGY SERVICES CENTRAL SERVICES**

30	General Fund—State Appropriation (FY 2018)	(\$443,000)
31	General Fund—State Appropriation (FY 2019)	(\$404,000)
32	General Fund—Federal Appropriation	(\$188,000)
33	General Fund—Private/Local Appropriation	(\$19,000)
34	Other Appropriated Funds	(\$196,000)
35	TOTAL APPROPRIATION.	(\$1,250,000)

1 The appropriations in this section are subject to the following
 2 conditions and limitations: The appropriations in this section
 3 reflect adjustments in agency appropriations related to corresponding
 4 adjustments in the central technology services' billing authority.
 5 The office of financial management shall adjust allotments in the
 6 amounts specified, and to the state agencies specified in LEAP
 7 omnibus document 92J-2017, dated March 14, 2017, and adjust
 8 appropriation schedules accordingly.

9 NEW SECTION. **Sec. 730. FOR THE OFFICE OF FINANCIAL MANAGEMENT—**
 10 **DEPARTMENT OF ENTERPRISE SERVICES CENTRAL SERVICES**

11	General Fund—State Appropriation (FY 2018)	\$2,577,000
12	General Fund—State Appropriation (FY 2019)	\$2,155,000
13	General Fund—Federal Appropriation	\$1,222,000
14	General Fund—Private/Local Appropriation	\$86,000
15	Other Appropriated Funds	\$1,749,000
16	TOTAL APPROPRIATION.	\$7,789,000

17 The appropriations in this section are subject to the following
 18 conditions and limitations: The appropriations in this section
 19 reflect adjustments in agency appropriations related to corresponding
 20 adjustments in the department of enterprise services' billing
 21 authority. The office of financial management shall adjust allotments
 22 in the amounts specified, and to the state agencies specified in LEAP
 23 omnibus document 92K-2017, dated March 14, 2017, and adjust
 24 appropriation schedules accordingly.

25 NEW SECTION. **Sec. 731. FOR THE OFFICE OF FINANCIAL MANAGEMENT—**
 26 **INITIATIVE MEASURE NO. 1433 MINIMUM WAGE**

27	General Fund—State Appropriation (FY 2018)	(\$5,199,000)
28	General Fund—State Appropriation (FY 2019)	(\$5,192,000)
29	General Fund—Federal Appropriation	(\$4,266,000)
30	Other Appropriated Funds	\$4,543,000
31	TOTAL APPROPRIATION.	(\$10,114,000)

32 The appropriations in this section are subject to the following
 33 conditions and limitations: The appropriations in this section
 34 reflect adjustments in agency appropriations related to agency cost
 35 adjustments from the implementation of Initiative Measure No. 1433 as
 36 reflected in the fiscal impact statement prepared by the office of

1 financial management and published in the state voters' guide for the
2 2016 general election. The office of financial management shall
3 adjust allotments in the amounts specified, and to the state agencies
4 specified in LEAP omnibus document GLJ-2017, dated March 14, 2017,
5 and adjust appropriation schedules accordingly.

6 NEW SECTION. **Sec. 732. FOR THE OFFICE OF FINANCIAL MANAGEMENT—**
7 **OFFICE OF FINANCIAL MANAGEMENT CENTRAL SERVICES**

8	General Fund—State Appropriation (FY 2018)	\$4,468,000
9	General Fund—State Appropriation (FY 2019)	\$4,478,000
10	General Fund—Federal Appropriation	\$1,258,000
11	General Fund—Private/Local Appropriation	\$116,000
12	Other Appropriated Funds	\$1,880,000
13	TOTAL APPROPRIATION.	\$12,200,000

14 The appropriations in this section are subject to the following
15 conditions and limitations: The appropriations in this section
16 reflect adjustments in agency appropriations related to new billing
17 authority for central service functions performed by the office of
18 financial management. The office of financial management shall adjust
19 allotments in the amounts specified, and to the state agencies
20 specified in LEAP omnibus document 92R-2017, dated March 14, 2017,
21 and adjust appropriation schedules accordingly.

22 NEW SECTION. **Sec. 733. FOR THE OFFICE OF FINANCIAL MANAGEMENT—**
23 **OFFICE OF FINANCIAL MANAGEMENT STATE HUMAN RESOURCES**

24	General Fund—State Appropriation (FY 2018)	\$169,000
25	General Fund—State Appropriation (FY 2019)	\$194,000
26	General Fund—Federal Appropriation	\$48,000
27	Other Appropriated Funds	\$80,000
28	TOTAL APPROPRIATION.	\$491,000

29 The appropriations in this section are subject to the following
30 conditions and limitations: The appropriations in this section
31 reflect adjustments in agency appropriations related to new billing
32 authority for state human resources functions performed by the office
33 of financial management. The office of financial management shall
34 adjust allotments in the amounts specified, and to the state agencies
35 specified in LEAP omnibus document 92U1-2017, dated March 14, 2017,
36 and adjust appropriation schedules accordingly.

1 NEW SECTION. **Sec. 734. FOR THE OFFICE OF FINANCIAL MANAGEMENT—**
2 **SELF-INSURANCE LIABILITY PREMIUM**

3	General Fund—State Appropriation (FY 2018)	(\$16,351,000)
4	General Fund—State Appropriation (FY 2019)	(\$16,358,000)
5	General Fund—Federal Appropriation	(\$7,870,000)
6	General Fund—Private/Local Appropriation	(\$3,000)
7	Other Appropriated Funds	(\$366,000)
8	TOTAL APPROPRIATION.	(\$40,948,000)

9 The appropriations in this section are subject to the following
10 conditions and limitations: The appropriations in this section
11 reflect adjustments in agency appropriations related to corresponding
12 adjustments in the self-insurance premium liability billing authority
13 from implementation of Senate Bill No. 5896 (claims against public
14 entities). The office of financial management shall adjust allotments
15 in the amounts specified, and to the state agencies specified in LEAP
16 omnibus document 92X-2017, dated March 14, 2017, and adjust
17 appropriation schedules accordingly.

18 NEW SECTION. **Sec. 735. FOR THE OFFICE OF FINANCIAL MANAGEMENT—**
19 **CONTRIBUTIONS FOR STATE AGENCY EMPLOYEE HEALTH INSURANCE—REPRESENTED**
20 **EMPLOYEES**

21	General Fund—State Appropriation (FY 2018)	\$299,000
22	General Fund—State Appropriation (FY 2019)	\$9,775,000
23	General Fund—Federal Appropriation	\$2,597,000
24	General Fund—Private/Local Appropriation	\$245,000
25	Other Dedicated Funds	\$3,172,000
26	TOTAL APPROPRIATION.	\$16,088,000

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

29 (1) The appropriations in this section are provided solely to
30 adjust agency appropriations for state agency represented employee
31 insurance benefits, including benefits for represented employees at
32 institutions of higher education, consistent with the contribution
33 rates included in sections 922 and 923 of this act.

34 (2) To facilitate the transfer of moneys from dedicated funds and
35 accounts, the state treasurer shall transfer sufficient moneys from
36 each dedicated fund or account to the special insurance contribution
37 adjustment revolving account in accordance with LEAP omnibus document

1 COMP-2017. The office of financial management shall adjust allotments
2 for all agencies to reflect these adjusted appropriations.

3 NEW SECTION. **Sec. 736. FOR THE OFFICE OF FINANCIAL MANAGEMENT—**
4 **CONTRIBUTIONS FOR STATE AGENCY EMPLOYEE HEALTH INSURANCE—**
5 **NONREPRESENTED EMPLOYEES**

6	General Fund—State Appropriation (FY 2018)	\$141,000
7	General Fund—State Appropriation (FY 2019)	\$4,693,000
8	General Fund—Federal Appropriation	\$602,000
9	General Fund—Private/Local Appropriation	\$54,000
10	Other Dedicated Funds	\$4,517,000
11	TOTAL APPROPRIATION.	\$10,007,000

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

14 (1) The appropriations in this section are provided solely to
15 adjust agency appropriations for state agency nonrepresented employee
16 insurance benefits, including benefits for nonrepresented employees
17 at institutions of higher education, consistent with the contribution
18 rates included in sections 922 and 923 of this act.

19 (2) To facilitate the transfer of moneys from dedicated funds and
20 accounts, the state treasurer shall transfer sufficient moneys from
21 each dedicated fund or account to the special insurance contribution
22 adjustment revolving account in accordance with LEAP omnibus document
23 COMP-2017. The office of financial management shall adjust allotments
24 for all agencies to reflect these adjusted appropriations.

25 NEW SECTION. **Sec. 737. FOR THE GENERAL WAGE INCREASES**

26	General Fund—State Appropriation (FY 2018)	\$29,927,000
27	General Fund—State Appropriation (FY 2019)	\$59,854,000
28	General Fund—Federal Appropriation	\$14,676,000
29	General Fund—Private/Local Appropriation	\$1,407,000
30	Dedicated Funds and Accounts Appropriation	\$21,465,000
31	TOTAL APPROPRIATION.	\$127,329,000

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

34 (1) Funding is provided for a five hundred dollar annual wage
35 increase effective July 1, 2017, and an additional five hundred
36 dollar annual wage increase beginning July 1, 2018, for full-time

1 state agency employees including all represented and nonrepresented
2 state agency classified employees, including classified employees,
3 Washington management service and exempt employees under the
4 jurisdiction of the office of financial management, and executive,
5 legislative, and judicial branch employees exempt from merit system
6 rules, whose maximum salaries are not set by the commission on
7 salaries for elected officials. Prorated increases are provided for
8 part-time employees.

9 (2) To facilitate the transfer of moneys from dedicated funds and
10 accounts, the state treasurer shall transfer sufficient moneys from
11 each dedicated fund or account to the special insurance contribution
12 adjustment revolving account in accordance with LEAP omnibus document
13 COMP-2017. The office of financial management shall adjust allotments
14 for all agencies to reflect these adjusted appropriations.

15 NEW SECTION. **Sec. 738. FOR THE OFFICE OF FINANCIAL MANAGEMENT—**
16 **CONTRIBUTIONS FOR AGENCY MANAGEMENT**

17	General Fund—State Appropriation (FY 2019)	(\$21,729,000)
18	General Fund—Federal Appropriation.	(\$6,644,000)
19	General Fund—Private/Local Appropriation.	(\$502,000)
20	Other Dedicated Funds Appropriation.	(\$10,448,000)
21	TOTAL APPROPRIATION.	(\$39,323,000)

22 The appropriations in this section reflect adjustments in agency
23 appropriations:

24 (1) Funding is adjusted for agency and institution appropriations
25 to reflect a ten percent reduction of Washington management service
26 and exempt management service employees.

27 (2) To facilitate the transfer of moneys from dedicated funds and
28 accounts, the state treasurer shall transfer sufficient moneys from
29 each dedicated fund or account to the special insurance contribution
30 adjustment revolving account in accordance with LEAP omnibus document
31 COMP-2017. The office of financial management shall adjust allotments
32 for all agencies to reflect these adjusted appropriations.

33 NEW SECTION. **Sec. 739. FOR THE OFFICE OF FINANCIAL MANAGEMENT—**
34 **CONTRIBUTIONS FOR INDIRECT AGENCY STAFF**

35	General Fund—State Appropriation (FY 2019)	(\$5,749,000)
36	General Fund—Federal Appropriation.	(\$1,258,000)
37	General Fund—Private/Local Appropriation.	(\$127,000)

1 Other Dedicated Funds Appropriation. (\$3,089,000)
2 TOTAL APPROPRIATION. (\$10,223,000)

3 The appropriations in this section reflect adjustments in agency
4 appropriations:

5 (1) Funding is adjusted for agency and institution appropriations
6 to reflect a one percent reduction of all agency staff that do not
7 provide a direct service to the public.

8 (2) To facilitate the transfer of moneys from dedicated funds and
9 accounts, the state treasurer shall transfer sufficient moneys from
10 each dedicated fund or account to the special insurance contribution
11 adjustment revolving account in accordance with LEAP omnibus document
12 COMP-2017. The office of financial management shall adjust allotments
13 for all agencies to reflect these adjusted appropriations.

14 NEW SECTION. **Sec. 740. FOR THE OFFICE OF FINANCIAL MANAGEMENT—**
15 **CONTRIBUTIONS FOR RETIREMENT SYSTEMS ADMINISTRATIVE COSTS**

16 General Fund—State Appropriation (FY 2018) (\$3,584,000)
17 General Fund—State Appropriation (FY 2019). (\$3,616,000)
18 General Fund—Federal Appropriation. (\$1,649,000)
19 General Fund—Private/Local Appropriation. (\$151,000)
20 Other Dedicated Funds Appropriation. (\$2,695,000)
21 TOTAL APPROPRIATION. (\$11,695,000)

22 The appropriations in this section reflect adjustments in agency
23 appropriations:

24 (1) Funding is adjusted for agency and institution appropriations
25 to reflect suspension of the department of retirement systems
26 administrative fee in section 941 of this act.

27 (2) To facilitate the transfer of moneys from dedicated funds and
28 accounts, the state treasurer shall transfer sufficient moneys from
29 each dedicated fund or account to the special insurance contribution
30 adjustment revolving account in accordance with LEAP omnibus document
31 COMP-2017. The office of financial management shall adjust allotments
32 for all agencies to reflect these adjusted appropriations.

33 NEW SECTION. **Sec. 741. FOR THE OFFICE OF FINANCIAL MANAGEMENT—**
34 **LEASE COST POOL**

35 General Fund—State Appropriation (FY 2018) \$11,712,000
36 General Fund—Federal Appropriation \$2,431,000
37 TOTAL APPROPRIATION. \$14,143,000

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

3 (1) The appropriations in this section are provided solely for
4 expenditure into the state agency office relocation pool account
5 created in section 935 of this act for state agency office relocation
6 costs as shown in LEAP omnibus document LEAS-2017, dated March 14,
7 2017, which is hereby incorporated by reference. To facilitate the
8 transfer of moneys from other funds and accounts that are associated
9 with office relocations contained in LEAP omnibus document LEAS-2017,
10 dated March 14, 2017, the state treasurer is directed to transfer
11 moneys from other funds and accounts in an amount not to exceed
12 \$2,431,000 to the lease cost pool in accordance with schedules
13 provided by the office of financial management.

14 (2) Agencies may apply to the office of financial management to
15 receive funds from the state agency office relocation pool account in
16 an amount not to exceed the actual costs for the office relocations.

17 NEW SECTION. **Sec. 742. FOR THE OFFICE OF FINANCIAL MANAGEMENT—**
18 **CHILD WELFARE SYSTEM IMPROVEMENT ACCOUNT**

19	General Fund—State Appropriation (FY 2018)	\$4,428,000
20	General Fund—State Appropriation (FY 2019)	\$6,862,000
21	TOTAL APPROPRIATION.	\$11,290,000

22 The appropriations in this section are subject to the following
23 conditions and limitations: The appropriations in this section are
24 provided solely for expenditure into the child welfare system
25 improvement account for foster home licensing, achieving permanency
26 for children, support and assistance provided to foster parents in
27 order to improve foster home retention and stability of placements,
28 and improving and increasing placement options for youth in out-of-
29 home care.

30 NEW SECTION. **Sec. 743. FOR THE SUPERINTENDENT OF PUBLIC**
31 **INSTRUCTION**

32	General Fund—State Appropriation (FY 2018).	\$1,800,000
33	General Fund—State Appropriation (FY 2019).	\$2,200,000
34	TOTAL APPROPRIATION.	\$4,000,000

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

1 provided solely for the implementation of Senate Bill No. 5833
2 (teachers' retirement system, plan 1 minimum retirement allowance).
3 If the bill is not enacted by June 30, 2017, the amounts provided in
4 this section shall lapse.

5 NEW SECTION. **Sec. 744. FOR THE OFFICE OF FINANCIAL MANAGEMENT—**
6 **LOCAL TAX DISTRICT BACKFILL**

7 General Fund—State Appropriation (FY 2019). \$3,900,000

8 The appropriation in this section is subject to the following
9 conditions and limitations: The appropriation in this section is
10 provided solely for distribution to local taxing districts to address
11 potential adverse impacts from the local effort levy pursuant to
12 Substitute Senate Bill No. 5706 (education) and Substitute Senate
13 Bill No. 5875 (education).

14 NEW SECTION. **Sec. 745. COLLECTIVE BARGAINING AGREEMENT—**
15 **TEAMSTERS LOCAL 117 DEPARTMENT OF CORRECTIONS**

16 General Fund—State Appropriation (FY 2018) \$28,681,000
17 General Fund—State Appropriation (FY 2019) \$46,389,000
18 General Fund—Federal Appropriation \$117,000
19 Dedicated Funds and Accounts Appropriation \$65,000
20 TOTAL APPROPRIATION. \$75,252,000

21 The appropriations in this section are subject to the following
22 conditions and limitations: Funding is provided for the agreement
23 between the governor and the international brotherhood of teamsters
24 local 117 for the department of corrections as provided in section
25 906 of this act.

26 NEW SECTION. **Sec. 746. COLLECTIVE BARGAINING AGREEMENT—WSP**
27 **TROOPERS ASSOCIATION**

28 General Fund—State Appropriation (FY 2018) \$1,111,000
29 General Fund—State Appropriation (FY 2019) \$1,336,000
30 General Fund—Federal Appropriation \$11,000
31 Dedicated Funds and Accounts Appropriation \$46,000
32 TOTAL APPROPRIATION. \$2,504,000

33 The appropriations in this section are subject to the following
34 conditions and limitations: Funding is provided for the agreement

1 between the governor and the Washington state patrol troopers
2 association as provided in section 907 of this act.

3 NEW SECTION. **Sec. 747. COLLECTIVE BARGAINING AGREEMENT—WSP**
4 **LIEUTENANTS ASSOCIATION**

5	General Fund—State Appropriation (FY 2018)	\$613,000
6	General Fund—State Appropriation (FY 2019)	\$711,000
7	TOTAL APPROPRIATION.	\$1,324,000

8 The appropriations in this section are subject to the following
9 conditions and limitations: Funding is provided for the agreement
10 between the governor and the Washington state patrol troopers
11 association as provided in section 908 of this act.

(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 (\$9,977,000), prosecuting attorney (\$6,786,000), boating safety and education (\$4,000,000), utility district excise tax (\$58,134,000), habitat conservation (\$5,347,000), Death Investigations Account (\$3,556,000), Aquatic Lands Enhancement Account (\$140,000), Timber Tax Distribution Account (\$77,367,000), County Criminal Justice Assistance (\$96,145,000), Municipal Criminal Justice Assistance (\$38,126,000), City-County Assistance (\$27,160,000), Liquor Excise Tax Account (\$56,058,000), Streamlined Sales and Use Tax Mitigation Account (\$45,658,000), Columbia River Water Delivery Account for the Confederated Tribes of the Colville Reservation (\$8,074,000), Columbia River Water Delivery Account for the Spokane Tribe of Indians (\$5,394,000), Liquor Revolving Account (\$98,876,000), and General Fund Appropriation for other tax distributions (\$80,000).

1 General Fund Appropriation for marijuana excise
2 tax distributions. \$30,000,000

3 The total expenditures from the state treasury under the
4 appropriations in this section shall not exceed the funds available
5 under statutory distributions for the stated purposes.

6 NEW SECTION. **Sec. 802. FOR THE STATE TREASURER—FOR THE COUNTY**
7 **CRIMINAL JUSTICE ASSISTANCE ACCOUNT**

8 Impaired Driving Safety Appropriation. \$2,110,000

9 The appropriation in this section is subject to the following
10 conditions and limitations: The amount appropriated in this section
11 shall be distributed quarterly during the 2017-2019 fiscal biennium
12 in accordance with RCW 82.14.310. This funding is provided to
13 counties for the costs of implementing criminal justice legislation
14 including, but not limited to: Chapter 206, Laws of 1998 (drunk
15 driving penalties); chapter 207, Laws of 1998 (DUI penalties);
16 chapter 208, Laws of 1998 (deferred prosecution); chapter 209, Laws
17 of 1998 (DUI/license suspension); chapter 210, Laws of 1998 (ignition
18 interlock violations); chapter 211, Laws of 1998 (DUI penalties);
19 chapter 212, Laws of 1998 (DUI penalties); chapter 213, Laws of 1998
20 (intoxication levels lowered); chapter 214, Laws of 1998 (DUI
21 penalties); and chapter 215, Laws of 1998 (DUI provisions).

22 NEW SECTION. **Sec. 803. FOR THE STATE TREASURER—MUNICIPAL**
23 **CRIMINAL JUSTICE ASSISTANCE ACCOUNT**

24 Impaired Driver Safety Appropriation. \$1,407,000

25 The appropriation in this section is subject to the following
26 conditions and limitations: The amount appropriated in this section
27 shall be distributed quarterly during the 2017-2019 fiscal biennium
28 to all cities ratably based on population as last determined by the
29 office of financial management. The distributions to any city that
30 substantially decriminalizes or repeals its criminal code after July
31 1, 1990, and that does not reimburse the county for costs associated
32 with criminal cases under RCW 3.50.800 or 3.50.805(2), shall be made
33 to the county in which the city is located. This funding is provided
34 to cities for the costs of implementing criminal justice legislation
35 including, but not limited to: Chapter 206, Laws of 1998 (drunk
36 driving penalties); chapter 207, Laws of 1998 (DUI penalties);
37 chapter 208, Laws of 1998 (deferred prosecution); chapter 209, Laws

1 of 1998 (DUI/license suspension); chapter 210, Laws of 1998 (ignition
2 interlock violations); chapter 211, Laws of 1998 (DUI penalties);
3 chapter 212, Laws of 1998 (DUI penalties); chapter 213, Laws of 1998
4 (intoxication levels lowered); chapter 214, Laws of 1998 (DUI
5 penalties); and chapter 215, Laws of 1998 (DUI provisions).

6 NEW SECTION. **Sec. 804. FOR THE STATE TREASURER—FEDERAL REVENUES**
7 **FOR DISTRIBUTION**

8	General Fund Appropriation for federal flood control	
9	funds distribution.	\$50,000
10	General Fund Appropriation for federal grazing	
11	fees distribution.	\$43,000
12	General Fund Appropriation for federal military	
13	fees distribution.	\$601,000
14	Forest Reserve Fund Appropriation for federal	
15	forest reserve fund distribution.	\$4,610,000

16 The total expenditures from the state treasury under the
17 appropriations in this section shall not exceed the funds available
18 under statutory distributions for the stated purposes.

19 NEW SECTION. **Sec. 805. FOR THE STATE TREASURER—TRANSFERS**

20	State Treasurer's Service Account: For transfer to	
21	the state general fund, \$6,000,000 for fiscal year	
22	2018 and \$6,000,000 for fiscal year 2019.	\$12,000,000
23	Public Works Assistance Account: For transfer	
24	to the education legacy trust account, \$71,814,000	
25	for fiscal year 2018 and \$55,599,000 for fiscal	
26	year 2019.	\$127,413,000
27	Waste Reduction/Recycling/Litter Control Account:	
28	For transfer to the parks renewal and stewardship	
29	account, \$5,000,000 for fiscal year 2018 and	
30	\$5,000,000 for fiscal year 2019.	\$10,000,000
31	Criminal Justice Treatment Account: For transfer to	
32	the state general fund, \$4,450,000 for fiscal	
33	year 2018 and \$4,450,000 for fiscal year 2019.	\$8,900,000
34	Dedicated Marijuana Account: For transfer to	
35	the basic health plan trust account, the lesser	
36	of the amount determined pursuant to RCW 69.50.540	
37	or this amount for fiscal year 2018, \$156,763,000 and	

1 this amount for fiscal year 2019, \$170,358,000. . . \$327,121,000
2 Dedicated Marijuana Account: For transfer to
3 the state general fund, the lesser of the amount
4 determined pursuant to RCW 69.50.540 or this amount
5 for fiscal year 2018, \$102,602,000 and this amount
6 for fiscal year 2019, \$114,816,000. \$217,418,000
7 Aquatic Lands Enhancement Account: For transfer to
8 the clean up settlement account as repayment of
9 the loan provided in section 3022(2) chapter 2,
10 Laws of 2012, 2nd sp. sess. (ESB 6074 2012
11 supplemental capital budget), \$620,000 for fiscal
12 year 2018 and \$620,000 for fiscal year 2019. \$1,240,000
13 Tobacco Settlement Account: For transfer to the
14 state general fund, in an amount not to exceed the
15 actual amount of the annual base payment to the
16 tobacco settlement account for fiscal year 2018. . . \$101,639,000
17 Tobacco Settlement Account: For transfer to the
18 state general fund, in an amount not to exceed the
19 actual amount of the annual base payment to the
20 tobacco settlement account for fiscal year 2019. . . \$101,639,000
21 State Toxics Control Account: For transfer to the
22 cleanup settlement account as repayment of the
23 loan provided in section 3022(2) chapter 2,
24 Laws of 2012, 2nd sp. sess. (ESB 6074, 2012
25 supplemental capital budget), \$620,000 for
26 fiscal year 2018 and \$620,000 for fiscal
27 year 2019. \$1,240,000
28 General Fund: For transfer to the streamlined sales
29 and use tax account, \$22,904,000 for fiscal
30 year 2018 and \$22,774,000 for fiscal year 2019. . . . \$45,658,000
31 Cleanup Settlement Account: For transfer to the
32 State Efficiency and Restructuring Account for
33 Fiscal Year 2019. \$25,000,000
34 Tobacco Prevention and Control Account: For transfer
35 to the state general fund for Fiscal Year 2018. . . . \$1,000,000
36 Death Investigations Account: For transfer to
37 the state general fund, \$1,186,000 for
38 fiscal year 2018. \$1,186,000
39 Disaster Response Account: For transfer to the state
40 general fund, \$20,000,000 for fiscal year 2018

1 and \$13,800,000 for fiscal year 2019. \$33,800,000
2 Business and Professions Account: For transfer to
3 the state general fund, \$1,000,000 for fiscal
4 year 2018. \$1,000,000
5 Electrical License Account: For transfer to the state
6 general fund, \$2,000,000 for fiscal year 2018. \$2,000,000
7 New Motor Vehicle Arbitration Account: For transfer
8 to the state general fund, \$2,000,000 for fiscal
9 year 2018. \$2,000,000

(End of part)

PART IX
MISCELLANEOUS

NEW SECTION. **Sec. 901. EXPENDITURE AUTHORIZATIONS**

The appropriations contained in this act are maximum expenditure authorizations. Pursuant to RCW 43.88.037, moneys disbursed from the treasury on the basis of a formal loan agreement shall be recorded as loans receivable and not as expenditures for accounting purposes. To the extent that moneys are disbursed on a loan basis, the corresponding appropriation shall be reduced by the amount of loan moneys disbursed from the treasury during the 2015-2017 fiscal biennium.

NEW SECTION. **Sec. 902. EMERGENCY FUND ALLOCATIONS**

Whenever allocations are made from the governor's emergency fund appropriation to an agency that is financed in whole or in part by other than general fund moneys, the director of financial management may direct the repayment of such allocated amount to the general fund from any balance in the fund or funds which finance the agency. An appropriation is not necessary to effect such repayment.

NEW SECTION. **Sec. 903. STATUTORY APPROPRIATIONS**

In addition to the amounts appropriated in this act for revenues for distribution, state contributions to the law enforcement officers' and firefighters' retirement system plan 2 and bond retirement and interest, including ongoing bond registration and transfer charges, transfers, interest on registered warrants, and certificates of indebtedness, there is also appropriated such further amounts as may be required or available for these purposes under any statutory formula or under chapters 39.94, 39.96, and 39.98 RCW or any proper bond covenant made under law.

NEW SECTION. **Sec. 904. BOND EXPENSES**

In addition to such other appropriations as are made by this act, there is hereby appropriated to the state finance committee from legally available bond proceeds in the applicable construction or building funds and accounts such amounts as are necessary to pay the expenses incurred in the issuance and sale of the subject bonds.

NEW SECTION. **Sec. 905. VOLUNTARY RETIREMENT AND SEPARATION**

1 (1) As a management tool to reduce costs and make more effective
2 use of resources, while improving employee productivity and morale,
3 agencies may implement either a voluntary retirement or separation
4 program, or both, that is cost neutral or results in cost savings,
5 including costs to the state pension systems, over a two-year period
6 following the commencement of the program, provided that such a
7 program is approved by the director of financial management. Agencies
8 participating in this authorization may offer voluntary retirement
9 and/or separation incentives and options according to procedures and
10 guidelines established by the office of financial management in
11 consultation with the department of retirement systems. The options
12 may include, but are not limited to, financial incentives for
13 voluntary separation or retirement. An employee does not have a
14 contractual right to a financial incentive offered under this
15 section. Offers shall be reviewed and monitored jointly by the office
16 of financial management and the department of retirement systems.
17 Agencies are required to submit a report by the date established by
18 the office of financial management in the guidelines required in this
19 section to the legislature and the office of financial management on
20 the outcome of their approved incentive program. The report should
21 include information on the details of the program, including the
22 incentive payment amount for each participant, the total cost to the
23 state, and the projected or actual net dollar savings over the two-
24 year period.

25 (2) The department of retirement systems may collect from
26 employers the actuarial cost of any incentive provided under this
27 program, or any other incentive to retire provided by employers to
28 members of the state's pension systems, for deposit in the
29 appropriate pension account.

30 NEW SECTION. **Sec. 906. COLLECTIVE BARGAINING AGREEMENT—**
31 **TEAMSTERS LOCAL 117 DEPARTMENT OF CORRECTIONS**

32 An agreement has been reached between the governor and the
33 international brotherhood of teamsters local 117 for the department
34 of corrections through an interest arbitration award as provided in a
35 memorandum of understanding between the parties and under the
36 provisions of chapter 41.80 RCW for the 2017-2019 fiscal biennium.
37 Funding is provided for the awarded four and one-half percent general
38 wage increase effective July 1, 2017, a three percent general wage
39 increase effective July 1, 2018, and a three percent general wage

1 increase effective January 1, 2019. Funding is also provided for
2 targeted job classification specific increases and increases to
3 vacation leave accruals.

4 NEW SECTION. **Sec. 907. COLLECTIVE BARGAINING AGREEMENT—WSP**
5 **TROOPERS ASSOCIATION**

6 An agreement has been reached between the governor and the
7 Washington state patrol troopers association under the provisions of
8 chapter 41.56 RCW for the 2017-2019 fiscal biennium. Funding is
9 provided for a sixteen percent general wage increase for troopers
10 effective July 1, 2017, and a three percent general wage increase for
11 troopers effective July 1, 2018. Funding is also provided for a
12 twenty percent general wage increase for sergeants effective July 1,
13 2017, and a three percent general wage increase for sergeants
14 effective July 1, 2018. The agreement also includes and funding is
15 provided for increases to longevity pay, changes to specialty pay,
16 and an increase to vacation leave accruals.

17 NEW SECTION. **Sec. 908. COLLECTIVE BARGAINING AGREEMENT—WSP**
18 **LIEUTENANTS ASSOCIATION**

19 An agreement has been reached between the governor and the
20 Washington state patrol lieutenants association under the provisions
21 of chapter 41.56 RCW for the 2017-2019 fiscal biennium. Funding is
22 provided for a twenty percent general wage increase effective July 1,
23 2017, and a three percent general wage increase effective July 1,
24 2018. The agreement also includes and funding is provided for
25 increases to longevity pay.

26 NEW SECTION. **Sec. 909. COLLECTIVE BARGAINING AGREEMENTS**

27 Sections 906 through 921 of this act represent the results of the
28 2017-2019 collective bargaining process required under the provisions
29 of chapters 41.80 and 41.56 RCW. Provisions of the collective
30 bargaining agreements contained in this part are described in general
31 terms. Only major economic terms are included in the descriptions.
32 These descriptions do not contain the complete contents of the
33 agreements. The collective bargaining agreements contained in this
34 part IV of this act may also be funded by expenditures from
35 nonappropriated accounts. If positions are funded with lidded grants
36 or dedicated fund sources with insufficient revenue, additional
37 funding from other sources is not provided.

1 NEW SECTION. **Sec. 910. COLLECTIVE BARGAINING AGREEMENTS—**

2 **GOVERNOR**

3 (1) Under the provisions of chapters 41.80 and 41.56 RCW, the
4 governor reached tentative agreements for the 2017-2019 fiscal
5 biennium with the following exclusive bargaining representatives:

- 6 (a) The Washington federation of state employees;
- 7 (b) The Washington public employees association;
- 8 (c) The coalition of unions;
- 9 (d) The Washington association of fish and wildlife
10 professionals;

11 (e) The professional and technical employees local 17;

12 (f) The service employees international union healthcare 1199nw;
13 and

14 (g) The international brotherhood of teamsters local 117
15 bargaining units at the department of enterprise services.

16 (2) The legislature rejects the above tentative agreements that
17 have been reached as a whole.

18 (3) Appropriations are provided in section 737 of this act to
19 fund the equivalent of a \$500 annual wage increase beginning July 1,
20 2017, and an additional \$500 annual wage increase beginning July 1,
21 2018, for all full-time employees, prorated for part-time employees,
22 including nonrepresented classified employees, employees in the
23 Washington management service, and employees not subject to the
24 provisions of chapter 41.06 RCW.

25 (4) Funding for an agreement shall be considered approved
26 pursuant to RCW 41.80.010, 41.56.473, and 41.56.475 and the parties
27 shall execute the agreement if the governor and an exclusive
28 bargaining representative in subsection (1)(a) through (g) of this
29 section reach a new agreement under chapters 41.80 or 41.56 RCW for
30 the 2017-2019 fiscal biennium by June 30, 2017, and the agreement
31 reached under this subsection does not create any future fiscal
32 liability on the part of the state in excess of the future fiscal
33 liability created by section 737 of this act for that exclusive
34 bargaining representative members' proportionate share of funding.

35 NEW SECTION. **Sec. 911. COLLECTIVE BARGAINING AGREEMENT—**

36 **COMMUNITY COLLEGES**

37 (1) Under the provisions of chapter 41.80 RCW, tentative
38 agreements for the 2017-2019 fiscal biennium have been reached
39 between the following parties:

1 (a) The governor and the Washington federation of state employees
2 community college coalition and the Washington public employees
3 association community college coalition;

4 (b) Yakima Valley Community College and the Washington public
5 employees association; and

6 (c) Highline College and the Washington public employees
7 association.

8 (2) The legislature rejects the tentative agreements that have
9 been reached as a whole.

10 (3) An appropriation is provided in section 737 of this act to
11 fund the equivalent of a \$500 annual wage increase beginning July 1,
12 2017, and an additional \$500 annual wage increase beginning July 1,
13 2018, for all full-time employees, prorated for part-time employees,
14 including nonrepresented classified employees and employees not
15 subject to the provisions of chapter 41.06 RCW.

16 (4) Funding for an agreement shall be considered approved
17 pursuant to RCW 41.80.010 if the parties reach a new agreement under
18 chapter 41.80 RCW for the 2017-2019 fiscal biennium by June 30, 2017,
19 and the agreement reached under this section does not create any
20 future fiscal liability on the part of the state in excess of the
21 future fiscal liability created by section 737 of this act for that
22 exclusive bargaining representative members' proportionate share of
23 funding for that exclusive bargaining representative members'
24 proportionate share of funding.

25 NEW SECTION. **Sec. 912. COLLECTIVE BARGAINING AGREEMENT—THE**
26 **EVERGREEN STATE COLLEGE**

27 (1) A tentative agreement has been reached between The Evergreen
28 State College and the Washington federation of state employees under
29 the provisions of chapter 41.80 RCW for the 2017-2019 fiscal
30 biennium. The legislature rejects the tentative agreement that has
31 been reached as a whole. An appropriation is provided in section 737
32 of this act to fund the equivalent of a \$500 annual wage increase
33 beginning July 1, 2017, and an additional \$500 annual wage increase
34 beginning July 1, 2018, for all full-time employees, prorated for
35 part-time employees, including nonrepresented classified employees
36 and employees not subject to the provisions of chapter 41.06 RCW.

37 (2) Funding for an agreement shall be considered approved
38 pursuant to RCW 41.80.010 if the parties reach a new agreement under
39 chapter 41.80 RCW for the 2017-2019 fiscal biennium by June 30, 2017,

1 and the agreement reached under this section does not create any
2 future fiscal liability on the part of the state in excess of the
3 future fiscal liability created by section 737 of this act for that
4 exclusive bargaining representative members' proportionate share of
5 funding.

6 NEW SECTION. **Sec. 913. COLLECTIVE BARGAINING AGREEMENT—WESTERN**
7 **WASHINGTON UNIVERSITY**

8 (1) Tentative agreements have been reached between the Western
9 Washington University and the Washington federation of state
10 employees and the public schools employees of Washington under the
11 provisions of chapter 41.80 RCW for the 2017-2019 fiscal biennium.
12 The legislature rejects the tentative agreements that have been
13 reached as a whole. An appropriation is provided in section 737 of
14 this act to fund the equivalent of a \$500 annual wage increase
15 beginning July 1, 2017, and an additional \$500 annual wage increase
16 beginning July 1, 2018, for all full-time employees, prorated for
17 part-time employees, including nonrepresented classified employees
18 and employees not subject to the provisions of chapter 41.06 RCW.

19 (2) Funding for an agreement shall be considered approved
20 pursuant to RCW 41.80.010 if the parties reach a new agreement under
21 chapter 41.80 RCW for the 2017-2019 fiscal biennium by June 30, 2017,
22 and the agreement reached under this section does not create any
23 future fiscal liability on the part of the state in excess of the
24 future fiscal liability created by section 737 of this act for that
25 exclusive bargaining representative members' proportionate share of
26 funding.

27 NEW SECTION. **Sec. 914. COLLECTIVE BARGAINING AGREEMENT—EASTERN**
28 **WASHINGTON UNIVERSITY**

29 (1) A tentative agreement has been reached between Eastern
30 Washington University and the Washington federation of state
31 employees under the provisions of chapter 41.80 RCW for the 2017-2019
32 fiscal biennium. The legislature rejects the tentative agreement that
33 has been reached as a whole. An appropriation is provided in section
34 737 of this act to fund the equivalent of a \$500 annual wage increase
35 beginning July 1, 2017, and an additional \$500 annual wage increase
36 beginning July 1, 2018, for all full-time employees, prorated for
37 part-time employees, including nonrepresented classified employees
38 and employees not subject to the provisions of chapter 41.06 RCW.

1 (2) Funding for an agreement shall be considered approved
2 pursuant to RCW 41.80.010 if the parties reach a new agreement under
3 chapter 41.80 RCW for the 2017-2019 fiscal biennium by June 30, 2017,
4 and the agreement reached under this section does not create any
5 future fiscal liability on the part of the state in excess of the
6 future fiscal liability created by section 737 of this act for that
7 exclusive bargaining representative members' proportionate share of
8 funding.

9 NEW SECTION. **Sec. 915. COLLECTIVE BARGAINING AGREEMENT—CENTRAL**
10 **WASHINGTON UNIVERSITY**

11 (1) Tentative agreements have been reached between Central
12 Washington University and the Washington federation of state
13 employees and the public schools employees of Washington under the
14 provisions of chapter 41.80 RCW for the 2017-2019 fiscal biennium.
15 The legislature rejects the tentative agreements that have been
16 reached as a whole. An appropriation is provided in section 737 of
17 this act to fund the equivalent of a \$500 annual wage increase
18 beginning July 1, 2017, and an additional \$500 annual wage increase
19 beginning July 1, 2018, for all full-time employees, prorated for
20 part-time employees, including nonrepresented classified employees
21 and employees not subject to the provisions of chapter 41.06 RCW.

22 (2) Funding for an agreement shall be considered approved
23 pursuant to RCW 41.80.010 if the parties reach a new agreement under
24 chapter 41.80 RCW for the 2017-2019 fiscal biennium by June 30, 2017,
25 and the agreement reached under this section does not create any
26 future fiscal liability on the part of the state in excess of the
27 future fiscal liability created by section 737 of this act for that
28 exclusive bargaining representative members' proportionate share of
29 funding.

30 NEW SECTION. **Sec. 916. COLLECTIVE BARGAINING AGREEMENT—**
31 **UNIVERSITY OF WASHINGTON**

32 (1) Tentative agreements have been reached between the University
33 of Washington and the Washington federation of state employees and
34 the service employees international union 925 under the provisions of
35 chapter 41.80 RCW for the 2017-2019 fiscal biennium. The legislature
36 rejects the tentative agreements that have been reached as a whole.
37 An appropriation is provided in section 737 of this act to fund the
38 equivalent of a \$500 annual wage increase beginning July 1, 2017, and

1 an additional \$500 annual wage increase beginning July 1, 2018, for
2 all full-time employees, prorated for part-time employees, including
3 nonrepresented classified employees and employees not subject to the
4 provisions of chapter 41.06 RCW.

5 (2) Funding for an agreement shall be considered approved
6 pursuant to RCW 41.80.010 if the parties reach a new agreement under
7 chapter 41.80 RCW for the 2017-2019 fiscal biennium by June 30, 2017,
8 and the agreement reached under this section does not create any
9 future fiscal liability on the part of the state in excess of the
10 future fiscal liability created by section 737 of this act for that
11 exclusive bargaining representative members' proportionate share of
12 funding.

13 NEW SECTION. **Sec. 917. COLLECTIVE BARGAINING AGREEMENT—**
14 **WASHINGTON STATE UNIVERSITY**

15 (1) Tentative agreements have been reached between the Washington
16 State University and the Washington federation of state employees,
17 the public schools employees of Washington, and the Washington State
18 University police guild under the provisions of chapter 41.80 RCW for
19 the 2017-2019 fiscal biennium. The legislature rejects the tentative
20 agreements that have been reached as a whole. An appropriation is
21 provided in section 737 of this act to fund the equivalent of a \$500
22 annual wage increase beginning July 1, 2017, and an additional \$500
23 annual wage increase beginning July 1, 2018, for all full-time
24 employees, prorated for part-time employees, including nonrepresented
25 classified employees and employees not subject to the provisions of
26 chapter 41.06 RCW.

27 (2) Funding for an agreement shall be considered approved
28 pursuant to RCW 41.80.010 if the parties reach a new agreement under
29 chapter 41.80 RCW for the 2017-2019 fiscal biennium by June 30, 2017,
30 and the agreement reached under this section does not create any
31 future fiscal liability on the part of the state in excess of the
32 future fiscal liability created by section 737 of this act for that
33 exclusive bargaining representative members' proportionate share of
34 funding.

35 NEW SECTION. **Sec. 918. FOR THE COLLECTIVE BARGAINING AGREEMENT**
36 **FOR NONSTATE EMPLOYEES—LANGUAGE ACCESS PROVIDERS WFSE LANGUAGE ACCESS**
37 **PROVIDERS WFSE**

1 An agreement has been reached between the governor and the
2 Washington federation of state employees for the language access
3 providers under the provisions of chapter 41.56 RCW for the 2017-2019
4 fiscal biennium. The legislature rejects the tentative agreement that
5 has been reached as a whole.

6 NEW SECTION. **Sec. 919. FOR THE COLLECTIVE BARGAINING AGREEMENT**
7 **FOR NONSTATE EMPLOYEES—SEIU HEALTHCARE 775NW HOMECARE WORKERS SEIU**
8 **HEALTHCARE 775NW HOMECARE WORKERS**

9 An agreement has been reached between the governor and the
10 service employees international union healthcare 775nw under the
11 provisions of chapter 74.39A and 41.56 RCW for the 2017-2019 fiscal
12 biennium. The legislature rejects the tentative agreement that has
13 been reached as a whole. An appropriation is provided in section 205
14 and section 206 of this act to fund a vendor rate increase of 2.0
15 percent on July 1, 2017, and 2.0 percent on July 1, 2018.

16 NEW SECTION. **Sec. 920. FOR THE COLLECTIVE BARGAINING AGREEMENT**
17 **FOR NONSTATE EMPLOYEES—SEIU LOCAL 925 CHILDCARE WORKERS SEIU LOCAL**
18 **925 CHILDCARE WORKERS**

19 An agreement has been reached between the governor and the
20 service employees international union local 925 under the provisions
21 of chapter 41.56 RCW for the 2017-2019 fiscal biennium. The
22 legislature rejects the tentative agreement that has been reached as
23 a whole. Appropriations are provided in sections 202 and 207 of this
24 act to fund a 1.0 percent base rate increase for licensed family home
25 providers, a \$1.25 per hour rate increase for Family, Friend, and
26 Neighbor providers, and a 4.25 percent increase for health insurance
27 premiums.

28 NEW SECTION. **Sec. 921. FOR THE COLLECTIVE BARGAINING AGREEMENT**
29 **FOR NONSTATE EMPLOYEES—WSRCC ADULT FAMILY HOMES WSRCC ADULT FAMILY**
30 **HOMES**

31 An agreement has been reached between the governor and the
32 Washington state residential care council under the provisions of
33 chapter 41.56 RCW for the 2017-2019 fiscal biennium. The legislature
34 rejects the tentative agreement that has been reached as a whole. An
35 appropriation is provided in section 205 and section 206 of this act

1 to fund a vendor rate increase of 2.0 percent on July 1, 2017, and
2 2.0 percent on July 1, 2018.

3 NEW SECTION. **Sec. 922. COMPENSATION—REPRESENTED EMPLOYEES—**
4 **SUPER COALITION—INSURANCE BENEFITS**

5 A tentative health care benefits agreement has been reached for
6 the 2017-2019 fiscal biennium between the governor and the health
7 care super coalition under the provisions of chapter 41.80 RCW.
8 Appropriations in this act for state agencies, including institutions
9 of higher education, and the appropriations in section 735 of this
10 act are sufficient to implement the provisions of the 2017-2019
11 collective bargaining agreement and are subject to the following
12 conditions and limitations:

13 (1)(a) The monthly employer funding rate for insurance benefit
14 premiums, public employees' benefits board administration, and the
15 uniform medical plan shall not exceed \$889 per eligible employee for
16 fiscal year 2018. For fiscal year 2019, the monthly employer funding
17 rate shall not exceed \$920 per eligible employee.

18 (b) The health care authority shall make modifications that will
19 reduce the actuarial value of the uniform medical plan by one percent
20 effective January 1, 2018, and one percent effective January 1, 2019,
21 and to reduce the actuarial value of the managed health care plans by
22 0.6 percent effective January 1, 2018, and 0.6 percent effective
23 January 1, 2019.

24 (c) Except as prohibited by the tentative health care benefits
25 agreement, in order to achieve the level of funding provided for
26 health benefits, the public employees' benefits board shall require
27 any or all of the following: Employee premium copayments, increases
28 in point-of-service cost sharing, the implementation of managed
29 competition, or make other changes to benefits consistent with RCW
30 41.05.065, but in no case to increase the actuarial value of the
31 plans offered as compared to the comparable plans offered to
32 enrollees in calendar year 2017 or beyond the reductions specified in
33 this section.

34 (d) The health care authority shall deposit any moneys received
35 on behalf of the uniform medical plan as a result of rebates on
36 prescription drugs, audits of hospitals, subrogation payments, or any
37 other moneys recovered as a result of prior uniform medical plan
38 claims payments, into the public employees' and retirees' insurance

1 account to be used for insurance benefits. Such receipts shall not be
2 used for administrative expenditures.

3 (2) The health care authority, subject to the approval of the
4 public employees' benefits board, shall provide subsidies for health
5 benefit premiums to eligible retired or disabled public employees and
6 school district employees who are eligible for medicare, pursuant to
7 RCW 41.05.085. For calendar years 2018 and 2019, the subsidy shall be
8 up to \$150.00 per month.

9 (3) All savings resulting from reduced claim costs or other
10 factors identified after December 31, 2016, must be reserved for
11 funding employee health benefits in the 2019-2021 fiscal biennium.

12 NEW SECTION. **Sec. 923. COMPENSATION—REPRESENTED EMPLOYEES**
13 **OUTSIDE SUPER COALITION—INSURANCE BENEFITS**

14 Appropriations for state agencies in this act, and the
15 appropriations in sections 735 and 736 of this act, are sufficient
16 for represented employees outside the super coalition for health
17 benefits, and are subject to the following conditions and
18 limitations:

19 (1)(a) The monthly employer funding rate for insurance benefit
20 premiums, public employees' benefits board administration, and the
21 uniform medical plan shall not exceed \$889 per eligible employee for
22 fiscal year 2018. For fiscal year 2019, the monthly employer funding
23 rate shall not exceed \$920 per eligible employee.

24 (b) The health care authority shall make modifications that will
25 reduce the actuarial value of the uniform medical plan by one percent
26 effective January 1, 2018, and one percent effective January 1, 2019,
27 and to reduce the actuarial value of the managed health care plans by
28 0.6 percent effective January 1, 2018, and 0.6 percent effective
29 January 1, 2019.

30 (c) Except as prohibited by the tentative health care benefits
31 agreement, in order to achieve the level of funding provided for
32 health benefits, the public employees' benefits board shall require
33 any or all of the following: Employee premium copayments, increases
34 in point-of-service cost sharing, the implementation of managed
35 competition, or make other changes to benefits consistent with RCW
36 41.05.065, but in no case to increase the actuarial value of the
37 plans offered as compared to the comparable plans offered to
38 enrollees in calendar year 2017 or beyond the reduction specified in
39 this section.

1 (d) The health care authority shall deposit any moneys received
2 on behalf of the uniform medical plan as a result of rebates on
3 prescription drugs, audits of hospitals, subrogation payments, or any
4 other moneys recovered as a result of prior uniform medical plan
5 claims payments, into the public employees' and retirees' insurance
6 account to be used for insurance benefits. Such receipts shall not be
7 used for administrative expenditures.

8 (2) The health care authority, subject to the approval of the
9 public employees' benefits board, shall provide subsidies for health
10 benefit premiums to eligible retired or disabled public employees and
11 school district employees who are eligible for medicare, pursuant to
12 RCW 41.05.085. For calendar years 2018 and 2019, the subsidy shall be
13 up to \$150.00 per month.

14 (3) All savings resulting from reduced claim costs or other
15 factors identified after December 31, 2016, must be reserved for
16 funding employee health benefits in the 2019-2021 fiscal biennium.

17 NEW SECTION. **Sec. 924. COMPENSATION—NONREPRESENTED EMPLOYEES—**
18 **INSURANCE BENEFITS**

19 Appropriations for state agencies in this act, and the
20 appropriations in section 736 of this act, are sufficient for
21 nonrepresented state employee health benefits for state agencies,
22 including institutions of higher education, and are subject to the
23 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, shall not exceed \$889 per eligible employee for
27 fiscal year 2018. For fiscal year 2019, the monthly employer funding
28 rate shall not exceed \$920 per eligible employee.

29 (b) The health care authority shall make modifications that will
30 reduce the actuarial value of the uniform medical plan by one percent
31 effective January 1, 2018, and one percent effective January 1, 2019,
32 and to reduce the actuarial value of the managed health care plans by
33 0.6 percent effective January 1, 2018, and 0.6 percent effective
34 January 1, 2019.

35 (c) Except as prohibited by the tentative health care benefits
36 agreement, in order to achieve the level of funding provided for
37 health benefits, the public employees' benefits board shall require
38 any or all of the following: Employee premium copayments, increases
39 in point-of-service cost sharing, the implementation of managed

1 competition, or make other changes to benefits consistent with RCW
2 41.05.065, but in no case to increase the actuarial value of the
3 plans offered as compared to the comparable plans offered to
4 enrollees in calendar year 2017 or beyond the reduction specified in
5 this section.

6 (d) The health care authority shall deposit any moneys received
7 on 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
10 claims payments, into the public employees' and retirees' insurance
11 account to be used for insurance benefits. Such receipts shall not be
12 used for 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 2018 and 2019, the subsidy shall be
18 up to \$150.00 per month.

19 (3) Technical colleges, school districts, and educational service
20 districts shall remit to the health care authority for deposit into
21 the public employees' and retirees' insurance account established in
22 RCW 41.05.120 the following amounts:

23 (a) For each full-time employee, \$65.85 per month beginning
24 September 1, 2017, and \$69.82 beginning September 1, 2018; and

25 (b) For each part-time employee, who at the time of the
26 remittance is employed in an eligible position as defined in RCW
27 41.32.010 or 41.40.010 and is eligible for employer fringe benefit
28 contributions for basic benefits, \$65.85 each month beginning
29 September 1, 2017, and \$69.82 beginning September 1, 2018, prorated
30 by the proportion of employer fringe benefit contributions for a
31 full-time employee that the part-time employee receives. The
32 remittance requirements specified in this subsection (3) shall not
33 apply to employees of a technical college, school district, or
34 educational service district who purchase insurance benefits through
35 contracts with the health care authority.

36 (4) All savings resulting from reduced claim costs or other
37 factors identified after December 31, 2016, must be reserved for
38 funding employee health benefits in the 2019-2021 fiscal biennium.

39 NEW SECTION. **Sec. 925. INITIATIVE 732 COST-OF-LIVING INCREASES**

1 General wage increases authorized in parts 7 and 9 of this act do
2 not apply to state employees covered by Initiative Measure No. 732.

3 NEW SECTION. **Sec. 926. COMPENSATION—REVISE PENSION CONTRIBUTION**
4 **RATES**

5 The appropriations in this act for school districts and state
6 agencies, including institutions of higher education, are subject to
7 the following conditions and limitations: Appropriations are adjusted
8 to reflect changes to agency appropriations to reflect pension
9 contribution rates adopted by the pension funding council and the law
10 enforcement officers' and firefighters' retirement system plan 2
11 board.

12 **Sec. 927.** RCW 19.28.351 and 2013 2nd sp.s. c 4 s 956 are each
13 amended to read as follows:

14 All sums received from licenses, permit fees, or other sources,
15 herein shall be paid to the state treasurer and placed in a special
16 fund designated as the "electrical license fund," and paid out upon
17 vouchers duly and regularly issued therefor and approved by the
18 director of labor and industries or the director's designee following
19 determination by the board that the sums are necessary to accomplish
20 the intent of this chapter (~~((19.28-RCW))~~). The treasurer shall keep an
21 accurate record of payments into, or receipts of, the fund, and of
22 all disbursements therefrom.

23 During the (~~((2013-2015))~~) 2017-2019 biennium, the legislature may
24 direct the state treasurer to make transfers of moneys (~~((from))~~) in
25 the electrical license fund to the state general fund (~~((such amounts~~
26 ~~as reflect the excess fund balance of the fund))~~).

27 **Sec. 928.** RCW 19.118.110 and 2008 c 93 s 1 are each amended to
28 read as follows:

29 If the new motor vehicle will be registered in the state of
30 Washington, a three-dollar arbitration fee shall be collected by
31 either the new motor vehicle dealer or vehicle lessor from the
32 consumer upon execution of a retail sale or lease agreement. The fee
33 shall be forwarded to the department of licensing at the time of
34 title application for deposit in the new motor vehicle arbitration
35 account hereby created in the state treasury. Moneys in the account
36 shall be used for the purposes of this chapter, subject to
37 appropriation. During the 1995-97 fiscal biennium, the legislature

1 may transfer moneys from the account to the extent that the moneys
2 are not necessary for the purposes of this chapter.

3 At the end of each fiscal year, the attorney general shall
4 prepare a report listing the annual revenue generated and the
5 expenses incurred in implementing and operating the arbitration
6 program under this chapter.

7 During the 2017-2019 fiscal biennium, the legislature may direct
8 the state treasurer to make transfers of moneys in the new motor
9 vehicle arbitration account to the state general fund.

10 **Sec. 929.** RCW 28B.15.031 and 2015 3rd sp.s. c 36 s 1 are each
11 amended to read as follows:

12 (1) The term "operating fees" as used in this chapter shall
13 include the fees, other than building fees, charged all students
14 registering at the state's colleges and universities but shall not
15 include fees for short courses, self-supporting degree credit
16 programs and courses, marine station work, experimental station work,
17 correspondence or extension courses, and individual instruction and
18 student deposits or rentals, disciplinary and library fines, which
19 colleges and universities shall have the right to impose, laboratory,
20 gymnasium, health, technology and student activity fees, or fees,
21 charges, rentals, and other income derived from any or all revenue
22 producing lands, buildings and facilities of the colleges or
23 universities heretofore or hereafter acquired, constructed or
24 installed, including but not limited to income from rooms,
25 dormitories, dining rooms, hospitals, infirmaries, housing or student
26 activity buildings, vehicular parking facilities, land, or the
27 appurtenances thereon, or such other special fees as may be
28 established by any college or university board of trustees or regents
29 from time to time. All moneys received as operating fees at any
30 institution of higher education shall be deposited in a local account
31 containing only operating fees revenue and related interest:
32 PROVIDED, That a minimum of four percent of operating fees shall be
33 retained by four-year institutions of higher education and a minimum
34 of three and one-half percent of operating fees shall be retained by
35 the community and technical colleges for the purposes of RCW
36 28B.15.820. At least thirty percent of operating fees required to be
37 retained by the four-year institutions for purposes of RCW 28B.15.820
38 shall be used only for the purposes of RCW 28B.15.820(10).

1 (2) In addition to the three and one-half percent of operating
2 fees retained by the institutions under subsection (1) of this
3 section, except as provided in subsection (4) of this section, up to
4 three percent of operating fees charged to students at community and
5 technical colleges shall be transferred to the community and
6 technical college innovation account for the implementation of the
7 college board's strategic technology plan in RCW 28B.50.515. The
8 percentage to be transferred to the community and technical college
9 innovation account shall be determined by the college board each year
10 but shall not exceed three percent of the operating fees collected
11 each year.

12 (3) Local operating fee accounts shall not be subject to
13 appropriation by the legislature but shall be subject to allotment
14 procedures by budget program and fiscal year under chapter 43.88 RCW.

15 (4) For the 2017-2019 fiscal biennium, up to one percent of
16 operating fees charged to students at community and technical
17 colleges and the amount for the payment of principal of and interest
18 on financing contracts, such as certificates of participation issued
19 for the innovation account under chapter 39.94 RCW and authorized by
20 the legislature, shall be transferred to the community and technical
21 college innovation account for the implementation of the college
22 board's strategic technology plan in RCW 28B.50.515. The amount to be
23 transferred to the community and technical college innovation account
24 shall be determined by the college board each year but shall not
25 exceed one percent of operating fees collected each year and the
26 amount for the payment of principal of and interest on financing
27 contracts. The percentage to be transferred to the community and
28 technical college innovation account shall increase up to three
29 percent when the pilot phase of the ctclink project funded through
30 the community and technical college innovation account created in RCW
31 28B.50.515 is completed.

32 **Sec. 930.** RCW 28B.15.210 and 2015 3rd sp.s. c 3 s 7027 are each
33 amended to read as follows:

34 Within thirty-five days from the date of collection thereof, all
35 building fees at the University of Washington, including building
36 fees to be charged students registering in the schools of medicine
37 and dentistry, shall be paid into the state treasury and credited as
38 follows:

1 One-half or such larger portion as may be necessary to prevent a
2 default in the payments required to be made out of the bond
3 retirement fund to the "University of Washington bond retirement
4 fund" and the remainder thereof to the "University of Washington
5 building account." The sum so credited to the University of
6 Washington building account shall be used exclusively for the purpose
7 of erecting, altering, maintaining, equipping, or furnishing
8 buildings, and for certificates of participation under chapter 39.94
9 RCW, except for any sums transferred as authorized in RCW
10 28B.20.725(3). The sum so credited to the University of Washington
11 bond retirement fund shall be used for the payment of principal of
12 and interest on bonds outstanding as provided by chapter 28B.20 RCW
13 except for any sums transferred as authorized in RCW 28B.20.725(5).
14 During the 2013-2015 biennium, sums credited to the University of
15 Washington building account shall also be used for routine facility
16 maintenance, utility costs, and facility condition assessments.
17 During the 2015-2017 (~~biennium~~) and 2017-2019 fiscal biennia, sums
18 credited to the University of Washington building account shall also
19 be used for routine facility maintenance, utility costs, and facility
20 condition assessments.

21 **Sec. 931.** RCW 28B.15.310 and 2015 3rd sp.s. c 3 s 7026 are each
22 amended to read as follows:

23 Within thirty-five days from the date of collection thereof, all
24 building fees shall be paid and credited as follows: To the
25 Washington State University bond retirement fund, one-half or such
26 larger portion as may be necessary to prevent a default in the
27 payments required to be made out of such bond retirement fund; and
28 the remainder thereof to the Washington State University building
29 account.

30 The sum so credited to the Washington State University building
31 account shall be expended by the board of regents for buildings,
32 equipment, or maintenance on the campus of Washington State
33 University as may be deemed most advisable and for the best interests
34 of the university, and for certificates of participation under
35 chapter 39.94 RCW, except for any sums transferred as authorized by
36 law. During the 2013-2015 biennium, sums credited to the Washington
37 State University building account shall also be used for routine
38 facility maintenance, utility costs, and facility condition
39 assessments. During the 2015-2017 (~~biennium~~) and 2017-2019 fiscal

1 biennia, sums credited to the Washington State University building
2 account shall also be used for routine facility maintenance, utility
3 costs, and facility condition assessments. Expenditures so made shall
4 be accounted for in accordance with existing law and shall not be
5 expended until appropriated by the legislature.

6 The sum so credited to the Washington State University bond
7 retirement fund shall be used to pay and secure the payment of the
8 principal of and interest on building bonds issued by the university,
9 except for any sums which may be transferred out of such fund as
10 authorized by law.

11 **Sec. 932.** RCW 28B.15.910 and 2015 c 55 s 224 are each amended to
12 read as follows:

13 (1) For the purpose of providing state general fund support to
14 public institutions of higher education, except for revenue waived
15 under programs listed in subsections (3) and (4) of this section, and
16 unless otherwise expressly provided in the omnibus state
17 appropriations act, the total amount of operating fees revenue
18 waived, exempted, or reduced by a state university, a regional
19 university, The Evergreen State College, or the community and
20 technical colleges as a whole, shall not exceed the percentage of
21 total gross authorized operating fees revenue in this subsection. As
22 used in this section, "gross authorized operating fees revenue" means
23 the estimated gross operating fees revenue as estimated under RCW
24 82.33.020 or as revised by the office of financial management, before
25 granting any waivers. Except as provided in subsection (6), this
26 limitation applies to all tuition waiver programs established before
27 or after July 1, 1992.

- 28 (a) University of Washington. 21 percent
- 29 (b) Washington State University. 20 percent
- 30 (c) Eastern Washington University. 11 percent
- 31 (d) Central Washington University. 10 percent
- 32 (e) Western Washington University. 10 percent
- 33 (f) The Evergreen State College. 10 percent
- 34 (g) Community and technical colleges as a whole. . . . 35 percent

35 (2) The limitations in subsection (1) of this section apply to
36 waivers, exemptions, or reductions in operating fees contained in the
37 following:

- 38 (a) RCW 28B.15.014;
- 39 (b) RCW 28B.15.100;

- 1 (c) RCW 28B.15.225;
- 2 (d) RCW 28B.15.380;
- 3 (e) RCW 28B.15.520;
- 4 (f) RCW 28B.15.526;
- 5 (g) RCW 28B.15.527;
- 6 (h) RCW 28B.15.555;
- 7 (i) RCW 28B.15.556;
- 8 (j) RCW 28B.15.615;
- 9 (k) RCW 28B.15.621 (2) and (4);
- 10 (l) RCW 28B.15.730;
- 11 (m) RCW 28B.15.740;
- 12 (n) RCW 28B.15.750;
- 13 (o) RCW 28B.15.756;
- 14 (p) RCW 28B.50.259; and
- 15 (q) RCW 28B.70.050.

16 (3) The limitations in subsection (1) of this section do not
17 apply to waivers, exemptions, or reductions in services and
18 activities fees contained in the following:

- 19 (a) RCW 28B.15.522;
- 20 (b) RCW 28B.15.540;
- 21 (c) RCW 28B.15.558; and
- 22 (d) RCW 28B.15.621(3).

23 (4) The total amount of operating fees revenue waived, exempted,
24 or reduced by institutions of higher education participating in the
25 western interstate commission for higher education western
26 undergraduate exchange program under RCW 28B.15.544 shall not exceed
27 the percentage of total gross authorized operating fees revenue in
28 this subsection.

- 29 (a) Washington State University. 1 percent
- 30 (b) Eastern Washington University. 3 percent
- 31 (c) Central Washington University. 3 percent

32 (5) The institutions of higher education will participate in
33 outreach activities to increase the number of veterans who receive
34 tuition waivers. Colleges and universities shall revise the
35 application for admissions so that all applicants shall have the
36 opportunity to advise the institution that they are veterans who need
37 assistance. If a person indicates on the application for admissions
38 that the person is a veteran who is in need of assistance, then the
39 institution of higher education shall ask the person whether they
40 have any funds disbursed in accordance with the Montgomery GI Bill

1 available to them. Each institution shall encourage veterans to
2 utilize funds available to them in accordance with the Montgomery GI
3 Bill prior to providing the veteran a tuition waiver.

4 (6) For the 2017-18 and 2018-19 academic years, the legislature
5 hereby lowers the limit on total gross authorized operating fees
6 revenue waived, exempted, or reduced by state institutions of higher
7 education pursuant to subsection (1) as follows:

- 8 (a) University of Washington. 20 percent
- 9 (b) Washington State University. 19 percent
- 10 (c) Eastern Washington University. 10 percent
- 11 (d) Central Washington University. 9 percent
- 12 (e) Western Washington University. 9 percent
- 13 (f) The Evergreen State College. 9 percent
- 14 (g) Community colleges as a whole. 34 percent.

15 **Sec. 933.** RCW 28B.35.370 and 2015 3rd sp.s. c 3 s 7029 are each
16 amended to read as follows:

17 Within thirty-five days from the date of collection thereof all
18 building fees of each regional university and The Evergreen State
19 College shall be paid into the state treasury and these together with
20 such normal school fund revenues as provided in RCW 28B.35.751 as are
21 received by the state treasury shall be credited as follows:

22 (1) On or before June 30th of each year the board of trustees of
23 each regional university and The Evergreen State College, if issuing
24 bonds payable out of its building fees and above described normal
25 school fund revenues, shall certify to the state treasurer the
26 amounts required in the ensuing twelve months to pay and secure the
27 payment of the principal of and interest on such bonds. The amounts
28 so certified by each regional university and The Evergreen State
29 College shall be a prior lien and charge against all building fees
30 and above described normal school fund revenues of such institution.
31 The state treasurer shall thereupon deposit the amounts so certified
32 in the Eastern Washington University capital projects account, the
33 Central Washington University capital projects account, the Western
34 Washington University capital projects account, or The Evergreen
35 State College capital projects account respectively, which accounts
36 are hereby created in the state treasury. The amounts deposited in
37 the respective capital projects accounts shall be used to pay and
38 secure the payment of the principal of and interest on the building
39 bonds issued by such regional universities and The Evergreen State

1 College as authorized by law. If in any twelve month period it shall
2 appear that the amount certified by any such board of trustees is
3 insufficient to pay and secure the payment of the principal of and
4 interest on the outstanding building and above described normal
5 school fund revenue bonds of its institution, the state treasurer
6 shall notify the board of trustees and such board shall adjust its
7 certificate so that all requirements of moneys to pay and secure the
8 payment of the principal of and interest on all such bonds then
9 outstanding shall be fully met at all times.

10 (2) All normal school fund revenue pursuant to RCW 28B.35.751
11 shall be deposited in the Eastern Washington University capital
12 projects account, the Central Washington University capital projects
13 account, the Western Washington University capital projects account,
14 or The Evergreen State College capital projects account respectively,
15 which accounts are hereby created in the state treasury. The sums
16 deposited in the respective capital projects accounts shall be
17 appropriated and expended to pay and secure the payment of the
18 principal of and interest on bonds payable out of the building fees
19 and normal school revenue and for the construction, reconstruction,
20 erection, equipping, maintenance, demolition and major alteration of
21 buildings and other capital assets, and the acquisition of sites,
22 rights-of-way, easements, improvements or appurtenances in relation
23 thereto except for any sums transferred therefrom as authorized by
24 law. (~~However, during the 2013-2015 biennium, sums in the respective~~
25 ~~capital accounts shall also be used for routine facility maintenance,~~
26 ~~utility costs, and facility condition assessments.~~) However, during
27 the 2015-2017 (~~biennium~~) and 2017-2019 fiscal biennia, sums in the
28 respective capital accounts shall also be used for routine facility
29 maintenance, utility costs, and facility condition assessments.

30 (3) Funds available in the respective capital projects accounts
31 may also be used for certificates of participation under chapter
32 39.94 RCW.

33 **Sec. 934.** RCW 28B.50.360 and 2015 3rd sp.s. c 3 s 7030 are each
34 amended to read as follows:

35 Within thirty-five days from the date of start of each quarter
36 all collected building fees of each such community and technical
37 college shall be paid into the state treasury, and shall be credited
38 as follows:

1 (1) On or before June 30th of each year the college board if
2 issuing bonds payable out of building fees shall certify to the state
3 treasurer the amounts required in the ensuing twelve-month period to
4 pay and secure the payment of the principal of and interest on such
5 bonds. The state treasurer shall thereupon deposit the amounts so
6 certified in the community and technical college capital projects
7 account. Such amounts of the funds deposited in the community and
8 technical college capital projects account as are necessary to pay
9 and secure the payment of the principal of and interest on the
10 building bonds issued by the college board as authorized by this
11 chapter shall be devoted to that purpose. If in any twelve-month
12 period it shall appear that the amount certified by the college board
13 is insufficient to pay and secure the payment of the principal of and
14 interest on the outstanding building bonds, the state treasurer shall
15 notify the college board and such board shall adjust its certificate
16 so that all requirements of moneys to pay and secure the payment of
17 the principal and interest on all such bonds then outstanding shall
18 be fully met at all times.

19 (2) The community and technical college capital projects account
20 is hereby created in the state treasury. The sums deposited in the
21 capital projects account shall be appropriated and expended to pay
22 and secure the payment of the principal of and interest on bonds
23 payable out of the building fees and for the construction,
24 reconstruction, erection, equipping, maintenance, demolition and
25 major alteration of buildings and other capital assets owned by the
26 state board for community and technical colleges in the name of the
27 state of Washington, and the acquisition of sites, rights-of-way,
28 easements, improvements or appurtenances in relation thereto,
29 engineering and architectural services provided by the department of
30 enterprise services, and for the payment of principal of and interest
31 on any bonds issued for such purposes. (~~However, during the~~
32 ~~2013-2015 biennium, sums in the capital projects account shall also~~
33 ~~be used for routine facility maintenance and utility costs.))
34 However, during the 2015-2017 ((~~biennium~~)) and 2017-2019 fiscal
35 biennia, sums in the capital projects account shall also be used for
36 routine facility maintenance and utility costs.~~

37 (3) Funds available in the community and technical college
38 capital projects account may also be used for certificates of
39 participation under chapter 39.94 RCW.

1 **Sec. 935.** RCW 28C.04.535 and 2015 3rd sp.s. c 4 s 948 are each
2 amended to read as follows:

3 Except for the ((~~2015-16 and 2016-17~~)) 2017-18 and 2018-19 school
4 years, the Washington award for vocational excellence shall be
5 granted annually. The workforce training and education coordinating
6 board shall notify the students receiving the award, their vocational
7 instructors, local chambers of commerce, the legislators of their
8 respective districts, and the governor, after final selections have
9 been made. The workforce training and education coordinating board,
10 in conjunction with the governor's office, shall prepare appropriate
11 certificates to be presented to the selected students. Awards shall
12 be presented in public ceremonies at times and places determined by
13 the workforce training and education coordinating board in
14 cooperation with the office of the governor.

15 **Sec. 936.** RCW 36.70A.725 and 2011 c 360 s 7 are each amended to
16 read as follows:

17 (1) Upon receipt of a work plan submitted to the director under
18 RCW 36.70A.720(2)(a), the director must submit the work plan to the
19 technical panel for review.

20 (2) The technical panel shall review the work plan and report to
21 the director within ((~~forty-five~~)) ninety days after the director
22 receives the work plan. The technical panel shall assess whether at
23 the end of ten years after receipt of funding, the work plan, in
24 conjunction with other existing plans and regulations, will protect
25 critical areas while maintaining and enhancing the viability of
26 agriculture in the watershed.

27 (3)(a) If the technical panel determines the proposed work plan
28 will protect critical areas while maintaining and enhancing the
29 viability of agriculture in the watershed:

30 (i) It must recommend approval of the work plan; and

31 (ii) The director must approve the work plan.

32 (b) If the technical panel determines the proposed work plan will
33 not protect critical areas while maintaining and enhancing the
34 viability of agriculture in the watershed:

35 (i) It must identify the reasons for its determination; and

36 (ii) The director must advise the watershed group of the reasons
37 for disapproval.

38 (4) The watershed group may modify and resubmit its work plan for
39 review and approval consistent with this section.

1 (5) If the director does not approve a work plan submitted under
2 this section within two years and nine months after receipt of
3 funding, the director shall submit the work plan to the statewide
4 advisory committee for resolution. If the statewide advisory
5 committee recommends approval, the director must approve the work
6 plan.

7 (6) If the director does not approve a work plan for a watershed
8 within three years after receipt of funding, the provisions of RCW
9 36.70A.735(2) apply to the watershed.

10 **Sec. 937.** RCW 38.40.210 and 2005 c 252 s 2 are each amended to
11 read as follows:

12 The military department rental and lease account is created in
13 the state treasury. All receipts from the rental or lease of state-
14 owned military department property must be deposited into the
15 account. Money in the account may be spent only after appropriation.
16 Expenditures from the account may be used only for operating and
17 maintenance costs of military property. During the 2017-2019 fiscal
18 biennium, the account may be used for expenditures for the protection
19 for occupants of national guard recruiting offices and other
20 facilities not located on a secure military installation.

21 **Sec. 938.** RCW 41.16.050 and 2007 c 218 s 22 are each amended to
22 read as follows:

23 (1) There is hereby created and established in the treasury of
24 each municipality a fund which shall be known and designated as the
25 firefighters' pension fund, which shall consist of: ~~((+1))~~ (a) All
26 bequests, fees, gifts, emoluments, or donations given or paid
27 thereto; ~~((+2))~~ (b) twenty-five percent of all moneys received by
28 the state from taxes on fire insurance premiums; ~~((+3))~~ (c) taxes
29 paid pursuant to the provisions of RCW 41.16.060; ~~((+4))~~ (d)
30 interest on the investments of the fund; and ~~((+5))~~ (e)
31 contributions by firefighters as provided ~~((for herein))~~ in this
32 section. Except as provided in subsection (2) of this section, the
33 moneys received from the tax on fire insurance premiums under the
34 provisions of this chapter shall be distributed in the proportion
35 that the number of paid firefighters in the city, town, or fire
36 protection district bears to the total number of paid firefighters
37 throughout the state to be ascertained in the following manner: The
38 secretary of the firefighters' pension board of each city, town, and

1 fire protection district now or hereafter coming under the provisions
2 of this chapter shall within thirty days after June 7, 1961, and on
3 or before the fifteenth day of January thereafter, certify to the
4 state treasurer the number of paid firefighters in the fire
5 department in such city, town, or fire protection district. For any
6 city or town annexed by a fire protection district at any time
7 before, on, or after June 9, 1994, the city or town shall continue to
8 certify to the state treasurer the number of paid firefighters in the
9 city or town fire department immediately before annexation until all
10 obligations against the firefighters' pension fund in the city or
11 town have been satisfied. For the purposes of the calculation in this
12 section, the state treasurer shall subtract the number certified by
13 the annexed city or town from the number of paid firefighters
14 certified by an annexing fire protection district. The state
15 treasurer shall on or before the first day of June of each year
16 deliver to the treasurer of each city, town, and fire protection
17 district coming under the provisions of this chapter his or her
18 warrant, payable to each city, town, or fire protection district for
19 the amount due such city, town or fire protection district
20 ascertained as herein provided and the treasurer of each such city,
21 town, or fire protection district shall place the amount thereof to
22 the credit of the firefighters' pension fund of such city, town, or
23 fire protection district.

24 (2)(a) For fiscal year 2018 and 2019, twenty-five percent of all
25 moneys received by the state from taxes on fire insurance premiums
26 shall be distributed to eligible cities, towns, and fire protection
27 districts in the amount of two thousand dollars for each firefighter
28 eligible to receive benefits from the fund or the amount of funds
29 distributed to that city or town during fiscal year 2017, whichever
30 is less.

31 (b) To be eligible for a distribution, a city or town must
32 demonstrate that the tax levy under RCW 41.16.060 is being levied at
33 the rate of twenty-two and one-half cents per thousand dollars of
34 assessed value and that the total proceeds from this levy cannot meet
35 the estimated demands on the fund or maintain the actuarial soundness
36 of the fund. If any portion of the tax levy under RCW 41.16.060 has
37 been reduced, in whole or in part, or if the levy is being used for
38 any other municipal purpose, the city or town is not eligible for a
39 distribution under (a) of this subsection.

1 (c) The secretary of the firefighters' pension board of each
2 city, town, and fire protection district under the provisions of this
3 chapter on the effective date of this section shall by the thirtieth
4 day of each January certify to the state treasurer the number of
5 firefighters eligible to receive benefits from its fund in the
6 preceding calendar year, the total amount of benefits paid from the
7 fund, the moneys deposited into the fund to maintain its actuarial
8 soundness, and the total amount of moneys collected from the tax levy
9 under RCW 41.16.060 the preceding calendar year. To assist the state
10 treasurer, the department of revenue must audit the tax levy
11 information provided by the city or town by the first business day of
12 May.

13 (d) If the state treasurer determines a distribution is due, the
14 state treasurer shall by the first business day of June of each year
15 deliver to the treasurer of each city, town, and fire protection
16 district a warrant payable to each city, town, or fire protection
17 district for the amount due under this section and the treasurer of
18 each city, town, or fire protection district shall deposit the
19 warrant into the firefighters' pension fund of such city, town, or
20 fire protection district. If any amount remains after distributions
21 to cities, towns, and fire protection districts, the state treasurer
22 shall deposit the excess amount into the disaster response account in
23 RCW 38.52.105.

24 (e) It is the intent of the legislature to continue the policy
25 under this subsection during the 2019-2021 fiscal biennium as it
26 investigates whether this distribution should continue or be modified
27 or terminated.

28 **Sec. 939.** RCW 41.26.450 and 2000 c 247 s 801 are each amended to
29 read as follows:

30 (1) Port districts established under Title 53 RCW and
31 institutions of higher education as defined in RCW 28B.10.016 shall
32 contribute both the employer and state shares of the cost of the
33 retirement system for any of their employees who are law enforcement
34 officers.

35 (2) Institutions of higher education shall contribute both the
36 employer and the state shares of the cost of the retirement system
37 for any of their employees who are firefighters.

38 (3) Except for fire protection districts under Title 52 RCW,
39 during the 2017-2019 fiscal biennium, the employer shall contribute

1 both the employer and state shares of the cost of the retirement
2 system for any of its employees who are members of the Washington law
3 enforcement officers' and firefighters' retirement system. It is the
4 intent of the legislature that this policy will be continued in
5 subsequent biennia.

6 **Sec. 940.** RCW 41.26.725 and 2003 c 93 s 1 are each amended to
7 read as follows:

8 (1)(a) The board of trustees shall establish contributions as set
9 forth in this section. Except as provided in (b) of this subsection
10 the cost of the minimum benefits as defined in this plan shall be
11 funded on the following ratio:

12	Employee contributions	50%
13	Employer contributions	30%
14	State contributions	20%

15 (b) During the 2017-2019 fiscal biennium, except for employers
16 that are fire protection districts formed under Title 52 RCW, the
17 cost of the minimum benefits as defined in this plan shall be funded
18 on the following ratio: Employer contributions shall be fifty percent
19 and employee contributions shall be fifty percent. It is the intent
20 of the legislature that this policy will be continued in subsequent
21 biennia.

22 (2) The minimum benefits shall constitute a contractual
23 obligation of the state and the contributing employers and may not be
24 reduced below the levels in effect on July 1, 2003. The state and the
25 contributing employers shall maintain the minimum benefits on a sound
26 actuarial basis in accordance with the actuarial standards adopted by
27 the board.

28 (3) Increased benefits created as provided for in RCW 41.26.720
29 are granted on a basis not to exceed the contributions provided for
30 in this section. In addition to the contributions necessary to
31 maintain the minimum benefits, for any increased benefits provided
32 for by the board, the employee contribution shall not exceed fifty
33 percent of the actuarial cost of the benefit. In no instance shall
34 the employee cost exceed ten percent of covered payroll without the
35 consent of a majority of the affected employees. Employer
36 contributions shall not exceed thirty percent of the cost, but in no
37 instance shall the employer contribution exceed six percent of

1 covered payroll. State contributions shall not exceed twenty percent
2 of the cost, but in no instance shall the state contribution exceed
3 four percent of covered payroll. Employer contributions may not be
4 increased above the maximum under this section without the consent of
5 the governing body of the employer. State contributions may not be
6 increased above the maximum provided for in this section without the
7 consent of the legislature. In the event that the cost of maintaining
8 the increased benefits on a sound actuarial basis exceeds the
9 aggregate contributions provided for in this section, the board shall
10 submit to the affected members of the plan the option of paying the
11 increased costs or of having the increased benefits reduced to a
12 level sufficient to be maintained by the aggregate contributions. The
13 reduction of benefits in accordance with this section shall not be
14 deemed a violation of the contractual rights of the members, provided
15 that no reduction may result in benefits being lower than the level
16 of the minimum benefits.

17 (4) The board shall manage the trust in a manner that maintains
18 reasonable contributions and administrative costs. Providing
19 additional benefits to members and beneficiaries is the board's
20 priority.

21 **Sec. 941.** RCW 41.26.802 and 2015 3rd sp.s. c 4 s 950 are each
22 amended to read as follows:

23 (1) By September 30, 2011, if the prior fiscal biennium's general
24 state revenues exceed the previous fiscal biennium's revenues by more
25 than five percent, subject to appropriation by the legislature, the
26 state treasurer shall transfer five million dollars to the local
27 public safety enhancement account.

28 (2) By September 30, (~~2017~~) 2019, and by September 30 of each
29 odd-numbered year thereafter, if the prior fiscal biennium's general
30 state revenues exceed the previous fiscal biennium's revenues by more
31 than five percent, subject to appropriation by the legislature, the
32 state treasurer shall transfer the lesser of one-third of the
33 increase, or fifty million dollars, to the local public safety
34 enhancement account.

35 (3) It is the intent of the legislature to fund any distribution
36 in 2019 dedicated to the local law enforcement officers' and
37 firefighters' retirement system benefits improvement account through
38 alternate means, which may include transfers from the law enforcement
39 officers' and firefighters' plan 2 retirement fund.

1 **Sec. 942.** RCW 41.50.110 and 2015 3rd sp.s. c 4 s 951 are each
2 amended to read as follows:

3 (1) Except as provided by RCW 41.50.255 and subsection (6) of
4 this section, all expenses of the administration of the department,
5 the expenses of administration of the retirement systems, and the
6 expenses of the administration of the office of the state actuary
7 created in chapters 2.10, 2.12, 28B.10, 41.26, 41.32, 41.40, 41.34,
8 41.35, 41.37, 43.43, and 44.44 RCW shall be paid from the department
9 of retirement systems expense fund.

10 (2) In order to reimburse the department of retirement systems
11 expense fund on an equitable basis the department shall ascertain and
12 report to each employer, as defined in RCW 28B.10.400, 41.26.030,
13 41.32.010, 41.35.010, 41.37.010, or 41.40.010, the sum necessary to
14 defray its proportional share of the entire expense of the
15 administration of the retirement system that the employer
16 participates in during the ensuing biennium or fiscal year whichever
17 may be required. Such sum is to be computed in an amount directly
18 proportional to the estimated entire expense of the administration as
19 the ratio of monthly salaries of the employer's members bears to the
20 total salaries of all members in the entire system. It shall then be
21 the duty of all such employers to include in their budgets or
22 otherwise provide the amounts so required.

23 (3)(a) Except as provided in (b) of this subsection, the
24 department shall compute and bill each employer, as defined in RCW
25 28B.10.400, 41.26.030, 41.32.010, 41.35.010, 41.37.010, or 41.40.010,
26 at the end of each month for the amount due for that month to the
27 department of retirement systems expense fund and the same shall be
28 paid as are its other obligations. Such computation as to each
29 employer shall be made on a percentage rate of salary established by
30 the department. However, the department may at its discretion
31 establish a system of billing based upon calendar year quarters in
32 which event the said billing shall be at the end of each such
33 quarter.

34 (b) During the 2017-2019 fiscal biennium, the department shall
35 not bill employers. It is the intent of the legislature that this
36 policy will be continued in subsequent fiscal biennia.

37 (4) The director may adjust the expense fund contribution rate
38 for each system at any time when necessary to reflect unanticipated
39 costs or savings in administering the department.

1 (5) An employer who fails to submit timely and accurate reports
2 to the department may be assessed an additional fee related to the
3 increased costs incurred by the department in processing the
4 deficient reports. Fees paid under this subsection shall be deposited
5 in the retirement system expense fund.

6 (a) Every six months the department shall determine the amount of
7 an employer's fee by reviewing the timeliness and accuracy of the
8 reports submitted by the employer in the preceding six months. If
9 those reports were not both timely and accurate the department may
10 prospectively assess an additional fee under this subsection.

11 (b) An additional fee assessed by the department under this
12 subsection shall not exceed fifty percent of the standard fee.

13 (c) The department shall adopt rules implementing this section.

14 (6) Expenses other than those under RCW 41.34.060(4) shall be
15 paid pursuant to subsection (1) of this section.

16 (7) During the 2009-2011 and 2011-2013 fiscal biennia, the
17 legislature may transfer from the department of retirement systems'
18 expense fund to the state general fund such amounts as reflect the
19 excess fund balance of the fund. During the 2015-2017 fiscal
20 biennium, state contributions to the judicial retirement system may
21 be made in part by appropriations from the department of retirement
22 systems expense fund.

23 **Sec. 943.** RCW 41.50.255 and 2004 c 242 s 49 are each amended to
24 read as follows:

25 (1)(a) The director is authorized to pay from the interest
26 earnings of the trust funds of the public employees' retirement
27 system, the teachers' retirement system, the Washington state patrol
28 retirement system, the Washington judicial retirement system, the
29 judges' retirement system, the school employees' retirement system,
30 the public safety employees' retirement system, or the law
31 enforcement officers' and firefighters' retirement system lawful
32 obligations of the appropriate system for legal expenses and medical
33 expenses which expenses are primarily incurred for the purpose of
34 protecting the appropriate trust fund or are incurred in compliance
35 with statutes governing such funds.

36 (b) The term "legal expense" includes, but is not limited to,
37 legal services provided through the legal services revolving fund,
38 fees for expert witnesses, travel expenses, fees for court reporters,
39 cost of transcript preparation, and reproduction of documents.

1 (c) The term "medical costs" includes, but is not limited to,
2 expenses for the medical examination or reexamination of members or
3 retirees, the costs of preparation of medical reports, and fees
4 charged by medical professionals for attendance at discovery
5 proceedings or hearings.

6 (d) The director may also pay from the interest earnings of the
7 trust funds specified in this section costs incurred in investigating
8 fraud and collecting overpayments, including expenses incurred to
9 review and investigate cases of possible fraud against the trust
10 funds and collection agency fees and other costs incurred in
11 recovering overpayments. Recovered funds must be returned to the
12 appropriate trust funds.

13 (2)(a) During the 2017-2019 fiscal biennium, all expenses of the
14 administration of the department, the expenses of administration of
15 the retirement systems, and the expenses of the administration of the
16 office of the state actuary created in chapters 2.10, 2.12, 28B.10,
17 41.26, 41.32, 41.40, 41.35, 41.37, 43.43, and 44.44 RCW shall be paid
18 from interest earnings of the funds specified in this section.

19 (b) By the fifteenth of each month during the 2017-2019 fiscal
20 biennium, the treasurer shall transfer \$4,903,000 from the interest
21 earnings of the funds specified in this section to the department of
22 retirement systems expense fund.

23 (c) Transfers under this subsection must be based on the
24 proportional share to each system as identified under RCW
25 41.50.110(2). The calculation of proportional share shall not include
26 amounts for any defined contribution plans.

27 (d) It is the intent of the legislature that this policy will be
28 continued in subsequent fiscal biennia.

29 **Sec. 944.** RCW 41.60.050 and 2015 3rd sp.s. c 4 s 952 are each
30 amended to read as follows:

31 The legislature shall appropriate from the personnel service fund
32 for the payment of administrative costs of the productivity board.
33 However, during the (~~2013-2015 and~~) 2015-2017 and 2017-2019 fiscal
34 biennia, the operations of the productivity board shall be suspended.

35 **Sec. 945.** RCW 41.80.010 and 2016 sp.s. c 36 s 923 are each
36 amended to read as follows:

37 (1) For the purpose of negotiating collective bargaining
38 agreements under this chapter, the employer shall be represented by

1 the governor or governor's designee, except as provided for
2 institutions of higher education in subsection (4) of this section.

3 (2)(a) If an exclusive bargaining representative represents more
4 than one bargaining unit, the exclusive bargaining representative
5 shall negotiate with each employer representative as designated in
6 subsection (1) of this section one master collective bargaining
7 agreement on behalf of all the employees in bargaining units that the
8 exclusive bargaining representative represents. For those exclusive
9 bargaining representatives who represent fewer than a total of five
10 hundred employees each, negotiation shall be by a coalition of all
11 those exclusive bargaining representatives. The coalition shall
12 bargain for a master collective bargaining agreement covering all of
13 the employees represented by the coalition. The governor's designee
14 and the exclusive bargaining representative or representatives are
15 authorized to enter into supplemental bargaining of agency-specific
16 issues for inclusion in or as an addendum to the master collective
17 bargaining agreement, subject to the parties' agreement regarding the
18 issues and procedures for supplemental bargaining. This section does
19 not prohibit cooperation and coordination of bargaining between two
20 or more exclusive bargaining representatives.

21 (b) This subsection (2) does not apply to exclusive bargaining
22 representatives who represent employees of institutions of higher
23 education, except when the institution of higher education has
24 elected to exercise its option under subsection (4) of this section
25 to have its negotiations conducted by the governor or governor's
26 designee under the procedures provided for general government
27 agencies in subsections (1) through (3) of this section.

28 (c) If five hundred or more employees of an independent state
29 elected official listed in RCW 43.01.010 are organized in a
30 bargaining unit or bargaining units under RCW 41.80.070, the official
31 shall be consulted by the governor or the governor's designee before
32 any agreement is reached under (a) of this subsection concerning
33 supplemental bargaining of agency specific issues affecting the
34 employees in such bargaining unit.

35 (3) The governor shall submit a request for funds necessary to
36 implement the compensation and fringe benefit provisions in the
37 master collective bargaining agreement or for legislation necessary
38 to implement the agreement. Requests for funds necessary to implement
39 the provisions of bargaining agreements shall not be submitted to the
40 legislature by the governor unless such requests:

1 (a) Have been submitted to the director of the office of
2 financial management by October 1 prior to the legislative session at
3 which the requests are to be considered; and

4 (b) Have been certified by the director of the office of
5 financial management as being feasible financially for the state.

6 The legislature shall approve or reject the submission of the
7 request for funds as a whole. The legislature shall not consider a
8 request for funds to implement a collective bargaining agreement
9 unless the request is transmitted to the legislature as part of the
10 governor's budget document submitted under RCW 43.88.030 and
11 43.88.060. If the legislature rejects or fails to act on the
12 submission, either party may reopen all or part of the agreement or
13 the exclusive bargaining representative may seek to implement the
14 procedures provided for in RCW 41.80.090.

15 (4)(a)(i) For the purpose of negotiating agreements for
16 institutions of higher education, the employer shall be the
17 respective governing board of each of the universities, colleges, or
18 community colleges or a designee chosen by the board to negotiate on
19 its behalf.

20 (ii) A governing board of a university or college may elect to
21 have its negotiations conducted by the governor or governor's
22 designee under the procedures provided for general government
23 agencies in subsections (1) through (3) of this section, except that:

24 (A) The governor or the governor's designee and an exclusive
25 bargaining representative shall negotiate one master collective
26 bargaining agreement for all of the bargaining units of employees of
27 a university or college that the representative represents; or

28 (B) If the parties mutually agree, the governor or the governor's
29 designee and an exclusive bargaining representative shall negotiate
30 one master collective bargaining agreement for all of the bargaining
31 units of employees of more than one university or college that the
32 representative represents.

33 (iii) A governing board of a community college may elect to have
34 its negotiations conducted by the governor or governor's designee
35 under the procedures provided for general government agencies in
36 subsections (1) through (3) of this section.

37 (b) Prior to entering into negotiations under this chapter, the
38 institutions of higher education or their designees shall consult
39 with the director of the office of financial management regarding

1 financial and budgetary issues that are likely to arise in the
2 impending negotiations.

3 (c)(i) In the case of bargaining agreements reached between
4 institutions of higher education other than the University of
5 Washington and exclusive bargaining representatives agreed to under
6 the provisions of this chapter, if appropriations are necessary to
7 implement the compensation and fringe benefit provisions of the
8 bargaining agreements, the governor shall submit a request for such
9 funds to the legislature according to the provisions of subsection
10 (3) of this section, except as provided in (c)(iii) of this
11 subsection.

12 (ii) In the case of bargaining agreements reached between the
13 University of Washington and exclusive bargaining representatives
14 agreed to under the provisions of this chapter, if appropriations are
15 necessary to implement the compensation and fringe benefit provisions
16 of a bargaining agreement, the governor shall submit a request for
17 such funds to the legislature according to the provisions of
18 subsection (3) of this section, except as provided in this subsection
19 (4)(c)(ii) and as provided in (c)(iii) of this subsection.

20 (A) If appropriations of less than ten thousand dollars are
21 necessary to implement the provisions of a bargaining agreement, a
22 request for such funds shall not be submitted to the legislature by
23 the governor unless the request has been submitted to the director of
24 the office of financial management by October 1 prior to the
25 legislative session at which the request is to be considered.

26 (B) If appropriations of ten thousand dollars or more are
27 necessary to implement the provisions of a bargaining agreement, a
28 request for such funds shall not be submitted to the legislature by
29 the governor unless the request:

30 (I) Has been submitted to the director of the office of financial
31 management by October 1 prior to the legislative session at which the
32 request is to be considered; and

33 (II) Has been certified by the director of the office of
34 financial management as being feasible financially for the state.

35 (C) If the director of the office of financial management does
36 not certify a request under (c)(ii)(B) of this subsection as being
37 feasible financially for the state, the parties shall enter into
38 collective bargaining solely for the purpose of reaching a mutually
39 agreed upon modification of the agreement necessary to address the
40 absence of those requested funds. The legislature may act upon the

1 compensation and fringe benefit provisions of the modified collective
2 bargaining agreement if those provisions are agreed upon and
3 submitted to the office of financial management and legislative
4 budget committees before final legislative action on the biennial or
5 supplemental operating budget by the sitting legislature.

6 (iii) In the case of a bargaining unit of employees of
7 institutions of higher education in which the exclusive bargaining
8 representative is certified during or after the conclusion of a
9 legislative session, the legislature may act upon the compensation
10 and fringe benefit provisions of the unit's initial collective
11 bargaining agreement if those provisions are agreed upon and
12 submitted to the office of financial management and legislative
13 budget committees before final legislative action on the biennial or
14 supplemental operating budget by the sitting legislature.

15 (5) There is hereby created a joint committee on employment
16 relations, which consists of two members with leadership positions in
17 the house of representatives, representing each of the two largest
18 caucuses; the chair and ranking minority member of the house
19 appropriations committee, or its successor, representing each of the
20 two largest caucuses; two members with leadership positions in the
21 senate, representing each of the two largest caucuses; and the chair
22 and ranking minority member of the senate ways and means committee,
23 or its successor, representing each of the two largest caucuses. The
24 governor shall periodically consult with the committee regarding
25 appropriations necessary to implement the compensation and fringe
26 benefit provisions in the master collective bargaining agreements,
27 and upon completion of negotiations, advise the committee on the
28 elements of the agreements and on any legislation necessary to
29 implement the agreements.

30 (6) If, after the compensation and fringe benefit provisions of
31 an agreement are approved by the legislature, a significant revenue
32 shortfall occurs resulting in reduced appropriations, as declared by
33 proclamation of the governor or by resolution of the legislature,
34 both parties shall immediately enter into collective bargaining for a
35 mutually agreed upon modification of the agreement.

36 (7) After the expiration date of a collective bargaining
37 agreement negotiated under this chapter, all of the terms and
38 conditions specified in the collective bargaining agreement remain in
39 effect until the effective date of a subsequently negotiated
40 agreement, not to exceed one year from the expiration date stated in

1 the agreement. Thereafter, the employer may unilaterally implement
2 according to law.

3 (8) For the ((2013-2015)) 2017-2019 fiscal biennium, a collective
4 bargaining agreement related to employee health care benefits
5 negotiated between the employer and coalition pursuant to RCW
6 41.80.020(3) regarding the dollar amount expended on behalf of each
7 employee shall be a separate agreement for which the governor may
8 request funds necessary to implement the agreement. ((The legislature
9 may act upon a 2013-2015 collective bargaining agreement related to
10 employee health care benefits if an agreement is reached and
11 submitted to the office of financial management and legislative
12 budget committees before final legislative action on the biennial or
13 supplemental operating appropriations act by the sitting
14 legislature.))

15 (9)(a) For the 2015-2017 fiscal biennium, the governor may
16 request funds to implement:

17 (i) Modifications to collective bargaining agreements as set
18 forth in a memorandum of understanding negotiated between the
19 employer and the service employees international union healthcare
20 1199nw, an exclusive bargaining representative, that was necessitated
21 by an emergency situation or an imminent jeopardy determination by
22 the center for medicare and medicaid services that relates to the
23 safety or health of the clients, employees, or both the clients and
24 employees.

25 (ii) Unilaterally implemented modifications to collective
26 bargaining agreements, resulting from the employer being prohibited
27 from negotiating with an exclusive bargaining representative due to a
28 pending representation petition, necessitated by an emergency
29 situation or an imminent jeopardy determination by the center for
30 medicare and medicaid services that relates to the safety or health
31 of the clients, employees, or both the clients and employees.

32 (iii) Modifications to collective bargaining agreements as set
33 forth in a memorandum of understanding negotiated between the
34 employer and the union of physicians of Washington, an exclusive
35 bargaining representative, that was necessitated by an emergency
36 situation or an imminent jeopardy determination by the center for
37 medicare and medicaid services that relates to the safety or health
38 of the clients, employees, or both the clients and employees. If the
39 memorandum of understanding submitted to the legislature as part of
40 the governor's budget document is rejected by the legislature, and

1 the parties reach a new memorandum of understanding by June 30, 2016,
2 within the funds, conditions, and limitations provided in section
3 204, chapter 36, Laws of 2016 sp. sess., the new memorandum of
4 understanding shall be considered approved by the legislature and may
5 be retroactive to December 1, 2015.

6 (iv) Modifications to collective bargaining agreements as set
7 forth in a memorandum of understanding negotiated between the
8 employer and the teamsters union local 117, an exclusive bargaining
9 representative, for salary adjustments for the state employee job
10 classifications of psychiatrist, psychiatric social worker(~~([+])~~),
11 and psychologist.

12 (b) For the 2015-2017 fiscal biennium, the legislature may act
13 upon the request for funds for modifications to a 2015-2017
14 collective bargaining agreement under (a)(i), (ii), (iii), and (iv)
15 of this subsection if funds are requested by the governor before
16 final legislative action on the supplemental omnibus appropriations
17 act by the sitting legislature.

18 (c) The request for funding made under this subsection and any
19 action by the legislature taken pursuant to this subsection is
20 limited to the modifications described in this subsection and may not
21 otherwise affect the original terms of the 2015-2017 collective
22 bargaining agreement.

23 (d) (~~(Subsections [Subsection])~~) Subsection (3)(a) and (b) of
24 this section do not apply to requests for funding made pursuant to
25 this subsection.

26 **Sec. 946.** RCW 43.08.190 and 2015 3rd sp.s. c 4 s 953 are each
27 amended to read as follows:

28 There is hereby created a fund within the state treasury to be
29 known as the "state treasurer's service fund." Such fund shall be
30 used solely for the payment of costs and expenses incurred in the
31 operation and administration of the state treasurer's office.

32 Moneys shall be allocated monthly and placed in the state
33 treasurer's service fund equivalent to a maximum of one percent of
34 the trust and treasury average daily cash balances from the earnings
35 generated under the authority of RCW 43.79A.040 and 43.84.080 other
36 than earnings generated from investment of balances in funds and
37 accounts specified in RCW 43.79A.040(4)(c). The allocation shall
38 precede the distribution of the remaining earnings as prescribed
39 under RCW 43.79A.040 and 43.84.092. The state treasurer shall

1 establish a uniform allocation rate for all funds and accounts;
2 except that the state treasurer may negotiate a different allocation
3 rate with any state agency that has independent authority over funds
4 not statutorily required to be held in the state treasury or in the
5 custody of the state treasurer. In no event shall the rate be less
6 than the actual costs incurred by the state treasurer's office. If no
7 rate is separately negotiated, the default rate for any funds held
8 shall be the rate set for funds held pursuant to statute.

9 During the 2013-2015 and 2015-2017 fiscal biennia, the
10 legislature may transfer from the state treasurer's service fund to
11 the state general fund such amounts as reflect the excess fund
12 balance of the fund. During the 2017-2019 fiscal biennium, the
13 legislature may direct the state treasurer to make transfers of money
14 in the state treasurer's service fund to the state general fund.

15 **Sec. 947.** RCW 43.09.475 and 2016 sp.s. c 36 s 925 are each
16 amended to read as follows:

17 The performance audits of government account is hereby created in
18 the custody of the state treasurer. Revenue identified in RCW
19 82.08.020(5) and 82.12.0201 shall be deposited in the account. Money
20 in the account shall be used to fund the performance audits and
21 follow-up performance audits under RCW 43.09.470 and shall be
22 expended by the state auditor in accordance with chapter 1, Laws of
23 2006. Only the state auditor or the state auditor's designee may
24 authorize expenditures from the account. The account is subject to
25 allotment procedures under chapter 43.88 RCW, but an appropriation is
26 not required for expenditures. During the 2013-2015 ~~((and))~~,
27 2015-2017, and 2017-2019 fiscal biennia, the performance audits of
28 government account may be appropriated for the joint legislative
29 audit and review committee~~((τ))~~; the legislative evaluation and
30 accountability program committee~~((τ))~~; the office of financial
31 management~~((τ))~~; the superintendent of public instruction~~((τ—and))~~;
32 lean performance management systems, excellence assessments and zero-
33 based budget reviews in state agencies; audits of school districts;
34 and election costs in the office of the secretary of state. In
35 addition, during the ~~((2013-2015—and))~~ 2015-2017 and 2017-2019 fiscal
36 biennia the account may be used to fund the office of financial
37 management's contract for the compliance audit of the state auditor
38 and audit activities at the department of revenue. In addition,
39 during the 2015-2017 fiscal biennium, the legislature may transfer

1 from the performance audits of government account to the state
2 general fund such amounts as reflect the excess fund balance of the
3 fund.

4 **Sec. 948.** RCW 43.24.150 and 2013 2nd sp.s. c 4 s 978 are each
5 amended to read as follows:

6 (1) The business and professions account is created in the state
7 treasury. All receipts from business or professional licenses,
8 registrations, certifications, renewals, examinations, or civil
9 penalties assessed and collected by the department from the following
10 chapters must be deposited into the account:

- 11 (a) Chapter 18.11 RCW, auctioneers;
- 12 (b) Chapter 18.16 RCW, cosmetologists, hair designers, barbers,
13 (~~and~~) manicurists, and estheticians;
- 14 (c) Chapter 18.145 RCW, court reporters;
- 15 (d) Chapter 18.165 RCW, private investigators;
- 16 (e) Chapter 18.170 RCW, security guards;
- 17 (f) Chapter 18.185 RCW, bail bond agents;
- 18 (g) Chapter 18.280 RCW, home inspectors;
- 19 (h) Chapter 19.16 RCW, collection agencies;
- 20 (i) Chapter 19.31 RCW, employment agencies;
- 21 (j) Chapter 19.105 RCW, camping resorts;
- 22 (k) Chapter 19.138 RCW, sellers of travel;
- 23 (l) Chapter 42.44 RCW, notaries public;
- 24 (m) Chapter 64.36 RCW, timeshares;
- 25 (n) Chapter 67.08 RCW, boxing, martial arts, and wrestling;
- 26 (o) Chapter 18.300 RCW, body art, body piercing, and tattooing;
- 27 (p) Chapter 79A.60 RCW, whitewater river outfitters;
- 28 (q) Chapter 19.158 RCW, commercial telephone solicitation; and
- 29 (r) Chapter 19.290 RCW, scrap metal businesses.

30 Moneys in the account may be spent only after appropriation.
31 Expenditures from the account may be used only for expenses incurred
32 in carrying out these business and professions licensing activities
33 of the department. Any residue in the account must be accumulated and
34 may not revert to the general fund at the end of the biennium.
35 However, during the 2013-2015 fiscal biennium the legislature may
36 transfer to the state general fund such amounts as reflect the excess
37 fund balance in the account.

38 (2) The director must biennially prepare a budget request based
39 on the anticipated costs of administering the business and

1 professions licensing activities listed in subsection (1) of this
2 section, which must include the estimated income from these business
3 and professions fees.

4 (3) During the 2017-2019 fiscal biennium, the legislature may
5 direct the state treasurer to make transfers of moneys in the
6 business and professions account to the state general fund.

7 **Sec. 949.** RCW 43.41.450 and 2016 sp.s. c 36 s 927 are each
8 amended to read as follows:

9 The office of financial management central service account is
10 created in the state treasury. The account is to be used by the
11 office as a revolving fund for the payment of salaries, wages, and
12 other costs required for the operation and maintenance of statewide
13 budgeting, accounting, forecasting, and functions and activities in
14 the office. All receipts from agency fees and charges for services
15 collected from public agencies must be deposited into the account.
16 The director shall fix the terms and charges to agencies based on
17 each agency's share of the office statewide cost allocation plan for
18 federal funds. Moneys in the account may be spent only after
19 appropriation. During the 2017-2019 fiscal biennium, the account may
20 be used as a revolving fund for the payment of salaries, wages, and
21 other costs related to policy activities in the office. The
22 legislature intends to continue the use of the revolving fund for
23 policy activities during the 2019-2021 biennium.

24 **Sec. 950.** RCW 43.43.839 and 2016 sp.s. c 36 s 928 are each
25 amended to read as follows:

26 The fingerprint identification account is created in the custody
27 of the state treasurer. All receipts from incremental charges of
28 fingerprint checks requested for noncriminal justice purposes and
29 electronic background requests shall be deposited in the account.
30 Receipts for fingerprint checks by the federal bureau of
31 investigation may also be deposited in the account. Expenditures from
32 the account may be used only for the cost of record checks. Only the
33 chief of the state patrol or the chief's designee may authorize
34 expenditures from the account. The account is subject to allotment
35 procedures under chapter 43.88 RCW. No appropriation is required for
36 expenditures prior to July 1, 1997. After June 30, 1997, the account
37 shall be subject to appropriation. ~~((During the 2009-2011 fiscal~~
38 ~~biennium, the legislature may transfer from the fingerprint~~

1 ~~identification account to the state general fund such amounts as~~
2 ~~reflect the excess fund balance of the account. During the 2013-2015~~
3 ~~fiscal biennium, funds in the account may be used for expenditures~~
4 ~~that support the criminal records management division of the state~~
5 ~~patrol.)~~ During the 2015-2017 and 2017-2019 fiscal ((biennium))
6 biennia, funds in the account may be used for expenditures related to
7 the upgrade of the state patrol's criminal history system. During the
8 2015-2017 fiscal biennium, the legislature may transfer from the
9 fingerprint identification account to the sexual assault kit account
10 and the account may be used for building the sexual assault kit
11 tracking system in such amounts as reflect the excess fund balance of
12 the account. During the 2017-2019 fiscal biennium, the account may be
13 used for building the sexual assault kit tracking system.

14 **Sec. 951.** RCW 43.79.445 and 2016 sp.s. c 36 s 931 are each
15 amended to read as follows:

16 There is established an account in the state treasury referred to
17 as the "death investigations account" which shall exist for the
18 purpose of receiving, holding, investing, and disbursing funds
19 appropriated or provided in RCW 70.58.107 and any moneys appropriated
20 or otherwise provided thereafter.

21 Moneys in the death investigations account shall be disbursed by
22 the state treasurer once every year on December 31 and at any other
23 time determined by the treasurer. The treasurer shall make
24 disbursements to: The state toxicology laboratory, counties for the
25 cost of autopsies, the state patrol for providing partial funding for
26 the state dental identification system, the criminal justice training
27 commission for training county coroners, medical examiners and their
28 staff, and the state forensic investigations council. Funds from the
29 death investigations account may be appropriated during the 2013-2015
30 fiscal biennium for the activities of the state crime laboratory
31 within the Washington state patrol. (~~During the 2015-2017 fiscal~~
32 ~~biennium, the legislature may transfer from the death investigations~~
33 ~~account to the sexual assault kit account such amounts as reflect the~~
34 ~~excess fund balance of the account.)) In addition, during the
35 2017-2019 fiscal biennium, the legislature may direct the state
36 treasurer to make transfers of moneys in the death investigations
37 account to the state general fund.~~

1 **Sec. 952.** RCW 43.79.460 and 2016 sp.s. c 36 s 932 are each
2 amended to read as follows:

3 (1) The savings incentive account is created in the custody of
4 the state treasurer. The account shall consist of all moneys
5 appropriated to the account by the legislature. The account is
6 subject to the allotment procedures under chapter 43.88 RCW, but no
7 appropriation is required for expenditures from the account.

8 (2) Within the savings incentive account, the state treasurer may
9 create subaccounts to be credited with incentive savings attributable
10 to individual state agencies, as determined by the office of
11 financial management in consultation with the legislative fiscal
12 committees. Moneys deposited in the subaccounts may be expended only
13 on the authorization of the agency's executive head or designee and
14 only for the purpose of one-time expenditures to improve the quality,
15 efficiency, and effectiveness of services to customers of the state,
16 such as one-time expenditures for employee training, employee
17 incentives, technology improvements, new work processes, or
18 performance measurement. Funds may not be expended from the account
19 to establish new programs or services, expand existing programs or
20 services, or incur ongoing costs that would require future
21 expenditures.

22 (3) For purposes of this section, "incentive savings" means state
23 general fund appropriations that are unspent as of June 30th of a
24 fiscal year, excluding any amounts included in across-the-board
25 reductions under RCW 43.88.110 and excluding unspent appropriations
26 for:

27 (a) Caseload and enrollment in entitlement programs, except to
28 the extent that an agency has clearly demonstrated that efficiencies
29 have been achieved in the administration of the entitlement program.
30 "Entitlement program," as used in this section, includes programs for
31 which specific sums of money are appropriated for pass-through to
32 third parties or other entities;

33 (b) Enrollments in state institutions of higher education;

34 (c) Except for fiscal year 2011, a specific amount contained in a
35 condition or limitation to an appropriation in the biennial
36 appropriations act, if the agency did not achieve the specific
37 purpose or objective of the condition or limitation;

38 (d) Debt service on state obligations; and

39 (e) State retirement system obligations.

1 (4) The office of financial management, after consulting with the
2 legislative fiscal committees, shall report the amount of savings
3 incentives achieved.

4 (5) For fiscal year 2010, the legislature may transfer from the
5 savings incentive account to the state general fund such amounts as
6 reflect the fund balance of the account attributable to unspent state
7 general fund appropriations for fiscal year 2009. For fiscal year
8 2011, the legislature may transfer from the savings incentive account
9 to the state general fund such amounts as reflect the fund balance of
10 the account attributable to unspent state general fund appropriations
11 for fiscal year 2010. For fiscal year 2011, the legislature may
12 transfer from the savings incentive account to the state general fund
13 eight million dollars or as much as reflects the fund balance of the
14 account attributable to unspent agency credits prior to fiscal year
15 2009. Credits for legislative and judicial agencies are not included
16 in this action, with the exception and upon consent of the supreme
17 court, court of appeals, office of public defense, and office of
18 civil legal aid.

19 (6) For fiscal years 2012 and 2013, the legislature may transfer
20 from the savings incentive account to the state general fund such
21 amounts as reflect the fund balance of the account attributable to
22 unspent general fund appropriations for fiscal years 2011 and 2012.

23 (7) For fiscal year 2016, the legislature may transfer from the
24 savings incentive account to the state general fund such amounts as
25 reflect the fund balance of the account attributable to unspent
26 agency credit. Credits for legislative and judicial agencies are not
27 included in this action.

28 (8) For the 2017-2019 fiscal biennium, the joint legislative
29 audit and review committee and the legislative evaluation and
30 accountability program committee may use moneys deposited in their
31 subaccounts for one-time costs related to their office relocation to
32 the 1063 building.

33 **Sec. 953.** RCW 43.79.480 and 2015 3rd sp.s. c 4 s 956 are each
34 amended to read as follows:

35 (1) Moneys received by the state of Washington in accordance with
36 the settlement of the state's legal action against tobacco product
37 manufacturers, exclusive of costs and attorneys' fees, shall be
38 deposited in the tobacco settlement account created in this section
39 except as these moneys are sold or assigned under chapter 43.340 RCW.

1 (2) The tobacco settlement account is created in the state
2 treasury. Moneys in the tobacco settlement account may only be
3 transferred to the state general fund, and to the tobacco prevention
4 and control account for purposes set forth in this section. The
5 legislature shall transfer amounts received as strategic contribution
6 payments as defined in RCW 43.350.010 to the life sciences discovery
7 fund created in RCW 43.350.070. During the 2013-2015 and 2015-2017
8 fiscal biennia, the legislature may transfer less than the entire
9 strategic contribution payments, and may transfer amounts
10 attributable to strategic contribution payments into the state
11 general fund.

12 (3) The tobacco prevention and control account is created in the
13 state treasury. The source of revenue for this account is moneys
14 transferred to the account from the tobacco settlement account,
15 investment earnings, donations to the account, and other revenues as
16 directed by law. Expenditures from the account are subject to
17 appropriation. During the 2017-2019 fiscal biennium, the legislature
18 may direct the state treasurer to make transfers of moneys in the
19 tobacco prevention and control account to the state general fund.

20 **Sec. 954.** RCW 43.101.200 and 2015 3rd sp.s. c 4 s 957 are each
21 amended to read as follows:

22 (1) All law enforcement personnel, except volunteers, and reserve
23 officers whether paid or unpaid, initially employed on or after
24 January 1, 1978, shall engage in basic law enforcement training which
25 complies with standards adopted by the commission pursuant to RCW
26 43.101.080. For personnel initially employed before January 1, 1990,
27 such training shall be successfully completed during the first
28 fifteen months of employment of such personnel unless otherwise
29 extended or waived by the commission and shall be requisite to the
30 continuation of such employment. Personnel initially employed on or
31 after January 1, 1990, shall commence basic training during the first
32 six months of employment unless the basic training requirement is
33 otherwise waived or extended by the commission. Successful completion
34 of basic training is requisite to the continuation of employment of
35 such personnel initially employed on or after January 1, 1990.

36 (2) Except as otherwise provided in this chapter, the commission
37 shall provide the aforementioned training together with necessary
38 facilities, supplies, materials, and the board and room of
39 noncommuting attendees for seven days per week, except during the

1 ((2013-2015 and)) 2015-2017 and 2017-2019 fiscal biennia when the
2 employing, county, city, or state law enforcement agency shall
3 reimburse the commission for twenty-five percent of the cost of
4 training its personnel. Additionally, to the extent funds are
5 provided for this purpose, the commission shall reimburse to
6 participating law enforcement agencies with ten or less full-time
7 commissioned patrol officers the cost of temporary replacement of
8 each officer who is enrolled in basic law enforcement training:
9 PROVIDED, That such reimbursement shall include only the actual cost
10 of temporary replacement not to exceed the total amount of salary and
11 benefits received by the replaced officer during his or her training
12 period.

13 **Sec. 955.** RCW 43.155.050 and 2015 3rd sp.s. c 4 s 959 and 2015
14 3rd sp.s. c 3 s 7032 are each reenacted and amended to read as
15 follows:

16 The public works assistance account is hereby established in the
17 state treasury. Money may be placed in the public works assistance
18 account from the proceeds of bonds when authorized by the legislature
19 or from any other lawful source. Money in the public works assistance
20 account shall be used to make loans and to give financial guarantees
21 to local governments for public works projects. Moneys in the account
22 may also be appropriated to provide for state match requirements
23 under federal law for projects and activities conducted and financed
24 by the board under the drinking water assistance account. Not more
25 than fifteen percent of the biennial capital budget appropriation to
26 the public works board from this account may be expended or obligated
27 for preconstruction loans, emergency loans, or loans for capital
28 facility planning under this chapter; of this amount, not more than
29 ten percent of the biennial capital budget appropriation may be
30 expended for emergency loans and not more than one percent of the
31 biennial capital budget appropriation may be expended for capital
32 facility planning loans. During the 2015-2017 fiscal biennium, the
33 legislature may transfer from the public works assistance account to
34 the general fund, the water pollution control revolving account, and
35 the drinking water assistance account such amounts as reflect the
36 excess fund balance of the account. (~~During the 2013-2015 fiscal~~
37 ~~biennium, the legislature may transfer from the public works~~
38 ~~assistance account to the education legacy trust account such amounts~~
39 ~~as specified by the legislature.)) During the 2015-2017 and 2017-2019~~

1 fiscal (~~biennium~~) biennia, the legislature may appropriate moneys
2 from the account for activities related to the growth management act
3 and the voluntary stewardship program. During the 2015-2017 fiscal
4 biennium, the legislature may transfer from the public works
5 assistance account to the state general fund such amounts as
6 specified by the legislature. (~~In the 2017-2019 fiscal biennium the~~
7 ~~legislature intends to allocate seventy three million dollars of~~
8 ~~future loan repayments paid into the public works assistance account~~
9 ~~to support basic education.)) During the 2017-2019 fiscal biennium,
10 the legislature may direct the state treasurer to make transfers of
11 moneys in the public works assistance account to the education legacy
12 trust account. It is the intent of the legislature that this policy
13 will be continued in subsequent fiscal biennia.~~

14 **Sec. 956.** RCW 43.320.110 and 2015 3rd sp.s. c 4 s 960 are each
15 amended to read as follows:

16 There is created a local fund known as the "financial services
17 regulation fund" which shall consist of all moneys received by the
18 divisions of the department of financial institutions, except for the
19 division of securities which shall deposit thirteen percent of all
20 moneys received, except as provided in RCW 43.320.115, and which
21 shall be used for the purchase of supplies and necessary equipment;
22 the payment of salaries, wages, and utilities; the establishment of
23 reserves; and other incidental costs required for the proper
24 regulation of individuals and entities subject to regulation by the
25 department. The state treasurer shall be the custodian of the fund.
26 Disbursements from the fund shall be on authorization of the director
27 of financial institutions or the director's designee. In order to
28 maintain an effective expenditure and revenue control, the fund shall
29 be subject in all respects to chapter 43.88 RCW, but no appropriation
30 is required to permit expenditures and payment of obligations from
31 the fund.

32 During the 2015-2017 fiscal biennium, the legislature may
33 transfer from the financial services regulation fund to the state
34 general fund such amounts as reflect the excess fund balance of the
35 fund. During the 2015-2017 and 2017-2019 fiscal (~~biennium~~) biennia,
36 moneys from the financial services regulation fund may be
37 appropriated for the family prosperity account program at the
38 department of commerce and for the operations of the department of
39 revenue.

1 **Sec. 957.** RCW 43.330.250 and 2015 3rd sp.s. c 4 s 962 are each
2 amended to read as follows:

3 (1) The economic development strategic reserve account is created
4 in the state treasury to be used only for the purposes of this
5 section.

6 (2) Only the governor, with the recommendation of the director of
7 the department of commerce, may authorize expenditures from the
8 account.

9 (3) During the 2009-2011 and 2011-2013 fiscal biennia, moneys in
10 the account may also be transferred into the state general fund.

11 (4) Expenditures from the account may be made to prevent closure
12 of a business or facility, to prevent relocation of a business or
13 facility in the state to a location outside the state, or to recruit
14 a business or facility to the state. Expenditures may be authorized
15 for:

16 (a) Workforce development;

17 (b) Public infrastructure needed to support or sustain the
18 operations of the business or facility;

19 (c) Other lawfully provided assistance((τ)) including, but not
20 limited to, technical assistance, environmental analysis, relocation
21 assistance, and planning assistance. Funding may be provided for such
22 assistance only when it is in the public interest and may only be
23 provided under a contractual arrangement ensuring that the state will
24 receive appropriate consideration, such as an assurance of job
25 creation or retention; and

26 (d) The joint center for aerospace technology innovation.

27 (5) The funds shall not be expended from the account unless:

28 (a) The circumstances are such that time does not permit the
29 director of the department of commerce or the business or facility to
30 secure funding from other state sources;

31 (b) The business or facility produces or will produce significant
32 long-term economic benefits to the state, a region of the state, or a
33 particular community in the state;

34 (c) The business or facility does not require continuing state
35 support;

36 (d) The expenditure will result in new jobs, job retention, or
37 higher incomes for citizens of the state;

38 (e) The expenditure will not supplant private investment; and

39 (f) The expenditure is accompanied by private investment.

1 (6) No more than three million dollars per year may be expended
2 from the account for the purpose of assisting an individual business
3 or facility pursuant to the authority specified in this section.

4 (7) If the account balance in the strategic reserve account
5 exceeds fifteen million dollars at any time, the amount in excess of
6 fifteen million dollars shall be transferred to the education
7 construction account.

8 (8) During the 2015-2017 and 2017-2019 fiscal (~~biennium~~)
9 biennia, the legislature may appropriate moneys from the account to
10 fund (~~economic development~~) programs and grants at the department
11 of commerce. It is the intent of the legislature that this policy
12 will be continued in subsequent fiscal biennia.

13 **Sec. 958.** RCW 50.16.010 and 2016 sp.s. c 36 s 940 are each
14 amended to read as follows:

15 (1) There shall be maintained as special funds, separate and
16 apart from all public moneys or funds of this state an unemployment
17 compensation fund and an administrative contingency fund, which shall
18 be administered by the commissioner exclusively for the purposes of
19 this title, and to which RCW 43.01.050 shall not be applicable.

20 (2)(a) The unemployment compensation fund shall consist of:

21 (i) All contributions collected under RCW 50.24.010 and payments
22 in lieu of contributions collected pursuant to the provisions of this
23 title;

24 (ii) Any property or securities acquired through the use of
25 moneys belonging to the fund;

26 (iii) All earnings of such property or securities;

27 (iv) Any moneys received from the federal unemployment account in
28 the unemployment trust fund in accordance with Title XII of the
29 social security act, as amended;

30 (v) All money recovered on official bonds for losses sustained by
31 the fund;

32 (vi) All money credited to this state's account in the
33 unemployment trust fund pursuant to section 903 of the social
34 security act, as amended;

35 (vii) All money received from the federal government as
36 reimbursement pursuant to section 204 of the federal-state extended
37 compensation act of 1970 (84 Stat. 708-712; 26 U.S.C. Sec. 3304);

1 (viii) The portion of the additional penalties as provided in RCW
2 50.20.070(2) that is fifteen percent of the amount of benefits
3 overpaid or deemed overpaid; and

4 (ix) All moneys received for the fund from any other source.

5 (b) All moneys in the unemployment compensation fund shall be
6 commingled and undivided.

7 (3)(a) Except as provided in (b) of this subsection, the
8 administrative contingency fund shall consist of:

9 (i) All interest on delinquent contributions collected pursuant
10 to this title;

11 (ii) All fines and penalties collected pursuant to the provisions
12 of this title, except the portion of the additional penalties as
13 provided in RCW 50.20.070(2) that is fifteen percent of the amount of
14 benefits overpaid or deemed overpaid;

15 (iii) All sums recovered on official bonds for losses sustained
16 by the fund; and

17 (iv) Revenue received under RCW 50.24.014.

18 (b) All fees, fines, forfeitures, and penalties collected or
19 assessed by a district court because of the violation of this title
20 or rules adopted under this title shall be remitted as provided in
21 chapter 3.62 RCW.

22 (c) Except as provided in (d) of this subsection, moneys
23 available in the administrative contingency fund, other than money in
24 the special account created under RCW 50.24.014, shall be expended
25 upon the direction of the commissioner, with the approval of the
26 governor, whenever it appears to him or her that such expenditure is
27 necessary solely for:

28 (i) The proper administration of this title and that insufficient
29 federal funds are available for the specific purpose to which such
30 expenditure is to be made, provided, the moneys are not substituted
31 for appropriations from federal funds which, in the absence of such
32 moneys, would be made available.

33 (ii) The proper administration of this title for which purpose
34 appropriations from federal funds have been requested but not yet
35 received, provided, the administrative contingency fund will be
36 reimbursed upon receipt of the requested federal appropriation.

37 (iii) The proper administration of this title for which
38 compliance and audit issues have been identified that establish
39 federal claims requiring the expenditure of state resources in
40 resolution. Claims must be resolved in the following priority: First

1 priority is to provide services to eligible participants within the
2 state; second priority is to provide substitute services or program
3 support; and last priority is the direct payment of funds to the
4 federal government.

5 (d)(i) During the 2007-2009 fiscal biennium, moneys available in
6 the administrative contingency fund, other than money in the special
7 account created under RCW 50.24.014(1)(a), shall be expended as
8 appropriated by the legislature for: (A) The cost of the job skills
9 or worker retraining programs at the community and technical colleges
10 and administrative costs at the state board for community and
11 technical colleges; and (B) reemployment services such as business
12 and project development assistance, local economic development
13 capacity building, and local economic development financial
14 assistance at the department of commerce. The remaining appropriation
15 may be expended as specified in (c) of this subsection.

16 (ii) During the (~~2013-2015 and~~) 2015-2017 and 2017-2019 fiscal
17 (~~biennium—[biennia]~~) biennia, moneys available in the
18 administrative contingency fund, other than money in the special
19 account created under RCW 50.24.014(1)(a), shall be expended as
20 appropriated by the legislature: (A) For the department of social and
21 health services for employment and training services and programs in
22 the WorkFirst program; (B) for the administrative costs of state
23 agencies participating in the WorkFirst program; and (C) by the
24 commissioner for the work group on agricultural and agricultural-
25 related issues as provided in the 2013-2015 omnibus operating
26 appropriations act. The remaining appropriation may be expended as
27 specified in (c) of this subsection.

28 (4) Money in the special account created under RCW
29 50.24.014(1)(a) may only be expended, after appropriation, for the
30 purposes specified in this section and RCW 50.62.010, 50.62.020,
31 50.62.030, 50.24.014, 50.44.053, and 50.22.010.

32 **Sec. 959.** RCW 69.50.540 and 2015 3rd sp.s. c 4 s 967 are each
33 amended to read as follows:

34 The legislature must annually appropriate moneys in the dedicated
35 marijuana account created in RCW 69.50.530 as follows:

36 (1) For the purposes listed in this subsection (1), the
37 legislature must appropriate to the respective agencies amounts
38 sufficient to make the following expenditures on a quarterly basis:

1 (a) Beginning July 1, 2015, one hundred twenty-five thousand
2 dollars to the department of social and health services to design and
3 administer the Washington state healthy youth survey, analyze the
4 collected data, and produce reports, in collaboration with the office
5 of the superintendent of public instruction, department of health,
6 department of commerce, family policy council, and state liquor and
7 cannabis board. The survey must be conducted at least every two years
8 and include questions regarding, but not necessarily limited to,
9 academic achievement, age at time of substance use initiation,
10 antisocial behavior of friends, attitudes toward antisocial behavior,
11 attitudes toward substance use, laws and community norms regarding
12 antisocial behavior, family conflict, family management, parental
13 attitudes toward substance use, peer rewarding of antisocial
14 behavior, perceived risk of substance use, and rebelliousness. Funds
15 disbursed under this subsection may be used to expand administration
16 of the healthy youth survey to student populations attending
17 institutions of higher education in Washington;

18 (b) Beginning July 1, 2015, fifty thousand dollars to the
19 department of social and health services for the purpose of
20 contracting with the Washington state institute for public policy to
21 conduct the cost-benefit evaluation and produce the reports described
22 in RCW 69.50.550. This appropriation ends after production of the
23 final report required by RCW 69.50.550;

24 (c) Beginning July 1, 2015, five thousand dollars to the
25 University of Washington alcohol and drug abuse institute for the
26 creation, maintenance, and timely updating of web-based public
27 education materials providing medically and scientifically accurate
28 information about the health and safety risks posed by marijuana use;

29 (d) An amount not less than one million two hundred fifty
30 thousand dollars to the state liquor and cannabis board for
31 administration of this chapter as appropriated in the omnibus
32 appropriations act;

33 (e) Twenty-three thousand seven hundred fifty dollars to the
34 department of enterprise services provided solely for the state
35 building code council established under RCW 19.27.070, to develop and
36 adopt fire and building code provisions related to marijuana
37 processing and extraction facilities. The distribution under this
38 subsection (1)(e) is for fiscal year 2016 only;

39 (2) From the amounts in the dedicated marijuana account after
40 appropriation of the amounts identified in subsection (1) of this

1 section, the legislature must appropriate for the purposes listed in
2 this subsection (2) as follows:

3 (a)(i) Up to fifteen percent to the department of social and
4 health services division of behavioral health and recovery for the
5 development, implementation, maintenance, and evaluation of programs
6 and practices aimed at the prevention or reduction of maladaptive
7 substance use, substance use disorder, substance abuse or substance
8 dependence, as these terms are defined in the Diagnostic and
9 Statistical Manual of Mental Disorders, among middle school and high
10 school-age students, whether as an explicit goal of a given program
11 or practice or as a consistently corresponding effect of its
12 implementation, mental health services for children and youth, and
13 services for pregnant and parenting women; PROVIDED, That:

14 (A) Of the funds appropriated under (a)(i) of this subsection for
15 new programs and new services, at least eighty-five percent must be
16 directed to evidence-based or research-based programs and practices
17 that produce objectively measurable results and, by September 1,
18 2020, are cost-beneficial; and

19 (B) Up to fifteen percent of the funds appropriated under (a)(i)
20 of this subsection for new programs and new services may be directed
21 to proven and tested practices, emerging best practices, or promising
22 practices.

23 (ii) In deciding which programs and practices to fund, the
24 secretary of the department of social and health services must
25 consult, at least annually, with the University of Washington's
26 social development research group and the University of Washington's
27 alcohol and drug abuse institute.

28 (iii) For the fiscal year beginning July 1, 2016, the legislature
29 must appropriate a minimum of twenty-seven million seven hundred
30 eighty-six thousand dollars, and for each subsequent fiscal year
31 thereafter, the legislature must appropriate a minimum of twenty-five
32 million five hundred thirty-six thousand dollars under this
33 subsection (2)(a);

34 (b)(i) Up to ten percent to the department of health for the
35 following, subject to (b)(ii) of this subsection (2):

36 (A) Creation, implementation, operation, and management of a
37 marijuana education and public health program that contains the
38 following:

39 (I) A marijuana use public health hotline that provides referrals
40 to substance abuse treatment providers, utilizes evidence-based or

1 research-based public health approaches to minimizing the harms
2 associated with marijuana use, and does not solely advocate an
3 abstinence-only approach;

4 (II) A grants program for local health departments or other local
5 community agencies that supports development and implementation of
6 coordinated intervention strategies for the prevention and reduction
7 of marijuana use by youth; and

8 (III) Media-based education campaigns across television,
9 internet, radio, print, and out-of-home advertising, separately
10 targeting youth and adults, that provide medically and scientifically
11 accurate information about the health and safety risks posed by
12 marijuana use;

13 (B) The Washington poison control center; and

14 (C) During the 2015-2017 fiscal biennium, the funds appropriated
15 under this subsection (2)(b) may be used for prevention activities
16 that target youth and populations with a high incidence of tobacco
17 use.

18 (ii) For the fiscal year beginning July 1, 2016, the legislature
19 must appropriate a minimum of seven million five hundred thousand
20 dollars and for each subsequent fiscal year thereafter, the
21 legislature must appropriate a minimum of nine million seven hundred
22 fifty thousand dollars under this subsection (2)(b);

23 (c)(i) Up to six-tenths of one percent to the University of
24 Washington and four-tenths of one percent to Washington State
25 University for research on the short and long-term effects of
26 marijuana use, to include but not be limited to formal and informal
27 methods for estimating and measuring intoxication and impairment, and
28 for the dissemination of such research.

29 (ii) For the fiscal year beginning July 1, 2016, the legislature
30 must appropriate a minimum of two hundred seven thousand dollars and
31 for each subsequent fiscal year, except for the 2017-2019 fiscal
32 biennium, the legislature must appropriate a minimum of one million
33 twenty-one thousand dollars to the University of Washington. For the
34 fiscal year beginning July 1, 2016, the legislature must appropriate
35 a minimum of one hundred thirty-eight thousand dollars and for each
36 subsequent fiscal year thereafter, except for the 2017-2019 fiscal
37 biennium, a minimum of six hundred eighty-one thousand dollars to
38 Washington State University under this subsection (2)(c);

1 (d) Fifty percent to the state basic health plan trust account to
2 be administered by the Washington basic health plan administrator and
3 used as provided under chapter 70.47 RCW;

4 (e) Five percent to the Washington state health care authority to
5 be expended exclusively through contracts with community health
6 centers to provide primary health and dental care services, migrant
7 health services, and maternity health care services as provided under
8 RCW 41.05.220;

9 (f)(i) Up to three-tenths of one percent to the office of the
10 superintendent of public instruction to fund grants to building
11 bridges programs under chapter 28A.175 RCW.

12 (ii) For the fiscal year beginning July 1, 2016, and each
13 subsequent fiscal year, the legislature must appropriate a minimum of
14 five hundred eleven thousand dollars to the office of the
15 superintendent of public instruction under this subsection (2)(f);
16 and

17 (g) At the end of each fiscal year, the treasurer must transfer
18 any amounts in the dedicated marijuana account that are not
19 appropriated pursuant to subsection (1) of this section and this
20 subsection (2) into the general fund, except as provided in (g)(i) of
21 this subsection (2).

22 (i) Beginning in fiscal year 2018, if marijuana excise tax
23 collections deposited into the general fund in the prior fiscal year
24 exceed twenty-five million dollars, then each fiscal year the
25 legislature must appropriate an amount equal to thirty percent of all
26 marijuana excise taxes deposited into the general fund the prior
27 fiscal year to the treasurer for distribution to counties, cities,
28 and towns as follows:

29 (A) Thirty percent must be distributed to counties, cities, and
30 towns where licensed marijuana retailers are physically located. Each
31 jurisdiction must receive a share of the revenue distribution under
32 this subsection (2)(g)(i)(A) based on the proportional share of the
33 total revenues generated in the individual jurisdiction from the
34 taxes collected under RCW 69.50.535, from licensed marijuana
35 retailers physically located in each jurisdiction. For purposes of
36 this subsection (2)(g)(i)(A), one hundred percent of the proportional
37 amount attributed to a retailer physically located in a city or town
38 must be distributed to the city or town.

39 (B) Seventy percent must be distributed to counties, cities, and
40 towns ratably on a per capita basis. Counties must receive sixty

1 percent of the distribution, which must be disbursed based on each
2 county's total proportional population. Funds may only be distributed
3 to jurisdictions that do not prohibit the siting of any state
4 licensed marijuana producer, processor, or retailer.

5 (ii) Distribution amounts allocated to each county, city, and
6 town must be distributed in four installments by the last day of each
7 fiscal quarter.

8 (iii) By September 15th of each year, the state liquor and
9 cannabis board must provide the state treasurer the annual
10 distribution amount, if any, for each county and city as determined
11 in (g)(i) of this subsection (2).

12 (iv) The total share of marijuana excise tax revenues distributed
13 to counties and cities in (g)(i) of this subsection (2) may not
14 exceed fifteen million dollars in fiscal years 2018 and 2019 and
15 twenty million dollars per fiscal year thereafter.

16 For the purposes of this section, "marijuana products" means
17 "useable marijuana," "marijuana concentrates," and "marijuana-infused
18 products" as those terms are defined in RCW 69.50.101.

19 **Sec. 960.** RCW 70.93.180 and 2015 c 15 s 3 are each amended to
20 read as follows:

21 (1) There is hereby created an account within the state treasury
22 to be known as the waste reduction, recycling, and litter control
23 account. Moneys in the account may be spent only after appropriation.
24 Expenditures from the waste reduction, recycling, and litter control
25 account shall be used as follows:

26 (a) Fifty percent to the department of ecology, for use by the
27 departments of ecology, natural resources, revenue, transportation,
28 and corrections, and the parks and recreation commission, for use in
29 litter collection programs, to be distributed under RCW 70.93.220.
30 The amount to the department of ecology shall also be used for a
31 central coordination function for litter control efforts statewide;
32 for statewide public awareness programs under RCW 70.93.200(7); and
33 to support employment of youth in litter cleanup as intended in RCW
34 70.93.020, and for litter pick up using other authorized agencies.
35 The amount to the department shall also be used to defray the costs
36 of administering the funding, coordination, and oversight of local
37 government programs for waste reduction, litter control, recycling,
38 and composting so that local governments can apply one hundred
39 percent of their funding to achieving program goals. The amount to

1 the department of revenue shall be used to enforce compliance with
2 the litter tax imposed in chapter 82.19 RCW;

3 (b)(i) Twenty percent to the department for local government
4 funding programs for waste reduction, litter control, recycling
5 activities, and composting activities by cities and counties under
6 RCW 70.93.250, to be administered by the department of ecology; (ii)
7 any unspent funds under (b)(i) of this subsection may be used to
8 create and pay for a matching fund competitive grant program to be
9 used by local governments and nonprofit organizations for local or
10 statewide education programs designed to help the public with litter
11 control, waste reduction, recycling, and composting of primarily the
12 products taxed under chapter 82.19 RCW. Grants must adhere to the
13 following requirements: (A) No grant may exceed sixty thousand
14 dollars; (B) grant recipients shall match the grant funding allocated
15 by the department by an amount equal to twenty-five percent of
16 eligible expenses. A local government's share of these costs may be
17 met by cash or contributed services; (C) the obligation of the
18 department to make grant payments is contingent upon the availability
19 of the amount of money appropriated for this subsection (1)(b); and
20 (D) grants are managed under the guidelines for existing grant
21 programs; and

22 (c) Thirty percent to the department of ecology to: (i) Implement
23 activities under RCW 70.93.200 for waste reduction, recycling, and
24 composting efforts; (ii) provide technical assistance to local
25 governments for commercial business and residential recycling
26 programs primarily for the products taxed under chapter 82.19 RCW
27 designed to educate citizens about waste reduction, litter control,
28 and recyclable and compostable products and programs; and (iii)
29 increase access to waste reduction, composting, and recycling
30 programs, particularly for food packaging and plastic bags and
31 appropriate composting techniques.

32 (2) All taxes imposed in RCW 82.19.010 and fines and bail
33 forfeitures collected or received pursuant to this chapter shall be
34 deposited in the waste reduction, recycling, and litter control
35 account and used for the programs under subsection (1) of this
36 section.

37 (3) Not less than five percent and no more than ten percent of
38 the amount appropriated into the waste reduction, recycling, and
39 litter control account every biennium shall be reserved for capital
40 needs, including the purchase of vehicles for transporting crews and

1 for collecting litter and solid waste. Capital funds shall be
2 distributed among state agencies and local governments according to
3 the same criteria provided in RCW 70.93.220 for the remainder of the
4 funds, so that the most effective waste reduction, litter control,
5 recycling, and composting programs receive the most funding. The
6 intent of this subsection is to provide funds for the purchase of
7 equipment that will enable the department to account for the greatest
8 return on investment in terms of reaching a zero litter goal.

9 (4) Funds in the waste reduction, recycling, and litter control
10 account, collected under chapter 82.19 RCW, must be prioritized for
11 the products identified under RCW 82.19.020 solely for the purposes
12 of recycling, composting, and litter collection, reduction, and
13 control programs.

14 (5) During the 2017-2019 fiscal biennium, the legislature may
15 direct the state treasurer to make transfers of moneys in the waste
16 reduction, recycling, and litter control account to the state parks
17 renewal and stewardship account.

18 **Sec. 961.** RCW 70.105D.070 and 2016 sp.s. c 36 s 943 are each
19 amended to read as follows:

20 (1) The state toxics control account and the local toxics control
21 account are hereby created in the state treasury.

22 (2)(a) Moneys collected under RCW 82.21.030 must be deposited as
23 follows: Fifty-six percent to the state toxics control account under
24 subsection (3) of this section and forty-four percent to the local
25 toxics control account under subsection (4) of this section. When the
26 cumulative amount of deposits made to the state and local toxics
27 control accounts under this section reaches the limit during a fiscal
28 year as established in (b) of this subsection, the remainder of the
29 moneys collected under RCW 82.21.030 during that fiscal year must be
30 deposited into the environmental legacy stewardship account created
31 in RCW 70.105D.170.

32 (b) The limit on distributions of moneys collected under RCW
33 82.21.030 to the state and local toxics control accounts for the
34 fiscal year beginning July 1, 2013, is one hundred forty million
35 dollars.

36 (c) In addition to the funds required under (a) of this
37 subsection, the following moneys must be deposited into the state
38 toxics control account: (i) The costs of remedial actions recovered
39 under this chapter or chapter 70.105A RCW; (ii) penalties collected

1 or recovered under this chapter; and (iii) any other money
2 appropriated or transferred to the account by the legislature.

3 (3) Moneys in the state toxics control account must be used only
4 to carry out the purposes of this chapter, including but not limited
5 to the following activities:

6 (a) The state's responsibility for hazardous waste planning,
7 management, regulation, enforcement, technical assistance, and public
8 education required under chapter 70.105 RCW;

9 (b) The state's responsibility for solid waste planning,
10 management, regulation, enforcement, technical assistance, and public
11 education required under chapter 70.95 RCW;

12 (c) The hazardous waste clean-up program required under this
13 chapter;

14 (d) State matching funds required under federal cleanup law;

15 (e) Financial assistance for local programs in accordance with
16 chapters 70.95, 70.95C, 70.95I, and 70.105 RCW;

17 (f) State government programs for the safe reduction, recycling,
18 or disposal of paint and hazardous wastes from households, small
19 businesses, and agriculture;

20 (g) Oil and hazardous materials spill prevention, preparedness,
21 training, and response activities;

22 (h) Water and environmental health protection and monitoring
23 programs;

24 (i) Programs authorized under chapter 70.146 RCW;

25 (j) A public participation program;

26 (k) Public funding to assist potentially liable persons to pay
27 for the costs of remedial action in compliance with clean-up
28 standards under RCW 70.105D.030(2)(e) but only when the amount and
29 terms of such funding are established under a settlement agreement
30 under RCW 70.105D.040(4) and when the director has found that the
31 funding will achieve both: (i) A substantially more expeditious or
32 enhanced cleanup than would otherwise occur; and (ii) the prevention
33 or mitigation of unfair economic hardship;

34 (l) Development and demonstration of alternative management
35 technologies designed to carry out the hazardous waste management
36 priorities of RCW 70.105.150;

37 (m) State agriculture and health programs for the safe use,
38 reduction, recycling, or disposal of pesticides;

1 (n) Storm water pollution control projects and activities that
2 protect or preserve existing remedial actions or prevent hazardous
3 clean-up sites;

4 (o) Funding requirements to maintain receipt of federal funds
5 under the federal solid waste disposal act (42 U.S.C. Sec. 6901 et
6 seq.);

7 (p) Air quality programs and actions for reducing public exposure
8 to toxic air pollution;

9 (q) Public funding to assist prospective purchasers to pay for
10 the costs of remedial action in compliance with clean-up standards
11 under RCW 70.105D.030(2)(e) if:

12 (i) The facility is located within a redevelopment opportunity
13 zone designated under RCW 70.105D.150;

14 (ii) The amount and terms of the funding are established under a
15 settlement agreement under RCW 70.105D.040(5); and

16 (iii) The director has found the funding meets any additional
17 criteria established in rule by the department, will achieve a
18 substantially more expeditious or enhanced cleanup than would
19 otherwise occur, and will provide a public benefit in addition to
20 cleanup commensurate with the scope of the public funding;

21 (r) Petroleum-based plastic or expanded polystyrene foam debris
22 cleanup activities in fresh or marine waters;

23 (s) Appropriations to the local toxics control account or the
24 environmental legacy stewardship account created in RCW 70.105D.170,
25 if the legislature determines that priorities for spending exceed
26 available funds in those accounts;

27 (t) During the (~~(2013-2015 and)~~) 2015-2017 and 2017-2019 fiscal
28 biennia, the department of ecology's water quality, shorelands,
29 environmental assessment, administration, and air quality programs;

30 (u) During the 2013-2015 fiscal biennium, actions at the state
31 conservation commission to improve water quality for shellfish;

32 (v) During the 2013-2015 and 2015-2017 fiscal biennia, actions at
33 the University of Washington for reducing ocean acidification;

34 (w) During the 2015-2017 and 2017-2019 fiscal (~~(biennium)~~)
35 biennia, for the University of Washington Tacoma soil remediation
36 project;

37 (x) For the 2013-2015 fiscal biennium, moneys in the state toxics
38 control account may be spent on projects in section 3160, chapter 19,
39 Laws of 2013 2nd sp. sess. and for transfer to the local toxics
40 control account;

1 (y) For the 2013-2015 fiscal biennium, moneys in the state toxics
2 control account may be transferred to the radioactive mixed waste
3 account; and

4 (z) For the 2015-2017 and 2017-2019 fiscal (~~biennium~~) biennia,
5 forest practices regulation at the department of natural resources.

6 (4)(a) The department shall use moneys deposited in the local
7 toxics control account for grants or loans to local governments for
8 the following purposes in descending order of priority:

9 (i) Extended grant agreements entered into under (e)(i) of this
10 subsection;

11 (ii) Remedial actions, including planning for adaptive reuse of
12 properties as provided for under (e)(iv) of this subsection. The
13 department must prioritize funding of remedial actions at:

14 (A) Facilities on the department's hazardous sites list with a
15 high hazard ranking for which there is an approved remedial action
16 work plan or an equivalent document under federal cleanup law;

17 (B) Brownfield properties within a redevelopment opportunity zone
18 if the local government is a prospective purchaser of the property
19 and there is a department-approved remedial action work plan or
20 equivalent document under the federal cleanup law;

21 (iii) Storm water pollution source projects that: (A) Work in
22 conjunction with a remedial action; (B) protect completed remedial
23 actions against recontamination; or (C) prevent hazardous clean-up
24 sites;

25 (iv) Hazardous waste plans and programs under chapter 70.105 RCW;

26 (v) Solid waste plans and programs under chapters 70.95, 70.95C,
27 70.95I, and 70.105 RCW;

28 (vi) Petroleum-based plastic or expanded polystyrene foam debris
29 cleanup activities in fresh or marine waters; and

30 (vii) Appropriations to the state toxics control account or the
31 environmental legacy stewardship account created in RCW 70.105D.170,
32 if the legislature determines that priorities for spending exceed
33 available funds in those accounts.

34 (b) Funds for plans and programs must be allocated consistent
35 with the priorities and matching requirements established in chapters
36 70.105, 70.95C, 70.95I, and 70.95 RCW.

37 (c) During the 2013-2015 fiscal biennium, the local toxics
38 control account may also be used for local government storm water
39 planning and implementation activities.

1 (d) During the 2013-2015 fiscal biennium, the legislature may
2 transfer from the local toxics control account to the state general
3 fund, such amounts as reflect the excess fund balance in the account.

4 (e) To expedite cleanups throughout the state, the department may
5 use the following strategies when providing grants to local
6 governments under this subsection:

7 (i) Enter into an extended grant agreement with a local
8 government conducting remedial actions at a facility where those
9 actions extend over multiple biennia and the total eligible cost of
10 those actions exceeds twenty million dollars. The agreement is
11 subject to the following limitations:

12 (A) The initial duration of such an agreement may not exceed ten
13 years. The department may extend the duration of such an agreement
14 upon finding substantial progress has been made on remedial actions
15 at the facility;

16 (B) Extended grant agreements may not exceed fifty percent of the
17 total eligible remedial action costs at the facility; and

18 (C) The department may not allocate future funding to an extended
19 grant agreement unless the local government has demonstrated to the
20 department that funds awarded under the agreement during the previous
21 biennium have been substantially expended or contracts have been
22 entered into to substantially expend the funds;

23 (ii) Enter into a grant agreement with a local government
24 conducting a remedial action that provides for periodic reimbursement
25 of remedial action costs as they are incurred as established in the
26 agreement;

27 (iii) Enter into a grant agreement with a local government prior
28 to it acquiring a property or obtaining necessary access to conduct
29 remedial actions, provided the agreement is conditioned upon the
30 local government acquiring the property or obtaining the access in
31 accordance with a schedule specified in the agreement;

32 (iv) Provide integrated planning grants to local governments to
33 fund studies necessary to facilitate remedial actions at brownfield
34 properties and adaptive reuse of properties following remediation.
35 Eligible activities include, but are not limited to: Environmental
36 site assessments; remedial investigations; health assessments;
37 feasibility studies; site planning; community involvement; land use
38 and regulatory analyses; building and infrastructure assessments;
39 economic and fiscal analyses; and any environmental analyses under
40 chapter 43.21C RCW;

1 (v) Provide grants to local governments for remedial actions
2 related to area-wide groundwater contamination. To receive the
3 funding, the local government does not need to be a potentially
4 liable person or be required to seek reimbursement of grant funds
5 from a potentially liable person;

6 (vi) The director may alter grant matching requirements to create
7 incentives for local governments to expedite cleanups when one of the
8 following conditions exists:

9 (A) Funding would prevent or mitigate unfair economic hardship
10 imposed by the clean-up liability;

11 (B) Funding would create new substantial economic development,
12 public recreational opportunities, or habitat restoration
13 opportunities that would not otherwise occur; or

14 (C) Funding would create an opportunity for acquisition and
15 redevelopment of brownfield property under RCW 70.105D.040(5) that
16 would not otherwise occur;

17 (vii) When pending grant applications under (e)(iv) and (v) of
18 this subsection (4) exceed the amount of funds available, designated
19 redevelopment opportunity zones must receive priority for
20 distribution of available funds.

21 (f) To expedite multiparty clean-up efforts, the department may
22 purchase remedial action cost-cap insurance. For the 2013-2015 fiscal
23 biennium, moneys in the local toxics control account may be spent on
24 projects in sections 3024, 3035, 3036, and 3059, chapter 19, Laws of
25 2013 2nd sp. sess.

26 (5) Except for unanticipated receipts under RCW 43.79.260 through
27 43.79.282, moneys in the state and local toxics control accounts may
28 be spent only after appropriation by statute.

29 (6) No moneys deposited into either the state or local toxics
30 control account may be used for: Natural disasters where there is no
31 hazardous substance contamination; high performance buildings; solid
32 waste incinerator facility feasibility studies, construction,
33 maintenance, or operation; or after January 1, 2010, for projects
34 designed to address the restoration of Puget Sound, funded in a
35 competitive grant process, that are in conflict with the action
36 agenda developed by the Puget Sound partnership under RCW 90.71.310.
37 However, this subsection does not prevent an appropriation from the
38 state toxics control account to the department of revenue to enforce
39 compliance with the hazardous substance tax imposed in chapter 82.21
40 RCW.

1 (7) Except during the 2011-2013 and the 2015-2017 fiscal biennia,
2 one percent of the moneys collected under RCW 82.21.030 shall be
3 allocated only for public participation grants to persons who may be
4 adversely affected by a release or threatened release of a hazardous
5 substance and to not-for-profit public interest organizations. The
6 primary purpose of these grants is to facilitate the participation by
7 persons and organizations in the investigation and remedying of
8 releases or threatened releases of hazardous substances and to
9 implement the state's solid and hazardous waste management
10 priorities. No grant may exceed sixty thousand dollars. Grants may be
11 renewed annually. Moneys appropriated for public participation that
12 are not expended at the close of any biennium revert to the state
13 toxics control account.

14 (8) The department shall adopt rules for grant or loan issuance
15 and performance. To accelerate both remedial action and economic
16 recovery, the department may expedite the adoption of rules necessary
17 to implement chapter 1, Laws of 2013 2nd sp. sess. using the
18 expedited procedures in RCW 34.05.353. The department shall initiate
19 the award of financial assistance by August 1, 2013. To ensure the
20 adoption of rules will not delay financial assistance, the department
21 may administer the award of financial assistance through interpretive
22 guidance pending the adoption of rules through July 1, 2014.

23 (9) Except as provided under subsection (3)(k) and (q) of this
24 section, nothing in chapter 1, Laws of 2013 2nd sp. sess. affects the
25 ability of a potentially liable person to receive public funding.

26 (10) During the 2015-2017 fiscal biennium the local toxics
27 control account may also be used for the centennial clean water
28 program and for the storm water financial assistance program
29 administered by the department of ecology.

30 **Sec. 962.** RCW 70.105D.130 and 2010 1st sp.s. c 37 s 947 are each
31 amended to read as follows:

32 (1) The cleanup settlement account is created in the state
33 treasury. The account is not intended to replace the state toxics
34 control account established under RCW 70.105D.070. All receipts from
35 the sources identified in subsection (2) of this section must be
36 deposited into the account. Moneys in the account may be spent only
37 after appropriation. Expenditures from the account may be used only
38 as identified in subsection (4) of this section.

1 (2) The following receipts must be deposited into the cleanup
2 settlement account:

3 (a) Receipts from settlements or court orders that direct payment
4 to the account and resolve a person's liability or potential
5 liability under this chapter for either or both of the following:

6 (i) Conducting future remedial action at a specific facility, if
7 it is not feasible to require the person to conduct the remedial
8 action based on the person's financial insolvency, limited ability to
9 pay, or insignificant contribution under RCW 70.105D.040(4)(a);

10 (ii) Assessing or addressing the injury to natural resources
11 caused by the release of a hazardous substance from a specific
12 facility; and

13 (b) Receipts from investment of the moneys in the account.

14 (3) If a settlement or court order does not direct payment of
15 receipts described in subsection (2)(a) of this section into the
16 cleanup settlement account, then the receipts from any payment to the
17 state must be deposited into the state toxics control account.

18 (4) Expenditures from the cleanup settlement account may only be
19 used to conduct remedial actions at the specific facility or to
20 assess or address the injury to natural resources caused by the
21 release of hazardous substances from that facility for which the
22 moneys were deposited in the account. Conducting remedial actions or
23 assessing or addressing injury to natural resources includes direct
24 expenditures and indirect expenditures such as department oversight
25 costs. During the ((2009-2011)) 2017-2019 fiscal biennium, the
26 legislature may transfer excess fund balances in the account into the
27 state efficiency and restructuring account. Transfers of excess fund
28 balances made under this section shall be made only to the extent
29 amounts transferred with required repayments do not impair the
30 ten-year spending plan administered by the department of ecology for
31 environmental remedial actions dedicated for any designated clean-up
32 site associated with the Everett smelter and Tacoma smelter,
33 including plumes, or former Asarco mine sites. The cleanup settlement
34 account must be repaid with interest under provisions of the state
35 efficiency and restructuring account.

36 (5) The department shall track moneys received, interest earned,
37 and moneys expended separately for each facility.

38 (6) After the department determines that all remedial actions at
39 a specific facility, and all actions assessing or addressing injury
40 to natural resources caused by the release of hazardous substances

1 from that facility, are completed, including payment of all related
2 costs, any moneys remaining for the specific facility must be
3 transferred to the state toxics control account established under RCW
4 70.105D.070.

5 (7) The department shall provide the office of financial
6 management and the fiscal committees of the legislature with a report
7 by October 31st of each year regarding the activity within the
8 cleanup settlement account during the previous fiscal year.

9 **Sec. 963.** RCW 71.24.580 and 2016 sp.s. c 29 s 511 are each
10 amended to read as follows:

11 (1) The criminal justice treatment account is created in the
12 state treasury. Moneys in the account may be expended solely for: (a)
13 Substance use disorder treatment and treatment support services for
14 offenders with a substance use disorder that, if not treated, would
15 result in addiction, against whom charges are filed by a prosecuting
16 attorney in Washington state; (b) the provision of substance use
17 disorder treatment services and treatment support services for
18 nonviolent offenders within a drug court program; and (c) the
19 administrative and overhead costs associated with the operation of a
20 drug court. During the 2015-2017 fiscal biennium, the legislature may
21 transfer from the criminal justice treatment account to the state
22 general fund amounts as reflect the state savings associated with the
23 implementation of the medicaid expansion of the federal affordable
24 care act and the excess fund balance of the account. During the
25 2017-2019 fiscal biennium, the legislature may direct the state
26 treasurer to make transfers of moneys in the criminal justice
27 treatment account to the state general fund. Moneys in the account
28 may be spent only after appropriation.

29 (2) For purposes of this section:

30 (a) "Treatment" means services that are critical to a
31 participant's successful completion of his or her substance use
32 disorder treatment program, but does not include the following
33 services: Housing other than that provided as part of an inpatient
34 substance use disorder treatment program, vocational training, and
35 mental health counseling; and

36 (b) "Treatment support" means transportation to or from inpatient
37 or outpatient treatment services when no viable alternative exists,
38 and child care services that are necessary to ensure a participant's
39 ability to attend outpatient treatment sessions.

1 (3) Revenues to the criminal justice treatment account consist
2 of: (a) Funds transferred to the account pursuant to this section;
3 and (b) any other revenues appropriated to or deposited in the
4 account.

5 (4)(a) For the fiscal year beginning July 1, 2006, and each
6 subsequent fiscal year, the amount transferred shall be increased on
7 an annual basis by the implicit price deflator as published by the
8 federal bureau of labor statistics.

9 (b) In each odd-numbered year, the legislature shall appropriate
10 the amount transferred to the criminal justice treatment account in
11 (a) of this subsection to the department for the purposes of
12 subsection (5) of this section.

13 (5) Moneys appropriated to the department from the criminal
14 justice treatment account shall be distributed as specified in this
15 subsection. The department may retain up to three percent of the
16 amount appropriated under subsection (4)(b) of this section for its
17 administrative costs.

18 (a) Seventy percent of amounts appropriated to the department
19 from the account shall be distributed to counties pursuant to the
20 distribution formula adopted under this section. The division of
21 alcohol and substance abuse, in consultation with the department of
22 corrections, the Washington state association of counties, the
23 Washington state association of drug court professionals, the
24 superior court judges' association, the Washington association of
25 prosecuting attorneys, representatives of the criminal defense bar,
26 representatives of substance use disorder treatment providers, and
27 any other person deemed by the department to be necessary, shall
28 establish a fair and reasonable methodology for distribution to
29 counties of moneys in the criminal justice treatment account. County
30 or regional plans submitted for the expenditure of formula funds must
31 be approved by the panel established in (b) of this subsection.

32 (b) Thirty percent of the amounts appropriated to the department
33 from the account shall be distributed as grants for purposes of
34 treating offenders against whom charges are filed by a county
35 prosecuting attorney. The department shall appoint a panel of
36 representatives from the Washington association of prosecuting
37 attorneys, the Washington association of sheriffs and police chiefs,
38 the superior court judges' association, the Washington state
39 association of counties, the Washington defender's association or the
40 Washington association of criminal defense lawyers, the department of

1 corrections, the Washington state association of drug court
2 professionals, substance use disorder treatment providers, and the
3 division. The panel shall review county or regional plans for funding
4 under (a) of this subsection and grants approved under this
5 subsection. The panel shall attempt to ensure that treatment as
6 funded by the grants is available to offenders statewide.

7 (6) The county alcohol and drug coordinator, county prosecutor,
8 county sheriff, county superior court, a substance abuse treatment
9 provider appointed by the county legislative authority, a member of
10 the criminal defense bar appointed by the county legislative
11 authority, and, in counties with a drug court, a representative of
12 the drug court shall jointly submit a plan, approved by the county
13 legislative authority or authorities, to the panel established in
14 subsection (5)(b) of this section, for disposition of all the funds
15 provided from the criminal justice treatment account within that
16 county. The funds shall be used solely to provide approved alcohol
17 and substance abuse treatment pursuant to RCW 71.24.560, treatment
18 support services, and for the administrative and overhead costs
19 associated with the operation of a drug court.

20 (a) No more than ten percent of the total moneys received under
21 subsections (4) and (5) of this section by a county or group of
22 counties participating in a regional agreement shall be spent on the
23 administrative and overhead costs associated with the operation of a
24 drug court.

25 (b) No more than ten percent of the total moneys received under
26 subsections (4) and (5) of this section by a county or group of
27 counties participating in a regional agreement shall be spent for
28 treatment support services.

29 (7) Counties are encouraged to consider regional agreements and
30 submit regional plans for the efficient delivery of treatment under
31 this section.

32 (8) Moneys allocated under this section shall be used to
33 supplement, not supplant, other federal, state, and local funds used
34 for substance abuse treatment.

35 (9) Counties must meet the criteria established in RCW
36 2.30.030(3).

37 (10) The authority under this section to use funds from the
38 criminal justice treatment account for the administrative and
39 overhead costs associated with the operation of a drug court expires
40 June 30, 2015.

1 **Sec. 964.** RCW 77.12.203 and 2015 3rd sp.s. c 4 s 971 are each
2 amended to read as follows:

3 (1) Except as provided in subsection (5) of this section and
4 notwithstanding RCW 84.36.010 or other statutes to the contrary, the
5 director must pay by April 30th of each year on game lands,
6 regardless of acreage, in each county, if requested by an election
7 under RCW 77.12.201, an amount in lieu of real property taxes equal
8 to that amount paid on similar parcels of open space land taxable
9 under chapter 84.34 RCW or the greater of seventy cents per acre per
10 year or the amount paid in 1984 plus an additional amount for control
11 of noxious weeds equal to that which would be paid if such lands were
12 privately owned. This amount may not be assessed or paid on
13 department buildings, structures, facilities, game farms, fish
14 hatcheries, water access sites, tidelands, or public fishing areas.

15 (2) "Game lands," as used in this section and RCW 77.12.201,
16 means those tracts, regardless of acreage, owned in fee by the
17 department and used for wildlife habitat and public recreational
18 purposes. All lands purchased for wildlife habitat, public access, or
19 recreation purposes with federal funds in the Snake River drainage
20 basin are considered game lands regardless of acreage.

21 (3) This section does not apply to lands transferred after April
22 23, 1990, to the department from other state agencies.

23 (4) The county must distribute the amount received under this
24 section in lieu of real property taxes to all property taxing
25 districts except the state in appropriate tax code areas the same way
26 it would distribute local property taxes from private property. The
27 county must distribute the amount received under this section for
28 weed control to the appropriate weed district.

29 (5) For the 2013-2015 and 2015-2017 fiscal biennia, the director
30 must pay by April 30th of each year on game lands in each county, if
31 requested by an election under RCW 77.12.201, an amount in lieu of
32 real property taxes and must be distributed as follows:

33 **County**

34	Adams.....	1,909
35	Asotin.....	36,123
36	Chelan.....	24,757
37	Columbia.....	7,795
38	Ferry.....	6,781

1	Garfield.....	4,840
2	Grant.....	37,443
3	Kittitas.....	143,974
4	Klickitat.....	21,906
5	Lincoln.....	13,535
6	Okanogan.....	151,402
7	Pend Oreille.....	3,309
8	Yakima.....	126,225

9 These amounts may not be assessed or paid on department buildings,
10 structures, facilities, game farms, fish hatcheries, water access
11 sites, tidelands, or public fishing areas.

12 (6) For the 2017-2019 fiscal biennium, the director must pay by
13 April 30th of each year on game lands in each county, if requested by
14 an election under RCW 77.12.201, an amount in lieu of real property
15 taxes and must be distributed as follows:

16	<u>County</u>	
17	<u>Adams.....</u>	<u>5,223</u>
18	<u>Asotin.....</u>	<u>132,917</u>
19	<u>Chelan.....</u>	<u>70,666</u>
20	<u>Columbia.....</u>	<u>21,330</u>
21	<u>Ferry.....</u>	<u>18,555</u>
22	<u>Garfield.....</u>	<u>13,242</u>
23	<u>Grant.....</u>	<u>102,552</u>
24	<u>Kittitas.....</u>	<u>395,209</u>
25	<u>Klickitat.....</u>	<u>59,983</u>
26	<u>Lincoln.....</u>	<u>37,032</u>
27	<u>Okanogan.....</u>	<u>421,645</u>
28	<u>Pend Oreille.....</u>	<u>8,916</u>
29	<u>Yakima.....</u>	<u>329,233</u>

30 These amounts may not be assessed or paid on department buildings,
31 structures, facilities, game farms, fish hatcheries, water access
32 sites, tidelands, or public fishing areas.

1 **Sec. 965.** RCW 79.13.120 and 2003 c 334 s 369 are each amended to
2 read as follows:

3 (1) The department must give thirty days' notice of leasing by
4 public auction. The notice must:

5 (a) Specify the place and time of auction, bid deposit if any,
6 the appraised value, describe each parcel to be leased, and the terms
7 and conditions of the lease;

8 (b) Be posted in some conspicuous place in the county auditor's
9 office and the department's regional headquarters administering the
10 lease; and

11 (c) Be published in at least two newspapers of general
12 circulation in the area where the state land subject to public
13 auction leasing is located.

14 (2) Notice of intent to lease by negotiation must be published in
15 at least two newspapers of general circulation in the area where the
16 state land subject to lease negotiation is located. The notice must
17 be published within the ninety days preceding commencement of
18 negotiations.

19 (3) The department is authorized to conduct any additional
20 advertising that it determines to be in the best interest of the
21 state.

22 (4) During the 2017-2019 fiscal biennium, the legislature may
23 direct the department to make certain lands available for lease.

24 **Sec. 966.** RCW 79.17.200 and 1992 c 167 s 2 are each amended to
25 read as follows:

26 (1) For the purposes of this section, "public agency" means any
27 agency, political subdivision, or unit of local government of this
28 state including, but not limited to, municipal corporations, quasi-
29 municipal corporations, special purpose districts, and local service
30 districts; any agency of the state government; any agency of the
31 United States; and any Indian tribe recognized as such by the federal
32 government.

33 (2) With the approval of the board of natural resources, the
34 department of natural resources may directly transfer or dispose of
35 real property, without public auction, in the following
36 circumstances:

37 (a) Transfers in lieu of condemnations;

38 (b) Transfers to public agencies; and

1 (c) Transfers to resolve trespass and property ownership
2 disputes.

3 (3) Real property to be transferred or disposed of under this
4 section shall be transferred or disposed of only after appraisal and
5 for at least fair market value, and only if such transaction is in
6 the best interest of the state or affected trust.

7 (4) During the 2017-2019 fiscal biennium, the legislature may
8 direct the department to transfer or dispose of certain water rights
9 to a public agency under this section after appraisal for at least
10 fair market value.

11 **Sec. 967.** RCW 79.64.040 and 2015 3rd sp.s. c 4 s 972 are each
12 amended to read as follows:

13 (1) The board shall determine the amount deemed necessary in
14 order to achieve the purposes of this chapter and shall provide by
15 rule for the deduction of this amount from the moneys received from
16 all leases, sales, contracts, licenses, permits, easements, and
17 rights-of-way issued by the department and affecting state lands and
18 aquatic lands, provided that no deduction shall be made from the
19 proceeds from agricultural college lands.

20 (2) Moneys received as deposits from successful bidders, advance
21 payments, and security under RCW 79.15.100, 79.15.080, and 79.11.150
22 prior to December 1, 1981, which have not been subjected to deduction
23 under this section are not subject to deduction under this section.

24 (3) Except as otherwise provided in subsection (5) of this
25 section, the deductions authorized under this section shall not
26 exceed twenty-five percent of the moneys received by the department
27 in connection with any one transaction pertaining to state lands and
28 aquatic lands other than second-class tide and shore lands and the
29 beds of navigable waters, and fifty percent of the moneys received by
30 the department pertaining to second-class tide and shore lands and
31 the beds of navigable waters.

32 (4) In the event that the department sells logs using the
33 contract harvesting process described in RCW 79.15.500 through
34 79.15.530, the moneys received subject to this section are the net
35 proceeds from the contract harvesting sale.

36 ~~(5) ((During the 2013-2015 fiscal biennium, the twenty-five~~
37 ~~percent limitation on deductions set in subsection (3) of this~~
38 ~~section may be increased up to thirty percent by the board.))~~ During
39 the 2015-2017 and 2017-2019 fiscal ~~((biennium))~~ biennia, the board

1 may increase the twenty-five percent limitation up to thirty-two
2 percent.

3 **Sec. 968.** RCW 79.64.110 and 2015 3rd sp.s. c 4 s 973 are each
4 amended to read as follows:

5 (1) Any moneys derived from the lease of state forestlands or
6 from the sale of valuable materials, oils, gases, coal, minerals, or
7 fossils from those lands, or the appraised value of these resources
8 when transferred to a public agency under RCW 79.22.060, except as
9 provided in RCW 79.22.060(4), must be distributed as follows:

10 (a) For state forestlands acquired through RCW 79.22.040 or by
11 exchange for lands acquired through RCW 79.22.040:

12 (i) The expense incurred by the state for administration,
13 reforestation, and protection, not to exceed twenty-five percent,
14 which rate of percentage shall be determined by the board, must be
15 returned to the forest development account created in RCW 79.64.100.
16 During the 2015-2017 and 2017-2019 fiscal (~~(biennium)~~) biennia, the
17 board may increase the twenty-five percent limitation up to twenty-
18 seven percent.

19 (ii) Any balance remaining must be paid to the county in which
20 the land is located or, for counties participating in a land pool
21 created under RCW 79.22.140, to each participating county
22 proportionate to its contribution of asset value to the land pool as
23 determined by the board. Payments made under this subsection are to
24 be paid, distributed, and prorated, except as otherwise provided in
25 this section, to the various funds in the same manner as general
26 taxes are paid and distributed during the year of payment.

27 (iii) Any balance remaining, paid to a county with a population
28 of less than sixteen thousand, must first be applied to the reduction
29 of any indebtedness existing in the current expense fund of the
30 county during the year of payment.

31 (iv) With regard to moneys remaining under this subsection
32 (1)(a), within seven working days of receipt of these moneys, the
33 department shall certify to the state treasurer the amounts to be
34 distributed to the counties. The state treasurer shall distribute
35 funds to the counties four times per month, with no more than ten
36 days between each payment date.

37 (b) For state forestlands acquired through RCW 79.22.010 or by
38 exchange for lands acquired through RCW 79.22.010, except as provided
39 in RCW 79.64.120:

1 (i) Fifty percent shall be placed in the forest development
2 account.

3 (ii) Fifty percent shall be prorated and distributed to the state
4 general fund, to be dedicated for the benefit of the public schools,
5 to the county in which the land is located or, for counties
6 participating in a land pool created under RCW 79.22.140, to each
7 participating county proportionate to its contribution of asset value
8 to the land pool as determined by the board, and according to the
9 relative proportions of tax levies of all taxing districts in the
10 county. The portion to be distributed to the state general fund shall
11 be based on the regular school levy rate under RCW 84.52.065 and the
12 levy rate for any maintenance and operation special school levies.
13 With regard to the portion to be distributed to the counties, the
14 department shall certify to the state treasurer the amounts to be
15 distributed within seven working days of receipt of the money. The
16 state treasurer shall distribute funds to the counties four times per
17 month, with no more than ten days between each payment date. The
18 money distributed to the county must be paid, distributed, and
19 prorated to the various other funds in the same manner as general
20 taxes are paid and distributed during the year of payment.

21 (2) A school district may transfer amounts deposited in its debt
22 service fund pursuant to this section into its capital projects fund
23 as authorized in RCW 28A.320.330.

24 **Sec. 969.** RCW 79.105.150 and 2015 3rd sp.s. c 4 s 974 are each
25 amended to read as follows:

26 (1) After deduction for management costs as provided in RCW
27 79.64.040 and payments to towns under RCW 79.115.150(2), all moneys
28 received by the state from the sale or lease of state-owned aquatic
29 lands and from the sale of valuable material from state-owned aquatic
30 lands shall be deposited in the aquatic lands enhancement account
31 which is hereby created in the state treasury. After appropriation,
32 these funds shall be used solely for aquatic lands enhancement
33 projects; for the purchase, improvement, or protection of aquatic
34 lands for public purposes; for providing and improving access to the
35 lands; and for volunteer cooperative fish and game projects. During
36 the 2013-2015 (~~and~~), 2015-2017, and 2017-2019 fiscal biennia, the
37 aquatic lands enhancement account may be used to support the
38 shellfish program, the ballast water program, hatcheries, the Puget
39 Sound toxic sampling program and steelhead mortality research at the

1 department of fish and wildlife, the knotweed program at the
2 department of agriculture, actions at the University of Washington
3 for reducing ocean acidification, which may include the creation of a
4 center on ocean acidification, (~~and~~) the Puget SoundCorps program,
5 and support of the marine resource advisory council and the
6 Washington coastal marine advisory council. During the 2013-2015
7 fiscal biennium, the legislature may transfer from the aquatic lands
8 enhancement account to the geoduck aquaculture research account for
9 research related to shellfish aquaculture. During the 2015-2017
10 fiscal biennium, the legislature may transfer moneys from the aquatic
11 lands enhancement account to the marine resources stewardship trust
12 account.

13 (2) In providing grants for aquatic lands enhancement projects,
14 the recreation and conservation funding board shall:

15 (a) Require grant recipients to incorporate the environmental
16 benefits of the project into their grant applications;

17 (b) Utilize the statement of environmental benefits,
18 consideration, except as provided in RCW 79.105.610, of whether the
19 applicant is a Puget Sound partner, as defined in RCW 90.71.010,
20 whether a project is referenced in the action agenda developed by the
21 Puget Sound partnership under RCW 90.71.310, and except as otherwise
22 provided in RCW 79.105.630, and effective one calendar year following
23 the development and statewide availability of model evergreen
24 community management plans and ordinances under RCW 35.105.050,
25 whether the applicant is an entity that has been recognized, and what
26 gradation of recognition was received, in the evergreen community
27 recognition program created in RCW 35.105.030 in its prioritization
28 and selection process; and

29 (c) Develop appropriate outcome-focused performance measures to
30 be used both for management and performance assessment of the grants.

31 (3) To the extent possible, the department should coordinate its
32 performance measure system with other natural resource-related
33 agencies as defined in RCW 43.41.270.

34 (4) The department shall consult with affected interest groups in
35 implementing this section.

36 (5) After January 1, 2010, any project designed to address the
37 restoration of Puget Sound may be funded under this chapter only if
38 the project is not in conflict with the action agenda developed by
39 the Puget Sound partnership under RCW 90.71.310.

1 NEW SECTION. **Sec. 970.** A new section is added to chapter 28B.76
2 RCW to read as follows:

3 The highway worker memorial scholarship account is created in the
4 custody of the state treasurer. Moneys received from legislative
5 appropriations and transfers, private donations, public or private
6 gifts and grants, conveyances, and other sources may be deposited
7 into the account. Expenditures from the account may be made only for
8 the purposes of providing scholarships to children and surviving
9 spouses of highway workers who lost his or her life or became totally
10 disabled while employed by a general contractor or subcontractor on a
11 state transportation project. Children and surviving spouses must
12 apply to the office of student financial assistance, and if found to
13 be eligible, may receive a scholarship in an amount of the annual
14 cost of tuition at the enrolled individual's institution of higher
15 education or the cost of undergraduate tuition and state-mandated
16 fees at the most expensive Washington state public university,
17 whichever is less. Eligible individuals may receive up to four annual
18 scholarships. Scholarships will be provided on a first-come, first-
19 served basis subject to the availability of moneys in the account.
20 Disbursements from the account may be authorized only by the office
21 of student financial assistance or the Washington student achievement
22 council. An appropriation is not required for expenditures, but the
23 account is subject to allotment procedures under chapter 43.88 RCW.

24 NEW SECTION. **Sec. 971.** A new section is added to chapter 43.31
25 RCW to read as follows:

26 The state agency office relocation pool account is created in the
27 custody of the state treasurer. All receipts from legislative
28 appropriations and transfers must be deposited in the account.
29 Expenditures from the account may be used only for state agency costs
30 related to relocation of state agency offices. Authorized
31 expenditures include lease payments and costs of relocation,
32 equipment, furniture, and tenant improvements. Only the director of
33 the office of financial management or the director's designee may
34 authorize expenditures from the account. The account is subject to
35 the allotment procedures under chapter 43.88 RCW, but an
36 appropriation is not required for expenditures.

37 NEW SECTION. **Sec. 972.** A new section is added to chapter 43.41
38 RCW to read as follows:

1 (1) The information technology investment account is created in
2 the custody of the state treasurer. All receipts from legislative
3 appropriations and transfers must be deposited into the account. Only
4 the director of financial management or the director's designee may
5 authorize expenditures from the account. The account is subject to
6 allotment procedures under chapter 43.88 RCW, but an appropriation is
7 not required for expenditures.

8 (2) Any residual balance of funds remaining in the information
9 technology investment account created in section 705, chapter 705,
10 Laws of 2015 3rd sp.s. and reenacted in subsection (1) of this
11 section shall be transferred to the information technology investment
12 account created in subsection (1) of this section on June 30, 2017.

13 NEW SECTION. **Sec. 973.** During the 2017-2019 fiscal biennium,
14 any state agency receiving appropriations in this act is required to
15 deposit into the disabled veteran assistance account created in RCW
16 43.60A.215 the value of any cash reward, cash rebate, cash bonus, or
17 other cash incentive received from the use of a credit card, fleet
18 card, or any other payment card.

19 NEW SECTION. **Sec. 974.** Section 960 of this act (RCW 70.93.180)
20 takes effect June 30, 2017.

(End of part)

PART XI
GENERAL GOVERNMENT

Sec. 1101. 2016 sp.s. c 36 s 112 (uncodified) is amended to read as follows:

FOR THE COURT OF APPEALS

General Fund—State Appropriation (FY 2016)	\$17,000,000
General Fund—State Appropriation (FY 2017)	(\$17,311,000)
	<u>\$17,353,000</u>
TOTAL APPROPRIATION	(\$34,311,000)
	<u>\$34,353,000</u>

Sec. 1102. 2016 sp.s. c 36 s 113 (uncodified) is amended to read as follows:

FOR THE ADMINISTRATOR FOR THE COURTS

General Fund—State Appropriation (FY 2016)	\$56,244,000
General Fund—State Appropriation (FY 2017)	(\$56,764,000)
	<u>\$56,840,000</u>
General Fund—Federal Appropriation	\$2,154,000
General Fund—Private/Local Appropriation	\$667,000
Judicial Information Systems Account—State Appropriation	\$56,772,000
Judicial Stabilization Trust Account—State Appropriation	\$6,691,000
TOTAL APPROPRIATION	(\$178,708,000)
	<u>\$179,368,000</u>

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

(1) \$878,000 of the general fund—state appropriation for fiscal year 2016, \$878,000 of the general fund—state appropriation for fiscal year 2017, and \$6,784,000 of the judicial information systems account—state appropriation are provided solely for the information network hub project.

(2) \$516,000 of the judicial information systems account—state appropriation is provided solely for replacement of computer equipment, including servers, routers, and storage system upgrades.

(3) The distributions made under this subsection and distributions from the county criminal justice assistance account made pursuant to section 801 of this act constitute appropriate

1 reimbursement for costs for any new programs or increased level of
2 service for purposes of RCW 43.135.060.

3 (4) \$1,849,000 of the judicial information systems account—state
4 appropriation is provided solely for replacing computer equipment at
5 state courts and state judicial agencies.

6 (5) \$1,399,000 of the general fund—state appropriation for fiscal
7 year 2016 and \$1,399,000 of the general fund—state appropriation for
8 fiscal year 2017 are provided solely for school districts for
9 petitions to juvenile court for truant students as provided in RCW
10 28A.225.030 and 28A.225.035. The administrator for the courts shall
11 develop an interagency agreement with the superintendent of public
12 instruction to allocate the funding provided in this subsection.
13 Allocation of this money to school districts shall be based on the
14 number of petitions filed. This funding includes amounts school
15 districts may expend on the cost of serving petitions filed under RCW
16 28A.225.030 by certified mail or by personal service or for the
17 performance of service of process for any hearing associated with RCW
18 28A.225.030.

19 (6)(a) \$7,313,000 of the general fund—state appropriation for
20 fiscal year 2016 and \$7,313,000 of the general fund—state
21 appropriation for fiscal year 2017 are provided solely for
22 distribution to county juvenile court administrators to fund the
23 costs of processing truancy, children in need of services, and at-
24 risk youth petitions. The administrator for the courts, in
25 conjunction with the juvenile court administrators, shall develop an
26 equitable funding distribution formula. The formula shall neither
27 reward counties with higher than average per-petition processing
28 costs nor shall it penalize counties with lower than average per-
29 petition processing costs.

30 (b) Each fiscal year during the 2015-2017 fiscal biennium, each
31 county shall report the number of petitions processed and the total
32 actual costs of processing truancy, children in need of services, and
33 at-risk youth petitions. Counties shall submit the reports to the
34 administrator for the courts no later than 45 days after the end of
35 the fiscal year. The administrator for the courts shall
36 electronically transmit this information to the chairs and ranking
37 minority members of the house of representatives and senate fiscal
38 committees no later than 60 days after a fiscal year ends. These

1 reports are deemed informational in nature and are not for the
2 purpose of distributing funds.

3 (7) \$584,000 of the judicial information systems account—state
4 appropriation is provided solely for the content management system
5 for the appellate courts.

6 (8) \$200,000 of the general fund—state appropriation for fiscal
7 year 2016 is provided solely for the office of public guardianship
8 for the purpose of providing guardianship services to low income and
9 indigent alleged or actual incapacitated persons who were receiving
10 services on July 10, 2013.

11 (9) \$118,000 of the judicial information systems account—state
12 appropriation for fiscal year 2016 is provided solely for
13 implementation of chapter 287, Laws of 2015 (Engrossed House Bill No.
14 1943).

15 (10) \$75,000 of the general fund—state appropriation for fiscal
16 year 2016 is provided solely for the planning and design of a
17 dependency court improvement demonstration program. The plan must be
18 developed jointly with the one family one team public private
19 partnership, with a private cash match of \$75,000. If the cash match
20 is not available by August 1, 2015, the administrative office of the
21 courts will not be required to complete the planning and design of a
22 dependency court improvement demonstration program. By January 1,
23 2016, the public private partnership shall provide to the appropriate
24 committees of the legislature the program design, including ongoing
25 administrative funding, and a statement of the public and private
26 funding required in order to provide demonstration grants to up to
27 four counties.

28 (11) \$6,080,000 of the judicial information systems account—state
29 appropriation for fiscal year 2016 is provided solely for continued
30 implementation of the superior court case management system project.

31 (12) \$7,010,000 of the judicial information systems account—state
32 appropriation for fiscal year 2017 is provided solely for continued
33 implementation of the superior court case management system. The
34 steering committee for the superior court case management system, the
35 office of administrator of the courts, and county clerks shall work
36 with the case management system vendor to develop cost estimates for
37 modifications to the superior court case management system to address
38 security and document management concerns raised by county clerks. If
39 the cost estimates are not provided to the fiscal committees of the

1 legislature by January 1, 2016, the amounts provided in this
2 subsection shall lapse. Furthermore, the amounts provided in this
3 subsection shall lapse if the superior court case management system
4 is not live and fully functional in Franklin, Thurston, and Yakima
5 counties by February 1, 2016.

6 (13) The existing steering committee for the superior court case
7 management system shall continue oversight responsibilities
8 throughout the various phases of the project to include, but not be
9 limited to, vendor management, contract and deliverable management,
10 assuring reasonable satisfaction of the business and technical needs
11 at the local level, receipt of stakeholder feedback, and
12 communication between the various stakeholder groups and the judicial
13 information systems committee. Issues of significant scope, schedule
14 or budget changes, and risk mitigation strategies must be escalated
15 to the judicial information systems committee for consideration. In
16 the event that a majority of the steering committee members cannot
17 reach a decision, the issue must be escalated to the judicial
18 information systems committee for consideration. The superior court
19 case management system project steering committee may solicit input
20 from user groups as deemed appropriate.

21 (14) The courts of limited jurisdiction case management system
22 (CLJ-CMS) replacement project shall be guided by a project steering
23 committee to provide project oversight throughout the various phases
24 of the project to include, but not be limited to, vendor management,
25 contract and deliverable management, assuring reasonable satisfaction
26 of the business and technical needs at the local level, receipt of
27 stakeholder feedback, and communication between the various
28 stakeholder groups and the judicial information systems committee.
29 The project steering committee shall be comprised of three members
30 from the administrative office of the courts, two members from the
31 district and municipal court judges association, three members from
32 the district and municipal court management association, and two
33 members from the misdemeanor corrections association. Issues of
34 significant scope, schedule or budget changes, and risk mitigation
35 strategies must be escalated to the judicial information systems
36 committee for consideration. In the event that a majority of the
37 project steering committee members cannot reach a decision, the issue
38 must be escalated to the judicial information systems committee for
39 consideration. The courts of limited jurisdiction case management

1 system replacement project steering committee may solicit input from
2 user groups as deemed appropriate.

3 (15) \$3,789,000 of the judicial information systems account—state
4 appropriation is provided solely for preparation and procurement
5 activities related to the courts of limited jurisdiction case
6 management system (CLJ-CMS) replacement project. The appropriations
7 are further conditioned that the CLJ-CMS replacement project be
8 funded entirely from judicial information system account funds in
9 future biennia. The amounts provided in this subsection for the CLJ-
10 CMS replacement project shall not be expended prior to January 1,
11 2016. In addition, if the following activities are not complete by
12 the dates provided, no further funds appropriated in this subsection
13 shall be expended on the CLJ-CMS replacement project.

14 (a) Beginning April 1, 2016, and each calendar quarter
15 thereafter, quality assurance reports for the CLJ-CMS replacement
16 project shall be provided to the office of chief information officer
17 for review and for posting on its information technology project
18 dashboard.

19 (b) No later than July 1, 2016, the CLJ-CMS replacement project
20 steering committee shall provide a report to the legislature on the
21 status of the procurement process for a CLJ-CMS replacement project,
22 including an affirmation that the project is designed to meet the
23 business processes and requirements of all thirty-nine counties. In
24 addition, the report shall include a statement from each court of
25 limited jurisdiction of its intended use of the new CLJ-CMS.

26 (c) No later than January 1, 2017, the judicial information
27 system committee must approve the publication of a request for
28 proposal for the CLJ-CMS replacement project.

29 (d) Prior to any CLJ-CMS replacement project steering committee
30 recommendation to the judicial information system committee of a
31 preferred vendor and prior to the selection of an apparently
32 successful vendor, the office of chief information officer must be
33 allowed to review vendor submittals in response to the request for
34 proposal. To better inform its selection, the office of chief
35 information officer must provide to the CLJ-CMS replacement project
36 steering committee an evaluation each vendor's proposed technology
37 solution assessing its architecture, security, vendor experience and
38 qualifications, project risks and risk management, and whether the
39 technology solution represents the best value.

1 **Sec. 1103.** 2016 sp.s. c 36 s 114 (uncodified) is amended to read
2 as follows:

3 **FOR THE OFFICE OF PUBLIC DEFENSE**

4	General Fund—State Appropriation (FY 2016).	\$37,558,000
5	General Fund—State Appropriation (FY 2017).	(\$37,809,000)
6		<u>\$38,290,000</u>
7	Judicial Stabilization Trust Account—State	
8	Appropriation.	\$3,648,000
9	TOTAL APPROPRIATION.	(\$79,015,000)
10		<u>\$79,496,000</u>

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

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

15 (2) \$924,000 of the general fund—state appropriation for fiscal
16 year 2016 and \$462,000 of the general fund—state appropriation for
17 fiscal year 2017 are provided solely for parents representation
18 program costs related to increased parental rights termination
19 filings from the department of social and health services permanency
20 initiative.

21 (3) \$451,000 of the general fund—state appropriation for fiscal
22 year 2016 and \$915,000 of the general fund—state appropriation for
23 fiscal year 2017 are provided solely to increase payments for
24 attorneys who contract with the office for indigent defense
25 representation.

26 (4) \$900,000 of the general fund—state appropriation for fiscal
27 year 2016 and \$900,000 of the general fund—state appropriation for
28 fiscal year 2017 are provided solely for the purpose of improving the
29 quality of trial court public defense services.

30 (5) \$245,000 of the general fund—state appropriation for fiscal
31 year 2016 and \$320,000 of the general fund—state appropriation for
32 fiscal year 2017 are provided solely to implement chapter 117, Laws
33 of 2015 (Second Substitute Senate Bill No. 5486). Funds must be used
34 to maintain the current programs in Grays Harbor/Pacific, King,
35 Kitsap, Pierce, Snohomish, Spokane, and Thurston/Mason counties;
36 expand services in three of these locations; provide for program
37 administration; and to fund the first stage of an evaluation of the
38 program to determine if the parents for parents program can be
39 considered evidence-based.

1 **Sec. 1104.** 2016 sp.s. c 36 s 117 (uncodified) is amended to read
2 as follows:

3 **FOR THE LIEUTENANT GOVERNOR**

4	General Fund—State Appropriation (FY 2016).	\$636,000
5	General Fund—State Appropriation (FY 2017).	(\$656,000)
6		<u>\$721,000</u>
7	General Fund—Private/Local Appropriation.	\$90,000
8	TOTAL APPROPRIATION.	(\$1,382,000)
9		<u>\$1,447,000</u>

10 **Sec. 1105.** 2016 sp.s. c 36 s 118 (uncodified) is amended to read
11 as follows:

12 **FOR THE PUBLIC DISCLOSURE COMMISSION**

13	General Fund—State Appropriation (FY 2016).	\$2,416,000
14	General Fund—State Appropriation (FY 2017).	(\$2,437,000)
15		<u>\$2,764,000</u>
16	TOTAL APPROPRIATION.	(\$4,853,000)
17		<u>\$5,180,000</u>

18 **Sec. 1106.** 2016 sp.s. c 36 s 120 (uncodified) is amended to read
19 as follows:

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

21	General Fund—State Appropriation (FY 2016).	\$266,000
22	General Fund—State Appropriation (FY 2017).	(\$274,000)
23		<u>\$275,000</u>
24	TOTAL APPROPRIATION.	(\$540,000)
25		<u>\$541,000</u>

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

1 **Sec. 1107.** 2016 sp.s. c 36 s 121 (uncodified) is amended to read
2 as follows:

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

4	General Fund—State Appropriation (FY 2016).	\$235,000
5	General Fund—State Appropriation (FY 2017).	((\$231,000))
6		<u>\$232,000</u>
7	TOTAL APPROPRIATION.	((\$466,000))
8		<u>\$467,000</u>

9 **Sec. 1108.** 2015 3rd sp.s. c 4 s 125 (uncodified) is amended to
10 read as follows:

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

12	General Fund—State Appropriation (FY 2016).	\$146,000
13	General Fund—State Appropriation (FY 2017).	((\$185,000))
14		<u>\$186,000</u>
15	TOTAL APPROPRIATION.	((\$331,000))
16		<u>\$332,000</u>

17 **Sec. 1109.** 2016 sp.s. c 36 s 124 (uncodified) is amended to read
18 as follows:

19 **FOR THE ATTORNEY GENERAL**

20	General Fund—State Appropriation (FY 2016).	\$11,420,000
21	General Fund—State Appropriation (FY 2017).	((\$8,417,000))
22		<u>\$8,826,000</u>
23	General Fund—Federal Appropriation.	\$6,930,000
24	New Motor Vehicle Arbitration Account—State	
25	Appropriation.	\$1,041,000
26	Legal Services Revolving Account—State	
27	Appropriation.	((\$227,558,000))
28		<u>\$230,006,000</u>
29	Tobacco Prevention and Control Account—State	
30	Appropriation.	\$273,000
31	Medicaid Fraud Penalty Account—State Appropriation.	\$3,065,000
32	Public Service Revolving Account—State	
33	Appropriation.	\$2,220,000
34	Child Rescue Fund—State Appropriation.	\$500,000
35	TOTAL APPROPRIATION.	((\$261,424,000))
36		<u>\$264,281,000</u>

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

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

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

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

26 (4) \$2,218,000 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 (5) \$353,000 of the general fund—state appropriation for fiscal
30 year 2016 and \$353,000 of the general fund—state appropriation for
31 fiscal year 2017 are provided solely for a grant to the Washington
32 coalition of crime victim advocates to provide training,
33 certification, and technical assistance for crime victim service
34 center advocates.

35 (6) \$1,196,000 of the legal services revolving fund—state
36 appropriation is provided solely for the implementation of chapter
37 70, Laws of 2015 (Second Substitute Senate Bill No. 5052) (cannabis
38 patient protection).

1 (7) \$14,000 of the legal services revolving account—state
2 appropriation is provided solely for implementation of chapter 240,
3 Laws of 2015 (Substitute Senate Bill No. 5740) (extended foster
4 care).

5 (8) \$182,000 of the legal services revolving account—state
6 appropriation is provided solely for implementation of chapter 274,
7 Laws of 2015 (Engrossed Substitute House Bill No. 1449) (oil
8 transportation safety).

9 (9) \$71,000 of the legal services revolving account—state
10 appropriation is provided solely for implementation of Engrossed
11 Second Substitute House Bill No. 1472 (chemical action plans), Second
12 Substitute Senate Bill No. 5056 (safer chemicals/action plans),
13 Substitute Senate Bill No. 6131 (safer chemicals), or any of these.
14 If none of these bills are enacted by July 10, 2015, the amount
15 provided in this subsection shall lapse.

16 (10) Pursuant to chapter 247, Laws of 2015 (Second Substitute
17 House Bill No. 1281) (sexual exploitation of a minor), the office of
18 the attorney general may expend \$500,000 from the child rescue fund—
19 state appropriation, or an amount not to exceed actual revenues into
20 the account.

21 (11) \$37,000 of the general fund—state appropriation for fiscal
22 year 2017 is provided solely for implementation of Second Substitute
23 House Bill No. 2726 (retirement communities). If the bill is not
24 enacted by June 30, 2016, the amount provided in this subsection
25 shall lapse.

26 (12) Appropriations in this section include specific funds for
27 the implementation of Substitute Senate Bill No. 6160 (regulating
28 motor vehicle airbags).

29 (13) \$55,000 of the general fund—state appropriation for fiscal
30 year 2017 is provided solely for implementation of Substitute Senate
31 Bill No. 6360 (traffic fines consolidation). If the bill is not
32 enacted by June 30, 2016, the amount provided in this subsection
33 shall lapse.

34 **Sec. 1110.** 2016 sp.s. c 36 s 125 (uncodified) is amended to read
35 as follows:

36 **FOR THE CASELOAD FORECAST COUNCIL**

37	General Fund—State Appropriation (FY 2016).	\$1,397,000
38	General Fund—State Appropriation (FY 2017).	((\$1,460,000))

1 \$1,508,000
2 TOTAL APPROPRIATION. ((\$2,857,000))
3 \$2,905,000

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

6 (1) \$55,000 of the general fund—state appropriation for fiscal
7 year 2016 and \$55,000 of the general fund—state appropriation for
8 fiscal year 2017 are provided solely for Substitute Senate Bill No.
9 5999 (caseload forecast council). (~~If the bill is not enacted by~~
10 ~~July 10, 2015, the amounts provided in this subsection shall lapse.~~)

11 (2)(a) The caseload forecast council, in cooperation with the
12 appropriate legislative committees and legislative staff, the office
13 of financial management, the department of corrections, the
14 department of social and health services, the administrative office
15 of the courts, the minority and justice commission, the Washington
16 state institute for public policy, the department of early learning,
17 the student achievement council, the state board of education, the
18 sentencing guidelines commission, and a person from communities at
19 large deemed appropriate must develop recommendations for procedures
20 and tools which will enable them to provide cost-effective racial and
21 ethnic impact statements to legislative bills affecting criminal
22 justice, human services, and education caseloads forecasted by the
23 caseload forecast council. The recommendations for the racial and
24 ethnic impact statements must be able to identify the positive and
25 negative impacts on communities as a result of proposed or adopted
26 legislation.

27 (b) The caseload forecast council shall submit a report to the
28 governor and appropriate committees of the legislature on or before
29 December 31, 2016, outlining recommendations for procedures and tools
30 necessary to provide racial and ethnic impact statements to criminal
31 justice, human services, and education caseloads, as well as
32 outlining implementation cost estimates and potential funding
33 sources.

34 (3) In addition to caseload forecasts for common schools as
35 defined in RCW 43.88C.010(7), during the remainder of the 2015-2017
36 fiscal biennium the council must provide a separate forecast of
37 enrollment for charter schools authorized by chapter 28A.710 RCW as
38 amended by Engrossed Second Substitute Senate Bill No. 6194 (public
39 schools other than common schools).

1 **Sec. 1111.** 2016 sp.s. c 36 s 127 (uncodified) is amended to read
2 as follows:

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

4	General Fund—State Appropriation (FY 2016).	\$805,000
5	General Fund—State Appropriation (FY 2017).	(\$888,000)
6		<u>\$892,000</u>
7	Lottery Administrative Account—State Appropriation.	\$50,000
8	TOTAL APPROPRIATION.	(\$1,743,000)
9		<u>\$1,747,000</u>

10 **Sec. 1112.** 2016 sp.s. c 36 s 128 (uncodified) is amended to read
11 as follows:

12 **FOR THE OFFICE OF FINANCIAL MANAGEMENT**

13	General Fund—State Appropriation (FY 2016).	\$19,280,000
14	General Fund—State Appropriation (FY 2017).	(\$19,623,000)
15		<u>\$19,721,000</u>
16	General Fund—Federal Appropriation.	\$38,822,000
17	General Fund—Private/Local Appropriation.	\$498,000
18	Economic Development Strategic Reserve Account—State	
19	Appropriation.	\$310,000
20	Personnel Service Fund—State Appropriation.	\$8,696,000
21	Higher Education Personnel Services Account—State	
22	Appropriation.	\$1,497,000
23	Performance Audits of Government Account—State	
24	Appropriation.	\$534,000
25	Statewide Information Technology System Development	
26	Revolving Account—State Appropriation.	\$15,799,000
27	Office of Financial Management Central	
28	Service Account—State Appropriation.	\$14,610,000
29	TOTAL APPROPRIATION.	(\$106,237,000)
30		<u>\$119,767,000</u>

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

33 (1) The appropriations in this section represent a transfer of
34 expenditure authority of \$2,333,000 of the general fund—federal
35 appropriation for fiscal year 2016 and \$1,782,000 of the general fund
36 —federal appropriation for fiscal year 2017 to the office of
37 financial management to implement Engrossed Substitute Senate Bill
38 No. 5084 (all payer claims database).

1 (2) \$13,799,000 of the statewide information technology system
2 development revolving account—state appropriation is provided solely
3 for prepayment of the debt service for the time, leave, and
4 attendance system. The enterprise time, leave, and attendance project
5 shall be discontinued, but the office and other state agencies may
6 utilize acquired project assets for other purposes to the extent
7 practicable.

8 (3) \$50,000 of the general fund—state appropriation for fiscal
9 year 2016 is provided solely for implementation of Engrossed Second
10 Substitute House Bill No. 1491 (early care and education system). If
11 the bill is not enacted by July 10, 2015, the amount provided in this
12 subsection shall lapse.

13 (4) \$33,000 of the general fund—state appropriation for fiscal
14 year 2017 is provided one time solely to implement chapter 244, Laws
15 of 2015 (college bound scholarship).

16 (5) \$168,000 of the general fund—state appropriation for fiscal
17 year 2016 and \$163,000 of the general fund—state appropriation for
18 fiscal year 2017 are provided solely to implement chapter 245, Laws
19 of 2015 (outdoor recreation).

20 (6)(a) Within funds appropriated in this section, the education
21 data center created in RCW 43.41.400 shall complete an evaluation of
22 the state need grant and submit a report to the appropriate
23 committees of the legislature by December 1, 2016. To the extent it
24 is not duplicative of other studies, the report shall evaluate
25 educational outcomes emphasizing degree completion rates at the
26 postsecondary levels. The report shall study certain aspects of the
27 state need grant program, including but not limited to:

28 (i) State need grant recipient grade point average and its
29 relationship to positive outcomes, including but not limited to:

30 (A) Variance between community and technical colleges and the
31 four-year institutions of higher education;

32 (B) Variance between state need grant recipients and students on
33 the state need grant unserved waiting list; and

34 (C) Differentials between quarter or semester grade point
35 averages and cumulative grade point averages.

36 (ii) Possible outcomes of requiring a minimum grade point
37 average, per semester or quarter or cumulatively, for state need
38 grant renewal.

1 (b) Beginning July 1, 2016, the student achievement council and
2 all institutions of higher education eligible to participate in the
3 state need grant shall ensure that data needed to analyze and
4 evaluate the effectiveness of the state need grant program are
5 promptly transmitted to the education data center so that it is
6 available and easily accessible. The data to be reported must include
7 but not be limited to:

8 (i) The number of state need grant recipients;

9 (ii) The number of students on the unserved waiting list of the
10 state need grant;

11 (iii) Persistence and completion rates of state need grant
12 recipients and students on the state need grant unserved waiting
13 list, disaggregated by institutions of higher education;

14 (iv) State need grant recipients and students on state need grant
15 unserved waiting list grade point averages; and

16 (v) State need grant program costs.

17 (c) The student achievement council shall submit student unit
18 record data for the state need grant program applicants and
19 recipients to the education data center.

20 (7) \$250,000 of the general fund—state appropriation for fiscal
21 year 2017 is provided solely for a contract with a consultant to
22 examine the current configuration and financing of the state hospital
23 system pursuant to Engrossed Second Substitute House Bill No. 2453
24 (state hospital oversight) or Substitute Senate Bill No. 6656 (state
25 hospital practices).

26 ~~((+9))~~ (8) \$150,000 of the general fund—state appropriation for
27 fiscal year 2016 and \$150,000 of the general fund—state appropriation
28 for fiscal year 2017 are provided solely for the cost to support the
29 blue ribbon commission on delivery of services to children and
30 families established by the governor's executive order 16-03. The
31 commission shall develop recommendations on whether to create a
32 separate state department of children and families, including a
33 mission and vision for the new department, new organization
34 structures, estimated costs, transition plans, and benchmarks for
35 assessing the improvements in outcomes for children and families
36 expected to result from the reorganization, including the metrics to
37 measure those short and long-term expected outcomes, and the expected
38 impact on total administrative costs among the involved state

1 agencies. The commission shall produce recommendations no later than
2 November 1, 2016.

3 **Sec. 1113.** 2016 sp.s. c 36 s 130 (uncodified) is amended to read
4 as follows:

5 **FOR THE WASHINGTON STATE LOTTERY**

6 Lottery Administrative Account—State
7 Appropriation. ((~~\$28,797,000~~))
8 \$28,868,000

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

11 (1) \$690,000 of the lottery administrative account—state
12 appropriation is provided solely for the replacement of the lottery's
13 gaming systems vendor contract.

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

16 (3) Pursuant to RCW 67.70.040, the commission shall take such
17 action necessary to reduce by \$6,000,000 each fiscal year the total
18 amount of compensation paid to licensed lottery sales agents. It is
19 anticipated that the result of this action will reduce retail
20 commissions to an average of 5.1 percent of sales.

21 **Sec. 1114.** 2016 sp.s. c 36 s 131 (uncodified) is amended to read
22 as follows:

23 **FOR THE COMMISSION ON HISPANIC AFFAIRS**

24 General Fund—State Appropriation (FY 2016). \$260,000
25 General Fund—State Appropriation (FY 2017). ((~~\$259,000~~))
26 \$260,000
27 TOTAL APPROPRIATION. ((~~\$519,000~~))
28 \$520,000

29 **Sec. 1115.** 2016 sp.s. c 36 s 132 (uncodified) is amended to read
30 as follows:

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

32 General Fund—State Appropriation (FY 2016). \$254,000
33 General Fund—State Appropriation (FY 2017). ((~~\$260,000~~))
34 \$261,000
35 TOTAL APPROPRIATION. ((~~\$514,000~~))
36 \$515,000

1 **Sec. 1116.** 2016 sp.s. c 36 s 134 (uncodified) is amended to read
2 as follows:

3 **FOR THE DEPARTMENT OF REVENUE**

4	General Fund—State Appropriation (FY 2016).	\$119,358,000
5	General Fund—State Appropriation (FY 2017).	(\$120,551,000)
6		<u>\$121,623,000</u>
7	Financial Services Regulation Account—State	
8	Appropriation.	\$10,000,000
9	Timber Tax Distribution Account—State	
10	Appropriation.	\$6,604,000
11	Waste Reduction/Recycling/Litter Control—State	
12	Appropriation.	\$141,000
13	State Toxics Control Account—State Appropriation.	\$101,000
14	Business License Account—State Appropriation.	\$24,590,000
15	TOTAL APPROPRIATION.	(\$267,381,000)
16		<u>\$282,407,000</u>

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

19 (1) \$5,628,000 of the general fund—state appropriation for fiscal
20 year 2017, and \$7,890,000 of the business license account—state
21 appropriation are provided solely for the taxpayer legacy system
22 replacement project.

23 (2) \$487,000 of the general fund—state appropriation for fiscal
24 year 2016 and \$582,000 of the general fund—state appropriation for
25 fiscal year 2017 are provided solely for implementation of Substitute
26 Senate Bill No. 5186 (disabled veterans and seniors). If the bill is
27 not enacted by July 10, 2015, the amounts provided in this subsection
28 shall lapse.

29 (3) \$60,000 of the general fund—state appropriation for fiscal
30 year 2017 is provided solely for the implementation of Substitute
31 Senate Bill No. 6211 (nonprofit homeownership development). If the
32 bill is not enacted by June 30, 2016, the amount in this subsection
33 shall lapse.

34 ~~((+5))~~ (4) \$21,000 of the general fund—state appropriation for
35 fiscal year 2017 is provided solely for the implementation of
36 Engrossed Substitute Senate Bill No. 6328 (vapor products). If the
37 bill is not enacted by June 30, 2016, the amount provided in this
38 subsection shall lapse.

1 **Sec. 1117.** 2016 sp.s. c 36 s 135 (uncodified) is amended to read
2 as follows:

3 **FOR THE BOARD OF TAX APPEALS**

4	General Fund—State Appropriation (FY 2016).	\$1,321,000
5	General Fund—State Appropriation (FY 2017).	((\$1,303,000))
6		<u>\$1,360,000</u>
7	TOTAL APPROPRIATION.	((\$2,624,000))
8		<u>\$2,681,000</u>

9 **Sec. 1118.** 2016 sp.s. c 36 s 136 (uncodified) is amended to read
10 as follows:

11 **FOR THE OFFICE OF MINORITY AND WOMEN'S BUSINESS ENTERPRISES**

12	OMWBE Enterprises Account—State Appropriation.	((\$4,889,000))
13		<u>\$4,906,000</u>

14 **Sec. 1119.** 2016 sp.s. c 36 s 137 (uncodified) is amended to read
15 as follows:

16 **FOR THE INSURANCE COMMISSIONER**

17	General Fund—State Appropriation (FY 2016).	\$300,000
18	General Fund—State Appropriation (FY 2017).	\$227,000
19	General Fund—Federal Appropriation.	\$4,571,000
20	Insurance Commissioners Regulatory Account—State	
21	Appropriation.	\$55,772,000
22	TOTAL APPROPRIATION.	\$60,870,000

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

25 (1) \$168,000 of the insurance commissioners regulatory account—
26 state appropriation is provided solely for the implementation of
27 chapter 17, Laws of 2015 (HB 1172).

28 (2) \$129,000 of the insurance commissioners regulatory account—
29 state appropriation is provided solely for the implementation of
30 chapter 63, Laws of 2015 (HB 1077).

31 (3) \$272,000 of the insurance commissioners regulatory account—
32 state appropriation is provided solely for the implementation of
33 chapter 122, Laws of 2015 (SB 5717).

34 (4) \$25,000 of the insurance commissioners regulatory account—
35 state appropriation is provided solely for the implementation of
36 chapter 19, Laws of 2015 (SSB 5023).

1 (5) \$283,000 of the insurance commissioners regulatory account—
2 state appropriation is provided solely for the implementation of
3 House Bill No. 2326 (independent review organizations). (~~If the bill~~
4 ~~is not enacted by June 30, 2016, the amount provided in this~~
5 ~~subsection shall lapse.~~)

6 (6) \$143,000 of the insurance commissioners regulatory account—
7 state appropriation is provided solely for the implementation of
8 Senate Bill No. 5180 (life insurance reserves). (~~If the bill is not~~
9 ~~enacted by June 30, 2016, the amount provided in this subsection~~
10 ~~shall lapse.~~)

11 (7) \$797,000 of the insurance commissioners regulatory account—
12 state appropriation is provided solely for the implementation of
13 Fifth Engrossed Substitute Senate Bill No. 5857 (pharmacy benefit
14 managers). (~~If the bill is not enacted by June 30, 2016, the amount~~
15 ~~provided in this subsection shall lapse.~~)

16 **Sec. 1120.** 2016 sp.s. c 36 s 139 (uncodified) is amended to read
17 as follows:

18 **FOR THE LIQUOR AND CANNABIS BOARD**

19 Dedicated Marijuana Fund—State

20 Appropriation (FY 2016). \$7,736,000

21 Dedicated Marijuana Fund—State

22 Appropriation (FY 2017). \$8,481,000

23 Liquor Revolving Account—State Appropriation. \$66,830,000

24 General Fund—Federal Appropriation. \$2,821,000

25 General Fund—State Appropriation (FY 2017). \$260,000

26 General Fund—Private/Local Appropriation. \$25,000

27 TOTAL APPROPRIATION. \$86,153,000

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

30 (1) \$2,183,000 of the dedicated marijuana account—state
31 appropriation for fiscal year 2016 and \$2,818,000 of the dedicated
32 marijuana account—state appropriation for fiscal year 2017 are
33 provided solely for implementation of Substitute House Bill No. 2136
34 (marijuana market reforms) and Second Substitute Senate Bill No. 5052
35 (cannabis patient protection). (~~If either bill is not enacted by~~
36 ~~July 10, 2015, the amount provided in this subsection shall lapse.~~)

37 (2) \$376,000 of the liquor revolving fund—state appropriation is
38 provided solely for the implementation of Substitute Senate Bill No.

1 5280 (beer and cider sales). (~~If the bill is not enacted by July 10,~~
2 ~~2015, the amount provided in this subsection shall lapse.~~)

3 (3) \$2,641,000 of the liquor revolving account—state
4 appropriation is provided solely for additional cigarette and tobacco
5 enforcement. The liquor control board must provide additional
6 cigarette and tobacco enforcement officers and pursue strategies to
7 reduce the amount of smuggled, contraband, and otherwise untaxed
8 cigarette and tobacco products in the state. The liquor control board
9 must report the amount of untaxed cigarette and tobacco taxes
10 recovered in comparison to past years to the appropriate committees
11 of the legislature by January 1, 2016, and January 1, 2017.

12 (4) \$366,000 of the liquor revolving account—state appropriation
13 is provided solely for the implementation of Substitute House Bill
14 No. 2831 (small business liquor sales). (~~If the bill is not enacted~~
15 ~~by June 30, 2016, the amount provided in this subsection shall~~
16 ~~lapse.~~)

17 (5) The appropriations in this section include sufficient funding
18 for the implementation of Engrossed Substitute Senate Bill No. 6470
19 (wineries).

20 (6) \$260,000 of the general fund—state appropriation for fiscal
21 year 2017 is provided solely for the implementation of Engrossed
22 Substitute Senate Bill No. 6238 (vapor products). (~~If the bill is~~
23 ~~not enacted by June 30, 2016, the amount provided in this subsection~~
24 ~~shall lapse.~~)

25 (7) The liquor and cannabis board may require electronic payment
26 of the marijuana excise tax levied by RCW 69.50.535. The liquor and
27 cannabis board may allow a waiver to the electronic payment
28 requirement for good cause as provided by rule.

29 **Sec. 1121.** 2016 sp.s. c 36 s 141 (uncodified) is amended to read
30 as follows:

31 **FOR THE MILITARY DEPARTMENT**

32	General Fund—State Appropriation (FY 2016).	\$3,386,000
33	General Fund—State Appropriation (FY 2017).	\$3,654,000
34	General Fund—Federal Appropriation.	\$136,380,000
35	Enhanced 911 Account—State Appropriation.	\$56,594,000
36	Disaster Response Account—State Appropriation.	(\$41,383,000)
37		<u>\$40,131,000</u>
38	Disaster Response Account—Federal Appropriation.	(\$107,317,000)

1		<u>\$110,862,000</u>
2	Military Department Rent and Lease Account—State	
3	Appropriation.	\$615,000
4	Worker and Community Right-to-Know Account—State	
5	Appropriation.	\$2,888,000
6	Oil Spill Prevention Account—State Appropriation.	\$1,000,000
7	TOTAL APPROPRIATION.	((\$353,217,000))
8		<u>\$355,510,000</u>

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

11 (1) The military department shall submit a report to the office
12 of financial management and the legislative fiscal committees on
13 October 1st and February 1st of each year detailing information on
14 the disaster response account, including: (a) The amount and type of
15 deposits into the account; (b) the current available fund balance as
16 of the reporting date; and (c) the projected fund balance at the end
17 of the 2015-2017 biennium based on current revenue and expenditure
18 patterns.

19 (2) \$60,000,000 of the general fund—federal appropriation is
20 provided solely for homeland security, subject to the following
21 conditions: Any communications equipment purchased by local
22 jurisdictions or state agencies shall be consistent with standards
23 set by the Washington state interoperability executive committee.

24 (3) \$1,000,000 of the oil spill prevention account—state
25 appropriation is provided solely for implementation of chapter 274,
26 Laws of 2015 (Engrossed Substitute House Bill No. 1449) (oil
27 transportation safety).

28 (4) \$100,000 of the general fund—state appropriation for fiscal
29 year 2016 and \$100,000 of the general fund—state appropriation for
30 fiscal year 2017 are provided solely for the conditional scholarship
31 program pursuant to chapter 28B.103 RCW.

32 (5) \$5,000,000 of the enhanced 911 account—state appropriation is
33 provided solely for financial assistance to counties to replace
34 analog 911 telephone and network equipment with next generation 911
35 capable technology.

36 (6) \$1,850,000 of the disaster response account—state
37 appropriation is provided solely to Okanogan and Ferry counties to
38 address deficiencies within their communications infrastructure for
39 911 dispatch. Funds will be used to replace failing radio dispatching

1 hardware within 911 dispatch centers; build interoperable
2 communications between each county's dispatch center such that each
3 can serve as a back-up to the other; and build upon the existing
4 wireless microwave network for 911 calls, dispatch centers, and first
5 responder radio operations. Prior to releasing any state funds, the
6 department will consult with the counties to determine if federal
7 funds are available for any proposed expenditure and assist the
8 counties with any application for such funds.

9 (7) \$130,000 of the enhanced 911 account—state appropriation is
10 provided solely for the department to conduct a pilot program within
11 King county to implement a mobile phone application that notifies
12 persons trained in cardiopulmonary resuscitation of persons nearby
13 who are having a cardiac emergency. The department may partner with
14 the county, a city, a fire district, or a search and rescue
15 organization for purposes of implementing the application and
16 software-as-a-service in an existing computer-aided dispatch system.
17 The department will report the results of the pilot program to the
18 legislature by December 1, 2016.

19 (8) \$5,679,000 of the enhanced 911 account—state appropriation is
20 provided solely for transitioning to an internet protocol based next
21 generation 911 network and increased network costs during the
22 transition and hardware required for the new system. The department's
23 activities and procurement is a major information technology project
24 subject to oversight and review by the office of the chief
25 information officer.

26 (9) \$392,000 of the disaster response account—state appropriation
27 is provided solely for fire suppression training and equipment to
28 national guard soldiers and airmen.

29 **Sec. 1122.** 2016 sp.s. c 36 s 143 (uncodified) is amended to read
30 as follows:

31 **FOR THE BOARD OF ACCOUNTANCY**

32 Certified Public Accountants' Account—State
33 Appropriation. ((\$6,117,000))
34 \$6,125,000

35 The appropriation in this section is subject to the following
36 conditions and limitations: \$3,300,000 of the certified public
37 accountants' account—state appropriation is provided solely for
38 deposit into the certified public accounting transfer account to fund

1 Washington-based colleges and universities for students pursuing
2 degrees in accounting or taxation as provided in chapter 215, Laws of
3 2015 (Substitute Senate Bill No. 5534).

4 **Sec. 1123.** 2016 sp.s. c 36 s 145 (uncodified) is amended to read
5 as follows:

6 **FOR THE HORSE RACING COMMISSION**

7 Horse Racing Commission Operating Account—State
8 Appropriation. (~~(\$3,665,000)~~)
9 \$3,685,000

10 **Sec. 1124.** 2016 sp.s. c 36 s 147 (uncodified) is amended to read
11 as follows:

12 **FOR THE BOARD FOR VOLUNTEER FIREFIGHTERS**

13 Volunteer Firefighters' and Reserve Officers'
14 Administrative Account—State Appropriation. (~~(\$1,011,000)~~)
15 \$1,014,000

16 **Sec. 1125.** 2016 sp.s. c 36 s 148 (uncodified) is amended to read
17 as follows:

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

19 General Fund—State Appropriation (FY 2016). \$1,369,000
20 General Fund—State Appropriation (FY 2017). (~~(\$1,395,000)~~)
21 \$1,409,000
22 General Fund—Federal Appropriation. \$2,122,000
23 General Fund—Private/Local Appropriation. \$14,000
24 TOTAL APPROPRIATION. (~~(\$4,900,000)~~)
25 \$4,914,000

26 The appropriations in this section are subject to the following
27 conditions and limitations: \$121,000 of the general fund—state
28 appropriation for fiscal year 2016 and \$121,000 of the general fund—
29 state appropriation for fiscal year 2017 are provided solely for the
30 Washington main street program.

(End of part)

PART XII
HUMAN SERVICES

Sec. 1201. 2016 sp.s. c 36 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) The legislature finds that medicaid payment rates, as calculated by the department pursuant to the appropriations in this act, bear a reasonable relationship to the costs incurred by efficiently and economically operated facilities for providing quality services and will be sufficient to enlist enough providers so that care and services are available to the extent that such care and services are available to the general population in the geographic area. The legislature finds that cost reports, payment data from the

1 federal government, historical utilization, economic data, and
2 clinical input constitute reliable data upon which to determine the
3 payment rates.

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

15 (5) Information technology projects or investments and proposed
16 projects or investments impacting time capture, payroll and payment
17 processes and systems, eligibility, case management, and
18 authorization systems within the department of social and health
19 services are subject to technical oversight by the office of the
20 chief information officer.

21 (6)(a) The department shall facilitate enrollment under the
22 medicaid expansion for clients applying for or receiving state funded
23 services from the department and its contractors. Prior to open
24 enrollment, the department shall coordinate with the health care
25 authority to provide referrals to the Washington health benefit
26 exchange for clients that will be ineligible for medicaid.

27 (b) To facilitate a single point of entry across public and
28 medical assistance programs, and to maximize the use of federal
29 funding, the health care authority, the department of social and
30 health services, and the health benefit exchange will coordinate
31 efforts to expand HealthPlanfinder access to public assistance and
32 medical eligibility staff. No later than October 1, 2015, the
33 department shall complete medicaid applications in the
34 HealthPlanfinder for households receiving or applying for public
35 assistance benefits.

36 (c) The department, in coordination with the health care
37 authority, shall pursue a federal waiver to use supplemental
38 nutrition assistance program eligibility, aged, blind, or disabled
39 program eligibility, or temporary assistance for needy families
40 eligibility, to enroll eligible persons into medicaid.

1 (7) In accordance with RCW 71.24.380, the health care authority
2 and the department are authorized to purchase medical and behavioral
3 health services through integrated contracts upon request of all of
4 the county authorities in a regional service area to become an early
5 adopter of fully integrated purchasing of medical and behavioral
6 health services. The department may combine and transfer such amounts
7 appropriated under sections 204, 208, and 213 of this act as may be
8 necessary to fund early adopter contracts. The amount of medicaid
9 funding transferred from each program may not exceed the average per
10 capita cost assumed in this act for individuals covered by that
11 program, actuarially adjusted for the health condition of persons
12 enrolled, times the number of clients enrolled. The amount of non-
13 medicaid funding transferred from sections 204 and 208 may not exceed
14 the amount that would have been contracted with a behavioral health
15 organization if the county authorities had not requested to become an
16 early adopter of fully integrated purchasing. These limits do not
17 apply to the amounts provided in section 204(1)(s) of this act. If
18 any funding that this act provides solely for a specific purpose is
19 transferred under this subsection, that funding must be used
20 consistently with the provisions and conditions for which it was
21 provided.

22 (8) In accordance with RCW 71.24.380, the department is
23 authorized to purchase mental health and substance use disorder
24 services through integrated contracts with behavioral health
25 organizations. The department may combine and transfer such amounts
26 appropriated under sections 204 and 208 of this act as may be
27 necessary to finance these behavioral health organization contracts.
28 If any funding that this act provides solely for a specific purpose
29 is transferred under this subsection, that funding must be used
30 consistently with the provisions and conditions for which it was
31 provided.

32 (9)(a) The appropriations to the department of social and health
33 services in this act shall be expended for the programs and in the
34 amounts specified in this act. However, after May 1, 2016, unless
35 prohibited by this act, the department may transfer general fund—
36 state appropriations for fiscal year 2016 among programs after
37 approval by the director of financial management. However, the
38 department shall not transfer state moneys that are provided solely
39 for a specified purpose except as expressly provided in (b) of this
40 subsection.

1 (b) To the extent that transfers under (a) of this subsection are
 2 insufficient to fund actual expenditures in excess of fiscal year
 3 2016 caseload forecasts and utilization assumptions in the long-term
 4 care, foster care, adoptions support, medical personal care, and
 5 child support programs, the department may transfer state moneys that
 6 are provided solely for a specified purpose. The department shall not
 7 transfer funds, and the director of financial management shall not
 8 approve the transfer, unless the transfer is consistent with the
 9 objective of conserving, to the maximum extent possible, the
 10 expenditure of state funds. The director of financial management
 11 shall notify the appropriate fiscal committees of the senate and
 12 house of representatives in writing seven days prior to approving any
 13 allotment modifications or transfers under this subsection. The
 14 written notification shall include a narrative explanation and
 15 justification of the changes, along with expenditures and allotments
 16 by budget unit and appropriation, both before and after any allotment
 17 modifications or transfers.

18 (10) To facilitate the authority provided in subsection (7) and
 19 (8) of this section, and to ensure a new accounting structure is in
 20 place as of July 1, 2017, the department is authorized to create a
 21 new program for accounting purposes only that combines the mental
 22 health program and alcohol and substance abuse program allotments and
 23 expenditures.

24 **Sec. 1202.** 2016 sp.s. c 36 s 202 (uncodified) is amended to read
 25 as follows:

26 **FOR THE DEPARTMENT OF SOCIAL AND HEALTH SERVICES—CHILDREN AND FAMILY**
 27 **SERVICES PROGRAM**

28	General Fund—State Appropriation (FY 2016).	\$324,746,000
29	General Fund—State Appropriation (FY 2017).	((\$337,124,000))
30		<u>\$345,629,000</u>
31	General Fund—Federal Appropriation.	((\$511,676,000))
32		<u>\$517,808,000</u>
33	General Fund—Private/Local Appropriation.	((\$1,354,000))
34		<u>\$1,854,000</u>
35	Domestic Violence Prevention Account—State	
36	Appropriation.	\$1,908,000
37	Child and Family Reinvestment Account—State	
38	Appropriation.	\$6,529,000

1 TOTAL APPROPRIATION. ((~~\$1,183,337,000~~))

2 \$1,198,474,000

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

5 (1) Amounts appropriated in this section include funding for the
6 department to establish basic foster care rates consistent with the
7 settlement agreement in *FPAWS v. Quigley*.

8 (2) \$668,000 of the general fund—state appropriation for fiscal
9 year 2016 and \$668,000 of the general fund—state appropriation for
10 fiscal year 2017 are provided solely to contract for the operation of
11 one pediatric interim care center. The center shall provide
12 residential care for up to thirteen children through two years of
13 age. Seventy-five percent of the children served by the center must
14 be in need of special care as a result of substance abuse by their
15 mothers. The center shall also provide on-site training to
16 biological, adoptive, or foster parents. The center shall provide at
17 least three months of consultation and support to the parents
18 accepting placement of children from the center. The center may
19 recruit new and current foster and adoptive parents for infants
20 served by the center. The department shall not require case
21 management as a condition of the contract.

22 (3) \$253,000 of the general fund—state appropriation for fiscal
23 year 2016 and \$253,000 of the general fund—state appropriation for
24 fiscal year 2017 are provided solely for the costs of the eight
25 existing hub home foster families that provide a foster care delivery
26 model that includes a licensed hub home. Use of the hub home model is
27 intended to support foster parent retention, improve child outcomes,
28 and encourage the least restrictive community placements for children
29 in out-of-home care.

30 (4) \$579,000 of the general fund—state appropriation for fiscal
31 year 2016, \$579,000 of the general fund—state appropriation for
32 fiscal year 2017, and \$109,000 of the general fund—federal
33 appropriation are provided solely for a receiving care center east of
34 the Cascade mountains.

35 (5) \$990,000 of the general fund—state appropriation for fiscal
36 year 2016 and \$990,000 of the general fund—state appropriation for
37 fiscal year 2017 are provided solely for services provided through
38 children's advocacy centers.

1 (6) \$1,250,000 of the general fund—state appropriation for fiscal
2 year 2016 and \$1,351,000 of the general fund—state appropriation for
3 fiscal year 2017 are provided solely for implementation of
4 performance-based contracts for family support and related services
5 pursuant to RCW 74.13B.020.

6 (7) \$4,865,000 of the general fund—state appropriation for fiscal
7 year 2016, \$3,564,000 of the general fund—state appropriation for
8 fiscal year 2017, \$6,529,000 of the child and family reinvestment
9 account—state appropriation, and \$15,958,000 of the general fund—
10 federal appropriation, are provided solely for family assessment
11 response.

12 (8) \$94,000 of the general fund—state appropriation for fiscal
13 year 2016 and \$94,000 of the general fund—state appropriation for
14 fiscal year 2017 are provided solely for a contract with a child
15 advocacy center in Spokane to provide continuum of care services for
16 children who have experienced abuse or neglect and their families.

17 (9) \$668,000 of the domestic violence prevention account—state
18 appropriation is provided solely for implementation of chapter 275,
19 Laws of 2015 (SSB 5631) (domestic violence victims).

20 (10) \$1,996,000 of the general fund—state appropriation for
21 fiscal year 2016, \$3,434,000 of the general fund—state appropriation
22 for 2017, and \$844,000 of the general fund—federal appropriation are
23 provided solely for the children's administration to:

24 (a) Reduce the caseload ratios of social workers serving children
25 in foster care to promote decreased lengths of stay and to make
26 progress towards achievement of the Braam settlement caseload
27 outcome;

28 (b) Support the closure of child protective services
29 investigations within ninety days of intake, where appropriate; and

30 (c) Progress towards statewide expansion and support of the child
31 protective services family assessment response pathway.

32 The children's administration must, in the manner it determines
33 appropriate, balance expenditure of amounts provided in this
34 subsection in a way that makes substantial investments in each of the
35 three purposes in (a) through (c) of this subsection. Of the amounts
36 provided in this subsection, no more than \$1,600,000 may be used for
37 the purpose of (b) of this subsection.

38 (11) \$819,000 of the general fund—state appropriation for fiscal
39 year 2017 and \$373,000 of the general fund—federal appropriation are

1 provided solely for implementation of chapter 240, Laws of 2015 (SSB
2 5740) (extended foster care).

3 (12) \$784,000 of the general fund—state appropriation for fiscal
4 year 2017 is provided solely for early achievers tiered reimbursement
5 for family home and center child care providers consistent with
6 Engrossed Second Substitute House Bill No. 1491 (early care &
7 education system).

8 (13)(a) \$539,000 of the general fund—state appropriation for
9 fiscal year 2016, \$540,000 of the general fund—state appropriation
10 for fiscal year 2017, \$656,000 of the general fund private/local
11 appropriation, and \$253,000 of the general fund—federal appropriation
12 are provided solely for a contract with an educational advocacy
13 provider with expertise in foster care educational outreach. The
14 amounts in this subsection are provided solely for contracted
15 education coordinators to assist foster children in succeeding in
16 K-12 and higher education systems and to assure a focus on education
17 during the department's transition to performance-based contracts.
18 Funding must be prioritized to regions with high numbers of foster
19 care youth, or regions where backlogs of youth that have formerly
20 requested educational outreach services exist. The children's
21 administration is encouraged to use private matching funds to
22 maintain educational advocacy services.

23 (b) Beginning in fiscal year 2017, the children's administration
24 shall contract with the office of the superintendent of public
25 instruction, which in turn shall contract with a nongovernmental
26 entity or entities to provide educational advocacy services pursuant
27 to Fourth Substitute House Bill No. 1999 (foster youth edu.
28 outcomes). (~~(If the bill is not enacted by June 30, 2016, language in~~
29 ~~this subsection shall lapse.)~~)

30 (14) The children's administration shall adopt policies to reduce
31 the percentage of parents requiring supervised visitation, including
32 clarification of the threshold for transition from supervised to
33 unsupervised visitation prior to reunification. The children's
34 administration shall submit the revised visitation policy to the
35 appropriate policy and fiscal committees of the legislature by
36 December 1, 2015.

37 (15) \$446,000 of the general fund—state appropriation for fiscal
38 year 2016 is provided solely for a contract with a nongovernmental
39 entity or entities for the demonstration site to improve the

1 educational outcomes of students who are dependent pursuant to
2 chapter 13.34 RCW that was established pursuant to the 2013-2015
3 omnibus appropriations act, section 202(10), chapter 4, Laws of 2013,
4 2nd sp. sess.

5 (a) The demonstration site in this subsection must facilitate the
6 educational progress and graduation of dependent youth by providing
7 individualized education services and monitoring and supporting
8 dependent youths' remediation needs, special education needs, and
9 completion of education milestones. The contract must be performance-
10 based with a stated goal of improving the graduation rates of foster
11 youth by two percent per year over five school year periods. The
12 baseline for measurement for the existing site was established in the
13 2013-14 school year and remains applicable through the 2017-18 school
14 year.

15 (b) The demonstration site must develop and provide services
16 aimed at improving the educational outcomes of foster youth. These
17 services must include:

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

20 (ii) Consultation with children's administration case workers to
21 develop educational plans for and with participating youth;

22 (iii) Monitoring educational progress of participating youth;

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

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

27 (c) The contractor must report demonstration site outcomes to the
28 department of social and health services and the office of the
29 superintendent of public instruction by September 30, 2015, for the
30 2014-15 school year and by September 30, 2016, for the 2015-16 school
31 year.

32 (d) The children's administration shall proactively refer all
33 eligible students thirteen years or older within the demonstration
34 site area to the contractor for educational services.

35 (e) The contractor shall report to the legislature by September
36 30, 2015, for the 2014-15 school year and by September 30, 2016, for
37 the 2015-16 school year on the number of eligible youth referred by
38 the children's administration, the number of youth served, and the
39 effectiveness of the demonstration site in increasing graduation
40 rates for dependent youth.

1 (16) The children's administration, office of the superintendent
2 of public instruction, and student achievement council shall
3 collaborate with the office of the attorney general, other
4 governmental agencies, advocacy organizations, and others as needed
5 to report to the legislature by December 1, 2015, on strategies to
6 permit supplemental education transition planning for dependent youth
7 to be administered by the student achievement council and the
8 demonstration sites to be administered by the office of the
9 superintendent of public instruction no later than June 30, 2016. The
10 report shall assess the feasibility of transitioning the programs and
11 recommend strategies to resolve data and information sharing barriers
12 through legislative policy and professional practice.

13 (17) \$334,000 of the general fund—state appropriation for fiscal
14 year 2016, \$548,000 of the general fund—state appropriation for
15 fiscal year 2017, and \$249,000 of the general fund—federal
16 appropriation are provided solely for extended foster care services
17 for eligible youth engaged in employment for eighty hours or more per
18 month, pursuant to chapter 122, Laws of 2014.

19 (18) The children's administration is encouraged to control
20 exceptional reimbursement decisions so that the child's needs are met
21 without excessive costs.

22 (19) \$841,000 of the general fund—state appropriation for fiscal
23 year 2017 is provided solely for a base rate increase and an increase
24 in tiered reimbursement rates, levels three through five, for
25 licensed family child care providers. This funding is for the
26 supplemental agreement to the 2015-2017 collective bargaining
27 agreement covering family child care providers as set forth in
28 section 905 of this act.

29 (20)(a) The children's administration shall develop a plan, in
30 consultation with providers, to improve placement stability and
31 promote a continuum of care for children and youth who have
32 experienced abuse and neglect and require long-term placement with
33 behavioral supports. The plan shall include the following in regards
34 to these children and youth:

35 (i) Analysis of the cost-effectiveness and outcomes of existing
36 placement options;

37 (ii) Development of common and consistent assessment criteria for
38 determining the necessary level of care;

39 (iii) Delineation of a continuity of care continuum;

1 (iv) Identification of gaps in services with recommended
2 strategies and costs for addressing those gaps, and;

3 (v) Development of models for stabilizing funding, including
4 forecasting models, for all components of the service continuum.

5 (b) The children's administration shall submit the plan to the
6 appropriate legislative committees by December 1, 2016.

7 (21) \$10,653,000 of the general fund—state appropriation for
8 fiscal year 2017 is provided solely for the purpose of settling all
9 claims and meeting the terms of the settlement agreement in the
10 lawsuit *Perez v. Department of Social and Health Services, United*
11 States District Court Western District of Washington at Tacoma, Cause
12 No. 3:08-cv-05479-BHS, covering the payment of overtime for eligible
13 class members and related employer taxes, retirement contributions,
14 and other mandatory withholdings. Of the amount appropriated in this
15 subsection, \$9,750,000 is to pay to eligible class members back wages
16 and statutory damages. The expenditure of this appropriation is
17 contingent on the release of all claims in the case, and the total
18 settlement costs paid to class members shall not exceed the
19 designated amount provided in this subsection.

20 **Sec. 1203.** 2016 sp.s. c 36 s 203 (uncodified) is amended to read
21 as follows:

22 **FOR THE DEPARTMENT OF SOCIAL AND HEALTH SERVICES—JUVENILE**
23 **REHABILITATION PROGRAM**

24	General Fund—State Appropriation (FY 2016).	\$92,347,000
25	General Fund—State Appropriation (FY 2017).	(\$90,892,000)
26		<u>\$92,319,000</u>
27	General Fund—Federal Appropriation.	\$3,464,000
28	General Fund—Private/Local Appropriation.	\$1,985,000
29	Washington Auto Theft Prevention Authority Account—	
30	State Appropriation.	\$196,000
31	Juvenile Accountability Incentive Account—Federal	
32	Appropriation.	(\$2,801,000)
33		<u>\$1,400,000</u>
34	TOTAL APPROPRIATION.	(\$191,685,000)
35		<u>\$191,711,000</u>

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

1 (1) \$331,000 of the general fund—state appropriation for fiscal
2 year 2016 and \$331,000 of the general fund—state appropriation for
3 fiscal year 2017 are provided solely for deposit in the county
4 criminal justice assistance account for costs to the criminal justice
5 system associated with the implementation of chapter 338, Laws of
6 1997 (juvenile code revisions). The amounts provided in this
7 subsection are intended to provide funding for county adult court
8 costs associated with the implementation of chapter 338, Laws of 1997
9 and shall be distributed in accordance with RCW 82.14.310.

10 (2) \$6,198,000 of the general fund—state appropriation for fiscal
11 year 2016 and \$6,198,000 of the general fund—state appropriation for
12 fiscal year 2017 are provided solely to implement community juvenile
13 accountability grants pursuant to chapter 338, Laws of 1997 (juvenile
14 code revisions). Funds provided in this subsection may be used solely
15 for community juvenile accountability grants, administration of the
16 grants, and evaluations of programs funded by the grants.

17 (3) \$1,130,000 of the general fund—state appropriation for fiscal
18 year 2016 is provided solely to implement alcohol and substance abuse
19 treatment programs for locally committed offenders. Funding for this
20 purpose in fiscal year 2017 is provided through a memorandum of
21 understanding with the department of social and health services
22 alcohol and substance abuse program. The juvenile rehabilitation
23 administration shall award these moneys on a competitive basis to
24 counties that submitted a plan for the provision of services approved
25 by the division of alcohol and substance abuse. The juvenile
26 rehabilitation administration shall develop criteria for evaluation
27 of plans submitted and a timeline for awarding funding and shall
28 assist counties in creating and submitting plans for evaluation.

29 (4) \$3,123,000 of the general fund—state appropriation for fiscal
30 year 2016 and \$2,841,000 of the general fund—state appropriation for
31 fiscal year 2017 are provided solely for grants to county juvenile
32 courts for the following juvenile justice programs identified by the
33 Washington state institute for public policy (institute) in its
34 report: "Inventory of Evidence-based, Research-based, and Promising
35 Practices for Prevention and Intervention Services for Children and
36 Juveniles in the Child Welfare, Juvenile Justice, and Mental Health
37 Systems." Additional funding for this purpose in fiscal year 2017 is
38 provided through a memorandum of understanding with the department of
39 social and health services alcohol and substance abuse program.

1 County juvenile courts shall apply to the juvenile rehabilitation
2 administration for funding for program-specific participation and the
3 administration shall provide grants to the courts consistent with the
4 per-participant treatment costs identified by the institute.

5 (5) \$1,537,000 of the general fund—state appropriation for fiscal
6 year 2016 and \$1,537,000 of the general fund—state appropriation for
7 fiscal year 2017 are provided solely for expansion of the following
8 juvenile justice treatments and therapies in juvenile rehabilitation
9 administration programs identified by the Washington state institute
10 for public policy in its report: "Inventory of Evidence-based,
11 Research-based, and Promising Practices for Prevention and
12 Intervention Services for Children and Juveniles in the Child
13 Welfare, Juvenile Justice, and Mental Health Systems." The
14 administration may concentrate delivery of these treatments and
15 therapies at a limited number of programs to deliver the treatments
16 in a cost-effective manner.

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

1 administration and juvenile courts, through the community juvenile
2 accountability act committee, based on the criteria established in
3 consultation with Washington state institute for public policy and
4 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
12 juvenile rehabilitation administration and the juvenile courts, who
13 will also have the ability to change members of the committee as
14 needed to achieve its purpose. Initial members will include one
15 juvenile court representative from the finance committee, the
16 community juvenile accountability act committee, the risk assessment
17 quality assurance committee, the executive board of the Washington
18 association of juvenile court administrators, the Washington state
19 center for court research, and a representative of the superior court
20 judges association; two representatives from the juvenile
21 rehabilitation administration headquarters program oversight staff,
22 two representatives of the juvenile rehabilitation administration
23 regional office staff, one representative of the juvenile
24 rehabilitation administration fiscal staff and a juvenile
25 rehabilitation administration division director. The committee may
26 make changes to the formula categories other than the evidence-based
27 program and disposition alternative categories if it is determined
28 the changes will increase statewide service delivery or effectiveness
29 of evidence-based program or disposition alternative resulting in
30 increased cost benefit savings to the state. Long-term cost benefit
31 must be considered. Percentage changes may occur in the evidence-
32 based program or disposition alternative categories of the formula
33 should it be determined the changes will increase evidence-based
34 program or disposition alternative delivery and increase the cost
35 benefit to the state. These outcomes will also be considered in
36 determining when evidence-based expansion or special sex offender
37 disposition alternative funds should be included in the block grant
38 or left separate.

39 (c) The juvenile courts and administrative office of the courts
40 shall be responsible for collecting and distributing information and

1 providing access to the data systems to the juvenile rehabilitation
2 administration and the Washington state institute for public policy
3 related to program and outcome data. The juvenile rehabilitation
4 administration and the juvenile courts will work collaboratively to
5 develop program outcomes that reinforce the greatest cost benefit to
6 the state in the implementation of evidence-based practices and
7 disposition alternatives.

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

29 (8) \$445,000 of the general fund—state appropriation for fiscal
30 year 2016 and \$445,000 of the general fund—state appropriation for
31 fiscal year 2017 are provided solely for funding of the teamchild
32 project.

33 (9) \$178,000 of the general fund—state appropriation for fiscal
34 year 2016 and \$178,000 of the general fund—state appropriation for
35 fiscal year 2017 are provided solely for the juvenile detention
36 alternatives initiative.

37 (10) \$500,000 of the general fund—state appropriation for fiscal
38 year 2016 and \$500,000 of the general fund—state appropriation for
39 fiscal year 2017 are provided solely for a grant program focused on

1 criminal street gang prevention and intervention. The juvenile
2 rehabilitation administration may award grants under this subsection.
3 The juvenile rehabilitation administration shall give priority to
4 applicants who have demonstrated the greatest problems with criminal
5 street gangs. Applicants composed of, at a minimum, one or more local
6 governmental entities and one or more nonprofit, nongovernmental
7 organizations that have a documented history of creating and
8 administering effective criminal street gang prevention and
9 intervention programs may apply for funding under this subsection.
10 Each entity receiving funds must report to the juvenile
11 rehabilitation administration on the number and types of youth
12 served, the services provided, and the impact of those services on
13 the youth and the community.

14 (11) The juvenile rehabilitation institutions may use funds
15 appropriated in this subsection to purchase services, goods, and
16 supplies through hospital group purchasing organizations when it is
17 cost-effective to do so.

18 (12) \$250,000 of the general fund—state appropriation for fiscal
19 year 2017 is provided solely for implementation of Engrossed
20 Substitute House Bill No. 2746 (juvenile offender treatment). (~~If~~
21 ~~the bill is not enacted by June 30, 2016, the amount provided in this~~
22 ~~subsection shall lapse.~~)

23 **Sec. 1204.** 2016 sp.s. c 36 s 204 (uncodified) is amended to read
24 as follows:

25 **FOR THE DEPARTMENT OF SOCIAL AND HEALTH SERVICES—MENTAL HEALTH**
26 **PROGRAM**

27 (1) COMMUNITY SERVICES/REGIONAL SUPPORT NETWORKS

28 General Fund—State Appropriation (FY 2016).	\$310,977,000
29 General Fund—State Appropriation (FY 2017).	((\$355,262,000))
30	<u>\$343,084,000</u>
31 General Fund—Federal Appropriation.	((\$1,011,270,000))
32	<u>\$986,952,000</u>
33 General Fund—Private/Local Appropriation.	\$17,864,000
34 Dedicated Marijuana Account—State Appropriation	
35 (FY 2016).	\$2,778,000
36 Dedicated Marijuana Account—State Appropriation	
37 (FY 2017).	\$3,684,000
38 TOTAL APPROPRIATION.	((\$1,701,835,000))

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

(a) For the purposes of this subsection, the term "regional support networks," includes, effective April 1, 2016, behavioral health organizations which assume the duties of regional support networks pursuant to chapter 225, Laws of 2014 (2SSB 6312).

(b) \$12,204,000 of the general fund—state appropriation for fiscal year 2016, \$13,761,000 of the general fund—state appropriation for fiscal year 2017, and \$17,918,000 of the general fund—federal appropriation are provided solely to reimburse regional support networks for increased utilization costs, as compared to utilization costs in fiscal year 2014, that are incurred in order to meet statutory obligations to provide individualized mental health treatment in appropriate settings to individuals who are detained or committed under the involuntary treatment act. Prior to distributing funds to a regional support network requesting reimbursement for costs relative to increased utilization, the department must receive adequate documentation of such increased utilization and costs. Regional support networks receiving funds for community hospitals or evaluation and treatment center beds under (p) of this subsection are only eligible for reimbursement that exceeds the total of their utilization costs in fiscal year 2014 and the costs of services provided with additional funds received under (p) of this subsection.

(c) \$2,452,000 of the general fund—state appropriation for fiscal year 2016, \$2,264,000 of the general fund—state appropriation for fiscal year 2017, and \$2,653,000 of the general fund—federal appropriation are provided solely for implementation of chapter 258, Laws of 2015 (E2SSB 5269) (involuntary treatment act). Regional support networks must use these amounts for involuntary treatment costs associated with implementation of this bill.

(d) \$3,776,000 of the general fund—state appropriation for fiscal year 2016, \$5,780,000 of the general fund—state appropriation for fiscal year 2017, and \$6,054,000 of the general fund—federal appropriation are provided solely for implementation of chapter 250, Laws of 2015 (E2SHB 1450) (involuntary outpatient treatment). Regional support networks must use these amounts for increases in community mental health treatment associated with implementation of this bill.

1 (e) \$81,180,000 of the general fund—state appropriation for
2 fiscal year 2016 and \$81,180,000 of the general fund—state
3 appropriation for fiscal year 2017 are provided solely for persons
4 and services not covered by the medicaid program. To the extent
5 possible, levels of regional support network spending shall be
6 maintained in the following priority order: Crisis and commitment
7 services; community inpatient services; and residential care
8 services, including personal care and emergency housing assistance.
9 These amounts includes a reduction of \$4,715,000 for fiscal year 2016
10 and \$4,715,000 for fiscal year 2017 associated with a funding shift
11 that allows for increased federal participation for community
12 inpatient stays that were previously ineligible for federal matching
13 funds. This reduction will be distributed to regional support
14 networks based on the same proportions that were added to regional
15 support network capitation ranges specific to the waiver that allowed
16 for federal funds to be used for community inpatient stays that were
17 previously ineligible for federal matching funds. The department must
18 allow regional support networks to use medicaid capitation payments
19 to provide services to medicaid enrollees that are in addition to
20 those covered under the state plan in accordance with the conditions
21 established under federal regulations governing medicaid managed care
22 contracts and subject to federal approval by the center for medicaid
23 and medicare services.

24 (f) \$6,590,000 of the general fund—state appropriation for fiscal
25 year 2016, \$6,590,000 of the general fund—state appropriation for
26 fiscal year 2017, and \$7,620,000 of the general fund—federal
27 appropriation are provided solely for the department and regional
28 support networks to continue to contract for implementation of high-
29 intensity programs for assertive community treatment (PACT) teams. In
30 determining the proportion of medicaid and nonmedicaid funding
31 provided to regional support networks with PACT teams, the department
32 shall consider the differences between regional support networks in
33 the percentages of services and other costs associated with the teams
34 that are not reimbursable under medicaid. The department may allow
35 regional support networks which have nonmedicaid reimbursable costs
36 that are higher than the nonmedicaid allocation they receive under
37 this section to supplement these funds with local dollars or funds
38 received under section 204(1)(e) of this act. The department and
39 regional support networks shall maintain consistency with all

1 essential elements of the PACT evidence-based practice model in
2 programs funded under this section.

3 (g) The number of nonforensic beds allocated for use by regional
4 support networks at eastern state hospital shall be 192 per day. The
5 number of nonforensic beds allocated for use by regional support
6 networks at western state hospital shall be 587 per day in fiscal
7 year 2016. Pursuant to Engrossed Second Substitute House Bill No.
8 2453 (state hospital oversight) or Substitute Senate Bill No. 6656
9 (state hospital practices), the department must transition and divert
10 enough patients with long term care needs from western state hospital
11 by January 1, 2017, to reduce the capacity needed for this population
12 by 30 beds and the department must reduce the number of nonforensic
13 beds allocated for use by regional support networks at western state
14 hospital to 557. The department may contract through a regional
15 support network for up to 30 local community hospital beds to provide
16 treatment to individuals on a 90 day involuntary commitment order and
17 must lower that regional support network's allocation of beds by the
18 number of contracted beds.

19 (h) From the general fund—state appropriations in this
20 subsection, the secretary of social and health services shall assure
21 that regional support networks reimburse the aging and disability
22 services administration for the general fund—state cost of medicaid
23 personal care services that enrolled regional support network
24 consumers use because of their psychiatric disability.

25 (i) The department is authorized to continue to contract
26 directly, rather than through contracts with regional support
27 networks, for children's long-term inpatient facility services.

28 (j) \$750,000 of the general fund—state appropriation for fiscal
29 year 2016 and \$750,000 of the general fund—state appropriation for
30 fiscal year 2017 are provided solely to continue performance-based
31 incentive contracts to provide appropriate community support services
32 for individuals with severe mental illness who were discharged from
33 the state hospitals as part of the expanding community services
34 initiative. These funds will be used to enhance community residential
35 and support services provided by regional support networks through
36 other state and federal funding.

37 (k) \$1,125,000 of the general fund—state appropriation for fiscal
38 year 2016 and \$1,125,000 of the general fund—state appropriation for
39 fiscal year 2017 are provided solely for the Spokane regional support

1 network to implement services to reduce utilization and the census at
2 eastern state hospital. Such services shall include:

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

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

9 (iii) Mental health services provided in nursing facilities to
10 individuals with dementia, and consultation to facility staff
11 treating those individuals; and

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

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

18 (l) \$1,204,000 of the general fund—state appropriation for fiscal
19 year 2016 and \$1,204,000 of the general fund—state appropriation for
20 fiscal year 2017 are provided solely to reimburse Pierce and Spokane
21 counties for the cost of conducting 180-day commitment hearings at
22 the state psychiatric hospitals.

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

35 (n) \$2,291,000 of the general fund—state appropriation for fiscal
36 year 2016 and \$2,291,000 of the general fund—state appropriation for
37 fiscal year 2017 are provided solely for mental health services for
38 mentally ill offenders while confined in a county or city jail and

1 for facilitating access to programs that offer mental health services
2 upon release from confinement.

3 (o) Within the amounts appropriated in this section, funding is
4 provided for the department to develop and phase in intensive mental
5 health services for high needs youth consistent with the settlement
6 agreement in *T.R. v. Dreyfus and Porter*.

7 (p) \$9,184,000 of the general fund—state appropriation for fiscal
8 year 2016, \$11,405,000 of the general fund—state appropriation for
9 fiscal year 2017, and \$17,680,000 of the general fund—federal
10 appropriation are provided solely for enhancement of community mental
11 health services. The department must contract these funds for the
12 operation of community programs in which the department determines
13 there is a need for capacity that allows individuals to be diverted
14 or transitioned from the state hospitals including but not limited
15 to: (i) Community hospital or free standing evaluation and treatment
16 services providing short-term detention and commitment services under
17 the involuntary treatment act to be located in the geographic areas
18 of the King regional support network, the Spokane regional support
19 network outside of Spokane county, and the Thurston Mason regional
20 support network; (ii) one new full program of an assertive community
21 treatment team in the King regional support network and two new half
22 programs of assertive community treatment teams in the Spokane
23 regional support network and the Pierce regional support network; and
24 (iii) three new recovery support services programs in the Grays
25 Harbor regional support network, the greater Columbia regional
26 support network, and the north sound regional support network. In
27 contracting for community evaluation and treatment services, the
28 department may not use these resources in facilities that meet the
29 criteria to be classified under federal law as institutions for
30 mental diseases. If the department is unable to come to a contract
31 agreement with a designated regional support network for any of the
32 services identified above, it may consider contracting for that
33 service in another regional support network that has the need for
34 such service.

35 (q) The appropriations in this section include a reduction of
36 \$16,462,000 in general fund—state and \$16,468,000 of general fund—
37 federal expenditure authority. This reduction must be achieved by
38 reducing regional support network medicaid rates for disabled adults,
39 nondisabled adults, disabled children, and nondisabled children. No

1 regional support network rate may be lowered below the low end of the
2 rate range that is certified as actuarially sound. The department
3 must work to develop updated minimum and maximum reserve levels that
4 reflect the changes in the number of medicaid eligible individuals
5 since reserve levels were originally set as well as the integration
6 of substance use disorder services into managed care contracts funded
7 within the amounts appropriated in this section. The department must
8 submit a report to the office of financial management and the
9 appropriate fiscal committees of the legislature by December 1, 2015,
10 that includes the revised minimum and maximum reserve levels for
11 medicaid and nonmedicaid behavioral health organization contracts.

12 (r) \$300,000 of the general fund—state appropriation for fiscal
13 year 2016, \$1,394,000 of the general fund—state appropriation for
14 fiscal year 2017, and \$2,020,000 of the general fund—federal
15 appropriation are provided solely for implementation of chapter 7,
16 Laws of 2015 1st sp. sess. (2E2SSB 5177) (timeliness of competency
17 evaluation and restoration services). Regional support networks must
18 use the amounts for outpatient mental health treatment costs
19 associated with implementation of the bill.

20 (s) \$1,500,000 of the general fund—state appropriation for fiscal
21 year 2017 is provided solely to support the southwest Washington
22 region in transitioning to become an early adopter for full
23 integration of physical and behavioral health care. These amounts
24 must be used to provide a reserve for nonmedicaid services in the
25 region and to stabilize the new crisis services system. The
26 department and the health care authority must develop a memorandum of
27 understanding on the use of these funds.

28 (t) By April 1, 2016, the department must establish minimum and
29 maximum funding levels for all reserves allowed under behavioral
30 health organization contracts and insert contract language that
31 clearly states the requirements and limitations. The department must
32 monitor and ensure that behavioral health organization reserves do
33 not exceed maximum levels. The department must monitor behavioral
34 health organization revenue and expenditure reports and must require
35 a behavioral health organization to submit a corrective action plan
36 on how it will spend its excess reserves within a reasonable period
37 of time, when its reported reserves exceed maximum levels established
38 under the contract. The department must review and approve such plans
39 and monitor to ensure compliance. If the department determines that a

1 behavioral health organization has failed to provide an adequate
2 excess reserve corrective action plan or is not complying with an
3 approved plan, the department must reduce payments to the behavioral
4 health organization in accordance with remedial actions provisions
5 included in the contract. These reductions in payments must continue
6 until the department determines that the behavioral health
7 organization has come into substantial compliance with an approved
8 excess reserve corrective action plan.

9 (u) \$2,000,000 of the general fund—state appropriation for fiscal
10 year 2017 and \$762,000 of the general fund—federal appropriation for
11 fiscal year 2017 are provided solely for four housing support and
12 step down services teams.

13 (v) \$1,760,000 of the general fund—federal appropriation is
14 provided solely for a pilot project to put peer bridging staff into
15 each regional support network as part of the state psychiatric
16 liaison teams to promote continuity of service as individuals return
17 to their communities. The department must collect and make available
18 data on the impact of peer staff on state hospital discharges and
19 community placements.

20 (w) \$417,000 of the general fund—state appropriation for fiscal
21 year 2017 and \$179,000 of the general fund—federal appropriation are
22 provided solely for implementation of Second Substitute House Bill
23 No. 1448 (suicide threat response). ((If the bill is not enacted by
24 June 30, 2016, the amounts provided in this subsection shall lapse.))

25 (2) INSTITUTIONAL SERVICES

26	General Fund—State Appropriation (FY 2016).	\$178,731,000
27	General Fund—State Appropriation (FY 2017).	(\$196,851,000)
28		<u>\$206,636,000</u>
29	General Fund—Federal Appropriation.	(\$165,365,000)
30		<u>\$167,693,000</u>
31	General Fund—Private/Local Appropriation.	(\$49,742,000)
32		<u>\$51,180,000</u>
33	Governor's Behavioral Health Innovation Fund—State	
34	Appropriation.	\$6,777,000
35	TOTAL APPROPRIATION.	(\$597,466,000)
36		<u>\$611,017,000</u>

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

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

5 (b) \$231,000 of the general fund—state appropriation for fiscal
6 year 2016 and \$231,000 of the general fund—state appropriation for
7 fiscal year 2017 are provided solely for a community partnership
8 between western state hospital and the city of Lakewood to support
9 community policing efforts in the Lakewood community surrounding
10 western state hospital. The amounts provided in this subsection
11 (2)(b) are for the salaries, benefits, supplies, and equipment for
12 one full-time investigator, one full-time police officer, and one
13 full-time community service officer at the city of Lakewood.

14 (c) \$45,000 of the general fund—state appropriation for fiscal
15 year 2016 and \$45,000 of the general fund—state appropriation for
16 fiscal year 2017 are provided solely for payment to the city of
17 Lakewood for police services provided by the city at western state
18 hospital and adjacent areas.

19 (d) \$9,571,000 of the general fund—state appropriation for fiscal
20 year 2016 and \$17,287,000 of the general fund—state appropriation for
21 fiscal year 2017 are provided solely for implementation of efforts to
22 improve the timeliness of competency restoration services pursuant to
23 chapter 5, Laws of 2015 (SSB 5889) (timeliness of competency
24 treatment and evaluation services). This funding must be used to
25 increase the number of forensic beds at western state hospital to
26 three hundred thirty and the number of forensic beds at eastern state
27 hospital to one hundred twenty-five by June 30, 2017. Pursuant to
28 chapter 7, Laws of 2015 1st sp. sess. (2E2SSB 5177) (timeliness of
29 competency treatment and evaluation services), the department may
30 contract some of these amounts for services at alternative locations
31 if the secretary determines that there is a need.

32 (e) \$2,349,000 of the general fund—state appropriation for fiscal
33 year 2016 and \$2,318,000 of the general fund—state appropriation for
34 fiscal year 2017 are provided solely for implementation of efforts to
35 improve the timeliness of competency evaluation services for
36 individuals who are in local jails pursuant to chapter 5, Laws of
37 2015 (SSB 5889) (timeliness of competency treatment and evaluation
38 services). This funding must be used solely to increase the number of
39 staff providing competency evaluation services.

1 (f) \$135,000 of the general fund—state appropriation for fiscal
2 year 2017 is provided solely for the department to hire an on-site
3 safety compliance officer, stationed at Western State Hospital, to
4 provide oversight and accountability of the hospital's response to
5 safety concerns regarding the hospital's work environment.

6 (g) \$600,000 of the general fund—state appropriation for fiscal
7 year 2017 is provided solely for the department to contract with the
8 University of Washington department of psychiatry and behavioral
9 sciences. The University of Washington shall conduct an analysis and
10 develop a plan to create a high quality forensic teaching unit in
11 collaboration with Western State Hospital. The plan shall include an
12 appraisal of risks, barriers, and benefits to implementation as well
13 as an implementation timeline. The University of Washington shall
14 report to the department, the office of financial management, and
15 relevant policy and fiscal committees of the legislature on findings
16 and recommendations by November 1, 2017.

17 (h) \$6,777,000 of the governor's behavioral health innovation
18 fund appropriation is provided solely to improve the quality of care,
19 patient and staff safety, and the efficiency of operations at the
20 state hospitals pursuant to Engrossed Second Substitute House Bill
21 No. 2453 (state hospital oversight) or Substitute Senate Bill No.
22 6656 (state hospital practices). In accordance with Engrossed Second
23 Substitute House Bill No. 2453 or Substitute Senate Bill No. 6656,
24 the department must apply to and receive approval from the office of
25 financial management prior to expending appropriations from this
26 account. If neither bill is enacted by June 30, 2016, the amounts
27 provided in this subsection shall lapse. It is the intent of the
28 legislature that the ongoing costs of services that are implemented
29 through these amounts be considered as maintenance level in the
30 fiscal year 2017-2019 operating budget.

31 (i) \$510,000 of the general fund—state appropriation for fiscal
32 year 2016 and \$6,256,000 of the general fund—state appropriation for
33 fiscal year 2017 are provided solely to increase the number of funded
34 registered nurses at western state hospital by 51 positions by July
35 1, 2016. If the department is unable to fill these positions by July
36 1, 2016, the department may develop an alternative plan for spending
37 the amount proportional to the positions that are not filled. This
38 plan must be submitted to the office of financial management
39 following the same process established in Engrossed Second Substitute

1 House Bill No. 2453 (state hospital oversight) or Substitute Senate
2 Bill No. 6656 (state hospital practices) for applying for funds in
3 the Governor's behavioral health innovation fund. The office of
4 financial management may, after receiving input from the select
5 committee created in Engrossed Second Substitute House Bill No. 2453
6 or Substitute Senate Bill No. 6656, approve that an amount
7 proportional to the positions that are not filled be spent on the
8 department's alternative plan.

9 (j) \$791,000 of the general fund—state appropriation for fiscal
10 year 2016, \$1,456,000 of the general fund—state appropriation for
11 fiscal year 2017, and \$199,000 of the general fund—federal
12 appropriation are provided solely for the unilateral implementation
13 of targeted job classification compensation increases as set forth in
14 section 903 of this act, effective December 1, 2015, at eastern and
15 western state hospitals. The legislature recognizes that the
16 compensation increases were necessitated by an emergency and an
17 imminent jeopardy determination by the centers for medicare and
18 medicaid services that relates to the safety and health of clients
19 and employees.

20 (k) \$611,000 of the general fund—state appropriation for fiscal
21 year 2016, \$2,264,000 of the general fund—state appropriation for
22 fiscal year 2017, and \$250,000 of the general fund—federal
23 appropriation are provided solely for the implementation of a
24 memorandum of understanding between the governor and the service
25 employees international union healthcare 1199nw amending the
26 collective bargaining agreement under chapter 41.80 RCW for the
27 2015-2017 fiscal biennium as set forth in section 902 of this act,
28 effective December 1, 2015, at eastern and western state hospitals
29 and the child study treatment center. The legislature recognizes that
30 the memorandum of understanding was necessitated by an emergency and
31 an imminent jeopardy determination by the center for medicare and
32 medicaid services that relates to the safety and health of clients
33 and employees.

34 (l) \$3,789,000 of the general fund—state appropriation for fiscal
35 year 2017 is provided solely to improve western state hospital
36 patient and employee safety by opening a civil ward in order to
37 reduce the patients per ward.

38 (m) \$224,000 of the general fund—state appropriation for fiscal
39 year 2017 is provided solely for the department to hire two staff for

1 western state hospital dedicated to discharge planning and
2 coordination efforts between other parts of the department and with
3 the regional support networks to more efficiently and properly
4 discharge patients determined ready to go back to their communities.

5 (n) \$1,900,000 of the general fund—state appropriation for fiscal
6 year 2017 is provided solely for the fifteen percent assignment pay
7 increase for psychiatrist classifications at eastern and western
8 state hospital granted during fiscal year 2015.

9 (o) \$891,000 of the general fund—state appropriation for fiscal
10 year 2016, \$1,600,000 of the general fund—state appropriation for
11 fiscal year 2017, and \$211,000 of the general fund—federal
12 appropriation are provided solely for implementation of a new
13 memorandum of understanding between the state and the union of
14 physicians of Washington to increase compensation for physician and
15 psychiatrist classifications under chapter 41.80 RCW for the
16 2015-2017 fiscal biennium pursuant to section 901 of this act. The
17 memorandum of understanding reached between the state and the union
18 of physicians of Washington effective December 1, 2015, is not
19 approved. The amounts provided in this subsection are contingent on
20 the state and the union of physicians of Washington reaching an
21 agreement by June 30, 2016, that allows psychiatric advanced
22 registered nurse practitioners and physician assistants to perform
23 work and tasks that are currently or have been historically performed
24 by physicians and psychiatrists at the state hospitals.

25 (p) \$19,000 of the general fund—state appropriation for fiscal
26 year 2017 and \$1,000 of the general fund—federal appropriation are
27 provided solely for nonrepresented state employees in targeted state
28 employee job classifications as set forth in section 906 of this act.

29 (3) SPECIAL PROJECTS

30	General Fund—State Appropriation (FY 2016).	\$477,000
31	General Fund—State Appropriation (FY 2017).	\$490,000
32	General Fund—Federal Appropriation.	((\$7,391,000))
33		<u>\$8,274,000</u>
34	TOTAL APPROPRIATION.	((\$8,358,000))
35		<u>\$9,241,000</u>

36 The appropriations in this subsection are subject to the
37 following conditions and limitations: \$446,000 of the general fund—
38 state appropriation for fiscal year 2016, \$446,000 of the general

1 fund—state appropriation for fiscal year 2017, and \$178,000 of the
2 general fund—federal appropriation are provided solely for the
3 University of Washington's evidence-based practice institute which
4 supports the identification, evaluation, and implementation of
5 evidence-based or promising practices. The institute must work with
6 the department to develop a plan to seek private, federal, or other
7 grant funding in order to reduce the need for state general funds.

8 (4) PROGRAM SUPPORT

9	General Fund—State Appropriation (FY 2016).	\$9,779,000
10	General Fund—State Appropriation (FY 2017).	(\$9,120,000)
11		<u>\$9,874,000</u>
12	General Fund—Federal Appropriation.	(\$12,025,000)
13		<u>\$12,396,000</u>
14	General Fund—Private/Local Appropriation.	\$502,000
15	TOTAL APPROPRIATION.	(\$31,426,000)
16		<u>\$32,551,000</u>

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

19 (a) In accordance with RCW 43.20B.110, 43.135.055, and 71.24.035,
20 the department is authorized to adopt license and certification fees
21 in fiscal years 2016 and 2017 to support the costs of the regulatory
22 program. The department's fee schedule shall have differential rates
23 for providers with proof of accreditation from organizations that the
24 department has determined to have substantially equivalent standards
25 to those of the department, including but not limited to the joint
26 commission on accreditation of health care organizations, the
27 commission on accreditation of rehabilitation facilities, and the
28 council on accreditation. To reflect the reduced costs associated
29 with regulation of accredited programs, the department's fees for
30 organizations with such proof of accreditation must reflect the lower
31 costs of licensing for these programs than for other organizations
32 which are not accredited.

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

1 fiscal and policy committees of the legislature on its proposed new
2 mental health managed care rate-setting approach by August 1, 2015,
3 and again at least sixty days prior to implementation of new
4 capitation rates.

5 (c) Within the amounts appropriated in this section, funding is
6 provided for the department to continue to develop the child
7 adolescent needs and strengths assessment tool and build workforce
8 capacity to provide evidence based wraparound services for children,
9 consistent with the settlement agreement in *T.R. v. Dreyfus and*
10 *Porter*.

11 (d) Pursuant to Engrossed Second Substitute House Bill No. 2453
12 (state hospital oversight) or Substitute Senate Bill No. 6656 (state
13 hospital practices), \$260,000 of the general fund—state appropriation
14 for fiscal year 2017 is provided solely for the department to
15 contract with an external consultant to examine the clinical role of
16 staffing at the state hospitals. The consultant shall report to the
17 department, the office of financial management, and relevant
18 legislative policy and fiscal committees on the consultant's findings
19 and recommendations in accordance with the timelines established in
20 Engrossed Second Substitute House Bill No. 2453 or Substitute Senate
21 Bill No. 6656.

22 **Sec. 1205.** 2016 sp.s. c 36 s 205 (uncodified) is amended to read
23 as follows:

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

26 (1) COMMUNITY SERVICES

27	General Fund—State Appropriation (FY 2016).	\$515,567,000
28	General Fund—State Appropriation (FY 2017).	((\$575,185,000))
29		<u>\$562,776,000</u>
30	General Fund—Federal Appropriation.	((\$1,098,035,000))
31		<u>\$1,085,142,000</u>
32	General Fund—Private/Local Appropriation.	\$534,000
33	TOTAL APPROPRIATION.	((\$2,189,321,000))
34		<u>\$2,164,019,000</u>

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

37 (a) Individuals receiving services as supplemental security
38 income (SSI) state supplemental payments shall not become eligible

1 for medical assistance under RCW 74.09.510 due solely to the receipt
2 of SSI state supplemental payments.

3 (b) In accordance with RCW 18.51.050, 18.20.050, 70.128.060, and
4 43.135.055, the department is authorized to increase nursing
5 facility, assisted living facility, and adult family home fees as
6 necessary to fully support the actual costs of conducting the
7 licensure, inspection, and regulatory programs. The license fees may
8 not exceed the department's annual licensing and oversight activity
9 costs and shall include the department's cost of paying providers for
10 the amount of the license fee attributed to medicaid clients.

11 (i) The current annual renewal license fee for adult family homes
12 shall be \$225 per bed beginning in fiscal year 2016 and \$225 per bed
13 beginning in fiscal year 2017. A processing fee of \$2,750 shall be
14 charged to each adult family home when the home is initially
15 licensed. This fee is nonrefundable.

16 (ii) The current annual renewal license fee for assisted living
17 facilities shall be \$106 per bed beginning in fiscal year 2016 and
18 \$106 per bed beginning in fiscal year 2017.

19 (iii) The current annual renewal license fee for nursing
20 facilities shall be \$359 per bed beginning in fiscal year 2016 and
21 \$359 per bed beginning in fiscal year 2017.

22 (c) \$8,571,000 of the general fund—state appropriation for fiscal
23 year 2016, \$18,181,000 of the general fund—state appropriation for
24 fiscal year 2017, and \$33,427,000 of the general fund—federal
25 appropriation are provided solely for the implementation of the
26 agreement reached between the governor and the service employees
27 international union healthcare 775nw under the provisions of chapters
28 74.39A and 41.56 RCW for the 2015-2017 fiscal biennium.

29 (d) The department shall reimburse with the exceptional care rate
30 adult family homes that provided care solely to clients with HIV/AIDS
31 on or before January 1, 2000, and continue to provide care solely to
32 clients with HIV/AIDS. The department shall not reduce the
33 exceptional care rate from the rate paid on October 1, 2013.

34 (e) \$774,000 of the general fund—state appropriation for fiscal
35 year 2016, \$1,547,000 of the general fund—state appropriation for
36 fiscal year 2017, and \$7,185,000 of the general fund—federal
37 appropriation are provided solely for a payment system that satisfies
38 medicaid requirements regarding time reporting for W-2 providers. The
39 amounts provided in this subsection are conditioned on the department

1 satisfying the requirements of the project management oversight
2 standards and policies established by the office of the chief
3 information officer.

4 (f) \$1,184,000 of the general fund—state appropriation for fiscal
5 year 2016, \$2,483,000 of the general fund—state appropriation for
6 fiscal year 2017, and \$4,638,000 of the general fund—federal
7 appropriation are provided solely for the homecare agency parity
8 impacts of the agreement between the governor and the service
9 employees international union healthcare 775nw.

10 (g) The department is authorized to establish limited exemption
11 criteria in rule to address RCW 74.39A.325 when a landline phone is
12 not available to the employee.

13 (h) The department may authorize a one-time waiver of all or any
14 portion of the licensing and processing fees required under RCW
15 70.128.060 in any case in which the department determines that an
16 adult family home is being relicensed because of exceptional
17 circumstances, such as death or incapacity of a provider, and that to
18 require the full payment of the licensing and processing fees would
19 present a hardship to the applicant. In these situations the
20 department is also granted the authority to waive the required
21 residential administrator training for a period of 120 days if
22 necessary to ensure continuity of care during the relicensing
23 process.

24 (i) The department of social and health services shall increase
25 the benchmark rates for community residential service businesses
26 providing supported living, group home, and licensed staff
27 residential services for people with developmental disabilities by
28 sixty cents starting July 1, 2015, and by an additional sixty cents
29 starting July 1, 2016.

30 (j) The department of social and health services shall
31 standardize the administrative rate for community residential service
32 businesses providing supported living, group home, and licensed staff
33 residential services for people with developmental disabilities
34 starting July 1, 2015.

35 (k) Community residential cost reports that are submitted by or
36 on behalf of contracted agency providers are required to include
37 information about agency staffing including health insurance, wages,
38 number of positions, and turnover.

1 (1) Within the amounts provided in this subsection, the
2 developmental disabilities administration must prepare a report that
3 describes options for modifying the current system of pre-vocational
4 services for individuals with developmental disabilities. The
5 developmental disabilities administration must not transition clients
6 receiving pre-vocational services into integrated settings until the
7 conclusion of the 2016 legislative session, unless there is a group
8 supported employment, individual employment, or community access
9 opportunity that is supported by the client and his or her legal
10 representative. If a client transitions out of a congregate setting
11 prior to December 1, 2016, then for each client, during the period
12 before and after leaving the congregate setting, the report must
13 describe the hours of service, hours worked, hourly wage, monthly
14 earnings, authorized waiver services, and per capita expenditures.
15 The report must be submitted to the appropriate fiscal and policy
16 committees of the legislature by January 1, 2016. At a minimum, the
17 report must describe the following options:

18 (i) Modify the current system to ensure compliance with rules
19 established by the centers for medicare and medicaid services;

20 (ii) Continue the current system without federal matching funds;
21 and

22 (iii) Transition clients out of congregate settings and into
23 integrated settings. Under this option, the report must describe an
24 anticipated phase-out schedule and medicaid waiver services that
25 could be authorized to mitigate the impact for transitioning clients.

26 (m) The department shall establish new rules and standards to
27 ensure that adult family homes are monitored and licensed to meet the
28 needs of young adults with a developmental disability. These adult
29 family homes may require a package of services including specialized
30 care assessment and planning, personal care, specialized
31 environmental features, and accommodations.

32 (n) \$650,000 of the general fund—state appropriation for fiscal
33 year 2016, \$650,000 of the general fund—state appropriation for
34 fiscal year 2017, and \$800,000 of the general fund—federal
35 appropriation are provided solely for the development and
36 implementation of eight enhanced respite beds across the state for
37 children. These services are intended to provide families and
38 caregivers with a break in caregiving, the opportunity for behavioral
39 stabilization of the child, and the ability to partner with the state

1 in the development of an individualized service plan that allows the
2 child to remain in his or her family home. The department must
3 provide the legislature with a respite utilization report by January
4 2, 2016, and each year thereafter that provides information about the
5 number of children who have used enhanced respite in the preceding
6 year, as well as the location and number of days per month that each
7 respite bed was occupied.

8 (o) \$550,000 of the general fund—state appropriation for fiscal
9 year 2016, \$550,000 of the general fund—state appropriation for
10 fiscal year 2017, and \$700,000 of the general fund—federal
11 appropriation are provided solely for the development and
12 implementation of eight community respite beds across the state for
13 adults. These services are intended to provide families and
14 caregivers with a break in caregiving and the opportunity for
15 stabilization of the individual in a community-based setting as an
16 alternative to using a residential habilitation center to provide
17 planned or emergent respite. The department must provide the
18 legislature with a respite utilization report by January 2, 2016, and
19 each year thereafter that provides information about the number of
20 individuals who have used community respite in the preceding year, as
21 well as the location and number of days per month that each respite
22 bed was occupied.

23 (p) \$46,000 of the general fund—state appropriation for fiscal
24 year 2017 is provided solely for the implementation of either
25 Substitute Senate Bill No. 6329 (parent-to-parent) or House Bill No.
26 2394 (parent-to-parent program). (~~(If neither bill is enacted by June~~
27 ~~30, 2016, the amount provided in this subsection shall lapse.)~~)

28 (q) \$901,000 of the general fund—state appropriation for fiscal
29 year 2017 and \$601,000 of the general fund—federal appropriation are
30 provided solely for the implementation of Engrossed Second Substitute
31 Senate Bill No. 6564 (providing protections for persons with
32 developmental disabilities). (~~(If this bill is not enacted by June~~
33 ~~30, 2016, the amounts provided in this subsection shall lapse.)~~)

34 (2) INSTITUTIONAL SERVICES

35	General Fund—State Appropriation (FY 2016).	\$94,973,000
36	General Fund—State Appropriation (FY 2017).	((\$98,257,000))
37		<u>\$97,713,000</u>
38	General Fund—Federal Appropriation.	((\$180,543,000))
39		<u>\$180,170,000</u>

1 General Fund—Private/Local Appropriation. \$23,041,000
2 TOTAL APPROPRIATION. (~~(\$396,814,000)~~)
3 \$395,897,000

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

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

10 (b) \$721,000 of the general fund—state appropriation for fiscal
11 year 2016 and \$721,000 of the general fund—state appropriation for
12 fiscal year 2017 are for the department to fulfill its contracts with
13 the school districts under chapter 28A.190 RCW to provide
14 transportation, building space, and other support services as are
15 reasonably necessary to support the educational programs of students
16 living in residential habilitation centers.

17 (c) \$558,000 of the general fund—state appropriation for fiscal
18 year 2016, \$558,000 of the general fund—state appropriation for
19 fiscal year 2017, and \$1,074,000 of the general fund—federal
20 appropriation are for specialized services required by the centers
21 for medicare and medicaid services as a result of preadmission
22 screening and resident review assessments.

23 (d) \$2,978,000 of the general fund—state appropriation for fiscal
24 year 2016, \$2,978,000 of the general fund—state appropriation for
25 fiscal year 2017, and \$5,956,000 of the general fund—federal
26 appropriation are for additional staff to ensure compliance with
27 centers for medicare and medicaid services requirements for
28 habilitation, nursing care, staff safety, and client safety at the
29 residential habilitation centers.

30 (e) The residential habilitation centers may use funds
31 appropriated in this subsection to purchase goods and supplies
32 through hospital group purchasing organizations when it is cost-
33 effective to do so.

34 (f) \$100,000 of the general fund—state appropriation for fiscal
35 year 2016, \$100,000 of the general fund—state appropriation for
36 fiscal year 2017, and \$200,000 of the general fund—federal
37 appropriation are provided solely for respite services in an existing
38 eight-bed cottage at Yakima valley school for individuals who are
39 developmentally disabled and in need of crisis stabilization support.

1 (g) \$834,000 of the general fund—state appropriation for fiscal
2 year 2017 and \$833,000 of the general fund—federal appropriation are
3 provided solely for an additional eight planned respite beds at
4 Yakima valley school.

5 (3) PROGRAM SUPPORT

6	General Fund—State Appropriation (FY 2016).	\$2,604,000
7	General Fund—State Appropriation (FY 2017).	(\$2,422,000)
8		<u>\$2,348,000</u>
9	General Fund—Federal Appropriation.	(\$3,164,000)
10		<u>\$3,148,000</u>
11	TOTAL APPROPRIATION.	(\$8,190,000)
12		<u>\$8,100,000</u>

13 (4) SPECIAL PROJECTS

14	General Fund—State Appropriation (FY 2016).	\$92,000
15	General Fund—State Appropriation (FY 2017).	(\$55,000)
16		<u>\$201,000</u>
17	General Fund—Federal Appropriation.	(\$1,103,000)
18		<u>\$1,250,000</u>
19	TOTAL APPROPRIATION.	(\$1,250,000)
20		<u>\$1,543,000</u>

21 **Sec. 1206.** 2016 sp.s. c 36 s 206 (uncodified) is amended to read
22 as follows:

23 **FOR THE DEPARTMENT OF SOCIAL AND HEALTH SERVICES—AGING AND ADULT**
24 **SERVICES PROGRAM**

25	General Fund—State Appropriation (FY 2016).	\$909,817,000
26	General Fund—State Appropriation (FY 2017).	(\$1,030,159,000)
27		<u>\$986,496,000</u>
28	General Fund—Federal Appropriation.	(\$2,385,151,000)
29		<u>\$2,343,754,000</u>
30	General Fund—Private/Local Appropriation.	\$33,797,000
31	Traumatic Brain Injury Account—State Appropriation.	\$3,968,000
32	Skilled Nursing Facility Safety Net Trust Account—	
33	State Appropriation.	\$133,360,000
34	TOTAL APPROPRIATION.	(\$4,497,252,000)
35		<u>\$4,411,192,000</u>

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

1 (1) For purposes of implementing chapter 74.46 RCW, the weighted
2 average nursing facility payment rate shall not exceed \$178.87 for
3 fiscal year 2016 and shall not exceed \$197.33 for fiscal year 2017.
4 There will be no adjustments for economic trends and conditions in
5 fiscal years 2016 and 2017. The economic trends and conditions factor
6 or factors defined in the biennial appropriations act shall not be
7 compounded with the economic trends and conditions factor or factors
8 defined in any other biennial appropriations acts before applying it
9 to the component rate allocations established in accordance with
10 chapter 74.46 RCW. When no economic trends and conditions factor for
11 either fiscal year is defined in a biennial appropriations act, no
12 economic trends and conditions factor or factors defined in any
13 earlier biennial appropriations act shall be applied solely or
14 compounded to the component rate allocations established in
15 accordance with chapter 74.46 RCW.

16 (a) For fiscal year 2016 within the funds provided, the
17 department shall continue to provide an add-on per medicaid resident
18 day per facility not to exceed \$1.57. The add-on shall be used to
19 increase wages, benefits, and/or staffing levels for certified nurse
20 aides; or to increase wages and/or benefits for dietary aides,
21 housekeepers, laundry aides, or any other category of worker whose
22 statewide average dollars-per-hour wage was less than \$15 in calendar
23 year 2008, according to cost report data. The add-on may also be used
24 to address resulting wage compression for related job classes
25 immediately affected by wage increases to low-wage workers. For
26 fiscal year 2016 within funds provided, the department shall provide
27 an additional add-on per medicaid resident day per facility not to
28 exceed the industry weighted average rate of \$2.44. The add-on shall
29 be used to increase wages, benefits, and/or staffing levels for
30 certified nurse aides; or to increase wages and/or benefits for
31 dietary aides, housekeepers, laundry aides, or any other category of
32 worker whose statewide average dollars-per-hour wage was less than
33 \$17 in calendar year 2012, according to cost report data. The
34 department shall continue reporting requirements and a settlement
35 process to ensure that the funds are spent according to this
36 subsection.

37 (b) The department shall do a comparative analysis of the
38 facility-based payment rates calculated on July 1, 2015, using the
39 payment methodology defined in chapter 74.46 RCW and as funded in the
40 omnibus appropriations act, excluding the low wage worker add-on

1 found in (a) of this subsection, the rate add-ons for direct care,
2 support services, and therapy care found in (g) of this subsection,
3 the comparative add-on, acuity add-on, and safety net reimbursement,
4 to the facility-based payment rates in effect June 30, 2010. For
5 fiscal year 2016, if the facility-based payment rate calculated on
6 July 1, 2015, is smaller than the facility-based payment rate on June
7 30, 2010, then the difference shall be provided to the individual
8 nursing facilities as an add-on payment per medicaid resident day.

9 (c) During the comparative analysis performed in subsection (b)
10 of this section, for fiscal year 2016, if it is found that the direct
11 care rate for any facility calculated using the payment methodology
12 defined in chapter 74.46 RCW and as funded in the omnibus
13 appropriations act, excluding the low wage worker add-on found in (a)
14 of this subsection, the rate add-ons for direct care, support
15 services, and therapy care found in (g) of this subsection, the
16 comparative add-on, acuity add-on, and safety net reimbursement, is
17 greater than the direct care rate in effect on June 30, 2010, then
18 the facility shall receive a ten percent direct care rate add-on to
19 compensate that facility for taking on more acute clients than they
20 have in the past.

21 (d) The department shall provide a medicaid rate add-on to
22 reimburse the medicaid share of the skilled nursing facility safety
23 net assessment as a medicaid allowable cost. The nursing facility
24 safety net rate add-on may not be included in the calculation of the
25 annual statewide weighted average nursing facility payment rate.

26 (e) The rate add-on provided in (c) of this subsection is subject
27 to the reconciliation and settlement process provided in RCW
28 74.46.022(6).

29 (f) If the waiver requested from the federal centers for medicare
30 and medicaid services in relation to the safety net assessment is for
31 any reason disapproved, (b), (c), (d), (g), and the fiscal year 2016
32 additional add-on in (a) of this subsection do not apply.

33 (g) For fiscal year 2016, the department shall provide the
34 following rate add-ons per medicaid resident day:

35 (i) A direct care rate add-on of \$3.63 per medicaid resident day;

36 (ii) A support services rate add-on of \$1.12 per medicaid
37 resident day; and

38 (iii) A therapy care rate add-on of \$0.05 per patient day.

39 This subsection (1)(g) is subject to the reconciliation and
40 settlement process provided in RCW 74.46.022(6).

1 (h) Beginning July 1, 2016, a nursing home provider's direct care
2 rate shall be set so that it does not exceed one hundred and eighteen
3 percent of its base year's direct care allowable costs except if the
4 provider is below the minimum staffing standard established in RCW
5 74.42.360(2).

6 (2) In accordance with chapter 74.46 RCW, the department shall
7 issue no additional certificates of capital authorization for fiscal
8 year 2016 and no new certificates of capital authorization for fiscal
9 year 2017 and shall grant no rate add-ons to payment rates for
10 capital improvements not requiring a certificate of need and a
11 certificate of capital authorization for fiscal years 2016 and 2017.

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

20 (a) The current annual renewal license fee for adult family homes
21 shall be \$225 per bed beginning in fiscal year 2016 and \$225 per bed
22 beginning in fiscal year 2017. A processing fee of \$2,750 shall be
23 charged to each adult family home when the home is initially
24 licensed. This fee is nonrefundable.

25 (b) \$193,000 of the general fund—state appropriation for fiscal
26 year 2017 is provided solely to the department to implement a new
27 processing fee of \$700 when adult family home providers file a change
28 of ownership application.

29 (c) The current annual renewal license fee for assisted living
30 facilities shall be \$106 per bed beginning in fiscal year 2016 and
31 \$106 per bed beginning in fiscal year 2017.

32 (d) The current annual renewal license fee for nursing facilities
33 shall be \$359 per bed beginning in fiscal year 2016 and \$359 per bed
34 beginning in fiscal year 2017.

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

1 (5) \$3,095,000 of the general fund—state appropriation for fiscal
2 year 2017 and \$3,095,000 of the general fund—federal appropriation
3 are provided within existing appropriations solely to exempt the five
4 highest acuity resource utilization group categories (beginning with
5 PC2 through PE2) from the adjustment to case mix index per RCW
6 74.46.485. Nursing homes shall be required to notify the department's
7 identified home and community services division contact within 30
8 days of a medicaid resident being identified in one of the five
9 lowest resource utilization group categories (beginning with PA1
10 through PC1). The department shall complete an assessment of those
11 residents who desire to transition into a community setting. The
12 department shall identify within 30 days whether an alternate setting
13 of the client's choosing is available to meet the resident's needs.
14 Nursing homes shall work collaboratively with the department to
15 transition into the community at least ninety-six residents, assessed
16 in the five lowest acuity resource utilization group categories (PA1
17 through PC1). For the first two quarters of fiscal year 2017, the
18 downward adjustment shall be no greater than thirteen percent. If,
19 after the first two quarters of fiscal year 2017, the department
20 determines the nursing homes are not making sufficient progress
21 towards moving ninety-six residents from the five lowest resource
22 utilization group categories (PA1 through PC1) into the community,
23 the department is authorized to increase the downward adjustment to
24 no greater than twenty percent for the lowest four resource
25 utilization group categories (PA1 through PB2).

26 (6) \$19,747,000 of the general fund—state appropriation for
27 fiscal year 2016, \$41,807,000 of the general fund—state appropriation
28 for fiscal year 2017, and \$76,770,000 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 under the provisions of chapters
32 74.39A and 41.56 RCW for the 2015-2017 fiscal biennium.

33 (7) \$1,840,000 of the general fund—state appropriation for fiscal
34 year 2016 and \$1,877,000 of the general fund—state appropriation for
35 fiscal year 2017 are provided solely for operation of the volunteer
36 services program. Funding shall be prioritized towards serving
37 populations traditionally served by long-term care services to
38 include senior citizens and persons with disabilities.

1 (8) \$2,447,000 of the general fund—state appropriation for fiscal
2 year 2016, \$4,894,000 of the general fund—state appropriation for
3 fiscal year 2017, and \$22,725,000 of the general fund—federal
4 appropriation are provided solely for a payment system that satisfies
5 medicaid requirements regarding time reporting for W-2 providers. The
6 amounts provided in this subsection are 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 (9) The department is authorized to establish limited exemption
11 criteria in rule to address RCW 74.39A.325 when a landline phone is
12 not available to the employee.

13 (10) \$7,552,000 of the general fund—state appropriation for
14 fiscal year 2016, \$15,974,000 of the general fund—state appropriation
15 for fiscal year 2017, and \$29,742,000 of the general fund—federal
16 appropriation are provided solely for the homecare agency parity
17 impacts of the agreement between the governor and the service
18 employees international union healthcare 775nw.

19 (11) Within the amounts appropriated in this section of the
20 general fund—state appropriation for fiscal years 2016 and 2017, the
21 department shall assist the legislature to continue the work of the
22 joint legislative executive committee on planning for aging and
23 disability issues that is established by this subsection.

24 (a) A joint legislative executive committee on aging and
25 disability is continued, with members as provided in this subsection.

26 (i) Four members of the senate, with the leaders of the two
27 largest caucuses each appointing two members. Four members of the
28 house of representatives, with the leaders of the two largest
29 caucuses each appointing two members;

30 (ii) A member from the office of the governor, appointed by the
31 governor;

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

34 (iv) The director of the health care authority or his or her
35 designee;

36 (v) A member from disability rights Washington and a member from
37 the long-term care ombuds;

38 (vi) The insurance commissioner or his or her designee, who shall
39 serve as an ex officio member; and

1 (vii) Other agency directors or designees as necessary.

2 (b) The committee must make recommendations and continue to
3 identify key strategic actions to prepare for the aging of the
4 population in Washington, including state budget and policy options,
5 by conducting at least, but not limited to, the following tasks:

6 (i) Identify strategies to better serve the health care needs of
7 an aging population and people with disabilities to promote healthy
8 living and palliative care planning;

9 (ii) Identify policy options to create financing mechanisms for
10 long-term service and supports that allow individuals and families to
11 meet their needs for service;

12 (iii) Identify policies to promote financial security in
13 retirement, support people who wish to stay in the workplace longer,
14 and expand the availability of workplace retirement savings plans;

15 (iv) Identify implementation strategies for the Bree
16 collaborative palliative care and related guidelines;

17 (v) Review the regulation of continuing care retirement
18 communities and ways to protect those who reside in them, including
19 the consideration of effective disclosures to residents;

20 (vi) Identify the needs of older people and people with
21 disabilities for high quality public and private guardianship
22 services and information about assisted decision-making options;

23 (vii) Identify options for promoting client safety through
24 residential care services and consider methods of protecting older
25 people and people with disabilities from physical abuse and financial
26 exploitation; and

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

30 (c) Staff support for the committee shall be provided by the
31 office of program research, senate committee services, the office of
32 financial management, and the department of social and health
33 services.

34 (d) Within existing appropriations, the cost of meetings must be
35 paid jointly by the senate, house of representatives, and the office
36 of financial management. Joint committee expenditures are subject to
37 approval by the senate facilities and operations committee and the
38 house of representatives executive rules committee, or their
39 successor committees. The joint committee members may be reimbursed
40 for travel expenses as authorized under RCW 43.03.050 and 43.03.060,

1 and chapter 44.04 RCW as appropriate. Advisory committee members may
2 not receive compensation or reimbursement for travel and expenses.

3 (e) At least one committee meeting must be devoted to a
4 discussion of strategies to improve the quality of care, client
5 safety and well-being, and staff safety within all community and
6 institutional settings. During the meeting, committee members must
7 receive a comprehensive review of findings since fiscal year 2010 by
8 the centers for medicare and medicaid services, and residential care
9 services, in community settings, nursing homes, and each of the
10 residential habilitation centers, with an emphasis on medical errors,
11 inconsistencies between service plans and services provided, the use
12 of restraints, and existence of hazardous environmental conditions.

13 (f) The committee shall issue an addendum report to the
14 legislature by December 10, 2015, and issue final recommendations to
15 the governor and relevant standing committees of the legislature by
16 December 10, 2016. The addendum report to the legislature must
17 include the following:

18 (i) A description of the oversight role for residential care
19 services, the long-term care ombuds, the centers for medicare and
20 medicaid services, and disability rights Washington;

21 (ii) From the provider perspective, and the perspective of a
22 state agency, an overview of the process for reviewing and responding
23 to findings by residential care services and the centers for medicare
24 and medicaid services;

25 (iii) A description of the process for notifying the office of
26 the governor and the legislature when problems with quality of care,
27 client safety and well-being, or staff safety arise within community
28 or institutional settings;

29 (iv) A compilation of findings since fiscal year 2010 by the
30 centers for medicare and medicaid services, and residential care
31 services, at the residential habilitation centers, nursing
32 facilities, supported living, assisted living, group homes, companion
33 homes, adult family homes, and all other community based providers;

34 (v) An annotated and detailed list of all responses to findings
35 by the centers for medicare and medicaid services, and residential
36 care services, specific to audits of the nursing facility at lakeland
37 village since fiscal year 2010;

38 (vi) Review the regulation of continuing care retirement
39 communities and ways to protect those who reside in them, including
40 the consideration of effective disclosures to residents;

1 (vii) Identify the needs of older people and people with
2 disabilities for high quality public and private guardianship
3 services and information about assisted decision-making options;

4 (viii) Identify options for promoting client safety through
5 residential care services and consider methods of protecting older
6 people and people with disabilities from physical abuse and financial
7 exploitation; and

8 (ix) A description of the method in place to ascertain the
9 outcome of responses to findings.

10 (12) \$5,094,000 of the general fund—state appropriation for
11 fiscal year 2016 and \$5,094,000 of the general fund—state
12 appropriation for fiscal year 2017 are provided solely for services
13 and support to individuals who are deaf, hard of hearing, or deaf-
14 blind.

15 (13) The department may authorize a one-time waiver of all or any
16 portion of the licensing and processing fees required under RCW
17 70.128.060 in any case in which the department determines that an
18 adult family home is being relicensed because of exceptional
19 circumstances, such as death or incapacity of a provider, and that to
20 require the full payment of the licensing and processing fees would
21 present a hardship to the applicant. In these situations the
22 department is also granted the authority to waive the required
23 residential administrator training for a period of 120 days if
24 necessary to ensure continuity of care during the relicensing
25 process.

26 (14) The department shall reimburse with the exceptional care
27 rate adult family homes that provided care solely to clients with
28 HIV/AIDS on or before January 1, 2000, and continue to provide care
29 solely to clients with HIV/AIDS. The department shall not reduce the
30 exceptional care rate from the rate paid on October 1, 2013.

31 (15)(a) \$100,000 of the general fund—state appropriation for
32 fiscal year 2016, \$100,000 of the general fund—private/local
33 appropriation, and \$200,000 of the general fund—federal appropriation
34 are provided solely for the department of social and health services
35 to contract for an independent feasibility study and actuarial
36 modeling of public and private options for leveraging private
37 resources to help individuals prepare for long-term services and
38 supports needs. The study must model two options: (i) A public long-
39 term care benefit for workers, funded through a payroll deduction

1 that would provide a time-limited long-term care insurance benefit;
2 and (ii) a public-private reinsurance or risk-sharing model, with the
3 purpose of providing a stable and ongoing source of reimbursement to
4 insurers for a portion of their catastrophic long-term services and
5 supports losses in order to provide additional insurance capacity for
6 the state.

7 (b) The report must include input from the joint committee on
8 aging and disability and other interested stakeholders. The report
9 must also include an analysis of each option based on: (i) The
10 expected costs and benefits for participants; (ii) the total
11 anticipated number of participants; (iii) the projected savings to
12 the state medicaid program, if any; and (iv) legal and financial
13 risks to the state.

14 (c) The department must provide status updates to the joint
15 legislative executive committee on aging and disability. The
16 feasibility study and actuarial analysis shall be completed and
17 submitted to the department of social and health services by December
18 20, 2016. The department shall submit a report, including the
19 director's findings and recommendations based on the feasibility
20 study and actuarial analysis, to the governor and the legislature by
21 January 1, 2017.

22 (16) \$6,195,000 of the general fund—state appropriation for
23 fiscal year 2016, \$13,195,000 of the general fund—state appropriation
24 for fiscal year 2017, and \$20,288,000 of the general fund—federal
25 appropriation are provided solely to implement House Bill No. 1274
26 (nursing home payment rates).

27 (17) Within available funds, the aging and long term support
28 administration must create a unit within adult protective services
29 that specializes in the investigation of financial abuse allegations
30 and self-neglect allegations.

31 (18) \$58,000 of the general fund—state appropriation for fiscal
32 year 2016, \$58,000 of the general fund—state appropriation for fiscal
33 year 2017, and \$114,000 of the general fund—federal appropriation are
34 provided solely to implement Substitute Senate Bill No. 5877 (due
35 process for adult family homes).

36 (19) \$468,000 of the general fund—state appropriation for fiscal
37 year 2017 is provided solely to expand the kinship navigator program
38 to the Colville Indian reservation, Yakama Nation, and other tribal
39 areas currently without kinship navigator services.

1 (20) \$37,000 of the general fund—state appropriation for fiscal
2 year 2017 is provided solely to implement Second Substitute House
3 Bill No. 2726 (retirement communities). (~~If the bill is not enacted~~
4 ~~by June 30, 2016, the amount provided in this subsection shall~~
5 ~~lapse.~~)

6 (21) The department shall provide the legislature an analysis of
7 expenditures for medicaid clients served in adult family homes and
8 assisted living facilities by acuity level. The analysis shall
9 include all services provided to medicaid clients in each care
10 setting, including all services covered by the daily rate, and
11 services provided in addition to the daily rate. The department shall
12 submit the report to the legislature by November 15, 2016.

13 (22) \$308,000 of the general fund—state appropriation for fiscal
14 year 2017 and \$77,000 of the general fund—federal appropriation are
15 provided solely for the implementation of Engrossed Second Substitute
16 Senate Bill No. 6564 (providing protections for persons with
17 developmental disabilities). (~~If this bill is not enacted by June~~
18 ~~30, 2016, the amounts provided in this subsection shall lapse.~~)

19 (23) \$537,000 of the general fund—state appropriation for fiscal
20 year 2017 and \$538,000 of the general fund—federal appropriation are
21 provided solely for implementation of Substitute Senate Bill No. 6656
22 (state hospital practices) (~~or Engrossed Second Substitute House~~
23 ~~Bill No. 2453 (state hospital oversight)~~). The department shall
24 contract with a nursing home facility with an enhanced staffing model
25 able to care for patients coming out of western state hospital. The
26 department must identify and must discharge at least thirty patients
27 from a geriatric ward at western state hospital to alternative
28 settings by January 1, 2017, by utilizing enhanced services
29 facilities and enhanced community services plus nursing home beds.
30 (~~If neither bill is enacted by June 30, 2016, the amounts provided~~
31 ~~in this subsection shall lapse.~~)

32 **Sec. 1207.** 2016 sp.s. c 36 s 207 (uncodified) is amended to read
33 as follows:

34 **FOR THE DEPARTMENT OF SOCIAL AND HEALTH SERVICES—ECONOMIC SERVICES**
35 **PROGRAM**

36	General Fund—State Appropriation (FY 2016).	\$396,066,000
37	General Fund—State Appropriation (FY 2017).	(\$418,020,000)
38		<u>\$391,189,000</u>

1	General Fund—Federal Appropriation.	((\$1,301,431,000))
2		<u>\$1,309,993,000</u>
3	General Fund—Private/Local Appropriation.	\$1,950,000
4	Administrative Contingency Account—State Appropriation. .	\$17,000,000
5	TOTAL APPROPRIATION.	((\$2,134,467,000))
6		<u>\$2,116,198,000</u>

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

9 (1)(a) \$152,953,000 of the general fund—state appropriation for
10 fiscal year 2016, ((~~\$171,299,000~~)) \$163,789,000 of the general fund—
11 state appropriation for fiscal year 2017, ((~~\$779,366,000~~))
12 \$799,758,000 of the general fund—federal appropriation, and the
13 administrative contingency account—state appropriation are provided
14 solely for all components of the WorkFirst program. Within the
15 amounts provided for the WorkFirst program, the department may
16 provide assistance using state-only funds for families eligible for
17 temporary assistance for needy families. The department must create a
18 WorkFirst budget structure that allows for transparent tracking of
19 budget units and subunits of expenditures where these units and
20 subunits are mutually exclusive from other department budget units.
21 The budget structure must include budget units for the following:
22 Cash assistance, child care, WorkFirst activities, and administration
23 of the program. Within these budget units, the department must
24 develop program index codes for specific activities and develop
25 allotments and track expenditures using these codes. The department
26 shall report to the office of financial management and the relevant
27 fiscal and policy committees of the legislature prior to adopting the
28 new structure and no later than December 2015.

29 (b) ((~~\$316,460,000~~)) \$302,524,000 of the amounts in (a) of this
30 subsection are provided solely for assistance to clients, including
31 grants, diversion cash assistance, and additional diversion emergency
32 assistance including but not limited to assistance authorized under
33 RCW 74.08A.210. The department may use state funds to provide support
34 to working families that are eligible for temporary assistance for
35 needy families but otherwise not receiving cash assistance.

36 (c) ((~~\$163,200,000~~)) \$164,837,000 of the amounts in (a) of this
37 subsection are provided solely for WorkFirst job search, education
38 and training activities, barrier removal services, limited English
39 proficiency services, and tribal assistance under RCW 74.08A.040. The

1 department must allocate this funding based on client outcomes and
2 cost effectiveness measures.

3 (d)(i) (~~(\$477,029,000)~~) \$475,003,000 of the amounts in (a) of
4 this subsection are provided solely for the working connections child
5 care program under RCW 43.215.135. Of the amounts provided in this
6 subsection (1)(d), \$22,040,000 of the appropriation for fiscal year
7 2017 is provided solely for implementation of chapter 7, Laws of 2015
8 3rd sp. sess. (early care and education system). Of the amounts
9 provided in this subsection (1)(d), \$8,048,000 of the appropriation
10 for fiscal year 2017 is provided solely for a base rate increase.
11 This funding is for the supplemental agreement to the 2015-2017
12 collective bargaining agreement covering family child care providers
13 as set forth in section 905 of this act. The amounts provided in this
14 subsection (d) are provided conditioned on the department of social
15 and health services and the department of early learning taking
16 additional actions to identify and reduce the backlog of overpayment
17 cases related to public assistance programs, including the working
18 connections child care program. The departments shall collaborate and
19 create a plan to triage overpayment cases in a manner that identifies
20 and prioritizes cases with large overpayments and likelihood of
21 fraudulent activity. The departments shall provide a quarterly report
22 to the appropriate policy and fiscal committees of the legislature
23 detailing the specific actions taken as a result of this subsection
24 (d).

25 (ii) In order to not exceed appropriations, a wait list for the
26 working connections child care program shall be implemented if
27 enrollment reaches 33,000 households. Once the wait list is in
28 effect, and only as space or funding becomes available, enrollment in
29 the program shall be prioritized according to the following order:

30 (A) Families applying for or receiving temporary assistance for
31 needy families (TANF);

32 (B) TANF families curing sanction;

33 (C) Families that include a child with special needs;

34 (D) Families in which a parent of a child in care is a minor who
35 is not living with a parent or guardian and who is a full-time
36 student in a high school that has a school-sponsored on-site child
37 care center; and

38 (E) All other eligible families.

39 (e) (~~(\$163,928,000)~~) \$174,135,000 of the amounts in (a) of this
40 subsection are provided solely for WorkFirst and working connections

1 child care administration and overhead. Of amounts provided in this
2 subsection (1)(e), \$41,000 of the appropriation for fiscal year 2016
3 is provided solely for implementation of chapter 7, Laws of 2015 3rd
4 sp. sess. (early care and education system).

5 (f) The amounts in (b) through ~~((d))~~ (e) of this subsection
6 shall be expended for the programs and in the amounts specified.
7 However, the department may transfer up to 10 percent of funding
8 between (b) through ~~((d))~~ (e) of this subsection. The department
9 shall provide notification prior to any transfer to the office of
10 financial management and to the appropriate legislative committees
11 and the legislative-executive WorkFirst oversight task force. The
12 approval of the director of financial management is required prior to
13 any transfer under this subsection.

14 (g) Beginning July 1, 2016, and each calendar quarter thereafter,
15 the department shall provide a maintenance of effort and
16 participation rate tracking report for temporary assistance for needy
17 families to the office of financial management, the appropriate
18 policy and fiscal committees of the legislature, and the legislative-
19 executive WorkFirst oversight task force. The report must detail the
20 following information for temporary assistance for needy families:

21 (i) An overview of federal rules related to maintenance of
22 effort, excess maintenance of effort, participation rates for
23 temporary assistance for needy families, and the child care
24 development fund as it pertains to maintenance of effort and
25 participation rates;

26 (ii) Countable maintenance of effort and excess maintenance of
27 effort, by source, provided for the previous federal fiscal year;

28 (iii) Countable maintenance of effort and excess maintenance of
29 effort, by source, for the current fiscal year, including changes in
30 countable maintenance of effort from the previous year;

31 (iv) The status of reportable federal participation rate
32 requirements, including any impact of excess maintenance of effort on
33 participation targets;

34 (v) Potential new sources of maintenance of effort and progress
35 to obtain additional maintenance of effort; and

36 (vi) A two-year projection for meeting federal block grant and
37 contingency fund maintenance of effort, participation targets, and
38 future reportable federal participation rate requirements.

39 (h) In the 2017-2019 fiscal biennium, it is the intent of the
40 legislature to provide appropriations from the state general fund for

1 the purposes of (b) through (e) of this subsection if the department
2 does not receive additional federal temporary assistance for needy
3 families contingency funds in each fiscal year as assumed in the
4 budget outlook.

5 (2) \$1,657,000 of the general fund—state appropriation for fiscal
6 year 2016 and \$1,657,000 of the general fund—state appropriation for
7 fiscal year 2017 are provided solely for naturalization services.

8 (3) \$2,366,000 of the general fund—state appropriation for fiscal
9 year 2016 is provided solely for employment services for refugees and
10 immigrants, of which \$1,774,000 is provided solely for the department
11 to pass through to statewide refugee and immigrant assistance
12 organizations for limited English proficiency pathway services; and
13 \$2,366,000 of the general fund—state appropriation for fiscal year
14 2017 is provided solely for employment services for refugees and
15 immigrants, of which \$1,774,000 is provided solely for the department
16 to pass through to statewide refugee and immigrant assistance
17 organizations for limited English proficiency pathway services.

18 (4) On December 1, 2015, and annually thereafter, the department
19 must report to the legislature on all sources of funding available
20 for both refugee and immigrant services and naturalization services
21 during the current fiscal year and the amounts expended to date by
22 service type and funding source. The report must also include the
23 number of clients served and outcome data for the clients.

24 (5) To ensure expenditures remain within available funds
25 appropriated in this section, the legislature establishes the benefit
26 under the state food assistance program, pursuant to RCW 74.08A.120,
27 to be one hundred percent of the federal supplemental nutrition
28 assistance program benefit amount.

29 (6) The department shall review clients receiving services
30 through the aged, blind, or disabled assistance program, to determine
31 whether they would benefit from assistance in becoming naturalized
32 citizens, and thus be eligible to receive federal supplemental
33 security income benefits. Those cases shall be given high priority
34 for naturalization funding through the department.

35 (7) The department shall continue the interagency agreement with
36 the department of veterans' affairs to establish a process for
37 referral of veterans who may be eligible for veterans' services. This
38 agreement must include out-stationing department of veterans' affairs

1 staff in selected community service office locations in King and
2 Pierce counties to facilitate applications for veterans' services.

3 (8) \$300,000 of the general fund—federal appropriation is
4 provided solely for implementation of Second Substitute House Bill
5 No. 2877 (SNAP benefit distribution dates), provided that the
6 department confirms receipt of SNAP Bonus payments sufficient for the
7 cost of implementing the bill. (~~If the bill is not enacted by June~~
8 ~~30, 2016, the amount provided in this subsection shall lapse.~~)

9 **Sec. 1208.** 2016 sp.s. c 36 s 208 (uncodified) is amended to read
10 as follows:

11 **FOR THE DEPARTMENT OF SOCIAL AND HEALTH SERVICES—ALCOHOL AND**
12 **SUBSTANCE ABUSE PROGRAM**

13	General Fund—State Appropriation (FY 2016).	\$64,261,000
14	General Fund—State Appropriation (FY 2017).	(\$66,185,000)
15		<u>\$60,822,000</u>
16	General Fund—Federal Appropriation.	(\$519,951,000)
17		<u>\$524,230,000</u>
18	General Fund—Private/Local Appropriation.	\$20,211,000
19	Criminal Justice Treatment Account—State	
20	Appropriation.	\$12,478,000
21	Problem Gambling Account—State Appropriation.	\$1,453,000
22	Dedicated Marijuana Account—State Appropriation	
23	(FY 2016).	\$10,736,000
24	Dedicated Marijuana Account—State Appropriation	
25	(FY 2017).	\$24,802,000
26	TOTAL APPROPRIATION.	(\$720,077,000)
27		<u>\$718,993,000</u>

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

30 (1) Within the amounts appropriated in this section, the
31 department may contract with the University of Washington and
32 community-based providers for the provision of the parent-child
33 assistance program or other specialized chemical dependency case
34 management providers for pregnant, post-partum, and parenting women.
35 For all contractors: (a) Service and other outcome data must be
36 provided to the department by request; and (b) indirect charges for
37 administering the program shall not exceed ten percent of the total
38 contract amount.

1 (2) In accordance with RCW 70.96A.090 and 43.135.055, the
2 department is authorized to adopt fees for the review and approval of
3 treatment programs in fiscal years 2016 and 2017 as necessary to
4 support the costs of the regulatory program. The department's fee
5 schedule shall have differential rates for providers with proof of
6 accreditation from organizations that the department has determined
7 to have substantially equivalent standards to those of the
8 department, including but not limited to the joint commission on
9 accreditation of health care organizations, the commission on
10 accreditation of rehabilitation facilities, and the council on
11 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 cost of licensing for these programs than for other organizations
15 which are not accredited.

16 (3) \$3,500,000 of the general fund—federal appropriation (from
17 the substance abuse prevention and treatment federal block grant) is
18 provided solely for the continued funding of existing county drug and
19 alcohol use prevention programs.

20 (4) \$421,000 of the general fund—state appropriation for fiscal
21 year 2016, \$873,000 of the general fund—state appropriation for
22 fiscal year 2017, and \$1,787,000 of the general fund—federal
23 appropriation are provided solely for implementation of chapter 50,
24 Laws of 2015 (E2SHB 1450) (involuntary outpatient treatment). The
25 department must use these amounts for increases in alcohol and
26 substance abuse treatment associated with implementation of the bill.

27 (5) \$200,000 of the dedicated marijuana account—state
28 appropriation for fiscal year 2016 and \$200,000 of the dedicated
29 marijuana account—state appropriation for fiscal year 2017 are
30 provided solely for a contract with the Washington state institute
31 for public policy to conduct cost-benefit evaluations of the
32 implementation of chapter 3, Laws of 2013 (Initiative Measure No.
33 502).

34 (6) \$500,000 of the dedicated marijuana account—state
35 appropriation for fiscal year 2016 and \$500,000 of the dedicated
36 marijuana account—state appropriation for fiscal year 2017 are
37 provided solely to design and administer the Washington state healthy
38 youth survey and the Washington state young adult behavioral health
39 survey.

1 (7) \$395,000 of the dedicated marijuana account—state
2 appropriation for fiscal year 2016 and \$396,000 of the dedicated
3 marijuana account—state appropriation for fiscal year 2017 are
4 provided solely for increasing services to pregnant and parenting
5 women provided through the parent child assistance program.

6 (8) \$250,000 of the dedicated marijuana account—state
7 appropriation for fiscal year 2016 and \$250,000 of the dedicated
8 marijuana account—state appropriation for fiscal year 2017 are
9 provided solely for a grant to the office of superintendent of public
10 instruction to provide life skills training to children and youth in
11 schools that are in high needs communities.

12 (9) \$386,000 of the dedicated marijuana account—state
13 appropriation for fiscal year 2016 and \$386,000 of the dedicated
14 marijuana account—state appropriation for fiscal year 2017 are
15 provided solely to increase prevention and treatment services
16 provided by tribes to children and youth.

17 (10) \$683,000 of the dedicated marijuana account—state
18 appropriation for fiscal year 2016, \$2,684,000 of the dedicated
19 marijuana account—state appropriation for fiscal year 2017, and
20 \$1,900,000 of the general fund—federal appropriation are provided
21 solely to increase residential treatment services for children and
22 youth.

23 (11) \$250,000 of the dedicated marijuana account—state
24 appropriation for fiscal year 2016 and \$250,000 of the dedicated
25 marijuana account—state appropriation for fiscal year 2017 are
26 provided solely for training and technical assistance for the
27 implementation of evidence based, research based, and promising
28 programs which prevent or reduce substance use disorders.

29 (12) \$1,000,000 of the dedicated marijuana account—state
30 appropriation for fiscal year 2016 and \$2,434,000 of the dedicated
31 marijuana account—state appropriation for fiscal year 2017 are
32 provided solely for expenditure into the home visiting services
33 account.

34 (13) \$3,278,000 of the dedicated marijuana account—state
35 appropriation for fiscal year 2017 is provided solely for a
36 memorandum of understanding with the department of social and health
37 services juvenile rehabilitation administration to provide substance
38 abuse treatment programs for juvenile offenders. Of the amounts
39 provided in this subsection:

1 (a) \$1,130,000 of the dedicated marijuana account—state
2 appropriation for fiscal year 2017 is provided solely for alcohol and
3 substance abuse treatment programs for locally-committed offenders.
4 The juvenile rehabilitation administration shall award these funds as
5 described in section 203(3) of this act.

6 (b) \$282,000 of the dedicated marijuana account—state
7 appropriation for fiscal year 2017 is provided solely for the
8 expansion of evidence-based treatments and therapies as described in
9 section 203(4) of this act.

10 (14) \$2,500,000 of the dedicated marijuana account—state
11 appropriation for fiscal year 2016 and \$2,500,000 of the dedicated
12 marijuana account—state appropriation for fiscal year 2017 are
13 provided solely for grants to community-based programs that provide
14 prevention services or activities to youth, including programs for
15 school-based resource officers. These funds must be utilized in
16 accordance with RCW 69.50.540.

17 (15) Within the amounts provided in this section, regional
18 support networks must provide outpatient chemical dependency
19 treatment for offenders enrolled in the medicaid program who are
20 supervised by the department of corrections pursuant to a term of
21 community supervision beginning in April 2016. Effective April 1,
22 2016, contracts with regional support networks must require that
23 regional support networks include in their provider network
24 specialized expertise in the provision of manualized, evidence-based
25 chemical dependency treatment services for offenders. The department
26 of corrections and the department of social and health services must
27 develop a memorandum of understanding for department of corrections
28 offenders on active supervision who are medicaid eligible and meet
29 medical necessity for outpatient substance use disorder treatment.
30 The agreement will ensure that treatment services provided are
31 coordinated, do not result in duplication of services, and maintain
32 access and quality of care for the individuals being served. The
33 department of social and health services must provide all necessary
34 data, access, and reports to the department of corrections for all
35 department of corrections offenders that receive medicaid paid
36 services.

37 (16) During the 2015-2017 fiscal biennium, any amounts provided
38 in this section that are used for case management services for
39 pregnant and parenting women must be contracted directly between the

1 department and providers rather than through contracts with
2 behavioral health organizations. By December 1, 2016, the department
3 must provide a report to the office of financial management and the
4 appropriate committees of the legislature on the readiness for
5 behavioral health organizations to assume the contracts for case
6 management services for pregnant and parenting women.

7 (17) \$100,000 of the general fund—state appropriation for fiscal
8 year 2016 and \$100,000 of the general fund—state appropriation for
9 fiscal year 2017 are provided solely for parenting education services
10 focused on pregnant and parenting women.

11 (18) Within existing appropriations, the department shall
12 prioritize the prevention and treatment of intravenous opiate-based
13 drug use.

14 (19) \$250,000 of the general fund—state appropriation for fiscal
15 year 2017 is provided solely for a contract with the Washington State
16 University for the research and development of a marijuana
17 breathalyzer.

18 (20) \$438,000 of the general fund—state appropriation for fiscal
19 year 2017 and \$185,000 of the general fund—federal appropriation are
20 provided solely for implementation of Third Substitute House Bill No.
21 1713 (mental health, chemical dependency). (~~If the bill is not~~
22 ~~enacted by June 30, 2016, the amounts provided in this subsection~~
23 ~~shall lapse.~~)

24 (21) Within the amounts appropriated in this section, the
25 department of social and health services and the health care
26 authority must provide quarterly reports to the chairs of the house
27 of representatives health care and wellness committee, the house of
28 representatives early learning and human services committee, the
29 senate health care committee, and the senate human services, mental
30 health, and housing committee on the integration of mental health and
31 chemical dependency treatment purchasing through behavioral health
32 organizations and the southwest Washington early adopter model. These
33 reports must include, but are not limited to, an update on
34 reimbursement rates and contracts for providing residential chemical
35 dependency treatment; the numbers of referrals and length of stay for
36 patients referred to chemical dependency treatment; the timing of
37 authorization and payment to providers; the compatibility of patient
38 electronic medical record data between behavioral health
39 organizations, managed care organizations in the southwest Washington

1 regional service area, and providers; and the status of contracted
2 providers. Behavioral health organizations and managed care
3 organizations in the southwest Washington regional service area must
4 be required to immediately report when notified that a provider is in
5 jeopardy of closure. The department and the health care authority
6 must immediately assess whether and take actions to ensure that the
7 behavioral health organization or managed care plans impacted by the
8 provider closure have an adequate transition plan to maintain an
9 adequate network and provide access to medically necessary treatment
10 services for enrollees. These reports shall begin April 1, 2016, and
11 end on October 31, 2016.

12 (22) Within existing appropriations for fiscal year 2017, the
13 department shall conduct a two-part study of substance use provider
14 capacity and substance use provider outcomes in the state. The
15 provider capacity report must provide information about publicly
16 funded providers, including their number, geographical location,
17 populations served, and treatment methodologies employed. The
18 provider outcome report must examine variation in client outcome for
19 these providers using statistical models to mitigate the impact of
20 case mix. Where possible, outcomes must be aligned with
21 specifications developed as directed by Second Substitute Senate Bill
22 No. 5732, (chapter 338, Laws of 2013) and Engrossed Substitute House
23 Bill No. 1519 (chapter 320, Laws of 2013). The two reports shall be
24 submitted to the governor and appropriate committees of the
25 legislature by June 1, 2017.

26 (23) \$500,000 of the criminal justice treatment account—state
27 appropriation is provided solely to increase funding for substance
28 abuse treatment and support services for offenders and to support
29 drug courts.

30 **Sec. 1209.** 2016 sp.s. c 36 s 209 (uncodified) is amended to read
31 as follows:

32 **FOR THE DEPARTMENT OF SOCIAL AND HEALTH SERVICES—VOCATIONAL**
33 **REHABILITATION PROGRAM**

34	General Fund—State Appropriation (FY 2016).	\$12,866,000
35	General Fund—State Appropriation (FY 2017).	(\$13,353,000)
36		<u>\$13,414,000</u>
37	General Fund—Federal Appropriation.	(\$98,491,000)
38		<u>\$109,988,000</u>

1 TOTAL APPROPRIATION. ((~~\$124,710,000~~))
2 \$136,268,000

3 **Sec. 1210.** 2016 sp.s. c 36 s 210 (uncodified) is amended to read
4 as follows:

5 **FOR THE DEPARTMENT OF SOCIAL AND HEALTH SERVICES—SPECIAL COMMITMENT**
6 **PROGRAM**

7 General Fund—State Appropriation (FY 2016). \$39,490,000
8 General Fund—State Appropriation (FY 2017). ((~~\$40,823,000~~))
9 \$42,488,000

10 TOTAL APPROPRIATION. ((~~\$80,313,000~~))
11 \$81,978,000

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

14 (1) \$78,000 of the general fund—state appropriation for fiscal
15 year 2016 and \$78,000 of the general fund—state appropriation for
16 fiscal year 2017 are provided solely to implement House Bill No. 1059
17 (sexually violent predators).

18 (2) The department shall review its current food services for the
19 special commitment center for opportunities to consolidate and
20 centralize, emphasizing opportunities for increased efficiency. The
21 department shall consider consolidating and centralizing the
22 department's institutional food service by examining: (a) Consistent
23 daily meals across institutions; (b) off-site meal preparation and
24 cook-chill meals; and (c) increased use of the department of
25 correction's correctional industries institutional food service. Any
26 food service improvements must account for special diets and
27 consistency with established dietary intakes of the food and
28 nutrition board of the national research council.

29 (3) Within the amounts provided in this section, the special
30 commitment center must explore entering into an interagency agreement
31 with the University of Washington. The interagency agreement would
32 allow the department to receive drug pricing under 340B of the public
33 health services act for drug purchases associated with treating
34 patients with hepatitis C or other diseases, whereby the university
35 is acting as the covered entity or safety-net provider. In
36 cooperation with the University of Washington, the special commitment
37 center must provide an estimate of the fiscal impact of a successful

1 agreement of this nature, to be included in the report provided to
2 the legislature under section 606 of this act.

3 (4) The special commitment center may use funds appropriated in
4 this subsection to purchase services, goods, and supplies through
5 hospital group purchasing organizations when it is cost-effective to
6 do so.

7 (5) \$15,000 of the general fund—state appropriation for fiscal
8 year 2017 is provided solely for the implementation of a memorandum
9 of understanding between the governor and the service employees
10 international union healthcare 1199nw amending the collective
11 bargaining under chapter 41.80 RCW for the 2015-2017 fiscal biennium
12 as set forth in section 902 of this act. The legislature recognizes
13 that the memorandum of understanding was necessitated by an emergency
14 and an imminent jeopardy determination by the center for medicare and
15 medicaid services that relates to the safety and health of clients
16 and employees.

17 **Sec. 1211.** 2016 sp.s. c 36 s 211 (uncodified) is amended to read
18 as follows:

19 **FOR THE DEPARTMENT OF SOCIAL AND HEALTH SERVICES—ADMINISTRATION AND**
20 **SUPPORTING SERVICES PROGRAM**

21	General Fund—State Appropriation (FY 2016).	\$34,207,000
22	General Fund—State Appropriation (FY 2017).	(\$34,533,000)
23		<u>\$34,943,000</u>
24	General Fund—Federal Appropriation.	(\$41,153,000)
25		<u>\$41,312,000</u>
26	General Fund—Private/Local Appropriation.	\$654,000
27	TOTAL APPROPRIATION.	(\$110,547,000)
28		<u>\$111,116,000</u>

29 The appropriations in this section are subject to the following
30 conditions and limitations: \$300,000 of the general fund—state
31 appropriation for fiscal year 2016 and \$300,000 of the general fund—
32 state appropriation for fiscal year 2017 are provided solely for a
33 Washington state mentoring organization to continue its public-
34 private partnerships to provide technical assistance and training to
35 mentoring programs that serve at-risk youth.

36 **Sec. 1212.** 2016 sp.s. c 36 s 212 (uncodified) is amended to read
37 as follows:

1 **FOR THE DEPARTMENT OF SOCIAL AND HEALTH SERVICES—PAYMENTS TO OTHER**
2 **AGENCIES PROGRAM**

3	General Fund—State Appropriation (FY 2016).	\$72,717,000
4	General Fund—State Appropriation (FY 2017).	(\$76,957,000)
5		<u>\$77,640,000</u>
6	General Fund—Federal Appropriation.	(\$58,973,000)
7		<u>\$59,216,000</u>
8	TOTAL APPROPRIATION.	(\$208,647,000)
9		<u>\$209,573,000</u>

10 The appropriations in this section are subject to the following
11 conditions and limitations: \$8,000 of the general fund—state
12 appropriation for fiscal year 2017 is provided solely to implement
13 chapter 240, Laws of 2015 (extended foster care).

14 **Sec. 1213.** 2016 sp.s. c 36 s 213 (uncodified) is amended to read
15 as follows:

16 **FOR THE STATE HEALTH CARE AUTHORITY**

17 During the 2015-2017 fiscal biennium, the health care authority
18 shall provide support and data as required by the office of the state
19 actuary in providing the legislature with health care actuarial
20 analysis, including providing any information in the possession of
21 the health care authority or available to the health care authority
22 through contracts with providers, plans, insurers, consultants, or
23 any other entities contracting with the health care authority.

24 Information technology projects or investments and proposed
25 projects or investments impacting time capture, payroll and payment
26 processes and systems, eligibility, case management, and
27 authorization systems within the health care authority are subject to
28 technical oversight by the office of the chief information officer.

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

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

8 The appropriations to the health care authority in this act shall
 9 be expended for the programs and in the amounts specified in this
 10 act. To the extent that appropriations in this section are
 11 insufficient to fund actual expenditures in excess of caseload
 12 forecasts and utilization assumptions, the authority, after May 1,
 13 (~~2016~~) 2017, may transfer general fund—state appropriations for
 14 fiscal year (~~2016~~) 2017 that are provided solely for a specified
 15 purpose. The authority shall not transfer funds, and the director of
 16 financial management shall not approve the transfer, unless the
 17 transfer is consistent with the objective of conserving, to the
 18 maximum extent possible, the expenditure of state funds. The director
 19 of financial management shall notify the appropriate fiscal
 20 committees of the senate and house of representatives in writing
 21 seven days prior to approving any allotment modifications or
 22 transfers under this subsection. The written notification shall
 23 include a narrative explanation and justification of the changes,
 24 along with expenditures and allotments by budget unit and
 25 appropriation, both before and after any allotment modifications or
 26 transfers.

27 (1) MEDICAL ASSISTANCE

28	General Fund—State Appropriation (FY 2016)	\$1,950,827,000
29	General Fund—State Appropriation (FY 2017).	(\$2,054,119,000)
30		<u>\$1,996,311,000</u>
31	General Fund—Federal Appropriation.	(\$11,217,550,000)
32		<u>\$11,024,458,000</u>
33	General Fund—Private/Local Appropriation.	(\$70,787,000)
34		<u>\$70,364,000</u>
35	Emergency Medical Services and Trauma Care Systems	
36	Trust Account—State Appropriation.	\$15,086,000
37	Hospital Safety Net Assessment Account—State	
38	Appropriation.	(\$689,942,000)
39		<u>\$686,952,000</u>

1	Medicaid Fraud Penalty Account—State Appropriation. . . .	\$18,491,000
2	Medical Aid Account—State Appropriation.	\$528,000
3	Dedicated Marijuana Account—State Appropriation	
4	(FY 2016).	\$7,791,000
5	Dedicated Marijuana Account—State Appropriation	
6	(FY 2017).	((\$12,979,000))
7		<u>\$14,133,000</u>
8	State Health Care Authority Administration Account—State	
9	Appropriation.	((\$106,000))
10		<u>\$75,000</u>
11	TOTAL APPROPRIATION.	((\$16,038,206,000))
12		<u>\$15,785,016,000</u>

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

15 (a) \$35,794,000 of the general fund—state appropriation for
16 fiscal year 2016 is provided solely for medicaid services based on
17 the February caseload and medicaid forecasts contingent upon: (i)
18 Transfer of the medicaid forecast function to the office of financial
19 management, by July 1, 2016; (ii) the authority executing necessary,
20 timely data sharing agreements with the office of the state actuary;
21 (iii) the authority providing support and data as required by the
22 office of the state actuary necessary in providing the legislature
23 with health care actuarial analysis, including providing any
24 information in the possession of the health care authority or
25 available to the health care authority through contracts with
26 providers, plans, insurers, consultants, or any other entities
27 contracting with the health care authority; (iv) transfer of the
28 administration of the managed care actuarial rate setting contract
29 from the authority to the office of financial management; and (v) the
30 authority consulting with the medical assistance forecast work group
31 prior to accepting the actuarial contractor's managed care rate
32 recommendations.

33 (b) ((~~\$121,599,000~~)) \$134,286,000 of the general fund—state
34 appropriation for fiscal year 2017 is provided solely for holding
35 medicaid managed care capitation rates flat at calendar year ((2016))
36 2017 levels in state fiscal year and calendar year 2017. To achieve
37 this target, the authority shall engage with a group composed of the
38 office of financial management, the medicaid forecast work group, and
39 the managed care plans on a range of strategies developed both by the

1 authority and the group. The authority shall obtain actuarial
2 analysis, support, and recommendations during this process, and the
3 state actuary shall obtain independent actuarial analysis. By August
4 1, 2016, the authority shall present the progress made on the
5 initiative to the joint select committee on health care, identifying
6 any possible changes in statute needed to achieve the goal and the
7 possible impacts on clients. The authority shall complete the plan
8 and report to the appropriate committees of the legislature by
9 October 1, 2016.

10 (c) \$1,894,672,000 of the general fund—state appropriation for
11 fiscal year 2016 and (~~(\$1,915,233,000)~~) \$1,849,137,000 of the general
12 fund—state appropriation for fiscal year 2017 are provided solely for
13 medicaid services and the medicaid program. However, the authority
14 shall not accept or expend any federal funds received under a
15 medicaid transformation demonstration waiver (~~(currently being~~
16 ~~sought)~~) under healthier Washington(~~(, except as described in (d)~~
17 ~~through (g) of this subsection, until)~~) unless specifically approved
18 and appropriated by the legislature.

19 (~~((d) No more than \$127,336,000 of the general fund federal~~
20 ~~appropriation may be expended for transformation through accountable~~
21 ~~communities of health described in initiative 1 of the medicaid~~
22 ~~transformation demonstration waiver currently being sought under~~
23 ~~healthier Washington, including preventing youth drug use. The~~
24 ~~authority shall not increase general fund state expenditures on this~~
25 ~~initiative. The authority shall report to the fiscal committees of~~
26 ~~the legislature all expenditures under this subsection and shall~~
27 ~~provide such fiscal data in the manner, form, and time requested by~~
28 ~~the legislative fiscal committees.~~

29 (~~(e) No more than \$5,223,000 of the general fund federal~~
30 ~~appropriation may be expended for tailored support for older adults~~
31 ~~and medicaid alternative care described in initiative 2 of the~~
32 ~~medicaid transformation demonstration waiver currently being sought~~
33 ~~under healthier Washington. The authority shall not increase general~~
34 ~~fund state expenditures on this initiative. The authority shall~~
35 ~~report to the fiscal committees of the legislature all expenditures~~
36 ~~under this subsection and shall provide such fiscal data in the~~
37 ~~manner, form, and time requested by the legislative fiscal~~
38 ~~committees.~~

1 ~~(f) No more than \$9,425,000 of the general fund federal~~
2 ~~appropriation may be expended for supportive housing services~~
3 ~~described in initiative 3(a) of the medicaid transformation~~
4 ~~demonstration waiver currently being sought under healthier~~
5 ~~Washington. The authority shall not increase general fund state~~
6 ~~expenditures on this initiative. The authority shall report to the~~
7 ~~fiscal committees of the legislature all expenditures under this~~
8 ~~subsection and shall provide such fiscal data in the manner, form,~~
9 ~~and time requested by the legislative fiscal committees.~~

10 ~~(g) No more than \$5,567,000 of the general fund federal~~
11 ~~appropriation may be expended for supportive employment services~~
12 ~~described in initiative 3(b) of the medicaid transformation~~
13 ~~demonstration waiver currently being sought under healthier~~
14 ~~Washington. The authority shall not increase general fund state~~
15 ~~expenditures on this initiative. The authority shall report to the~~
16 ~~fiscal committees of the legislature all expenditures under this~~
17 ~~subsection and shall provide such fiscal data in the manner, form,~~
18 ~~and time requested by the legislative fiscal committees.~~

19 ~~(h))~~ (d) Sufficient amounts are appropriated in this subsection
20 to implement the medicaid expansion as defined in the social security
21 act, section 1902(a)(10)(A)(i)(VIII).

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

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

1 ~~((k))~~ (g) In determining financial eligibility for medicaid-
2 funded services, the health care authority is authorized to disregard
3 recoveries by Holocaust survivors of insurance proceeds or other
4 assets, as defined in RCW 48.104.030.

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

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

13 ~~((n))~~ (j) \$4,261,000 of the general fund—state appropriation
14 for fiscal year 2016, \$4,261,000 of the general fund—state
15 appropriation for fiscal year 2017, and \$8,522,000 of the general
16 fund—federal appropriation are provided solely for low-income
17 disproportionate share hospital payments.

18 ~~((o))~~ (k) Within the amounts appropriated in this section, the
19 health care authority shall provide disproportionate share hospital
20 payments to hospitals that provide services to children in the
21 children's health program who are not eligible for services under
22 Title XIX or XXI of the federal social security act due to their
23 citizenship status.

24 ~~((p))~~ (l) \$6,000,000 of the general fund—federal appropriation
25 is provided solely for supplemental payments to nursing homes
26 operated by public hospital districts. The public hospital district
27 shall be responsible for providing the required nonfederal match for
28 the supplemental payment, and the payments shall not exceed the
29 maximum allowable under federal rules. It is the legislature's intent
30 that the payments shall be supplemental to and shall not in any way
31 offset or reduce the payments calculated and provided in accordance
32 with part E of chapter 74.46 RCW. It is the legislature's further
33 intent that costs otherwise allowable for rate-setting and settlement
34 against payments under chapter 74.46 RCW shall not be disallowed
35 solely because such costs have been paid by revenues retained by the
36 nursing home from these supplemental payments. The supplemental
37 payments are subject to retrospective interim and final cost
38 settlements based on the nursing homes' as-filed and final medicare
39 cost reports. The timing of the interim and final cost settlements

1 shall be at the health care authority's discretion. During either the
2 interim cost settlement or the final cost settlement, the health care
3 authority shall recoup from the public hospital districts the
4 supplemental payments that exceed the medicaid cost limit and/or the
5 medicare upper payment limit. The health care authority shall apply
6 federal rules for identifying the eligible incurred medicaid costs
7 and the medicare upper payment limit.

8 ~~((g))~~ (m) The health care authority shall continue the
9 inpatient hospital certified public expenditures program for the
10 2015-2017 fiscal biennium. The program shall apply to all public
11 hospitals, including those owned or operated by the state, except
12 those classified as critical access hospitals or state psychiatric
13 institutions. The health care authority shall submit reports to the
14 governor and legislature by November 1, 2015, and by November 1,
15 2016, that evaluate whether savings continue to exceed costs for this
16 program. If the certified public expenditures (CPE) program in its
17 current form is no longer cost-effective to maintain, the health care
18 authority shall submit a report to the governor and legislature
19 detailing cost-effective alternative uses of local, state, and
20 federal resources as a replacement for this program. During fiscal
21 year 2016 and fiscal year 2017, hospitals in the program shall be
22 paid and shall retain one hundred percent of the federal portion of
23 the allowable hospital cost for each medicaid inpatient fee-for-
24 service claim payable by medical assistance and one hundred percent
25 of the federal portion of the maximum disproportionate share hospital
26 payment allowable under federal regulations. Inpatient medicaid
27 payments shall be established using an allowable methodology that
28 approximates the cost of claims submitted by the hospitals. Payments
29 made to each hospital in the program in each fiscal year of the
30 biennium shall be compared to a baseline amount. The baseline amount
31 will be determined by the total of ~~((a))~~ (i) the inpatient claim
32 payment amounts that would have been paid during the fiscal year had
33 the hospital not been in the CPE program based on the reimbursement
34 rates developed, implemented, and consistent with policies approved
35 in the 2015-2017 biennial operating appropriations act and in effect
36 on July 1, 2015, ~~((b))~~ (ii) one-half of the indigent assistance
37 disproportionate share hospital payment amounts paid to and retained
38 by each hospital during fiscal year 2005, and ~~((c))~~ (iii) all of
39 the other disproportionate share hospital payment amounts paid to and
40 retained by each hospital during fiscal year 2005 to the extent the

1 same disproportionate share hospital programs exist in the 2015-2017
2 fiscal biennium. If payments during the fiscal year exceed the
3 hospital's baseline amount, no additional payments will be made to
4 the hospital except the federal portion of allowable disproportionate
5 share hospital payments for which the hospital can certify allowable
6 match. If payments during the fiscal year are less than the baseline
7 amount, the hospital will be paid a state grant equal to the
8 difference between payments during the fiscal year and the applicable
9 baseline amount. Payment of the state grant shall be made in the
10 applicable fiscal year and distributed in monthly payments. The
11 grants will be recalculated and redistributed as the baseline is
12 updated during the fiscal year. The grant payments are subject to an
13 interim settlement within eleven months after the end of the fiscal
14 year. A final settlement shall be performed. To the extent that
15 either settlement determines that a hospital has received funds in
16 excess of what it would have received as described in this
17 subsection, the hospital must repay the excess amounts to the state
18 when requested. \$14,014,000 of the general fund—state appropriation
19 for fiscal year 2016 and (~~(\$9,700,000)~~) \$4,901,000 of the general
20 fund—state appropriation for fiscal year 2017 are provided solely for
21 state grants for the participating hospitals.

22 (~~(+)~~) (n) The health care authority shall seek public-private
23 partnerships and federal funds that are or may become available to
24 provide on-going support for outreach and education efforts under the
25 federal children's health insurance program reauthorization act of
26 2009.

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

39 (~~(+)~~) (p) Within the amounts appropriated in this section, the
40 authority shall identify strategies to improve patient adherence to

1 treatment plans for diabetes and implement these strategies as a
2 pilot through one health home program to be identified by the
3 authority. The authority shall report to the governor and legislature
4 in December 2015 on patient outcomes and cost savings derived from
5 new adherence strategies in the health home model and make
6 recommendations for improving the strategies.

7 ~~((+u))~~ (q) Managed care contracts must incorporate
8 accountability measures that monitor patient health and improved
9 health outcomes, and shall include an expectation that each patient
10 receive a wellness examination that documents the baseline health
11 status and allows for monitoring of health improvements and outcome
12 measures.

13 ~~((+v))~~ (r) \$88,000 of the medicaid fraud penalty account—state
14 appropriation and \$567,000 of the general fund—federal appropriation
15 are provided solely to implement the conversion to the tenth version
16 of the world health organization's international classification of
17 diseases.

18 ~~((+w))~~ (s) Sufficient amounts are appropriated in this section
19 for the authority to provide an adult dental benefit.

20 ~~((+x))~~ (t) The health care authority shall coordinate with the
21 department of social and health services to provide referrals to the
22 Washington health benefit exchange for clients that will be
23 ineligible for medicaid.

24 ~~((+y))~~ (u) To facilitate a single point of entry across public
25 and medical assistance programs, and to maximize the use of federal
26 funding, the health care authority, the department of social and
27 health services, and the health benefit exchange will coordinate
28 efforts to expand HealthPlanfinder access to public assistance and
29 medical eligibility staff. No later than October 1, 2015, the health
30 care authority shall complete medicaid applications in the
31 HealthPlanfinder for households receiving or applying for medical
32 assistance benefits.

33 ~~((+z))~~ (v) \$90,000 of the general fund—state appropriation for
34 fiscal year 2016, \$90,000 of the general fund—state appropriation for
35 fiscal year 2017, and \$180,000 of the general fund—federal
36 appropriation are provided solely to continue operation by a
37 nonprofit organization of a toll-free hotline that assists families
38 to learn about and enroll in the apple health for kids program.

1 ~~((aa))~~ (w) The appropriations in this section reflect savings
2 and efficiencies by transferring children receiving medical care
3 provided through fee-for-service to medical care provided through
4 managed care.

5 ~~((bb))~~ (x) Within the amounts appropriated in this section, the
6 authority shall reimburse for primary care services provided by
7 naturopathic physicians.

8 ~~((cc))~~ (y) Within the amounts appropriated in this section, the
9 authority shall continue to provide coverage for pregnant teens that
10 qualify under existing pregnancy medical programs, but whose
11 eligibility for pregnancy related services would otherwise end due to
12 the application of the new modified adjusted gross income eligibility
13 standard.

14 ~~((dd))~~ (z) Sufficient amounts are appropriated in this section
15 to remove the mental health visit limit and to provide the shingles
16 vaccine and screening, brief intervention, and referral to treatment
17 benefits that are available in the medicaid alternative benefit plan
18 in the classic medicaid benefit plan.

19 ~~((ee))~~ (aa) \$227,000 of the general fund—state appropriation
20 for fiscal year 2016, \$461,000 of the general fund—state
21 appropriation for fiscal year 2017, and \$734,000 of the general fund—
22 federal appropriation are provided solely to implement Substitute
23 Senate Bill No. 5317 (enhanced autism screening - bright futures).

24 ~~((ff))~~ (bb) \$4,278,000 of the general fund—private/local
25 appropriation and \$9,835,000 of the general fund—federal
26 appropriation are provided solely to implement House Bill No. 2007
27 (emergency medical transportation).

28 ~~((gg))~~ (cc) Within amounts appropriated in this section, the
29 health care authority shall conduct a review of its adult dental
30 program in cooperation with and utilizing resources from Washington
31 dental services foundation. The authority shall develop a plan to
32 implement an expanded oral health care program for adults with
33 diabetes and pregnant women. A report summarizing the authority's
34 implementation plan and an estimation of cost savings must be
35 submitted to the governor and the appropriate committees of the
36 legislature by December 1, 2015.

37 ~~((hh))~~ (dd) No more than \$452,000 of the general fund—state
38 appropriation for fiscal year 2016 and no more than \$723,000 of the
39 general fund—state appropriation for fiscal year 2017 may be expended

1 for reimbursement for nonhospital based rural health clinics auditing
2 costs to complete annual payment reconciliations for calendar years
3 2011-2013 as required under 42 U.S.C. Sec. 1396a (bb)(5)(A). The
4 department shall use the agreed-upon procedures to complete the
5 reconciliations. Nonhospital-based clinics shall be reimbursed for
6 the cost of auditing using the agreed-upon procedures for payment
7 reconciliation for this time period only.

8 ~~((+ii))~~ (ee) The appropriations in this section represent a
9 transfer of expenditure authority of \$2,333,000 of the general fund—
10 federal appropriation for fiscal year 2016 and \$1,782,000 of the
11 general fund—federal appropriation for fiscal year 2017 to the office
12 of financial management to implement Engrossed Substitute Senate Bill
13 No. 5084 (all payer claims database).

14 ~~((+jj))~~ (ff) Pursuant to RCW 41.06.142(3), the authority shall
15 implement a pilot program within existing resources to understand the
16 nature and depth of potential fraud, waste, and abuse and the
17 creation of operational efficiencies within the provider and
18 beneficiary system. The pilot program shall examine streamlining
19 provider enrollment and compliance within the current affordable care
20 act screening requirements and include a post-enrollment review of
21 those currently enrolled in medicaid to determine if there have been
22 changes in demographics, including but not limited to becoming
23 deceased, incarcerated, or residing out of state. The pilot program
24 shall be conducted by the authority in partnership with a third-party
25 vendor that uses national public records data as well as provider-
26 specific data. The authority shall prepare a report to the governor
27 and legislative fiscal committees by December 15, 2015.

28 ~~((+kk))~~ (gg) Within amounts appropriated in this section, the
29 health care authority shall conduct a review of its federally
30 qualified health center encounter rates and rural health center
31 encounter rates in comparison to current uniform medical plan rates
32 for the same or similar services. The authority shall consult with
33 the centers for medicare and medicaid services to determine whether
34 federally qualified encounter rates may be adjusted to uniform
35 medical plan rates as a reasonable proxy to cost. The authority must
36 submit a report to the governor and the appropriate committees of the
37 legislature that includes which encounter rates exceed uniform
38 medical rates, the amount by which the rates are exceeded, and the
39 annual cost of paying above uniform medical rates. The report shall
40 also include the steps the authority has taken with the centers for

1 medicare and medicaid services to ensure that rates bear a reasonable
2 relationship to costs incurred by efficiently and economically
3 operated facilities, including whether uniform medical plan or
4 commercial rates may be considered a reasonable proxy to cost. The
5 report must be submitted by January 1, 2016. By September 15, 2016,
6 the authority is directed to directly consult with the centers for
7 medicaid and medicare services to determine whether federally
8 qualified encounter rates may be adjusted to uniform medical plan
9 rates as a reasonable proxy to cost and resubmit the report to
10 include the results of this consultation.

11 ~~((+ll+))~~ (hh) \$1,035,000 of the general fund—state appropriation
12 for fiscal year 2016, \$965,000 of the general fund—state
13 appropriation for fiscal year 2017, and \$1,846,000 of the general
14 fund—federal appropriation are provided solely for customer service
15 staff to reduce call wait times and improve the number of calls
16 answered by the authority.

17 ~~((+mm+))~~ (ii) \$386,000 of the general fund—state appropriation
18 for fiscal year 2016, \$361,000 of the general fund—state
19 appropriation for fiscal year 2017, and \$2,018,000 of the general
20 fund—federal appropriation are provided solely for additional staff
21 to support timely resolution of eligibility-related issues for
22 medicaid clients.

23 ~~((+nn+))~~ (jj)(i) \$123,000 of the general fund—state appropriation
24 for fiscal year 2016, \$118,000 of the general fund—state
25 appropriation for fiscal year 2017, \$48,000 of the state health care
26 authority administrative account—state appropriation, and \$312,000 of
27 the general fund—federal appropriation are provided solely to
28 establish the bleeding disorder collaborative for care.

29 (ii) The collaborative must consist of three representatives from
30 the authority, three representatives from the largest organization in
31 Washington representing patients with bleeding disorders, two
32 representatives from state designated bleeding disorder centers of
33 excellence, and two representatives of federally funded hemophilia
34 treatment centers based in Washington. The collaborative may invite
35 the participation of other persons with expertise that may assist the
36 collaborative in its responsibilities. The collaborative shall adopt
37 a transparent process that allows for public comment prior to the
38 final adoption of any evidence-based practice.

39 (iii) The collaborative shall:

1 (A) Identify and develop evidence-based practices to improve care
2 to patients with bleeding disorders with specific attention to health
3 care cost reduction. To the extent that evidence-based practices are
4 unavailable, the collaborative shall research and create the
5 practices or compile the necessary information. In the event that
6 research on evidence is incomplete, the collaborative may consider
7 research-based practices or emerging best practices;

8 (B) Make recommendations regarding the dissemination of the
9 evidence-based practices to relevant health care professionals and
10 support service providers and propose options for incorporating
11 evidence-based practices into their treatment regimens; and

12 (C) Assist the authority in the development of a cost-benefit
13 analysis regarding the use of evidence-based practices for specific
14 populations in state-purchased health care programs.

15 (iv) The authority shall report to the governor and the
16 legislature by September 1, 2016, regarding the evidence-based
17 practices that have been developed, the clinical and fiscal
18 implications of their implementation, and a strategy for
19 disseminating the practices and incorporating their use among health
20 care professionals in various state-financed health care programs.

21 ~~((+oo+))~~ (kk) The authority shall use revenue appropriated from
22 the dedicated marijuana fund for contracts with community health
23 centers under RCW 69.50.540 in lieu of general fund—state payments to
24 community health centers for services provided to medical assistance
25 clients, and it is the intent of the legislature that this policy
26 will be continued in subsequent fiscal biennia.

27 ~~((+pp+))~~ (ll) In collaboration with the state hospital
28 association, the authority shall develop and implement a process to
29 review hospital cost report information for new, in-state hospital
30 psychiatric inpatient services that have not had provider specific
31 costs and determine the hospital-specific per diem rate as currently
32 defined for existing providers of psychiatric inpatient services. As
33 a result of this action, the authority shall not incur expenditures
34 in the current biennium. The authority shall report to the office of
35 financial management and appropriate committees of the legislature
36 the following information no later than October 1, 2017:

37 (i) The number of potential new psychiatric beds;

38 (ii) The number of potential new psychiatric beds that were
39 previously designated as acute beds;

1 (iii) The total estimated costs for all new potential psychiatric
2 beds;

3 (iv) The potential savings or expenditures derived from change in
4 bed type usage; and

5 (v) The state fiscal years in which potential costs and savings
6 are likely to incur.

7 ~~((+qq+))~~ (mm) To further the goals of better care, better health
8 outcomes, and reduced per capita costs of health care, the authority
9 shall review its reimbursement methods and rates for births performed
10 at birth centers. The authority shall report to the governor and
11 appropriate committees of the legislature by October 15, 2016, with
12 recommendations for adjusting reimbursement methods and levels,
13 improving access to care, improving the cesarean section rate, and
14 savings options for utilizing birth centers as an alternative to
15 hospitals.

16 ~~((+rr+))~~ (nn) The authority shall submit reports to the governor
17 and the legislature by September 15, 2016, and by September 15, 2017,
18 that delineate the number of individuals in medicaid managed care, by
19 carrier, age, gender, and eligibility category, receiving
20 preventative services and vaccinations. The reports should include
21 baseline and benchmark information from the previous two fiscal years
22 and should be inclusive of, but not limited to, services recommended
23 under the United States preventative services task force, advisory
24 committee on immunization practices, early and periodic screening,
25 diagnostic, and treatment (EPSDT) guidelines, and other relevant
26 preventative and vaccination medicaid guidelines and requirements.

27 ~~((+ss+))~~ (oo) Within amounts appropriated in this section, the
28 authority shall implement Substitute Senate Bill No. 6430 (continuity
29 of care) to update the ProviderOne and HealthPlanFinder systems to
30 allow suspension rather than termination of medical assistance
31 benefits for persons who are incarcerated or committed to a state
32 hospital subject to the same conditions, limitations, and review
33 provided in section 705 (3) through (6), chapter 4, Laws of 2015 3rd
34 sp. sess. (Engrossed Substitute Senate Bill No. 6052).

35 ~~((+tt+))~~ (pp) Within amounts appropriated within this section,
36 the authority is directed to increase reimbursement rates for
37 licensed practical nurses and registered nurses providing skilled
38 nursing services in a home setting by \$10.00 per hour. This increase
39 shall be offset by decreases in inpatient hospitalization. The
40 authority is directed to work in collaboration with the home health

1 association and the Washington state hospital association to develop
2 a plan to show how improved access to home health nursing reduces
3 potentially preventable readmissions, increases access to care,
4 reduces hospital length of stay, and prevents overall hospital
5 admissions for clients receiving private-duty nursing, medically
6 intensive care, or home health benefits. The authority shall submit a
7 report to the governor and appropriate committees of the legislature
8 by December 15, 2016, with details of this plan.

9 ~~((uu))~~ (qq) The appropriations in this section include specific
10 funds for the purpose of implementing Engrossed Second Substitute
11 House Bill No. 2439 (youth mental health).

12 ~~((vv))~~ (rr) Within the amounts appropriated in this section,
13 the health care authority in cooperation with the Washington dental
14 services foundation, the Washington state dental association, and
15 other interested stakeholders shall develop a plan to increase access
16 to care by expanding the medicaid dental network through contracting
17 out the administration of the medicaid dental program. This plan
18 shall include but not be limited to engaging dental expertise in the
19 administration, improving the provider and patient experience,
20 aligning the benefit package with evidence-based care, and beginning
21 to test innovative models of delivery consistent with the goals of
22 the healthier Washington initiative. The authority shall also review
23 options to include contracting with one or more medicaid managed care
24 plans or a third-party administrator. The report summarizing the
25 authority's implementation plan and an estimate of the cost to
26 execute this plan must be submitted to the governor and the
27 appropriate committees of the legislature by December 1, 2016. The
28 plan shall not be implemented until specifically authorized by the
29 legislature.

30 ~~((ww))~~ (ss) \$608,000 of the general fund—state appropriation
31 for fiscal year 2017 is provided solely to implement the provider
32 access line (PAL) plus pilot program. For purposes of the PAL plus
33 pilot program, the authority shall work in collaboration with faculty
34 from the University of Washington working on the integration of
35 mental health and medical care.

36 (i) The PAL plus service is targeted to help children and
37 families with medicaid coverage who have mental health concerns not
38 already being served by the regional support network system or other
39 local specialty care providers, and who instead receive treatment
40 from their primary care providers. Services must be offered by

1 regionally based and multipractice shared mental health service
2 providers who deliver in person and over the telephone the following
3 services upon primary care request:

4 (A) Evaluation and diagnostic support;

5 (B) Individual patient care progress tracking;

6 (C) Behavior management coaching; and

7 (D) Other evidence supported psychosocial care supports which are
8 delivered as an early and easily accessed intervention for families.

9 (ii) The PAL team of child psychiatrists and psychologists shall
10 provide mental health service providers with training and support,
11 weekly care plan reviews and support on their caseloads, and direct
12 patient evaluations for selected enhanced assessments, and must
13 utilize a shared electronic reporting and tracking system to ensure
14 that children not improving are identified as such and helped to
15 receive additional services. The PAL team shall promote the
16 appropriate use of cognitive behavioral therapies and other
17 treatments which are empirically supported or evidence-based and
18 encourage providers to use psychotropic medications as a last resort.

19 (iii) The authority shall monitor PAL plus service outcomes,
20 including, but not limited to:

21 (A) Characteristics of the population being served;

22 (B) Process measures of service utilization;

23 (C) Behavioral health symptom rating scale outcomes of
24 individuals and aggregate rating scale outcomes of populations of
25 children served;

26 (D) Claims data comparison of implementation versus non-
27 implementation regions;

28 (E) Service referral patterns to local specialty mental health
29 care providers; and

30 (F) Family and provider feedback.

31 (iv) By December 31, 2017, the authority shall make a preliminary
32 evaluation of the viability of a statewide PAL plus service program
33 and report to the appropriate committees of the legislature, with a
34 final evaluation report due by December 31, 2018. The final report
35 must include recommendations on sustainability and leveraging funds
36 through behavioral health and managed care organizations.

37 (tt) \$400,000 of the general fund—state appropriation for fiscal
38 year 2017 is provided solely to increase payments for health home
39 services, and that is the maximum that may be expended in this fiscal
40 year for this purpose.

1 (2) PUBLIC EMPLOYEES BENEFITS BOARD AND EMPLOYEE BENEFITS
2 PROGRAMS

3 State Health Care Authority Administration Account—

4 State Appropriation. ((~~\$38,732,000~~))
5 \$35,671,000

6 The appropriation in this subsection is subject to the following
7 conditions and limitations:

8 (a) \$162,000 of the state health care authority administration
9 account—state appropriation is for the health care authority to work
10 with participating employers to minimize employer penalties that may
11 be incurred by employers not providing health benefit coverage for
12 part-time employees that are defined as full-time employees under the
13 employer shared responsibility provisions of the federal affordable
14 care act.

15 (b)(i) The state employer contribution for state employee
16 insurance benefits is reduced for fiscal year 2017 from \$894 per
17 month to \$888 per month. Reductions are achieved while maintaining
18 fully funded reserves through the use of accumulated surplus funds
19 due to reduced claims costs, and reduced litigation costs due to the
20 settlement of the litigation in the four *Moore, et al. v. Health Care*
21 *Authority* and the state of Washington cases. The authority is
22 required to review the effectiveness of the wellness program known as
23 smarthealth, and report to the appropriate committees of the
24 legislature on the effectiveness of the wellness program on a
25 quarterly basis beginning no later than June 30, 2016. The
26 effectiveness report shall include information on the contractors'
27 communication strategies, rates of employee engagement, and the
28 identification and quarterly measurement of employee wellness outcome
29 criteria, such as the rates of sick leave use and of improvements in
30 chronic medical conditions among wellness plan participants. Prior to
31 procuring contracts for health insurance and services for the 2017
32 calendar year, the authority shall also present the findings on the
33 effectiveness of the wellness plan, including per plan member and per
34 wellness plan-participant costs of the wellness program at a public
35 meeting of the public employees' benefits board.

36 (ii) The authority and the public employees' benefits board shall
37 consult with the Washington state institute for public policy on the
38 cost-effectiveness of the wellness plan and any changes to the plan

1 that can be made to increase the health care efficiency of the
2 wellness plan.

3 (iii) The authority and the public employees' benefits board
4 shall ensure that procurement for employee health benefits during the
5 2017-2019 fiscal biennium is consistent with the funding limitations
6 provided in sections 908 through 910 of this act.

7 (3) HEALTH BENEFIT EXCHANGE

8	General Fund—State Appropriation (FY 2016).	\$5,942,000
9	General Fund—State Appropriation (FY 2017).	\$5,184,000
10	General Fund—Federal Appropriation.	(\$49,410,000)
11		<u>\$47,986,000</u>
12	Health Benefit Exchange Account—State	
13	Appropriation.	(\$50,503,000)
14		<u>\$52,736,000</u>
15	TOTAL APPROPRIATION.	(\$111,039,000)
16		<u>\$111,848,000</u>

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

19 (a) The receipt and use of medicaid funds provided to the health
20 benefit exchange from the health care authority are subject to
21 compliance with state and federal regulations and policies governing
22 the Washington apple health programs, including timely and proper
23 application, eligibility, and enrollment procedures.

24 (b) \$4,755,000 of the health benefit exchange account—state
25 appropriation and \$5,069,000 of the general fund—federal
26 appropriation are provided solely for the customer service call
27 center.

28 (c) \$577,000 of the general fund—state appropriation for fiscal
29 year 2016, \$810,000 of the general fund—state appropriation for
30 fiscal year 2017, \$3,606,000 of the health benefit exchange account—
31 state appropriation, and \$1,389,000 of the general fund—federal
32 appropriation are provided solely for in-person assisters and
33 outreach to help individuals and families complete applications for
34 health coverage.

35 (d) \$1,417,000 of the health benefit exchange account—state
36 appropriation and \$8,218,000 of the general fund—federal
37 appropriation are provided solely to fund the design, development,

1 implementation, operation, and maintenance of the health benefit
2 exchange's information technology systems.

3 (e) The authority shall require the exchange to submit to the
4 authority and the appropriate committees of the legislature by
5 September 30, 2015, and September 30, 2016, a detailed report
6 including:

7 (i) Salaries of all current employees of the exchange, including
8 starting salary, any increases received, and the basis for any
9 increases; and

10 (ii) Salary, overtime, and compensation policies for staff of the
11 exchange.

12 (f) The authority shall require the exchange to submit to the
13 authority and the appropriate committees of the legislature on a
14 monthly basis:

15 (i) A report of all expenses; and

16 (ii) Beginning and ending fund balances, by fund source; and

17 (iii) Any contracts or contract amendments signed by the
18 exchange; and

19 (iv) An accounting of staff required to operate the exchange
20 broken out by full time equivalent positions, contracted employees,
21 temporary staff, and any other relevant designation that indicates
22 the staffing level of the exchange.

23 (g)(i) By July 31, 2016, the authority shall make a payment of
24 half the general fund—state appropriation for fiscal year 2017 and
25 half the health benefit exchange account—state appropriation to the
26 health benefit exchange. By January 31, 2017, the authority shall
27 make a payment of the remaining half of the general fund—state
28 appropriation for fiscal year 2017 and the remaining half of the
29 health benefit exchange account—state appropriation to the health
30 benefit exchange.

31 (ii) The exchange shall monitor actual to projected revenues and
32 make necessary adjustments in expenditures or carrier assessments to
33 ensure expenditures do not exceed actual revenues.

34 (iii) Payments made from general fund—state appropriation and
35 health benefit exchange account—state appropriation shall be
36 available for expenditure for no longer than the period of the
37 appropriation from which it was made. When the actual cost of
38 materials and services have been fully determined, and in no event
39 later than the lapsing of the appropriation, any unexpended balance

1 of the payment shall be returned to the authority for credit to the
2 fund or account from which it was made, and under no condition shall
3 expenditures exceed actual revenue.

4 (iv) As the state designated medicaid agency, the authority is
5 responsible for maximizing the recovery of federal medicaid dollars
6 and the timely application and follow-up for obtaining federal
7 approval of advanced planning documents (APD). The authority shall
8 work with the exchange to submit an APD that maximizes the recovery
9 of medicaid costs incurred by the exchange, including indirect
10 administrative and operational costs, no later than sixty days after
11 the enactment of the omnibus appropriations act each year.

12 (h) \$70,000 of the general fund—state appropriation for fiscal
13 year 2016, \$38,000 of the general fund—state appropriation for fiscal
14 year 2017, \$204,000 of the health benefit exchange account—state
15 appropriation, and \$110,000 of the general fund—federal appropriation
16 are provided solely for improvements to the health benefit exchange
17 financial system.

18 **Sec. 1214.** 2016 sp.s. c 36 s 214 (uncodified) is amended to read
19 as follows:

20 **FOR THE HUMAN RIGHTS COMMISSION**

21	General Fund—State Appropriation (FY 2016).	\$2,091,000
22	General Fund—State Appropriation (FY 2017).	((\$2,092,000))
23		<u>\$2,148,000</u>
24	General Fund—Federal Appropriation.	\$2,307,000
25	TOTAL APPROPRIATION.	((\$6,490,000))
26		<u>\$6,546,000</u>

27 **Sec. 1215.** 2016 sp.s. c 36 s 216 (uncodified) is amended to read
28 as follows:

29 **FOR THE CRIMINAL JUSTICE TRAINING COMMISSION**

30	General Fund—State Appropriation (FY 2016).	\$18,996,000
31	General Fund—State Appropriation (FY 2017).	((\$17,543,000))
32		<u>\$17,770,000</u>
33	General Fund—Private/Local Appropriation.	((\$4,745,000))
34		<u>\$4,963,000</u>
35	Death Investigations Account—State Appropriation.	\$148,000
36	24/7 Sobriety Account—State Appropriation.	\$30,000
37	Municipal Criminal Justice Assistance Account—	

1	State Appropriation.	\$460,000
2	Washington Auto Theft Prevention Authority Account—	
3	State Appropriation.	((\$7,668,000))
4		<u>\$7,632,000</u>
5	TOTAL APPROPRIATION.	((\$49,590,000))
6		<u>\$49,999,000</u>

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

9 (1) \$5,000,000 of the general fund—state appropriation for fiscal
10 year 2016 and \$5,000,000 of the general fund—state appropriation for
11 fiscal year 2017, are provided to the Washington association of
12 sheriffs and police chiefs solely to verify the address and residency
13 of registered sex offenders and kidnapping offenders under RCW
14 9A.44.130. The association may use no more than \$50,000 per fiscal
15 year of the amounts provided on program management activities.

16 (2) \$605,280 of the general fund—local appropriation is provided
17 solely to purchase ammunition for the basic law enforcement academy.
18 Jurisdictions shall reimburse to the criminal justice training
19 commission the costs of ammunition, based on the average cost of
20 ammunition per cadet, for cadets that they enroll in the basic law
21 enforcement academy.

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

24 (4) \$100,000 of the general fund—state appropriation for fiscal
25 year 2016 and \$100,000 of the general fund—state appropriation for
26 fiscal year 2017 are provided solely for a school safety program. The
27 commission, in collaboration with the school safety center advisory
28 committee, shall provide the school safety training for all school
29 administrators and school safety personnel hired after the effective
30 date of this section.

31 (5) \$96,000 of the general fund—state appropriation for fiscal
32 year 2016 and \$96,000 of the general fund—state appropriation for
33 fiscal year 2017 are provided solely for the school safety center
34 within the commission. The safety center shall act as an information
35 dissemination and resource center when an incident occurs in a school
36 district in Washington or in another state, coordinate activities
37 relating to school safety, and review and approve manuals and
38 curricula used for school safety models and training. Through an
39 interagency agreement, the commission shall provide funding for the

1 office of the superintendent of public instruction to continue to
2 develop and maintain a school safety information web site. The school
3 safety center advisory committee shall develop and revise the
4 training program, using the best practices in school safety, for all
5 school safety personnel. The commission shall provide research-
6 related programs in school safety and security issues beneficial to
7 both law enforcement and schools.

8 (6) \$123,000 of the general fund—state appropriation for fiscal
9 year 2016 and \$123,000 of the general fund—state appropriation for
10 fiscal year 2017 are provided solely for the costs of providing
11 statewide advanced driving training with the use of a driving
12 simulator.

13 (7) \$644,000 of the general fund—state appropriation for fiscal
14 year 2016 and \$595,000 of the general fund—state appropriation for
15 fiscal year 2017 are provided solely for implementation of Second
16 Substitute Senate Bill No. 5311 (crisis intervention training).

17 (8) \$250,000 of the general fund—state appropriation for fiscal
18 year 2016 and \$250,000 of the general fund—state appropriation for
19 fiscal year 2017 are provided solely for the criminal justice
20 training commission to develop and deliver research-based programs to
21 instruct, guide, and support local law enforcement agencies in
22 fostering the "guardian philosophy" of policing, which emphasizes de-
23 escalating conflicts and reducing the use of force.

24 (9) \$429,000 of the general fund—state appropriation for fiscal
25 year 2016 and \$429,000 of the general fund—state appropriation for
26 fiscal year 2017 are provided solely for deposit into the
27 nonappropriated Washington internet crimes against children account
28 for the implementation of Second Substitute Senate Bill No. 5215
29 (internet crimes against children).

30 (10) \$300,000 of the general fund—state appropriation for fiscal
31 year 2017 is provided solely to the Washington association of
32 sheriffs and police chiefs to fund pilot projects for law enforcement
33 agencies in Spokane, Spokane Valley, and Spokane County to set up
34 auto theft task forces in high risk locations and increase the use of
35 teams devoted to combating residential burglary.

36 (11) \$5,000 of the general fund—state appropriation for fiscal
37 year 2017 is provided solely for the purpose of implementing House
38 Bill No. 1448 (suicide threat response).

1 **Sec. 1216.** 2016 sp.s. c 36 s 217 (uncodified) is amended to read
2 as follows:

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

4	General Fund—State Appropriation (FY 2016).	\$16,307,000
5	General Fund—State Appropriation (FY 2017).	\$17,611,000
6	General Fund—Federal Appropriation.	\$11,876,000
7	Asbestos Account—State Appropriation.	\$1,177,000
8	Electrical License Account—State Appropriation.	\$48,157,000
9	Farm Labor Contractor Account—State Appropriation.	\$28,000
10	Worker and Community Right-to-Know Account—	
11	State Appropriation.	\$972,000
12	Public Works Administration Account—State	
13	Appropriation.	\$7,629,000
14	Manufactured Home Installation Training Account—	
15	State Appropriation.	\$355,000
16	Accident Account—State Appropriation.	\$281,472,000
17	Accident Account—Federal Appropriation.	(\$13,626,000)
18		<u>\$14,873,000</u>
19	Medical Aid Account—State Appropriation.	\$296,297,000
20	Medical Aid Account—Federal Appropriation.	(\$3,186,000)
21		<u>\$3,712,000</u>
22	Plumbing Certificate Account—State Appropriation.	\$1,783,000
23	Pressure Systems Safety Account—State	
24	Appropriation.	\$4,250,000
25	TOTAL APPROPRIATION.	(\$704,726,000)
26		<u>\$706,499,000</u>

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

29 (1) \$250,000 of the general fund—state appropriation for fiscal
30 year 2016 and \$250,000 of the general fund—state appropriation for
31 fiscal year 2017 are provided solely for implementation of chapter
32 100, Laws of 2015 (Substitute Senate Bill No. 5897).

33 (2) \$2,300,000 of the medical aid account—state appropriation is
34 provided solely for implementation of chapter 137, Laws of 2015
35 (Substitute House Bill No. 1496).

36 (3) \$494,000 of the medical aid account—state appropriation and
37 \$1,580,000 of the accident fund—state appropriation are provided
38 solely for continuation of the logger safety initiative.

1 (4) \$4,923,000 of the medical aid account—state appropriation and
2 \$4,924,000 of the accident fund—state appropriation are provided
3 solely for the first phase of the department's plan to replace its
4 labor and industries industrial insurance information technology
5 system subject to the same conditions, limitations, and review
6 provided in section 705 (3) through (6) of this act.

7 (5) \$3,548,000 of the electrical license account—state
8 appropriation is provided solely for the department to develop a
9 modern and mobile information technology system for its electrical
10 inspection program subject to the same conditions, limitations, and
11 review provided in section 705 (3) through (6) of this act.

12 (6) The department is directed under RCW 39.12.070 to adjust its
13 fee schedule for statements of intent to pay prevailing wages and
14 certification of affidavits of wages paid to remove or lower fees for
15 contractors and subcontractors whose contract amounts are less than
16 seven hundred fifty dollars beginning on January 1, 2016.

17 (7) \$140,000 of the public works administration account—state
18 appropriation is provided solely for implementation of chapter 40,
19 Laws of 2015 3rd sp. sess. to create an electronic option for
20 employers to submit prevailing wage surveys.

21 (8) \$640,000 of the medical aid account—state appropriation is
22 provided solely for a pilot program under which the department
23 partners with an experienced firm or firms to manage care involving
24 catastrophically injured workers.

25 (a) For each injured worker referred by the department the firm
26 must propose a contract identifying a case outcome, the treatment
27 needed to achieve it, and a fixed price for doing so.

28 (b) If the department agrees to the contract: (i) The firm must
29 assume responsibility at the fixed price for the medical management
30 and may include all medical costs until the outcome is achieved; (ii)
31 the department retains the authority to approve or deny particular
32 treatments; and (iii) the department retains the responsibility to
33 accept and pay providers' actual bills, and the firm's compensation
34 will be the difference between the fixed price and actual medical
35 costs, if the firm chooses to propose a contract that includes
36 medical costs.

37 (c) The department must contract with the firm or firms to manage
38 at least twelve catastrophic cases each fiscal year, starting in
39 fiscal year 2017, provided there is at least that many cases where:

1 (i) An injured worker elects to be served by the firm; and (ii) the
2 fixed price proposed by the firm is lower than the amount the
3 department would pay to achieve the identified outcome if it did not
4 contract with the firm.

5 (d) The department must provide a written report on the pilot
6 program to the appropriate committees of the legislature in December
7 2016 and annually through December 2019 or the last December
8 following termination of the contacts by the firm or firms or
9 department.

10 (9) \$1,130,000 of the public works administration account—state
11 appropriation is provided solely for the department's prevailing wage
12 technology project subject to the same conditions, limitations, and
13 review provided in section 705 (3) through (6), chapter 4, Laws of
14 2015 3rd sp. sess. (Engrossed Substitute Senate Bill No. 6052).

15 (10) \$738,000 of the medical aid account—state appropriation is
16 provided solely to expand the use of evidence-based best practices to
17 reduce the risk of long-term disabilities among injured workers. By
18 December 1, 2016, the department must report to the appropriate
19 committees of the legislature with performance measures and metrics
20 to be used to evaluate whether the funded activities are improving
21 care and outcomes for injured workers.

22 **Sec. 1217.** 2016 sp.s. c 36 s 218 (uncodified) is amended to read
23 as follows:

24 **FOR THE DEPARTMENT OF VETERANS AFFAIRS**

25 (1) HEADQUARTERS

26	General Fund—State Appropriation (FY 2016).	\$1,810,000
27	General Fund—State Appropriation (FY 2017).	\$2,662,000
28	Charitable, Educational, Penal, and Reformatory 29 Institutions Account—State Appropriation.	\$10,000
30	TOTAL APPROPRIATION.	\$4,482,000

31 (2) FIELD SERVICES

32	General Fund—State Appropriation (FY 2016).	\$5,465,000
33	General Fund—State Appropriation (FY 2017).	\$5,526,000
34	General Fund—Federal Appropriation.	\$3,628,000
35	General Fund—Private/Local Appropriation.	\$4,622,000
36	Veteran Estate Management Account—Private/Local 37 Appropriation.	\$623,000

1 TOTAL APPROPRIATION. \$19,864,000

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

4 (a) \$300,000 of the general fund—state appropriation for fiscal
5 year 2016 and \$300,000 of the general fund—state appropriation for
6 fiscal year 2017 are provided solely to provide crisis and emergency
7 relief and education, training, and employment assistance to veterans
8 and their families in their communities through the veterans
9 innovation program.

10 (b) The creation of an automated exchange of information between
11 the federal department of defense, federal veterans administration,
12 and the Washington department of veterans affairs is the sole project
13 for the Washington department of veterans affairs in the information
14 technology pool. Ongoing funding may be provided for staffing,
15 training, and subscription costs associated with a web-based software
16 tool that has been configured to meet the business requirements of
17 the Washington department of veterans affairs. Additional information
18 technology projects, such as the complete automation of the
19 Washington department of veterans affairs business processes through
20 an enterprise case management system, are subject to future funding
21 decisions by the legislature. The conditions and limitations in this
22 subsection apply only if the specified project is funded from the
23 information technology pool.

24 (3) INSTITUTIONAL SERVICES

25	General Fund—State Appropriation (FY 2016).	\$697,000
26	General Fund—State Appropriation (FY 2017).	(\$796,000)
27		<u>\$3,299,000</u>
28	General Fund—Federal Appropriation.	\$80,104,000
29	General Fund—Private/Local Appropriation.	\$29,781,000
30	TOTAL APPROPRIATION.	(\$111,378,000)
31		<u>\$113,881,000</u>

32 **Sec. 1218.** 2016 sp.s. c 36 s 219 (uncodified) is amended to read
33 as follows:

34 **FOR THE DEPARTMENT OF HEALTH**

35	General Fund—State Appropriation (FY 2016).	\$57,958,000
36	General Fund—State Appropriation (FY 2017).	\$60,149,000
37	General Fund—Federal Appropriation.	(\$564,025,000)
38		<u>\$540,675,000</u>

1	General Fund—Private/Local Appropriation.	((\$151,242,000))
2		<u>\$179,242,000</u>
3	Hospital Data Collection Account—State Appropriation.	\$331,000
4	Health Professions Account—State Appropriation.	\$120,788,000
5	Aquatic Lands Enhancement Account—State Appropriation.	\$615,000
6	Emergency Medical Services and Trauma Care Systems	
7	Trust Account—State Appropriation.	\$9,226,000
8	Safe Drinking Water Account—State Appropriation.	\$6,934,000
9	Drinking Water Assistance Account—Federal	
10	Appropriation.	\$17,364,000
11	Waterworks Operator Certification—State	
12	Appropriation.	\$1,606,000
13	Drinking Water Assistance Administrative Account—	
14	State Appropriation.	((\$357,000))
15		<u>\$610,000</u>
16	Site Closure Account—State Appropriation.	\$162,000
17	Biotoxin Account—State Appropriation.	\$1,894,000
18	State Toxics Control Account—State Appropriation.	\$4,037,000
19	Medical Test Site Licensure Account—State	
20	Appropriation.	\$2,516,000
21	Youth Tobacco Prevention Account—State Appropriation.	\$2,962,000
22	Public Health Supplemental Account—Private/Local	
23	Appropriation.	\$3,244,000
24	Accident Account—State Appropriation.	\$324,000
25	Medical Aid Account—State Appropriation.	\$53,000
26	Medicaid Fraud Penalty Account—State	
27	Appropriation.	\$994,000
28	Dedicated Marijuana Account—State	
29	Appropriation (FY 2016).	\$7,500,000
30	Dedicated Marijuana Account—State	
31	Appropriation (FY 2017).	\$7,500,000
32	TOTAL APPROPRIATION.	((\$1,021,781,000))
33		<u>\$1,026,684,000</u>

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

36 (1) The department of health shall not initiate any services that
37 will require expenditure of state general fund moneys unless
38 expressly authorized in this act or other law. The department of

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

20 (2) \$130,000 of the health professions state account—state
21 appropriation is provided solely for implementation of chapter 118,
22 Laws of 2015 (applied behavior analysis).

23 (3) \$38,000 of the general fund—state appropriation for fiscal
24 year 2016 and \$38,000 of the general fund—state appropriation for
25 fiscal year 2017 are provided solely for the department of health,
26 the department of social and health services, and the health care
27 authority to continue to collaborate to submit a coordinated report
28 on diabetes to the governor and appropriate committees of the
29 legislature by June 30, 2017. The report on diabetes must include the
30 following:

31 (a) An analysis of the financial impact and reach that diabetes
32 of all types is having on programs administered by each agency and
33 individuals enrolled in those programs, including:

34 (i) The number of individuals with diabetes that are impacted or
35 covered by these programs;

36 (ii) The number of family members of individuals with diabetes
37 that are impacted by these programs;

1 (iii) The financial toll or impact that diabetes and its
2 complications places on these programs, and how the financial toll or
3 impact compares to that of other chronic diseases and conditions;

4 (b) An assessment of the benefits of programs and activities
5 implemented by the agencies to control and prevent diabetes,
6 including documentation of the amount and source of the agencies'
7 funding for these programs and activities;

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

12 (d) The development of or revision to each agency's action plan
13 for addressing the impact of diabetes together with a range of
14 actionable items for either each agency or consideration by the
15 legislature, or both. The plans must, at a minimum:

16 (i) Identify proposed action steps to reduce the impact of
17 diabetes, prediabetes, and related diabetes complications, especially
18 for medicaid populations;

19 (ii) Identify expected outcomes in subsequent biennia; and

20 (iii) Establish benchmarks for controlling and preventing
21 relevant forms of diabetes and appropriate measures for success;

22 (e) An estimate of the costs, return on investment, and resources
23 required to implement the plans identified in subsection (d) of this
24 section.

25 (4) \$30,000 of the medicaid fraud penalty account—state
26 appropriation is provided solely for implementation of chapter 259,
27 Laws of 2015 (prescription drug monitoring).

28 (5) \$4,015,000 of the health professions account—state
29 appropriation is provided solely for implementation of chapter 70,
30 Laws of 2015 (cannabis patient protection).

31 (6) \$7,250,000 of the dedicated marijuana account—state
32 appropriation for fiscal year 2016 and \$7,250,000 of the dedicated
33 marijuana account—state appropriation for fiscal year 2017 are
34 provided solely for a marijuana education and public health program
35 and for tobacco prevention activities that target youth and
36 populations with a high incidence of tobacco use.

37 (7) \$250,000 of the dedicated marijuana account—state
38 appropriation for fiscal year 2016 and \$250,000 of the dedicated
39 marijuana account—state appropriation for fiscal year 2017 are

1 provided solely for a contract with the Washington poison center to
2 help maintain national accreditation standards.

3 (8) \$65,000 of the general fund—state appropriation for fiscal
4 year 2016 and \$65,000 of the general fund—state appropriation for
5 fiscal year 2017 are provided solely for the midwifery licensure and
6 regulatory program to supplement revenue from fees. The department
7 shall charge no more than five hundred twenty-five dollars annually
8 for new or renewed licenses for the midwifery program.

9 (9) During the 2015-2017 fiscal biennium, each person subject to
10 RCW 43.70.110(3)(c) is required to pay only one surcharge of up to
11 twenty-five dollars annually for the purposes of RCW 43.70.112,
12 regardless of how many professional licenses the person holds.

13 (10)(a) Within existing resources, the department of health shall
14 compile a report on ambulatory surgical facilities to be submitted to
15 the appropriate committees of the legislature by January 1, 2016. The
16 report shall determine:

17 (i) How many ambulatory centers are currently functioning in the
18 state;

19 (ii) How many cases these centers receive annually;

20 (iii) How many of these centers are medicare certified;

21 (iv) How many of these centers are not medicare certified; and

22 (v) How many are also certified by an accrediting organization.

23 (b) The department shall not increase current annual fees for new
24 or renewed licenses for ambulatory surgical facilities during the
25 2015-2017 fiscal biennium.

26 (11)(a) The pharmacy quality assurance commission shall engage in
27 a stakeholder process to develop statutory standards and protocols
28 specific to long-term care pharmacies and shall submit the proposed
29 statute to the senate health care committee and house health care and
30 wellness committee no later than November 15, 2015.

31 (b) When inspecting and reviewing long-term care pharmacies, the
32 pharmacy quality assurance commission and the department of health
33 shall recognize the applicability of medication orders in long-term
34 care facilities and recognize the essential relationship between the
35 practitioner, the long-term care facility registered nurse, and the
36 pharmacist in conveying chart orders to the long-term care pharmacy.

37 (12) \$52,000 of the health professions account—state
38 appropriation is provided solely for implementation of chapter 159,
39 Laws of 2015 (victim interviews training).

1 (13) Information technology projects or investments and proposed
2 projects or investments impacting time capture, payroll and payment
3 processes and systems, eligibility, case management, and
4 authorization systems within the department of health are subject to
5 technical oversight by the office of the chief information officer.

6 ~~((14))~~ ~~(\$1,923,000 of the state toxics control account—state~~
7 ~~appropriation is provided solely for implementation of Engrossed~~
8 ~~Second Substitute House Bill No. 1472 (chemical action plans), Second~~
9 ~~Substitute Senate Bill No. 5056 (safer chemicals/action plans),~~
10 ~~Substitute Senate Bill No. 6131 (safer chemicals), or any of these.~~
11 ~~Within the amount provided in this subsection, \$1,554,000 is provided~~
12 ~~solely for the department to conduct biomonitoring studies. If none~~
13 ~~of these bills is enacted by July 10, 2015, the amount provided in~~
14 ~~this subsection shall lapse.~~

15 ~~(15))~~ \$123,000 of the general fund—state appropriation for
16 fiscal year 2016 and \$123,000 of the general fund—state appropriation
17 for fiscal year 2017 are provided solely for the department of health
18 to support Washington's healthiest next generation efforts by
19 partnering with the office of the superintendent of public
20 instruction, department of early learning, and other public and
21 private partners as appropriate.

22 ~~((16))~~ (15) \$230,000 of the general fund—state appropriation
23 for fiscal year 2017 is provided solely for the implementation of
24 Engrossed Second Substitute Senate Bill No. 6534 (maternal mortality
25 review). ~~((If this bill is not enacted by June 30, 2016, the amount~~
26 ~~provided in this subsection shall lapse.~~

27 ~~(17))~~ (16) Within the amounts appropriated from the health
28 professions account—state appropriation, the department must manage
29 its pending rule-making process related to the educational and
30 training requirements for chemical dependency professionals to
31 complete the rule-making by June 30, 2016.

32 ~~((18))~~ (17) Within the amounts appropriated in this section,
33 the department must implement the 2014 Washington state hepatitis
34 strategic plan, including but not limited to the implementation of
35 the centers for disease control and prevention hepatitis C screening
36 guidelines for persons born between 1945-1965 and other high risk
37 groups, hepatitis C prevention, and hepatitis C case management.

1 ~~((19))~~ (18) The appropriations in this section include
2 sufficient funding for the implementation of Substitute Senate Bill
3 No. 5778 (ambulatory surgical centers).

4 ~~((20))~~ (19) The appropriations in this section include
5 sufficient funding for the implementation of Senate Bill No. 5689
6 (diabetes epidemic).

7 ~~((21))~~ (20) \$26,000 of the medicaid fraud penalty account—state
8 appropriation is provided solely for the implementation of Substitute
9 House Bill No. 2730 (prescription monitoring program). ~~((If the bill
10 is not enacted by June 30, 2016, the amount provided in this
11 subsection shall lapse.~~

12 ~~(22))~~ (21) \$21,000 of the general fund—state appropriation for
13 fiscal year 2017 is provided solely for the implementation of
14 Substitute Senate Bill No. 6421 (epinephrine autoinjectors). ~~((If the
15 bill is not enacted by June 30, 2016, the amount in this subsection
16 shall lapse.~~

17 ~~(23))~~ (22) \$49,000 of the general fund—state appropriation for
18 fiscal year 2017 is provided solely for the department to convene a
19 task force on patient out-of-pocket costs.

20 (a) By July 1, 2016, the department shall convene the task force,
21 and the department shall coordinate the task force meetings. The task
22 force shall include representatives from all participants with a role
23 in determining prescription drug costs and out-of-pocket costs for
24 patients, such as, but not limited to the following: Patient groups;
25 insurance carriers operating in the state; pharmaceutical companies;
26 prescribers; pharmacists; pharmacy benefit managers; hospitals; the
27 office of the insurance commissioner; the health care authority and
28 other purchasers; the office of financial management; unions; Taft-
29 Hartley trusts; a business association; and biotechnology.

30 (b) Letters of interest from potential participants shall be
31 submitted to the department, and the secretary, or his or her
32 designee, shall invite representatives of interested groups to
33 participate in the task force.

34 (c) The task force shall evaluate factors contributing to the
35 out-of-pocket costs for patients, particularly in the first quarter
36 of each year, including but not limited to prescription drug cost
37 trends and plan benefit design.

38 (d) The task force shall consider patient treatment adherence and
39 the impacts on chronic illness and acute disease, with consideration

1 of the long-term outcomes and costs for the patient. The discussion
2 must also consider the impact when patients cannot maintain access to
3 their prescription drugs and the implications of adverse health
4 impacts including the potential need for more expensive medical
5 interventions or hospitalizations and the impact on the workforce
6 regarding the loss of productivity. The discussion must also consider
7 the impact of the factors on the affordability of health care
8 coverage.

9 (e) The task force recommendations, or a summary of the
10 discussions, must be provided to the appropriate committees of the
11 legislature by December 1, 2016.

12 ~~((+24))~~ (23) Recognizing the financial challenges faced by the
13 public health system, which comprises state and local entities, and
14 the impact that those financial challenges have had on the system's
15 ability to deliver essential public health services throughout the
16 state, the legislature directs the department and local public health
17 jurisdictions, within amounts appropriated in this section, to
18 provide a proposal outlining a plan for implementing foundational
19 public health services statewide to modernize, streamline, and fund a
20 twenty-first century public health system in Washington state.
21 Current fees that support the work of public health should be
22 reviewed, and the proposal should identify those fees that are not
23 currently supplying adequate revenue to maintain compliance or
24 enforcement. The first report regarding the proposal is due to the
25 appropriate committees of the legislature no later than December 1,
26 2016, and subsequent reports shall be submitted biennially,
27 thereafter.

28 ~~((+25))~~ (24) \$1,681,000 of the youth tobacco prevention account—
29 state appropriation is provided solely for the implementation of
30 Engrossed Substitute Senate Bill No. 6328 (vapor products). ~~((If the
31 bill is not enacted by June 30, 2016, the amount provided in this
32 subsection shall lapse.~~

33 ~~(+26))~~ (25) \$160,000 of the health professions state account—
34 state appropriation is provided solely for the implementation of
35 Substitute Senate Bill No. 6558 (hospital pharmacy license). ~~((If the
36 bill is not enacted by June 30, 2016, the amount provided in this
37 subsection shall lapse.~~

38 ~~(+27))~~ (26) \$100,000 of the general fund—state appropriation for
39 fiscal year 2017 is provided solely for the implementation of

1 Engrossed Second Substitute House Bill No. 2793 (suicide education).
2 ((If the bill is not enacted by June 30, 2016, the amount provided in
3 this subsection shall lapse.))

4 **Sec. 1219.** 2016 sp.s. c 36 s 220 (uncodified) is amended to read
5 as follows:

6 **FOR THE DEPARTMENT OF CORRECTIONS**

7 The appropriations to the department of corrections in this act
8 shall be expended for the programs and in the amounts specified in
9 this act. However, after May 1, ((2016)) 2017, after approval by the
10 director of financial management and unless specifically prohibited
11 by this act, the department may transfer general fund—state
12 appropriations for fiscal year ((2016)) 2017 between programs. The
13 department may not transfer funds, and the director of financial
14 management may not approve the transfer, unless the transfer is
15 consistent with the objective of conserving, to the maximum extent
16 possible, the expenditure of state funds. The director of financial
17 management shall notify the appropriate fiscal committees of the
18 senate and house of representatives in writing seven days prior to
19 approving any deviations from appropriation levels. The written
20 notification must include a narrative explanation and justification
21 of the changes, along with expenditures and allotments by budget unit
22 and appropriation, both before and after any allotment modifications
23 or transfers.

24 (1) ADMINISTRATION AND SUPPORT SERVICES

25	General Fund—State Appropriation (FY 2016).	\$59,179,000
26	General Fund—State Appropriation (FY 2017).	((\$59,907,000))
27		<u>\$59,842,000</u>
28	TOTAL APPROPRIATION.	((\$119,086,000))
29		<u>\$119,021,000</u>

30 The appropriations in this subsection are subject to the
31 following conditions and limitations: \$35,000 of the general fund—
32 state appropriation for fiscal year 2016 and \$35,000 of the general
33 fund—state appropriation for fiscal year 2017 are provided solely for
34 the support of a statewide council on mentally ill offenders that
35 includes as its members representatives of community-based mental
36 health treatment programs, current or former judicial officers, and
37 directors and commanders of city and county jails and state prison
38 facilities. The council will investigate and promote cost-effective

1 approaches to meeting the long-term needs of adults and juveniles
2 with mental disorders who have a history of offending or who are at-
3 risk of offending, including their mental health, physiological,
4 housing, employment, and job training needs.

5 (2) CORRECTIONAL OPERATIONS

6	General Fund—State Appropriation (FY 2016).	\$607,084,000
7	General Fund—State Appropriation (FY 2017).	(((\$630,422,000))
8		<u>\$627,861,000</u>
9	General Fund—Federal Appropriation.	\$1,892,000
10	Washington Auto Theft Prevention Authority Account—	
11	State Appropriation.	\$6,812,000
12	State Toxics Control Account—State Appropriation.	\$400,000
13	TOTAL APPROPRIATION.	(((\$1,246,610,000))
14		<u>\$1,244,049,000</u>

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

17 (a) During the 2015-2017 fiscal biennium, when contracts are
18 established or renewed for offender pay phone and other telephone
19 services provided to inmates, the department shall select the
20 contractor or contractors primarily based on the following factors:
21 (i) The lowest rate charged to both the inmate and the person paying
22 for the telephone call; and (ii) the lowest commission rates paid to
23 the department, while providing reasonable compensation to cover the
24 costs of the department to provide the telephone services to inmates
25 and provide sufficient revenues for the activities funded from the
26 institutional welfare betterment account.

27 (b) The department may contract for up to 300 beds statewide to
28 the extent that it is at no net cost to the department. The
29 department shall calculate and report the average cost per offender
30 per day, inclusive of all services, on an annual basis for a facility
31 that is representative of average medium or lower offender costs. The
32 duration of the contracts may be for up to four years. The department
33 shall not pay a rate greater than \$65 per day per offender for all
34 costs associated with the offender while in the local correctional
35 facility to include programming and health care costs, or the
36 equivalent of \$65 per day per bed including programming and health
37 care costs for full units. The capacity provided at local
38 correctional facilities must be for offenders whom the department of
39 corrections defines as medium or lower security offenders.

1 Programming provided for inmates held in local jurisdictions is
2 included in the rate, and details regarding the type and amount of
3 programming, and any conditions regarding transferring offenders must
4 be negotiated with the department as part of any contract. Local
5 jurisdictions must provide health care to offenders that meet
6 standards set by the department. The local jail must provide all
7 medical care including unexpected emergent care. The department must
8 utilize a screening process to ensure that offenders with existing
9 extraordinary medical/mental health needs are not transferred to
10 local jail facilities. If extraordinary medical conditions develop
11 for an inmate while at a jail facility, the jail may transfer the
12 offender back to the department, subject to terms of the negotiated
13 agreement. Health care costs incurred prior to transfer are the
14 responsibility of the jail.

15 (c) \$501,000 of the general fund—state appropriation for fiscal
16 year 2016 and \$501,000 of the general fund—state appropriation for
17 fiscal year 2017 are provided solely for the department to maintain
18 the facility, property, and assets at the institution formerly known
19 as the maple lane school in Rochester. The department may not house
20 incarcerated offenders at the maple lane site until specifically
21 directed to do so by the legislature.

22 (d) \$479,000 of the general fund—state appropriation for fiscal
23 year 2016, and (~~(\$1,379,000)~~) \$758,000 of the general fund—state
24 appropriation for fiscal year 2017 are provided solely for the
25 department to contract with Yakima county for the use of inmate bed
26 capacity in lieu of prison beds operated by the state to meet prison
27 capacity needs.

28 (e) The department shall review its policies and procedures for
29 overtime usage throughout its prison custody system to identify
30 efficiencies and best practices that will control costs. The
31 department shall provide to the appropriate committees of the
32 legislature by November 15, 2015, a report that makes recommendations
33 to reduce the department's overtime usage and reduces overall costs
34 for prison personnel.

35 (f) In an effort to reduce its need for medium security beds, the
36 department shall review options to meet capacity needs in the most
37 cost-efficient manner without compromising safety. The department
38 shall at a minimum review its policies that determine custody levels,
39 including examining other states' policies and determine costs to

1 convert any empty prison beds to medium security and possibilities to
2 utilize local jail beds for this purpose. The department must
3 evaluate the options on both a short-term and long-term basis against
4 the cost and timing of any proposal to build a new prison facility.
5 The department shall report its findings and recommendations to the
6 appropriate committees of the legislature by December 1, 2015.

7 (g) Within the amounts provided in this section, the department
8 of corrections shall explore entering into an interagency agreement
9 with the University of Washington. The interagency agreement would
10 allow the department to receive drug pricing under 340B of the public
11 health services act for drug purchases associated with treating
12 patients with hepatitis C or other diseases, whereby the university
13 is acting as the covered entity or safety-net provider. In
14 cooperation with the University of Washington, the department must
15 provide an estimate of the fiscal impact of a successful agreement of
16 this nature, to be included in the report provided to the legislature
17 under section 606 of this act.

18 ~~((+i))~~ (h) \$454,000 of the general fund—state appropriation for
19 fiscal year 2017 is provided solely for nonrepresented state
20 employees in targeted state employee job classifications
21 psychiatrist, psychiatric social worker, and psychologist as set
22 forth in section 906 of this act.

23 ~~((+j))~~ (i) \$736,000 of the general fund—state appropriation for
24 fiscal year 2017 is provided solely for the implementation of a
25 memorandum of understanding between the governor and the teamsters
26 union local 117, amending the collective bargaining agreement under
27 chapter 41.80 RCW for the 2015-2017 fiscal biennium as set forth in
28 section 904 of this act, effective July 1, 2017. The legislature
29 recognizes that the memorandum of understanding was necessitated by
30 an emergency and an imminent jeopardy determination by the center for
31 medicare and medicaid services that relates to the safety and health
32 of clients and employees, which impacts the state employee job
33 classifications of psychiatrist, psychiatric social worker, and
34 psychologist at prison facilities.

35 (3) COMMUNITY SUPERVISION

36	General Fund—State Appropriation (FY 2016).	\$157,176,000
37	General Fund—State Appropriation (FY 2017).	((\$155,532,000))
38		<u>\$167,402,000</u>
39	General Fund—Federal Appropriation.	\$995,000

1 TOTAL APPROPRIATION. ((~~\$313,703,000~~))
2 \$325,573,000

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

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

16 (b) Within the amounts provided in this subsection, specific
17 funding is provided to implement Senate Bill No. 5070 (supervision of
18 domestic violence offenders).

19 (c) The department shall engage in ongoing mitigation strategies
20 to reduce the costs associated with community supervision violators,
21 including improvements in data collection and reporting and
22 alternatives to short-term confinement for low-level violators.

23 (4) CORRECTIONAL INDUSTRIES

24 General Fund—State Appropriation (FY 2016). \$6,600,000
25 General Fund—State Appropriation (FY 2017). ((~~\$6,465,000~~))
26 \$7,263,000
27 TOTAL APPROPRIATION. ((~~\$13,065,000~~))
28 \$13,863,000

29 (5) INTERAGENCY PAYMENTS

30 General Fund—State Appropriation (FY 2016). \$44,828,000
31 General Fund—State Appropriation (FY 2017). \$42,246,000
32 TOTAL APPROPRIATION. \$87,074,000

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

38 (6) OFFENDER CHANGE

1	General Fund—State Appropriation (FY 2016).	\$54,480,000
2	General Fund—State Appropriation (FY 2017).	(\$53,428,000)
3		<u>\$53,218,000</u>
4	TOTAL APPROPRIATION.	(\$107,908,000)
5		<u>\$107,698,000</u>

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

8 (a) The department of corrections shall use funds appropriated in
9 this subsection (6) for offender programming. The department shall
10 develop and implement a written comprehensive plan for offender
11 programming that prioritizes programs which follow the risk-needs-
12 responsivity model, are evidence-based, and have measurable outcomes.
13 The department is authorized to discontinue ineffective programs and
14 to repurpose underspent funds according to the priorities in the
15 written plan.

16 (b) Effective April 1, 2016, the regional support networks must
17 subcontract with providers that have specialized expertise in the
18 provision of outpatient chemical dependency treatment services to
19 offenders who have been sentenced by a superior court to a term of
20 community supervision by the department of corrections. The
21 department of corrections and the department of social and health
22 services must develop a memorandum of understanding for offenders on
23 active supervision by the department who are eligible for chemical
24 dependency programming and to ensure that manualized evidence-based
25 treatment services funded by these agencies are coordinated, do not
26 result in duplication of services, and maintain access and quality of
27 care for the individuals being served.

28 (c) The department of corrections shall implement and make
29 necessary changes to policies and practices to assist eligible needs-
30 assessed offenders within the community with access to outpatient
31 chemical dependency treatment services through the behavioral health
32 organizations and early adopters.

33 **Sec. 1220.** 2016 sp.s. c 36 s 221 (uncodified) is amended to read
34 as follows:

35 **FOR THE DEPARTMENT OF SERVICES FOR THE BLIND**

36	General Fund—State Appropriation (FY 2016).	\$2,294,000
37	General Fund—State Appropriation (FY 2017).	(\$2,728,000)
38		<u>\$2,739,000</u>

1	General Fund—Federal Appropriation.	((\$23,163,000))
2		<u>\$23,206,000</u>
3	General Fund—Private/Local Appropriation.	\$60,000
4	TOTAL APPROPRIATION.	((\$28,245,000))
5		<u>\$28,299,000</u>

(End of part)

PART XIII
NATURAL RESOURCES

Sec. 1301. 2016 sp.s. c 36 s 301 (uncodified) is amended to read as follows:

FOR THE COLUMBIA RIVER GORGE COMMISSION

General Fund—State Appropriation (FY 2016)	\$464,000
General Fund—State Appropriation (FY 2017)	(\$476,000)
	<u>\$479,000</u>
General Fund—Federal Appropriation	\$32,000
General Fund—Private/Local Appropriation	(\$906,000)
	<u>\$909,000</u>
TOTAL APPROPRIATION.	(\$1,878,000)
	<u>\$1,884,000</u>

Sec. 1302. 2016 sp.s. c 36 s 302 (uncodified) is amended to read as follows:

FOR THE DEPARTMENT OF ECOLOGY

General Fund—State Appropriation (FY 2016)	\$24,537,000
General Fund—State Appropriation (FY 2017)	(\$24,623,000)
	<u>\$24,552,000</u>
General Fund—Federal Appropriation	\$103,782,000
General Fund—Private/Local Appropriation	\$22,396,000
Reclamation Account—State Appropriation	\$4,703,000
Flood Control Assistance Account—State Appropriation	(\$2,069,000)
	<u>\$1,989,000</u>
State Emergency Water Projects Revolving Account—State Appropriation	\$40,000
Waste Reduction/Recycling/Litter Control—State Appropriation	(\$13,290,000)
	<u>\$13,279,000</u>
State Drought Preparedness Account—State Appropriation	\$872,000
State and Local Improvements Revolving Account (Water Supply Facilities)—State Appropriation	\$150,000
Aquatic Algae Control Account—State Appropriation	\$518,000
Water Rights Tracking System Account—State Appropriation	\$446,000
Site Closure Account—State Appropriation	\$578,000
Wood Stove Education and Enforcement Account—State Appropriation	\$547,000

1	Worker and Community Right-to-Know Account—State	
2	Appropriation	\$1,792,000
3	Water Rights Processing Account—State Appropriation	\$39,000
4	State Toxics Control Account—State Appropriation	(\$123,470,000)
5		<u>\$123,321,000</u>
6	State Toxics Control Account—Private/Local	
7	Appropriation	\$499,000
8	Local Toxics Control Account—State Appropriation	(\$4,527,000)
9		<u>\$4,523,000</u>
10	Water Quality Permit Account—State Appropriation	(\$44,673,000)
11		<u>\$44,614,000</u>
12	Underground Storage Tank Account—State Appropriation	(\$3,546,000)
13		<u>\$3,493,000</u>
14	Biosolids Permit Account—State Appropriation	\$2,108,000
15	Environmental Legacy Stewardship Account—State	
16	Appropriation	(\$36,091,000)
17		<u>\$36,052,000</u>
18	Hazardous Waste Assistance Account—State	
19	Appropriation	(\$6,149,000)
20		<u>\$6,138,000</u>
21	Radioactive Mixed Waste Account—State Appropriation	(\$15,968,000)
22		<u>\$15,944,000</u>
23	Air Pollution Control Account—State Appropriation	(\$3,985,000)
24		<u>\$3,605,000</u>
25	Oil Spill Prevention Account—State Appropriation	(\$8,716,000)
26		<u>\$8,705,000</u>
27	Air Operating Permit Account—State Appropriation	(\$3,233,000)
28		<u>\$3,192,000</u>
29	Freshwater Aquatic Weeds Account—State Appropriation	\$1,439,000
30	Oil Spill Response Account—State Appropriation	\$7,076,000
31	Water Pollution Control Revolving Administration	
32	Account—State Appropriation	\$579,000
33	Water Pollution Control Revolving Account—State	
34	Appropriation	\$493,000
35	Water Pollution Control Revolving Account—Federal	
36	Appropriation	\$2,336,000
37	TOTAL APPROPRIATION.	(\$465,270,000)
38		<u>\$464,337,000</u>

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

3 (1) \$170,000 of the oil spill prevention account—state
4 appropriation is provided solely for a contract with the University
5 of Washington's sea grant program to continue an educational program
6 targeted to small spills from commercial fishing vessels, ferries,
7 cruise ships, ports, and marinas.

8 (2) \$495,000 of the state toxics control account—state
9 appropriation and \$625,000 of the local toxics control account—state
10 appropriation is provided solely for the expansion of the local
11 source control program by adding additional capacity in the Columbia
12 River basin and Clark county.

13 (3) \$310,000 of the state toxics control account—state
14 appropriation is provided solely for the Spokane river regional
15 toxics task force to address elevated levels of polychlorinated
16 biphenyls in the Spokane river.

17 (4) Within the amounts appropriated in this section, the
18 department shall conduct a stakeholder process with the department of
19 fish and wildlife to develop recommendations to restructure the fees
20 under RCW 90.16.050 and report to the appropriate committees of the
21 legislature by December 1, 2015.

22 (5) \$1,044,000 of the oil spill prevention account—state
23 appropriation is provided solely for the implementation of chapter
24 274, Laws of 2015 (ESHB 1449).

25 (6) \$3,883,000 of the state toxics control account—state
26 appropriation is provided solely for the implementation of Engrossed
27 Second Substitute House Bill No. 1472 (chemical action plans), Second
28 Substitute Senate Bill No. 5056 (safer chemicals/action plans),
29 Substitute Senate Bill No. 6131 (safer chemicals), or any of these.
30 If none of these bills are enacted by July 10, 2015, the amount
31 provided in this subsection shall lapse.

32 (7) \$134,000 of the general fund—state appropriation for fiscal
33 year 2016 is provided solely for implementation of chapter 144, Laws
34 of 2015 (SHB 1851).

35 (8) \$135,000 of the general fund—state appropriation for fiscal
36 year 2016 and \$135,000 of the general fund—state appropriation for
37 fiscal year 2017 are provided solely for the Walla Walla watershed
38 management partnership to address water resource and management
39 issues in the Walla Walla watershed.

1 (9)(a) \$14,000,000 of the general fund—state appropriation for
2 fiscal year 2016 and \$14,000,000 of the general fund—state
3 appropriation for fiscal year 2017 are for activities within the
4 water resources program.

5 (b) Of the amounts provided in (a) of this subsection, \$500,000
6 of the general fund—state appropriation for fiscal year 2017 is
7 provided solely for processing water right permit applications only
8 if the department of ecology issues at least five hundred water right
9 decisions in fiscal year 2016. If the department of ecology does not
10 issue at least five hundred water right decisions in fiscal year
11 2016, the amount provided in this subsection shall lapse and remain
12 unexpended. Permit decisions for the Columbia river basin count
13 toward the five hundred water rights decisions under this subsection.
14 The department of ecology shall submit a report to the office of
15 financial management and the state treasurer by June 30, 2016, that
16 documents whether five hundred water right decisions were issued in
17 fiscal year 2016. For the purposes of this subsection, applications
18 that are voluntarily withdrawn by an applicant do not count towards
19 the five hundred water right decision requirement. For the purposes
20 of water budget-neutral requests under chapter 173-539A WAC, multiple
21 domestic connections authorized within a single water budget-neutral
22 decision are considered one decision for the purposes of this
23 subsection.

24 (10) Within the amounts appropriated in this section, the
25 department must evaluate mitigation options for domestic water use in
26 areas of the Yakima basin for which mitigation water is unavailable
27 and access to water from water banks is unsuitable. The department
28 must recommend solutions for providing mitigation water for domestic
29 use in such areas. A report of the department's findings must be
30 provided to the legislature by December 1, 2015.

31 (11) \$319,000 of the general fund—state appropriation for fiscal
32 year 2017, \$56,000 of the waste reduction, recycling, and litter
33 control account—state appropriation, \$806,000 of the state toxics
34 control account—state appropriation, \$281,000 of the water quality
35 permit account—state appropriation, \$188,000 of the environmental
36 legacy stewardship account—state appropriation, \$56,000 of the
37 hazardous waste assistance account—state appropriation, \$113,000 of
38 the radioactive mixed waste account—state appropriation, and \$56,000
39 of the oil spill prevention account—state appropriation are provided

1 solely for the attendance tracking replacement system project, and
2 are subject to the same conditions, limitations and review provided
3 in section 705 (4) through (6), chapter 4, Laws of 2015 3rd sp. sess.
4 (Engrossed Substitute Senate Bill No. 6052).

5 (12) Within the amounts appropriated in this section, the
6 director of the department, working with the commissioner of public
7 lands, shall conduct a management review of the joint federal and
8 state dredged material management program and recommend and, as
9 appropriate, implement actions designed to ensure that the program is
10 functioning to facilitate the disposal of dredged material at open
11 water disposal sites using methods that are protective of human
12 health and in compliance with applicable federal and state
13 environmental laws, regulations, and permit requirements. The
14 director and commissioner shall report findings and proposed actions
15 to the relevant committees of the legislature no later than November
16 1, 2016. The director and commissioner shall consider input and
17 perspectives from tribal governments and agencies that issue permits
18 for open water disposal of dredged material in Puget Sound, including
19 the department of natural resources, the department of ecology, the
20 United States environmental protection agency, and the United States
21 army corps of engineers. This review shall include, but is not
22 limited to: (a) The extent to which current operations, policies, and
23 decisions of the dredged material management program provide for
24 dredging actions necessary to maintain navigation and commerce; (b)
25 determining what regulatory flexibility exists to allow open water
26 disposal of dredged materials in a manner that will protect human
27 health and the environment; and (c) an evaluation of the dredged
28 material management program's decision-making process and policies to
29 ensure that existing regulatory flexibility is appropriately used and
30 that appropriate management and oversight is incorporated.

31 (13) \$25,000 of the reclamation account—state appropriation is
32 provided solely for implementation of Substitute House Bill No. 1130
33 (water power license fees). If the bill is not enacted by June 30,
34 2016, the amount provided in this subsection shall lapse.

35 (~~((15))~~) (14) During the 2015-2017 fiscal biennium, the
36 department shall not retain fees in excess of the estimated amount
37 necessary to cover the agency's administrative costs related to the
38 mercury light stewardship program under chapter 70.275 RCW. The
39 department shall refund any fees collected in excess of those

1 administrative costs to any approved stewardship organization under
2 chapter 70.275 RCW.

3 ~~((16))~~ (15) For the purposes of evaluating the requirements of
4 RCW 70.95.290, the department, in consultation with the Washington
5 materials management and financing authority, shall, within existing
6 resources, report to the appropriate committees of the legislature on
7 whether the department and the Washington materials management and
8 financing authority have utilized existing infrastructure for the
9 collection of electronics. In its report, the department, in
10 consultation with the Washington materials management and financing
11 authority, must report on the location and number of new programs
12 created and depot systems developed since 2006 for the purpose of
13 collecting electronics, how many existing collections sites have been
14 utilized, as well as how many curbside collection companies were
15 contracted with for collection of electronics. The department must
16 submit the report to the appropriate committees of the legislature no
17 later than September 1, 2016.

18 ~~((17))~~ (16) \$22,000 of the general fund—state appropriation for
19 fiscal year 2016 and \$50,000 of the general fund—state appropriation
20 for fiscal year 2017 are provided solely for the implementation of
21 Engrossed Senate Bill No. 6589 (water storage/exempt wells). If the
22 bill is not enacted by June 30, 2016, the amounts provided in this
23 subsection shall lapse.

24 ~~((18))~~ (17) \$300,000 of the state toxics control account—state
25 appropriation is provided solely for the hazardous waste and toxics
26 reduction program and is contingent on the implementation of section
27 3 of Engrossed Substitute House Bill No. 2545 (flame retardant
28 chemicals). If the bill is not enacted by June 30, 2016, the amount
29 provided in this subsection shall lapse.

30 **Sec. 1303.** 2016 sp.s. c 36 s 303 (uncodified) is amended to read
31 as follows:

32 **FOR THE STATE PARKS AND RECREATION COMMISSION**

33	General Fund—State Appropriation (FY 2016)	. . . . .	\$10,558,000
34	General Fund—State Appropriation (FY 2017)	. . . . .	\$11,109,000
35	General Fund—Federal Appropriation	. . . . .	\$6,920,000
36	Winter Recreation Program Account—State Appropriation	. . . . .	\$3,309,000
37	ORV and Nonhighway Vehicle Account—State Appropriation	. . . . .	\$231,000
38	Snowmobile Account—State Appropriation	. . . . .	(\$5,824,000)

1		<u>\$4,300,000</u>
2	Aquatic Lands Enhancement Account—State Appropriation . . .	\$369,000
3	Recreation Access Pass Account—State	
4	Appropriation.	((\$250,000))
5		<u>\$200,000</u>
6	Parks Renewal and Stewardship Account—State	
7	Appropriation	((\$131,357,000))
8		<u>\$129,082,000</u>
9	Parks Renewal and Stewardship Account—Private/Local	
10	Appropriation	\$318,000
11	TOTAL APPROPRIATION.	((\$170,245,000))
12		<u>\$166,396,000</u>

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

15 (1) \$79,000 of the general fund—state appropriation for fiscal
16 year 2016, \$79,000 of the general fund—state appropriation for fiscal
17 year 2017, \$25,000 of the snowmobile account—state appropriation, and
18 \$25,000 of the winter recreation program account—state appropriation
19 are provided solely for a grant for the operation of the Northwest
20 weather and avalanche center.

21 (2) \$100,000 of the general fund—state appropriation for fiscal
22 year 2016 and \$100,000 of the general fund—state appropriation for
23 fiscal year 2017 are provided solely for the commission to pay
24 assessments charged by local improvement districts.

25 (3) ((~~\$250,000~~)) \$200,000 of the recreation access pass account—
26 state appropriation is provided solely for the commission, using its
27 authority under RCW 79A.05.055(3) and in partnership with the
28 department of fish and wildlife and the department of natural
29 resources, to coordinate a process to develop options and
30 recommendations to improve consistency, equity, and simplicity in
31 recreational access fee systems while accounting for the fiscal
32 health and stability of public land management. The process must be
33 collaborative and include other relevant agencies and appropriate
34 stakeholders. The commission must contract with the William D.
35 Ruckelshaus Center or another neutral third party to facilitate
36 meetings and discussions with parties involved in the process and
37 provide a report to the appropriate committees of the legislature by
38 December 1, 2017. The process must analyze and make recommendations
39 on:

1 (a) Opportunities for federal and state recreational permit fee
2 coordination, including the potential for developing a system that
3 allows a single pass to provide access to federal and state lands;

4 (b) Opportunities to enhance consistency in the way state and
5 federal recreational access fees apply to various types of
6 recreational users, including those that travel to public lands by
7 motor vehicle, boat, bicycle, foot, or another method; and

8 (c) Opportunities to develop a comprehensive and consistent
9 statewide approach to recreational fee discounts and exemptions to
10 social and other groups including, but not limited to, disabled
11 persons, seniors, disabled veterans, foster families, low-income
12 residents, and volunteers. This analysis must examine the cost of
13 such a program, and should consider how recreational fee discounts
14 fit into the broader set of benefits provided by the state to these
15 social groups. This includes a review of the efficacy, purpose, and
16 cost of existing recreational fee discounts and exemptions, as well
17 as opportunities for new or modified social group discounts and
18 exemptions. The department of veterans affairs and the department of
19 social and health services must be included in this portion of the
20 process.

21 (4) \$100,000 of the parks renewal and stewardship account—state
22 appropriation is provided solely for conducting noxious weed
23 treatment and vegetation management on the John Wayne pioneer trail
24 to protect adjacent land owners from noxious weeds with priority in
25 areas where there is adjacent agricultural use. Control of noxious
26 weeds must follow an integrated pest management approach including
27 the use of biological, chemical, and mechanical control prescriptions
28 in accordance with chapter 17.15 RCW and consistent with state and
29 county weed board requirements. The commission must report on its
30 progress in meeting this requirement to the appropriate committees of
31 the legislature by September 30, 2016.

32 (5) \$14,185,000 of the parks renewal and stewardship account—
33 state appropriation is provided solely for expenditures related to
34 state parks. Of this amount, \$11,614,000 is provided for maintenance
35 and preservation activities, \$1,971,000 is provided for radio
36 equipment and installation, \$300,000 is provided for firefighting
37 vehicles, equipment, and supplies, and \$300,000 is provided for
38 marketing activities.

1 **Sec. 1304.** 2016 sp.s. c 36 s 304 (uncodified) is amended to read
2 as follows:

3 **FOR THE RECREATION AND CONSERVATION FUNDING BOARD**

4	General Fund—State Appropriation (FY 2016)	. . . . .	\$842,000
5	General Fund—State Appropriation (FY 2017)	. . . . .	(( \$818,000))
6			<u>\$916,000</u>
7	General Fund—Federal Appropriation	. . . . .	\$3,536,000
8	General Fund—Private/Local Appropriation	. . . . .	\$24,000
9	Aquatic Lands Enhancement Account—State Appropriation	. . .	\$488,000
10	Firearms Range Account—State Appropriation	. . . . .	\$37,000
11	Recreation Resources Account—State Appropriation	. . .	((\$3,263,000))
12			<u>\$3,414,000</u>
13	NOVA Program Account—State Appropriation	. . . . .	\$1,014,000
14	TOTAL APPROPRIATION.	. . . . .	(( \$10,022,000))
15			<u>\$10,271,000</u>

16 **Sec. 1305.** 2016 sp.s. c 36 s 305 (uncodified) is amended to read
17 as follows:

18 **FOR THE ENVIRONMENTAL AND LAND USE HEARINGS OFFICE**

19	General Fund—State Appropriation (FY 2016)	. . . . .	\$2,149,000
20	General Fund—State Appropriation (FY 2017)	. . . . .	(( \$2,175,000))
21			<u>\$2,186,000</u>
22	TOTAL APPROPRIATION.	. . . . .	(( \$4,324,000))
23			<u>\$4,335,000</u>

24 **Sec. 1306.** 2016 sp.s. c 36 s 306 (uncodified) is amended to read
25 as follows:

26 **FOR THE CONSERVATION COMMISSION**

27	General Fund—State Appropriation (FY 2016)	. . . . .	\$6,778,000
28	General Fund—State Appropriation (FY 2017)	. . . . .	(( \$6,848,000))
29			<u>\$6,865,000</u>
30	General Fund—Federal Appropriation	. . . . .	\$2,301,000
31	Public Works Assistance Account—State Appropriation.	. . .	\$7,600,000
32	Disaster Response Account—State Appropriation.	. . . . .	\$7,800,000
33	State Toxics Control Account—State Appropriation	. . . . .	\$1,000,000
34	TOTAL APPROPRIATION.	. . . . .	(( \$32,327,000))
35			<u>\$32,344,000</u>

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

1 (1) \$7,600,000 of the public works assistance account—state
2 appropriation is provided solely for implementation of the voluntary
3 stewardship program. This amount may not be used to fund agency
4 indirect and administrative expenses.

5 (2) \$6,800,000 of the disaster response account—state
6 appropriation is provided solely to protect water quality, stabilize
7 soil, prevent crop damage, replace fencing and help landowners
8 recover from losses sustained from wildfires. \$300,000 of this amount
9 shall be provided to the Okanogan county noxious weed control board
10 to control weeds and revegetate lands damaged by wildfires.

11 (3) \$1,000,000 of the disaster response account—state
12 appropriation is provided solely for the commission to provide to
13 conservation districts for the firewise program.

14 (4)(a) \$50,000 of the general fund—state appropriation for fiscal
15 year 2017 is provided solely for the commission to convene and
16 facilitate a food policy forum. The director of the commission is
17 responsible for appointing participating members of the food policy
18 forum in consultation with the director of the department of
19 agriculture. In making appointments, the director of the commission
20 must attempt to ensure a diversity of knowledge, experience, and
21 perspectives by building on the representation established by the
22 food system roundtable initiated by executive order No. 10-02.

23 (b) In addition to members appointed by the director of the state
24 conservation commission, four legislators may serve on the food
25 policy forum in an ex officio capacity. Legislative participants must
26 be appointed as follows:

27 (i) The speaker of the house of representatives shall appoint one
28 member from each of the two largest caucuses of the house of
29 representatives; and

30 (ii) The president of the senate shall appoint one member from
31 each of the two largest caucuses of the senate.

32 (c) The commission shall coordinate with the office of farmland
33 preservation and the department of agriculture to avoid duplication
34 of effort. The commission must report to the appropriate committees
35 of the legislature, consistent with RCW 43.01.036, with the forum's
36 recommendations by October 31, 2017.

37 **Sec. 1307.** 2016 sp.s. c 36 s 307 (uncodified) is amended to read
38 as follows:

1	FOR THE DEPARTMENT OF FISH AND WILDLIFE	
2	General Fund—State Appropriation (FY 2016)	\$37,599,000
3	General Fund—State Appropriation (FY 2017)	(\$39,435,000)
4		<u>\$39,598,000</u>
5	General Fund—Federal Appropriation	(\$113,956,000)
6		<u>\$114,877,000</u>
7	General Fund—Private/Local Appropriation	\$61,739,000
8	ORV and Nonhighway Vehicle Account—State Appropriation . . .	\$425,000
9	Aquatic Lands Enhancement Account—State	
10	Appropriation	(\$11,627,000)
11		<u>\$11,327,000</u>
12	Recreational Fisheries Enhancement—State	
13	Appropriation	\$2,997,000
14	Disaster Response Account—State Appropriation	\$642,000
15	Warm Water Game Fish Account—State Appropriation . . .	(\$2,738,000)
16		<u>\$2,538,000</u>
17	Eastern Washington Pheasant Enhancement Account—State	
18	Appropriation	\$850,000
19	Aquatic Invasive Species Enforcement Account—State	
20	Appropriation	\$219,000
21	Aquatic Invasive Species Prevention Account—State	
22	Appropriation	\$778,000
23	State Wildlife Account—State Appropriation	\$117,456,000
24	Special Wildlife Account—State Appropriation	(\$313,000)
25		<u>\$1,801,000</u>
26	Special Wildlife Account—Federal Appropriation	\$500,000
27	Special Wildlife Account—Private/Local Appropriation . . .	\$3,517,000
28	Wildlife Rehabilitation Account—State Appropriation	\$359,000
29	Hydraulic Project Approval Account—State Appropriation . . .	\$669,000
30	Environmental Legacy Stewardship Account—State	
31	Appropriation	\$2,814,000
32	Regional Fisheries Enhancement Salmonid Recovery Account—	
33	Federal Appropriation	\$5,001,000
34	Oil Spill Prevention Account—State Appropriation	\$1,075,000
35	Oyster Reserve Land Account—State Appropriation	\$779,000
36	TOTAL APPROPRIATION.	(\$405,488,000)
37		<u>\$407,560,000</u>

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

3 (1) \$344,000 of the general fund—state appropriation for fiscal
4 year 2017 is provided solely to pay for emergency fire suppression
5 costs. This amount may not be used to fund agency indirect and
6 administrative expenses.

7 (2) \$596,000 of the general fund—state appropriation for fiscal
8 year 2016 and \$596,000 of the general fund—state appropriation for
9 fiscal year 2017 are provided solely for weed assessments and for
10 payments in lieu of real property taxes to counties that elect to
11 receive the payments for department owned game lands within the
12 county.

13 (3) \$300,000 of the aquatic lands enhancement account—state
14 appropriation is provided solely for the aquatic invasive species and
15 ballast water programs to address voluntary compliance and watercraft
16 check stations and develop recommendations for future funding and the
17 transition to new federal ballast water regulations. These
18 recommendations shall be provided to the governor and legislature by
19 June 1, 2016.

20 (4) Prior to submitting its 2017-2019 biennial operating and
21 capital budget requests related to state fish hatcheries to the
22 office of financial management, the department shall contract with
23 the hatchery scientific review group (HSRG) to review the proposed
24 requests. This review shall: (a) Determine if the proposed requests
25 are consistent with HSRG recommendations; (b) prioritize the
26 components of the requests based on their contributions to protecting
27 wild salmonid stocks and meeting the recommendations of the HSRG; and
28 (c) evaluate whether the proposed requests are being made in the most
29 cost effective manner. The department shall provide a copy of the
30 HSRG review to the office of financial management with its agency
31 budget proposal.

32 (5) \$400,000 of the general fund—state appropriation for fiscal
33 year 2016 and \$400,000 of the general fund—state appropriation for
34 fiscal year 2017 are provided solely for a state match to support the
35 Puget Sound nearshore partnership between the department and the
36 United States army corps of engineers. Prior to implementation of any
37 Puget Sound nearshore ecosystem restoration projects in Whatcom
38 county, the department must consult with and seek, to the maximum
39 extent practicable, consensus on those projects among appropriate

1 landowners, federally recognized Indian tribes, agencies, and
2 community and interest groups.

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

8 (7) Within the amounts appropriated in this section, the
9 department shall conduct a stakeholder process with the department of
10 ecology to develop recommendations to restructure the fees under RCW
11 90.16.050 and report to the appropriate committees of the legislature
12 by December 1, 2015.

13 (8) The department shall maintain a working capital reserve in
14 the nonrestricted portion of the state wildlife account of no more
15 than five percent of projected expenses in the nonrestricted portion
16 of the account.

17 (9) \$72,000 of the oil spill prevention account—state
18 appropriation is provided solely for implementation of chapter 274,
19 Laws of 2015 (ESHB 1449).

20 (10) \$352,000 of the general fund—state appropriation for fiscal
21 year 2016 and \$351,000 of the general fund—state appropriation for
22 fiscal year 2017 are provided solely for the implementation of
23 chapter 191, Laws of 2015 (SSB 5166).

24 (11) \$642,000 of the disaster response account—state
25 appropriation is provided solely for wildland fire restoration
26 activities on state wildlife areas.

27 (12) \$100,000 of the general fund—state appropriation for fiscal
28 year 2016 and \$375,000 of the general fund—state appropriation for
29 fiscal year 2017 are provided solely for the department to establish
30 a work unit to engage and empower diverse stakeholders in decisions
31 about fish and wildlife.

32 (13) \$300,000 of the general fund—state appropriation for fiscal
33 year 2017 is provided solely to fund cost share partnerships between
34 the department and landowners via livestock damage prevention
35 cooperative agreements. The agreements are part of the department's
36 efforts to help landowners implement measures to reduce the potential
37 for wolf-livestock conflict.

1 (14) \$25,000 of the general fund—state appropriation for fiscal
2 year 2017 is provided solely to pay claims for confirmed cougar
3 depredations on livestock.

4 (15) \$225,000 of the general fund—state appropriation for fiscal
5 year 2017 is provided solely for operations at Naselle Hatchery. Any
6 increase in hatchery fish production is contingent upon hatchery
7 reform broodstock standards being met and state fisheries being
8 managed to conserve wild fish populations.

9 (16) \$25,000 of the general fund—state appropriation for fiscal
10 year 2016 and \$25,000 of the general fund—state appropriation for
11 fiscal year 2017 are provided solely to the Northwest straits
12 commission for assistance in conducting and evaluating the forage
13 fish surveys in Puget Sound.

14 (17) \$100,000 of the state wildlife account—state appropriation
15 is provided solely for ongoing department efforts to address elk hoof
16 disease including monitoring prevalence in affected areas, evaluating
17 survival of affected elk, and assessing management options in
18 affected areas.

19 (18) The governor shall convene a government-to-government
20 meeting between the department and federally recognized Indian tribes
21 to discuss and develop a protocol regarding enforcement actions
22 related to hunting activities by tribal members on lands where the
23 member's tribe has a treaty or other federally recognized right to
24 hunt.

25 **Sec. 1308.** 2016 sp.s. c 36 s 308 (uncodified) is amended to read
26 as follows:

27 **FOR THE DEPARTMENT OF NATURAL RESOURCES**

28	General Fund—State Appropriation (FY 2016)	. . . . .	\$30,402,000
29	General Fund—State Appropriation (FY 2017)	. . . . .	(( \$49,478,000))
30			<u>\$53,335,000</u>
31	General Fund—Federal Appropriation	. . . . .	(( \$30,079,000))
32			<u>\$30,631,000</u>
33	General Fund—Private/Local Appropriation	. . . . .	\$2,372,000
34	Forest Development Account—State Appropriation	. . . . .	\$53,786,000
35	ORV and Nonhighway Vehicle Account—State		
36	Appropriation	. . . . .	\$6,655,000
37	Surveys and Maps Account—State Appropriation	. . . . .	\$4,502,000
38	Aquatic Lands Enhancement Account—State		

1	Appropriation	\$8,743,000
2	Resources Management Cost Account—State	
3	Appropriation	\$119,872,000
4	Surface Mining Reclamation Account—State	
5	Appropriation	\$3,960,000
6	Disaster Response Account—State Appropriation.	\$16,601,000
7	Forest and Fish Support Account—State Appropriation.	\$10,129,000
8	Aquatic Land Dredged Material Disposal Site Account—State	
9	Appropriation.	\$401,000
10	Natural Resources Conservation Areas Stewardship Account—State	
11	Appropriation	\$34,000
12	Marine Resources Stewardship Trust Account—State	
13	Appropriation	\$925,000
14	State Toxics Control Account—State Appropriation.	\$5,438,000
15	Forest Practices Application Account—State	
16	Appropriation	\$1,971,000
17	Environmental Legacy Stewardship Account—State	
18	Appropriation.	\$1,004,000
19	Air Pollution Control Account—State Appropriation	(\$817,000)
20		<u>\$717,000</u>
21	NOVA Program Account—State Appropriation	\$696,000
22	Derelict Vessel Removal Account—State Appropriation	\$1,931,000
23	Community Forest Trust Account—State Appropriation.	\$26,000
24	Agricultural College Trust Management Account—State	
25	Appropriation	\$2,879,000
26	TOTAL APPROPRIATION.	(\$352,701,000)
27		<u>\$357,010,000</u>

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

30 (1) \$1,420,000 of the general fund—state appropriation for fiscal
31 year 2016 and \$1,352,000 of the general fund—state appropriation for
32 fiscal year 2017 are provided solely for deposit into the
33 agricultural college trust management account and are provided solely
34 to manage approximately 70,700 acres of Washington State University's
35 agricultural college trust lands.

36 (2) ~~(\$15,530,000)~~ \$19,387,000 of the general fund—state
37 appropriation for fiscal year 2017 and \$10,525,000 of the disaster
38 response account—state appropriation are provided solely for

1 emergency fire suppression. The general fund—state appropriation and
2 disaster response account—state appropriation provided in this
3 subsection may not be used to fund agency indirect and administrative
4 expenses. Agency indirect and administrative costs shall be allocated
5 among the agency's remaining accounts and appropriations. The
6 department of natural resources shall submit a quarterly report to
7 the office of financial management and the legislative fiscal
8 committees detailing information on current and planned expenditures
9 from the disaster response account. This work shall be done in
10 coordination with the military department.

11 (3) \$5,000,000 of the forest and fish support account—state
12 appropriation is provided solely for outcome-based, performance
13 contracts with tribes to participate in the implementation of the
14 forest practices program. Contracts awarded may only contain indirect
15 costs set at or below the rate in the contracting tribe's indirect
16 cost agreement with the federal government. If federal funding for
17 this purpose is reinstated, the amount provided in this subsection
18 shall lapse.

19 (4) \$925,000 of the marine resources stewardship trust account—
20 state appropriation is provided solely for implementation of priority
21 marine management planning efforts including mapping activities,
22 ecological assessment, data tools, and stakeholder engagement.

23 (5) \$440,000 of the state general fund—state appropriation for
24 fiscal year 2016 and \$440,000 of the state general fund—state
25 appropriation for fiscal year 2017 are provided solely for forest
26 work crews that support correctional camps and are contingent upon
27 continuing operations of the Naselle youth camp.

28 (6) \$2,390,000 of the general fund—state appropriation for fiscal
29 year 2016 and \$2,390,000 of the general fund—state appropriation for
30 fiscal year 2017 are provided solely for the department to carry out
31 the forest practices adaptive management program pursuant to RCW
32 76.09.370 and the May 24, 2012, settlement agreement entered into by
33 the department and the department of ecology. Scientific research
34 must be carried out according to the master project schedule and work
35 plan of cooperative monitoring, evaluation, and research priorities
36 adopted by the forest practices board. The forest practices board
37 shall submit a report to the legislature following review, approval,
38 and solicitation of public comment on the cooperative monitoring,
39 evaluation, and research master project schedule, to include:

1 Cooperative monitoring, evaluation, and research science and related
2 adaptive management expenditure details, accomplishments, the use of
3 cooperative monitoring, evaluation, and research science in decision-
4 making, and funding needs for the coming biennium. The report shall
5 be provided to the appropriate committees of the legislature by
6 October 1, 2016.

7 (7) \$155,000 of the general fund—state appropriation for fiscal
8 year 2016 and \$127,000 of the general fund—state appropriation for
9 fiscal year 2017 are provided solely for ongoing law enforcement,
10 which the department may contract with local law enforcement
11 agencies, and for noxious weed control, forest fire protection
12 assessment, and other management costs for the Teanaway community
13 forest as provided in the Teanaway community forest management plan.

14 (8) The department shall maintain working capital reserves in the
15 resource management cost account and the forest development account
16 of no more than five percent of the amounts appropriated in each
17 account.

18 (9) \$337,000 of the general fund—state appropriation for fiscal
19 year 2016 and \$311,000 of the general fund—state appropriation for
20 fiscal year 2017 are provided solely for implementation of chapter
21 182, Laws of 2015 (ESHB 2093).

22 (10) \$1,200,000 of the disaster response account—state
23 appropriation is provided solely for joint wildland fire training of
24 department of natural resources, Washington national guard, local
25 fire agency, and tribal firefighters. Of this amount, \$200,000 is
26 provided solely to train local fire agencies on the use of
27 firefighting equipment.

28 (11) \$215,000 of the disaster response account—state
29 appropriation is provided solely for the department to develop a
30 twenty-year strategic plan to treat areas of state forest land that
31 have been identified by the department as being in poor health.

32 (12) \$629,000 of the disaster response account—state
33 appropriation is provided solely for the department to update the
34 smoke management plan in consultation with the department of ecology,
35 other relevant state and federal agencies, and relevant stakeholders.

36 (13) \$696,000 of the disaster response account—state
37 appropriation is provided solely to enhance the department's capacity
38 to respond to large wildfires using in-state resources.

1 (14) \$443,000 of the disaster response account—state
2 appropriation is provided solely to enhance capacity for aerial
3 attack of wildfires. Within this amount, the department must develop
4 a pre-certified list of aerial contractors that may be available for
5 fire suppression in fire-prone areas and report the list to the
6 appropriate committees of the legislature by December 1, 2016.

7 (15) \$1,000,000 of the disaster response account—state
8 appropriation is provided solely to provide firefighting equipment to
9 local fire agencies.

10 (16) \$417,000 of the disaster response account—state
11 appropriation is provided solely for wildfire prevention education,
12 community outreach programs, technical assistance to landowners; and
13 to ensure landowner compliance with grant and contract requirements,
14 burn permit conditions, and industrial fire precaution levels.

15 (17) \$569,000 of the disaster response account—state
16 appropriation is provided solely for portable and mobile radios.

17 (18) \$700,000 of the resources management cost account—state
18 appropriation is provided solely for fuel reduction and forest health
19 activities on state lands.

20 (19) \$800,000 of the disaster response account—state
21 appropriation is provided solely for implementation of Engrossed
22 Substitute House Bill No. 2928 (outdoor burning). Of this amount, two
23 percent is provided solely for the department's administrative costs,
24 five percent is provided solely for the department to provide forest
25 health collaboratives for burn technician costs, and ninety-three
26 percent is provided solely for the department to provide forest
27 health collaboratives for implementation of forest resiliency
28 burning. The department shall direct the forest health collaboratives
29 to complete the forest resiliency burning under this subsection by
30 January 1, 2017. If the bill is not enacted by June 30, 2016, the
31 amount provided in this subsection shall lapse.

32 (20) \$100,000 of the disaster response account—state
33 appropriation is provided solely for fuel reduction and creating
34 firebreaks in and around the city of Walla Walla's mill creek
35 watershed.

36 (21) \$5,057 of the disaster response account—state appropriation
37 is provided solely for the Asotin county sheriff's office for the
38 grizzly bear complex fire.

PART XIV
TRANSPORTATION

Sec. 1401. 2016 sp.s. c 36 s 402 (uncodified) is amended to read as follows:

FOR THE STATE PATROL

General Fund—State Appropriation (FY 2016)	\$41,105,000
General Fund—State Appropriation (FY 2017)	(\$39,566,000)
	<u>\$47,151,000</u>
General Fund—Federal Appropriation	\$16,073,000
General Fund—Private/Local Appropriation	\$3,083,000
Death Investigations Account—State Appropriation	\$6,439,000
Enhanced 911 Account—State Appropriation	(\$3,230,000)
	<u>\$3,009,000</u>
County Criminal Justice Assistance Account—State Appropriation	\$3,532,000
Municipal Criminal Justice Assistance Account—State Appropriation	\$1,443,000
Fire Service Trust Account—State Appropriation	\$131,000
Vehicle License Fraud Account—State Appropriation	(\$264,000)
	<u>\$221,000</u>
Disaster Response Account—State Appropriation	\$8,000,000
Fire Service Training Account—State Appropriation	\$9,997,000
Aquatic Invasive Species Enforcement Account—State Appropriation	\$54,000
State Toxics Control Account—State Appropriation	\$532,000
Fingerprint Identification Account—State Appropriation	(\$14,801,000)
	<u>\$11,601,000</u>
TOTAL APPROPRIATION.	(\$148,249,000)
	<u>\$152,371,000</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

1 provide these services only to those districts that are located in
2 counties without qualified review capabilities.

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

11 (3) \$700,000 of the fire service training account—state
12 appropriation is provided solely for the firefighter apprenticeship
13 training program.

14 (4) (~~(\$3,230,000)~~) \$3,009,000 of the enhanced 911 account—state
15 appropriation is provided solely for the first phase of the state
16 patrol's plan to upgrade the criminal history system, and is subject
17 to the same conditions, limitations and review provided in section
18 705 (4) through (6) of this act.

19 (5) \$1,375,000 of the general fund—state appropriation for fiscal
20 year 2016 and \$1,375,000 of the general fund—state appropriation for
21 fiscal year 2017 are provided solely for implementation of chapter
22 247, Laws of 2015 (Substitute House Bill No. 1068).

23 (6) (~~(\$3,200,000 of the fingerprint investigation account—state~~
24 ~~appropriation is provided solely for the second phase of the state~~
25 ~~patrol's plan to upgrade the criminal history system, and is subject~~
26 ~~to the same conditions, limitations and review provided in section~~
27 ~~705 (4) through (6) of this act.~~

28 (+7)) Within amounts provided in this section, the Washington
29 state patrol shall work with the consolidated technology services
30 agency to explore the feasibility and appropriateness of using vacant
31 data halls in the state data center as storage facilities for
32 evidence collected by law enforcement agencies, including but not
33 limited to the state patrol. The state patrol and the consolidated
34 technology services agency shall develop a cost estimate for
35 modifying the data center halls in order to fit this purpose. The
36 state patrol shall submit a report on its findings to the governor
37 and the appropriate committees of the legislature by December 1,
38 2015.

1 ~~((+8))~~ (7) \$50,000 of the general fund—state appropriation for
2 fiscal year 2016 and \$50,000 of the general fund—state appropriation
3 for fiscal year 2017 are provided solely for the state patrol to pay
4 assessments charged by local improvement districts.

5 ~~((+9))~~ (8) \$388,000 of the general fund—state appropriation for
6 fiscal year 2017, \$9,000 of the vehicle license fraud account—state
7 appropriation, and \$13,000 of the general fund—local appropriation
8 are provided solely for implementation of Engrossed Second Substitute
9 House Bill No. 2872 (WSP recruitment and retention). If the bill is
10 not enacted by June 30, 2016, the amounts provided in this subsection
11 shall lapse.

12 ~~((+10))~~ (9) The appropriations in this section include specific
13 funds for the purpose of implementing Second Substitute House Bill
14 No. 2530 (protecting victims of sex crimes).

(End of part)

PART XV
EDUCATION

Sec. 1501. 2016 sp.s. c 36 s 501 (uncodified) is amended to read as follows:

FOR THE SUPERINTENDENT OF PUBLIC INSTRUCTION

General Fund—State Appropriation (FY 2016)	\$38,284,000
General Fund—State Appropriation (FY 2017)	\$46,199,000
General Fund—Federal Appropriation	(\$67,169,000)
	<u>\$70,169,000</u>
General Fund—Private/Local Appropriation	\$9,623,000
Washington Opportunity Pathways Account—State Appropriation	\$292,000
Dedicated Marijuana Account—State Appropriation (FY 2016)	\$251,000
Dedicated Marijuana Account—State Appropriation (FY 2017)	\$511,000
Performance Audits of Government Account—State Appropriation	\$208,000
TOTAL APPROPRIATION	(\$162,537,000)
	<u>\$165,537,000</u>

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

(1) \$10,152,000 of the general fund—state appropriation for fiscal year 2016 and \$10,410,000 of the general fund—state appropriation for fiscal year 2017 are provided solely for the operation and expenses of the office of the superintendent of public instruction.

(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.

(b) 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.

(c) By September of each year, the office of the superintendent of public instruction shall produce an annual status report on implementation of the budget provisos in sections 501 and 513 of this act. The status report of each proviso shall include, but not be limited to, the following information: Purpose and objective, number

1 of state staff funded by the proviso, number of contractors, status
2 of proviso implementation, number of beneficiaries by year, list of
3 beneficiaries, a comparison of budgeted funding and actual
4 expenditures, other sources and amounts of funding, and proviso
5 outcomes and achievements.

6 (d) The superintendent of public instruction, in consultation
7 with the secretary of state, shall update the program prepared and
8 distributed under RCW 28A.230.150 for the observation of temperance
9 and good citizenship day to include providing an opportunity for
10 eligible students to register to vote at school.

11 (e) Districts shall annually report to the office of the
12 superintendent of public instruction on: (i) The annual number of
13 graduating high school seniors within the district earning the
14 Washington state seal of biliteracy provided in RCW 28A.300.575; and
15 (ii) the number of high school students earning competency-based high
16 school credits for world languages by demonstrating proficiency in a
17 language other than English. The office of the superintendent of
18 public instruction shall provide a summary report to the office of
19 the governor and the appropriate committees of the legislature by
20 December 1st of each year.

21 (2) \$1,017,000 of the general fund—state appropriation for fiscal
22 year 2016 and \$857,000 of the general fund—state appropriation for
23 fiscal year 2017 are provided solely for activities associated with
24 the implementation of new school finance systems required by chapter
25 236, Laws of 2010 (K-12 education funding) and chapter 548, Laws of
26 2009 (state's education system), including technical staff, systems
27 reprogramming, and workgroup deliberations, including the quality
28 education council and the data governance working group.

29 (3) \$1,012,000 of the general fund—state appropriation for fiscal
30 year 2016, \$851,000 of the general fund—state appropriation for
31 fiscal year 2017, and \$161,000 of the Washington opportunity pathways
32 account—state appropriation are provided solely for the operation and
33 expenses of the state board of education, including basic education
34 assistance activities. Of these amounts, \$161,000 of the general fund
35 —state appropriation for fiscal year 2016 and \$161,000 of the
36 Washington opportunity pathways account—state appropriation are
37 provided solely for implementation of RCW 28A.710 as amended by
38 Engrossed Second Substitute Senate Bill No. 6194 (public schools
39 other than common schools).

1 (4) \$3,571,000 of the general fund—state appropriation for fiscal
2 year 2016 and \$3,447,000 of the general fund—state appropriation for
3 fiscal year 2017 are provided solely to the professional educator
4 standards board for the following:

5 (a) \$1,050,000 in fiscal year 2016 and \$1,050,000 in fiscal year
6 2017 are for the operation and expenses of the Washington
7 professional educator standards board;

8 (b) \$2,372,000 of the general fund—state appropriation for fiscal
9 year 2016 and \$2,372,000 of the general fund—state appropriation for
10 fiscal year 2017 are for grants to improve preservice teacher
11 training and for funding of alternative routes to certification
12 programs administered by the professional educator standards board.
13 Alternative routes programs include the pipeline for paraeducators
14 program, the retooling to teach conditional loan programs, and the
15 recruiting Washington teachers program. Within this subsection
16 (4)(b), up to \$500,000 per fiscal year is available for grants to
17 public or private colleges of education in Washington state to
18 develop models and share best practices for increasing the classroom
19 teaching experience of preservice training programs;

20 (c) \$25,000 of the general fund—state appropriation for fiscal
21 year 2016 and \$25,000 of the general fund—state appropriation for
22 fiscal year 2017 are provided solely for the professional educator
23 standards board to develop educator interpreter standards and
24 identify interpreter assessments that are available to school
25 districts. Interpreter assessments should meet the following
26 criteria: (A) Include both written assessment and performance
27 assessment; (B) be offered by a national organization of professional
28 sign language interpreters and transliterators; and (C) be designed
29 to assess performance in more than one sign system or sign language.
30 The board shall establish a performance standard, defining what
31 constitutes a minimum assessment result, for each educational
32 interpreter assessment identified. The board shall publicize the
33 standards and assessments for school district use;

34 (d) \$124,000 of the general fund—state appropriation for fiscal
35 year 2016 is provided solely for implementation of chapter 136, Laws
36 of 2014 (paraeducator development).

37 (5) \$266,000 of the general fund—state appropriation for fiscal
38 year 2016 and \$266,000 of the general fund—state appropriation for
39 fiscal year 2017 are provided solely for the implementation of

1 chapter 240, Laws of 2010, including staffing the office of equity
2 and civil rights.

3 (a) \$5,000 of the amounts provided in this subsection shall be
4 provided to the Washington state school directors association for the
5 creation of a model policy and procedures for language access by
6 limited-English proficient parents. In developing the model policy
7 and procedures, the school directors association shall consider any
8 guidance materials created by the United States department of
9 justice, the United States department of education, and the office of
10 the superintendent of public instruction, regarding how school
11 districts can effectively assess their language access needs and how
12 to develop appropriately tailored language access plans. The model
13 policy and procedures must at a minimum address:

14 (i) Guidance and procedures for timely and accurate
15 identification of limited-English proficient parents and guardians
16 and their language access needs;

17 (ii) A recommended process and procedures for when and how to
18 access an interpreter;

19 (iii) A prohibition on the use of students or children as
20 interpreters for school-related communications;

21 (iv) Procedures to ensure appropriate staff are aware of parents'
22 or guardians' need for language assistance, including guidance for
23 all school administrators, teachers, and other appropriate staff
24 regarding when and how to access an interpreter or translation
25 services in a timely manner; and

26 (v) A process for communicating with parents and guardians about
27 their rights under federal and state law to be provided with
28 accessible information that allows them to make informed choices
29 regarding their child's education and how to access the resources and
30 services available to them.

31 (b) Within the amounts provided in this subsection, the office of
32 the superintendent of public instruction shall:

33 (i) Convene an advisory committee with representatives of
34 parents, school administrators, school principals, classified and
35 certificated staff, and other appropriate parties with interest in
36 language access for limited-English parents to develop sample
37 materials for school districts to disseminate to both school
38 employees and parents regarding parents' rights under the model
39 policy developed by the Washington state school directors'
40 association and the resources available to assist parents and

1 guardians in accessing the services available to them. The sample
2 materials must be developed by July 1, 2016;

3 (ii) Maintain and have available upon request a list of school
4 districts that have and have not adopted the Washington state school
5 directors' association's model policy;

6 (iii) Adopt rules regarding school districts' communication of
7 the language access policy and procedure to parents, students,
8 employees, and volunteers; and

9 (iv) Publish to the agency web site a listing of language access
10 services providers available to school districts, including but not
11 limited to, the telephonic, in-person, or video-remote interpreter
12 services vendors on contract with the state of Washington, including
13 contact information and training programs that are available to
14 support school districts in preparing employees for how to access and
15 effectively use an interpreter.

16 (6) \$50,000 of the general fund—state appropriation for fiscal
17 year 2016 and \$50,000 of the general fund—state appropriation for
18 fiscal year 2017 are provided solely for the ongoing work of the
19 education opportunity gap oversight and accountability committee.

20 (7) \$61,000 of the general fund—state appropriation for fiscal
21 year 2016 and \$61,000 of the general fund—state appropriation for
22 fiscal year 2017 are provided solely for the implementation of
23 chapter 380, Laws of 2009 (enacting the interstate compact on
24 educational opportunity for military children).

25 (8) \$131,000 of the general fund—state appropriation for fiscal
26 year 2016 and \$131,000 of the Washington opportunity pathways account
27 —state appropriation are provided solely for the implementation of
28 RCW 28A.710 as amended by Engrossed Second Substitute Senate Bill No.
29 6194 (public schools other than common schools).

30 (9) \$1,802,000 of the general fund—state appropriation for fiscal
31 year 2016 and \$1,802,000 of the general fund—state appropriation for
32 fiscal year 2017 are provided solely for implementing a comprehensive
33 data system to include financial, student, and educator data,
34 including development and maintenance of the comprehensive education
35 data and research system (CEDARS).

36 (10) \$25,000 of the general fund—state appropriation for fiscal
37 year 2016 and \$25,000 of the general fund—state appropriation for
38 fiscal year 2017 are provided solely for project citizen, a program
39 sponsored by the national conference of state legislatures and the

1 center for civic education to promote participation in government by
2 middle school students.

3 (11) \$1,500,000 of the general fund—state appropriation for
4 fiscal year 2016 and \$1,500,000 of the general fund—state
5 appropriation for fiscal year 2017 are provided solely for
6 collaborative schools for innovation and success authorized under
7 chapter 53, Laws of 2012. The office of the superintendent of public
8 instruction shall award \$500,000 per year in funding for each
9 collaborative school for innovation and success selected for
10 participation in the pilot program during 2012.

11 (12) \$123,000 of the general fund—state appropriation for fiscal
12 year 2016 and \$123,000 of the general fund—state appropriation for
13 fiscal year 2017 are provided solely for implementation of chapter
14 163, Laws of 2012 (foster care outcomes). The office of the
15 superintendent of public instruction shall annually report each
16 December on the implementation of the state's plan of cross-system
17 collaboration to promote educational stability and improve education
18 outcomes of foster youth.

19 (13) \$250,000 of the general fund—state appropriation for fiscal
20 year 2016 and \$250,000 of the general fund—state appropriation for
21 fiscal year 2017 are provided solely for implementation of chapter
22 178, Laws of 2012 (open K-12 education resources).

23 (14) \$93,000 of the general fund—state appropriation for fiscal
24 year 2016 and \$93,000 of the general fund—state appropriation for
25 fiscal year 2017 are provided solely for chapter 185, Laws of 2011
26 (bullying prevention), which requires the office of the
27 superintendent of public instruction to convene an ongoing workgroup
28 on school bullying and harassment prevention. Within the amounts
29 provided, \$140,000 is for youth suicide prevention activities.

30 (15) \$14,000 of the general fund—state appropriation for fiscal
31 year 2016 and \$14,000 of the general fund—state appropriation for
32 fiscal year 2017 are provided solely for implementation of chapter
33 242, Laws of 2013 (state-tribal education compacts).

34 (16) \$62,000 of the general fund—state appropriation for fiscal
35 year 2016 and \$62,000 of the general fund—state appropriation for
36 fiscal year 2017 are provided solely for competitive grants to school
37 districts to increase the capacity of high schools to offer AP
38 computer science courses. In making grant allocations, the office of
39 the superintendent of public instruction must give priority to

1 schools and districts in rural areas, with substantial enrollment of
2 low-income students, and that do not offer AP computer science.
3 School districts may apply to receive either or both of the following
4 grants:

5 (a) A grant to establish partnerships to support computer science
6 professionals from private industry serving on a voluntary basis as
7 coinstructors along with a certificated teacher, including via
8 synchronous video, for AP computer science courses; or

9 (b) A grant to purchase or upgrade technology and curriculum
10 needed for AP computer science, as well as provide opportunities for
11 professional development for classroom teachers to have the requisite
12 knowledge and skills to teach AP computer science.

13 (17) \$10,000 of the general fund—state appropriation for fiscal
14 year 2016 and \$10,000 of the general fund—state appropriation for
15 fiscal year 2017 are provided solely for the superintendent of public
16 instruction to convene a committee for the selection and recognition
17 of Washington innovative schools. The committee shall select and
18 recognize Washington innovative schools based on the selection
19 criteria established by the office of the superintendent of public
20 instruction, in accordance with chapter 202, Laws of 2011 (innovation
21 schools—recognition) and chapter 260, Laws of 2011 (innovation
22 schools and zones).

23 (18) \$100,000 of the general fund—state appropriation for fiscal
24 year 2016 and \$100,000 of the general fund—state appropriation for
25 fiscal year 2017 are provided solely for the Mobius science center to
26 expand mobile outreach of science, technology, engineering, and
27 mathematics (STEM) education to students in rural, tribal, and low-
28 income communities.

29 (19) \$59,000 of the general fund—state appropriation for fiscal
30 year 2016 is provided solely for the office of the superintendent of
31 public instruction to convene a task force to design a performance-
32 based assistance and accountability system for the transitional
33 bilingual instruction program. The office must submit a report with
34 recommendations from the task force to the education and fiscal
35 committees of the legislature by January 15, 2016.

36 (20) \$131,000 of the general fund—state appropriation for fiscal
37 year 2016 and \$131,000 of general fund—state appropriation for fiscal
38 year 2017 are provided solely for the office of the superintendent of
39 public instruction to perform on-going program reviews of alternative

1 learning experience programs and dropout reengagement programs. The
2 amounts provided in this subsection are sufficient for the office of
3 the superintendent of public instruction to conduct ongoing
4 consolidated program reviews of alternative learning experience
5 programs and dropout reengagement programs established under chapter
6 20, Laws of 2010. The office of the superintendent of public
7 instruction shall include alternative learning education and dropout
8 reengagement programs in its ongoing consolidated program reviews, as
9 well as provide outreach and training to school districts regarding
10 implementation of the programs. Findings from the program reviews
11 will be used to support and prioritize the office of the
12 superintendent of public instruction outreach and education efforts
13 that assist school districts in implementing the programs in
14 accordance with statute and legislative intent, as well as to support
15 financial and performance audit work conducted by the office of the
16 state auditor.

17 (21) \$31,000 of the general fund—state appropriation for fiscal
18 year 2016 and \$55,000 of the general fund—state appropriation for
19 fiscal year 2017 are provided solely for the office of the
20 superintendent of public instruction for statewide implementation of
21 career and technical education course equivalency frameworks
22 authorized under RCW 28A.700.070 for math and science. This may
23 include development of additional equivalency course frameworks,
24 course performance assessments, and professional development for
25 districts implementing the new frameworks. At least two of the
26 science course frameworks must be in environmental science.

27 (22) \$142,000 of the general fund—state appropriation for fiscal
28 year 2016 and \$142,000 of the general fund—state appropriation for
29 fiscal year 2017 are provided solely for implementation of chapter
30 103, Laws of 2014 (Substitute Senate Bill No. 6431) (youth suicide
31 prevention).

32 (23) \$208,000 of the performance audits of government account—
33 state appropriation is provided solely to address additional audit
34 resolutions and appeals in the alternative learning experience
35 programs.

36 (24) \$2,541,000 of the general fund—state appropriation for
37 fiscal year 2016 and \$2,541,000 of the general fund—state
38 appropriation for fiscal year 2017 are provided solely for a corps of
39 nurses located at educational service districts, as determined by the

1 superintendent of public instruction, to be dispatched to the most
2 needy schools to provide direct care to students, health education,
3 and training for school staff.

4 (25) \$210,000 of the general fund—state appropriation for fiscal
5 year 2016 and \$210,000 of the general fund—state appropriation for
6 fiscal year 2017 are provided solely for a nonviolence and leadership
7 training program provided by the institute for community leadership.

8 (26) \$1,221,000 of the general fund—state appropriation for
9 fiscal year 2016 and \$1,221,000 of the general fund—state
10 appropriation for fiscal year 2017 are provided solely for K-20
11 telecommunications network technical support in the K-12 sector to
12 prevent system failures and avoid interruptions in school utilization
13 of the data processing and video-conferencing capabilities of the
14 network. These funds may be used to purchase engineering and advanced
15 technical support for the network.

16 (27) \$2,549,000 of the general fund—state appropriation for
17 fiscal year 2016 and \$3,940,000 of the general fund—state
18 appropriation for fiscal year 2017 are provided solely for the
19 Washington state achievers scholarship and Washington higher
20 education readiness program. The funds shall be used to: Support
21 community involvement officers that recruit, train, and match
22 community volunteer mentors with students selected as achievers
23 scholars; and to identify and reduce barriers to college for low-
24 income and underserved middle and high school students.

25 (28) \$1,354,000 of the general fund—state appropriation for
26 fiscal year 2016 and \$1,354,000 of the general fund—state
27 appropriation for fiscal year 2017 are provided solely for
28 contracting with a college scholarship organization with expertise in
29 conducting outreach to students concerning eligibility for the
30 Washington college bound scholarship consistent with chapter 405,
31 Laws of 2007.

32 (29) \$1,000,000 of the general fund—state appropriation for
33 fiscal year 2016, \$1,000,000 of the general fund—state appropriation
34 for fiscal year 2017, and \$762,000 of the dedicated marijuana account
35 —state appropriation are provided solely for dropout prevention,
36 intervention, and reengagement programs, including the jobs for
37 America's graduates (JAG) program, dropout prevention programs that
38 provide student mentoring, and the building bridges statewide
39 program. Starting in school year 2014-15, students in the foster care

1 system or who are homeless shall be given priority by districts
2 offering the jobs for America's graduates program. The office of the
3 superintendent of public instruction shall convene staff
4 representatives from high schools to meet and share best practices
5 for dropout prevention. Of these amounts, \$251,000 of the dedicated
6 marijuana account—state appropriation for fiscal year 2016, and
7 \$511,000 of the dedicated marijuana account—state appropriation for
8 fiscal year 2017 are provided solely for the building bridges
9 statewide program.

10 (30) \$2,654,000 of the general fund—state appropriation for
11 fiscal year 2016 and \$2,984,000 of the general fund—state
12 appropriation for fiscal year 2017 are provided solely for the
13 Washington kindergarten inventory of developing skills. State funding
14 shall support the statewide administration of the inventory under RCW
15 28A.655.080(1) and the one-time implementation and training grants
16 under RCW 28A.655.080(3) for schools implementing the inventory for
17 the first time in the 2015-2017 fiscal biennium.

18 (31) \$75,000 of the general fund—state appropriation for fiscal
19 year 2016 and \$75,000 of the general fund—state appropriation for
20 fiscal year 2017 are provided solely to subsidize advanced placement
21 exam fees and international baccalaureate class fees and exam fees
22 for low-income students. To be eligible for the subsidy, a student
23 must be either enrolled or eligible to participate in the federal
24 free or reduced-price lunch program, and the student must have
25 maximized the allowable federal contribution. The office of the
26 superintendent of public instruction shall set the subsidy in an
27 amount so that the advanced placement exam fee does not exceed \$15.00
28 and the combined class and exam fee for the international
29 baccalaureate does not exceed \$14.50.

30 (32) \$293,000 of the general fund—state appropriation for fiscal
31 year 2016 and \$293,000 of the general fund—state appropriation for
32 fiscal year 2017 are provided solely for the office of the
33 superintendent of public instruction to support district
34 implementation of comprehensive guidance and planning programs
35 consistent with RCW 28A.600.045.

36 (33) \$2,864,000 of the general fund—state appropriation for
37 fiscal year 2016 and \$3,758,000 of the general fund—state
38 appropriation for fiscal year 2017 are provided solely for

1 implementation of Engrossed Second Substitute House Bill No. 1546
2 (dual credit education opportunities).

3 (34) \$161,000 of the general fund—state appropriation for fiscal
4 year 2016 and \$54,000 of the general fund—state appropriation for
5 fiscal year 2017 are provided solely for the superintendent of public
6 instruction to convene a workgroup to recommend comprehensive
7 benchmarks for developmentally appropriate interpersonal and
8 decision-making knowledge and skills of social and emotional learning
9 for grades kindergarten through high school that build upon what is
10 being done in early learning. The workgroup shall submit
11 recommendations to the education committees of the legislature, and
12 the office of the governor by October 1, 2016.

13 (35) \$122,000 of the general fund—state appropriation for fiscal
14 year 2016 and \$117,000 of the general fund—state appropriation for
15 fiscal year 2017 are provided solely for implementation of chapter 3
16 (SHB No. 1813), Laws of 2015 1st sp. sess. (computer science).

17 (36)(a) \$250,000 of the general fund—state appropriation for
18 fiscal year 2016 and \$250,000 of the general fund—state appropriation
19 for fiscal year 2017 are provided solely for the office of the
20 superintendent of public instruction to implement a K-12 dual
21 language expansion grant program to build and expand well-
22 implemented, sustainable dual language programs and create state-
23 level infrastructure dedicated to dual language instruction.

24 (b) The superintendent shall award grants to pairs of school
25 districts for periods of two years. Each awarded pair must have one
26 district with an established dual language program with a plan for
27 expansion, and another district with the desire to implement a new
28 dual language program.

29 (c) Grant funds may be used for professional development,
30 supplemental materials, training, administrative staffing of the
31 program, site visits, recruiting bilingual teachers and instructional
32 aides, program evaluation, and coaching.

33 (37) \$400,000 of the general fund—state appropriation for fiscal
34 year 2016 and \$200,000 of the general fund—state appropriation for
35 fiscal year 2017 are provided solely for the urban school turnaround
36 initiative as follows:

37 (a) The office of the superintendent of public instruction shall
38 provide grants of equal amounts to two schools that have previously
39 received urban school turnaround initiative grants. The purpose of

1 these grants is to assist the schools in maintaining gains made as a
2 result of work completed under the original program, while also
3 phasing out state funding support of the program.

4 (b) The office shall allocate the funds under this subsection
5 (~~((+36+))~~) (37) to the school district to be used exclusively in the
6 selected schools. The district may not charge an overhead or indirect
7 fee for the allocated funds or supplant other state, federal, or
8 local funds in the selected schools. The school district shall use
9 the funds for intensive supplemental instruction, services, and
10 materials in the selected schools, including but not limited to
11 professional development for school staff; updated curriculum,
12 materials, and technology; extended learning opportunities for
13 students; reduced class size; summer enrichment activities; school-
14 based health clinics; and other research-based initiatives to
15 dramatically turn around the performance and close the achievement
16 gap in the schools. The office shall enter into an expenditure
17 agreement with the school district under which any funds under this
18 subsection (~~((+41+))~~) (37) remaining unspent on (~~(August 31)~~) June 30,
19 2017, shall be returned to the state. Priorities for the expenditure
20 of the funds shall be determined by the leadership and staff of each
21 school.

22 (38) \$125,000 of the general fund—state appropriation for fiscal
23 year 2016 and \$125,000 of the general fund—state appropriation for
24 fiscal year 2017 are provided solely for the Kip Tokuda memorial
25 Washington civil liberties public education program. The
26 superintendent of public instruction shall award grants consistent
27 with RCW 28A.300.410.

28 (39) \$652,000 of the general fund—state appropriation for fiscal
29 year 2016 is provided solely for the administration of the
30 preliminary scholastic aptitude test to ninth and tenth grade
31 participants in the college bound program. The superintendent of
32 public instruction shall partner with a national nonprofit
33 organization that offers the aptitude test and that will provide: (i)
34 Early and annual feedback on student progress; (ii) detailed
35 performance feedback connected to Washington's standards,
36 instruction, and assessments; (iii) access to state-of-the-art
37 learning tools including free, personalized practice; (iv) access to
38 college and career planning tools; (v) personalized information
39 packets to high-achieving, low-income students to increase the number

1 of applications from this group of students to public four-year
2 institutions of higher education and independent, nonprofit
3 baccalaureate degree-granting institutions in Washington; and (vi)
4 for income eligible students, the opportunity to take the preliminary
5 scholastic aptitude test in eleventh grade at no cost, to take the
6 scholastic aptitude test twice at no cost, and access to additional
7 tools and score reports at no cost.

8 (40)(a) \$125,000 of the general fund—state appropriation for
9 fiscal year 2016 and \$125,000 of the general fund—state appropriation
10 for fiscal year 2017 is provided solely for a grant to an entity that
11 is exempt from taxation under Title 26 U.S.C. Sec. 501(c)(3) of the
12 federal internal revenue code of 1986, as amended, as of the
13 effective date of this section, that is affiliated and in good
14 standing with a national congressionally chartered organization's
15 standards under 36 U.S.C., subtitle II, part B, and that:

16 (i) Is facility-based and provides proven and tested
17 recreational, educational, and character-building programs for
18 children ages six to eighteen years of age;

19 (ii) Provides after school and summer programs in a minimum of
20 fifty communities statewide, with youth development services
21 available at least twenty hours weekly during the school year and for
22 thirty hours weekly during summer programming;

23 (iii) Has adopted standards for care that at a minimum include
24 staff ratios, staff training, health and safety standards, and
25 mechanisms for assessing and enforcing the program's compliance with
26 the standards;

27 (iv) Provides a process to receive and resolve parental
28 complaints; and

29 (v) Conducts national criminal background checks for all
30 employees and volunteers who work with children.

31 (b) The grant shall be used to pilot a program of academic,
32 innovation, and mentoring. The purpose of the program is to enable
33 eligible neighborhood youth development entities to provide out-of-
34 school time programs for youth six to eighteen years of age that
35 include educational services, mentoring, and linkages to positive,
36 pro-social leisure and recreational activities. The programs must be
37 designed for mentoring and academic enrichment that include at least
38 two of the following three activity areas:

39 (i) Science, technology, engineering, and math (STEM);

40 (ii) Homework support and high-yield learning opportunities; and

1 (iii) Career exploration.

2 (c) The entity receiving the grant shall conduct the pilot in at
3 least five communities statewide. The office of the superintendent of
4 public instruction shall submit a report to the appropriate education
5 and fiscal committees of the legislature by December 31, 2015, and a
6 final report by December 31, 2016. The report shall outline the
7 programs established, target populations, and pre- and post-testing
8 results.

9 (41) \$25,000 of the general fund—state appropriation for fiscal
10 year 2016 and \$25,000 of the general fund—state appropriation for
11 fiscal year 2017 are provided solely for the office of the
12 superintendent of public instruction to partner with a nonprofit
13 organization providing music curriculum for kindergarten and first
14 grade students and establish a grant program that provides start-up
15 costs and materials for integrated music curriculum that links
16 together other core curriculum. Preference shall be given to Title 1
17 schools, head start programs, early childhood education and
18 assistance program sites, high poverty schools, schools with high
19 mobility, and schools with low student achievement.

20 (42) \$1,000,000 of the general fund—state appropriation for
21 fiscal year 2016 and \$1,000,000 of the general fund—state
22 appropriation for fiscal year 2017 are provided solely for the
23 computer science and education grant program to support the following
24 three purposes: Train and credential teachers in computer sciences;
25 provide and upgrade technology needed to learn computer science; and,
26 for computer science frontiers grants to introduce students to and
27 engage them in computer science. The office of the superintendent of
28 public instruction must use the computer science learning standards
29 adopted pursuant to Substitute House Bill No. 1813 (computer science)
30 in implementing the grant, to the extent possible. Additionally,
31 grants provided for the purpose of introducing students to computer
32 science are intended to support innovative ways to introduce and
33 engage students from historically underrepresented groups, including
34 girls, low-income students, and minority students, to computer
35 science and to inspire them to enter computer science careers. Grant
36 funds for the computer science and education grant program may be
37 expended only to the extent that they are equally matched by private
38 sources for the program, including gifts, grants, or endowments.

1 (43) \$1,461,000 of the general fund—state appropriation for
2 fiscal year 2017 is provided solely for a contract with a
3 nongovernmental entity or entities for demonstration sites to improve
4 the educational outcomes of students who are dependent pursuant to
5 chapter 13.34 RCW pursuant to Fourth Substitute House Bill No. 1999
6 (foster youth edu. outcomes).

7 (a) Of the amount provided in this subsection, \$446,000 of the
8 general fund—state appropriation for fiscal year 2017 is provided
9 solely for the demonstration site established pursuant to the
10 2013-2015 omnibus appropriations act, section 202(10), chapter 4,
11 Laws of 2013, 2nd sp. sess.

12 (b) Of the amount provided in this subsection, \$1,015,000 of the
13 general fund—state appropriation for fiscal year 2017 is provided
14 solely for a second demonstration site that includes a school
15 district or school district with a significant number of dependent
16 students. The office of the superintendent of public instruction, in
17 collaboration with the department of social and health services
18 children's administration and the contracted nongovernmental entity
19 or entities, shall select a second demonstration site for
20 implementation after July 1, 2016.

21 (44) \$1,000,000 of the general fund—state appropriation for
22 fiscal year 2017 is provided solely for implementation of Third
23 Substitute House Bill No. 1682 (homeless students). If the bill is
24 not enacted by June 30, 2016, the amount provided in this subsection
25 shall lapse.

26 (45) \$1,242,000 of the general fund—state appropriation for
27 fiscal year 2017 is provided solely for implementation of Fourth
28 Substitute House Bill No. 1541 (educational opportunity gap). If the
29 bill is not enacted by June 30, 2016, the amount provided in this
30 subsection shall lapse.

31 (46) \$350,000 of the general fund—state appropriation for fiscal
32 year 2017 is provided solely for implementation of Second Substitute
33 House Bill No. 2449 (truancy reduction). If the bill is not enacted
34 by June 30, 2016, the amount provided in this subsection shall lapse.

35 (47) \$50,000 of the general fund—state appropriation for fiscal
36 year 2016 and \$50,000 of the general fund—state appropriation for
37 fiscal year 2017 are provided solely for a skilled workforce
38 development high school summer internship pilot project. The office
39 of the superintendent of public instruction shall select two high

1 schools from the largest urban school district in the state who will
2 in turn select 10 students each, who have completed their junior
3 year, to participate in a 5 1/2 week summer internship. The selected
4 high schools must partner with the port of Seattle and manufacturing
5 and maritime employers, who are committed to fostering the
6 development of local youth into a skilled workforce, to provide
7 internships for the selected students. The office of the
8 superintendent of public instruction must submit a report to the
9 legislature by December 1, 2016, summarizing the successes and
10 failures of the pilot project and provide recommendations for any
11 future actions. Expenditure of the amounts in this section is
12 contingent on receipt by the school district of a fifty percent match
13 in funding from nonstate sources.

14 (48) \$1,750,000 of the general fund—state appropriation for
15 fiscal year 2017 is provided solely for professional development for
16 state-funded classroom paraeducators. Training must be provided in
17 the 2016-17 school year.

18 (49) \$41,000 of the general fund—state appropriation for fiscal
19 year 2017 is provided solely for the office of the superintendent of
20 public instruction to implement the since time immemorial program,
21 including web site updates to accommodate video content and online
22 teaching tools, and training for classroom certificated instructional
23 staff.

24 (50) \$11,000 of the general fund—state appropriation for fiscal
25 year 2016 and \$8,000 of the general fund—state appropriation for
26 fiscal year 2017 are provided solely for implementation of chapter 3,
27 Laws of 2016 (basic education obligations).

28 (51) \$276,000 of the general fund—state appropriation for fiscal
29 year 2017 is provided solely for implementation of Engrossed Senate
30 Bill No. 6620 (school safety). If the bill is not enacted by June 30,
31 2016, the amount provided in this subsection shall lapse.

32 (52) \$500,000 of the general fund—state appropriation for fiscal
33 year 2017 is provided solely for implementation of section 1 of
34 Engrossed Second Substitute Senate Bill No. 6455 (professional
35 educator workforce). If section 1 of the bill is not enacted by June
36 30, 2016, the amount provided in this subsection shall lapse.

37 **Sec. 1502.** 2016 sp.s. c 36 s 502 (uncodified) is amended to read
38 as follows:

1 **FOR THE SUPERINTENDENT OF PUBLIC INSTRUCTION—FOR GENERAL**
2 **APPORTIONMENT**

3	General Fund—State Appropriation (FY 2016)	. . . . .	\$6,375,707,000
4	General Fund—State Appropriation (FY 2017)	. . . . .	(( \$6,734,241,000))
5			<u>\$6,751,047,000</u>
6	Education Legacy Trust Account—State Appropriation	. . . . .	\$95,730,000
7	TOTAL APPROPRIATION.	. . . . .	(( \$13,205,678,000))
8			<u>\$13,222,484,000</u>

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

11 (1)(a) Each general fund fiscal year appropriation includes such
12 funds as are necessary to complete the school year ending in the
13 fiscal year and for prior fiscal year adjustments.

14 (b) For the 2015-16 and 2016-17 school years, the superintendent
15 shall allocate general apportionment funding to school districts as
16 provided in the funding formulas and salary schedules in sections 502
17 and 503 of this act, excluding (c) of this subsection.

18 (c) From July 1, 2015, to August 31, 2015, the superintendent
19 shall allocate general apportionment funding to school districts
20 programs as provided in sections 502 and 503, chapter 4, Laws of 2013
21 2nd sp. sess., as amended.

22 (d) The enrollment of any district shall be the annual average
23 number of full-time equivalent students and part-time students as
24 provided in RCW 28A.150.350, enrolled on the fourth day of school in
25 September and on the first school day of each month October through
26 June, including students who are in attendance pursuant to RCW
27 28A.335.160 and 28A.225.250 who do not reside within the servicing
28 school district. Any school district concluding its basic education
29 program in May must report the enrollment of the last school day held
30 in May in lieu of a June enrollment.

31 (e)(i) Funding provided in this part V of this act is sufficient
32 to provide each full-time equivalent student with the minimum hours
33 of instruction required under RCW 28A.150.220.

34 (ii) The office of the superintendent of public instruction shall
35 align the agency rules defining a full-time equivalent student with
36 the increase in the minimum instructional hours under RCW
37 28A.150.220, as amended by the legislature in 2014.

38 (f) The superintendent shall adopt rules requiring school
39 districts to report full-time equivalent student enrollment as

1 provided in RCW 28A.655.210 and to carry out the requirement
2 specified in subsections 2(c)(i)(B) and 2(c)(ii)(B) of this section.

3 (g) For the 2015-16 and 2016-17 school years, school districts
4 must report to the office of the superintendent of public instruction
5 the monthly actual average district-wide class size across each grade
6 level of kindergarten, first grade, second grade, and third grade
7 classes. The superintendent of public instruction shall report this
8 information to the education and fiscal committees of the house of
9 representatives and the senate by September 30th of each year.

10 (2) CERTIFICATED INSTRUCTIONAL STAFF ALLOCATIONS

11 Allocations for certificated instructional staff salaries for the
12 2015-16 and 2016-17 school years are determined using formula-
13 generated staff units calculated pursuant to this subsection.

14 (a) Certificated instructional staff units, as defined in RCW
15 28A.150.410, shall be allocated to reflect the minimum class size
16 allocations, requirements, and school prototypes assumptions as
17 provided in RCW 28A.150.260, except that the allocation for guidance
18 counselors in a middle school shall be 1.216 for the 2015-16 and
19 2016-17 school years, this enhancement is within the program of basic
20 education. The superintendent shall make allocations to school
21 districts based on the district's annual average full-time equivalent
22 student enrollment in each grade.

23 (b) Additional certificated instructional staff units provided in
24 this subsection (2) that exceed the minimum requirements in RCW
25 28A.150.260 are enhancements outside the program of basic education,
26 except as otherwise provided in this section.

27 (c)(i)(A) The superintendent shall base allocations for each
28 level of prototypical school on the following regular education
29 average class size of full-time equivalent students per teacher,
30 except as provided in (c)(ii) of this subsection:

31 General education class size:

32 Grade	RCW 28A.150.260	2015-16	2016-17
		School Year	School Year
34 Grade K		22.00	19.00
35 Grade 1		23.00	21.00
36 Grade 2		24.00	22.00
37 Grade 3		25.00	22.00

1	Grade 4	27.00	27.00
2	Grades 5-6	27.00	27.00
3	Grades 7-8	28.53	28.53
4	Grades 9-12	28.74	28.74

5 The superintendent shall base allocations for laboratory science,
6 career and technical education (CTE) and skill center programs
7 average class size as provided in RCW 28A.150.260.

8 (B) For grades kindergarten through three, the superintendent
9 shall allocate funding for class size reductions to the extent of,
10 and in proportion to, the school district's demonstrated actual
11 weighted average class size for grades kindergarten through three,
12 down to the weighted average class size specified in subsection
13 2(c)(i)(A) of this section. At a minimum, the superintendent must
14 allocate funding sufficient to fund a weighted average class size not
15 to exceed 25.23 full-time equivalent students per teacher in these
16 grades.

17 (ii)(A) For each level of prototypical school at which more than
18 fifty percent of the students were eligible for free and reduced-
19 price meals in the prior school year, the superintendent shall
20 allocate funding based on the following average class size of full-
21 time equivalent students per teacher:

22 General education class size in high poverty schools:

23	Grade	RCW 28A.150.260	2015-16	2016-17
24			School Year	School Year
25	Grade K		18.00	17.00
26	Grade 1		19.00	17.00
27	Grade 2		22.00	18.00
28	Grade 3		24.00	21.00
29	Grade 4		27.00	27.00
30	Grades 5-6		27.00	27.00
31	Grades 7-8		28.53	28.53
32	Grades 9-12		28.74	28.74

33 (B) For grades kindergarten through three, the superintendent
34 shall allocate funding for class size reductions to the extent of,
35 and in proportion to, the school district's demonstrated actual

1 weighted average class size for grades kindergarten through three,
2 down to the weighted average class size specified in subsection
3 2(c)(ii)(A) of this section. At a minimum, the superintendent must
4 allocate funding sufficient to fund a weighted average class size not
5 to exceed 25.23 full-time equivalent students per teacher in these
6 grades.

7 (iii) The enhancements in this subsection (2)(c) are within the
8 program of basic education.

9 (iv) Pursuant to RCW 28A.150.260(4)(a), the assumed teacher
10 planning period, expressed as a percentage of a teacher work day, is
11 13.42 percent in grades K-6, and 16.67 percent in grades 7-12; and

12 (v) Advanced placement and international baccalaureate courses
13 are funded at the same class size assumptions as general education
14 schools in the same grade; and

15 (d)(i) Funding for teacher librarians, school nurses, social
16 workers, school psychologists, and guidance counselors is allocated
17 based on the school prototypes as provided in RCW 28A.150.260 and (a)
18 of this subsection and is considered certificated instructional
19 staff, except as provided in (d)(ii) of this subsection.

20 (ii) Students in approved career and technical education and
21 skill center programs generate certificated instructional staff units
22 to provide for the services of teacher librarians, school nurses,
23 social workers, school psychologists, and guidance counselors at the
24 following combined rate per 1000 student full-time equivalent
25 enrollment:

	2015-16 School	2016-17 School
	Year	Year
28 Career and	3.07	3.07
29 Technical		
30 Education		
31 Skill Center	3.41	3.41

32 (3) ADMINISTRATIVE STAFF ALLOCATIONS

33 (a) Allocations for school building-level certificated
34 administrative staff salaries for the 2015-16 and 2016-17 school
35 years for general education students are determined using the formula
36 generated staff units calculated pursuant to this subsection. The
37 superintendent shall make allocations to school districts based on
38 the district's annual average full-time equivalent enrollment in each

1 grade. The following prototypical school values shall determine the
2 allocation for principals, assistance principals, and other
3 certificated building level administrators:

4 Prototypical School Building:

5 Elementary School	1.253
6 Middle School	1.353
7 High School	1.880

8 (b) Students in approved career and technical education and skill
9 center programs generate certificated school building-level
10 administrator staff units at per student rates that are a multiple of
11 the general education rate in (a) of this subsection by the following
12 factors: Career and Technical Education students 1.025
13 Skill Center students 1.198

14 (4) CLASSIFIED STAFF ALLOCATIONS

15 Allocations for classified staff units providing school building-
16 level and district-wide support services for the 2015-16 and 2016-17
17 school years are determined using the formula-generated staff units
18 provided in RCW 28A.150.260, and adjusted based on each district's
19 annual average full-time equivalent student enrollment in each grade,
20 except that the allocation for parent involvement coordinators in an
21 elementary school shall be 0.0825 for the 2015-16 and 2016-17 school
22 years, which enhancement is within the program of basic education.

23 (5) CENTRAL OFFICE ALLOCATIONS

24 In addition to classified and administrative staff units
25 allocated in subsections (3) and (4) of this section, classified and
26 administrative staff units are provided for the 2015-16 and 2016-17
27 school year for the central office administrative costs of operating
28 a school district, at the following rates:

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

35 (b) Of the central office staff units calculated in (a) of this
36 subsection, 74.53 percent are allocated as classified staff units, as
37 generated in subsection (4) of this section, and 25.47 percent shall

1 be allocated as administrative staff units, as generated in
2 subsection (3) of this section.

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

8 (d) For students in approved career-technical and skill center
9 programs, central office classified units are allocated at the same
10 staff unit per student rate as those generated for general education
11 students of the same grade in this subsection (5), and central office
12 administrative staff units are allocated at staff unit per student
13 rates that exceed the general education rate established for students
14 in the same grade in this subsection (5) by 1.46 percent in the
15 2015-16 school year and 1.45 percent in the 2016-17 school year for
16 career and technical education students, and 17.33 percent in the
17 2015-16 school year and 17.31 percent in the 2016-17 school year for
18 skill center students.

19 (6) FRINGE BENEFIT ALLOCATIONS

20 Fringe benefit allocations shall be calculated at a rate of 21.42
21 percent in the 2015-16 school year and 21.42 percent in the 2016-17
22 school year for certificated salary allocations provided under
23 subsections (2), (3), and (5) of this section, and a rate of 22.72
24 percent in the 2015-16 school year and 22.72 percent in the 2016-17
25 school year for classified salary allocations provided under
26 subsections (4) and (5) of this section.

27 (7) INSURANCE BENEFIT ALLOCATIONS

28 Insurance benefit allocations shall be calculated at the
29 maintenance rate specified in section 504 of this act, based on the
30 number of benefit units determined as follows:

31 (a) The number of certificated staff units determined in
32 subsections (2), (3), and (5) of this section; and

33 (b) The number of classified staff units determined in
34 subsections (4) and (5) of this section multiplied by 1.152. This
35 factor is intended to adjust allocations so that, for the purpose of
36 distributing insurance benefits, full-time equivalent classified
37 employees may be calculated on the basis of 1,440 hours of work per
38 year, with no individual employee counted as more than one full-time
39 equivalent.

1 (8) MATERIALS, SUPPLIES, AND OPERATING COSTS (MSOC) ALLOCATIONS

2 Funding is allocated per annual average full-time equivalent
3 student for the materials, supplies, and operating costs (MSOC)
4 incurred by school districts, consistent with the requirements of RCW
5 28A.150.260.

6 (a)(i) MSOC funding for general education students are allocated
7 at the following per student rates:

8 MSOC RATES/STUDENT FTE

9

10 MSOC Component	2015-16	2016-17
	SCHOOL YEAR	SCHOOL YEAR
13 Technology	\$127.17	\$128.58
14 Utilities and Insurance	\$345.55	\$349.35
15 Curriculum and Textbooks	\$136.54	\$138.04
16 Other Supplies and Library Materials	\$289.88	\$293.07
17 Instructional Professional Development for Certificated 18 and Classified Staff	\$21.12	\$21.35
19 Facilities Maintenance	\$171.19	\$173.07
20 Security and Central Office	\$118.60	\$119.90
21 TOTAL BASIC EDUCATION MSOC/STUDENT FTE	\$1,210.05	\$1,223.36

22 (ii) For the 2016-17 school year, as part of the budget
23 development, hearing, and review process required by chapter 28A.505
24 RCW, each school district must disclose: (A) The amount of state
25 funding to be received by the district under (a) and (d) of this
26 subsection (8); (B) the amount the district proposes to spend for
27 materials, supplies, and operating costs; (C) the difference between
28 these two amounts; and (D) if (A) of this subsection (8)(a)(ii)
29 exceeds (B) of this subsection (8)(a)(ii), any proposed use of this
30 difference and how this use will improve student achievement.

31 (b) Students in approved skill center programs generate per
32 student FTE MSOC allocations of \$1,272.99 for the 2015-16 school year
33 and \$1,286.99 for the 2016-17 school year.

34 (c) Students in approved exploratory and preparatory career and
35 technical education programs generate a per student MSOC allocation

1 of \$1,431.65 for the 2015-16 school year and \$1,447.40 for the
2 2016-17 school year.

3 (d) Students in grades 9-12 generate per student FTE MSOC
4 allocations in addition to the allocation provided in (a) through (c)
5 of this subsection at the following rate:

6 MSOC Component	2015-16	2016-17
7	SCHOOL YEAR	SCHOOL YEAR
8 Technology	\$36.57	\$36.98
9 Curriculum and Textbooks	\$39.89	\$40.33
10 Other Supplies and Library Materials	\$83.11	\$84.02
11 Instructional Professional Development for Certified 12 and Classified Staff	\$6.65	\$6.72
13 TOTAL GRADE 9-12 BASIC EDUCATION MSOC/STUDENT FTE	\$166.22	\$168.05

14 (9) SUBSTITUTE TEACHER ALLOCATIONS

15 For the 2015-16 and 2016-17 school years, funding for substitute
16 costs for classroom teachers is based on four (4) funded substitute
17 days per classroom teacher unit generated under subsection (2) of
18 this section, at a daily substitute rate of \$151.86.

19 (10) ALTERNATIVE LEARNING EXPERIENCE PROGRAM FUNDING

20 (a) Amounts provided in this section from July 1, 2015, to August
21 31, 2015, are adjusted to reflect provisions of chapter 4, Laws of
22 2013 2nd sp. sess., as amended (allocation of funding for students
23 enrolled in alternative learning experiences).

24 (b) The superintendent of public instruction shall require all
25 districts receiving general apportionment funding for alternative
26 learning experience (ALE) programs as defined in WAC 392-121-182 to
27 provide separate financial accounting of expenditures for the ALE
28 programs offered in district or with a provider, including but not
29 limited to private companies and multidistrict cooperatives, as well
30 as accurate, monthly headcount and FTE enrollment claimed for basic
31 education, including separate counts of resident and nonresident
32 students.

33 (11) DROPOUT REENGAGEMENT PROGRAM

34 The superintendent shall adopt rules to require students claimed
35 for general apportionment funding based on enrollment in dropout
36 reengagement programs authorized under RCW 28A.175.100 through
37 28A.175.115 to meet requirements for at least weekly minimum

1 instructional contact, academic counseling, career counseling, or
2 case management contact. Districts must also provide separate
3 financial accounting of expenditures for the programs offered by the
4 district or under contract with a provider, as well as accurate
5 monthly headcount and full-time equivalent enrollment claimed for
6 basic education, including separate enrollment counts of resident and
7 nonresident students.

8 (12) VOLUNTARY ALL DAY KINDERGARTEN PROGRAMS

9 Funding in this section is sufficient to fund voluntary all day
10 kindergarten programs in qualifying schools in the 2015-16 school
11 year and all schools in the 2016-17 school year, pursuant to RCW
12 28A.150.220 and 28A.150.315. Each kindergarten student who enrolls
13 for the voluntary all-day program in a qualifying school shall count
14 as one-half of one full-time equivalent student for purpose of making
15 allocations under this section. Funding in this section provides all-
16 day kindergarten programs for 71.88 percent of kindergarten
17 enrollment in the 2015-16 school year and full funding in the 2016-17
18 school year, which enhancement is within the program of basic
19 education.

20 (13) ADDITIONAL FUNDING FOR SMALL SCHOOL DISTRICTS AND REMOTE AND
21 NECESSARY PLANTS

22 For small school districts and remote and necessary school plants
23 within any district which have been judged to be remote and necessary
24 by the superintendent of public instruction, additional staff units
25 are provided to ensure a minimum level of staffing support.
26 Additional administrative and certificated instructional staff units
27 provided to districts in this subsection shall be reduced by the
28 general education staff units, excluding career and technical
29 education and skills center enhancement units, otherwise provided in
30 subsections (2) through (5) of this section on a per district basis.

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

37 (i) For those enrolling no students in grades 7 and 8, 1.76
38 certificated instructional staff units and 0.24 certificated
39 administrative staff units for enrollment of not more than five

1 students, plus one-twentieth of a certificated instructional staff
2 unit for each additional student enrolled; and

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

8 (b) For specified enrollments in districts enrolling more than
9 twenty-five but not more than one hundred average annual full-time
10 equivalent students in grades K-8, and for small school plants within
11 any school district which enroll more than twenty-five average annual
12 full-time equivalent students in grades K-8 and have been judged to
13 be remote and necessary by the superintendent of public instruction:

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

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

21 (c) For districts operating no more than two high schools with
22 enrollments of less than three hundred average annual full-time
23 equivalent students, for enrollment in grades 9-12 in each such
24 school, other than alternative schools, except as noted in this
25 subsection:

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

31 (ii) For all other small high schools under this subsection, nine
32 certificated instructional staff units and one-half of a certificated
33 administrative staff unit for the first sixty average annual full-
34 time equivalent students, and additional staff units based on a ratio
35 of 0.8732 certificated instructional staff units and 0.1268
36 certificated administrative staff units per each additional forty-
37 three and one-half average annual full-time equivalent students;

38 (iii) Districts receiving staff units under this subsection shall
39 add students enrolled in a district alternative high school and any
40 grades nine through twelve alternative learning experience programs

1 with the small high school enrollment for calculations under this
2 subsection;

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

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

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

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

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

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

37 (15) The superintendent may distribute funding for the following
38 programs outside the basic education formula during fiscal years 2016
39 and 2017 as follows:

1 (a) \$620,000 of the general fund—state appropriation for fiscal
2 year 2016 and \$627,000 of the general fund—state appropriation for
3 fiscal year 2017 are provided solely for fire protection for school
4 districts located in a fire protection district as now or hereafter
5 established pursuant to chapter 52.04 RCW.

6 (b) \$436,000 of the general fund—state appropriation for fiscal
7 year 2016 and \$436,000 of the general fund—state appropriation for
8 fiscal year 2017 are provided solely for programs providing skills
9 training for secondary students who are enrolled in extended day
10 school-to-work programs, as approved by the superintendent of public
11 instruction. The funds shall be allocated at a rate not to exceed
12 \$500 per full-time equivalent student enrolled in those programs.

13 (16) \$219,000 of the general fund—state appropriation for fiscal
14 year 2016 and \$221,000 of the general fund—state appropriation for
15 fiscal year 2017 are provided solely for school district emergencies
16 as certified by the superintendent of public instruction. Funding
17 provided must be conditioned upon the written commitment and plan of
18 the school district board of directors to repay the grant with any
19 insurance payments or other judgments that may be awarded, if
20 applicable. At the close of the fiscal year the superintendent of
21 public instruction shall report to the office of financial management
22 and the appropriate fiscal committees of the legislature on the
23 allocations provided to districts and the nature of the emergency.

24 (17) Funding in this section is sufficient to fund a maximum of
25 1.6 FTE enrollment for skills center students pursuant to chapter
26 463, Laws of 2007.

27 (18) Students participating in running start programs may be
28 funded up to a combined maximum enrollment of 1.2 FTE including
29 school district and institution of higher education enrollment
30 consistent with the running start course requirements provided in
31 Engrossed Second Substitute House Bill No. 1546 (dual credit
32 education opportunities). In calculating the combined 1.2 FTE, the
33 office of the superintendent of public instruction may average the
34 participating student's September through June enrollment to account
35 for differences in the start and end dates for courses provided by
36 the high school and higher education institution. Additionally, the
37 office of the superintendent of public instruction, in consultation
38 with the state board for community and technical colleges, the
39 student achievement council, and the education data center, shall

1 annually track and report to the fiscal committees of the legislature
2 on the combined FTE experience of students participating in the
3 running start program, including course load analyses at both the
4 high school and community and technical college system.

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

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

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

18 (20)(a) Indirect cost charges by a school district to approved
19 career and technical education middle and secondary programs shall
20 not exceed 15 percent of the combined basic education and career and
21 technical education program enhancement allocations of state funds.
22 Middle and secondary career and technical education programs are
23 considered separate programs for funding and financial reporting
24 purposes under this section.

25 (b) Career and technical education program full-time equivalent
26 enrollment shall be reported on the same monthly basis as the
27 enrollment for students eligible for basic support, and payments
28 shall be adjusted for reported career and technical education program
29 enrollments on the same monthly basis as those adjustments for
30 enrollment for students eligible for basic support.

31 (21) Funding in this section is sufficient to provide full
32 general apportionment payments to school districts eligible for
33 federal forest revenues as provided in RCW 28A.520.020. School
34 districts receiving federal forest revenues shall not have their
35 general apportionment reduced during the 2015-2017 biennium only.

36 **Sec. 1503.** 2016 sp.s. c 36 s 503 (uncodified) is amended to read
37 as follows:

38 **FOR THE SUPERINTENDENT OF PUBLIC INSTRUCTION—FOR SCHOOL EMPLOYEE**
39 **COMPENSATION ADJUSTMENTS**

1	General Fund—State Appropriation (FY 2016)	. . . . .	\$137,930,000
2	General Fund—State Appropriation (FY 2017)	. . . . .	(\$265,361,000)
3			<u>\$266,466,000</u>
4	TOTAL APPROPRIATION.	. . . . .	(\$403,291,000)
5			<u>\$404,396,000</u>

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

8 (1) Funding in this section is sufficient to provide a salary
9 increase of 3.0 percent effective September 1, 2015, and 1.8 percent
10 effective September 1, 2016. Of the salary increases provided in this
11 section, the increases of 1.8 percent effective September 1, 2015,
12 and of 1.2 percent effective September 1, 2016, are provided as
13 annual cost-of-living adjustments pursuant to Initiative Measure No.
14 732. The remaining portions of the salary increases are provided as a
15 one-biennium salary increase for the 2015-16 and 2016-17 school years
16 as the state continues to review and revise state-funded salary
17 allocations, and the increase expires August 31, 2017.

18 (2)(a) Additional salary adjustments as necessary to fund the
19 base salaries for certificated instructional staff as listed for each
20 district in LEAP Document 2, defined in section 503(2)(b) of this
21 act.

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

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

30 (d) The appropriations in this subsection (1) include associated
31 incremental fringe benefit allocations at 20.78 percent for the
32 2015-16 school year and 20.78 percent for the 2016-17 school year for
33 certificated instructional and certificated administrative staff and
34 19.22 percent for the 2015-16 school year and 19.22 percent for the
35 2016-17 school year for classified staff.

36 (e) The appropriations in this section include the increased or
37 decreased portion of salaries and incremental fringe benefits for all
38 relevant state-funded school programs in part V of this act. Changes
39 for general apportionment (basic education) are based on the salary

1 allocation schedules and methodology in sections 502 and 503 of this
2 act. Changes for special education result from changes in each
3 district's basic education allocation per student. Changes for
4 educational service districts and institutional education programs
5 are determined by the superintendent of public instruction using the
6 methodology for general apportionment salaries and benefits in
7 sections 502 and 503 of this act.

8 (f) The appropriations in this section include no salary
9 adjustments for substitute teachers.

10 (3) The maintenance rate for insurance benefit allocations is
11 \$768.00 per month for the 2015-16 and 2016-17 school years. The
12 appropriations in this section reflect the incremental change in cost
13 of allocating rates of \$780.00 per month for the 2015-16 school year
14 and \$780.00 per month for the 2016-17 school year.

15 (4) The rates specified in this section are subject to revision
16 each year by the legislature.

17 **Sec. 1504.** 2016 sp.s. c 36 s 504 (uncodified) is amended to read
18 as follows:

19 **FOR THE SUPERINTENDENT OF PUBLIC INSTRUCTION—FOR PUPIL TRANSPORTATION**

20 General Fund—State Appropriation (FY 2016)	. . . . .	\$496,456,000
21 General Fund—State Appropriation (FY 2017)	. . . . .	(\$488,624,000)
		<u>\$489,595,000</u>
23 TOTAL APPROPRIATION.	. . . . .	(\$985,080,000)
		<u>\$986,051,000</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
28 funds as are necessary to complete the school year ending in the
29 fiscal year and for prior fiscal year adjustments.

30 (2)(a) For the 2015-16 and 2016-17 school years, the
31 superintendent shall allocate funding to school district programs for
32 the transportation of eligible students as provided in RCW
33 28A.160.192. Funding in this section constitutes full implementation
34 of RCW 28A.160.192, which enhancement is within the program of basic
35 education. Students are considered eligible only if meeting the
36 definitions provided in RCW 28A.160.160.

37 (b) For the 2015-16 school year, the superintendent shall
38 allocate funding for approved and operating charter schools as

1 provided in RCW 28A.710.220(3) for September through November 2015.
2 Per-student allocations for pupil transportation must be calculated
3 using the allocation for the previous school year to the school
4 district in which the charter school is located and the number of
5 eligible students in the district, and must be distributed to the
6 charter school based on the number of eligible students.

7 (c) From July 1, 2015 to August 31, 2015, the superintendent
8 shall allocate funding to school districts programs for the
9 transportation of students as provided in section 505, chapter 4,
10 Laws of 2013 2nd sp. sess., as amended.

11 (3) A maximum of \$892,000 of this fiscal year 2016 appropriation
12 and a maximum of \$892,000 of the fiscal year 2017 appropriation may
13 be expended for regional transportation coordinators and related
14 activities. The transportation coordinators shall ensure that data
15 submitted by school districts for state transportation funding shall,
16 to the greatest extent practical, reflect the actual transportation
17 activity of each district.

18 (4) The office of the superintendent of public instruction shall
19 provide reimbursement funding to a school district for school bus
20 purchases only after the superintendent of public instruction
21 determines that the school bus was purchased from the list
22 established pursuant to RCW 28A.160.195(2) or a comparable
23 competitive bid process based on the lowest price quote based on
24 similar bus categories to those used to establish the list pursuant
25 to RCW 28A.160.195.

26 (5) The superintendent of public instruction shall base
27 depreciation payments for school district buses on the presales tax
28 five-year average of lowest bids in the appropriate category of bus.
29 In the final year on the depreciation schedule, the depreciation
30 payment shall be based on the lowest bid in the appropriate bus
31 category for that school year.

32 (6) Funding levels in this section reflect waivers granted by the
33 state board of education for four-day school weeks as allowed under
34 RCW 28A.305.141.

35 (7) The office of the superintendent of public instruction shall
36 annually disburse payments for bus depreciation in August.

37 **Sec. 1505.** 2015 3rd sp.s. c 4 s 506 (uncodified) is amended to
38 read as follows:

1 **FOR THE SUPERINTENDENT OF PUBLIC INSTRUCTION—FOR SCHOOL FOOD SERVICE**
2 **PROGRAMS**

3	General Fund—State Appropriation (FY 2016)	. . . . .	\$7,111,000
4	General Fund—State Appropriation (FY 2017)	. . . . .	\$7,111,000
5	General Fund—Federal Appropriation	. . . . .	(( \$526,332,000))
6			<u>\$536,332,000</u>
7	TOTAL APPROPRIATION.	. . . . .	(( \$540,554,000))
8			<u>\$550,554,000</u>

9 The appropriations in this section are subject to the following
10 conditions and limitations: \$7,111,000 of the general fund—state
11 appropriation for fiscal year 2016 and \$7,111,000 of the general fund
12 —state appropriation for fiscal year 2017 are provided solely for
13 state matching money for federal child nutrition programs, and may
14 support the meals for kids program through the following allowable
15 uses:

16 (1) Elimination of breakfast copays for eligible public school
17 students and lunch copays for eligible public school students in
18 grades kindergarten through third grade who are eligible for reduced-
19 price lunch;

20 (2) Assistance to school districts and authorized public and
21 private nonprofit organizations for supporting summer food service
22 programs, and initiating new summer food service programs in low-
23 income areas;

24 (3) Reimbursements to school districts for school breakfasts
25 served to students eligible for free and reduced-price lunch,
26 pursuant to chapter 287, Laws of 2005; and

27 (4) Assistance to school districts in initiating and expanding
28 school breakfast programs.

29 The office of the superintendent of public instruction shall
30 report annually to the fiscal committees of the legislature on annual
31 expenditures in subsections (1), (2), and (3) of this section.

32 **Sec. 1506.** 2016 sp.s. c 36 s 505 (uncodified) is amended to read
33 as follows:

34 **FOR THE SUPERINTENDENT OF PUBLIC INSTRUCTION—FOR SPECIAL EDUCATION**
35 **PROGRAMS**

36	General Fund—State Appropriation (FY 2016)	. . . . .	\$805,866,000
37	General Fund—State Appropriation (FY 2017)	. . . . .	(( \$853,389,000))
38			<u>\$871,708,000</u>

1	General Fund—Federal Appropriation	((\$483,538,000))
2		<u>\$487,338,000</u>
3	Education Legacy Trust Account—State Appropriation . . .	\$54,694,000
4	TOTAL APPROPRIATION.	((\$2,197,487,000))
5		<u>\$2,219,606,000</u>

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

8 (1)(a) Funding for special education programs is provided on an
9 excess cost basis, pursuant to RCW 28A.150.390. School districts
10 shall ensure that special education students as a class receive their
11 full share of the general apportionment allocation accruing through
12 sections 502 and 504 of this act. To the extent a school district
13 cannot provide an appropriate education for special education
14 students under chapter 28A.155 RCW through the general apportionment
15 allocation, it shall provide services through the special education
16 excess cost allocation funded in this section.

17 (b) Funding provided within this section is sufficient for
18 districts to provide school principals and lead special education
19 teachers annual professional development on the best-practices for
20 special education instruction and strategies for implementation.
21 Districts shall annually provide a summary of professional
22 development activities to the office of the superintendent of public
23 instruction.

24 (2)(a) The superintendent of public instruction shall ensure
25 that:

26 (i) Special education students are basic education students
27 first;

28 (ii) As a class, special education students are entitled to the
29 full basic education allocation; and

30 (iii) Special education students are basic education students for
31 the entire school day.

32 (b) The superintendent of public instruction shall continue to
33 implement the full cost method of excess cost accounting, as designed
34 by the committee and recommended by the superintendent, pursuant to
35 section 501(1)(k), chapter 372, Laws of 2006.

36 (3) Each fiscal year appropriation includes such funds as are
37 necessary to complete the school year ending in the fiscal year and
38 for prior fiscal year adjustments.

1 (4)(a) For the 2015-16 and 2016-17 school years, the
2 superintendent shall allocate funding to school district programs for
3 special education students as provided in RCW 28A.150.390, except
4 that the calculation of the base allocation also includes allocations
5 provided under section 502(4) for parent involvement coordinators in
6 prototypical elementary schools and guidance counselors in
7 prototypical middle schools as provided under section 502(2), which
8 enhancement is within the program of basic education.

9 (b) From July 1, 2015 to August 31, 2015, the superintendent
10 shall allocate funding to school district programs for special
11 education students as provided in section 507, chapter 4, Laws of
12 2013 2nd sp. sess., as amended.

13 (5) The following applies throughout this section: The
14 definitions for enrollment and enrollment percent are as specified in
15 RCW 28A.150.390(3). Each district's general fund—state funded special
16 education enrollment shall be the lesser of the district's actual
17 enrollment percent or 12.7 percent.

18 (6) At the request of any interdistrict cooperative of at least
19 15 districts in which all excess cost services for special education
20 students of the districts are provided by the cooperative, the
21 maximum enrollment percent shall be calculated in accordance with RCW
22 28A.150.390(3) (c) and (d), and shall be calculated in the aggregate
23 rather than individual district units. For purposes of this
24 subsection, the average basic education allocation per full-time
25 equivalent student shall be calculated in the aggregate rather than
26 individual district units.

27 (7) \$20,691,000 of the general fund—state appropriation for
28 fiscal year 2016, (~~(\$24,473,000)~~) \$30,999,000 of the general fund—
29 state appropriation for fiscal year 2017, and (~~(\$27,350,000)~~)
30 \$17,787,000 of the general fund—federal appropriation are provided
31 solely for safety net awards for districts with demonstrated needs
32 for special education funding beyond the amounts provided in
33 subsection (4) of this section. If the federal safety net awards
34 based on the federal eligibility threshold exceed the federal
35 appropriation in this subsection (7) in any fiscal year, the
36 superintendent shall expend all available federal discretionary funds
37 necessary to meet this need. At the conclusion of each school year,
38 the superintendent shall recover safety net funds that were

1 distributed prospectively but for which districts were not
2 subsequently eligible.

3 (a) For the 2015-16 and 2016-17 school years, safety net funds
4 shall be awarded by the state safety net oversight committee as
5 provided in section 109(1) chapter 548, Laws of 2009 (ESHB 2261).

6 (b) The office of the superintendent of public instruction shall
7 make award determinations for state safety net funding in August of
8 each school year, except that the superintendent of public
9 instruction shall make award determinations for state safety net
10 funding in July of each school year for the Washington state school
11 for the blind and for the center for childhood deafness and hearing
12 loss. Determinations on school district eligibility for state safety
13 net awards shall be based on analysis of actual expenditure data from
14 the current school year.

15 (8) A maximum of \$931,000 may be expended from the general fund—
16 state appropriations to fund 5.43 full-time equivalent teachers and
17 2.1 full-time equivalent aides at children's orthopedic hospital and
18 medical center. This amount is in lieu of money provided through the
19 home and hospital allocation and the special education program.

20 (9) The superintendent shall maintain the percentage of federal
21 flow-through to school districts at 85 percent. In addition to other
22 purposes, school districts may use increased federal funds for high-
23 cost students, for purchasing regional special education services
24 from educational service districts, and for staff development
25 activities particularly relating to inclusion issues.

26 (10) A school district may carry over from one year to the next
27 year up to 10 percent of the general fund—state funds allocated under
28 this program; however, carryover funds shall be expended in the
29 special education program.

30 (11) \$255,000 of the general fund—state appropriation for fiscal
31 year 2016 and \$256,000 of the general fund—state appropriation for
32 fiscal year 2017 are provided solely for two additional full-time
33 equivalent staff to support the work of the safety net committee and
34 to provide training and support to districts applying for safety net
35 awards.

36 (12) \$50,000 of the general fund—state appropriation for fiscal
37 year 2016, \$50,000 of the general fund—state appropriation for fiscal
38 year 2017, and \$100,000 of the general fund—federal appropriation are

1 provided solely for a special education family liaison position
2 within the office of the superintendent of public instruction.

3 **Sec. 1507.** 2016 sp.s. c 36 s 506 (uncodified) is amended to read
4 as follows:

5 **FOR THE SUPERINTENDENT OF PUBLIC INSTRUCTION—FOR EDUCATIONAL SERVICE**
6 **DISTRICTS**

7	General Fund—State Appropriation (FY 2016)	. . . . .	\$8,208,000
8	General Fund—State Appropriation (FY 2017)	. . . . .	(\$8,200,000)
9			<u>\$8,197,000</u>
10	TOTAL APPROPRIATION.	. . . . .	(\$16,408,000)
11			<u>\$16,405,000</u>

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

14 (1) The educational service districts shall continue to furnish
15 financial services required by the superintendent of public
16 instruction and RCW 28A.310.190 (3) and (4).

17 (2) Funding within this section is provided for regional
18 professional development related to mathematics and science
19 curriculum and instructional strategies aligned with common core
20 state standards and next generation science standards. Funding shall
21 be distributed among the educational service districts in the same
22 proportion as distributions in the 2007-2009 biennium. Each
23 educational service district shall use this funding solely for salary
24 and benefits for a certificated instructional staff with expertise in
25 the appropriate subject matter and in professional development
26 delivery, and for travel, materials, and other expenditures related
27 to providing regional professional development support.

28 (3) The educational service districts, at the request of the
29 state board of education pursuant to RCW 28A.310.010 and 28A.305.130,
30 may receive and screen applications for school accreditation, conduct
31 school accreditation site visits pursuant to state board of education
32 rules, and submit to the state board of education post-site visit
33 recommendations for school accreditation. The educational service
34 districts may assess a cooperative service fee to recover actual plus
35 reasonable indirect costs for the purposes of this subsection.

36 **Sec. 1508.** 2016 sp.s. c 36 s 507 (uncodified) is amended to read
37 as follows:

1 **FOR THE SUPERINTENDENT OF PUBLIC INSTRUCTION—FOR LOCAL EFFORT**
2 **ASSISTANCE**

3	General Fund—State Appropriation (FY 2016)	. . . . .	\$375,622,000
4	General Fund—State Appropriation (FY 2017)	. . . . .	(\$390,801,000)
5			<u>\$400,207,000</u>
6	TOTAL APPROPRIATION.	. . . . .	(\$766,423,000)
7			<u>\$775,829,000</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 4.27 percent from the
11 2014-15 school year to the 2015-16 school year and 1.09 percent from
12 the 2015-16 school year to the 2016-17 school year.

13 **Sec. 1509.** 2016 sp.s. c 36 s 508 (uncodified) is amended to read
14 as follows:

15 **FOR THE SUPERINTENDENT OF PUBLIC INSTRUCTION—FOR INSTITUTIONAL**
16 **EDUCATION PROGRAMS**

17	General Fund—State Appropriation (FY 2016)	. . . . .	\$13,239,000
18	General Fund—State Appropriation (FY 2017)	. . . . .	(\$13,271,000)
19			<u>\$13,341,000</u>
20	TOTAL APPROPRIATION.	. . . . .	(\$26,510,000)
21			<u>\$26,580,000</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
28 salaries and other expenditures for a 220-day school year. The
29 superintendent of public instruction shall monitor school district
30 expenditure plans for institutional education programs to ensure that
31 districts plan for a full-time summer program.

32 (3) State funding for each institutional education program shall
33 be based on the institution's annual average full-time equivalent
34 student enrollment. Staffing ratios for each category of institution
35 shall remain the same as those funded in the 1995-97 biennium.

36 (4) The funded staffing ratios for education programs for
37 juveniles age 18 or less in department of corrections facilities
38 shall be the same as those provided in the 1997-99 biennium.

1 (5) \$757,000 of the general fund—state appropriation for fiscal
2 year 2016 and (~~(\$757,000)~~) \$701,000 of the general fund—state
3 appropriation for fiscal year 2017 are provided solely to maintain at
4 least one certificated instructional staff and related support
5 services at an institution whenever the K-12 enrollment is not
6 sufficient to support one full-time equivalent certificated
7 instructional staff to furnish the educational program. The following
8 types of institutions are included: Residential programs under the
9 department of social and health services for developmentally disabled
10 juveniles, programs for juveniles under the department of
11 corrections, programs for juveniles under the juvenile rehabilitation
12 administration, and programs for juveniles operated by city and
13 county jails.

14 (6) Ten percent of the funds allocated for each institution may
15 be carried over from one year to the next.

16 **Sec. 1510.** 2016 sp.s. c 36 s 509 (uncodified) is amended to read
17 as follows:

18 **FOR THE SUPERINTENDENT OF PUBLIC INSTRUCTION—FOR PROGRAMS FOR HIGHLY**
19 **CAPABLE STUDENTS**

20	General Fund—State Appropriation (FY 2016)	. . . . .	\$10,012,000
21	General Fund—State Appropriation (FY 2017)	. . . . .	((\$10,162,000))
22			<u>\$10,185,000</u>
23	TOTAL APPROPRIATION.	. . . . .	((\$20,174,000))
24			<u>\$20,197,000</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
28 funds as are necessary to complete the school year ending in the
29 fiscal year and for prior fiscal year adjustments.

30 (2)(a) For the 2015-16 and 2016-17 school years, the
31 superintendent shall allocate funding to school district programs for
32 highly capable students as provided in RCW 28A.150.260(10)(c). In
33 calculating the allocations, the superintendent shall assume the
34 following: (i) Additional instruction of 2.1590 hours per week per
35 funded highly capable program student; (ii) fifteen highly capable
36 program students per teacher; (iii) 36 instructional weeks per year;
37 (iv) 900 instructional hours per teacher; and (v) the district's

1 average staff mix and compensation rates as provided in sections 503
2 and 504 of this act.

3 (b) From July 1, 2015, to August 31, 2015, the superintendent
4 shall allocate funding to school districts programs for highly
5 capable students as provided in section 511, chapter 4, Laws of 2013
6 2nd sp. sess., as amended.

7 (3) \$85,000 of the general fund—state appropriation for fiscal
8 year 2016 and \$85,000 of the general fund—state appropriation for
9 fiscal year 2017 are provided solely for the centrum program at Fort
10 Worden state park.

11 **Sec. 1511.** 2016 sp.s. c 36 s 511 (uncodified) is amended to read
12 as follows:

13 **FOR THE SUPERINTENDENT OF PUBLIC INSTRUCTION—EDUCATION REFORM**
14 **PROGRAMS**

15	General Fund—State Appropriation (FY 2016)	\$116,893,000
16	General Fund—State Appropriation (FY 2017)	(\$134,641,000)
17		<u>\$136,063,000</u>
18	General Fund—Federal Appropriation	\$99,278,000
19	General Fund—Private/Local Appropriation	\$2,721,000
20	Education Legacy Trust Account—State Appropriation	\$1,613,000
21	TOTAL APPROPRIATION.	(\$355,146,000)
22		<u>\$356,568,000</u>

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

25 (1) \$29,137,000 of the general fund—state appropriation for
26 fiscal year 2016, \$36,648,000 of the general fund—state appropriation
27 for fiscal year 2017, \$1,350,000 of the education legacy trust
28 account—state appropriation, and \$16,268,000 of the general fund—
29 federal appropriation are provided solely for development and
30 implementation of the Washington state assessment system, including:

- 31 (a) Development and implementation of retake assessments for high
32 school students who are not successful in one or more content areas;
33 and (b) development and implementation of alternative assessments or
34 appeals procedures to implement the certificate of academic
35 achievement. The superintendent of public instruction shall report
36 quarterly on the progress on development and implementation of
37 alternative assessments or appeals procedures. Within these amounts,
38 the superintendent of public instruction shall contract for the early

1 return of 10th grade student assessment results, on or around June
2 10th of each year. State funding to districts shall be limited to one
3 collection of evidence payment per student, per content-area
4 assessment. Within the amounts provided in this section, the
5 superintendent of public instruction shall administer the biology
6 collection of evidence. The alternative assessment method that
7 consists of an evaluation of a collection of student work samples
8 under RCW 28A.655.065 (5) and (6) is intended to provide an
9 alternative way for students to meet the state standards for high
10 school graduation purposes. To ensure that students are learning the
11 state standards, prior to the collection of work samples being
12 submitted to the state for evaluation, a classroom teacher or other
13 educator must review the collection of work to determine whether the
14 sample is likely to meet the minimum required score to meet the state
15 standard.

16 (2) \$356,000 of the general fund—state appropriation for fiscal
17 year 2016 and \$356,000 of the general fund—state appropriation for
18 fiscal year 2017 are provided solely for the Washington state
19 leadership and assistance for science education reform (LASER)
20 regional partnership activities coordinated at the Pacific science
21 center, including instructional material purchases, teacher and
22 principal professional development, and school and community
23 engagement events.

24 (3) \$3,935,000 of the general fund—state appropriation for fiscal
25 year 2016 and \$3,935,000 of the general fund—state appropriation for
26 fiscal year 2017 are provided solely for implementation of a new
27 performance-based evaluation for certificated educators and other
28 activities as provided in chapter 235, Laws of 2010 (education
29 reform) and chapter 35, Laws of 2012 (certificated employee
30 evaluations).

31 (4) \$51,337,000 of the general fund—state appropriation for
32 fiscal year 2016 and (~~(\$56,939,000)~~) \$58,361,000 of the general fund—
33 state appropriation for fiscal year 2017 are provided solely for the
34 following bonuses for teachers who hold valid, unexpired
35 certification from the national board for professional teaching
36 standards and who are teaching in a Washington public school, subject
37 to the following conditions and limitations:

1 (a) For national board certified teachers, a bonus of \$5,151 per
2 teacher in the 2015-16 school year and a bonus of \$5,208 per teacher
3 in the 2016-17 school year;

4 (b) An additional \$5,000 annual bonus shall be paid to national
5 board certified teachers who teach in either: (A) High schools where
6 at least 50 percent of student headcount enrollment is eligible for
7 federal free or reduced-price lunch, (B) middle schools where at
8 least 60 percent of student headcount enrollment is eligible for
9 federal free or reduced-price lunch, or (C) elementary schools where
10 at least 70 percent of student headcount enrollment is eligible for
11 federal free or reduced-price lunch;

12 (c) The superintendent of public instruction shall adopt rules to
13 ensure that national board certified teachers meet the qualifications
14 for bonuses under (b) of this subsection for less than one full
15 school year receive bonuses in a prorated manner. All bonuses in this
16 subsection will be paid in July of each school year. Bonuses in this
17 subsection shall be reduced by a factor of 40 percent for first year
18 NBPTS certified teachers, to reflect the portion of the instructional
19 school year they are certified; and

20 (d) During the 2015-16 and 2016-17 school years, and within
21 available funds, certificated instructional staff who have met the
22 eligibility requirements and have applied for certification from the
23 national board for professional teaching standards may receive a
24 conditional loan of two thousand dollars or the amount set by the
25 office of the superintendent of public instruction to contribute
26 toward the current assessment fee, not including the initial up-front
27 candidacy payment. The fee shall be an advance on the first annual
28 bonus under RCW 28A.405.415. The conditional loan is provided in
29 addition to compensation received under a district's salary schedule
30 and shall not be included in calculations of a district's average
31 salary and associated salary limitation under RCW 28A.400.200.
32 Recipients who fail to receive certification after three years are
33 required to repay the conditional loan. The office of the
34 superintendent of public instruction shall adopt rules to define the
35 terms for initial grant of the assessment fee and repayment,
36 including applicable fees. To the extent necessary, the
37 superintendent may use revenues from the repayment of conditional
38 loan scholarships to ensure payment of all national board bonus
39 payments required by this section in each school year.

1 (5) \$477,000 of the general fund—state appropriation for fiscal
2 year 2016 and \$477,000 of the general fund—state appropriation for
3 fiscal year 2017 are provided solely for the leadership internship
4 program for superintendents, principals, and program administrators.

5 (6) \$950,000 of the general fund—state appropriation for fiscal
6 year 2016 and \$950,000 of the general fund—state appropriation for
7 fiscal year 2017 are provided solely for the Washington reading
8 corps. The superintendent shall allocate reading corps members to
9 low-performing schools and school districts that are implementing
10 comprehensive, proven, research-based reading programs. Two or more
11 schools may combine their Washington reading corps programs.

12 (7) \$810,000 of the general fund—state appropriation for fiscal
13 year 2016 and \$810,000 of the general fund—state appropriation for
14 fiscal year 2017 are provided solely for the development of a
15 leadership academy for school principals and administrators. The
16 superintendent of public instruction shall contract with an
17 independent organization to operate a state-of-the-art education
18 leadership academy that will be accessible throughout the state.
19 Semiannually the independent organization shall report on amounts
20 committed by foundations and others to support the development and
21 implementation of this program. Leadership academy partners shall
22 include the state level organizations for school administrators and
23 principals, the superintendent of public instruction, the
24 professional educator standards board, and others as the independent
25 organization shall identify.

26 (8) \$3,000,000 of the general fund—state appropriation for fiscal
27 year 2016 and \$3,000,000 of the general fund—state appropriation for
28 fiscal year 2017 are provided solely for a statewide information
29 technology (IT) academy program. This public-private partnership will
30 provide educational software, as well as IT certification and
31 software training opportunities for students and staff in public
32 schools.

33 (9) \$1,677,000 of the general fund—state appropriation for fiscal
34 year 2016 and \$1,677,000 of the general fund—state appropriation for
35 fiscal year 2017 are provided solely for secondary career and
36 technical education grants pursuant to chapter 170, Laws of 2008. If
37 equally matched by private donations, \$700,000 of the 2016
38 appropriation and \$700,000 of the 2017 appropriation shall be used to
39 support FIRST robotics programs. Of the amounts in this subsection,

1 \$100,000 of the fiscal year 2016 appropriation and \$100,000 of the
2 fiscal year 2017 appropriation are provided solely for the purpose of
3 statewide supervision activities for career and technical education
4 student leadership organizations.

5 (10) \$125,000 of the general fund—state appropriation for fiscal
6 year 2016 and \$125,000 of the general fund—state appropriation for
7 fiscal year 2017 are provided solely for (a) staff at the office of
8 the superintendent of public instruction to coordinate and promote
9 efforts to develop integrated math, science, technology, and
10 engineering programs in schools and districts across the state; and
11 (b) grants of \$2,500 to provide twenty middle and high school
12 teachers each year with professional development training for
13 implementing integrated math, science, technology, and engineering
14 programs in their schools.

15 (11) \$135,000 of the general fund—state appropriation for fiscal
16 year 2016 and \$135,000 of the general fund—state appropriation for
17 fiscal year 2017 are provided solely for science, technology,
18 engineering and mathematics lighthouse projects, consistent with
19 chapter 238, Laws of 2010.

20 (12) \$5,500,000 of the general fund—state appropriation for
21 fiscal year 2016 and \$9,000,000 of the general fund—state
22 appropriation for fiscal year 2017 are provided solely for a
23 beginning educator support program. The program shall prioritize
24 first year teachers in the mentoring program. School districts and/or
25 regional consortia may apply for grant funding. The program provided
26 by a district and/or regional consortia shall include: A paid
27 orientation; assignment of a qualified mentor; development of a
28 professional growth plan for each beginning teacher aligned with
29 professional certification; release time for mentors and new teachers
30 to work together; and teacher observation time with accomplished
31 peers. Funding may be used to provide statewide professional
32 development opportunities for mentors and beginning educators.

33 (13) \$250,000 of the general fund—state appropriation for fiscal
34 year 2016 and \$250,000 of the general fund—state appropriation for
35 fiscal year 2017 are provided solely for advanced project lead the
36 way courses at ten high schools. To be eligible for funding in 2016,
37 a high school must have offered a foundational project lead the way
38 course during the 2014-15 school year. The 2016 funding must be used
39 for one-time start-up course costs for an advanced project lead the

1 way course, to be offered to students beginning in the 2015-16 school
2 year. To be eligible for funding in 2016, a high school must have
3 offered a foundational project lead the way course during the 2015-16
4 school year. The 2017 funding must be used for one-time start-up
5 course costs for an advanced project lead the way course, to be
6 offered to students beginning in the 2016-17 school year. The office
7 of the superintendent of public instruction and the education
8 research and data center at the office of financial management shall
9 track student participation and long-term outcome data.

10 (14) \$300,000 of the general fund—state appropriation for fiscal
11 year 2016 and \$300,000 of the general fund—state appropriation for
12 fiscal year 2017 are provided solely for annual start-up or expansion
13 grants for aerospace and manufacturing technical programs housed at
14 skill centers. The grants are provided for equipment, professional
15 development, and curriculum purchases. To be eligible for funding,
16 the skill center must agree to provide regional high schools with
17 access to a technology laboratory, expand manufacturing certificate
18 and course offerings at the skill center, and provide a laboratory
19 space for local high school teachers to engage in professional
20 development in the instruction of courses leading to student
21 employment certification in the aerospace, manufacturing industries,
22 or other high-skill programs as determined by the superintendent of
23 public instruction or for professional development of such programs.
24 The office of the superintendent of public instruction shall
25 administer the grants in consultation with the center for excellence
26 for aerospace and advanced materials manufacturing.

27 (15) \$150,000 of the general fund—state appropriation for fiscal
28 year 2016 and \$150,000 of the general fund—state appropriation for
29 fiscal year 2017 are provided solely for annual start-up or expansion
30 grants to high schools to implement or expand aerospace manufacturing
31 programs, or other high-skill programs as determined by the
32 superintendent of public instruction or for professional development
33 of such programs. The office of the superintendent of public
34 instruction and the education research and data center at the office
35 of financial management shall track student participation and long-
36 term outcome data.

37 (16) \$5,000,000 of the general fund—state appropriation for
38 fiscal year 2016 and \$5,000,000 of the general fund—state
39 appropriation for fiscal year 2017 are provided solely for the

1 provision of training for teachers in the performance-based teacher
2 principal evaluation program.

3 (17) \$7,235,000 of the general fund—state appropriation for
4 fiscal year 2016 and \$9,352,000 of the general fund—state
5 appropriation for fiscal year 2017 are provided solely for the
6 implementation of chapter 159, Laws of 2013 (Engrossed Second
7 Substitute Senate Bill No. 5329) (persistently failing schools).

8 (18) \$100,000 of the general fund—state appropriation for fiscal
9 year 2016 and \$100,000 of the general fund—state appropriation for
10 fiscal year 2017 are provided solely to promote the financial
11 literacy of students. The effort will be coordinated through the
12 financial literacy public-private partnership.

13 (19) \$99,000 of the general fund—state appropriation for fiscal
14 year 2016 is provided solely for the office of the superintendent of
15 public instruction to implement a youth dropout prevention program
16 that incorporates partnerships between community-based organizations,
17 schools, food banks and farms or gardens. The office of the
18 superintendent of public instruction shall select one school district
19 that must partner with an organization that is operating an existing
20 similar program and that also has the ability to serve at least 40
21 students. Of the amount appropriated in this subsection, up to
22 \$10,000 may be used by the office of the superintendent of public
23 instruction for administration of the program.

24 (20) \$2,194,000 of the general fund—state appropriation for
25 fiscal year 2016 and \$2,194,000 of the general fund—state
26 appropriation for fiscal year 2017 are provided solely to implement
27 chapter 18, Laws of 2013 2nd sp. sess. (Engrossed Substitute Senate
28 Bill No. 5946) (strengthening student educational outcomes).

29 (21) \$856,000 of the general fund—state appropriation for fiscal
30 year 2016 and \$1,061,000 of the general fund—state appropriation for
31 fiscal year 2017 are provided solely for chapter 184, Laws of 2013
32 (Second Substitute House Bill No. 1642) (academic acceleration) and
33 other activities proven to increase K-12 student enrollment in
34 rigorous courses.

35 (22) \$36,000 of the general fund—state appropriation for fiscal
36 year 2016 and \$36,000 of the general fund—state appropriation for
37 fiscal year 2017 are provided solely for chapter 212, Laws of 2014
38 (Substitute Senate Bill No. 6074) (homeless student educational
39 outcomes).

1 (23) \$80,000 of the general fund—state appropriation for fiscal
2 year 2016 and \$80,000 of the general fund—state appropriation for
3 fiscal year 2017 are provided solely for chapter 219, Laws of 2014
4 (Second Substitute Senate Bill No. 6163) (expanded learning).

5 (24) \$15,000 of the general fund—state appropriation for fiscal
6 year 2016 and \$10,000 of the general fund—state appropriation for
7 fiscal year 2017 are provided solely for chapter 102, Laws of 2014
8 (Senate Bill No. 6424) (biliteracy seal).

9 (25) \$500,000 of the general fund—state appropriation for fiscal
10 year 2016 and \$500,000 of the general fund—state appropriation for
11 fiscal year 2017 are provided solely for the office of the
12 superintendent of public instruction to contract with a nonprofit
13 organization to integrate the state learning standards in English
14 language arts, mathematics, and science with outdoor field studies
15 and project-based and work-based learning opportunities aligned with
16 the environmental, natural resource, and agricultural sectors.

17 (26) \$1,392,000 of general fund—state appropriation for fiscal
18 year 2016 is provided solely for professional development and
19 coaching for state-funded high school mathematics and science
20 teachers. Training shall be provided in the 2015-16 school year by
21 the science and mathematics coordinators at each educational service
22 district. The professional development shall include instructional
23 strategies and curriculum-specific training to improve outcomes for
24 the statewide high school mathematics assessment or the high school
25 biology assessment. The professional development provided may be
26 broken up into shorter timeframes over the course of more than one
27 day, but the aggregate amount of professional development provided
28 shall be one full work day.

29 (27) \$205,000 of the general fund—state appropriation for fiscal
30 year 2017 is provided solely for grants to high schools that have an
31 existing international baccalaureate program and enrollments of
32 seventy percent or more students eligible for free or reduced-price
33 meals in the prior school year to implement and sustain an
34 international baccalaureate program.

35 (28) Within the amounts provided in this section, the
36 superintendent of public instruction shall obtain an existing student
37 assessment inventory tool that is free and openly licensed and
38 distribute the tool to every school district. Each school district
39 shall use the student assessment inventory tool to identify all

1 state-level and district-level assessments that are required of
 2 students. The state-required assessments should include: Reading
 3 proficiency assessments used for compliance with RCW 28A.320.202; the
 4 required statewide assessments under chapter 28A.655 RCW in grades
 5 three through eight and at the high school level in English language
 6 arts, mathematics, and science, as well as the practice and training
 7 tests used to prepare for them; and the high school end-of-course
 8 exams in mathematics under RCW 28A.655.066. District-required
 9 assessments should include: The second grade reading assessment used
 10 to comply with RCW 28A.300.320; interim smarter balanced assessments,
 11 if required; the measures of academic progress assessment, if
 12 required; and other required interim, benchmark, or summative
 13 standardized assessments, including assessments used in social
 14 studies, the arts, health, and physical education in accordance with
 15 RCW 28A.230.095, and for educational technology in accordance with
 16 RCW 28A.655.075. The assessments identified should not include
 17 assessments used to determine eligibility for any categorical program
 18 including the transitional bilingual instruction program, learning
 19 assistance program, highly capable program, special education
 20 program, or any formative or diagnostic assessments used solely to
 21 inform teacher instructional practices, other than those already
 22 identified. By October 15, 2016, each district shall report to the
 23 superintendent the amount of student time that is spent taking each
 24 assessment identified. By December 15, 2016, the superintendent shall
 25 summarize the information reported by the school districts and report
 26 to the education committees of the house of representatives and the
 27 senate.

28 **Sec. 1512.** 2016 sp.s. c 36 s 512 (uncodified) is amended to read
 29 as follows:

30 **FOR THE SUPERINTENDENT OF PUBLIC INSTRUCTION—FOR TRANSITIONAL**
 31 **BILINGUAL PROGRAMS**

32	General Fund—State Appropriation (FY 2016)	. . . . .	\$118,648,000
33	General Fund—State Appropriation (FY 2017)	. . . . .	(\$124,751,000)
34			<u>\$129,666,000</u>
35	General Fund—Federal Appropriation	. . . . .	\$72,207,000
36	TOTAL APPROPRIATION.	. . . . .	(\$315,606,000)
37			<u>\$320,521,000</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
4 funds as are necessary to complete the school year ending in the
5 fiscal year and for prior fiscal year adjustments.

6 (2)(a) For the 2015-16 and 2016-17 school years, the
7 superintendent shall allocate funding to school districts for
8 transitional bilingual programs under RCW 28A.180.010 through
9 28A.180.080, including programs for exited students, as provided in
10 RCW 28A.150.260(10)(b) and the provisions of this section. In
11 calculating the allocations, the superintendent shall assume the
12 following averages: (i) Additional instruction of 4.7780 hours per
13 week per transitional bilingual program student in grades
14 kindergarten through twelve in school years 2015-16 and 2016-17; (ii)
15 additional instruction of 3.0000 hours per week in school years
16 2015-16 and 2016-17 for the head count number of students who have
17 exited the transitional bilingual instruction program within the
18 previous two years based on their performance on the English
19 proficiency assessment; (iii) fifteen transitional bilingual program
20 students per teacher; (iv) 36 instructional weeks per year; (v) 900
21 instructional hours per teacher; and (vi) the district's average
22 staff mix and compensation rates as provided in sections 503 and 504
23 of this act. Pursuant to RCW 28A.180.040(1)(g), the instructional
24 hours specified in (a)(ii) of this subsection (2) are within the
25 program of basic education.

26 (b) From July 1, 2015, to August 31, 2015, the superintendent
27 shall allocate funding to school districts for transitional bilingual
28 instruction programs as provided in section 514, chapter 4, Laws of
29 2013, 2nd sp. sess., as amended.

30 (3) The superintendent may withhold allocations to school
31 districts in subsection (2) of this section solely for the central
32 provision of assessments as provided in RCW 28A.180.090 (1) and (2)
33 up to the following amounts: 2.40 percent for school year 2015-16 and
34 1.97 percent for school year 2016-17.

35 (4) The general fund—federal appropriation in this section is for
36 migrant education under Title I Part C and English language
37 acquisition, and language enhancement grants under Title III of the
38 elementary and secondary education act.

1 (5) \$35,000 of the general fund—state appropriation for fiscal
2 year 2016 and \$35,000 of the general fund—state appropriation for
3 fiscal year 2017 are provided solely to track current and former
4 transitional bilingual program students.

5 (6) \$1,456,000 of the general fund—state appropriation for fiscal
6 year 2017 is provided solely for the central provision of assessments
7 pursuant to RCW 28A.180.090.

8 **Sec. 1513.** 2016 sp.s. c 36 s 513 (uncodified) is amended to read
9 as follows:

10 **FOR THE SUPERINTENDENT OF PUBLIC INSTRUCTION—FOR THE LEARNING**
11 **ASSISTANCE PROGRAM**

12	General Fund—State Appropriation (FY 2016)	. . . . .	\$224,311,000
13	General Fund—State Appropriation (FY 2017)	. . . . .	(\$228,865,000)
14			<u>\$225,808,000</u>
15	General Fund—Federal Appropriation	. . . . .	\$494,468,000
16	TOTAL APPROPRIATION.	. . . . .	(\$947,644,000)
17			<u>\$944,587,000</u>

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
24 fiscal year adjustments.

25 (b)(i) For the 2015-16 and 2016-17 school years, the
26 superintendent shall allocate funding to school districts for
27 learning assistance programs as provided in RCW 28A.150.260(10)(a),
28 except that the allocation for the additional instructional hours
29 shall be enhanced as provided in this section, which enhancements are
30 within the program of the basic education. In calculating the
31 allocations, the superintendent shall assume the following averages:

32 (A) Additional instruction of 2.3975 hours per week per funded
33 learning assistance program student for the 2015-16 school year and
34 the 2016-17 school year; (B) fifteen learning assistance program
35 students per teacher; (C) 36 instructional weeks per year; (D) 900
36 instructional hours per teacher; and (E) the district's average staff
37 mix and compensation rates as provided in sections 503 and 504 of
38 this act.

1 (ii) From July 1, 2015, to August 31, 2015, the superintendent
2 shall allocate funding to school districts for learning assistance
3 programs as provided in section 515, chapter 4, Laws of 2013, 2nd sp.
4 sess., as amended.

5 (c) A school district's funded students for the learning
6 assistance program shall be the sum of the district's full-time
7 equivalent enrollment in grades K-12 for the prior school year
8 multiplied by the district's percentage of October headcount
9 enrollment in grades K-12 eligible for free or reduced-price lunch in
10 the prior school year. The prior school year's October headcount
11 enrollment for free and reduced-price lunch shall be as reported in
12 the comprehensive education data and research system.

13 (2) Allocations made pursuant to subsection (1) of this section
14 shall be adjusted to reflect ineligible applications identified
15 through the annual income verification process required by the
16 national school lunch program, as recommended in the report of the
17 state auditor on the learning assistance program dated February,
18 2010.

19 (3) The general fund—federal appropriation in this section is
20 provided for Title I Part A allocations of the no child left behind
21 act of 2001.

22 (4) A school district may carry over from one year to the next up
23 to 10 percent of the general fund—state funds allocated under this
24 program; however, carryover funds shall be expended for the learning
25 assistance program.

26 (5) Within existing resources, during the 2015-16 and 2016-17
27 school years, school districts are authorized to use funds allocated
28 for the learning assistance program to also provide assistance to
29 high school students who have not passed the state assessment in
30 science.

31 **Sec. 1514.** 2016 sp.s. c 36 s 514 (uncodified) is amended to read
32 as follows:

33 **FOR THE SUPERINTENDENT OF PUBLIC INSTRUCTION**

34 (1) Amounts distributed to districts by the superintendent
35 through part V of this act are for allocations purposes only, unless
36 specified by part V of this act, and do not entitle a particular
37 district, district employee, or student to a specific service, beyond
38 what has been expressly provided in statute. Part V of this act
39 restates the requirements of various sections of Title 28A RCW. If

1 any conflict exists, the provisions of Title 28A RCW control unless
2 this act explicitly states that it is providing an enhancement. Any
3 amounts provided in part V of this act in excess of the amounts
4 required by Title 28A RCW provided in statute, are not within the
5 program of basic education unless clearly stated by this act.

6 (2) To the maximum extent practicable, when adopting new or
7 revised rules or policies relating to the administration of
8 allocations in part V of this act that result in fiscal impact, the
9 office of the superintendent of public instruction shall attempt to
10 seek legislative approval through the budget request process.

11 (3) Appropriations made in this act to the office of the
12 superintendent of public instruction shall initially be allotted as
13 required by this act. Subsequent allotment modifications shall not
14 include transfers of moneys between sections of this act, except as
15 expressly provided in subsection (4) of this section.

16 (4) The appropriations to the office of the superintendent of
17 public instruction in this act shall be expended for the programs and
18 amounts specified in this act. However, after May 1, (~~2016~~) 2017,
19 unless specifically prohibited by this act and after approval by the
20 director of financial management, the superintendent of public
21 instruction may transfer state general fund appropriations for fiscal
22 year (~~2016~~) 2017 among the following programs to meet the
23 apportionment schedule for a specified formula in another of these
24 programs: General apportionment; employee compensation adjustments;
25 pupil transportation; special education programs; institutional
26 education programs; transitional bilingual programs; highly capable;
27 and learning assistance programs.

28 (5) The director of financial management shall notify the
29 appropriate legislative fiscal committees in writing prior to
30 approving any allotment modifications or transfers under this
31 section.

32 (6) As required by RCW 28A.710.110 as amended by Engrossed Second
33 Substitute Senate Bill No. 6194 (public schools other than common
34 schools), the office of the superintendent of public instruction
35 shall transmit the charter school authorizer oversight fee for the
36 charter school commission to the charter school oversight account.

37 (7) State general fund appropriations distributed through Part V
38 of this act for the operation and administration of charter schools
39 as provided in chapter 28A.710 RCW shall not include state common
40 school levy revenues collected under RCW 84.52.065.

PART XVI
HIGHER EDUCATION

Sec. 1601. 2016 sp.s. c 36 s 602 (uncodified) is amended to read as follows:

FOR THE STATE BOARD FOR COMMUNITY AND TECHNICAL COLLEGES

General Fund—State Appropriation (FY 2016)	\$625,251,000
General Fund—State Appropriation (FY 2017)	((\$666,835,000))
	<u>\$667,464,000</u>
Community/Technical College Capital Projects	
Account—State Appropriation	\$17,548,000
Education Construction Account—State Appropriation	\$7,109,000
Education Legacy Trust Account—State	
Appropriation	\$96,422,000
TOTAL APPROPRIATION	((\$1,413,165,000))
	<u>\$1,413,794,000</u>

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

(1) \$33,261,000 of the general fund—state appropriation for fiscal year 2016 and \$33,261,000 of the general fund—state appropriation for fiscal year 2017 are provided solely as special funds for training and related support services, including financial aid, as specified in RCW 28C.04.390. Funding is provided to support at least 7,170 full-time equivalent students in fiscal year 2016 and at least 7,170 full-time equivalent students in fiscal year 2017.

(2) \$5,450,000 of the education legacy trust account—state appropriation is provided solely for administration and customized training contracts through the job skills program. The state board shall make an annual report by January 1st of each year to the governor and to the appropriate policy and fiscal committees of the legislature regarding implementation of this section, listing the scope of grant awards, the distribution of funds by educational sector and region of the state, and the results of the partnerships supported by these funds.

(3) \$425,000 of the general fund—state appropriation for fiscal year 2016 and \$425,000 of the general fund—state appropriation for fiscal year 2017 are provided solely for Seattle central college's expansion of allied health programs.

1 (4)(a) \$17,058,000 of the general fund—state appropriation for
2 fiscal year 2016 and (~~(\$17,506,000)~~) \$18,135,000 of the general fund—
3 state appropriation for fiscal year 2017 are provided solely for the
4 implementation of Second Engrossed Substitute Senate Bill No. 5954
5 (college affordability program). If the bill is not enacted by July
6 10, 2015, the amounts provided in this subsection shall lapse. For
7 the 2016-17 academic year, if the total full-time equivalent annual
8 average resident undergraduate enrollment for all community and
9 technical colleges, excluding applied baccalaureate degrees as
10 defined in RCW 28B.50.030, increases by more than one percent from
11 the 2015-16 academic year, for purposes of calculating state funding
12 for the tuition reduction backfill, only a one percent growth rate or
13 all community and technical colleges' total preceding five-year
14 average percentage full-time equivalent enrollment change, excluding
15 applied baccalaureate degrees as defined in RCW 28B.50.030, whichever
16 is greater, may be used in calculating the backfill.

17 (b) For the 2016-17 academic year, if the total full-time
18 equivalent annual average resident undergraduate enrollment for
19 applied baccalaureate degrees as defined in RCW 28B.50.030 for all
20 community and technical colleges increases by more than one percent
21 from the 2015-16 academic year, for purposes of calculating state
22 funding for the tuition reduction backfill, only a one percent growth
23 rate or all community and technical colleges' total preceding five-
24 year average percentage full-time equivalent enrollment change for
25 applied baccalaureate degrees as defined in RCW 28B.50.030, whichever
26 is greater, may be used in calculating the backfill.

27 (5) \$5,250,000 of the general fund—state appropriation for fiscal
28 year 2016 and \$5,250,000 of the general fund—state appropriation for
29 fiscal year 2017 are provided solely for the student achievement
30 initiative.

31 (6) \$410,000 of the general fund—state appropriation for fiscal
32 year 2016, and \$860,000 of the general fund—state appropriation for
33 fiscal year 2017 are provided solely for the expansion of the
34 mathematics, engineering, and science achievement program. The state
35 board shall report back to the appropriate committees of the
36 legislature on the number of campuses and students served by December
37 31, 2018.

38 (7) \$750,000 of the general fund—state appropriation for fiscal
39 year 2016 is provided solely for Bellevue college to develop a

1 baccalaureate of science degree in computer science. Subject to
2 approval by the state board for community and technical colleges, in
3 fiscal year 2016 Bellevue college shall develop a baccalaureate of
4 science degree in computer science. This degree must be directed at
5 high school graduates who may enroll directly as freshmen and
6 transfer-oriented degree and professional and technical degree
7 holders. Bellevue college will develop a plan for offering this new
8 degree by no later than fall quarter 2016. With the exception of the
9 amounts provided in this subsection, the plan must assume funding for
10 this new degree will come through redistribution of the college's
11 current per full-time enrollment funding. The plan shall be delivered
12 to the state board by June 30, 2016.

13 (8) Pursuant to aerospace industry appropriations (chapter 1,
14 Laws of 2013 3rd sp. sess.), \$1,080,000 of the general fund—state
15 appropriation for fiscal year 2016 and \$1,500,000 of the general fund
16 —state appropriation for fiscal year 2017 are provided solely for
17 operating a fabrication composite wing incumbent worker training
18 program to be housed at the Washington aerospace training and
19 research center.

20 (9) \$150,000 of the general fund—state appropriation for fiscal
21 year 2016 and \$150,000 of the general fund—state appropriation for
22 fiscal year 2017 are provided solely for the state board (~~to conduct~~
23 ~~a feasibility study for a potential new community and technical~~
24 ~~college in~~) for program delivery through Pierce college in
25 conjunction with the Bethel school district for the Graham,
26 Washington area.

27 (10) \$100,000 of the general fund—state appropriation for fiscal
28 year 2016 and \$100,000 of the general fund—state appropriation for
29 fiscal year 2017 are provided solely for the aerospace center of
30 excellence currently hosted by Everett community college to:

31 (a) Increase statewide communications and outreach between
32 industry sectors, industry organizations, businesses, K-12 schools,
33 colleges, and universities;

34 (b) Enhance information technology to increase business and
35 student accessibility and use of the center's web site; and

36 (c) Act as the information entry point for prospective students
37 and job seekers regarding education, training, and employment in the
38 industry.

1 (11) Community and technical colleges are not required to send
2 mass mailings of course catalogs to residents of their districts.
3 Community and technical colleges shall consider lower cost
4 alternatives, such as mailing postcards or brochures that direct
5 individuals to online information and other ways of acquiring print
6 catalogs.

7 (12) The state board for community and technical colleges shall
8 not use funds appropriated in this section to support intercollegiate
9 athletics programs.

10 (13)(a) The state board must provide quality assurance reports on
11 the ctcLink project at the frequency directed by the office of chief
12 information officer for review and for posting on its information
13 technology project dashboard.

14 (b) The state board must develop a technology budget using a
15 method similar to the state capital budget, identifying project
16 costs, funding sources, and anticipated deliverables through each
17 stage of the investment and across fiscal periods and biennia from
18 project initiation to implementation. The budget must be updated at
19 the frequency directed by the office of chief information officer for
20 review and for posting on its information technology project
21 dashboard.

22 (c) The state board must contract with an independent
23 verification and validation consultant to review the software that
24 currently exists to determine if configuration and integrations are
25 complete and to evaluate readiness to move forward with the ctcLink
26 project. The state board must define the consultant's scope of work
27 in conjunction with the office of chief information officer and allow
28 for independent reporting by the consultant to the office of chief
29 information officer.

30 (d) The office of the chief information officer may suspend the
31 ctcLink project at any time if the office of the chief information
32 officer determines that the project is not meeting or is not expected
33 to meet anticipated performance measures, implementation timelines,
34 or budget estimates. Once suspension or termination occurs, the state
35 board shall not make additional expenditures on the ctcLink project
36 without approval of the chief information officer.

37 (14) \$750,000 of the general fund—state appropriation for fiscal
38 year 2016 and \$2,250,000 of the general fund—state appropriation for
39 fiscal year 2017 is provided solely for Bellingham Technical College
40 to administer on-site worker training and skill enhancement training

1 for employees of trade-impacted industrial facilities pursuant to
2 trade adjustment assistance decision 64764.

3 (15) \$157,000 of the general fund—state appropriation for fiscal
4 year 2017 is provided solely for Wenatchee Valley college to develop
5 a wildfire prevention program.

6 **Sec. 1602.** 2016 sp.s. c 36 s 603 (uncodified) is amended to read
7 as follows:

8 **FOR THE UNIVERSITY OF WASHINGTON**

9	General Fund—State Appropriation (FY 2016).	\$279,934,000
10	General Fund—State Appropriation (FY 2017).	(\$317,254,000)
11		<u>\$317,739,000</u>
12	Education Legacy Trust Account—State Appropriation. . . .	\$28,088,000
13	Economic Development Strategic Reserve Account—	
14	State Appropriation.	\$3,011,000
15	Biotoxin Account—State Appropriation.	\$492,000
16	Accident Account—State Appropriation.	\$7,129,000
17	Medical Aid Account—State Appropriation.	\$6,749,000
18	Aquatic Land Enhancement Account—State Appropriation. . .	\$1,550,000
19	Dedicated Marijuana Account—State Appropriation	
20	(FY 2016).	\$227,000
21	Dedicated Marijuana Account—State Appropriation	
22	(FY 2017).	\$227,000
23	TOTAL APPROPRIATION.	(\$644,661,000)
24		<u>\$645,146,000</u>

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

27 (1) \$52,000 of the general fund—state appropriation for fiscal
28 year 2016 and \$52,000 of the general fund—state appropriation for
29 fiscal year 2017 are provided solely for the center for international
30 trade in forest products in the college of forest resources.

31 (2) \$200,000 of the general fund—state appropriation for fiscal
32 year 2016 and \$200,000 of the general fund—state appropriation for
33 fiscal year 2017 are provided solely for labor archives of
34 Washington. The university shall work in collaboration with the state
35 board for community and technical colleges.

36 (3) \$8,000,000 of the education legacy trust account—state
37 appropriation is provided solely for the family medicine residency

1 network at the university to expand the number of residency slots
2 available in Washington.

3 (4) The university must continue work with the education research
4 and data center to demonstrate progress in computer science and
5 engineering enrollments. By September 1st of each year, the
6 university shall provide a report including but not limited to the
7 cost per student, student completion rates, and the number of low-
8 income students enrolled in each program, any process changes or
9 best-practices implemented by the university, and how many students
10 are enrolled in computer science and engineering programs above the
11 prior academic year.

12 (5) \$1,550,000 of the aquatic lands enhancement account—state is
13 provided solely for ocean acidification monitoring, forecasting, and
14 research and for operation of the Washington ocean acidification
15 center. By September 1, 2015, the center must provide a biennial work
16 plan and begin quarterly progress reports to the Washington marine
17 resources advisory council created under RCW 43.06.338.

18 (6) \$6,000,000 of the education legacy trust account—state
19 appropriation is provided solely for the expansion of degrees in the
20 department of computer science and engineering at the Seattle campus.

21 (7) \$10,429,000 of the general fund—state appropriation for
22 fiscal year 2016 and (~~(\$37,155,000)~~) \$37,640,000 of the general fund—
23 state appropriation for fiscal year 2017 are provided solely for the
24 implementation of Second Engrossed Substitute Senate Bill No. 5954
25 (college affordability program). If the bill is not enacted by July
26 10, 2015, the amounts provided in this subsection shall lapse. For
27 the 2016-17 academic year, if the university's full-time equivalent
28 annual average resident undergraduate enrollment increases by more
29 than one percent from the 2015-16 academic year, for purposes of
30 calculating state funding for the tuition reduction backfill, only a
31 one percent growth rate or the university's preceding five-year
32 average percentage full-time equivalent enrollment change, whichever
33 is greater, may be used in calculating the backfill.

34 (8) \$3,000,000 of the economic development strategic reserve
35 account appropriation is provided solely to support the joint center
36 for aerospace innovation technology.

37 (9) The University of Washington shall not use funds appropriated
38 in this section to support intercollegiate athletics programs.

1 (10) \$250,000 of the general fund—state appropriation for fiscal
2 year 2016 and \$250,000 of the general fund—state appropriation for
3 fiscal year 2017 are provided solely for the latino health center.

4 (11) \$200,000 of the general fund—state appropriation for fiscal
5 year 2016 and \$200,000 of the general fund—state appropriation for
6 fiscal year 2017 are provided solely for the climate impacts group in
7 the college of the environment.

8 (12) To the extent federal or private funding is available for
9 this purpose, the center for education data and research at the
10 University of Washington shall examine the relationship between
11 participation in pension systems and teacher quality and mobility
12 patterns in the state, including changes in the patterns that have
13 occurred since the 2009-2011 fiscal biennium. The department of
14 retirement systems shall facilitate University of Washington
15 researchers' access to necessary individual-level data necessary to
16 effectively conduct the study. The University of Washington shall
17 ensure that no individually identifiable information will be
18 disclosed at any time. An interim report on project findings must be
19 completed by November 15, 2015, and a final report must be submitted
20 to the governor and to the relevant committees of the legislature by
21 October 15, 2016.

22 (13) \$3,600,000 of the general fund—state appropriation for
23 fiscal year 2016 and \$5,400,000 of the general fund—state
24 appropriation for fiscal year 2017 are provided solely for the
25 continued operations of the Washington, Wyoming, Alaska, Montana,
26 Idaho medical school program.

27 (14) Within the amounts provided in this section, the university
28 must determine the feasibility of establishing inter-agency
29 agreements with the department of corrections and the special
30 commitment center within the department of social and health services
31 to provide each entity with discount pricing on prescription
32 hepatitis C medications or other prescription medications as allowed
33 under section 340B of the public health services act. By January 1,
34 2016, the university must submit a report to the relevant policy and
35 fiscal committees of the legislature that includes the following:

36 (a) Description of the steps required to achieve institutional
37 cooperation on 340B pricing;

38 (b) Identification of barriers to achieving such an agreement;

- 1 (c) Where possible, possible solutions to overcoming these
- 2 barriers;
- 3 (d) Estimates of the fiscal impact of this agreement in the
- 4 2015-2017 and 2017-2019 fiscal biennia; and
- 5 (e) Timeline for implementation of such an agreement.

6 The inter-agency agreements must be in place prior to July 1,
 7 2016, and the agreements must not jeopardize the University of
 8 Washington's current compliance status with 340B program rules and
 9 regulations.

10 (15) Within the funds appropriated in this section, the
 11 University of Washington shall:

12 (a) Review the scholarly literature on the short-term and long-
 13 term effects of marijuana use to assess if other states or private
 14 entities are conducting marijuana research in areas that may be
 15 useful to the state.

16 (b) Provide as part of its budget request for the 2017-2019
 17 biennium:

18 (i) A list of intended state, federal, and privately funded
 19 marijuana research, including cost, duration, and scope;

20 (ii) Plans for partnerships with other universities, state
 21 agencies, or private entities, including entities outside the state,
 22 for purposes related to researching short-term and long-term effects
 23 of marijuana use.

24 (16) \$18,000 of the general fund—state appropriation for fiscal
 25 year 2016 and \$18,000 of the general fund—state appropriation for
 26 fiscal year 2017 are provided solely to implement Substitute Senate
 27 Bill No. 6519 (telemedicine). If the bill is not enacted by June 30,
 28 2016, the amounts provided in this subsection shall lapse.

29 (17) \$25,000 of the general fund—state appropriation for fiscal
 30 year 2016 and \$25,000 of the general fund—state appropriation for
 31 fiscal year 2017 are provided solely for the implementation of House
 32 Bill No. 1138 (higher education mental health).

33 **Sec. 1603.** 2016 sp.s. c 36 s 604 (uncodified) is amended to read
 34 as follows:

35 **FOR WASHINGTON STATE UNIVERSITY**

36	General Fund—State Appropriation (FY 2016).	\$181,494,000
37	General Fund—State Appropriation (FY 2017).	(\$207,738,000)
38		<u>\$207,426,000</u>

1	Education Legacy Trust Account—State Appropriation. . . .	\$33,995,000
2	Dedicated Marijuana Account—State Appropriation (FY 2016). .	\$138,000
3	Dedicated Marijuana Account—State Appropriation (FY 2017). .	\$138,000
4	TOTAL APPROPRIATION.	((\$423,503,000))
5		<u>\$423,191,000</u>

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

8 (1) \$90,000 of the general fund—state appropriation for fiscal
9 year 2016 and \$90,000 of the general fund—state appropriation for
10 fiscal year 2017 are provided solely for a rural economic development
11 and outreach coordinator.

12 (2) The university must continue work with the education research
13 and data center to demonstrate progress in computer science and
14 engineering enrollments. By September 1st of each year, the
15 university shall provide a report including but not limited to the
16 cost per student, student completion rates, and the number of low-
17 income students enrolled in each program, any process changes or
18 best-practices implemented by the university, and how many students
19 are enrolled in computer science and engineering programs above the
20 prior academic year.

21 (3) \$1,000,000 of the general fund—state appropriation for fiscal
22 2016 and \$630,000 of the general fund—state appropriation for fiscal
23 year 2017 are provided solely for the creation of an electrical
24 engineering program located in Bremerton. At full implementation, the
25 university is expected to increase degree production by 25 new
26 bachelor's degrees per year. The university must identify these
27 students separately when providing data to the education research
28 data center as required in subsection (2) of this section.

29 (4) \$1,000,000 of the general fund—state appropriation for fiscal
30 year 2016 and \$1,370,000 of the general fund—state appropriation for
31 fiscal year 2017 are provided solely for the creation of software
32 engineering and data analytic programs at the university center in
33 Everett. At full implementation, the university is expected to enroll
34 50 students per academic year. The university must identify these
35 students separately when providing data to the education research
36 data center as required in subsection (2) of this section.

37 (5) \$500,000 of the general fund—state appropriation for fiscal
38 year 2016 and \$500,000 of the general fund—state appropriation for

1 fiscal year 2017 are provided solely for state match requirements
2 related to the federal aviation administration grant.

3 (6) Washington State University shall not use funds appropriated
4 in this section to support intercollegiate athletic programs.

5 (7) \$8,980,000 of the general fund—state appropriation for fiscal
6 year 2016 and (~~(\$27,068,000)~~) \$26,756,000 of the general fund—state
7 appropriation for fiscal year 2017 are provided solely for the
8 implementation of Second Engrossed Substitute Senate Bill No. 5954
9 (college affordability program). If the bill is not enacted by July
10 10, 2015, the amounts provided in this subsection shall lapse. For
11 the 2016-17 academic year, if the university's full-time equivalent
12 annual average resident undergraduate enrollment increases by more
13 than one percent from the 2015-16 academic year, for purposes of
14 calculating state funding for the tuition reduction backfill, only a
15 one percent growth rate or the university's preceding five-year
16 average percentage full-time equivalent enrollment change, whichever
17 is greater, may be used in calculating the backfill.

18 (8) \$1,098,000 of the general fund—state appropriation for fiscal
19 year 2016 and \$1,402,000 of the general fund—state appropriation for
20 fiscal year 2017 are provided solely for development of a medical
21 school in Spokane. Funding must support the development of the
22 curriculum, the courses, the faculty, and the administrative
23 structure required by the liaison committee on medical education.

24 (9) Within the funds appropriated in this section, Washington
25 State University is required to provide administrative support to the
26 sustainable aviation biofuels work group authorized under RCW
27 28B.30.904.

28 (10) Within the funds appropriated in this section, Washington
29 State University shall:

30 (a) Review the scholarly literature on the short-term and long-
31 term effects of marijuana use to assess if other states or private
32 entities are conducting marijuana research in areas that may be
33 useful to the state.

34 (b) Provide as part of its budget request for the 2017-2019
35 biennium:

36 (i) A list of intended state, federal, and privately funded
37 marijuana research, including cost, duration, and scope;

38 (ii) Plans for partnerships with other universities, state
39 agencies, or private entities, including entities outside the state,

1 for purposes related to researching short-term and long-term effects
2 of marijuana use.

3 (11) \$135,000 of the general fund—state appropriation for fiscal
4 year 2017 is provided solely for a honey bee biology research
5 position.

6 (12) \$580,000 of the general fund—state appropriation for fiscal
7 year 2017 is provided solely for the development of an organic
8 agriculture systems degree program located at the university center
9 in Everett.

10 **Sec. 1604.** 2016 sp.s. c 36 s 605 (uncodified) is amended to read
11 as follows:

12 **FOR EASTERN WASHINGTON UNIVERSITY**

13	General Fund—State Appropriation (FY 2016).	\$38,689,000
14	General Fund—State Appropriation (FY 2017).	(\$48,098,000)
15		<u>\$48,011,000</u>
16	Education Legacy Trust Account—State	
17	Appropriation.	\$16,718,000
18	TOTAL APPROPRIATION.	(\$103,505,000)
19		<u>\$103,418,000</u>

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

22 (1) At least \$200,000 of the general fund—state appropriation for
23 fiscal year 2016 and at least \$200,000 of the general fund—state
24 appropriation for fiscal year 2017 must be expended on the Northwest
25 autism center.

26 (2) The university must continue work with the education research
27 and data center to demonstrate progress in computer science and
28 engineering enrollments. By September 1st of each year, the
29 university shall provide a report including but not limited to the
30 cost per student, student completion rates, and the number of low-
31 income students enrolled in each program, any process changes or
32 best-practices implemented by the university, and how many students
33 are enrolled in computer science and engineering programs above the
34 prior academic year.

35 (3) Eastern Washington University shall not use funds
36 appropriated in this section to support intercollegiate athletics
37 programs.

1 (4) \$750,000 of the general fund—state appropriation for fiscal
2 year 2016 and \$750,000 of the general fund—state appropriation are
3 provided solely for student success and advising programs that lead
4 to increased degree completion.

5 (5) \$2,425,000 of the general fund—state appropriation for fiscal
6 year 2016 and (~~(\$9,698,000)~~) \$9,611,000 of the general fund—state
7 appropriation for fiscal year 2017 are provided solely for the
8 implementation of Second Engrossed Substitute Senate Bill No. 5954
9 (college affordability program). If the bill is not enacted by July
10 10, 2015, the amounts provided in this subsection shall lapse. For
11 the 2016-17 academic year, if the university's full-time equivalent
12 annual average resident undergraduate enrollment increases by more
13 than one percent from the 2015-16 academic year, for purposes of
14 calculating state funding for the tuition reduction backfill, only a
15 one percent growth rate or the university's preceding five-year
16 average percentage full-time equivalent enrollment change, whichever
17 is greater, may be used in calculating the backfill.

18 **Sec. 1605.** 2016 sp.s. c 36 s 606 (uncodified) is amended to read
19 as follows:

20 **FOR CENTRAL WASHINGTON UNIVERSITY**

21	General Fund—State Appropriation (FY 2016).	\$36,958,000
22	General Fund—State Appropriation (FY 2017).	((\$47,578,000))
23		<u>\$47,585,000</u>
24	Education Legacy Trust Account—State Appropriation.	\$19,140,000
25	TOTAL APPROPRIATION.	((\$103,676,000))
26		<u>\$103,683,000</u>

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

29 (1) The university must continue work with the education research
30 and data center to demonstrate progress in engineering enrollments.
31 By September 1st of each year, the university shall provide a report
32 including but not limited to the cost per student, student completion
33 rates, and the number of low-income students enrolled in each
34 program, any process changes or best-practices implemented by the
35 university, and how many students are enrolled in engineering
36 programs above the prior academic year.

1 (2) Central Washington University shall not use funds
2 appropriated in this section to support intercollegiate athletics
3 programs.

4 (3) \$750,000 of the general fund—state appropriation for fiscal
5 year 2016 and \$750,000 of the general fund—state appropriation are
6 provided solely for student success and advising programs that lead
7 to increased degree completion.

8 (4) \$2,739,000 of the general fund—state appropriation for fiscal
9 year 2016 and (~~(\$10,826,000)~~) \$10,833,000 of the general fund—state
10 appropriation for fiscal year 2017 are provided solely for the
11 implementation of Second Engrossed Substitute Senate Bill No. 5954
12 (college affordability program). If the bill is not enacted by July
13 10, 2015, the amounts provided in this subsection shall lapse. For
14 the 2016-17 academic year, if the university's full-time equivalent
15 annual average resident undergraduate enrollment increases by more
16 than one percent from the 2015-16 academic year, for purposes of
17 calculating state funding for the tuition reduction backfill, only a
18 one percent growth rate or the university's preceding five-year
19 average percentage full-time equivalent enrollment change, whichever
20 is greater, may be used in calculating the backfill.

21 **Sec. 1606.** 2016 sp.s. c 36 s 607 (uncodified) is amended to read
22 as follows:

23 **FOR THE EVERGREEN STATE COLLEGE**

24	General Fund—State Appropriation (FY 2016).	\$22,068,000
25	General Fund—State Appropriation (FY 2017).	((\$25,441,000))
26		<u>\$25,409,000</u>
27	Education Legacy Trust Account—State Appropriation.	\$5,493,000
28	TOTAL APPROPRIATION.	((\$53,002,000))
29		<u>\$52,970,000</u>

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

32 (1) \$39,000 of the general fund—state appropriation for fiscal
33 year 2016 and \$55,000 of the general fund—state appropriation for
34 fiscal year 2017 are provided solely for the implementation of
35 chapter 244, Laws of 2015 (college bound).

36 (2) \$39,000 of the general fund—state appropriation for fiscal
37 year 2016 and \$32,000 of the general fund—state appropriation for
38 fiscal year 2017 are provided solely for implementation of Engrossed

1 Second Substitute House Bill No. 1491 (early care & education
2 system). If the bill is not enacted by July 10, 2015, the amounts
3 provided in this subsection shall lapse.

4 (3) \$837,000 of the general fund—state appropriation for fiscal
5 year 2016 and (~~(\$3,327,000)~~) \$3,295,000 of the general fund—state
6 appropriation for fiscal year 2017 are provided solely for the
7 implementation of Second Engrossed Substitute Senate Bill No. 5954
8 (college affordability program). If the bill is not enacted by July
9 10, 2015, the amounts provided in this subsection shall lapse. For
10 the 2016-17 academic year, if the college's full-time equivalent
11 annual average resident undergraduate enrollment increases by more
12 than one percent from the 2015-16 academic year, for purposes of
13 calculating state funding for the tuition reduction backfill, only a
14 one percent growth rate or the college's preceding five-year average
15 percentage full-time equivalent enrollment change, whichever is
16 greater, may be used in calculating the backfill.

17 (4) \$40,000 of the general fund—state appropriation for fiscal
18 year 2016 is provided solely for the tuition metric study in Second
19 Engrossed Substitute Senate Bill No. 5954 (college affordability
20 program). If the bill is not enacted by July 10, 2015, the amounts
21 provided in this subsection shall lapse.

22 (5) \$121,000 of the general fund—state appropriation for fiscal
23 year 2016 is provided solely for implementation of section 15 of
24 chapter 269, Laws of 2015 (mental health/involuntary outpatient). If
25 the bill is not enacted by July 10, 2015, the amount provided in this
26 subsection shall lapse.

27 (6) \$295,000 of the general fund—state appropriation for fiscal
28 year 2016 and \$295,000 of the general fund—state appropriation for
29 fiscal year 2017 are provided solely for the Washington state
30 institute of public policy to contract with an objective, non-
31 partisan, nationally known organization to examine policy options for
32 increasing the availability of primary care services in rural
33 Washington.

34 (7) \$750,000 of the general fund—state appropriation for fiscal
35 year 2016 and \$750,000 of the general fund—state appropriation for
36 fiscal year 2017 are provided solely for student success and advising
37 programs that lead to increased degree completion.

1 (8) Funding provided in this section is sufficient for The
2 Evergreen State College to continue operations of the Longhouse
3 Center and the Northwest Indian applied research institute.

4 (9) \$50,000 of the general fund—state appropriation for fiscal
5 year 2016 and \$50,000 of the general fund—state appropriation for
6 fiscal year 2017 are provided solely for the Washington state
7 institute for public policy to review existing research literature
8 and begin a four-year study to evaluate outcomes regarding the cost
9 effectiveness of FDA approved long-acting injectable medications that
10 are indicated for the treatment of alcohol and opiate dependence. Any
11 outcome evaluation will be focused on potential benefits to prison
12 offenders being released into the community and the effects on
13 recidivism. The institute shall submit a report summarizing cost-
14 effectiveness findings from the existing research literature to the
15 appropriate committees of the legislature by December 31, 2016.

16 (10) Notwithstanding other provisions in this section, the board
17 of directors for the Washington state institute for public policy may
18 adjust due dates for projects included on the institute's 2015-2017
19 work plan as necessary to efficiently manage workload.

20 (11) The Evergreen State College shall not use funds appropriated
21 in this section to support intercollegiate athletics programs.

22 (12) \$48,000 of the general fund—state appropriation for fiscal
23 year 2017 is provided solely for the implementation of Second
24 Substitute House Bill No. 2449 (truancy reduction). If the bill is
25 not enacted by June 30, 2016, the amount provided in this subsection
26 shall lapse.

27 (13) \$32,000 of the general fund—state appropriation for fiscal
28 year 2017 is provided solely for the implementation of Second
29 Substitute House Bill No. 2791 (Washington statewide reentry
30 council). If the bill is not enacted by June 30, 2016, the amount
31 provided in this subsection shall lapse.

32 (14) \$16,000 of the general fund—state appropriation for fiscal
33 year 2017 is provided solely for the implementation of Engrossed
34 Second Substitute Senate Bill No. 6455 (professional educator
35 workforce). If the bill is not enacted by June 30, 2016, the amount
36 provided in this subsection shall lapse.

37 (15) \$26,000 of the general fund—state appropriation for fiscal
38 year 2017 is provided solely for the implementation of Engrossed

1 Senate Bill No. 6620 (school safety). If the bill is not enacted by
2 June 30, 2016, the amount provided in this subsection shall lapse.

3 (16) \$30,000 of the general fund—state appropriation for fiscal
4 year 2016 and \$120,000 of the general fund—state appropriation for
5 fiscal year 2017 are provided solely for the Washington state
6 institute for public policy to evaluate and report to the appropriate
7 legislative committees on the impact and cost effectiveness of the
8 hub home model, a model for foster care delivery. The institute shall
9 use the most appropriate available methods to evaluate the model's
10 impact on child safety, permanency, placement stability and, if
11 possible, sibling connections, culturally relevant care, and
12 caregiver retention. The report shall include an analysis of whether
13 the model yields long-term cost savings in comparison with
14 traditional foster care. The department of social and health services
15 children's administration shall facilitate provision of the data
16 necessary to conduct the evaluation. The institute shall submit an
17 interim report by January 15, 2017, and a final report by June 30,
18 2017. The institute may receive additional funds from a private
19 organization for the purpose of the evaluation.

20 **Sec. 1607.** 2016 sp.s. c 36 s 608 (uncodified) is amended to read
21 as follows:

22 **FOR WESTERN WASHINGTON UNIVERSITY**

23	General Fund—State Appropriation (FY 2016).	\$53,447,000
24	General Fund—State Appropriation (FY 2017).	(\$67,091,000)
25		<u>\$67,224,000</u>
26	Education Legacy Trust Account—State	
27	Appropriation.	\$13,737,000
28	TOTAL APPROPRIATION.	(\$134,275,000)
29		<u>\$134,408,000</u>

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

32 (1) The university must continue work with the education research
33 and data center to demonstrate progress in computer science and
34 engineering enrollments. By September 1st of each year, the
35 university shall provide a report including but not limited to the
36 cost per student, student completion rates, and the number of low-
37 income students enrolled in each program, any process changes or
38 best-practices implemented by the university, and how many students

1 are enrolled in computer science and engineering programs above the
2 prior academic year.

3 (2) \$910,000 of the general fund—state appropriation for fiscal
4 year 2016 and \$630,000 of the general fund—state appropriation for
5 fiscal year 2017 are provided solely for the creation of a computer
6 and information systems security program located at Olympic college -
7 Poulsbo. The university is expected to enroll 30 students each
8 academic year beginning in fiscal year 2017. The university must
9 identify these students separately when providing data to the
10 educational data centers as required in (1) of this section.

11 (3) Western Washington University shall not use funds
12 appropriated in this section to support intercollegiate athletics
13 programs.

14 (4) \$3,726,000 of the general fund—state appropriation for fiscal
15 year 2016 and (~~(\$14,819,000)~~) \$14,952,000 of the general fund—state
16 appropriation for fiscal year 2017 are provided solely for the
17 implementation of Second Engrossed Substitute Senate Bill No. 5954
18 (college affordability program). If the bill is not enacted by July
19 10, 2015, the amounts provided in this subsection shall lapse. For
20 the 2016-17 academic year, if the university's full-time equivalent
21 annual average resident undergraduate enrollment increases by more
22 than one percent from the 2015-16 academic year, for purposes of
23 calculating state funding for the tuition reduction backfill, only a
24 one percent growth rate or the university's preceding five-year
25 average percentage full-time equivalent enrollment change, whichever
26 is greater, may be used in calculating the backfill.

27 (5) \$250,000 of the general fund—state appropriation for fiscal
28 year 2017 is provided solely for the endowment of the Jaffee
29 professorship in Jewish history and holocaust studies.

30 **Sec. 1608.** 2016 sp.s. c 36 s 609 (uncodified) is amended to read
31 as follows:

32 **FOR THE STUDENT ACHIEVEMENT COUNCIL—POLICY COORDINATION AND**
33 **ADMINISTRATION**

34	General Fund—State Appropriation (FY 2016).	\$5,515,000
35	General Fund—State Appropriation (FY 2017).	((\$6,217,000))
36		<u>\$6,289,000</u>
37	General Fund—Federal Appropriation.	\$4,859,000
38	TOTAL APPROPRIATION.	((\$16,591,000))

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

(1) \$182,000 of the general fund—state appropriation for fiscal year 2017 is provided solely for the student achievement council, the workforce training and education coordinating board, and the department of licensing to work together to design and oversee a study, to be administered by the council, that objectively analyzes and makes recommendations about systemic overlaps and gaps in jurisdiction regarding for-profit degree-granting institutions and private vocational schools in the state. The council may contract with a neutral third-party research organization to conduct the study. The study must be conducted in two phases, starting with an assessment of perspectives and relevant studies. A second phase, if deemed appropriate by the council, the workforce training and education coordinating board, and other stakeholders, may consist of facilitated discussions amongst agencies, regulated entities, and stakeholders to reach agreed-upon recommendations.

(a) The study must include recommendations to improve oversight and accountability of these institutions and schools and a review of whether, and how, different standards are applied to the institutions and schools by different agencies. Specifically, the study must:

(i) Examine the data collection and reporting practices of for-profit degree-granting institutions and private vocational schools compared to the data collection and reporting of the community and technical colleges. The study must determine if there are inconsistencies and discrepancies in the practices of the for-profit degree-granting institutions and private vocational schools. The study must also make recommendations on the methods of collecting, analyzing, and reporting data, including what measurements to use, to ensure that data from for-profit degree-granting institutions and private vocational schools can be accurately compared to data from the community and technical colleges;

(ii) Study the current regulations governing these institutions and schools and recommend necessary changes to achieve consistent regulatory oversight of the entire system;

(iii) Recommend ways to implement a cohesive method for guiding and assisting current and prospective students who have questions and concerns; and

1 (iv) Review whether an ombuds position serving students of for-
2 profit degree-granting institutions and private vocational schools
3 should be created. If the recommendation is to create an ombuds
4 position, the study must make a recommendation on which state entity
5 should house the position.

6 (b) The assessment phase of the study may begin July 1, 2016. The
7 council must issue a final report, including the result of any
8 facilitated agreed-upon recommendations, to the appropriate
9 committees of the legislature by January 1, 2017.

10 (2) \$25,000 of the general fund—state appropriation for fiscal
11 year 2017 is provided solely to implement Second Engrossed Substitute
12 Senate Bill No. 6601 (Washington college savings program). If the
13 bill is not enacted by June 30, 2016, the amount provided in this
14 subsection shall lapse.

15 (3) \$250,000 of the general fund—state appropriation for fiscal
16 year 2017 is provided solely for the council to complete a higher
17 education needs assessment for southeast King county, and to prepare
18 a program and operating plan to meet the higher education needs
19 identified in the assessment. The needs assessment shall consider
20 population changes, higher education participation rates, economic
21 demand and work force needs, commute times for study area residents
22 to existing higher education institutions, and any other items
23 identified by the council. In completing the needs assessment and
24 plan, the council shall consider the factors outlined in RCW
25 28B.77.080, enrollment trends in the study area, employer needs,
26 existing and needed postsecondary programs, recommended strategies
27 for promoting program participation, an estimated cost to meet the
28 assessed need, and potential location sites. In preparing a program
29 and operating plan, the council shall consider a variety of higher
30 education options including, but not limited to, a branch campus, a
31 university center, a private university, and an online learning
32 center. The needs assessment and plan must be developed in
33 consultation with an advisory committee of civic, business, and
34 education leaders from southeast King county. The council shall
35 provide a preliminary report to the appropriate committees of the
36 legislature and the governor by November 1, 2016, and a final report
37 by January 1, 2017. The council may contract with a consultant to
38 complete this study.

1 the 2015-2017 fiscal biennium, awards given to private institutions
2 shall be the same amount as the prior year.

3 (3) Changes made to the state work study program in the 2009-2011
4 and 2011-2013 fiscal biennia are continued in the 2015-2017 fiscal
5 biennium including maintaining the increased required employer share
6 of wages; adjusted employer match rates; discontinuation of
7 nonresident student eligibility for the program; and revising
8 distribution methods to institutions by taking into consideration
9 other factors such as off-campus job development, historical
10 utilization trends, and student need.

11 (4) Within the funds appropriated in this section, eligibility
12 for the state need grant includes students with family incomes at or
13 below 70 percent of the state median family income (MFI), adjusted
14 for family size, and shall include students enrolled in three to five
15 credit-bearing quarter credits, or the equivalent semester credits.
16 Awards for students with incomes between 51 and 70 percent of the
17 state median shall be prorated at the following percentages of the
18 award amount granted to those with incomes below 51 percent of the
19 MFI: 70 percent for students with family incomes between 51 and 55
20 percent MFI; 65 percent for students with family incomes between 56
21 and 60 percent MFI; 60 percent for students with family incomes
22 between 61 and 65 percent MFI; and 50 percent for students with
23 family incomes between 66 and 70 percent MFI.

24 (5) Of the amounts provided in subsection (1) of this section,
25 \$100,000 of the general fund—state appropriation for fiscal year 2016
26 and \$100,000 of the general fund—state appropriation for fiscal year
27 2017 are provided for the council to process an alternative financial
28 aid application system pursuant to RCW 28B.92.010.

29 (6)(a) Students who are eligible for the college bound
30 scholarship shall be given priority for the state need grant program.
31 These eligible college bound students whose family incomes are in the
32 0-65 percent median family income ranges must be awarded the maximum
33 state need grant for which they are eligible under state policies and
34 may not be denied maximum state need grant funding due to
35 institutional policies or delayed awarding of college bound
36 scholarship students. The council shall provide directions to
37 institutions to maximize the number of college bound scholarship
38 students receiving the maximum state need grant for which they are
39 eligible with a goal of 100 percent coordination. Institutions shall
40 identify all college bound scholarship students to receive state need

1 grant priority. If an institution is unable to identify all college
2 bound scholarship students at the time of initial state aid
3 packaging, the institution should reserve state need grant funding
4 sufficient to cover the projected enrollments of college bound
5 scholarship students.

6 (b) In calculating the college bound award, public institutions
7 of higher education are subject to the conditions and limitations in
8 RCW 28B.15.102 and shall not utilize college bound funds to offset
9 tuition costs from rate increases in excess of levels authorized in
10 section 603, chapter 50, Laws of 2011.

11 (7) \$14,670,000 of the education legacy trust account—state
12 appropriation, \$17,561,000 of the Washington opportunity pathways
13 account—state appropriation for fiscal year 2016, and (~~(\$10,969,000)~~)
14 \$9,760,000 of the Washington opportunity pathways account—state
15 appropriation for fiscal year 2017 are provided solely for the
16 college bound scholarship program, implementation of Second Engrossed
17 Substitute Senate Bill No. 5954 (college affordability program), and
18 may support scholarships for summer session.

19 (8) \$2,236,000 of the general fund—state appropriation for fiscal
20 year 2016 and \$2,236,000 of the general fund—state appropriation for
21 fiscal year 2017 are provided solely for the passport to college
22 program. The maximum scholarship award is up to \$5,000. The board
23 shall contract with a nonprofit organization to provide support
24 services to increase student completion in their postsecondary
25 program and shall, under this contract, provide a minimum of \$500,000
26 in fiscal years 2016 and 2017 for this purpose.

27 (9) \$20,000,000 of the general fund—state appropriation for
28 fiscal year 2016 and \$21,000,000 of the general fund—state
29 appropriation for fiscal year 2017 are provided solely to meet state
30 match requirements associated with the opportunity scholarship
31 program. The legislature will evaluate subsequent appropriations to
32 the opportunity scholarship program based on the extent that
33 additional private contributions are made, program spending patterns,
34 and fund balance.

35 (10) \$3,825,000 of the general fund—state appropriation for
36 fiscal year 2016 and \$3,825,000 of the general fund—state
37 appropriation for fiscal year 2017 are provided solely for
38 expenditure into the health professionals loan repayment and
39 scholarship program account. These amounts and \$1,720,000

1 appropriated from the health professionals loan repayment and
2 scholarship program account must be used to increase the number of
3 licensed primary care health professionals to serve in licensed
4 primary care health professional critical shortage areas. The office
5 of student financial assistance and the department of health shall
6 prioritize a portion of any nonfederal balances in the health
7 professional loan repayment and scholarship fund for conditional loan
8 repayment contracts with psychiatrists and with advanced registered
9 nurse practitioners for work at one of the state-operated psychiatric
10 hospitals. The office and department shall designate the state
11 hospitals as health professional shortage areas if necessary for this
12 purpose. The office shall coordinate with the department of social
13 and health services to effectively incorporate three conditional loan
14 repayments into the department's advanced psychiatric professional
15 recruitment and retention strategies. The office may use these
16 targeted amounts for other program participants should there be any
17 remaining amounts after eligible psychiatrists and advanced
18 registered nurse practitioners have been served. The office shall
19 also work to prioritize loan repayments to professionals working at
20 health care delivery sites that demonstrate a commitment to serving
21 uninsured clients.

22 (11) \$56,000 of the general fund—state appropriation for fiscal
23 year 2016 and \$42,000 of the general fund—state appropriation for
24 fiscal year 2017 are provided solely for the council to design and
25 implement a program that provides customized information to high-
26 achieving (as determined by local school districts), low-income, high
27 school students. "Low-income" means students who are from low-income
28 families as defined by the education data center in RCW 43.41.400.
29 For the purposes of designing, developing, and implementing the
30 program, the council shall partner with a national entity that offers
31 aptitude tests and shall consult with institutions of higher
32 education with a physical location in Washington. The council shall
33 implement the program no later than fall 2016, giving consideration
34 to spring mailings in order to capture early action decisions offered
35 by institutions of higher education and nonprofit baccalaureate
36 degree-granting institutions. The information packet for students
37 must include at a minimum:

- 38 (a) Materials that help students to choose colleges;
39 (b) An application guidance booklet;

1 (c) Application fee waivers, if available, for four-year
2 institutions of higher education and independent nonprofit
3 baccalaureate degree-granting institutions in the state that enable
4 students receiving a packet to apply without paying application fees;

5 (d) Information on college affordability and financial aid that
6 includes information on the net cost of attendance for each four-year
7 institution of higher education and each nonprofit baccalaureate
8 degree-granting institution, and information on merit and need-based
9 aid from federal, state, and institutional sources; and

10 (e) A personally addressed cover letter signed by the governor
11 and the president of each four-year institution of higher education
12 and nonprofit baccalaureate degree-granting institution in the state.

13 (12) \$6,000,000 of the opportunity expansion account—state
14 appropriation is provided solely for the opportunity expansion
15 program in RCW 28B.145.060. At the direction of the opportunity
16 scholarship board, the council must distribute the funding provided
17 in this subsection to institutions of higher education to increase
18 the number of baccalaureate degrees produced in high employer demand
19 and other programs of study.

20 (13) \$1,144,000 of the general fund—state appropriation for
21 fiscal year 2017 is provided solely for the implementation of
22 Engrossed Second Substitute Senate Bill No. 6455 (professional
23 educator workforce). If the bill is not enacted by June 30, 2016, the
24 amount provided in this subsection shall lapse. Of the amount
25 provided in this subsection:

26 (a) \$468,000 is for the teacher shortage conditional grant
27 program;

28 (b) \$468,000 is for the student teaching residency grant program;
29 and

30 (c) \$208,000 is for the development and implementation of the
31 teacher shortage conditional grant program and the student teaching
32 residency grant program.

33 (14) The council shall examine issues related to college bound
34 scholarship students who become income ineligible for the college
35 bound scholarship program but maintain eligibility for the state need
36 grant and shall report to the governor and appropriate committees of
37 the legislature by December 1, 2016, with any recommendations.

38 **Sec. 1610.** 2016 sp.s. c 36 s 611 (uncodified) is amended to read
39 as follows:

1 **FOR THE WORKFORCE TRAINING AND EDUCATION COORDINATING BOARD**

2	General Fund—State Appropriation (FY 2016).	\$1,648,000
3	General Fund—State Appropriation (FY 2017).	(((\$1,744,000))
4		<u>\$1,752,000</u>
5	General Fund—Federal Appropriation.	\$55,143,000
6	General Fund—Private/Local Appropriation.	\$72,000
7	TOTAL APPROPRIATION.	(((\$58,607,000))
8		<u>\$58,615,000</u>

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

11 (1) For the 2015-2017 fiscal biennium the board shall not
12 designate recipients of the Washington award for vocational
13 excellence or recognize them at award ceremonies as provided in RCW
14 28C.04.535.

15 (2) The health workforce council of the state workforce training
16 and education coordinating board, in partnership with work underway
17 with the office of the governor, shall, within resources available
18 for such purpose, but not to exceed \$250,000, assess workforce
19 shortages across behavioral health disciplines. The board shall
20 create a recommended action plan to address behavioral health
21 workforce shortages and to meet the increased demand for services
22 now, and with the integration of behavioral health and primary care
23 in 2020. The analysis and recommended action plan shall align with
24 the recommendations of the adult behavioral health system task force
25 and related work of the healthier Washington initiative. The board
26 shall consider workforce data, gaps, distribution, pipeline,
27 development, and infrastructure, including innovative high school,
28 postsecondary, and postgraduate programs to evolve, align, and
29 respond accordingly to our state's behavioral health and related and
30 integrated primary care workforce needs. The board will submit
31 preliminary recommendations to the governor and appropriate
32 committees of the legislature by October 15, 2016. The board will
33 continue its work and submit final recommendations in 2017.

34 (3) \$75,000 of the general fund—state appropriation for fiscal
35 year 2017 is provided solely for the workforce training and education
36 coordinating board to develop a plan for a career and college ready
37 lighthouse program that is representative of the different
38 geographies and industries throughout the state. The plan must
39 provide students the opportunity to: Explore and understand career

1 opportunities through applied learning; engage with industry mentors;
 2 and, plan for career and college success. Additionally, the plan must
 3 include: Work-integrated and career-related strategies that increase
 4 college and career readiness of the students statewide; specify where
 5 and how the board will utilize mentor school districts; and identify
 6 the needs of districts to provide career and college ready
 7 opportunities. The board must convene an advisory committee to
 8 provide assistance with the development of the plan. The advisory
 9 committee must comprise: Individuals from the public and private
 10 sector with expertise in career and technical education and work-
 11 integrated training; school counselors; representatives of labor
 12 unions; representatives from professional technical organizations;
 13 representatives from career and technical colleges; and individuals
 14 from business and industry. The board shall submit its plan to the
 15 education committees of the legislature by January 1, 2017.

16 **Sec. 1611.** 2016 sp.s. c 36 s 612 (uncodified) is amended to read
 17 as follows:

18 **FOR THE DEPARTMENT OF EARLY LEARNING**

19	General Fund—State Appropriation (FY 2016).	\$89,572,000
20	General Fund—State Appropriation (FY 2017).	(\$103,823,000)
21		<u>\$101,494,000</u>
22	General Fund—Federal Appropriation.	\$299,956,000
23	Opportunity Pathways Account—State Appropriation.	\$80,000,000
24	Education Legacy Trust Account—State Appropriation.	\$28,250,000
25	Home Visiting Services Account—State Appropriation.	\$4,868,000
26	Home Visiting Services Account—Federal Appropriation.	\$25,250,000
27	TOTAL APPROPRIATION.	(\$624,725,000)
28		<u>\$629,390,000</u>

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

31 (1) \$44,800,000 of the general fund—state appropriation for
 32 fiscal year 2016, \$44,800,000 of the general fund—state appropriation
 33 for fiscal year 2017, \$24,250,000 of the education legacy trust
 34 account—state appropriation, and \$80,000,000 of the opportunity
 35 pathways account appropriation are provided solely for the early
 36 childhood education and assistance program. These amounts shall
 37 support at least 11,691 slots in fiscal year 2016 and 11,691 slots in
 38 fiscal year 2017. Of these amounts, \$10,284,000 is a portion of the

1 biennial amount of state maintenance of effort dollars required to
2 receive federal child care and development fund grant dollars.

3 (2) \$200,000 of the general fund—state appropriation for fiscal
4 year 2016 and \$200,000 of the general fund—state appropriation for
5 fiscal year 2017 are provided solely to develop and provide
6 culturally relevant supports for parents, family, and other
7 caregivers.

8 (3) The department is the lead agency for and recipient of the
9 federal child care and development fund grant. Amounts within this
10 grant shall be used to fund child care licensing, quality
11 initiatives, agency administration, and other costs associated with
12 child care subsidies. The department shall transfer a portion of this
13 grant to the department of social and health services to fund the
14 child care subsidies paid by the department of social and health
15 services on behalf of the department of early learning.

16 (4) \$1,434,000 of the general fund—state appropriation for fiscal
17 year 2016 is provided solely for expenditure into the home visiting
18 services account. This funding is intended to meet federal
19 maintenance of effort requirements and to secure private matching
20 funds. Additional amounts are provided separately in part II of this
21 act. The division of behavioral health and recovery must transfer
22 these amounts into the home visiting services account.

23 (5)((+a)) \$153,244,000 of the general fund—federal appropriation
24 is provided solely for the working connections child care program
25 under RCW 43.215.135. In order to not exceed the appropriated amount,
26 a wait list for the working connections child care program shall be
27 implemented if enrollment reaches 33,000 households. Once the wait
28 list is in effect, and only as space or funding becomes available,
29 enrollment in the program shall be prioritized according to the
30 following order:

31 (a) Families applying for or receiving temporary assistance for
32 needy families (TANF);

33 (b) TANF families curing sanction;

34 (c) Families that include a child with special needs;

35 (d) Families in which a parent of a child in care is a minor who
36 is not living with a parent or guardian and who is a full-time
37 student in a high school that has a school-sponsored on-site child
38 care center; and

39 (e) All other eligible families.

1 (~~(b) In addition to groups that were given prioritized access to~~
2 ~~the working connections child care program effective March 1, 2011,~~
3 ~~the department shall also give prioritized access into the program to~~
4 ~~families in which a parent of a child in care is a minor who is not~~
5 ~~living with a parent or guardian and who is a full-time student in a~~
6 ~~high school that has a school-sponsored on-site child care center.))~~

7 (6) 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 enrollments and active caseload for the
10 working connections child care program to the legislative fiscal
11 committees and the legislative-executive WorkFirst oversight task
12 force on an agreed upon schedule. The report shall also identify the
13 number of cases participating in both temporary assistance for needy
14 families and working connections child care. The department must also
15 report on the number of children served through contracted slots.

16 (7) \$1,194,000 of the general fund—state appropriation for fiscal
17 year 2016, \$1,926,000 of the general fund—state appropriation for
18 fiscal year 2017, and \$13,424,000 of the general fund—federal
19 appropriation are provided solely for the seasonal child care
20 program. If federal sequestration cuts are realized, cuts to the
21 seasonal child care program must be proportional to other federal
22 reductions made within the department.

23 (8) \$4,674,000 of the general fund—state appropriation for fiscal
24 year 2016 and \$4,674,000 of the general fund—state appropriation for
25 fiscal year 2017 are provided solely for the early childhood
26 intervention prevention services (ECLIPSE) program. The department
27 shall contract for ECLIPSE services to provide therapeutic child care
28 and other specialized treatment services to abused, neglected, at-
29 risk, and/or drug-affected children. Priority for services shall be
30 given to children referred from the department of social and health
31 services children's administration. Of the amounts appropriated in
32 this subsection, \$60,000 per fiscal year may be used by the
33 department for administering the ECLIPSE program, if needed.

34 (9) \$47,000 of the general fund—state appropriation for fiscal
35 year 2016 and \$46,000 of the general fund—state appropriation for
36 fiscal year 2017 are provided solely for implementation of Engrossed
37 Substitute House Bill No. 1126 (fatality review).

38 (10) \$23,529,000 of the general fund—state appropriation for
39 fiscal year 2016, \$41,087,000 of the general fund—state appropriation

1 for fiscal year 2017, and \$36,006,000 of the general fund—federal
2 appropriation are provided solely for the implementation of Engrossed
3 Second Substitute House Bill No. 1491 (early care and education
4 system). Of the amounts provided in this subsection:

5 (a) \$60,817,000 is for quality rating and improvement system
6 activities, including but not limited to: Level two activities,
7 technical assistance, coaching, rating, and quality improvement
8 awards. The department shall place a 10 percent administrative
9 overhead cap on any contract entered into with the University of
10 Washington.

11 (b) \$10,895,000 is for degree and retention incentives and
12 scholarship and tuition reimbursements.

13 (c) \$12,828,000 is for level 2 payments and tiers 3, 4, and 5
14 payments for child care licensed family home and center providers.
15 Additional amounts for licensed family home providers are provided
16 separately in fiscal year 2016 as part of a collective bargaining
17 agreement part IX of this act.

18 (11) \$1,808,000 of the general fund—state appropriation for
19 fiscal year 2016 and \$1,728,000 of the general fund—state
20 appropriation for fiscal year 2017 are provided solely for reducing
21 barriers for low-income providers to participate in the early
22 achievers program consistent with Engrossed Second Substitute House
23 Bill No. 1491 (early care and education system). Of the amounts
24 provided in this subsection:

25 (a) \$2,000,000 is for need-based grants. Additional amounts for
26 child care licensed family home providers are provided separately as
27 part of a collective bargaining agreement part IX of this act.

28 (b) \$1,336,000 is for the creation of a substitute pool.

29 (c) \$200,000 is for the development of materials and assessments
30 in provider and family home languages.

31 (12) \$300,000 of the general fund—state appropriation for fiscal
32 year 2016 and \$300,000 of the general fund—state appropriation for
33 fiscal year 2017 are provided solely for a contract with a nonprofit
34 entity experienced in the provision of promoting early literacy for
35 children through pediatric office visits.

36 (13) \$4,000,000 of the education legacy trust account—state
37 appropriation is provided solely for early intervention assessment
38 and services.

1 (14) Information technology projects or investments and proposed
2 projects or investments impacting time capture, payroll and payment
3 processes and systems, eligibility, case management and authorization
4 systems within the department of early learning are subject to
5 technical oversight by the office of the chief information officer.
6 The department must collaborate with the office of the chief
7 information officer to develop a strategic business and technology
8 architecture plan for a child care attendance and billing system that
9 supports a statewide architecture.

10 (15)(a)(i) The department of early learning is required to
11 provide to the education research and data center, housed at the
12 office of financial management, data on all state-funded early
13 childhood programs. These programs include the early support for
14 infants and toddlers, early childhood education and assistance
15 program (ECEAP), and the working connections and seasonal subsidized
16 childcare programs including license exempt facilities or family,
17 friend, and neighbor care. The data provided by the department to the
18 education research data center must include information on children
19 who participate in these programs, including their name and date of
20 birth, and dates the child received services at a particular
21 facility.

22 (ii) ECEAP early learning professionals must enter any new
23 qualifications into the department's professional development
24 registry during the 2015-16 school year. By October 2017, the
25 department must provide updated ECEAP early learning professional
26 data to the education research data center.

27 (iii) The department must request federally funded head start
28 programs to voluntarily provide data to the department and the
29 education research data center that is equivalent to what is being
30 provided for state-funded programs.

31 (iv) The education research and data center must provide an
32 updated report on early childhood program participation and K-12
33 outcomes to the house of representatives appropriations committee and
34 the senate ways and means committee using available data by November
35 2015 for the school year ending in 2014 and again in March 2016 for
36 the school year ending in 2015.

37 (b) The department, in consultation with the department of social
38 and health services, must withhold payment for services to early
39 childhood programs that do not report on the name, date of birth, and
40 the dates a child received services at a particular facility.

1 (16) The department shall work with state and local law
2 enforcement, federally recognized tribal governments, and tribal law
3 enforcement to develop a process for expediting fingerprinting and
4 data collection necessary to conduct background checks for tribal
5 early learning and child care providers.

6 (17) \$3,777,000 of the general fund—state appropriation for
7 fiscal year 2017 is provided solely for the supplemental agreement to
8 the 2015-2017 collective bargaining agreement covering family child
9 care providers as set forth in section 905 of this act. Of the
10 amounts provided in this subsection:

11 (a) \$638,000 is for a base rate increase;

12 (b) \$956,000 is for an increase in tiered reimbursement rates for
13 levels three through five;

14 (c) \$1,315,000 is for an increase in quality improvement awards;

15 (d) \$478,000 is provided for training and quality improvement
16 support services to family child care providers provided by the
17 501(c)(3) organization created for this purpose;

18 (e) \$190,000 is provided for the administration of the family
19 child care training and quality improvement fund and participation in
20 the joint committee on family child care providers training and
21 quality improvement; and

22 (f) \$200,000 is provided for a slot-based pilot.

23 **Sec. 1612.** 2016 sp.s. c 36 s 613 (uncodified) is amended to read
24 as follows:

25 **FOR THE STATE SCHOOL FOR THE BLIND**

26	General Fund—State Appropriation (FY 2016).	\$6,419,000
27	General Fund—State Appropriation (FY 2017).	(\$6,579,000)
28		<u>\$6,812,000</u>
29	General Fund—Private/Local Appropriation.	\$34,000
30	TOTAL APPROPRIATION.	(\$13,032,000)
31		<u>\$13,265,000</u>

32 The appropriations in this section are subject to the following
33 conditions and limitations: Funding provided in this section is
34 sufficient for the school to offer to students enrolled in grades
35 nine through twelve for full-time instructional services at the
36 Vancouver campus with the opportunity to participate in a minimum of
37 one thousand eighty hours of instruction and the opportunity to earn
38 twenty-four high school credits.

1 **Sec. 1613.** 2016 sp.s. c 36 s 615 (uncodified) is amended to read
2 as follows:

3 **FOR THE WASHINGTON STATE ARTS COMMISSION**

4	General Fund—State Appropriation (FY 2016).	\$1,143,000
5	General Fund—State Appropriation (FY 2017).	(\$1,166,000)
6		<u>\$1,190,000</u>
7	General Fund—Federal Appropriation.	\$2,100,000
8	General Fund—Private/Local Appropriation.	\$18,000
9	TOTAL APPROPRIATION.	(\$4,427,000)
10		<u>\$4,451,000</u>

11 **Sec. 1614.** 2016 sp.s. c 36 s 617 (uncodified) is amended to read
12 as follows:

13 **FOR THE EASTERN WASHINGTON STATE HISTORICAL SOCIETY**

14	General Fund—State Appropriation (FY 2016).	\$1,789,000
15	General Fund—State Appropriation (FY 2017).	(\$1,833,000)
16		<u>\$1,923,000</u>
17	TOTAL APPROPRIATION.	(\$3,622,000)
18		<u>\$3,712,000</u>

19 The appropriations in this section are subject to the following
20 conditions and limitations: The eastern Washington state historical
21 society shall develop a plan for creating a performance-based
22 partnership agreement between the state of Washington and the not-
23 for-profit Northwest museum of arts and culture for implementation in
24 the 2017-2019 fiscal biennium. The plan at minimum shall include
25 strategies to increase nonstate revenues for the operation of the
26 museum and estimate the minimum amount of state funding necessary to
27 preserve, maintain, and protect state-owned facilities and assets.
28 The plan shall be submitted to the office of financial management and
29 the fiscal committees of the legislature by October 1, 2016.

(End of part)

PART XVII

SPECIAL APPROPRIATIONS

Sec. 1701. 2016 sp.s. c 36 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 2016), General Fund—State Appropriation (FY 2017), State Building Construction Account—State Appropriation, Debt-Limit Reimbursable Bond Retirement Account—State Appropriation, Columbia River Basin Water Supply Development Account—State Appropriation, Columbia River Basin Taxable Bond Water Supply Development Account—State Appropriation, State Taxable Building Construction 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.

Sec. 1702. 2015 3rd sp.s. c 4 s 703 (uncodified) is amended to read as follows:

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

Table with 2 columns: Description and Amount. Rows include General Fund—State Appropriation (FY 2016), General Fund—State Appropriation (FY 2017), Nondebt-Limit Reimbursable Bond Retirement 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 nondebt-limit general fund bond retirement account.

Sec. 1703. 2016 sp.s. c 36 s 706 (uncodified) is amended to read as follows:

FOR SUNDRY CLAIMS

The following sums, or so much thereof as may be necessary, are appropriated from the general fund for fiscal year 2016 or fiscal year 2017, unless otherwise indicated, for relief of various individuals, firms, and corporations for sundry claims.

(1) These appropriations are to be disbursed on vouchers approved by the director of the department of enterprise services, except as otherwise provided, for reimbursement of criminal defendants acquitted on the basis of self-defense, pursuant to RCW 9A.16.110, as follows:

- (a) David Wozny, claim number 99970105. \$9,832
(b) Hugo Garibay, claim number 99970106. \$10,246
(c) Emery Christianson, claim number 99970107. \$7,445
(d) Anton Ehinger, claim number 99970108. \$6,726
(e) Alan Graham, claim number 99970109. \$5,495
(f) Joseph Compher, claim number 99970110. \$32,235
(g) Alex Hallowell, claim number 99970111. \$22,403
(h) James Clark, claim number 99970112. \$8,250
(i) David Hill, claim number 99970114. \$3,056
(j) David Maulen, claim number 99970113. \$19,726
(k) Stephen White, claim number 99970115. \$25,097
(l) Richard Brunhaver, claim number 99970116. \$14,079
(m) James Barnett, claim number 99970117. \$39,608
(n) Justin Carter, claim number 99970118. \$35,179
(o) Derrick Moore, claim number 99970119. \$23,474
(p) Joshua Bessey, claim number 99970120. \$66,600
(q) Jason Swanberg, claim number 99970121. \$7,905
(r) Max Willis, claim number 99970123. \$26,205
(s) Jesica Bush, claim number 99970124. \$22,990
(t) Rolondo Cavazos, claim number 99970125. \$32,438
(u) Jared Ha, claim number 99970127. \$45,104

1	(v) Eric Thompson, claim number 99970128.	\$15,127
2	(w) Meghan Altringer, claim number 99970129.	\$5,484
3	(x) James Wenzel, claim number 99970130.	\$5,240
4	(y) Arturo Rodriguez Ramos, claim number 99970131.	\$12,000
5	(z) Joel Gentleman, claim number 99970132.	\$16,173
6	(aa) Richard Cooper, claim number 99970133.	\$17,810
7	(bb) Michelle Trafford, claim number 99970136.	\$10,582
8	(cc) Linda Gipson, claim number 99970137.	\$316,531
9	(dd) Patrick Kelly, claim number 99970126.	\$8,483
10	(ee) Joseph Miller, claim number 99970137.	\$9,818

11 (2) These appropriations are to be disbursed on vouchers approved
12 by the director of the department of enterprise services, except as
13 otherwise provided, for payment of compensation for wrongful
14 convictions pursuant to RCW 4.100.060, as follows:

15	Michael Wheeler, claim number 99970122.	\$466,711
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16 NEW SECTION. **Sec. 1704.** A new section is added to 2015 3rd
17 sp.s. c 4 (uncodified) to read as follows:

18 **FOR THE OFFICE OF FINANCIAL MANAGEMENT—REPAYMENT TO FEDERAL**
19 **GOVERNMENT**
20 General Fund—State Appropriation (FY 2017) \$425,000

21 The appropriation in this section is subject to the following
22 conditions and limitations: The appropriation is provided solely to
23 repay the federal government a percentage of the federal funds paid
24 into certain revolving accounts that were transferred to the general
25 fund in fiscal years 2016 and 2017 as required by Appendix V of 2
26 C.F.R. Part 200(G)(4)(2013).

27 NEW SECTION. **Sec. 1705.** A new section is added to 2015 3rd
28 sp.s. c 4 (uncodified) to read as follows:

29 **FOR THE OFFICE OF FINANCIAL MANAGEMENT—DISASTER RESPONSE ACCOUNT**
30 General Fund—State Appropriation (FY 2017) \$42,500,000

31 The appropriation in this section is subject to the following
32 conditions and limitations: The appropriation is provided solely for
33 expenditure into the disaster response account to fund existing
34 expenditures due to a delay in receiving federal fire management
35 grant proceeds.

1 **Sec. 1706.** A new section is added to 2015 3rd sp.s. c 4
2 (uncodified) to read as follows:

3 **FOR THE CONSOLIDATED TECHNOLOGY SERVICES AGENCY**

4	Forest Development Account—State Appropriation	\$64,000
5	Aquatic Lands Enhancement Account—State Appropriation	\$8,000
6	Resources Management Cost Account—State Appropriation	\$136,000
7	Surface Mining Reclamation Account—State Appropriation	\$3,000
8	Forest Fire Protection Assessment Account—State	
9	Appropriation	\$39,000
10	State Forest Nursery Revolving Account—State Appropriation	\$6,000
11	Access Road Revolving Account—State Appropriation	\$32,000
12	Park Land Trust Revolving Account—State Appropriation	\$4,000
13	Contract Harvesting Revolving Account—State Appropriation	\$4,000
14	Forest Practices Application Account—State	
15	Appropriation	\$2,000
16	Agricultural College Trust Management Account—State	
17	Appropriation.	\$4,000
18	TOTAL APPROPRIATION.	\$302,000

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 consolidated technology
22 services revolving account for payment of the department of natural
23 resources' share of the debt service allocation for the state data
24 center for the programs funded by the accounts in this section.

25 NEW SECTION. **Sec. 1707.** A new section is added to 2015 3rd
26 sp.s. c 4 (uncodified) to read as follows:

27 **FOR THE OFFICE OF FINANCIAL MANAGEMENT—JUDICIAL STABILIZATION TRUST**
28 **ACCOUNT**

29	General Fund—State Appropriation (FY 2017)	\$1,000,000
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30 The appropriation in this section is subject to the following
31 conditions and limitations: The appropriation is provided solely for
32 expenditure into the judicial stabilization trust account in RCW
33 43.79.505 in an amount not to exceed the amount necessary to prevent
34 a deficit in the account.

(End of part)

PART XVIII

OTHER TRANSFERS AND APPROPRIATIONS

Sec. 1801. 2016 sp.s. c 36 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. ((~~\$9,286,000~~))
\$9,224,000

General Fund Appropriation for public utility district excise tax distributions. ((~~\$57,861,000~~))
\$56,659,000

General Fund Appropriation for prosecuting attorney distributions. ((~~\$6,375,000~~))
\$6,396,000

General Fund Appropriation for boating safety and education distributions. ((~~\$4,000,000~~))
\$3,682,000

General Fund Appropriation for other tax distributions. ((~~\$86,000~~))
\$82,000

General Fund Appropriation for habitat conservation program distributions. ((~~\$3,848,000~~))
\$3,495,000

Death Investigations Account Appropriation for distribution to counties for publicly funded autopsies. \$3,135,000

Aquatic Lands Enhancement Account Appropriation for harbor improvement revenue distribution. \$140,000

Timber Tax Distribution Account Appropriation for distribution to "timber" counties. ((~~\$76,600,000~~))
\$68,914,000

County Criminal Justice Assistance Appropriation
When making the fiscal year 2016 and 2017 distributions to Grant county, the state treasurer shall reduce the amount by \$140,000 each year and distribute the remainder to the county. This is the second and third of three reductions that have been made to reimburse the state for a nonqualifying extraordinary criminal

1	justice act payment made to Grant county in	
2	fiscal year 2013.	\$86,178,000
3	Municipal Criminal Justice Assistance	
4	Appropriation.	\$33,493,000
5	City-County Assistance Account Appropriation for	
6	local government financial assistance	
7	distribution.	((\$24,899,000))
8		<u>\$24,499,000</u>
9	Liquor Excise Tax Account Appropriation for liquor	
10	excise tax distribution.	((\$50,680,000))
11		<u>\$48,785,000</u>
12	Streamlined Sales and Use Tax Mitigation Account	
13	Appropriation for distribution to local taxing	
14	jurisdictions to mitigate the unintended revenue	
15	redistribution effect of the sourcing law	
16	changes.	((\$46,762,000))
17		<u>\$46,842,000</u>
18	Columbia River Water Delivery Account Appropriation	
19	for the Confederated Tribes of the Colville	
20	Reservation.	\$7,907,000
21	Columbia River Water Delivery Account Appropriation	
22	for the Spokane Tribe of Indians.	\$5,167,000
23	Liquor Revolving Account Appropriation for liquor	
24	profits distribution.	\$98,876,000
25	TOTAL APPROPRIATION.	((\$515,293,000))
26		<u>\$503,424,000</u>

27 The total expenditures from the state treasury under the
28 appropriations in this section shall not exceed the funds available
29 under statutory distributions for the stated purposes.

30 **Sec. 1802.** 2016 sp.s. c 36 s 804 (uncodified) is amended to read
31 as follows:

32 **FOR THE STATE TREASURER—TRANSFERS**

33 State Treasurer's Service Account: For transfer to
34 the state general fund, \$10,000,000 for fiscal
35 year 2016 and \$10,000,000 for fiscal year 2017. . . . \$20,000,000
36 General Fund: For transfer to the streamlined sales
37 and use tax account, \$23,398,000
38 for fiscal year 2016 and ((~~\$23,364,000~~)) \$23,067,000

1 for fiscal year 2017. ((~~\$46,762,000~~))
2 \$46,465,000

3 Dedicated Marijuana Account: For transfer to the
4 state general fund in an amount not to exceed
5 the amount determined pursuant to RCW 69.50.540,
6 \$70,000,000 for fiscal year 2016. \$70,000,000

7 Dedicated Marijuana Account: For transfer to the
8 state general fund (~~(in an amount not to exceed)~~),
9 the lesser of the amount determined pursuant
10 to RCW 69.50.540(~~(, \$100,000,000)~~) or this amount
11 for fiscal year 2017. ((~~\$100,000,000~~))
12 \$91,035,000

13 Dedicated Marijuana Fund Account for distribution to
14 the basic health plan trust account in an amount
15 not to exceed the amount determined pursuant to
16 RCW 69.50.540 plus \$14,000,000, \$125,000,000 for
17 fiscal year 2016 \$125,000,000

18 Dedicated Marijuana Account: For transfer to the
19 basic health plan trust account (~~(in an amount not~~
20 ~~to exceed)~~), the lesser of the amount determined
21 pursuant to RCW 69.50.540(~~(, \$150,000,000)~~)
22 or this amount for fiscal year 2017. ((~~\$150,000,000~~))
23 \$141,330,000

24 Tobacco Settlement Account: For transfer to the state
25 general fund, in an amount not to exceed the
26 actual amount of the annual base payment to the
27 tobacco settlement account for fiscal year
28 2016. \$90,000,000

29 Tobacco Settlement Account: For transfer to the
30 state general fund, in an amount not to exceed
31 the actual amount of the 2017 annual base payment
32 to the tobacco settlement account. \$90,000,000

33 Tobacco Settlement Account: For transfer to the state
34 general fund, in an amount not to exceed the
35 annual strategic contribution payment to the
36 tobacco settlement account for fiscal year 2016. ((~~\$26,000,000~~))
37 \$26,950,000

38 Tobacco Settlement Account: For transfer to the
39 state general fund, in an amount not to exceed
40 the annual strategic contribution payment to

1 the tobacco settlement account for fiscal year
2 2017. ((~~\$25,400,000~~))
3 \$26,700,000
4 Life Sciences Discovery Fund: For transfer to the
5 state general fund for fiscal year 2016. \$11,000,000
6 Energy Freedom Account: For transfer to the state
7 general fund for fiscal year 2016, an amount
8 not to exceed the actual ending cash balance
9 of the fund. \$3,300,000
10 State Toxics Control Account: For transfer to the
11 clean up settlement account as repayment of the
12 loan provided in section 3022(2) chapter 2,
13 Laws of 2012, 2nd sp. sess. (ESB 6074 2012
14 supplemental capital budget), \$643,000 for
15 fiscal year 2016 and \$643,000 for fiscal
16 year 2017. \$1,286,000
17 Aquatic Lands Enhancement Account: For transfer
18 to the clean up settlement account as repayment
19 of the loan provided in section 3022(2) chapter
20 2, Laws of 2012, 2nd sp. sess. (ESB 6074 2012
21 supplemental capital budget), \$643,000 for
22 fiscal year 2016 and \$643,000 for fiscal
23 year 2017. \$1,286,000
24 Home Security Fund Account: For transfer to the
25 transitional housing operating and rent account,
26 \$7,500,000 for fiscal year 2016. \$7,500,000
27 Public Works Assistance Account: For transfer to the
28 state general fund, \$36,500,000 for fiscal
29 year 2016 and \$52,500,000 for fiscal
30 year 2017. \$89,000,000
31 Criminal Justice Treatment Account: For transfer to
32 the state general fund \$5,652,000 for fiscal
33 year 2016 and \$5,651,000 for fiscal year 2017. . . . \$11,303,000
34 Liquor Revolving Account: For transfer to the state
35 general fund, \$3,000,000 for fiscal year 2016
36 and \$3,000,000 for fiscal year 2017. \$6,000,000
37 Flood Control Assistance Account: For transfer
38 to the state general fund, \$1,350,000
39 for fiscal year 2016 and \$1,000,000 for fiscal year
40 2017. \$2,350,000

1 Law Enforcement Officers' and Firefighters' Plan 2
2 Retirement Fund: For transfer to the local law
3 enforcement officers' and firefighters'
4 retirement system benefits improvement account
5 for fiscal year 2016. \$15,779,000
6 Aerospace Training Student Loan Account: For
7 transfer to the state general fund, \$1,000,000
8 for FY 2016 and \$1,000,000 for FY 2017. \$2,000,000
9 Water Rights Processing Account: For transfer
10 to the state drought preparedness account,
11 \$332,000 for fiscal year 2016. \$332,000
12 (~~Death Investigations Account: For transfer to~~
13 ~~the sexual assault kit account,~~
14 ~~\$1,732,000 for fiscal year 2017. \$1,732,000~~)
15 Fingerprint Identification Account: For
16 transfer to the sexual assault kit account,
17 ~~(\$1,179,000)~~ \$2,911,000 for fiscal year 2017. ~~(\$1,179,000)~~
18 \$2,911,000
19 Charitable, Educational, Penal, and Reformatory
20 Institutions Account: For transfer to the state
21 general fund, \$1,000,000 for fiscal year 2016. \$1,000,000
22 Marine Resources Stewardship Trust Account: For
23 transfer to the aquatic lands enhancement account,
24 \$975,000 for fiscal year 2016. \$975,000
25 Vessel Response Account: For transfer to the
26 environmental legacy stewardship account,
27 \$250,000 for fiscal year 2016. \$250,000
28 Savings Incentive Account: For transfer to the state
29 general fund for fiscal year 2016, an amount attributable
30 to unspent agency credits excluding those
31 associated with legislative and judicial agencies. . . \$1,071,000
32 Employment Services Administrative Account: For transfer
33 to the state general fund, \$750,000 for fiscal year 2016
34 and \$2,250,000 for fiscal year 2017. \$3,000,000
35 Washington Housing Trust Account: For transfer
36 to the home security fund account. \$7,000,000
37 Washington Housing Trust Account: For transfer to
38 the state general fund for fiscal year 2017. \$3,000,000
39 Employment Services Administrative Account: For
40 transfer to the administrative contingency

1 fund account for fiscal year 2017. \$8,500,000
 2 OFM Labor Relations Service Account: For transfer
 3 to the state general fund for fiscal year 2017. . . . \$1,000,000
 4 Personnel Service Fund: For transfer to the state
 5 general fund for fiscal year 2017. \$500,000
 6 Washington Real Estate Research Account: For
 7 transfer to the state general fund for
 8 fiscal year 2017. \$500,000
 9 Professional Engineers' Account: For transfer
 10 to the state general fund for fiscal year 2017. . . . \$500,000
 11 Real Estate Commission Account: For transfer
 12 to the state general fund for fiscal year 2017. . . . \$500,000

13 It is the intent of the legislature to continue to transfer the
 14 excess balance from the criminal justice treatment account to the
 15 state general fund in the 2017-2019 fiscal biennium, consistent with
 16 policy in this omnibus appropriations act and in an amount not to
 17 exceed the projected fund balance.

18 It is the intent of the legislature to continue to transfer the
 19 excess balance from the state treasurer's service account to the
 20 state general fund in the 2017-2019 fiscal biennium, consistent with
 21 policy in this omnibus appropriations act and in an amount not to
 22 exceed the projected fund balance.

(End of part)

1 **PART XIX**
2 **MISCELLANEOUS**

3 NEW SECTION. **Sec. 1901.** A new section is added to 2015 3rd
4 sp.s. c 4 (uncodified) to read as follows:

5 (1) By June 30, 2017, the committee on advanced tuition payment
6 defined in RCW 28B.95.020 shall review and report to the legislative
7 fiscal and higher education committees on:

8 (a) The impact of decreasing tuition rates on the funded status
9 and future unit price of the Washington advanced college tuition
10 payment program;

11 (b) The feasibility and different options of establishing a
12 college savings program as described in RCW 28B.95.150;

13 (c) A list of potential alternatives and impacts for changing the
14 advanced college tuition payment distribution policy from tuition and
15 fees to a cost of attendance metric; and

16 (d) A list of potential alternatives and impacts for whether the
17 state penalty for withdrawal should be changed.

18 (2) This section expires June 30, 2017.

19 NEW SECTION. **Sec. 1902.** If any provision of this act or its
20 application to any person or circumstance is held invalid, the
21 remainder of the act or the application of the provision to other
22 persons or circumstances is not affected.

23 NEW SECTION. **Sec. 1903.** This act is necessary for the immediate
24 preservation of the public peace, health, or safety, or support of
25 the state government and its existing public institutions, and takes
26 effect immediately.

(End of Bill)

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