



# **PROPOSED SENATE 2018 SUPPLEMENTAL OPERATING BUDGET**

**PSSB 6032**

# SENATE CHAIR

**SENATE WAYS & MEANS COMMITTEE  
FEBRUARY 2018**



1 AN ACT Relating to fiscal matters; amending RCW 43.41.433,  
2 43.79.445, 28B.20.476, 41.26.802, 70.105D.070, 79.105.150, 86.26.007,  
3 69.50.540, 39.12.080, and 76.04.610; amending 2017 3rd sp.s. c 1 ss  
4 101, 102, 103, 104, 105, 106, 107, 108, 110, 111, 112, 113, 114, 115,  
5 116, 117, 118, 119, 120, 121, 122, 123, 124, 125, 126, 127, 128, 129,  
6 130, 131, 132, 133, 134, 135, 136, 137, 139, 140, 141, 142, 143, 144,  
7 145, 147, 149, 150, 201, 202, 203, 204, 205, 206, 207, 208, 209, 210,  
8 211, 212, 213, 214, 215, 216, 217, 218, 219, 220, 221, 222, 223, 301,  
9 302, 303, 304, 305, 306, 307, 308, 309, 310, 311, 401, 402, 501, 502,  
10 503, 504, 505, 507, 508, 510, 509, 511, 512, 513, 514, 515, 516, 518,  
11 519, 520, 605, 606, 607, 608, 609, 610, 611, 612, 613, 614, 615, 616,  
12 617, 618, 619, 620, 701, 703, 708, 720, 722, 723, 724, 718, 718, 801,  
13 805, 936, 937, 942, and 944 (uncodified); adding new sections to 2017  
14 3rd sp.s. c 1 (uncodified); adding a new section to chapter 43.79  
15 RCW; creating a new section; repealing 2017 3rd sp.s. c 1 s 737  
16 (uncodified); making appropriations; and declaring an emergency.

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

18  
19

**PART I**  
**GENERAL GOVERNMENT**

1       **Sec. 101.** 2017 3rd sp.s. c 1 s 101 (uncodified) is amended to  
2 read as follows:

3       **FOR THE HOUSE OF REPRESENTATIVES**

4	General Fund—State Appropriation (FY 2018). . . . .	(( <del>\$37,642,000</del> ))
5		<u>\$35,492,000</u>
6	General Fund—State Appropriation (FY 2019). . . . .	(( <del>\$39,205,000</del> ))
7		<u>\$37,069,000</u>
8	<del>((Motor Vehicle Account—State Appropriation. . . . .</del>	<del>\$2,011,000))</del>
9	<u>Pension Funding Stabilization Account—State</u>	
10	<u>Appropriation. . . . .</u>	<u>\$4,280,000</u>
11	TOTAL APPROPRIATION. . . . .	(( <del>\$78,858,000</del> ))
12		<u>\$76,841,000</u>

13       The appropriations in this section are subject to the following  
14 conditions and limitations: The speaker shall designate one member  
15 from each of the major caucuses in the house of representatives as a  
16 work group to facilitate public discussions throughout the state  
17 regarding Washington's tax structure. As part of this effort, the  
18 work group may hold up to seven public meetings in geographically  
19 dispersed areas of the state throughout the 2017-2019 fiscal  
20 biennium. These discussions may include but are not limited to the  
21 advantages and disadvantages of the state's current tax structure and  
22 potential options to improve the current structure for the benefit of  
23 individuals, families, and businesses in Washington state. The work  
24 group is staffed by the office of program research. The work group  
25 may report to the house of representatives finance committee and  
26 other house of representatives committees upon request of the  
27 committee chair.

28       **Sec. 102.** 2017 3rd sp.s. c 1 s 102 (uncodified) is amended to  
29 read as follows:

30       **FOR THE SENATE**

31	General Fund—State Appropriation (FY 2018). . . . .	(( <del>\$26,369,000</del> ))
32		<u>\$24,908,000</u>
33	General Fund—State Appropriation (FY 2019). . . . .	(( <del>\$29,451,000</del> ))
34		<u>\$27,998,000</u>
35	<del>((Motor Vehicle Account—State Appropriation. . . . .</del>	<del>\$1,903,000))</del>
36	<u>Pension Funding Stabilization Account—State</u>	
37	<u>Appropriation. . . . .</u>	<u>\$2,941,000</u>
38	TOTAL APPROPRIATION. . . . .	(( <del>\$57,723,000</del> ))

1 \$55,847,000

2 **Sec. 103.** 2017 3rd sp.s. c 1 s 103 (uncodified) is amended to  
3 read as follows:

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

5	General Fund—State Appropriation (FY 2018). . . . .	\$135,000
6	General Fund—State Appropriation (FY 2019). . . . .	<del>(\$29,000)</del>
7		<u>\$164,000</u>
8	Performance Audits of Government—State	
9	Appropriation. . . . .	<del>(\$8,619,000)</del>
10		<u>\$8,332,000</u>
11	TOTAL APPROPRIATION. . . . .	<del>(\$8,783,000)</del>
12		<u>\$8,496,000</u>

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

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

19 (2) The committee shall complete its analysis of fire suppression  
20 funding and costs for the department of natural resources and the  
21 state fire marshal. A report on the results of the analysis with any  
22 findings and recommendations shall be submitted to the appropriate  
23 committees of the legislature by December 2017.

24 (3) \$308,000 of the performance audits of government account—  
25 state appropriation is provided solely for the implementation of  
26 chapter 303, Laws of 2017 (ESHB 1594) (public records  
27 administration).

28 ~~((+5))~~ (4) \$100,000 of the performance audits of government  
29 account—state appropriation is provided solely for an evaluation of:  
30 (a) The adequacy and effectiveness of the department of commerce  
31 office of youth homelessness performance based contracting with  
32 homelessness service providers; and (b) compliance with the  
33 performance measurement, reporting, and quality award program  
34 application requirements of chapter 43.185C RCW.

35 ~~((+6))~~ (5) The agency is directed to use its moneys in the  
36 savings incentive account for one-time relocation, furniture,  
37 equipment, and tenant improvements costs to move to the 1063  
38 building.

1        ~~((7))~~ (6)(a) \$250,000 of the performance audit of government—  
2 state appropriation is provided solely for the committee to conduct a  
3 study of the employment services and community access services  
4 provided by the department of social and health services for  
5 individuals with a developmental disability. The study should explore  
6 the following topics:

7        (i) The costs and benefits associated with prevocational training  
8 programs;

9        (ii) The process of requesting and authorizing prevocational  
10 services;

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

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

17        (v) The costs and benefits associated with community access  
18 services; and

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

22        (b) The evaluation must solicit input from interested  
23 stakeholders to include, but not be limited to, the ARC of  
24 Washington, the developmental disabilities council, the Washington  
25 association of counties, and disability rights of Washington.

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

27        (7) \$32,000 of the performance audits of government account—state  
28 appropriation for fiscal year 2019 is provided solely for  
29 implementation of Second Engrossed Substitute House Bill No. 1508  
30 (student meals and nutrition). If the bill is not enacted by June 30,  
31 2018, the amount provided in this subsection shall lapse.

32        (8) \$132,000 of the performance audits of government account—  
33 state appropriation for fiscal year 2019 is provided solely for  
34 implementation of Engrossed Fourth Substitute Senate Bill No. 5251  
35 (tourism marketing). If the bill is not enacted by June 30, 2018, the  
36 amount provided in this subsection shall lapse.

37        (9) \$49,000 of the performance audits of government account—state  
38 appropriation for fiscal year 2019 is provided solely for  
39 implementation of Engrossed Substitute Senate Bill No. 5588 (racial

1 disproportionality). If the bill is not enacted by June 30, 2018, the  
2 amount provided in this subsection shall lapse.

3 **Sec. 104.** 2017 3rd sp.s. c 1 s 104 (uncodified) is amended to  
4 read as follows:

5 **FOR THE LEGISLATIVE EVALUATION AND ACCOUNTABILITY PROGRAM COMMITTEE**

6 Performance Audits of Government—State  
7 Appropriation. . . . . \$4,175,000

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

13 **Sec. 105.** 2017 3rd sp.s. c 1 s 105 (uncodified) is amended to  
14 read as follows:

15 **FOR THE JOINT LEGISLATIVE SYSTEMS COMMITTEE**

16 General Fund—State Appropriation (FY 2018). . . . . ((~~\$10,730,000~~))  
17 \$10,317,000  
18 General Fund—State Appropriation (FY 2019). . . . . ((~~\$10,254,000~~))  
19 \$10,121,000  
20 Pension Funding Stabilization Account—State  
21 Appropriation. . . . . \$825,000  
22 TOTAL APPROPRIATION. . . . . ((~~\$20,984,000~~))  
23 \$21,263,000

24 **Sec. 106.** 2017 3rd sp.s. c 1 s 106 (uncodified) is amended to  
25 read as follows:

26 **FOR THE OFFICE OF THE STATE ACTUARY**

27 General Fund—State Appropriation (FY 2018). . . . . ((~~\$302,000~~))  
28 \$288,000  
29 General Fund—State Appropriation (FY 2019). . . . . ((~~\$308,000~~))  
30 \$294,000  
31 State Health Care Authority Administrative Account—State  
32 Appropriation. . . . . \$406,000  
33 Department of Retirement Systems Expense  
34 Account—State Appropriation. . . . . \$5,110,000  
35 Pension Funding Stabilization Account—State  
36 Appropriation. . . . . \$28,000

1	TOTAL APPROPRIATION. . . . .	\$6,126,000
2	<b>Sec. 107.</b> 2017 3rd sp.s. c 1 s 107 (uncodified) is amended to	
3	read as follows:	
4	<b>FOR THE STATUTE LAW COMMITTEE</b>	
5	General Fund—State Appropriation (FY 2018). . . . .	(( <del>\$4,936,000</del> ))
6		<u>\$4,650,000</u>
7	General Fund—State Appropriation (FY 2019). . . . .	(( <del>\$5,455,000</del> ))
8		<u>\$5,171,000</u>
9	<u>Pension Funding Stabilization Account—State</u>	
10	<u>Appropriation. . . . .</u>	<u>\$568,000</u>
11	TOTAL APPROPRIATION. . . . .	(( <del>\$10,391,000</del> ))
12		<u>\$10,389,000</u>

13	<b>Sec. 108.</b> 2017 3rd sp.s. c 1 s 108 (uncodified) is amended to	
14	read as follows:	
15	<b>FOR THE OFFICE OF LEGISLATIVE SUPPORT SERVICES</b>	
16	General Fund—State Appropriation (FY 2018). . . . .	(( <del>\$4,043,000</del> ))
17		<u>\$3,823,000</u>
18	General Fund—State Appropriation (FY 2019). . . . .	(( <del>\$4,485,000</del> ))
19		<u>\$4,267,000</u>
20	<u>Pension Funding Stabilization Account—State</u>	
21	<u>Appropriation. . . . .</u>	<u>\$438,000</u>
22	TOTAL APPROPRIATION. . . . .	\$8,528,000

23	<b>Sec. 109.</b> 2017 3rd sp.s. c 1 s 110 (uncodified) is amended to	
24	read as follows:	
25	<b>FOR THE SUPREME COURT</b>	
26	General Fund—State Appropriation (FY 2018). . . . .	(( <del>\$8,046,000</del> ))
27		<u>\$7,711,000</u>
28	General Fund—State Appropriation (FY 2019). . . . .	(( <del>\$8,368,000</del> ))
29		<u>\$8,028,000</u>
30	<u>Pension Funding Stabilization Account—State</u>	
31	<u>Appropriation. . . . .</u>	<u>\$671,000</u>
32	TOTAL APPROPRIATION. . . . .	\$16,414,000

33 **Sec. 110.** 2017 3rd sp.s. c 1 s 111 (uncodified) is amended to  
34 read as follows:  
35 **FOR THE LAW LIBRARY**



1	General Fund—State Appropriation (FY 2018). . . . .	(( <del>\$1,685,000</del> ))
2		<u>\$1,621,000</u>
3	General Fund—State Appropriation (FY 2019). . . . .	(( <del>\$1,714,000</del> ))
4		<u>\$1,649,000</u>
5	<u>Pension Funding Stabilization Account—State</u>	
6	<u>Appropriation. . . . .</u>	\$128,000
7	TOTAL APPROPRIATION. . . . .	(( <del>\$3,399,000</del> ))
8		<u>\$3,398,000</u>

9       **Sec. 111.** 2017 3rd sp.s. c 1 s 112 (uncodified) is amended to  
10 read as follows:

11 **FOR THE COMMISSION ON JUDICIAL CONDUCT**

12	General Fund—State Appropriation (FY 2018). . . . .	(( <del>\$1,340,000</del> ))
13		<u>\$1,246,000</u>
14	General Fund—State Appropriation (FY 2019). . . . .	(( <del>\$1,236,000</del> ))
15		<u>\$1,200,000</u>
16	<u>Pension Funding Stabilization Account—State</u>	
17	<u>Appropriation. . . . .</u>	\$130,000
18	TOTAL APPROPRIATION. . . . .	\$2,576,000

19       **Sec. 112.** 2017 3rd sp.s. c 1 s 113 (uncodified) is amended to  
20 read as follows:

21 **FOR THE COURT OF APPEALS**

22	General Fund—State Appropriation (FY 2018). . . . .	(( <del>\$18,077,000</del> ))
23		<u>\$17,341,000</u>
24	General Fund—State Appropriation (FY 2019). . . . .	(( <del>\$18,860,000</del> ))
25		<u>\$18,109,000</u>
26	<u>Pension Funding Stabilization Account—State</u>	
27	<u>Appropriation. . . . .</u>	\$1,477,000
28	TOTAL APPROPRIATION. . . . .	(( <del>\$36,937,000</del> ))
29		<u>\$36,927,000</u>

30       **Sec. 113.** 2017 3rd sp.s. c 1 s 114 (uncodified) is amended to  
31 read as follows:

32 **FOR THE ADMINISTRATOR FOR THE COURTS**

33	General Fund—State Appropriation (FY 2018). . . . .	(( <del>\$56,910,000</del> ))
34		<u>\$55,102,000</u>
35	General Fund—State Appropriation (FY 2019). . . . .	(( <del>\$58,751,000</del> ))
36		<u>\$61,117,000</u>

1	General Fund—Federal Appropriation. . . . .	\$2,175,000
2	General Fund—Private/Local Appropriation. . . . .	\$677,000
3	Judicial Information Systems Account—State	
4	Appropriation. . . . .	(( <del>\$58,486,000</del> ))
5		<u>\$61,141,000</u>
6	Judicial Stabilization Trust Account—State	
7	Appropriation. . . . .	\$6,691,000
8	<u>Pension Funding Stabilization Account—State</u>	
9	<u>Appropriation. . . . .</u>	<u>\$4,580,000</u>
10	TOTAL APPROPRIATION. . . . .	(( <del>\$183,690,000</del> ))
11		<u>\$191,543,000</u>

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

14       (1) The distributions made under this subsection and  
15 distributions from the county criminal justice assistance account  
16 made pursuant to section 801 of this act constitute appropriate  
17 reimbursement for costs for any new programs or increased level of  
18 service for purposes of RCW 43.135.060.

19       (2) \$1,399,000 of the general fund—state appropriation for fiscal  
20 year 2018 and \$1,399,000 of the general fund—state appropriation for  
21 fiscal year 2019 are provided solely for school districts for  
22 petitions to juvenile court for truant students as provided in RCW  
23 28A.225.030 and 28A.225.035. The administrator for the courts shall  
24 develop an interagency agreement with the superintendent of public  
25 instruction to allocate the funding provided in this subsection.  
26 Allocation of this money to school districts shall be based on the  
27 number of petitions filed. This funding includes amounts school  
28 districts may expend on the cost of serving petitions filed under RCW  
29 28A.225.030 by certified mail or by personal service or for the  
30 performance of service of process for any hearing associated with RCW  
31 28A.225.030.

32       (3)(a) \$7,313,000 of the general fund—state appropriation for  
33 fiscal year 2018 and \$7,313,000 of the general fund—state  
34 appropriation for fiscal year 2019 are provided solely for  
35 distribution to county juvenile court administrators to fund the  
36 costs of processing truancy, children in need of services, and at-  
37 risk youth petitions. The administrator for the courts, in  
38 conjunction with the juvenile court administrators, shall develop an  
39 equitable funding distribution formula. The formula shall neither

1 reward counties with higher than average per-petition processing  
2 costs nor shall it penalize counties with lower than average per-  
3 petition processing costs.

4 (b) Each fiscal year during the 2017-2019 fiscal biennium, each  
5 county shall report the number of petitions processed and the total  
6 actual costs of processing truancy, children in need of services, and  
7 at-risk youth petitions. Counties shall submit the reports to the  
8 administrator for the courts no later than 45 days after the end of  
9 the fiscal year. The administrator for the courts shall  
10 electronically transmit this information to the chairs and ranking  
11 minority members of the house of representatives and senate fiscal  
12 committees no later than 60 days after a fiscal year ends. These  
13 reports are deemed informational in nature and are not for the  
14 purpose of distributing funds.

15 (4) \$12,000,000 of the judicial information systems account—state  
16 appropriation is provided solely for the continued implementation of  
17 the superior courts case management system. Of the amount  
18 appropriated, \$8,300,000 is provided solely for expenditures in  
19 fiscal year 2018. The remaining appropriation of \$3,700,000 is  
20 provided solely for expenditures in fiscal year 2019 and shall lapse  
21 and remain unexpended if the superior court case management system is  
22 not live and fully functional in Cowlitz, Grays Harbor, Klickitat,  
23 Mason, Pacific, and Skamania counties by July 1, 2017, and Clallum,  
24 Jefferson, Kitsap, Skagit, and Whatcom counties by January 1, 2018.

25 (5) \$4,339,000 of the judicial information systems account—state  
26 appropriation is provided solely for the information network hub  
27 project.

28 (6)(a) \$10,000,000 of the judicial information systems account—  
29 state appropriation is provided solely for other judicial branch  
30 information technology projects, including:

- 31 (i) The superior court case management system;
- 32 (ii) The courts of limited jurisdiction case management system;
- 33 and
- 34 (iii) (~~Equipment replacement; and~~
- 35 ~~(iv)~~) Support staff for information technology projects.

36 (b) Expenditures from the judicial information systems account  
37 shall not exceed available resources. The office must coordinate with  
38 the steering committee for the superior court case management system  
39 and the steering committee for the courts of limited jurisdiction

1 case management system to prioritize expenditures for judicial branch  
2 information technology projects. For any competitive procurement  
3 using amounts appropriated, the office of the chief information  
4 officer must review the qualifications and proposed work plan of the  
5 apparently successful bidder prior to final selection and review the  
6 proposed vendor contract prior to its execution. The office shall not  
7 enter into any contract using appropriated amounts that would cause  
8 total information technology expenditures to exceed projected  
9 resources in the judicial information systems account in the  
10 2019-2021 fiscal biennium.

11 (7) (~~(\$406,000)~~) \$811,000 of the general fund—state appropriation  
12 for fiscal year 2018 (~~(and \$405,000 of the general fund—state~~  
13 ~~appropriation for fiscal year 2019 are))~~) is provided solely for the  
14 statewide fiscal impact on Thurston county courts. The administrative  
15 office of the courts must collaborate with Thurston county to create  
16 a new fee formula that accurately represents the state's impact on  
17 Thurston county courts.

18 (8) \$53,000 of the general fund—state appropriation for fiscal  
19 year 2018 is provided solely for implementation of chapter 272, Laws  
20 of 2017 (E2SHB 1163) (domestic violence).

21 (9) \$61,000 of the general fund—state appropriation for fiscal  
22 year 2018 and \$58,000 of the general fund—state appropriation for  
23 fiscal year 2019 are provided solely for implementation of chapter  
24 268, Laws of 2017 (2SHB 1402) (incapacitated persons/rights).

25 (10) \$120,000 of the general fund—state appropriation for fiscal  
26 year 2019 is provided solely for staff to support the superior court  
27 judges association as provided in the agreement between the  
28 association and the office.

29 (11) \$2,265,000 of the judicial information systems account—state  
30 appropriation is provided solely for replacement of computer  
31 equipment, including servers, routers, and storage system upgrades.

32 (12) \$5,000,000 of the general fund—state appropriation for  
33 fiscal year 2019 is provided solely for a grant program for counties  
34 and cities to offset the impact of criminal justice legislation. Of  
35 the amount appropriated, eighty percent must be provided to counties  
36 using the distribution formula contained in RCW 82.14.310 and twenty  
37 percent provided to cities using the distribution formula contained  
38 in RCW 82.14.330. Distributions must be made to the legislative body  
39 of the county or city and funds must be used for criminal indigent

1 defense costs and other costs that directly impact court operations  
2 in criminal cases.

3 **Sec. 114.** 2017 3rd sp.s. c 1 s 115 (uncodified) is amended to  
4 read as follows:

5 **FOR THE OFFICE OF PUBLIC DEFENSE**

6	General Fund—State Appropriation (FY 2018). . . . .	(( <del>\$41,558,000</del> ))
7		<u>\$42,129,000</u>
8	General Fund—State Appropriation (FY 2019). . . . .	(( <del>\$42,539,000</del> ))
9		<u>\$45,439,000</u>
10	Judicial Stabilization Trust Account—State	
11	Appropriation. . . . .	(( <del>\$3,710,000</del> ))
12		<u>\$3,709,000</u>
13	<u>Pension Funding Stabilization Account—State</u>	
14	<u>Appropriation. . . . .</u>	<u>\$278,000</u>
15	TOTAL APPROPRIATION. . . . .	(( <del>\$87,807,000</del> ))
16		<u>\$91,555,000</u>

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

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

21 (2) \$1,101,000 of the general fund—state appropriation for fiscal  
22 year 2018 and \$1,101,000 of the general fund—state appropriation for  
23 fiscal year 2019 are provided solely for parents representation  
24 program costs related to increased parental rights termination  
25 filings from the department of social and health services permanency  
26 initiative.

27 (3) \$900,000 of the general fund—state appropriation for fiscal  
28 year 2018 and \$900,000 of the general fund—state appropriation for  
29 fiscal year 2019 are provided solely for the purpose of improving the  
30 quality of trial court public defense services. The department must  
31 allocate these amounts so that \$450,000 per fiscal year is  
32 distributed to counties, and \$450,000 per fiscal year is distributed  
33 to cities, for grants under chapter 10.101 RCW.

34 (4) \$2,384,000 of the general fund—state appropriation for fiscal  
35 year 2018 and \$3,364,000 of the general fund—state appropriation for  
36 fiscal year 2019 are provided solely for the office to complete the  
37 expansion of the parents representation program in the following

1 counties: Adams, Douglas, Island, Lewis, Lincoln, Okanogan, San Juan,  
2 Walla Walla, and the remainder of Pierce.

3 (5) \$490,000 of the general fund—state appropriation for fiscal  
4 year 2018 and \$490,000 of the general fund—state appropriation for  
5 fiscal year 2019 are provided solely for the parents for parents  
6 program. Funds must be used to expand services in four new sites, and  
7 maintain and improve service models for the current programs in Grays  
8 Harbor/Pacific, King, Kitsap, Pierce, Snohomish, Spokane, and  
9 Thurston/Mason counties.

10 (6) \$432,000 of the general fund—state appropriation for fiscal  
11 year 2018 and \$432,000 of the general fund—state appropriation for  
12 fiscal year 2019 are provided solely for vendor rate increases. Of  
13 the amounts provided in this subsection, \$188,000 each fiscal year is  
14 provided solely for an increase in the rate for contracted social  
15 workers.

16 (7) \$945,000 of the general fund—state appropriation for fiscal  
17 year 2019 is provided solely for vendor rate increase of two percent  
18 beginning July 1, 2018, and two percent beginning January 1, 2019,  
19 for contracted attorneys providing indigent legal defense services in  
20 parents representation, civil commitment, and appellate criminal  
21 defense.

22 (8) \$1,000,000 of the general fund—state appropriation for fiscal  
23 year 2019 is provided solely for the office to contract with  
24 organizations and attorneys to provide legal representation and/or  
25 referral services for legal representation to indigent persons who  
26 are in need of legal services for matters related to their  
27 immigration status. Persons eligible for assistance under the  
28 contract must be determined to be indigent under standards developed  
29 under chapter 10.101 RCW.

30 **Sec. 115.** 2017 3rd sp.s. c 1 s 116 (uncodified) is amended to  
31 read as follows:

32 **FOR THE OFFICE OF CIVIL LEGAL AID**

33	General Fund—State Appropriation (FY 2018). . . . .	(( \$14,855,000 ))
34		<u>\$14,833,000</u>
35	General Fund—State Appropriation (FY 2019). . . . .	(( \$16,490,000 ))
36		<u>\$17,231,000</u>
37	Judicial Stabilization Trust Account—State	
38	Appropriation. . . . .	\$1,463,000

1 Pension Funding Stabilization Account—State

2	<u>Appropriation. . . . .</u>	<u>\$44,000</u>
3	TOTAL APPROPRIATION. . . . .	(( <del>\$32,808,000</del> ))
4		<u>\$33,571,000</u>

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

7 (1) An amount not to exceed \$40,000 of the general fund—state  
8 appropriation for fiscal year 2018 and an amount not to exceed  
9 \$40,000 of the general fund—state appropriation for fiscal year 2019  
10 may be used to provide telephonic legal advice and assistance to  
11 otherwise eligible persons who are sixty years of age or older on  
12 matters authorized by RCW 2.53.030(2) (a) through (k) regardless of  
13 household income or asset level.

14 (2) \$1,075,000 of the general fund—state appropriation for fiscal  
15 year 2018 and \$2,600,000 of the general fund—state appropriation for  
16 fiscal year 2019 are provided solely for the office to partially  
17 implement the civil legal aid reinvestment plan.

18 (3) \$338,000 of the general fund—state appropriation for fiscal  
19 year 2019 is provided solely for the addition of five contract  
20 attorneys beginning January 1, 2019, to further implement the civil  
21 legal aid reinvestment plan.

22 (4) \$300,000 of the general fund—state appropriation for fiscal  
23 year 2019 is provided solely for the office to automate, deploy, and  
24 host a plain language family law forms document assembly system.

25 (5) \$125,000 of the general fund—state appropriation for fiscal  
26 year 2019 is provided solely for a contract with the international  
27 family justice coalition to expand private capacity to provide legal  
28 services for indigent foreign nationals in contested domestic  
29 relations and family law cases. Moneys may not be expended from this  
30 appropriation for private legal representation of clients in domestic  
31 relations and family law cases.

32 **Sec. 116.** 2017 3rd sp.s. c 1 s 117 (uncodified) is amended to  
33 read as follows:

34 **FOR THE OFFICE OF THE GOVERNOR**

35	General Fund—State Appropriation (FY 2018). . . . .	(( <del>\$6,406,000</del> ))
36		<u>\$6,216,000</u>
37	General Fund—State Appropriation (FY 2019). . . . .	(( <del>\$5,833,000</del> ))
38		<u>\$5,826,000</u>

1 Economic Development Strategic Reserve Account—State

2 Appropriation. . . . . \$4,000,000

3 Pension Funding Stabilization Account—State

4 Appropriation. . . . . \$676,000

5 TOTAL APPROPRIATION. . . . . ((~~\$12,239,000~~))

6 \$16,718,000

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

9 (1) \$703,000 of the general fund—state appropriation for fiscal  
10 year 2018 and \$703,000 of the general fund—state appropriation for  
11 fiscal year 2019 are provided solely for the office of the education  
12 ombuds.

13 (2) \$730,000 of the general fund—state appropriation for fiscal  
14 year 2018 is provided solely for implementation of Engrossed Second  
15 Substitute House Bill No. 1661 (child, youth, families/department).  
16 The amount of state and federal funding to be transferred from the  
17 department of social and health services to the department of  
18 children, youth, and families for the working connections child care  
19 services, administration, and staff must be included in the report  
20 required by the bill on how to incorporate the staff responsible for  
21 determining eligibility for the working connections child care  
22 program into the department of children, youth, and families. If the  
23 bill is not enacted by July 31, 2017, the amount provided in this  
24 subsection shall lapse.

25 **Sec. 117.** 2017 3rd sp.s. c 1 s 118 (uncodified) is amended to  
26 read as follows:

27 **FOR THE LIEUTENANT GOVERNOR**

28 General Fund—State Appropriation (FY 2018). . . . . ((~~\$833,000~~))

29 \$807,000

30 General Fund—State Appropriation (FY 2019). . . . . ((~~\$859,000~~))

31 \$901,000

32 General Fund—Private/Local Appropriation. . . . . \$90,000

33 Pension Funding Stabilization Account—State

34 Appropriation. . . . . \$54,000

35 TOTAL APPROPRIATION. . . . . ((~~\$1,782,000~~))

36 \$1,852,000



1       The appropriations in this section are subject to the following  
2 conditions and limitations: \$70,000 of the general fund—state  
3 appropriation for fiscal year 2019 is provided solely for  
4 implementation of Engrossed Substitute Senate Bill No. 6486  
5 (expanding registered apprenticeships). If the bill is not enacted by  
6 June 30, 2018, the amount provided in this subsection shall lapse.

7       **Sec. 118.** 2017 3rd sp.s. c 1 s 119 (uncodified) is amended to  
8 read as follows:

9       **FOR THE PUBLIC DISCLOSURE COMMISSION**

10	General Fund—State Appropriation (FY 2018). . . . .	(( <del>\$2,826,000</del> ))
11		<u>\$2,696,000</u>
12	General Fund—State Appropriation (FY 2019). . . . .	(( <del>\$2,872,000</del> ))
13		<u>\$3,095,000</u>
14	<u>Pension Funding Stabilization Account—State</u>	
15	<u>Appropriation. . . . .</u>	<u>\$260,000</u>
16	TOTAL APPROPRIATION. . . . .	(( <del>\$5,698,000</del> ))
17		<u>\$6,051,000</u>

18       The appropriations in this section are subject to the following  
19 conditions and limitations: \$32,000 of the general fund—state  
20 appropriation for fiscal year 2019 is provided solely for modernizing  
21 and migrating the public disclosure commission's business  
22 applications from an agency-based data center to the state data  
23 center or a cloud environment.

24       **Sec. 119.** 2017 3rd sp.s. c 1 s 120 (uncodified) is amended to  
25 read as follows:

26       **FOR THE SECRETARY OF STATE**

27	General Fund—State Appropriation (FY 2018). . . . .	(( <del>\$15,131,000</del> ))
28		<u>\$15,668,000</u>
29	General Fund—State Appropriation (FY 2019). . . . .	(( <del>\$13,465,000</del> ))
30		<u>\$13,427,000</u>
31	General Fund—Federal Appropriation. . . . .	\$7,801,000
32	Public Records Efficiency, Preservation, and Access	
33	Account—State Appropriation. . . . .	(( <del>\$9,223,000</del> ))
34		<u>\$9,218,000</u>
35	Charitable Organization Education Account—State	
36	Appropriation. . . . .	\$673,000

1	Local Government Archives Account—State	
2	Appropriation. . . . .	(( <del>\$10,946,000</del> ))
3		<u>\$10,943,000</u>
4	Election Account—Federal Appropriation. . . . .	\$4,387,000
5	Washington State Heritage Center Account—State	
6	Appropriation. . . . .	(( <del>\$10,383,000</del> ))
7		<u>\$10,625,000</u>
8	<u>Pension Funding Stabilization Account—State</u>	
9	<u>Appropriation. . . . .</u>	<u>\$959,000</u>
10	TOTAL APPROPRIATION. . . . .	(( <del>\$72,009,000</del> ))
11		<u>\$73,701,000</u>

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

14       (1) \$3,301,000 of the general fund—state appropriation for fiscal  
15 year 2018 is provided solely to reimburse counties for the state's  
16 share of primary and general election costs and the costs of  
17 conducting mandatory recounts on state measures. Counties shall be  
18 reimbursed only for those odd-year election costs that the secretary  
19 of state validates as eligible for reimbursement.

20       (2)(a) \$2,932,000 of the general fund—state appropriation for  
21 fiscal year 2018 and \$3,011,000 of the general fund—state  
22 appropriation for fiscal year 2019 are provided solely for  
23 contracting with a nonprofit organization to produce gavel-to-gavel  
24 television coverage of state government deliberations and other  
25 events of statewide significance during the 2017-2019 fiscal  
26 biennium. The funding level for each year of the contract shall be  
27 based on the amount provided in this subsection. The nonprofit  
28 organization shall be required to raise contributions or commitments  
29 to make contributions, in cash or in kind, in an amount equal to  
30 forty percent of the state contribution. The office of the secretary  
31 of state may make full or partial payment once all criteria in this  
32 subsection have been satisfactorily documented.

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

38       (c) The nonprofit organization shall prepare an annual  
39 independent audit, an annual financial statement, and an annual

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

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

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

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

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

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

18 (4) \$15,000 of the general fund—state appropriation for fiscal  
19 year 2018, \$15,000 of the general fund—state appropriation for fiscal  
20 year 2019, \$4,000 of the public records efficiency, preservation and  
21 access account, and \$2,253,000 of the local government archives  
22 account appropriation are provided solely for the implementation of  
23 chapter 303, Laws of 2017 (ESHB 1594) (public records  
24 administration).

25 (5) The office of the secretary of state will enter into an  
26 agreement with the office of the attorney general to reimburse costs  
27 associated with the requirements of chapter 303, Laws of 2017.

28 (6) \$102,000 of the general fund—state appropriation for fiscal  
29 year 2019 is provided solely for implementation of Engrossed Third  
30 Substitute Senate Bill No. 6353 (automatic voter registration). If  
31 the bill is not enacted by June 30, 2018, the amount provided in this  
32 subsection shall lapse.

33 **Sec. 120.** 2017 3rd sp.s. c 1 s 121 (uncodified) is amended to  
34 read as follows:

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

36	General Fund—State Appropriation (FY 2018). . . . .	(( <del>\$289,000</del> ))
37		\$274,000
38	General Fund—State Appropriation (FY 2019). . . . .	(( <del>\$276,000</del> ))

\$263,000

Pension Funding Stabilization Account—State

Appropriation. . . . . \$28,000

TOTAL APPROPRIATION. . . . . \$565,000

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

**Sec. 121.** 2017 3rd sp.s. c 1 s 122 (uncodified) is amended to read as follows:

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

General Fund—State Appropriation (FY 2018). . . . . (~~(\$253,000)~~)

\$240,000

General Fund—State Appropriation (FY 2019). . . . . (~~(\$263,000)~~)

\$250,000

Pension Funding Stabilization Account—State

Appropriation. . . . . \$26,000

TOTAL APPROPRIATION. . . . . \$516,000

**Sec. 122.** 2017 3rd sp.s. c 1 s 123 (uncodified) is amended to read as follows:

**FOR THE STATE TREASURER**

State Treasurer's Service Account—State

Appropriation. . . . . (~~(\$18,918,000)~~)

\$19,608,000

The appropriation in this section is subject to the following conditions and limitations: \$75,000 of the state treasurer's service account—state appropriation is provided solely to establish a task force on public infrastructure and a publicly-owned depository. The task force must examine the scope of financial needs for local governments for constructing public infrastructure; the feasibility

1 of creating a publicly-owned depository to facilitate investment in,  
2 and financing of, public infrastructure systems that will increase  
3 public health and safety, and leverage the financial capital and  
4 resources of Washington state by working in partnership with  
5 financial institutions that benefit local communities, or with  
6 community-based organizations, economic development organizations,  
7 local governments, guaranty agencies, and other stakeholder groups to  
8 create jobs and economic opportunities within our state for public  
9 benefit.

10 (1) The task force will consist of one member from each of the  
11 two largest caucuses of the senate appointed by the president of the  
12 senate; one member from each of the two largest caucuses of the house  
13 of representatives appointed by the speaker of the house of  
14 representatives; members representing a small sized state-chartered  
15 bank, a medium sized state-chartered bank, a federally chartered  
16 bank, local governments, and four citizens with a background in  
17 financial issues or public infrastructure selected by the president  
18 of the senate and the speaker of the house of representatives; and  
19 the attorney general, the state auditor, the treasurer, and the  
20 governor, or their designees. The task force will ensure that ample  
21 opportunity for input from interested stakeholders is provided. The  
22 department of commerce, the department of financial institutions, and  
23 the treasurer must cooperate with the task force and provide  
24 information and assistance at the request of the task force.

25 (2) The task force will report any recommendations identified by  
26 the task force that involve statutory changes, funding  
27 recommendations, or administrative action to the legislature as draft  
28 legislation by December 1, 2017.

29 (3) \$700,000 of the state treasurer's service account—state  
30 appropriation is provided solely for the office to participate in the  
31 department of commerce's work group to develop an organizational and  
32 governance structure appropriate for public banking, and a business  
33 plan to establish a publicly owned depository for infrastructure  
34 development and local government funding assistance. If section  
35 127(59) of this act is not enacted, the amounts provided in this  
36 subsection shall lapse.

37 **Sec. 123.** 2017 3rd sp.s. c 1 s 124 (uncodified) is amended to  
38 read as follows:

39 **FOR THE STATE AUDITOR**

1	General Fund—State Appropriation (FY 2018). . . . .	\$28,000
2	General Fund—State Appropriation (FY 2019). . . . .	\$32,000
3	State Auditing Services Revolving Account—State	
4	Appropriation. . . . .	(( <del>\$10,219,000</del> ))
5		<u>\$10,916,000</u>
6	Performance Audit of Government Account—State	
7	Appropriation. . . . .	\$3,019,000
8	TOTAL APPROPRIATION. . . . .	(( <del>\$13,298,000</del> ))
9		<u>\$13,995,000</u>

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

12       (1) \$774,000 of the performance audit of government account—state  
13 appropriation is provided solely for the state auditor's office to  
14 conduct a performance audit of the department of health focused on  
15 the fee setting for each health profession licensed by the  
16 department. The performance audit must include, but is not limited  
17 to:

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

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

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

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

27       (e) A final report of the performance audit must be submitted to  
28 the appropriate legislative policy and fiscal committees by December  
29 1, 2018.

30       (2) \$1,585,000 of the performance audit of government account—  
31 state appropriation is provided solely for staff and related costs to  
32 verify the accuracy of reported school district data submitted for  
33 state funding purposes; conduct school district program audits of  
34 state-funded public school programs; establish the specific amount of  
35 state funding adjustments whenever audit exceptions occur and the  
36 amount is not firmly established in the course of regular public  
37 school audits; and to assist the state special education safety net  
38 committee when requested.

1 (3) \$667,000 of the performance audits of government account—  
2 state appropriation for fiscal year 2018 is provided solely for the  
3 state auditor's office to conduct a performance audit of Washington  
4 charter public schools to satisfy the requirement to contract for an  
5 independent performance audit pursuant to RCW 28A.710.030(2). The  
6 final report of the performance audit must be submitted to the  
7 appropriate legislative policy committees by June 30, 2018. The audit  
8 must include eight schools currently in their first year of operation  
9 and, subject to the availability of data, must address the following  
10 questions:

11 (a) Whether the charter school has a charter contract that  
12 includes performance provisions based on a performance framework that  
13 sets forth academic and operational performance indicators, measures,  
14 and metrics;

15 (b) Whether the charter school performance framework includes  
16 indicators, measures, and metrics for student academic proficiency,  
17 student academic growth, achievement gaps in both proficiency and  
18 growth between major student subgroups, attendance, recurrent  
19 enrollment from year to year, financial performance and  
20 sustainability, and charter school board compliance with applicable  
21 laws, rules and terms of the charter contract; and

22 (c) Whether the charter school performance framework includes a  
23 disaggregation of student performance data by major student  
24 subgroups, including gender, race and ethnicity, poverty status,  
25 special education status, English language learner status, and highly  
26 capable status.

27 (4) \$700,000 of the auditing services revolving account—state  
28 appropriation is provided solely for the state auditor's office to  
29 conduct ten additional program or agency audits.

30 **Sec. 124.** 2017 3rd sp.s. c 1 s 125 (uncodified) is amended to  
31 read as follows:

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

33	General Fund—State Appropriation (FY 2018). . . . .	(( <del>\$204,000</del> ))
34		<u>\$213,000</u>
35	General Fund—State Appropriation (FY 2019). . . . .	(( <del>\$205,000</del> ))
36		<u>\$218,000</u>
37	<u>Pension Funding Stabilization Account—State</u>	
38	<u>Appropriation. . . . .</u>	<u>\$30,000</u>

1	TOTAL APPROPRIATION. . . . .	(( <del>\$409,000</del> ))
2		<u>\$461,000</u>
3	<b>Sec. 125.</b> 2017 3rd sp.s. c 1 s 126 (uncodified) is amended to	
4	read as follows:	
5	<b>FOR THE ATTORNEY GENERAL</b>	
6	General Fund—State Appropriation (FY 2018). . . . .	(( <del>\$8,641,000</del> ))
7		<u>\$7,865,000</u>
8	General Fund—State Appropriation (FY 2019). . . . .	(( <del>\$8,951,000</del> ))
9		<u>\$8,253,000</u>
10	General Fund—Federal Appropriation. . . . .	(( <del>\$6,969,000</del> ))
11		<u>\$8,945,000</u>
12	New Motor Vehicle Arbitration Account—State	
13	Appropriation. . . . .	\$1,145,000
14	Legal Services Revolving Account—State	
15	Appropriation. . . . .	(( <del>\$245,290,000</del> ))
16		<u>\$251,123,000</u>
17	Tobacco Prevention and Control Account—State	
18	Appropriation. . . . .	\$273,000
19	Medicaid Fraud Penalty Account—State Appropriation. . . .	\$3,526,000
20	Public Service Revolving Account—State	
21	Appropriation. . . . .	(( <del>\$2,373,000</del> ))
22		<u>\$2,724,000</u>
23	Child Rescue Fund—State Appropriation. . . . .	(( <del>\$550,000</del> ))
24		<u>\$500,000</u>
25	Local Government Archives Account—State Appropriation. . . .	\$660,000
26	<u>Pension Funding Stabilization Account—State</u>	
27	Appropriation. . . . .	\$1,606,000
28	TOTAL APPROPRIATION. . . . .	(( <del>\$278,378,000</del> ))
29		<u>\$286,620,000</u>

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

32 (1) The attorney general shall report each fiscal year on actual  
33 legal services expenditures and actual attorney staffing levels for  
34 each agency receiving legal services. The report shall be submitted  
35 to the office of financial management and the fiscal committees of  
36 the senate and house of representatives no later than ninety days  
37 after the end of each fiscal year. As part of its by agency report to  
38 the legislative fiscal committees and the office of financial



1 management, the office of the attorney general shall include  
2 information detailing the agency's expenditures for its agency-wide  
3 overhead and a breakdown by division of division administration  
4 expenses.

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

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

17 (4) \$353,000 of the general fund—state appropriation for fiscal  
18 year 2018 and \$353,000 of the general fund—state appropriation for  
19 fiscal year 2019 are provided solely for a grant to the Washington  
20 coalition of crime victim advocates to provide training,  
21 certification, and technical assistance for crime victim service  
22 center advocates.

23 (5) \$92,000 of the general fund—state appropriation for fiscal  
24 year 2018 and \$91,000 of the general fund—state appropriation for  
25 fiscal year 2019 are provided solely for implementation of chapter  
26 163, Laws of 2017 (SHB 1055) (military members/pro bono).

27 (6) \$49,000 of the legal services revolving account—state  
28 appropriation is provided solely for implementation of chapter 268,  
29 Laws of 2017 (2SHB 1402) (incapacitated persons/rights).

30 (7) \$276,000 of the general fund—state appropriation for fiscal  
31 year 2018 and \$259,000 of the general fund—state appropriation for  
32 fiscal year 2019 are provided solely for implementation of chapter  
33 294, Laws of 2017 (SSB 5835) (health outcomes/pregnancy).

34 (8) \$22,000 of the legal services revolving account—state  
35 appropriation is provided solely for implementation of chapter 295,  
36 Laws of 2017 (SHB 1258) (first responders/disability).

37 (9) \$35,000 of the legal services revolving account—state  
38 appropriation is provided solely for implementation of chapter 249,  
39 Laws of 2017 (ESHB 1714) (nursing staffing/hospitals).

1 (10) \$361,000 of the legal services revolving account—state  
2 appropriation and \$660,000 of the local government archives account—  
3 state appropriation are provided solely for implementation of chapter  
4 303, Laws of 2017 (ESHB 1594) (public records administration).

5 (11) \$40,000 of the general fund—state appropriation for fiscal  
6 year 2018 is provided solely for the implementation of chapter 243,  
7 Laws of 2017 (HB 1352) (small business owners).

8 (12) \$67,000 of the legal services revolving account—state  
9 appropriation is provided solely for the implementation of chapter  
10 320, Laws of 2017 (SSB 5322) (dentists and third parties).

11 (13) \$11,000 of the legal services revolving account—state  
12 appropriation is provided solely for the implementation of chapter  
13 53, Laws of 2017 (2SHB 1120) (regulatory fairness act).

14 (14) \$26,000 of the legal services revolving account—state  
15 appropriation for fiscal year 2019 is provided solely for  
16 implementation of Engrossed Second Substitute Senate Bill No. 5407  
17 (housing options). If the bill is not enacted by June 30, 2018, the  
18 amount provided in this subsection shall lapse.

19 (15) \$55,000 of the legal services revolving account—state  
20 appropriation for fiscal year 2019 is provided solely for  
21 implementation of Substitute Senate Bill No. 6102 (employee  
22 reproductive health). If the bill is not enacted by June 30, 2018,  
23 the amount provided in this subsection shall lapse.

24 (16) \$119,000 of the legal services revolving account—state  
25 appropriation for fiscal year 2019 is provided solely for  
26 implementation of Engrossed Substitute Senate Bill No. 6091 (water  
27 availability). If the bill is not enacted by June 30, 2018, the  
28 amount provided in this subsection shall lapse.

29 (17) \$96,000 of the general fund—state appropriation for fiscal  
30 year 2019 is provided solely for implementation of Engrossed Second  
31 Substitute Senate Bill No. 6029 (student loan bill of rights). If the  
32 bill is not enacted by June 30, 2018, the amount provided in this  
33 subsection shall lapse.

34 **Sec. 126.** 2017 3rd sp.s. c 1 s 127 (uncodified) is amended to  
35 read as follows:

36 **FOR THE CASELOAD FORECAST COUNCIL**  
37 General Fund—State Appropriation (FY 2018). . . . . (~~(\$1,606,000)~~)  
38 \$1,557,000

1	General Fund—State Appropriation (FY 2019). . . . .	(( <del>\$1,576,000</del> ))
2		<u>\$1,601,000</u>
3	<u>Pension Funding Stabilization Account—State</u>	
4	<u>Appropriation. . . . .</u>	\$169,000
5	TOTAL APPROPRIATION. . . . .	(( <del>\$3,182,000</del> ))
6		<u>\$3,327,000</u>

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

9 (1) In addition to caseload forecasts for common schools as  
10 defined in RCW 43.88C.010(7), during the 2017-2019 fiscal biennium  
11 the council must provide a separate forecast of enrollment for  
12 charter schools authorized by chapter 28A.710 RCW.

13 (2) \$76,000 of the performance audits of government account—state  
14 appropriation for fiscal year 2019 is provided solely for  
15 implementation of Engrossed Substitute Senate Bill No. 5588 (racial  
16 disproportionality). If the bill is not enacted by June 30, 2018, the  
17 amount provided in this subsection shall lapse.

18 **Sec. 127.** 2017 3rd sp.s. c 1 s 128 (uncodified) is amended to  
19 read as follows:

20 **FOR THE DEPARTMENT OF COMMERCE**

21	General Fund—State Appropriation (FY 2018). . . . .	(( <del>\$64,989,000</del> ))
22		<u>\$64,412,000</u>
23	General Fund—State Appropriation (FY 2019). . . . .	(( <del>\$65,634,000</del> ))
24		<u>\$74,368,000</u>
25	General Fund—Federal Appropriation. . . . .	(( <del>\$295,855,000</del> ))
26		<u>\$295,861,000</u>
27	General Fund—Private/Local Appropriation. . . . .	(( <del>\$8,623,000</del> ))
28		<u>\$8,626,000</u>
29	<u>Public Works Assistance Account—State</u>	
30	<u>Appropriation. . . . .</u>	\$8,092,000
31	<u>Drinking Water Assistance Administrative</u>	
32	<u>Account—State Appropriation. . . . .</u>	\$508,000
33	Lead Paint Account—State Appropriation. . . . .	(( <del>\$238,000</del> ))
34		<u>\$431,000</u>
35	Building Code Council Account—State Appropriation. . . . .	\$15,000
36	Home Security Fund Account—State Appropriation. . . . .	(( <del>\$48,400,000</del> ))
37		<u>\$48,401,000</u>
38	<u>Affordable Housing for All Account—State</u>	

1	Appropriation. . . . .	\$13,867,000
2	Financial Fraud and Identity Theft Crimes	
3	Investigation and Prosecution Account—State	
4	Appropriation. . . . .	\$1,974,000
5	Low-Income Weatherization and Structural	
6	Rehabilitation Assistance Account—State	
7	Appropriation. . . . .	\$1,398,000
8	Community and Economic Development Fee Account—State	
9	Appropriation. . . . .	\$4,630,000
10	Washington Housing Trust Account—State	
11	Appropriation. . . . .	(( <del>\$12,617,000</del> ))
12		<u>\$12,619,000</u>
13	Prostitution Prevention and Intervention Account—	
14	State Appropriation. . . . .	\$26,000
15	Public Facility Construction Loan Revolving	
16	Account—State Appropriation. . . . .	(( <del>\$842,000</del> ))
17		<u>\$843,000</u>
18	Drinking Water Assistance Account—State	
19	Appropriation. . . . .	\$46,000
20	Liquor Revolving Account—State Appropriation. . . . .	\$5,613,000
21	Energy Freedom Account—State Appropriation. . . . .	\$6,000
22	Liquor Excise Tax Account—State Appropriation. . . . .	\$665,000
23	Economic Development Strategic Reserve Account—State	
24	Appropriation. . . . .	(( <del>\$5,611,000</del> ))
25		<u>\$2,985,000</u>
26	<u>Landlord Mitigation Program Account—State</u>	
27	<u>Appropriation. . . . .</u>	<u>\$402,000</u>
28	Financial Services Regulation Account—State	
29	Appropriation. . . . .	\$468,000
30	<u>Pension Funding Stabilization Account—State</u>	
31	<u>Appropriation. . . . .</u>	<u>\$1,618,000</u>
32	TOTAL APPROPRIATION. . . . .	(( <del>\$540,117,000</del> ))
33		<u>\$547,874,000</u>

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

- 36 (1) Repayments of outstanding mortgage and rental assistance  
37 program loans administered by the department under RCW 43.63A.640  
38 shall be remitted to the department, including any current revolving  
39 account balances. The department shall collect payments on

1 outstanding loans, and deposit them into the state general fund.  
2 Repayments of funds owed under the program shall be remitted to the  
3 department according to the terms included in the original loan  
4 agreements.

5 (2) \$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 to resolution  
8 Washington to building statewide capacity for alternative dispute  
9 resolution centers and dispute resolution programs that guarantee  
10 that citizens have access to low-cost resolution as an alternative to  
11 litigation.

12 (3) \$375,000 of the general fund—state appropriation for fiscal  
13 year 2018 and \$375,000 of the general fund—state appropriation for  
14 fiscal year 2019 are provided solely for a grant to the retired  
15 senior volunteer program.

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

20 (5) \$375,000 of the general fund—state appropriation for fiscal  
21 year 2018 and \$375,000 of the general fund—state appropriation for  
22 fiscal year 2019 are provided solely as pass-through funding to Walla  
23 Walla Community College for its water and environmental center.

24 (6) (~~(\$5,602,000)~~) \$2,801,000 of the economic development  
25 strategic reserve account—state appropriation (~~(is)~~) and \$2,801,000  
26 of the general fund—state appropriation for fiscal year 2019 are  
27 provided solely for associate development organizations. During the  
28 2017-2019 fiscal biennium, the department shall consider an associate  
29 development organization's total resources when making contracting  
30 and fund allocation decisions, in addition to the schedule provided  
31 in RCW 43.330.086.

32 (7) \$5,607,000 of the liquor revolving account—state  
33 appropriation is provided solely for the department to contract with  
34 the municipal research and services center of Washington.

35 (8)(a) \$500,000 of the general fund—state appropriation for  
36 fiscal year 2018, \$500,000 of the general fund—state appropriation  
37 for fiscal year 2019, \$24,734,000 of the home security fund—state  
38 appropriation, and \$8,860,000 of the affordable housing for all  
39 account—state appropriation are provided solely for the consolidated

1 homeless grant. Of the amounts appropriated, \$5,000,000 is provided  
2 solely for emergency assistance to homeless families in the temporary  
3 assistance for needy families program.

4 (b) The department must distribute appropriated amounts from the  
5 home security account through performance-based contracts (~~that~~  
6 ~~require, at a minimum, monthly reporting of performance and financial~~  
7 ~~metrics~~). The contracts must require that auditable documentation  
8 for the performance and financial metrics be provided to the joint  
9 legislative audit and review committee as requested for performance  
10 audits.

11 (9) \$700,000 of the general fund—state appropriation for fiscal  
12 year 2018 and (~~(\$700,000)~~) \$1,436,000 of the general fund—state  
13 appropriation for fiscal year 2019 are provided solely for the  
14 department to identify and invest in strategic growth areas, support  
15 key sectors, and align existing economic development programs and  
16 priorities. The department must consider Washington's position as the  
17 most trade-dependent state when identifying priority investments. The  
18 department must engage states and provinces in the northwest as well  
19 as associate development organizations, small business development  
20 centers, chambers of commerce, ports, and other partners to leverage  
21 the funds provided. For each dollar expended, the department must  
22 receive a one hundred percent match. The match may be provided by the  
23 department through nongeneral fund sources, or any partnering  
24 governments or organizations. Sector leads established by the  
25 department must include the industries of: (a) Tourism; (b)  
26 agriculture, wood products, and other natural resource industries;  
27 and (c) clean technology and renewable and nonrenewable energy. The  
28 department may establish these sector leads by hiring new staff,  
29 expanding the duties of current staff, or working with partner  
30 organizations and or other agencies to serve in the role of sector  
31 lead.

32 (10) The department is authorized to require an applicant to pay  
33 an application fee to cover the cost of reviewing the project and  
34 preparing an advisory opinion on whether a proposed electric  
35 generation project or conservation resource qualifies to meet  
36 mandatory conservation targets.

37 (11) Within existing resources, the department shall provide  
38 administrative and other indirect support to the developmental  
39 disabilities council.

1 (12) \$150,000 of the general fund—state appropriation for fiscal  
2 year 2018 and \$150,000 of the general fund—state appropriation for  
3 fiscal year 2019 are provided solely for the expansion of the current  
4 long-term care ombuds program to meet the immediate needs of  
5 individuals by advocating on behalf of and protecting residents of  
6 long-term care facilities from abuse, neglect, and exploitation.

7 (13) Within existing resources, the department of commerce shall  
8 consult with key crime victim services stakeholders to inform  
9 decisions about the funding distribution for federal fiscal years  
10 2017-2019 victims of crime act victim assistance funding. These  
11 stakeholders must include, at a minimum, children's advocacy centers  
12 of Washington, Washington association of prosecuting attorneys,  
13 Washington association of sheriffs and police chiefs, Washington  
14 coalition against domestic violence, Washington coalition of sexual  
15 assault programs, Washington coalition of crime victim advocates, at  
16 least one representative from a child health coalition, and other  
17 organizations as determined by the department. Funding distribution  
18 considerations shall include, but are not limited to, geographic  
19 distribution of services, underserved populations, age of victims,  
20 best practices, and the unique needs of individuals, families, youth,  
21 and children who are victims of crime.

22 (14) \$643,000 of the liquor excise tax account—state  
23 appropriation is provided solely for the department of commerce to  
24 provide fiscal note assistance to local governments.

25 (15) \$300,000 of the general fund—state appropriation for fiscal  
26 year 2018 and \$300,000 of the general fund—state appropriation for  
27 fiscal year 2019 are provided solely for the northwest agriculture  
28 business center.

29 (16) \$150,000 of the general fund—state appropriation for fiscal  
30 year 2018 and \$150,000 of the general fund—state appropriation for  
31 fiscal year 2019 are provided solely for the regulatory roadmap  
32 program for the construction industry and to identify and coordinate  
33 with businesses in key industry sectors to develop additional  
34 regulatory roadmap tools.

35 (17) \$1,000,000 of the general fund—state appropriation for  
36 fiscal year 2018 and \$1,000,000 of the general fund—state  
37 appropriation for fiscal year 2019 are provided solely for the  
38 Washington new Americans program. The department may require a cash  
39 match or in-kind contributions to be eligible for state funding.

1 (18) \$94,000 of the general fund—state appropriation for fiscal  
2 year 2018 and \$253,000 of the general fund—state appropriation for  
3 fiscal year 2019 are provided solely for implementation of chapter  
4 268, Laws of 2017 (2SHB 1402) (incapacitated persons/rights).

5 (19) \$60,000 of the general fund—state appropriation for fiscal  
6 year 2018 is provided solely as a grant to the Hoh Indian tribe for  
7 critical infrastructure, including a backup electrical power  
8 generator to address recurrent power outages in the community.

9 (20) \$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 for capacity-building grants  
12 through the Latino community fund to promote and improve education,  
13 economic empowerment, arts and culture, civic engagement, health, and  
14 environmental justice for Latino communities in Washington state.

15 (21) \$643,000 of the general fund—state appropriation for fiscal  
16 year 2018 and \$643,000 of the general fund—state appropriation for  
17 fiscal year 2019 are provided solely for the department to contract  
18 with a private, nonprofit organization to provide developmental  
19 disability ombuds services.

20 (22) \$39,000 of the general fund—state appropriation for fiscal  
21 year 2018 and \$39,000 of the general fund—state appropriation for  
22 fiscal year 2019 are provided solely for implementation of chapter  
23 290, Laws of 2017 (ESHB 1109) (victims of sexual assault).

24 (23) \$1,000,000 of the home security fund—state appropriation,  
25 \$2,000,000 of the Washington housing trust account—state  
26 appropriation, and \$1,000,000 of the affordable housing for all  
27 account—state appropriation are provided solely for the department of  
28 commerce for services to homeless families and youth through the  
29 Washington youth and families fund.

30 (24)(a) \$500,000 of the general fund—state appropriation for  
31 fiscal year 2018, \$500,000 of the general fund—state appropriation  
32 for fiscal year 2019, and \$2,500,000 of the home security fund—state  
33 appropriation are provided solely for the office of homeless youth  
34 prevention and protection programs to:

35 (i) Contract with other public agency partners to test innovative  
36 program models that prevent youth from exiting public systems into  
37 homelessness; and



1 (ii) Support the development of an integrated services model,  
2 increase performance outcomes, and ensure providers have the  
3 necessary skills and expertise to effectively operate youth programs.

4 (b) Of the amounts provided in this subsection, \$1,750,000 is  
5 provided solely for the department to decrease homelessness of youth  
6 under 18 years of age through increasing shelter capacity statewide  
7 with preference given to increasing the number of contracted HOPE  
8 beds and crisis residential center beds.

9 (c) The department must distribute appropriated amounts from the  
10 home security account through performance-based contracts (~~that~~  
11 ~~require, at a minimum, monthly reporting of performance and financial~~  
12 ~~metrics~~). The contracts must require that auditable documentation  
13 for the performance and financial metrics be provided to the joint  
14 legislative audit and review committee as requested for performance  
15 audits.

16 (25) \$140,000 of the general fund—state appropriation for fiscal  
17 year 2018 and \$140,000 of the general fund—state appropriation for  
18 fiscal year 2019 are provided solely to create a behavioral health  
19 supportive housing administrator within the department to coordinate  
20 development of effective behavioral health housing options and  
21 services statewide to aid in the discharge of individuals from the  
22 state psychiatric hospitals. This position must work closely with the  
23 health care authority, department of social and health services, and  
24 other entities to facilitate linkages among disparate behavioral  
25 health community bed capacity-building efforts. This position must  
26 work to integrate building infrastructure capacity with ongoing  
27 supportive housing benefits, and must also develop and maintain a  
28 statewide inventory of mental health community beds by bed type.

29 (26)(a) \$1,000,000 of the home security fund—state appropriation  
30 for fiscal year 2018 and \$1,000,000 of the home security fund—state  
31 appropriation for fiscal year 2019 are provided solely to administer  
32 the grant program required in chapter 43.185C RCW, linking homeless  
33 students and their families with stable housing.

34 (b) The department must distribute appropriated amounts from the  
35 home security account through performance-based contracts that  
36 require, at a minimum, monthly reporting of performance and financial  
37 metrics. The contracts must require that auditable documentation for  
38 the performance and financial metrics be provided to the joint

1 legislative audit and review committee as requested for performance  
2 audits.

3 (27) \$990,000 of the general fund—state appropriation for fiscal  
4 year 2018 and \$1,980,000 of the general fund—state appropriation for  
5 fiscal year 2019 are provided solely for 150 community beds for  
6 individuals with a history of mental illness. Currently, there is  
7 little to no housing specific to populations with these co-occurring  
8 disorders; therefore, the department must consider how best to  
9 develop new bed capacity in combination with individualized support  
10 services, such as intensive case management and care coordination,  
11 clinical supervision, mental health, substance abuse treatment, and  
12 vocational and employment services. Case-management and care  
13 coordination services must be provided. Increased case-managed  
14 housing will help to reduce the use of jails and emergency services  
15 and will help to reduce admissions to the state psychiatric  
16 hospitals. The department must coordinate with the health care  
17 authority and the department of social and health services in  
18 establishing conditions for the awarding of these funds. The  
19 department must contract with local entities to provide a mix of (a)  
20 shared permanent supportive housing; (b) independent permanent  
21 supportive housing; and (c) low and no-barrier housing beds for  
22 people with a criminal history, substance abuse disorder, and/or  
23 mental illness.

24 Priority for permanent supportive housing must be given to  
25 individuals on the discharge list at the state psychiatric hospitals  
26 or in community psychiatric inpatient beds whose conditions present  
27 significant barriers to timely discharge.

28 (28) \$557,000 of the general fund—state appropriation for fiscal  
29 year 2018 and \$557,000 of the general fund—state appropriation for  
30 fiscal year 2019 are provided solely for the department to design and  
31 administer the achieving a better life experience program.

32 (29) \$512,000 of the general fund—state appropriation for fiscal  
33 year 2018 is provided solely to complete the requirements of the  
34 agricultural labor skills and safety grant program in chapter 43.330  
35 RCW. This program expires July 1, 2018.

36 (30) \$150,000 of the general fund—state appropriation for fiscal  
37 year 2018 and \$150,000 of the general fund—state appropriation for  
38 fiscal year 2019 are provided solely for the implementation of  
39 chapter 225, Laws of 2017 (SSB 5713) (skilled worker program).

1 (31) \$50,000 of the general fund—state appropriation for fiscal  
2 year 2018 and \$50,000 of the general fund—state appropriation for  
3 fiscal year 2019 are provided solely for the wildfire project in the  
4 Wenatchee valley to provide public education on wildfire and forest  
5 health issues.

6 (32) \$167,000 of the general fund—state appropriation for fiscal  
7 year 2018 and \$167,000 of the general fund—state appropriation for  
8 fiscal year 2019 are provided solely for community mobilization  
9 grants to safe Yakima and safe streets of Tacoma to foster community  
10 engagement through neighborhood organizing, law enforcement-community  
11 partnerships, neighborhood watch programs, youth mobilization, and  
12 business engagement.

13 (33)(a) \$83,000 of the general fund—state appropriation for  
14 fiscal year 2018 and \$83,000 of the general fund—state appropriation  
15 for fiscal year 2019 are provided solely for the department to create  
16 el nuevo camino pilot project for the purpose of addressing serious  
17 youth gang problems in midsize counties in eastern Washington. El  
18 nuevo camino pilot project must include one grant to an eligible  
19 applicant for the 2017-2019 fiscal biennium. The department shall  
20 adopt policies and procedures as necessary to administer the pilot  
21 project, including the application process, disbursement of the grant  
22 award to the selected applicant, and tracking compliance and  
23 measuring outcomes.

24 (b) An eligible applicant:

- 25 (i) Is a county located in Washington or its designee;
- 26 (ii) Is located east of the Cascade mountain range with an  
27 estimated county population between ninety thousand and one hundred  
28 thousand as of January 1, 2017;
- 29 (iii) Has an identified gang problem;
- 30 (iv) Pledges and provides a minimum of sixty percent of matching  
31 funds over the same time period of the grant;
- 32 (v) Has established a coordinated effort with committed partners,  
33 including law enforcement, prosecutors, mental health practitioners,  
34 and schools;
- 35 (vi) Has established goals, priorities, and policies in  
36 compliance with the requirements of (c) of this subsection; and
- 37 (vii) Demonstrates a clear plan to engage in long-term antigang  
38 efforts after the conclusion of the pilot project.

39 (c) The grant recipient must:

1 (i) Work to reduce youth gang crime and violence by implementing  
2 the comprehensive gang model of the federal juvenile justice and  
3 delinquency prevention act of 1974;

4 (ii) Increase mental health services to unserved and underserved  
5 youth by implementing the best practice youth mental health model of  
6 the national center for mental health and juvenile justice;

7 (iii) Work to keep high-risk youth in school, reenroll dropouts,  
8 and improve academic performance and behavior by engaging in a grass  
9 roots team approach in schools with the most serious youth violence  
10 and mental health problems, which must include a unique and  
11 identified team in each district participating in the project;

12 (iv) Hire a project manager and quality assurance coordinator;

13 (v) Adhere to recommended quality control standards for  
14 Washington state research-based juvenile offender programs as set  
15 forth by the Washington state institute for public policy; and

16 (vi) Report to the department by September 1, 2019, with the  
17 following:

18 (A) The number of youth and adults served through the project and  
19 the types of services accessed and received;

20 (B) The number of youth satisfactorily completing chemical  
21 dependency treatment in the county;

22 (C) The estimated change in domestic violence rates;

23 (D) The estimated change in gang participation and gang violence;

24 (E) The estimated change in dropout and graduation rates;

25 (F) The estimated change in overall crime rates and crimes  
26 typical of gang activity;

27 (G) The estimated change in recidivism for youth offenders in the  
28 county; and

29 (H) Other information required by the department or otherwise  
30 pertinent to the pilot project.

31 (d) The department shall report the information from (c)(vi) of  
32 this subsection and other relevant data to the legislature and the  
33 governor by October 1, 2019.

34 (34)(a) During the 2017-2019 fiscal biennium, the department must  
35 revise its agreements and contracts with vendors to include a  
36 provision to require that each vendor agrees to equality among its  
37 workers by ensuring similarly employed individuals are compensated as  
38 equals as follows:

39 (i) Employees are similarly employed if the individuals work for  
40 the same employer, the performance of the job requires comparable

1 skill, effort, and responsibility, and the jobs are performed under  
2 similar working conditions. Job titles alone are not determinative of  
3 whether employees are similarly employed;

4 (ii) Vendors may allow differentials in compensation for its  
5 workers based in good faith on any of the following:

6 (A) A seniority system; a merit system; a system that measures  
7 earnings by quantity or quality of production; a bona fide job-  
8 related factor or factors; or a bona fide regional difference in  
9 compensation levels.

10 (B) A bona fide job-related factor or factors may include, but  
11 not be limited to, education, training, or experience, that is:  
12 Consistent with business necessity; not based on or derived from a  
13 gender-based differential; and accounts for the entire differential.

14 (C) A bona fide regional difference in compensation level must  
15 be: Consistent with business necessity; not based on or derived from  
16 a gender-based differential; and account for the entire differential.

17 (b) The provision must allow for the termination of the contract  
18 if the department or department of enterprise services determines  
19 that the vendor is not in compliance with this agreement or contract  
20 term.

21 (c) The department must implement this provision with any new  
22 contract and at the time of renewal of any existing contract.

23 (35) \$102,000 of the general fund—state appropriation for fiscal  
24 year 2018 and \$75,000 of the general fund—state appropriation for  
25 fiscal year 2019 are provided solely for the implementation of  
26 chapter 315, Laws of 2017 (ESB 5128) (incremental energy).

27 (36) \$26,000 of the general fund—state appropriation for fiscal  
28 year 2018 and \$12,000 of the general fund—state appropriation for  
29 fiscal year 2019 are provided solely for the implementation of  
30 chapter 279, Laws of 2017 (SHB 1988) (vulnerable youth guardians).

31 (37) \$468,000 of the financial services regulation account—state  
32 appropriation is provided solely for the family prosperity account  
33 program.

34 (38) The department is authorized to suspend issuing any  
35 nonstatutorily required grants or contracts of an amount less than  
36 \$1,000,000 per year.

37 (39) The entire home security account appropriation in this  
38 section is provided solely for administration through performance-  
39 based contracts that require, at a minimum, monthly reporting of

1 performance and financial metrics. The contracts must require that  
2 auditable documentation for the performance and financial metrics be  
3 provided to the joint legislative audit and review committee as  
4 requested for performance audits.

5 (40)(a) \$250,000 of the public works assistance account—state  
6 appropriation is provided solely for the department to contract with  
7 a consultant to study strategies for increasing the competitiveness  
8 of rural businesses in securing local government contracts within  
9 their same rural county, and for providing outreach services to  
10 employers in rural communities. The consultant must:

11 (i) Be a 501(c)(3) nonprofit organization;

12 (ii) Be located in a county with a population of less than two  
13 million; and

14 (iii) Provide statewide business representation and expertise  
15 with relevant experience in the evaluation of rural economies.

16 (b) The study must include the following:

17 (i) An analysis of the net economic and employment impacts to  
18 rural communities of awarding local government contracts to  
19 businesses outside the rural county in comparison to awarding local  
20 government contracts to businesses based in the same rural county;

21 (ii) A survey of local government entities to collect relevant  
22 data to include but not be limited to: The total number and amount of  
23 contracts awarded in 2015 and 2016 by local governments in rural  
24 counties; the number and amount of contracts awarded to businesses  
25 based in rural counties in comparison to the number and amounts  
26 awarded to businesses based in nonrural counties; the number of  
27 contracts where a rural business responded to a request for proposal  
28 but was not the minimum bidder; the percentage spread between the  
29 rural business and the lowest bidder; and the number of times the  
30 local government moved to the next most qualified bidder in a request  
31 for qualification out of the total professional service contracts  
32 awarded;

33 (iii) A review of current regulations and best practices in other  
34 jurisdictions. The study must identify existing policy barriers, if  
35 present, and potential policy changes to increase the competitiveness  
36 of rural businesses in securing local government contracts within  
37 their same geographic region, including but not be limited to the  
38 risks and benefits of establishing a preference for local businesses  
39 for rural government contracts; and

1 (iv) Discussion on the implications for projects that receive  
2 federal funding.

3 The study must be provided to the office of financial management and  
4 fiscal committees of the legislature by December 31, 2017.

5 (c) The department's external relations division must expand  
6 existing outreach services offered to rural employers to include  
7 training on processes to compete effectively for public works  
8 contracts within their communities. The external relations division  
9 must receive training on contract law to better support their  
10 outreach services. The cost of the training may not exceed \$10,000.

11 (41) \$40,000 of the general fund—state appropriation for fiscal  
12 year 2018 and \$40,000 of the general fund—state appropriation for  
13 fiscal year 2019 are provided solely for the Federal Way day center  
14 to provide housing and other assistance to persons over 18  
15 experiencing homelessness.

16 (42) \$200,000 of the general fund—state appropriation for fiscal  
17 year 2018 and \$200,000 of the general fund—state appropriation for  
18 fiscal year 2019 are provided solely for implementation of Second  
19 Substitute Senate Bill No. 5254 (buildable lands and zoning). If this  
20 bill is not enacted by July 31, 2017, the amounts provided in this  
21 subsection shall lapse.

22 (43) \$700,000 of the general fund—state appropriation for fiscal  
23 year 2018 and \$600,000 of the general fund—state appropriation for  
24 fiscal year 2019 are provided solely for staff and upgrades to the  
25 homeless management information system.

26 (44) \$50,000 of the general fund—state appropriation for fiscal  
27 year 2018 is provided solely for the department to conduct a study on  
28 the current state of data center industry in Washington and whether  
29 changes to existing state policies would result in additional  
30 investment and job creation in Washington as well as advance the  
31 development of the state's technology ecosystems. The study is due to  
32 the appropriate committees of the legislature by December 1, 2017.

33 (45) \$500,000 of the general fund—state appropriation for 2018 is  
34 provided solely for the department to formulate a statewide tourism  
35 marketing plan in collaboration with a nonprofit statewide tourism  
36 organization as provided in Substitute Senate Bill No. 5251.

37 (46) \$80,000 of the general fund—state appropriation for fiscal  
38 year 2018 and \$80,000 of the general fund—state appropriation for  
39 fiscal year 2019 is provided solely as a grant to Klickitat county

1 for a land use planner to process a backlog of permits that have not  
2 been processed by the Columbia river gorge commission due to lack of  
3 funds.

4 (47) \$310,000 of the general fund—state appropriation for fiscal  
5 year 2019 is provided solely for the department to create the  
6 governor's office on broadband access as provided in Engrossed Second  
7 Substitute Senate Bill No. 5935 (broadband and telecommunications  
8 service). If the bill is not enacted by June 30, 2018, the amount  
9 provided in this subsection shall lapse. Of the amount appropriated,  
10 the department must fund at least one staff person to focus on rural  
11 unserved and underserved communities, including tribes.

12 (48) \$300,000 of the general fund—state appropriation for fiscal  
13 year 2019 is provided solely for a contract to study and report on  
14 independent contractor employment in Washington state. The contractor  
15 report shall be provided to the department by November 1, 2018. The  
16 report must include information on the needs of workers earning  
17 income as independent contractors including sources of income, the  
18 amount of their income derived from independent work, and a  
19 discussion of the benefits provided to such workers.

20 (49) \$1,070,000 of the general fund—state appropriation for  
21 fiscal year 2019 is provided solely for the department to expand the  
22 small business export assistance program and ensure that at least one  
23 new employee is located outside the city of Seattle for purposes of  
24 assisting rural businesses with export strategies; and for continuing  
25 the economic gardening program.

26 (50) \$198,000 of the general fund—state appropriation for fiscal  
27 year 2019 is provided solely for implementation of Engrossed Fourth  
28 Substitute Senate Bill No. 5251 (tourism marketing). If the bill is  
29 not enacted by June 30, 2018, the amount provided in this subsection  
30 shall lapse.

31 (51) \$402,000 of the landlord mitigation account—state  
32 appropriation for fiscal year 2019 is provided solely for  
33 implementation of Engrossed Second Substitute Senate Bill No. 5407  
34 (housing options). If the bill is not enacted by June 30, 2018, the  
35 amount provided in this subsection shall lapse.

36 (52) \$96,000 of the general fund—state appropriation for fiscal  
37 year 2019 is provided solely for implementation of Substitute Senate  
38 Bill No. 6175 (common interest ownership). If the bill is not enacted  
39 by June 30, 2018, the amount provided in this subsection shall lapse.



1 (53) \$1,576,000 of the general fund—state appropriation for  
2 fiscal year 2019 is provided solely for pass-through funding to  
3 assist Whatcom, Snohomish, King, Pierce, Kitsap, Thurston, and Clark  
4 counties with the implementation of chapter 16, Laws of 2017 3rd sp.  
5 sess. Engrossed Second Substitute Senate Bill No. 5254 (buildable  
6 lands).

7 (54) \$50,000 of the general fund—state appropriation for fiscal  
8 year 2019 is provided solely for the city of Issaquah to host a  
9 regional or national sports medicine conference.

10 (55) \$149,000 of the general fund—state appropriation for fiscal  
11 year 2019 is provided solely for the department to fund a pilot  
12 project in Clark county to increase access to local workforce  
13 training. Funding must be used to contract with Partners in Careers  
14 to complete an assessment of basic literacy skills in connection to  
15 classes at Clark college or other programs to support the reading and  
16 math skills needed to complete workforce training; for case  
17 management to connect job seekers to community resources; and to  
18 support first time users or returners navigating the WorkSource  
19 system and engagement in on the job training and industry specific  
20 training in high demand fields.

21 (56) \$11,000 of the general fund—state appropriation for fiscal  
22 year 2019 is provided solely for a grant to the city of Port Angeles  
23 for the cost of analyzing bio char samples for evidence of dioxins,  
24 PAHs, and flame retardants and any other chemical compounds through a  
25 certified laboratory. Analysis results must be shared with local  
26 interest groups.

27 (57) \$175,000 of the economic development strategic reserve  
28 account—state appropriation is provided solely for implementation of  
29 Substitute Senate Bill No. 6236 (state economic growth commission).  
30 If the bill is not enacted by June 30, 2018, the amount provided in  
31 this subsection shall lapse.

32 (58) \$250,000 of the general fund—state appropriation for fiscal  
33 year 2019 is provided solely for a grant to the museum of history and  
34 industry (MOHAI) to provide Armistice Day activities in schools and  
35 other community settings. Funding must be used to assist with the  
36 100th anniversary of World War I and Armistice Day, including the  
37 presentation of the World War I America exhibit, new curriculum,  
38 teacher training, student and classroom visits, and visits for  
39 veterans and active duty military.

1       (59) \$230,000 of the general fund—state appropriation for fiscal  
2 year 2018 and \$326,000 of the general fund—state appropriation for  
3 fiscal year 2019 are provided solely for the department to coordinate  
4 a work group consisting of the department, the department of  
5 financial institutions, the office of financial management, the state  
6 treasurer, the attorney general, and other appropriate agencies to  
7 contract with an entity or entities with expertise in public finance  
8 and commercial and public banking to develop an organizational and  
9 governance structure appropriate for public banking, and a business  
10 plan to establish a publicly owned depository for infrastructure  
11 development and local government funding assistance. The department  
12 of commerce shall provide a final report to the house of  
13 representative's business and financial services committee and the  
14 senate financial institutions and insurance committee by December 1,  
15 2018. The business plan shall include, but not be limited to:

16       (a) A start-up business plan for the public bank that includes  
17 plans and timelines for new functions and functions transitioning to  
18 the bank that were previously performed by another entity;

19       (b) Identifying sources of capitalization and recommended cash  
20 flows. Options for capitalizing the bank may include, but are not  
21 limited to, state revenues, federal funds, funds from local  
22 governments or political subdivisions, private donations,  
23 crowdfunding, and other core capital reserves not needed for  
24 liquidity. The business plan should consider different scale options  
25 for the financial assets of the public bank including an option for  
26 financial deposits up to five hundred million dollars over the first  
27 five years of operation;

28       (c) Options for financing existing infrastructure revolving funds  
29 programs and identification of possible lending programs;

30       (d) An analysis of legal, constitutional, and regulatory issues;

31       (e) A plan for obtaining a federal master account and joining the  
32 federal reserve;

33       (f) A plan to address information technology security and other  
34 security concerns;

35       (g) Opportunities for collaborating with state-chartered  
36 financial institutions and credit unions and areas that might compete  
37 with private financial institutions;

38       (h) Impacts on the state's debt limit;

39       (i) Recommendations for managing political influence on the  
40 public bank;

1 (j) Impacts to existing state agencies including the state  
2 treasurer;

3 (k) Impacts on the operating, capital, and transportation  
4 budgets; and

5 (l) Other items necessary to establish a state bank, state  
6 cooperative bank, or a state bank modeled after the federal home loan  
7 bank.

8 (60) \$20,000 of the general fund—state appropriation for fiscal  
9 year 2019 is provided solely for the office of homeless youth  
10 prevention and protection programs to conduct a survey of homeless  
11 youth service and informational gaps, especially in nonurban areas,  
12 with an emphasis on providing nonurban school districts with adequate  
13 informational resources related to homeless youth and youth in crisis  
14 services available in their community.

15 (61) \$20,000 of the general fund—state appropriation for fiscal  
16 year 2019 is provided solely for implementation of Engrossed  
17 Substitute Senate Bill No. 6081 (distributed generation). If the bill  
18 is not enacted by June 30, 2018, the amount provided in this  
19 subsection shall lapse.

20 (62) \$800,000 of the general fund—state appropriation for fiscal  
21 year 2019 is provided solely for the department to contract for a  
22 pilot project in Snohomish county to administer a forty bed  
23 residential criminal justice diversion center with the objective of  
24 reducing the use of crisis and emergency resources. The department  
25 must collect data from Snohomish county on the use of the funds, any  
26 reduction in the use of emergency resources and jail capacity, any  
27 identified offsets in costs, and submit a report with this  
28 information to the office of financial management and the appropriate  
29 fiscal committees of the legislature by December 1, 2020.

30 (63) \$150,000 of the general fund—state appropriation for fiscal  
31 year 2019 is provided solely for a grant to the city of Yakima to  
32 establish a gang prevention pilot program. The pilot program shall  
33 have the goal of creating a sustainable organized response to gang  
34 activity utilizing evidence-based resources.

35 (64) \$125,000 of the general fund—state appropriation for fiscal  
36 year 2019 is provided solely for a grant to the Seattle science  
37 foundation to develop a comprehensive 3D spinal cord atlas with the  
38 goal of providing clinicians and researchers with a digital map of  
39 the spinal cord.

1       (65) \$300,000 of the general fund—state appropriation for fiscal  
2 year 2019 is provided solely for the department to conduct a study of  
3 current and ongoing impacts associated with the SeaTac airport on the  
4 surrounding airport communities and its residents. The cities of  
5 Federal Way, Des Moines, Burien, and SeaTac would raise matching  
6 funds.

7       (66) \$250,000 of the general fund—state appropriation for fiscal  
8 year 2019 is provided solely for the department to contract with  
9 enterprise for equity to assist people with limited incomes in  
10 nonmetro areas of the state to start and sustain small businesses and  
11 embrace the effects of globalization.

12       **Sec. 128.** 2017 3rd sp.s. c 1 s 129 (uncodified) is amended to  
13 read as follows:

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

15	General Fund—State Appropriation (FY 2018). . . . .	(( <del>\$850,000</del> ))
16		<u>\$799,000</u>
17	General Fund—State Appropriation (FY 2019). . . . .	(( <del>\$905,000</del> ))
18		<u>\$854,000</u>
19	Lottery Administrative Account—State Appropriation. . . . .	\$50,000
20	<u>Pension Funding Stabilization Account—State</u>	
21	<u>Appropriation. . . . .</u>	<u>\$102,000</u>
22	TOTAL APPROPRIATION. . . . .	\$1,805,000

23       **Sec. 129.** 2017 3rd sp.s. c 1 s 130 (uncodified) is amended to  
24 read as follows:

25 **FOR THE OFFICE OF FINANCIAL MANAGEMENT**

26	General Fund—State Appropriation (FY 2018). . . . .	(( <del>\$11,711,000</del> ))
27		<u>\$12,747,000</u>
28	General Fund—State Appropriation (FY 2019). . . . .	(( <del>\$11,956,000</del> ))
29		<u>\$11,630,000</u>
30	General Fund—Federal Appropriation. . . . .	\$39,716,000
31	General Fund—Private/Local Appropriation. . . . .	(( <del>\$501,000</del> ))
32		<u>\$843,000</u>
33	Economic Development Strategic Reserve Account—State	
34	Appropriation. . . . .	\$314,000
35	<u>Recreation Access Pass Account—State Appropriation. . . . .</u>	<u>\$75,000</u>
36	Personnel Service Fund—State Appropriation. . . . .	(( <del>\$8,882,000</del> ))
37		<u>\$8,888,000</u>

1	Higher Education Personnel Services Account—State	
2	Appropriation. . . . .	\$1,497,000
3	Performance Audits of Government Account—State	
4	Appropriation. . . . .	\$621,000
5	Statewide Information Technology System Development	
6	Revolving Account—State Appropriation. . . . .	<del>(\$6,503,000)</del>
7		<u>\$10,022,000</u>
8	OFM Central Services—State Appropriation. . . . .	<del>(\$19,237,000)</del>
9		<u>\$19,253,000</u>
10	<u>Pension Funding Stabilization Account—State</u>	
11	<u>Appropriation. . . . .</u>	<u>\$2,448,000</u>
12	TOTAL APPROPRIATION. . . . .	<del>(\$100,938,000)</del>
13		<u>\$108,054,000</u>

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

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

21       (2)(a) The student achievement council and all institutions of  
22 higher education eligible to participate in the state need grant  
23 shall ensure that data needed to analyze and evaluate the  
24 effectiveness of the state need grant program are promptly  
25 transmitted to the education data center so that it is available and  
26 easily accessible. The data to be reported must include but not be  
27 limited to:

- 28       (i) The number of state need grant recipients;
- 29       (ii) The number of students on the unserved waiting list of the  
30 state need grant;
- 31       (iii) Persistence and completion rates of state need grant  
32 recipients and students on the state need grant unserved waiting  
33 list, disaggregated by institutions of higher education;
- 34       (iv) State need grant recipients and students on state need grant  
35 unserved waiting list grade point averages; and
- 36       (v) State need grant program costs.

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

1 (3) \$149,000 of the general fund—state appropriation for fiscal  
2 year 2018 and \$144,000 of the general fund—state appropriation for  
3 fiscal year 2019 are provided solely to implement chapter 172, Laws  
4 of 2017 (SHB 1741) (educator preparation data/PESB).

5 (4) \$84,000 of the general fund—state appropriation for fiscal  
6 year 2018 and \$75,000 of the general fund—state appropriation for  
7 fiscal year 2019 are provided solely to implement chapter 53, Laws of  
8 2017 (2SHB 1120) (regulatory fairness act).

9 (5) The office of financial management must perform a legal and  
10 policy review of whether the lead organization of the statewide  
11 health claims database established in chapter 43.371 RCW may collect  
12 certain data from drug manufacturers and use this data to bring  
13 greater public transparency to prescription drug prices.  
14 Specifically, the review must analyze whether the organization may  
15 collect and use manufacturer's pricing data on high-cost new and  
16 existing prescription drugs, including itemized production and sales  
17 data and Canadian pricing. The office of financial management must  
18 report by December 15, 2017, to the health care committees of the  
19 legislature the results of the study and any necessary legislation to  
20 authorize the collection of pricing data and to produce public  
21 analysis and reports that help promote prescription drug  
22 transparency.

23 (6) \$500,000 of the general fund—state appropriation for fiscal  
24 year 2018, \$131,000 of the general fund—state appropriation for  
25 fiscal year 2019, and \$139,000 of the personnel service account—state  
26 appropriation are provided solely for implementation of Engrossed  
27 Second Substitute House Bill No. 1661 (children, youth, families  
28 department). The cost allocation contract must include a  
29 determination of the amount of administrative funding to be  
30 transferred between appropriations in sections 223(1) and 223(2) of  
31 this act to section 222(3) of this act for the new department of  
32 children, youth, and families. If the bill is not enacted by July 31,  
33 2017, the amounts provided in this subsection shall lapse.

34 (7) (~~(\$4,503,000)~~) \$8,022,000 of the statewide information  
35 technology system development revolving account—state appropriation  
36 is provided solely for readiness activities related to the One  
37 Washington replacement project to modernize and improve  
38 administrative systems and related business processes across state  
39 government over a multi-biennia time period and this project is

1 subject to the conditions, limitations, and review provided in  
2 section 724 of this act. The funding provided in this subsection is  
3 for conducting business warehouse planning and system integrations  
4 and contracting with a strategic partner for the design of the long-  
5 term program blueprint detailing the readiness, planning, and  
6 implementation activities related to this project. Legislative  
7 expectation is that the strategic partner selected for this design of  
8 this long-term blueprint will have proven experience in successfully  
9 managing similar efforts in other states or jurisdictions and that  
10 the ultimate project scope will integrate performance information and  
11 provide information on discrete units of costs for state governmental  
12 activities with the goal of improved management and efficiency. The  
13 office of financial management will provide the needed management  
14 support for this design effort and will ensure that state agencies  
15 fully participate in this initial design effort, including the office  
16 of chief information officer. The office of financial management will  
17 provide quarterly reports to the legislative fiscal committees and  
18 the legislative evaluation and accountability program committee.  
19 Before submitting additional funding requests for this project, the  
20 office of financial management will submit a comprehensive detailed  
21 feasibility study and financial plan for the project to the  
22 legislative evaluation and accountability program committee.

23 (8) \$4,000,000 of the general fund—federal appropriation is  
24 provided solely for the procurement and implementation of the  
25 Washington state all payer claims database project and this project  
26 is subject to the conditions, limitations, and review provided in  
27 section 724 of this act.

28 (9) \$140,000 of the general fund—state appropriation for fiscal  
29 year 2018 and \$140,000 of the general fund—federal appropriation are  
30 provided solely for the authority to incorporate long-term inpatient  
31 care as defined in RCW 71.24.025 into the psychiatric managed care  
32 capitation risk model. The model shall be submitted to the governor  
33 and appropriate committees of the legislature by December 1, 2017.  
34 The model must integrate civil inpatient psychiatric hospital  
35 services including ninety and one hundred eighty day commitments  
36 provided in state hospitals or community settings into medicaid  
37 managed care capitation rates and nonmedicaid contracts. The model  
38 should phase-in the financial risk such that managed care  
39 organizations bear full financial risk for long-term civil inpatient

1 psychiatric hospital commitments beginning January 2020. The model  
2 must address strategies to ensure that the state is able to maximize  
3 the state's allotment of federal disproportionate share funding.

4 (10) The office of financial management will convene a work group  
5 consisting of the department of social and health services and  
6 appropriate fiscal and policy staff from the house of representatives  
7 office of program research and senate committee services for the  
8 purpose of reviewing language traditionally added to section 201 in  
9 supplemental operating omnibus appropriations acts to allow the  
10 department to transfer moneys between sections of the act and to  
11 allow for moneys that are provided solely for a specified purpose to  
12 be used for other than that purpose. The work group will review the  
13 department's use of the language, develop options to reduce or  
14 eliminate the need for this language, and explore revisions to the  
15 language. The work group must also discuss alternatives to the  
16 language to achieve the shared goal of balancing expenditures to  
17 appropriation while preserving the legislature's ability to direct  
18 policy through appropriation. Alternatives should include increased  
19 use of supplemental budget decision packages, the creation of a  
20 reserve fund for unanticipated expenditures, and other measures the  
21 work group develops.

22 (11) Within existing resources, the labor relations section shall  
23 produce a report annually on workforce data and trends for the  
24 previous fiscal year. At a minimum, the report must include a  
25 workforce profile; information on employee compensation, including  
26 salaries and cost of overtime; and information on retention,  
27 including average length of service and workforce turnover.

28 (12) \$75,000 of the recreation access pass account—state  
29 appropriation is provided solely for the office of financial  
30 management, in consultation with the parks and recreation commission,  
31 department of natural resources, and department of fish and wildlife,  
32 to further analyze the cost and revenue potential of the options and  
33 recommendations in Recreation Fees in Washington: Options and  
34 Recommendations (The William D. Ruckelshaus Center, December 2017).  
35 The office must collaborate with other relevant agencies and  
36 appropriate stakeholders. The office must provide a report to the  
37 appropriate committees of the legislature by September 1, 2018. For  
38 each of the options, the report must:

39 (a) Identify the types of recreational access pass products,  
40 exemption and discount types, and levels;



1 (b) Specify price points and projected demand for each type of  
2 recreational access pass product that would result in revenue  
3 increases of five percent, ten percent, and fifteen percent;

4 (c) Describe implementation and logistical considerations of  
5 selling each of the options through a single place on the internet or  
6 through the department of fish and wildlife's licensing system;

7 (d) Identify fiscal impacts of changing the state access pass to  
8 each of the options identified including any combination state and  
9 federal recreational access pass options; and

10 (e) Provide any additional recommendations for implementation,  
11 transition, or changes in state law needed to implement each of the  
12 options.

13 (13) The office of financial management shall provide a report to  
14 the governor and the legislature by November 1, 2018, identifying and  
15 assessing the cost and impacts to the state and state employees from  
16 the following options to implement the paid family and medical leave  
17 act of 2017, for state employees:

18 (a) Obtaining coverage under the state program;

19 (b) Developing a voluntary plan under RCW 50A.04.600 for coverage  
20 of state employees;

21 (c) Developing a system to allow the state to make payments in  
22 lieu of premium contributions for benefits attributable to state  
23 employees; and

24 (d) Providing coverage under the state program.

25 (14) \$2,000,000 of the general fund—state appropriation for  
26 fiscal year 2018 is provided solely to support the implementation of  
27 the department of children, youth, and families. The department must  
28 submit an expenditure plan to the office of financial management and  
29 may expend implementation funds after the approval of the director of  
30 the office of financial management.

31 (15) The office of financial management shall purchase a workiva  
32 software product that will produce the comprehensive annual financial  
33 report and other fiscal reports within existing resources.

34 (16) The office of financial management shall procure  
35 GovDelivery, a software as a service, that enables government  
36 organizations to connect with citizens within existing resources.

37 (17) \$75,000 of the general fund—state appropriation for fiscal  
38 year 2019 is provided solely for implementation of chapter 192, Laws  
39 of 2017 (Senate Bill No. 5849, veterans services), to develop a  
40 veteran's recruitment program.



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

3 (2) Pursuant to RCW 67.70.040, the commission shall take such  
4 action necessary to reduce by \$6,000,000 each fiscal year the total  
5 amount of compensation paid to licensed lottery sales agents. It is  
6 anticipated that the result of this action will reduce retail  
7 commissions to an average of 5.1 percent of sales.

8 **Sec. 132.** 2017 3rd sp.s. c 1 s 133 (uncodified) is amended to  
9 read as follows:

10 **FOR THE COMMISSION ON HISPANIC AFFAIRS**

11	General Fund—State Appropriation (FY 2018). . . . .	(( <del>\$258,000</del> ))
12		<u>\$248,000</u>
13	General Fund—State Appropriation (FY 2019). . . . .	(( <del>\$268,000</del> ))
14		<u>\$255,000</u>
15	<u>Pension Funding Stabilization Account—State</u>	
16	Appropriation. . . . .	\$26,000
17	TOTAL APPROPRIATION. . . . .	(( <del>\$526,000</del> ))
18		<u>\$529,000</u>

19 **Sec. 133.** 2017 3rd sp.s. c 1 s 134 (uncodified) is amended to  
20 read as follows:

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

22	General Fund—State Appropriation (FY 2018). . . . .	(( <del>\$268,000</del> ))
23		<u>\$269,000</u>
24	General Fund—State Appropriation (FY 2019). . . . .	(( <del>\$254,000</del> ))
25		<u>\$242,000</u>
26	<u>Pension Funding Stabilization Account—State</u>	
27	Appropriation. . . . .	\$26,000
28	TOTAL APPROPRIATION. . . . .	(( <del>\$522,000</del> ))
29		<u>\$537,000</u>

30 **Sec. 134.** 2017 3rd sp.s. c 1 s 135 (uncodified) is amended to  
31 read as follows:

32 **FOR THE DEPARTMENT OF RETIREMENT SYSTEMS—OPERATIONS**

33	Department of Retirement Systems Expense	
34	Account—State Appropriation. . . . .	(( <del>\$56,498,000</del> ))
35		<u>\$57,562,000</u>

1       The appropriation in this section is subject to the following  
2 conditions and limitations:

3       (1) \$17,000 of the appropriation in this section is provided  
4 solely for implementation of Substitute Senate Bill No. 5310 (post  
5 retirement reemployment options). If the bill is not enacted by June  
6 30, 2018, the amount provided in this subsection shall lapse.

7       (2) \$110,000 of the appropriation in this section is provided  
8 solely for implementation of Substitute Senate Bill No. 6340 (plan 1  
9 retirement benefit increases). If the bill is not enacted by June 30,  
10 2018, the amount provided in this subsection shall lapse.

11       **Sec. 135.** 2017 3rd sp.s. c 1 s 136 (uncodified) is amended to  
12 read as follows:

13 **FOR THE DEPARTMENT OF REVENUE**

14	General Fund—State Appropriation (FY 2018). . . . .	(( <del>\$140,954,000</del> ))
15		<u>\$130,288,000</u>
16	General Fund—State Appropriation (FY 2019). . . . .	(( <del>\$138,496,000</del> ))
17		<u>\$122,669,000</u>
18	Timber Tax Distribution Account—State	
19	Appropriation. . . . .	(( <del>\$6,772,000</del> ))
20		<u>\$6,773,000</u>
21	Waste Reduction/Recycling/Litter Control—State	
22	Appropriation. . . . .	\$157,000
23	State Toxics Control Account—State Appropriation. . . . .	\$112,000
24	Business License Account—State Appropriation. . . . .	(( <del>\$28,211,000</del> ))
25		<u>\$19,511,000</u>
26	Performance Audits of Government Account—State	
27	Appropriation. . . . .	\$4,640,000
28	<u>Pension Funding Stabilization Account—State</u>	
29	<u>Appropriation. . . . .</u>	<u>\$13,488,000</u>
30	Financial Services Regulation Account—State	
31	Appropriations. . . . .	(( <del>\$5,000,000</del> ))
32		<u>\$15,000,000</u>
33	TOTAL APPROPRIATION. . . . .	(( <del>\$324,342,000</del> ))
34		<u>\$312,638,000</u>

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

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

6 ~~((3))~~ (2) Prior to the suspension of the streamlined sales tax  
7 mitigation program established under chapter 82.14 RCW, the  
8 department must analyze if and when expected revenue gains from the  
9 provisions of sections 201 through 213 of House Bill No. 2163 will be  
10 equal to or exceed revenue losses to local taxing districts, as  
11 measured under the streamlined sales tax mitigation system from the  
12 switch to destination sourcing of sales tax. The analysis must  
13 include a comprehensive review of tax, wage, census, and economic  
14 data. The review must consider online sales tax and streamlined sales  
15 tax mitigation trends for areas with rich concentrations of  
16 warehousing distribution and manufacturing centers. The department  
17 must provide a report and recommendations to the governor and  
18 appropriate committees of the legislature by November 1, 2018. If  
19 House Bill No. 2163 (revenue) is not enacted by July 31, 2017, this  
20 subsection is void.

21 ~~((4))~~ (3) \$8,028,000 of the general fund—state appropriation  
22 for fiscal year 2018 and \$6,304,000 of the general fund—state  
23 appropriation for fiscal year 2019 are provided solely for the  
24 implementation of House Bill No. 2163 (revenue). If the bill is not  
25 enacted by July 31, 2017, the amounts provided in this subsection  
26 shall lapse.

27 (4) \$30,000 of the general fund—state appropriation for fiscal  
28 year 2018 and \$120,000 of the general fund—state appropriation for  
29 fiscal year 2019 are provided solely for the department to make  
30 publicly available an online searchable database of all taxes and tax  
31 rates in the state for each taxing district. The information must be  
32 aggregated by type of tax and accessible by entering a physical  
33 address for each residency or business. In addition to searching by  
34 physical address for each residence or business, searches must be  
35 accommodated by navigating through a map of the state as a whole and  
36 down to the level of each taxing district.

37 (a) The department must also provide tax rate calculators on the  
38 searchable database to allow taxpayers to calculate their potential  
39 taxes. Calculators must be provided at a minimum for property, sales

1 and use, business and occupation, vehicle, and other business taxes  
2 and must be specific to the rate for the taxing district in which the  
3 taxpayer resides. The calculator may only be used for educational  
4 purposes and does not have a legal effect on taxes due.

5 (b) To facilitate the department's efforts in creating and  
6 maintaining the searchable database of each tax rate for all taxing  
7 districts in the state, each taxing district must report its tax  
8 rates to the department by September 30, 2018. In addition, every  
9 taxing district must report any changes to its tax rates within  
10 thirty days of an enactment of a different rate.

11 (c) At a minimum the following taxes and rates must be included  
12 in the database and broken down to the taxing district or  
13 jurisdiction level:

14 (i) State and local sales and use taxes;

15 (ii) State and local regular and excess property taxes;

16 (iii) State and local business taxes including, but not limited  
17 to, business and occupation taxes, public utility taxes, unemployment  
18 compensation taxes, and industrial insurance premiums;

19 (iv) State and local real estate excise taxes; and

20 (v) State and local motor vehicle taxes and fees.

21 (d) The database must also contain information, or links to  
22 information, on additional selective sales taxes, selective business  
23 taxes, and in-lieu of property taxes.

24 (e) The database created under this section must be accessible by  
25 June 30, 2019, and able to be accessed by and accessed from the state  
26 expenditure information web site created under RCW 44.48.150.

27 **Sec. 136.** 2017 3rd sp.s. c 1 s 137 (uncodified) is amended to  
28 read as follows:

29 **FOR THE BOARD OF TAX APPEALS**

30 General Fund—State Appropriation (FY 2018). . . . . ((~~\$1,409,000~~))  
31 \$1,709,000

32 General Fund—State Appropriation (FY 2019). . . . . ((~~\$1,438,000~~))  
33 \$1,695,000

34 Pension Funding Stabilization Account—State  
35 Appropriation. . . . . \$162,000

36 TOTAL APPROPRIATION. . . . . ((~~\$2,847,000~~))

37 \$3,566,000







1 system is subject to the conditions, limitations, and review provided  
2 in section 724 of this act.

3 (4) \$93,000 of the general fund—state appropriation for fiscal  
4 year 2018 and \$70,000 of the general fund—state appropriation for  
5 fiscal year 2019 are provided solely to implement and enforce vapor  
6 products licensing, packaging, and sales regulations pursuant to  
7 chapter 38, Laws of 2016 (ESSB 6328).

8 (5) Within existing resources, the state liquor and cannabis  
9 board shall establish a way by which any inspection or approval of a  
10 marijuana processor's professional closed loop systems, equipment,  
11 extraction operation, and facilities, may be performed by a qualified  
12 person or entity other than a local fire code official, in the event  
13 that a local fire code official does not perform such an inspection  
14 or approval as required by state liquor and cannabis board rule.

15 **Sec. 140.** 2017 3rd sp.s. c 1 s 142 (uncodified) is amended to  
16 read as follows:

17 **FOR THE UTILITIES AND TRANSPORTATION COMMISSION**

18	General Fund—Private/Local Appropriation. . . . .	\$16,464,000
19	Public Service Revolving Account—State	
20	Appropriation. . . . .	<del>(( \$40,248,000 ))</del>
21		<u>\$40,267,000</u>
22	Pipeline Safety Account—State Appropriation. . . . .	<del>(( \$3,412,000 ))</del>
23		<u>\$3,411,000</u>
24	Pipeline Safety Account—Federal Appropriation. . . . .	\$3,072,000
25	TOTAL APPROPRIATION. . . . .	<del>(( \$63,196,000 ))</del>
26		<u>\$63,214,000</u>

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

29 (1) By December 31, 2017, the commission shall report findings  
30 and recommendations to the energy committees of the legislature on  
31 best practices and policies for electric utilities to develop  
32 distributed energy resource plans, applying the traditional utility  
33 regulatory principles of fairness, efficiency, reliability, and  
34 revenue stability. The report must address: A review of policies and  
35 practices for distributed energy resource planning in other states,  
36 an inventory of current utility distribution planning practices and  
37 capabilities in Washington, and recommendations for using distributed  
38 energy resource planning to inform utility integrated resource plans.

1 (2) \$2,093,000 of the public service revolving account—state  
2 appropriation is provided solely for the commission to cover the  
3 costs of moving its offices to a new location, in cooperation with  
4 the department of enterprise services.

5 (3) Up to \$800,000 of the public service revolving account—state  
6 appropriation in this section is for the utilities and transportation  
7 commission to supplement funds committed by a telecommunications  
8 company to expand rural broadband service on behalf of an eligible  
9 governmental entity. The amount in this subsection represents  
10 payments collected by the utilities and transportation commission  
11 pursuant to the Qwest performance assurance plan.

12 (4) \$27,000 of the public service revolving account—state  
13 appropriation is provided solely for implementing the provisions of  
14 Engrossed Substitute Senate Bill No. 6081 (distributed generation).  
15 If the bill is not enacted by June 30, 2018, the amount provided in  
16 this subsection shall lapse.

17 (5) The commission must begin a long-term study on the universal  
18 service program to the appropriate committees of the legislature on  
19 the need for future program funding and recommendations on potential  
20 funding mechanisms to improve availability of communications  
21 services, including broadband service, in unserved and underserved  
22 areas. A preliminary report providing a framework for the how the  
23 commission will approach the study is due January 1, 2019.

24 **Sec. 141.** 2017 3rd sp.s. c 1 s 143 (uncodified) is amended to  
25 read as follows:

26 **FOR THE MILITARY DEPARTMENT**

27	General Fund—State Appropriation (FY 2018). . . . .	(( <del>\$7,676,000</del> ))
28		<u>\$7,015,000</u>
29	General Fund—State Appropriation (FY 2019). . . . .	(( <del>\$7,910,000</del> ))
30		<u>\$8,938,000</u>
31	General Fund—Federal Appropriation. . . . .	(( <del>\$118,521,000</del> ))
32		<u>\$117,248,000</u>
33	Enhanced 911 Account—State Appropriation. . . . .	(( <del>\$51,857,000</del> ))
34		<u>\$53,470,000</u>
35	Disaster Response Account—State Appropriation. . . . .	(( <del>\$29,433,000</del> ))
36		<u>\$42,018,000</u>
37	Disaster Response Account—Federal Appropriation. . . . .	(( <del>\$81,560,000</del> ))
38		<u>\$118,587,000</u>

1	Military Department Rent and Lease Account—State	
2	Appropriation. . . . .	\$615,000
3	Worker and Community Right-to-Know Account—State	
4	Appropriation. . . . .	\$2,339,000
5	Oil Spill Prevention Account—State Appropriation. . . . .	\$1,028,000
6	<u>Pension Funding Stabilization Account—State</u>	
7	<u>Appropriation. . . . .</u>	<u>\$1,243,000</u>
8	TOTAL APPROPRIATION. . . . .	<del>(( \$300,939,000 ))</del>
9		<u>\$352,501,000</u>

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 on  
14 ~~((October 1st and))~~ February 1st, July 31st, and October 31st of each  
15 year detailing information on the disaster response account,  
16 including: (a) The amount and type of deposits into the account; (b)  
17 the current available fund balance as of the reporting date; and (c)  
18 the projected fund balance at the end of the 2017-2019 biennium based  
19 on current revenue and expenditure 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) \$100,000 of the general fund—state appropriation for fiscal  
26 year 2018 and \$100,000 of the general fund—state appropriation for  
27 fiscal year 2019 are provided solely for the conditional scholarship  
28 program pursuant to chapter 28B.103 RCW.

29       (4) \$5,389,000 of the enhanced 911 account—state appropriation is  
30 provided solely for transitioning to an internet protocol based next  
31 generation 911 network and increased network costs during the  
32 transition and hardware required for the new system. The department's  
33 activities and procurement is a major information technology project  
34 subject to oversight and review by the office of the chief  
35 information officer.

36       (5) \$11,000,000 of the enhanced 911 account—state appropriation  
37 is provided solely for financial assistance to counties.

38       (6) \$2,000,000 of the enhanced 911 account—state appropriation is  
39 provided solely for one-time grants to ~~((small and medium sized,~~

1 ~~rural counties for replacement of~~) Skagit, Cowlitz, Island, and  
2 Whatcom counties for replacing and upgrading the equipment necessary  
3 to maintain 911 service after the state's transition to a next  
4 generation 911 system(~~, including reimbursement of replacement and~~  
5 upgrades that have already been made)). Grants may also be used to  
6 reimburse costs incurred in prior biennia for replacing and upgrading  
7 equipment for 911 services.

8 (7) \$784,000 of the disaster response account—state appropriation  
9 is provided solely for fire suppression training (~~and~~), equipment,  
10 and supporting costs to national guard soldiers and airmen.

11 (8) \$38,000 of the enhanced 911 account—state appropriation is  
12 provided solely for implementation of chapter 295, Laws of 2017 (SHB  
13 1258) (first responders/disability).

14 (9) \$372,000 of the disaster response account—state appropriation  
15 is provided solely for implementation of chapter 312, Laws of 2017  
16 (SSB 5046) (language of public notices).

17 (10) Appropriations provided to the department are sufficient to  
18 fund the administrative costs associated with implementation of  
19 chapter 173, Laws of 2017 (E2SHB 1802) (veterans/shared leave  
20 access).

21 (11) (~~(\$951,000)~~) \$190,000 of the disaster response account—state  
22 appropriation is provided solely to Okanogan and Ferry counties to  
23 continue to address deficiencies within their communications  
24 infrastructure for 911 dispatch. Funding will be used to replace  
25 failing radio dispatching hardware within 911 dispatch centers; build  
26 interoperable communications between each county's dispatch center  
27 such that each can serve as a back-up to the other; and build upon  
28 the existing wireless microwave network for 911 calls, dispatch  
29 centers, and first responder radio operations.

30 (12) \$1,582,000 of the general fund—state appropriation for  
31 fiscal year 2019 and \$2,618,000 of the enhanced 911 account—state  
32 appropriation are provided solely for the department to complete the  
33 internet protocol based next generation 911 network project while  
34 maintaining financial assistance to counties.

35 (13) \$110,000 of the general fund—state appropriation for fiscal  
36 year 2019 is provided solely for implementing the provisions of  
37 Substitute Senate Bill No. 6011 (continuity of government). If the  
38 bill is not enacted by June 30, 2018, the amount provided in this  
39 subsection shall lapse.

1       **Sec. 142.** 2017 3rd sp.s. c 1 s 144 (uncodified) is amended to  
2 read as follows:

3       **FOR THE PUBLIC EMPLOYMENT RELATIONS COMMISSION**

4	General Fund—State Appropriation (FY 2018). . . . .	(( <del>\$2,076,000</del> ))
5		<u>\$1,962,000</u>
6	General Fund—State Appropriation (FY 2019). . . . .	(( <del>\$2,251,000</del> ))
7		<u>\$2,140,000</u>
8	Higher Education Personnel Services Account—State	
9	Appropriation. . . . .	\$1,327,000
10	Personnel Service Account—State Appropriation. . . . .	\$4,032,000
11	<u>Pension Funding Stabilization Account—State</u>	
12	<u>Appropriation. . . . .</u>	<u>\$228,000</u>
13	TOTAL APPROPRIATION. . . . .	(( <del>\$9,686,000</del> ))
14		<u>\$9,689,000</u>

15       The appropriation in this section is subject to the following  
16 conditions and limitations: \$5,000 of the general fund—state  
17 appropriation for fiscal year 2019 is provided solely for  
18 implementation of Second Substitute Senate Bill No. 6245 (spoken  
19 language interpreters). If the bill is not enacted by June 30, 2018,  
20 the amount provided in this subsection shall lapse.

21       **Sec. 143.** 2017 3rd sp.s. c 1 s 145 (uncodified) is amended to  
22 read as follows:

23       **FOR THE BOARD OF ACCOUNTANCY**

24	Certified Public Accountants' Account—State	
25	Appropriation. . . . .	(( <del>\$2,907,000</del> ))
26		<u>\$3,244,000</u>

27       **Sec. 144.** 2017 3rd sp.s. c 1 s 147 (uncodified) is amended to  
28 read as follows:

29       **FOR THE DEPARTMENT OF ENTERPRISE SERVICES**

30	General Fund—State Appropriation (FY 2018). . . . .	(( <del>\$4,368,000</del> ))
31		<u>\$4,364,000</u>
32	General Fund—State Appropriation (FY 2019). . . . .	(( <del>\$4,405,000</del> ))
33		<u>\$4,538,000</u>
34	General Fund—Private/Local Appropriation. . . . .	\$102,000
35	Building Code Council Account—State Appropriation. . .	(( <del>\$1,056,000</del> ))
36		<u>\$1,132,000</u>
37	TOTAL APPROPRIATION. . . . .	(( <del>\$9,931,000</del> ))

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

(1) (~~(\$4,031,000)~~) \$3,994,000 of the general fund—state appropriation for fiscal year 2018 and (~~(\$4,082,000)~~) \$3,974,000 of the general fund—state appropriation for fiscal year 2019 are provided solely for the payment of facilities and services charges, utilities and contracts charges, public and historic facilities charges, and capital projects surcharges allocable to the senate, house of representatives, statute law committee, legislative support services, joint legislative systems committee, and office of support services. The department shall allocate charges attributable to these agencies among the affected revolving funds. The department shall maintain an interagency agreement with these agencies to establish performance standards, prioritization of preservation and capital improvement projects, and quality assurance provisions for the delivery of services under this subsection. The legislative agencies named in this subsection shall continue to enjoy all of the same rights of occupancy and space use on the capitol campus as historically established.

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

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

(4) From the fee charged to master contract vendors, the department shall transfer to the office of minority and women's business enterprises in equal monthly installments \$1,500,000 in fiscal year 2018 and \$1,300,000 in fiscal year 2019.

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

1 (6)(a) During the 2017-2019 fiscal biennium, the department must  
2 revise its master contracts with vendors, including cooperative  
3 purchasing agreements under RCW 39.26.060, to include a provision to  
4 require that each vendor agrees to equality among its workers by  
5 ensuring similarly employed individuals are compensated as equals as  
6 follows:

7 (i) Employees are similarly employed if the individuals work for  
8 the same employer, the performance of the job requires comparable  
9 skill, effort, and responsibility, and the jobs are performed under  
10 similar working conditions. Job titles alone are not determinative of  
11 whether employees are similarly employed;

12 (ii) Vendors may allow differentials in compensation for its  
13 workers based in good faith on any of the following:

14 (A) A seniority system; a merit system; a system that measures  
15 earnings by quantity or quality of production; a bona fide job-  
16 related factor or factors; or a bona fide regional difference in  
17 compensation levels.

18 (B) A bona fide job-related factor or factors may include, but  
19 not be limited to, education, training, or experience, that is:  
20 Consistent with business necessity; not based on or derived from a  
21 gender-based differential; and accounts for the entire differential.

22 (C) A bona fide regional difference in compensation level must  
23 be: Consistent with business necessity; not based on or derived from  
24 a gender-based differential; and account for the entire differential.

25 (b) The provision must allow for the termination of the contract  
26 if the public entity using the contract or agreement of the  
27 department of enterprise services determines that the vendor is not  
28 in compliance with this agreement or contract term.

29 (c) The department must implement this provision with any new  
30 contract and at the time of renewal of any existing contract.

31 (d) Any cost for the implementation of this section must be  
32 recouped from the fees charged to master contract vendors.

33 (7) \$14,000 of the general fund—state appropriation for fiscal  
34 year 2019 is provided solely for implementation of Substitute Senate  
35 Bill No. 6081 (distributed generation). If the bill is not enacted by  
36 June 30, 2018, the amount provided in this subsection shall lapse.

37 (8) \$13,000 of the general fund—state appropriation for fiscal  
38 year 2019 is provided solely for implementation of Engrossed Senate  
39 Bill No. 5450 (cross-laminated timber). If the bill is not enacted by  
40 June 30, 2018, the amount provided in this subsection shall lapse.

1       (9) \$130,000 of the general fund—state appropriation for fiscal  
2 year 2019 is provided solely for activities to resolve issues related  
3 to the ferry county memorial public hospital district energy savings  
4 performance contract. The department of enterprise services must  
5 redouble its activities to enforce performance from the energy  
6 savings performance contractor, identify the work necessary to  
7 address the deficiencies of the heating, ventilation, and air  
8 conditioning system (HVAC), and any other actions to make the  
9 hospital district whole under the contract. The department must  
10 provide monthly status reports to the director of the office of  
11 financial management and the legislature on steps, timelines, and  
12 activities to repair the HVAC system and secure contractor  
13 performance. In the May 2018 report, the department must identify  
14 steps that may be taken to improve its master contract to remove  
15 contractors for performance failures from its master contract or to  
16 add other contract remedies to prevent similar events. No moneys may  
17 be expended from the appropriations in this section for department of  
18 enterprise services costs, except for costs related to actual  
19 litigation with the energy savings performance contractor or its  
20 insurer. Moneys may be used for litigation or actual repair and  
21 replacement costs incurred by the hospital associated with the  
22 fulfillment of the contract.

23       **Sec. 145.** 2017 3rd sp.s. c 1 s 149 (uncodified) is amended to  
24 read as follows:

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

26	General Fund—State Appropriation (FY 2018). . . . .	(( <del>\$1,607,000</del> ))
27		<u>\$1,580,000</u>
28	General Fund—State Appropriation (FY 2019). . . . .	(( <del>\$1,633,000</del> ))
29		<u>\$1,659,000</u>
30	General Fund—Federal Appropriation. . . . .	\$2,228,000
31	General Fund—Private/Local Appropriation. . . . .	\$264,000
32	<u>Pension Funding Stabilization Account—State</u>	
33	<u>Appropriation. . . . .</u>	<u>\$136,000</u>
34	TOTAL APPROPRIATION. . . . .	(( <del>\$5,732,000</del> ))
35		<u>\$5,867,000</u>

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





1 (4) The consolidated technology services agency shall provide  
2 desktop support services without charging a per device fee to the  
3 following agencies: The governor's office of Indian affairs, the  
4 commission on Asian Pacific American affairs, the citizen's  
5 commission on salaries for elected officials, the commission on  
6 Hispanic affairs, and the commission on African-American affairs. The  
7 consolidated technology services agency must not withhold or reduce  
8 desktop support services provided to small agencies that had been  
9 receiving desktop support services and had not previously received  
10 appropriations provided specifically for the purpose of reimbursing  
11 the consolidated technology services agency for those services.

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

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. The agency may develop fees to  
26 recover the actual cost of new infrastructure to support increased  
27 use of cloud technologies.

28 (7) \$500,000 of the consolidated technology services revolving  
29 account—state appropriation is provided solely for the agency, in  
30 collaboration with the office of financial management, to conduct a  
31 zero-based budget review of the agency's services. Information and  
32 analysis submitted by the department for the zero-based review under  
33 this subsection shall include:

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

37 (b) A description of how each program or service fits within the  
38 strategic plan and goals of the agency and an analysis of the  
39 quantified objectives of each program or service within the agency;

1 (c) Any available performance measures indicating the  
2 effectiveness and efficiency of each program or service;

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

8 (e) An analysis of the major costs and benefits of operating each  
9 program or service and the rationale for specific expenditure and  
10 staffing levels;

11 (f) An analysis estimating each program's or service's  
12 administrative and other overhead costs;

13 (g) An analysis of the levels of services provided;

14 (h) An analysis estimating the amount of funds or benefits that  
15 actually reach the intended recipients; and

16 (i) An analysis and recommendations for alternative service  
17 delivery models that would save money or improve service quality.

18 ~~((+9))~~ (8) Within existing resources, the agency must provide  
19 oversight of state procurement and contracting for information  
20 technology goods and services by the department of enterprise  
21 services.

22 (9) Within existing resources, the agency must host, administer,  
23 and support the state employee directory in an online format to  
24 provide public employee contact information.

25 (10) \$50,000 of the general fund—state appropriation is provided  
26 solely for the creation of a statewide internet speed test. This will  
27 enable Washingtonians to test their own broadband speed at home and  
28 submit the test to appropriate state agencies to determine internet  
29 speeds consumers are receiving.

(End of part)

**PART II**  
**HUMAN SERVICES**

**Sec. 201.** 2017 3rd sp.s. c 1 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. The department shall complete medicaid  
33 applications in the HealthPlanfinder for households receiving or  
34 applying for public assistance benefits.

35 (7) In accordance with RCW 71.24.380, the health care authority  
36 and the department are authorized to purchase medical and behavioral  
37 health services through integrated contracts upon request of all of  
38 the county authorities in a regional service area to become an early  
39 adopter of fully integrated purchasing of medical and behavioral  
40 health services. The department may combine and transfer such amounts

1 appropriated under sections 204, 208, and 213 of this act as may be  
2 necessary to fund early adopter contracts. The amount of medicaid  
3 funding transferred from each program may not exceed the average per  
4 capita cost assumed in this act for individuals covered by that  
5 program, actuarially adjusted for the health condition of persons  
6 enrolled, times the number of clients enrolled. The amount of non-  
7 medicaid funding transferred from sections 204 and 208 may not exceed  
8 the amount that would have been contracted with a behavioral health  
9 organization if the county authorities had not requested to become an  
10 early adopter of fully integrated purchasing. These limits do not  
11 apply to the amounts provided in section 204(1)(s) of this act. If  
12 any funding that this act provides solely for a specific purpose is  
13 transferred under this subsection, that funding must be used  
14 consistently with the provisions and conditions for which it was  
15 provided.

16 (8) In accordance with RCW 71.24.380, the department is  
17 authorized to purchase mental health and substance use disorder  
18 services through integrated contracts with behavioral health  
19 organizations. The department may combine and transfer such amounts  
20 appropriated under sections 204 and 208 of this act as may be  
21 necessary to finance these behavioral health organization contracts.  
22 If any funding that this act provides solely for a specific purpose  
23 is transferred under this subsection, that funding must be used  
24 consistently with the provisions and conditions for which it was  
25 provided.

26 (9)(a) The appropriations to the department of social and health  
27 services in this act must be expended for the programs and in the  
28 amounts specified in this act. However, after May 1, 2018, unless  
29 prohibited by this act, the department may transfer general fund—  
30 state appropriations for fiscal year 2018 among programs after  
31 approval by the director of the office of financial management.  
32 However, the department may not transfer state moneys that are  
33 provided solely for a specified purpose except as expressly provided  
34 in (b) of this subsection.

35 (b) To the extent that transfers under (a) of this subsection are  
36 insufficient to fund actual expenditures in excess of fiscal year  
37 2018 caseload forecasts and utilization assumptions in the long-term  
38 care, foster care, adoptions support, medical personal care, and  
39 child support programs, the department may transfer state moneys that  
40 are provided solely for a specified purpose. The department may not

1 transfer funds, and the director of the office of financial  
2 management may not approve the transfer, unless the transfer is  
3 consistent with the objective of conserving, to the maximum extent  
4 possible, the expenditure of state funds. The director of the office  
5 of financial management shall notify the appropriate fiscal  
6 committees of the senate and house of representatives in writing  
7 seven days prior to approving any allotment modifications or  
8 transfers under this subsection. The written notification shall  
9 include a narrative explanation and justification of the changes,  
10 along with expenditures and allotments by budget unit and  
11 appropriation, both before and after any allotment modifications or  
12 transfers.

13       **Sec. 202.** 2017 3rd sp.s. c 1 s 202 (uncodified) is amended to  
14 read as follows:

15 **FOR THE DEPARTMENT OF SOCIAL AND HEALTH SERVICES—CHILDREN AND FAMILY**  
16 **SERVICES PROGRAM**

17	General Fund—State Appropriation (FY 2018). . . . .	(( <del>\$348,992,000</del> ))
18		<u>\$345,579,000</u>
19	General Fund—Federal Appropriation. . . . .	(( <del>\$265,365,000</del> ))
20		<u>\$279,095,000</u>
21	General Fund—Private/Local Appropriation. . . . .	\$1,477,000
22	Domestic Violence Prevention Account—State	
23	Appropriation. . . . .	\$1,002,000
24	<u>Pension Funding Stabilization Account—</u>	
25	<u>State Appropriation. . . . .</u>	<u>\$9,132,000</u>
26	TOTAL APPROPRIATION. . . . .	(( <del>\$616,836,000</del> ))
27		<u>\$636,285,000</u>

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

30       (1) \$748,000 of the general fund—state appropriation for fiscal  
31 year 2018 is provided solely to contract for the operation of one  
32 pediatric interim care center. The center shall provide residential  
33 care for up to thirteen children through two years of age. Seventy-  
34 five percent of the children served by the center must be in need of  
35 special care as a result of substance abuse by their mothers. The  
36 center shall also provide on-site training to biological, adoptive,  
37 or foster parents. The center shall provide at least three months of  
38 consultation and support to the parents accepting placement of

1 children from the center. The center may recruit new and current  
2 foster and adoptive parents for infants served by the center. The  
3 department shall not require case management as a condition of the  
4 contract.

5 (2) \$253,000 of the general fund—state appropriation for fiscal  
6 year 2018 is provided solely for the costs of hub home foster  
7 families that provide a foster care delivery model that includes a  
8 licensed hub home. Use of the hub home model is intended to support  
9 foster parent retention, improve child outcomes, and encourage the  
10 least restrictive community placements for children in out-of-home  
11 care.

12 (3) \$579,000 of the general fund—state appropriation for fiscal  
13 year 2018 and \$55,000 of the general fund—federal appropriation are  
14 provided solely for a receiving care center east of the Cascade  
15 mountains.

16 (4) \$990,000 of the general fund—state appropriation for fiscal  
17 year 2018 is provided solely for services provided through children's  
18 advocacy centers.

19 (5) \$1,351,000 of the general fund—state appropriation for fiscal  
20 year 2018 is provided solely for implementation of performance-based  
21 contracts for family support and related services pursuant to RCW  
22 74.13B.020.

23 (6) \$9,474,000 of the general fund—state appropriation for fiscal  
24 year 2018 and \$6,022,000 of the general fund—federal appropriation  
25 are provided solely for family assessment response.

26 (7) \$94,000 of the general fund—state appropriation for fiscal  
27 year 2018 is provided solely for a contract with a child advocacy  
28 center in Spokane to provide continuum of care services for children  
29 who have experienced abuse or neglect and their families.

30 (8) \$1,874,000 of the general fund—state appropriation for fiscal  
31 year 2018 and \$560,000 of the general fund—federal appropriation are  
32 provided solely for the children's administration to reduce the  
33 caseload ratios of social workers serving children in foster care to  
34 promote decreased lengths of stay and to make progress towards  
35 achievement of the Braam settlement caseload outcome.

36 (9)(a) \$539,000 of the general fund—state appropriation for  
37 fiscal year 2018, \$328,000 of the general fund private/local  
38 appropriation, and \$126,000 of the general fund—federal appropriation  
39 are provided solely for a contract with an educational advocacy



1 provider with expertise in foster care educational outreach. The  
2 amounts in this subsection are provided solely for contracted  
3 education coordinators to assist foster children in succeeding in  
4 K-12 and higher education systems and to assure a focus on education  
5 during the department's transition to performance-based contracts.  
6 Funding must be prioritized to regions with high numbers of foster  
7 care youth, or regions where backlogs of youth that have formerly  
8 requested educational outreach services exist. The children's  
9 administration is encouraged to use private matching funds to  
10 maintain educational advocacy services.

11 (b) The children's administration shall contract with the office  
12 of the superintendent of public instruction, which in turn shall  
13 contract with a nongovernmental entity or entities to provide  
14 educational advocacy services pursuant to RCW 28A.300.590.

15 (10) The children's administration shall continue to implement  
16 policies to reduce the percentage of parents requiring supervised  
17 visitation, including clarification of the threshold for transition  
18 from supervised to unsupervised visitation prior to reunification.

19 (11) \$111,000 of the general fund—state appropriation for fiscal  
20 year 2018 and \$26,000 of the general fund—federal appropriation are  
21 provided solely for a base rate increase for licensed family child  
22 care providers. In addition, \$45,000 of the general fund—state  
23 appropriation for fiscal year 2018 and \$11,000 of the general fund—  
24 federal appropriation are provided solely for increasing paid  
25 professional days from three days to five days for licensed family  
26 child care providers. Amounts in this subsection are provided solely  
27 for the 2017-2019 collective bargaining agreement covering family  
28 child care providers as set forth in section 940 of this act. Amounts  
29 provided in this section are contingent upon the enactment of Senate  
30 Bill No. 5969 (transparency in public employee collective  
31 bargaining). If the bill is not enacted by July 31, 2017, the  
32 appropriation in this subsection shall lapse.

33 (12) \$159,000 of the general fund—state appropriation for fiscal  
34 year 2018 and \$65,000 of the general fund—federal appropriation are  
35 provided solely to implement chapter 265, Laws of 2017 (SHB 1867)  
36 (extended foster care).

37 (13) \$100,000 of the general fund—state appropriation for fiscal  
38 year 2018 is provided solely for a contract with a national nonprofit  
39 organization to, in partnership with private matching funds,

1 subcontract with a community organization for specialized, enhanced  
2 adoption placement services for legally free children in state  
3 custody. The contract must supplement, but not supplant, the work of  
4 the children's administration to secure permanent adoptive homes for  
5 children.

6 (14) \$375,000 of the general fund—state appropriation for fiscal  
7 year 2018 and \$56,000 of the general fund—federal appropriation are  
8 provided solely for the children's administration to develop,  
9 implement, and expand strategies to improve the capacity,  
10 reliability, and effectiveness of contracted visitation services for  
11 children in temporary out-of-home care and their parents and  
12 siblings. Strategies may include, but are not limited to, increasing  
13 mileage reimbursement for providers, offering transportation-only  
14 contract options, and mechanisms to reduce the level of parent-child  
15 supervision when doing so is in the best interest of the child. The  
16 children's administration must submit an analysis of the strategies  
17 and associated outcomes no later than October 1, 2018.

18 (15) \$63,000 of the general fund—state appropriation for fiscal  
19 year 2018 and \$19,000 of the general fund—federal appropriation are  
20 provided solely for implementation of Engrossed Second Substitute  
21 House Bill No. 1661 (child, youth, families/department). If the bill  
22 is not enacted by July 31, 2017, the amounts provided in this  
23 subsection shall lapse.

24 (16) The children's administration is encouraged to control  
25 exceptional reimbursement decisions so that the child's needs are met  
26 without excessive costs.

27 (17) \$839,000 of the general fund—state appropriation for fiscal  
28 year 2018 and \$160,000 of the general fund—federal appropriation are  
29 provided solely for a six percent base rate increase for child care  
30 center providers, effective September 1, 2017.

31 (18) \$1,230,000 of the general fund—state appropriation for  
32 fiscal year 2018 and \$78,000 of the general fund—federal  
33 appropriation are provided solely to increase the travel  
34 reimbursement for in-home service providers.

35 (19) \$160,000 of the general fund—state appropriation for fiscal  
36 year 2018 and \$3,000 of the general fund—federal appropriation are  
37 provided solely to implement chapter 207, Laws of 2017 (E2SHB 1819)  
38 (paperwork requirements).

1 (20) \$25,000 of the general fund—state appropriation for fiscal  
2 year 2018 is provided solely for an entity in Yakima county to  
3 provide advocacy and support services to children in foster care.

4 (21) \$203,000 of the general fund—state appropriation for fiscal  
5 year 2018 is provided solely for the department to conduct biennial  
6 inspections and certifications of facilities, both overnight and day  
7 shelters, that serve those who are under 18 years of age and are  
8 homeless.

9 (22) \$863,000 of the general fund—state appropriation for fiscal  
10 year 2018 and \$573,000 of the general fund—federal appropriation are  
11 provided solely to implement Engrossed Substitute Senate Bill No.  
12 5890 (foster care and adoption). Within the amounts provided in this  
13 subsection, \$366,000 of the general fund—state appropriation for  
14 fiscal year 2018 and \$174,000 of the general fund—federal  
15 appropriation are provided solely for short-term care for licensed  
16 foster families. If the bill is not enacted by July 31, 2017, the  
17 amounts provided in this subsection shall lapse.

18 (23) The appropriations in this section include sufficient  
19 funding for the department to operate emergent placement contracts.  
20 The department shall not include the costs to operate emergent  
21 placement contracts in the calculations for family foster home  
22 maintenance payments.

23 (24) The appropriations in this section include sufficient  
24 funding for the implementation of Second Substitute Senate Bill No.  
25 6453 (kinship caregiver legal support).

26 (25) The appropriations in this section include sufficient  
27 funding for the implementation of Substitute Senate Bill No. 6309  
28 (family assessment response).

29 **Sec. 203.** 2017 3rd sp.s. c 1 s 203 (uncodified) is amended to  
30 read as follows:

<b>FOR THE DEPARTMENT OF SOCIAL AND HEALTH SERVICES—JUVENILE</b>	
<b>REHABILITATION PROGRAM</b>	
General Fund—State Appropriation (FY 2018). . . . .	(( <del>\$95,885,000</del> ))
	<u>\$91,247,000</u>
General Fund—State Appropriation (FY 2019). . . . .	(( <del>\$97,123,000</del> ))
	<u>\$94,071,000</u>
General Fund—Federal Appropriation. . . . .	\$3,464,000
General Fund—Private/Local Appropriation. . . . .	\$1,985,000

1	Washington Auto Theft Prevention Authority Account—	
2	State Appropriation. . . . .	\$196,000
3	<u>Pension Funding Stabilization Account—State</u>	
4	<u>Appropriation. . . . .</u>	<u>\$8,721,000</u>
5	TOTAL APPROPRIATION. . . . .	(( <del>\$198,653,000</del> ))
6		<u>\$199,684,000</u>

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

9 (1) \$331,000 of the general fund—state appropriation for fiscal  
10 year 2018 and \$331,000 of the general fund—state appropriation for  
11 fiscal year 2019 are provided solely for deposit in the county  
12 criminal justice assistance account for costs to the criminal justice  
13 system associated with the implementation of chapter 338, Laws of  
14 1997 (juvenile code revisions). The amounts provided in this  
15 subsection are intended to provide funding for county adult court  
16 costs associated with the implementation of chapter 338, Laws of 1997  
17 and shall be distributed in accordance with RCW 82.14.310.

18 (2) \$2,841,000 of the general fund—state appropriation for fiscal  
19 year 2018 and \$2,841,000 of the general fund—state appropriation for  
20 fiscal year 2019 are provided solely for grants to county juvenile  
21 courts for the following juvenile justice programs identified by the  
22 Washington state institute for public policy (institute) in its  
23 report: "Inventory of Evidence-based, Research-based, and Promising  
24 Practices for Prevention and Intervention Services for Children and  
25 Juveniles in the Child Welfare, Juvenile Justice, and Mental Health  
26 Systems." Additional funding for this purpose is provided through an  
27 interagency agreement with the health care authority. County juvenile  
28 courts shall apply to the juvenile rehabilitation administration for  
29 funding for program-specific participation and the administration  
30 shall provide grants to the courts consistent with the per-  
31 participant treatment costs identified by the institute.

32 (3) \$1,537,000 of the general fund—state appropriation for fiscal  
33 year 2018 and \$1,537,000 of the general fund—state appropriation for  
34 fiscal year 2019 are provided solely for expansion of the following  
35 juvenile justice treatments and therapies in juvenile rehabilitation  
36 administration programs identified by the Washington state institute  
37 for public policy in its report: "Inventory of Evidence-based,  
38 Research-based, and Promising Practices for Prevention and  
39 Intervention Services for Children and Juveniles in the Child

1 Welfare, Juvenile Justice, and Mental Health Systems." The  
2 administration may concentrate delivery of these treatments and  
3 therapies at a limited number of programs to deliver the treatments  
4 in a cost-effective manner.

5 (4)(a) \$6,198,000 of the general fund—state appropriation for  
6 fiscal year 2018 and \$6,198,000 of the general fund—state  
7 appropriation for fiscal year 2019 are provided solely to implement  
8 evidence- and research-based programs through community juvenile  
9 accountability grants, administration of the grants, and evaluations  
10 of programs funded by the grants. In addition to funding provided in  
11 this subsection, funding to implement alcohol and substance abuse  
12 treatment programs for locally committed offenders is provided  
13 through an interagency agreement with the health care authority.

14 (b) The juvenile rehabilitation administration shall administer a  
15 block grant to county juvenile courts for the purpose of serving  
16 youth as defined in RCW 13.40.510(4)(a) in the county juvenile  
17 justice system. Funds dedicated to the block grant include:  
18 Consolidated juvenile service (CJS) funds, community juvenile  
19 accountability act (CJAA) grants, chemical dependency/mental health  
20 disposition alternative (CDDA), and suspended disposition alternative  
21 (SDA). The juvenile rehabilitation administration shall follow the  
22 following formula and must prioritize evidence-based programs and  
23 disposition alternatives and take into account juvenile courts  
24 program-eligible youth in conjunction with the number of youth served  
25 in each approved evidence-based program or disposition alternative:  
26 (i) Thirty-seven and one-half percent for the at-risk population of  
27 youth ten to seventeen years old; (ii) fifteen percent for the  
28 assessment of low, moderate, and high-risk youth; (iii) twenty-five  
29 percent for evidence-based program participation; (iv) seventeen and  
30 one-half percent for minority populations; (v) three percent for the  
31 chemical dependency and mental health disposition alternative; and  
32 (vi) two percent for the suspended dispositional alternatives.  
33 Funding for the special sex offender disposition alternative (SSODA)  
34 shall not be included in the block grant, but allocated on the  
35 average daily population in juvenile courts. Funding for the  
36 evidence-based expansion grants shall be excluded from the block  
37 grant formula. Funds may be used for promising practices when  
38 approved by the juvenile rehabilitation administration and juvenile  
39 courts, through the community juvenile accountability act committee,

1 based on the criteria established in consultation with Washington  
2 state institute for public policy and the juvenile courts.

3 (c) If Second Substitute House Bill No. 1280 (referred and  
4 diverted youth) is enacted, then the administration must implement a  
5 stop-loss policy when allocating funding under (b) of this subsection  
6 in the 2017-2019 fiscal biennium. Under the stop-loss policy, funding  
7 formula changes may not result in a funding loss for any juvenile  
8 court of more than two percent from one year to the next. The  
9 committee in (d) of this subsection must establish a minimum base  
10 level of funding for juvenile courts with lower numbers of at-risk  
11 youth age 10 - 17. The administration must report to the legislature  
12 by December 1, 2018, about how funding is used for referred youth and  
13 the impact of that use on overall use of funding. If the bill is not  
14 enacted by July 31, 2017, this subsection is null and void.

15 (d) The juvenile rehabilitation administration and the juvenile  
16 courts shall establish a block grant funding formula oversight  
17 committee with equal representation from the juvenile rehabilitation  
18 administration and the juvenile courts. The purpose of this committee  
19 is to assess the ongoing implementation of the block grant funding  
20 formula, utilizing data-driven decision making and the most current  
21 available information. The committee will be co-chaired by the  
22 juvenile rehabilitation administration and the juvenile courts, who  
23 will also have the ability to change members of the committee as  
24 needed to achieve its purpose. The committee may make changes to the  
25 formula categories in (b) of this subsection if it determines the  
26 changes will increase statewide service delivery or effectiveness of  
27 evidence-based program or disposition alternative resulting in  
28 increased cost/benefit savings to the state, including long-term  
29 cost/benefit savings. The committee must also consider these outcomes  
30 in determining when evidence-based expansion or special sex offender  
31 disposition alternative funds should be included in the block grant  
32 or left separate.

33 (e) The juvenile courts and administrative office of the courts  
34 must collect and distribute information and provide access to the  
35 data systems to the juvenile rehabilitation administration and the  
36 Washington state institute for public policy related to program and  
37 outcome data. The juvenile rehabilitation administration and the  
38 juvenile courts must work collaboratively to develop program outcomes  
39 that reinforce the greatest cost/benefit to the state in the

1 implementation of evidence-based practices and disposition  
2 alternatives.

3 (5) \$98,000 of the general fund—state appropriation for fiscal  
4 year 2018 and \$98,000 of the general fund—state appropriation for  
5 fiscal year 2019 are provided solely to the juvenile block grant  
6 funding formula oversight committee described in subsection (4)(d) of  
7 this section to contract with research entities to: (a) Assist  
8 juvenile justice programs identified as promising practices or  
9 research-based in undergoing the research necessary to demonstrate  
10 that the program is evidence-based; and (b) establish an annual,  
11 county-level evaluation of existing evidence-based juvenile justice  
12 programs.

13 (6) \$557,000 of the general fund—state appropriation for fiscal  
14 year 2018 and \$557,000 of the general fund—state appropriation for  
15 fiscal year 2019 are provided solely for funding of the teamchild  
16 project.

17 (7) \$283,000 of the general fund—state appropriation for fiscal  
18 year 2018 and \$283,000 of the general fund—state appropriation for  
19 fiscal year 2019 are provided solely for the juvenile detention  
20 alternatives initiative.

21 (8) \$500,000 of the general fund—state appropriation for fiscal  
22 year 2018 and \$500,000 of the general fund—state appropriation for  
23 fiscal year 2019 are provided solely for a grant program focused on  
24 criminal street gang prevention and intervention. The juvenile  
25 rehabilitation administration may award grants under this subsection.  
26 The juvenile rehabilitation administration shall give priority to  
27 applicants who have demonstrated the greatest problems with criminal  
28 street gangs. Applicants composed of, at a minimum, one or more local  
29 governmental entities and one or more nonprofit, nongovernmental  
30 organizations that have a documented history of creating and  
31 administering effective criminal street gang prevention and  
32 intervention programs may apply for funding under this subsection.  
33 Each entity receiving funds must report to the juvenile  
34 rehabilitation administration on the number and types of youth  
35 served, the services provided, and the impact of those services on  
36 the youth and the community.

37 (9) The juvenile rehabilitation institutions may use funding  
38 appropriated in this subsection to purchase goods and supplies

1 through hospital group purchasing organizations when it is cost-  
2 effective to do so.

3 (10) \$75,000 of the general fund—state appropriation for fiscal  
4 year 2018 is provided solely for the department to coordinate the  
5 examination of data associated with juvenile gang and firearm  
6 offenses. The review of data must include information from the  
7 administrative office of the courts, the office of the superintendent  
8 of public instruction, the office of financial management—education  
9 research data center, the Washington association of sheriffs and  
10 police chiefs, the caseload forecast council, and the department of  
11 corrections. For the purpose of carrying out the data review, named  
12 organizations are authorized to share data to include details of  
13 criminal arrest and conviction data. The department shall report to  
14 the governor and the appropriate legislative committees by February  
15 1, 2018, with any recommendations for public policy that increases  
16 public safety.

17 (11) \$539,000 of the general fund—state appropriation for fiscal  
18 year 2019 is provided solely for the department to provide housing  
19 services to clients releasing from incarceration into the community.

20 (12) \$75,000 of the general fund—state appropriation for fiscal  
21 year 2019 is provided solely for the implementation of Engrossed  
22 Second Substitute Senate Bill No. 6160 (exclusive adult  
23 jurisdiction). If the bill is not enacted by June 30, 2018, the  
24 amount provided in this subsection shall lapse.

25 **Sec. 204.** 2017 3rd sp.s. c 1 s 204 (uncodified) is amended to  
26 read as follows:

27 **FOR THE DEPARTMENT OF SOCIAL AND HEALTH SERVICES—MENTAL HEALTH**  
28 **PROGRAM**

29 (1) COMMUNITY SERVICES/BEHAVIORAL HEALTH ORGANIZATIONS

30 General Fund—State Appropriation (FY 2018). . . . .	(( <del>\$391,457,000</del> ))
	<u>\$381,760,000</u>
32 ( <del>General Fund—State Appropriation (FY 2019). . . . .</del> )	<del>(\$409,108,000)</del>
33 General Fund—Federal Appropriation. . . . .	(( <del>\$1,021,705,000</del> ))
34	<u>\$481,386,000</u>
35 General Fund—Private/Local Appropriation. . . . .	(( <del>\$17,864,000</del> ))
36	<u>\$8,932,000</u>
37 Dedicated Marijuana Account—State Appropriation	
38 (FY 2018). . . . .	\$3,684,000



1	<del>((Dedicated Marijuana Account—State Appropriation</del>	
2	<del>(FY 2019). . . . .</del>	<del>\$3,684,000))</del>
3	<u>Pension Funding Stabilization Account—State</u>	
4	<u>Appropriation. . . . .</u>	<u>\$39,000</u>
5	TOTAL APPROPRIATION. . . . .	(( <del>\$1,847,502,000</del> ))
6		<u>\$875,801,000</u>

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

9 (a) For the purposes of this subsection, amounts provided for  
10 behavioral health organizations shall also be available for the  
11 health care authority to contract with entities that assume the  
12 responsibilities of behavioral health organizations in regions in  
13 which the health care authority is purchasing medical and behavioral  
14 health services through fully integrated contracts pursuant to RCW  
15 71.24.380.

16 (b) \$6,590,000 of the general fund—state appropriation for fiscal  
17 year 2018(~~(, \$6,590,000 of the general fund—state appropriation for~~  
18 ~~fiscal year 2019,)) and ((~~\$7,620,000~~)) \$3,810,000 of the general fund  
19 —federal appropriation are provided solely for the department and  
20 behavioral health organizations to continue to contract for  
21 implementation of high-intensity programs for assertive community  
22 treatment (PACT) teams. In determining the proportion of medicaid and  
23 nonmedicaid funding provided to behavioral health organizations with  
24 PACT teams, the department shall consider the differences between  
25 behavioral health organizations in the percentages of services and  
26 other costs associated with the teams that are not reimbursable under  
27 medicaid. The department may allow behavioral health organizations  
28 which have nonmedicaid reimbursable costs that are higher than the  
29 nonmedicaid allocation they receive under this section to supplement  
30 these funds with local dollars or funds received under ~~((+g))~~ (f) of  
31 this subsection. The department and behavioral health organizations  
32 shall maintain consistency with all essential elements of the PACT  
33 evidence-based practice model in programs funded under this section.~~

34 (c) From the general fund—state appropriations in this  
35 subsection, the department shall assure that behavioral health  
36 organizations reimburse the department of social and health services  
37 aging and long term support administration for the general fund—state  
38 cost of medicaid personal care services that enrolled behavioral

1 health organization consumers use because of their psychiatric  
2 disability.

3 (d) (~~(\$3,520,000)~~) \$1,760,000 of the general fund—federal  
4 appropriation is provided solely for the department to maintain a  
5 pilot project to put peer bridging staff into each behavioral health  
6 organization as part of the state psychiatric liaison teams to  
7 promote continuity of service as individuals return to their  
8 communities. The department must collect data and submit a report to  
9 the office of financial management and the appropriate committees of  
10 the legislature on the impact of peer staff on state hospital  
11 discharges and community placements by December 1, 2017.

12 ~~(e) (~~(\$6,858,000~~ of the general fund—state appropriation for~~  
13 ~~fiscal year 2019 and \$4,023,000 of the general fund—federal~~  
14 ~~appropriation are provided solely for new crisis triage or~~  
15 ~~stabilization centers. The department must seek proposals from~~  
16 ~~behavioral health organizations for the use of these funds based on~~  
17 ~~regional priorities. Services in these facilities may include crisis~~  
18 ~~stabilization and intervention, individual counseling, peer support,~~  
19 ~~medication management, education, and referral assistance. The~~  
20 ~~department shall monitor each center's effectiveness at lowering the~~  
21 ~~rate of state psychiatric hospital admissions.~~

22 ~~(f))~~) \$15,862,000 of the general fund—state appropriation for  
23 fiscal year 2018 is provided solely to assist behavioral health  
24 organizations with the costs of providing services to medicaid  
25 clients receiving services in psychiatric facilities classified as  
26 institutions of mental diseases. The department must distribute these  
27 amounts proportionate to the number of bed days for medicaid clients  
28 in institutions for mental diseases that were excluded from  
29 behavioral health organization fiscal year 2018 capitation rates  
30 because they exceeded the amounts allowed under federal regulations.  
31 The department must also use these amounts to directly pay for costs  
32 that are ineligible for medicaid reimbursement in institutions of  
33 mental disease facilities for American Indian and Alaska Natives who  
34 opt to receive behavioral health services on a fee for service basis.  
35 The amounts used for these individuals must be reduced from the  
36 allocation of the behavioral health organization where the individual  
37 resides. If a behavioral health organization receives more funding  
38 through this subsection than is needed to pay for the cost of their  
39 medicaid clients in institutions for mental diseases, they must use

1 the remainder of the amounts to provide other services not covered  
2 under the medicaid program. The department must apply for a waiver  
3 from the center for medicaid and medicare services to allow for the  
4 full cost of stays in institutions of mental diseases to be included  
5 in fiscal year 2019 behavioral health organization capitation rates.  
6 The department must submit a report on the status of the waiver to  
7 the office of financial management and the appropriate committees of  
8 the legislature by December 1, 2017.

9 ~~((g))~~ (f) \$81,930,000 of the general fund—state appropriation  
10 for fiscal year 2018 ~~((and \$81,930,000 of the general fund—state~~  
11 ~~appropriation for fiscal year 2019 are))~~ is provided solely for  
12 persons and services not covered by the medicaid program. To the  
13 extent possible, levels of behavioral health organization spending  
14 shall be maintained in the following priority order: Crisis and  
15 commitment services; community inpatient services; and residential  
16 care services, including personal care and emergency housing  
17 assistance. These amounts must be distributed to behavioral health  
18 organizations proportionate to the fiscal year 2017 allocation of  
19 flexible nonmedicaid funds. The department must include the following  
20 language in medicaid contracts with behavioral health organizations  
21 unless they are provided formal notification from the center for  
22 medicaid and medicare services that the language will result in the  
23 loss of federal medicaid participation: "The contractor may  
24 voluntarily provide services that are in addition to those covered  
25 under the state plan, although the cost of these services cannot be  
26 included when determining payment rates unless including these costs  
27 are specifically allowed under federal law or an approved waiver."

28 ~~((h))~~ (g) The department is authorized to continue to contract  
29 directly, rather than through contracts with behavioral health  
30 organizations for children's long-term inpatient facility services.

31 ~~((i))~~ (h) \$1,125,000 of the general fund—state appropriation  
32 for fiscal year 2018 ~~((and \$1,125,000 of the general fund—state~~  
33 ~~appropriation for fiscal year 2019 are))~~ is provided solely for the  
34 Spokane county behavioral health organization to implement services  
35 to reduce utilization and the census at eastern state hospital. Such  
36 services shall include:

37 (A) High intensity treatment team for persons who are high  
38 utilizers of psychiatric inpatient services, including those with co-  
39 occurring disorders and other special needs;

1 (B) Crisis outreach and diversion services to stabilize in the  
2 community individuals in crisis who are at risk of requiring  
3 inpatient care or jail services;

4 (C) Mental health services provided in nursing facilities to  
5 individuals with dementia, and consultation to facility staff  
6 treating those individuals; and

7 (D) Services at the sixteen-bed evaluation and treatment  
8 facility.

9 At least annually, the Spokane county behavioral health  
10 organization shall assess the effectiveness of these services in  
11 reducing utilization at eastern state hospital, identify services  
12 that are not optimally effective, and modify those services to  
13 improve their effectiveness.

14 ~~((+j))~~ (i) \$1,204,000 of the general fund—state appropriation  
15 for fiscal year 2018 ~~((and \$1,204,000 of the general fund—state~~  
16 ~~appropriation for fiscal year 2019 are))~~ is provided solely to  
17 reimburse Pierce and Spokane counties for the cost of conducting 180-  
18 day commitment hearings at the state psychiatric hospitals.

19 ~~((+k))~~ (j) Behavioral health organizations may use local funds  
20 to earn additional federal medicaid match, provided the locally  
21 matched rate does not exceed the upper-bound of their federally  
22 allowable rate range, and provided that the enhanced funding is used  
23 only to provide medicaid state plan or waiver services to medicaid  
24 clients. Additionally, behavioral health organizations may use a  
25 portion of the state funds allocated in accordance with (g) of this  
26 subsection to earn additional medicaid match, but only to the extent  
27 that the application of such funds to medicaid services does not  
28 diminish the level of crisis and commitment, community inpatient,  
29 residential care, and outpatient services presently available to  
30 persons not eligible for medicaid.

31 ~~((+l))~~ (k) \$2,291,000 of the general fund—state appropriation  
32 for fiscal year 2018 ~~((and \$2,291,000 of the general fund—state~~  
33 ~~appropriation for fiscal year 2019 are))~~ is provided solely for  
34 mental health services for mentally ill offenders while confined in a  
35 county or city jail and for facilitating access to programs that  
36 offer mental health services upon release from confinement. The  
37 department must collect information from the behavioral health  
38 organizations on their plan for using these funds, the numbers of  
39 individuals served, and the types of services provided and submit a

1 report to the office of financial management and the appropriate  
2 fiscal committees of the legislature by December 1st of each year of  
3 the biennium.

4 ~~((+m))~~ (l) Within the amounts appropriated in this section,  
5 funding is provided for the department to develop and phase in  
6 intensive mental health services for high needs youth consistent with  
7 the settlement agreement in *T.R. v. Dreyfus and Porter*.

8 ~~((+n))~~ (m) The department must establish minimum and maximum  
9 funding levels for all reserves allowed under behavioral health  
10 organization contracts and insert contract language that clearly  
11 states the requirements and limitations. The department must monitor  
12 and ensure that behavioral health organization reserves do not exceed  
13 maximum levels. The department must monitor behavioral health  
14 organization revenue and expenditure reports and must require a  
15 behavioral health organization to submit a corrective action plan on  
16 how it will spend its excess reserves within a reasonable period of  
17 time, when its reported reserves exceed maximum levels established  
18 under the contract. The department must review and approve such plans  
19 and monitor to ensure compliance. If the department determines that a  
20 behavioral health organization has failed to provide an adequate  
21 excess reserve corrective action plan or is not complying with an  
22 approved plan, the department must reduce payments to the behavioral  
23 health organization in accordance with remedial actions provisions  
24 included in the contract. These reductions in payments must continue  
25 until the department determines that the behavioral health  
26 organization has come into substantial compliance with an approved  
27 excess reserve corrective action plan.

28 ~~((+o))~~ (n) \$2,309,000 of the general fund—state appropriation  
29 for fiscal year 2018(~~(, \$3,079,000 of the general fund—state~~  
30 ~~appropriation for fiscal year 2019,)) and ~~(( \$5,061,000))~~ \$2,169,000  
31 of the general fund—federal appropriation are provided solely for the  
32 department to increase rates for community hospitals that provide a  
33 minimum of 200 medicaid psychiatric inpatient days. The department  
34 must increase both medicaid and nonmedicaid psychiatric per-diem  
35 reimbursement rates for these providers within these amounts. The  
36 amounts in this subsection include funding for additional hold  
37 harmless payments resulting from the rate increase. The department  
38 shall prioritize increases for hospitals not currently paid based on  
39 provider specific costs using a similar methodology used to set rate~~

1 for existing inpatient facilities and the latest available cost  
2 report information. Rate increases for providers must be set so as  
3 not to exceed the amounts provided within this subsection. The rate  
4 increase related to nonmedicaid clients must be done to maintain the  
5 provider at the same percentage as currently required under WAC  
6 182-550-4800.

7 ~~((p))~~ (o) \$100,000 of the general fund—state appropriation for  
8 fiscal year 2018 ~~((and \$100,000 of the general fund state  
9 appropriation for fiscal year 2019 are))~~ is provided solely for the  
10 department to collaborate with tribal governments and develop a plan  
11 for establishing an evaluation and treatment facility that will  
12 specialize in providing care specifically to the American Indian and  
13 Alaska Native population. The plan must include options for  
14 maximizing federal participation ~~((and ensuring))~~, ensure that  
15 utilization will be based on medical necessity, and identify a  
16 specific geographic location where a tribal evaluation and treatment  
17 facility will be built.

18 ~~((q))~~ (p) \$1,466,000 of the general fund—state appropriation  
19 for fiscal year 2018~~((, \$7,103,000 of the general fund state  
20 appropriation for fiscal year 2019,))~~ and ~~(((\$9,715,000))~~ \$1,663,000  
21 of the general fund—federal appropriation are provided solely for the  
22 department to contract with community hospitals or freestanding  
23 evaluation and treatment centers to provide up to forty-eight long-  
24 term inpatient care beds as defined in RCW 71.24.025. The department  
25 must seek proposals and contract directly for these services rather  
26 than contracting through behavioral health organizations. The  
27 department must coordinate with the department of social and health  
28 services in developing the contract requirements, selecting  
29 contractors, and establishing processes for identifying patients that  
30 will be admitted to these facilities. The department must not use any  
31 of the amounts provided under this subsection for contracts with  
32 facilities that are subject to federal funding restrictions that  
33 apply to institutions of mental diseases, unless they have received a  
34 waiver that allows for full federal participation in these  
35 facilities.

36 ~~((r) \$1,133,000 of the general fund state appropriation for  
37 fiscal year 2019 and \$1,297,000 of the general fund federal  
38 appropriation are provided solely to increase the number of  
39 psychiatric residential treatment beds for individuals transitioning~~

1 from psychiatric inpatient settings. The department must seek  
2 proposals from behavioral health organizations for the use of these  
3 amounts and coordinate with the department of social and health  
4 services in awarding these funds. The department must not allow for  
5 any of the amounts provided under this subsection to be used for  
6 services in facilities that are subject to federal funding  
7 restrictions that apply to institutions of mental diseases, unless  
8 they have received a waiver that allows for full federal  
9 participation in these facilities.

10 ~~(s))~~ (q) \$4,983,000 of the general fund—state appropriation for  
11 fiscal year 2018(~~(, \$6,744,000 of the general fund state~~  
12 ~~appropriation for fiscal year 2019,))~~ and (~~(\$25,365,000)~~) \$10,849,000  
13 of the general fund—federal appropriation are provided solely for the  
14 department to increase medicaid capitation payments for behavioral  
15 health organizations. The department must work with the actuaries  
16 responsible for certifying behavioral health capitation rates to  
17 adjust average salary assumptions in order to implement this  
18 increase. In developing further updates for medicaid managed care  
19 rates for behavioral health services, the department must include and  
20 make available all applicable documents and analysis to legislative  
21 staff from the fiscal committees throughout the process. The  
22 department must require the actuaries to develop and submit rate  
23 ranges for each behavioral health organization prior to certification  
24 of specific rates.

25 ~~((t))~~ (r) The number of beds allocated for use by behavioral  
26 health organizations at eastern state hospital shall be 192 per day.  
27 The number of nonforensic beds allocated for use by behavioral health  
28 organizations at western state hospital shall be 557 per day. In  
29 fiscal year 2019, the department must reduce the number of beds  
30 allocated for use by behavioral health organizations at western state  
31 hospital by 30 beds to allow for the repurposing of a civil ward at  
32 western state hospital to provide forensic services. The contracted  
33 beds provided under ~~((q))~~ (p) of this subsection shall be allocated  
34 to the behavioral health organizations in lieu of beds at the state  
35 hospitals and be incorporated in their allocation of state hospital  
36 patient days of care for the purposes of calculating reimbursements  
37 pursuant to RCW 71.24.310. It is the intent of the legislature to  
38 continue the policy of expanding community based alternatives for

1 long term civil commitment services that allow for state hospital  
2 beds to be prioritized for forensic patients.

3 ~~((+))~~ (s) \$11,405,000 of the general fund—state appropriation  
4 for fiscal year 2018 ~~((, \$11,405,000 of the general fund—state~~  
5 ~~appropriation for fiscal year 2019,))~~ and ~~(((\$17,680,000))~~ \$8,840,000  
6 of the general fund—federal appropriation are provided solely to  
7 maintain enhancements of community mental health services. The  
8 department must contract these funds for the operation of community  
9 programs in which the department determines there is a need for  
10 capacity that allows individuals to be diverted or transitioned from  
11 the state hospitals including but not limited to: (i) Community  
12 hospital or free standing evaluation and treatment services providing  
13 short-term detention and commitment services under the involuntary  
14 treatment act to be located in the geographic areas of the King  
15 behavioral health organization, the Spokane behavioral health  
16 organization outside of Spokane county, and the Thurston Mason  
17 behavioral health organization; (ii) one new full program of an  
18 assertive community treatment team in the King behavioral health  
19 organization and two new half programs of assertive community  
20 treatment teams in the Spokane behavioral health organization and the  
21 Pierce behavioral health organization; and (iii) three new recovery  
22 support services programs in the Great Rivers behavioral health  
23 organization, the greater Columbia behavioral health organization,  
24 and the north sound behavioral health organization. In contracting  
25 for community evaluation and treatment services, the department may  
26 not use these resources in facilities that meet the criteria to be  
27 classified under federal law as institutions for mental diseases. If  
28 the department is unable to come to a contract agreement with a  
29 designated behavioral health organization for any of the services  
30 identified above, it may consider contracting for that service in  
31 another region that has the need for such service.

32 ~~((+))~~ (t) \$200,000 of the general fund—state appropriation for  
33 fiscal year 2018 ~~((and \$1,296,000 of the general fund—state~~  
34 ~~appropriation for fiscal year 2019 are))~~ is provided solely for  
35 clubhouse programs. ~~((Of this amount, \$400,000 must be used for~~  
36 ~~support of the Spokane clubhouse program and the remaining funds must~~  
37 ~~be used for support of new clubhouse programs.))~~ The department must  
38 develop options and cost estimates for implementation of clubhouse  
39 programs statewide through a medicaid state plan amendment or a



1 medicaid waiver and submit a report to the office of financial  
2 management and the appropriate committees of the legislature by  
3 December 1, 2018.

4 ~~((w))~~ (u) \$212,000 of the general fund—state appropriation for  
5 fiscal year 2018 ~~((and \$213,000 of the general fund—state  
6 appropriation for fiscal year 2019 are))~~ is provided solely to fund  
7 one pilot project in Pierce county and one in Yakima county to  
8 promote increased utilization of assisted outpatient treatment  
9 programs. The department shall require two behavioral health  
10 organizations to contract with local government to establish the  
11 necessary infrastructure for the programs. The department, in  
12 collaboration with the health care authority, shall provide a report  
13 by October 15, 2018, to the office of financial management and the  
14 appropriate fiscal and policy committees of the legislature to  
15 include the number of individuals served, outcomes to include reduced  
16 use of inpatient treatment and state hospital stays, and  
17 recommendations for further implementation based on lessons learned  
18 and best practices identified by the pilot projects.

19 ~~((x))~~ (v) The department, in collaboration with the health care  
20 authority, shall work to ensure that a single platform provider  
21 credentialing system is implemented. The authority and department  
22 shall ensure that appropriate cost offsets and cost avoidance are  
23 assumed for reduced staff time required for provider credentialing  
24 activity and reductions in improper billing activity when  
25 implementing provider credentialing systems.

26 (2) INSTITUTIONAL SERVICES

27	General Fund—State Appropriation (FY 2018). . . . .	<del>(\$286,936,000)</del>
28		<u>\$330,371,000</u>
29	General Fund—State Appropriation (FY 2019). . . . .	<del>(\$277,823,000)</del>
30		<u>\$261,645,000</u>
31	General Fund—Federal Appropriation. . . . .	<del>(\$148,093,000)</del>
32		<u>\$181,903,000</u>
33	General Fund—Private/Local Appropriation. . . . .	<del>(\$52,630,000)</del>
34		<u>\$61,282,000</u>
35	<u>Pension Funding Stabilization Account—State</u>	
36	<u>Appropriation. . . . .</u>	<u>\$34,746,000</u>
37	TOTAL APPROPRIATION. . . . .	<del>(\$765,482,000)</del>
38		<u>\$869,947,000</u>

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

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

6 (b) \$311,000 of the general fund—state appropriation for fiscal  
7 year 2018 and \$310,000 of the general fund—state appropriation for  
8 fiscal year 2019 are provided solely for a community partnership  
9 between western state hospital and the city of Lakewood to support  
10 community policing efforts in the Lakewood community surrounding  
11 western state hospital. The amounts provided in this subsection  
12 (2)(b) are for the salaries, benefits, supplies, and equipment for  
13 one full-time investigator, one full-time police officer, and one  
14 full-time community service officer at the city of Lakewood. The  
15 department must collect data from the city of Lakewood on the use of  
16 the funds and the number of calls responded to by the community  
17 policing program and submit a report with this information to the  
18 office of financial management and the appropriate fiscal committees  
19 of the legislature each December of the fiscal biennium.

20 (c) \$45,000 of the general fund—state appropriation for fiscal  
21 year 2018 and \$45,000 of the general fund—state appropriation for  
22 fiscal year 2019 are provided solely for payment to the city of  
23 Lakewood for police services provided by the city at western state  
24 hospital and adjacent areas.

25 (d) \$44,000 of the general fund—state appropriation for fiscal  
26 year 2018 and \$19,000 of the general fund—state appropriation for  
27 fiscal year 2019 are provided solely for payment to the city of  
28 Medical Lake for police services provided by the city at eastern  
29 state hospital and adjacent areas. The city must develop a proposal  
30 and estimated costs for developing a community policing program in  
31 the area surrounding eastern state hospital and submit the proposal  
32 to the department by September 30, (~~2017~~) 2018. The city must  
33 provide current and historical data for police services to eastern  
34 state hospital and adjacent areas which justify funding for a  
35 community policing program and continued funding for base police  
36 services and a community policing program.

37 (e) \$25,053,000 of the general fund—state appropriation for  
38 fiscal year 2018 and \$25,847,000 of the general fund—state  
39 appropriation for fiscal year 2019 are provided solely for

1 implementation of efforts to improve the timeliness of competency  
2 restoration services pursuant to chapter 5, Laws of 2015 (SSB 5889)  
3 (timeliness of competency treatment and evaluation services). These  
4 amounts must be used to maintain and further increase the number of  
5 forensic beds at western state hospital and eastern state hospital.  
6 Pursuant to chapter 7, Laws of 2015 1st sp. sess. (2E2SSB 5177)  
7 (timeliness of competency treatment and evaluation services), the  
8 department may contract some of these amounts for services at  
9 alternative locations if the secretary determines that there is a  
10 need.

11 (f) \$3,261,000 of the general fund—state appropriation for fiscal  
12 year 2018 and \$3,261,000 of the general fund—state appropriation for  
13 fiscal year 2019 are provided solely to maintain implementation of  
14 efforts to improve the timeliness of competency evaluation services  
15 for individuals who are in local jails pursuant to chapter 5, Laws of  
16 2015 (SSB 5889) (timeliness of competency treatment and evaluation  
17 services). This funding must be used solely to maintain increases in  
18 the number of staff providing competency evaluation services.

19 (g) \$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 the department to hire an  
22 on-site safety compliance officer, stationed at Western State  
23 Hospital, to provide oversight and accountability of the hospital's  
24 response to safety concerns regarding the hospital's work  
25 environment.

26 (h) \$20,234,000 of the general fund—state appropriation for  
27 fiscal year 2018 and (~~(\$20,234,000)~~) \$32,424,000 of the general fund—  
28 state appropriation for fiscal year 2019 are provided solely to meet  
29 the requirements of the systems improvement agreement with the  
30 centers for medicare and medicaid services as outlined in seven  
31 conditions of participation and to maintain federal funding. The  
32 department shall specifically account for all spending related to the  
33 agreement and reconcile it back to the original funding plan. Changes  
34 of more than ten percent in any area of the spending plan must be  
35 submitted to the office of financial management for approval. The  
36 department must submit a financial analysis to the office of  
37 financial management and the appropriate committees of the  
38 legislature which compares current staffing levels at eastern and  
39 western state hospitals, at the ward level, with the specific

1 staffing levels recommended in the state hospitals' clinical model  
2 analysis project report submitted by OTB Solutions in 2016. To the  
3 extent that the financial analysis includes any differential in  
4 staffing from what was recommended in the report, the department must  
5 clearly identify these differences and the associated costs. The  
6 department must submit the financial analysis by September 1, 2017.

7 (i) Within these amounts, the department must hire chemical  
8 dependency professionals to provide integrated substance use disorder  
9 and mental health treatment at the state psychiatric hospitals.

10 (j) \$1,000 of the general fund—state appropriation for fiscal  
11 year 2018 and \$2,000 of the general fund—state appropriation for  
12 fiscal year 2019 are provided solely for the implementation of Senate  
13 Bill No. 5118 (personal needs allowance). If the bill is not enacted  
14 by July 31, 2017, the amounts provided in this subsection shall  
15 lapse.

16 (k) \$1,148,000 of the general fund—state appropriation for fiscal  
17 year 2019 is provided solely for purposes of maintaining basic life-  
18 and-safety equipment and structures in a manner that supports a safe  
19 and compliant environment of care at the state hospitals. The  
20 department must develop a budget structure that allows for  
21 transparency in the management and monitoring of these expenditures  
22 as well as related performance and outcomes. The department must  
23 report to the office of financial management on expenditure levels  
24 and outcomes achieved at the close of each fiscal year.

25 (l) The department must develop and make progress towards  
26 implementing an acuity based staffing model at western state hospital  
27 and eastern state hospital that is based on Oregon state hospital's  
28 staffing model. The model must take patient mix, staff mix, tasks,  
29 and physical plant organization into consideration. In analyzing,  
30 developing, and phasing in a state hospital psychiatric staffing  
31 model, the department shall:

32 (i) Develop standards for hospital metrics such as staff mix, use  
33 of overtime, and use of extra duty pay;

34 (ii) Use the Oregon state hospital staffing model to assess  
35 maintenance staffing needs at the state psychiatric hospitals;

36 (iii) Work with the office of financial management's labor  
37 relations office and state labor unions to move toward the most  
38 appropriate staffing levels and staff mix;

1 (iv) Assess and develop appropriate staffing levels at  
2 headquarters to support daily operations at the state psychiatric  
3 hospitals, monitor process measures, provide accurate data analysis,  
4 and monitor state hospitals budget performance;

5 (v) Use the newly developed staffing model to inform future  
6 budget requests for staffing at the state hospitals; and

7 (vi) Develop, track and, report performance measures such as:

8 (A) Hospital treatment results such as: Length of stay, discharge  
9 management, active treatment planning, medication administration, and  
10 patient and staff aggression;

11 (B) Shared services for consolidated maintenance and operations,  
12 consolidated institutional business services, and human resources;  
13 and

14 (C) Fiscal management, overtime usage, and recruitment and  
15 retention.

16 (m) \$20,000 of the general fund—state appropriation for fiscal  
17 year 2019 and \$8,000 of the general fund—federal appropriation are  
18 provided solely to implement Substitute Senate Bill No. 6237  
19 (personal needs allowance) or Substitute House Bill No. 2651  
20 (personal needs allowance). If neither bill is enacted by June 30,  
21 2018, the amounts provided in this subsection shall lapse.

22 (n) \$46,601,000 of the general fund—state appropriation for  
23 fiscal year 2018 is provided solely for the department to pay fines  
24 for failing to meet court ordered timelines for competency  
25 restoration and evaluations under *Trueblood v. Department of Social*  
26 *and Health Services.*

27 (o) \$420,000 of the general fund—state appropriation for fiscal  
28 year 2018 and \$9,154,000 of the general fund—state appropriation for  
29 fiscal year 2019 are provided solely to operate forty-five forensic  
30 beds at western state hospital.

31 (3) SPECIAL PROJECTS

32	General Fund—State Appropriation (FY 2018). . . . .	(( <del>\$514,000</del> ))
33		\$486,000
34	<del>((General Fund—State Appropriation (FY 2019). . . . .</del>	<del>\$508,000))</del>
35	General Fund—Federal Appropriation. . . . .	(( <del>\$25,852,000</del> ))
36		\$3,148,000
37	<u>Pension Funding Stabilization Account—State</u>	
38	<u>Appropriation. . . . .</u>	\$28,000
39	TOTAL APPROPRIATION. . . . .	(( <del>\$26,874,000</del> ))

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

(a) \$446,000 of the general fund—state appropriation for fiscal year 2018, \$446,000 of the general fund—state appropriation for fiscal year 2019, and \$178,000 of the general fund—federal appropriation are provided solely for the University of Washington's evidence-based practice institute which supports the identification, evaluation, and implementation of evidence-based or promising practices. The institute must work with the department to develop a plan to seek private, federal, or other grant funding in order to reduce the need for state general funds. The department must collect information from the institute on the use of these funds and submit a report to the office of financial management and the appropriate fiscal committees of the legislature by December 1st of each year of the biennium.

(b) No more than \$19,557,000 of the general fund—federal appropriation may be expended for supported housing and employment services described in initiative 3a and 3b of the medicaid transformation demonstration waiver under healthier Washington. Under this initiative, the department and the health care authority shall ensure that allowable and necessary services are provided to eligible clients as identified by the department or its providers or third party administrator. The department and the authority in consultation with the medicaid forecast work group, shall ensure that reasonable reimbursements are established for services deemed necessary within an identified limit per individual. The department shall not increase general fund—state expenditures under this initiative. The secretary in collaboration with the director of the authority shall report to the joint select committee on health care oversight no less than quarterly on financial and health outcomes. The secretary in cooperation with the director shall also report to the fiscal committees of the legislature all of the expenditures of this subsection and shall provide such fiscal data in the time, manner, and form requested by the legislative fiscal committees.

(4) PROGRAM SUPPORT

General Fund—State Appropriation (FY 2018). . . . .	(( <del>\$10,175,000</del> ))
	<u>\$9,303,000</u>
General Fund—State Appropriation (FY 2019). . . . .	(( <del>\$9,543,000</del> ))

1		<u>\$2,979,000</u>
2	General Fund—Federal Appropriation. . . . .	(( <del>\$12,046,000</del> ))
3		<u>\$8,310,000</u>
4	General Fund—Private/Local Appropriation. . . . .	(( <del>\$502,000</del> ))
5		<u>\$251,000</u>
6	<u>Pension Funding Stabilization Account—State</u>	
7	<u>Appropriation. . . . .</u>	<u>\$526,000</u>
8	TOTAL APPROPRIATION. . . . .	(( <del>\$32,266,000</del> ))
9		<u>\$21,369,000</u>

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

12       (a) The department must complete an update of the state quality  
13 strategy required under federal managed care regulations and submit  
14 to the center for medicaid and medicare services by October 1, 2017.  
15 The department must provide a report to the office of financial  
16 management and the appropriate committees of the legislature by  
17 December 1, 2017, which includes the following: (i) A copy of the  
18 quality strategy submitted to the center for medicaid and medicare  
19 services; (ii) identification of all performance measures that are  
20 currently being measured for behavioral health organizations, and  
21 managed care organizations and the variations in performance among  
22 these entities; (iii) identification of any performance measures that  
23 are included in behavioral health organization and managed care  
24 organization 2018 contracts and whether these measures are connected  
25 to payment; and (iv) identification of any performance measures  
26 planned for incorporation of behavioral health organization and  
27 managed care organization 2019 contracts and whether these measures  
28 will be connected to payment during that contract period.

29       (b) \$62,000 of the general fund—state appropriation for fiscal  
30 year 2018 and \$41,000 of the general fund—federal appropriation are  
31 provided solely for the implementation of chapter 207, Laws of 2017  
32 (E2SHB 1819) (children's mental health).

33       (c) In accordance with RCW 43.20B.110, 43.135.055, and 71.24.035,  
34 the department is authorized to adopt license and certification fees  
35 in fiscal year((s)) 2018 ((and—2019)) to support the costs of the  
36 regulatory program. The department's fee schedule shall have  
37 differential rates for providers with proof of accreditation from  
38 organizations that the department has determined to have  
39 substantially equivalent standards to those of the department,

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

8 **Sec. 205.** 2017 3rd sp.s. c 1 s 205 (uncodified) is amended to  
9 read as follows:

10 **FOR THE DEPARTMENT OF SOCIAL AND HEALTH SERVICES—DEVELOPMENTAL**  
11 **DISABILITIES PROGRAM**

12 (1) COMMUNITY SERVICES

13	General Fund—State Appropriation (FY 2018). . . . .	(( <del>\$612,748,000</del> ))
14		<u>\$601,623,000</u>
15	General Fund—State Appropriation (FY 2019). . . . .	(( <del>\$662,252,000</del> ))
16		<u>\$663,405,000</u>
17	General Fund—Federal Appropriation. . . . .	(( <del>\$1,301,629,000</del> ))
18		<u>\$1,300,247,000</u>
19	General Fund—Private/Local Appropriation. . . . .	\$534,000
20	<u>Pension Funding Stabilization Account—State</u>	
21	<u>Appropriation. . . . .</u>	<u>\$6,872,000</u>
22	TOTAL APPROPRIATION. . . . .	(( <del>\$2,577,163,000</del> ))
23		<u>\$2,572,681,000</u>

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

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

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



1 (i) The current annual renewal license fee for adult family homes  
2 shall be \$225 per bed beginning in fiscal year 2018 and \$225 per bed  
3 beginning in fiscal year 2019. A processing fee of \$2,750 shall be  
4 charged to each adult family home when the home is initially  
5 licensed. This fee is nonrefundable. A processing fee of \$700 shall  
6 be charged when adult family home providers file a change of  
7 ownership application.

8 (ii) The current annual renewal license fee for assisted living  
9 facilities shall be \$106 per bed beginning in fiscal year 2018 and  
10 (~~(\$106)~~) \$116 per bed beginning in fiscal year 2019.

11 (iii) The current annual renewal license fee for nursing  
12 facilities shall be \$359 per bed beginning in fiscal year 2018 and  
13 \$359 per bed beginning in fiscal year 2019.

14 (c) \$7,142,000 of the general fund—state appropriation for fiscal  
15 year 2018, \$18,249,000 of the general fund—state appropriation for  
16 fiscal year 2019, and \$27,336,000 of the general fund—federal  
17 appropriation are provided solely for the implementation of the  
18 agreement reached between the governor and the service employees  
19 international union healthcare 775nw under the provisions of chapters  
20 74.39A and 41.56 RCW for the 2017-2019 fiscal biennium. Funding is  
21 contingent upon the enactment of Senate Bill No. 5969 (transparency  
22 in public employee collective bargaining). If the bill is not enacted  
23 by July 31, 2017, the appropriation in this subsection shall lapse.

24 (d) \$787,000 of the general fund—state appropriation for fiscal  
25 year 2018, \$2,183,000 of the general fund—state appropriation for  
26 fiscal year 2019, and \$3,714,000 of the general fund—federal  
27 appropriation are provided solely for the homecare agency parity  
28 impacts of the agreement between the governor and the service  
29 employees international union healthcare 775nw. Funding is contingent  
30 upon the enactment of Senate Bill No. 5969 (transparency in public  
31 employee collective bargaining). If the bill is not enacted by July  
32 31, 2017, the appropriation in this subsection shall lapse.

33 (e) The department may authorize a one-time waiver of all or any  
34 portion of the licensing and processing fees required under RCW  
35 70.128.060 in any case in which the department determines that an  
36 adult family home is being relicensed because of exceptional  
37 circumstances, such as death or incapacity of a provider, and that to  
38 require the full payment of the licensing and processing fees would  
39 present a hardship to the applicant. In these situations the

1 department is also granted the authority to waive the required  
2 residential administrator training for a period of 120 days if  
3 necessary to ensure continuity of care during the relicensing  
4 process.

5 (f) Community residential cost reports that are submitted by or  
6 on behalf of contracted agency providers are required to include  
7 information about agency staffing including health insurance, wages,  
8 number of positions, and turnover.

9 (g) \$650,000 of the general fund—state appropriation for fiscal  
10 year 2018, \$650,000 of the general fund—state appropriation for  
11 fiscal year 2019, and \$800,000 of the general fund—federal  
12 appropriation are provided solely for the development and  
13 implementation of eight enhanced respite beds across the state for  
14 children. These services are intended to provide families and  
15 caregivers with a break in caregiving, the opportunity for behavioral  
16 stabilization of the child, and the ability to partner with the state  
17 in the development of an individualized service plan that allows the  
18 child to remain in his or her family home. The department must  
19 provide the legislature with a respite utilization report in January  
20 of each year that provides information about the number of children  
21 who have used enhanced respite in the preceding year, as well as the  
22 location and number of days per month that each respite bed was  
23 occupied.

24 (h) \$900,000 of the general fund—state appropriation for fiscal  
25 year 2018 and \$900,000 of the general fund—state appropriation for  
26 fiscal year 2019 are provided solely for the development and  
27 implementation of eight community respite beds across the state for  
28 adults. These services are intended to provide families and  
29 caregivers with a break in caregiving and the opportunity for  
30 stabilization of the individual in a community-based setting as an  
31 alternative to using a residential habilitation center to provide  
32 planned or emergent respite. The department must provide the  
33 legislature with a respite utilization report by January of each year  
34 that provides information about the number of individuals who have  
35 used community respite in the preceding year, as well as the location  
36 and number of days per month that each respite bed was occupied.

37 (i) \$100,000 of the general fund—state appropriation for fiscal  
38 year 2018, \$95,000 of the general fund—state appropriation for fiscal  
39 year 2019, and \$195,000 of the general fund—federal appropriation are

1 provided solely for discharge case managers stationed at the state  
2 psychiatric hospitals. Discharge case managers will transition  
3 clients ready for hospital discharge into less restrictive  
4 alternative community placements. The transition of clients ready for  
5 discharge will free up bed capacity at the state psychiatric  
6 hospitals.

7 (j) \$1,239,000 of the general fund—state appropriation for fiscal  
8 year 2018, \$2,055,000 of the general fund—state appropriation for  
9 fiscal year 2019, and \$3,218,000 of the general fund—federal  
10 appropriation are provided solely to create new community alternative  
11 placement beds that prioritize the transition of clients who are  
12 ready for discharge from the state psychiatric hospitals, but who  
13 have additional long-term care or developmental disability needs.

14 (i) Community alternative placement beds include enhanced service  
15 facility beds, adult family home beds, skilled nursing facility beds,  
16 shared supportive housing beds, state operated living alternative  
17 beds, and assisted living facility beds.

18 (ii) Each client must receive an individualized assessment prior  
19 to leaving one of the state psychiatric hospitals. The individualized  
20 assessment must identify and authorize personal care, nursing care,  
21 behavioral health stabilization, physical therapy, or other necessary  
22 services to meet the unique needs of each client. It is the  
23 expectation that, in most cases, staffing ratios in all community  
24 alternative placement options described in (j)(i) of this subsection  
25 will need to increase to meet the needs of clients leaving the state  
26 psychiatric hospitals. If specialized training is necessary to meet  
27 the needs of a client before he or she enters a community placement,  
28 then the person centered service plan must also identify and  
29 authorize this training.

30 (iii) When reviewing placement options, the department must  
31 consider the safety of other residents, as well as the safety of  
32 staff, in a facility. An initial evaluation of each placement,  
33 including any documented safety concerns, must occur within thirty  
34 days of a client leaving one of the state psychiatric hospitals and  
35 entering one of the community placement options described in (j)(i)  
36 of this subsection. At a minimum, the department must perform two  
37 additional evaluations of each placement during the first year that a  
38 client has lived in the facility.

1 (iv) During fiscal year 2018, in a presentation to the select  
2 committee on quality improvement in state hospitals, the department  
3 must describe the process of fielding and subsequently investigating  
4 complaints of abuse, neglect, and exploitation within the community  
5 alternative placement options described in (j)(i) of this subsection.  
6 At a minimum, the presentation must include data about the number of  
7 complaints, and the nature of complaints, over the preceding five  
8 fiscal years.

9 (v) During fiscal year 2019, in a presentation to the select  
10 committee on quality improvement in state hospitals, the department  
11 must provide an update about clients placed out of the state  
12 psychiatric hospitals into the community alternative placement  
13 options described in (j)(i) of this subsection. At a minimum, for  
14 each setting, the presentation must include data about the number of  
15 placements, average daily rate, complaints fielded, and complaints  
16 investigated. The presentation must also include information about  
17 modifications, including the placement of clients into alternate  
18 settings, that occurred due to the evaluations required under  
19 (j)(iii) of this subsection.

20 In developing bed capacity, the department shall consider the  
21 complex needs of individuals waiting for discharge from the state  
22 psychiatric hospitals.

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) \$14,127,000 of the general fund—state appropriation for  
32 fiscal year 2018, \$25,428,000 of the general fund—state appropriation  
33 for fiscal year 2019, and \$39,554,000 of the general fund—federal  
34 appropriation are provided solely to increase the benchmark rate for  
35 community residential service providers offering supported living,  
36 group home, and licensed staff residential services to individuals  
37 with development disabilities. The amounts in this subsection (l)(l)  
38 include funding to increase the benchmark rate by the following  
39 amounts:

1 (i) \$1.25 per hour effective July 1, 2017, and;

2 (ii) An additional \$1.00 per hour effective July 1, 2018.

3 The amounts provided in this subsection must be used to improve  
4 the recruitment and retention of quality direct care staff to better  
5 protect the health and safety of clients with developmental  
6 disabilities.

7 (m) Respite personal care provided by individual providers to  
8 developmental disabilities administration clients, as authorized by  
9 the department and accessed by clients through a medicaid waiver,  
10 must be funded in maintenance level of the operating budget on the  
11 basis of actual and forecasted client utilization.

12 (n) \$4,000 of the general fund—state appropriation for fiscal  
13 year 2018, \$11,000 of the general fund—state appropriation for fiscal  
14 year 2019, and \$13,000 of the general fund—federal appropriation are  
15 provided solely to implement chapter 270, Laws of 2017 (SB 5118)  
16 (personal needs allowance).

17 (o) \$1,716,000 of the general fund—state appropriation for fiscal  
18 year 2018, \$3,493,000 of the general fund—state appropriation for  
19 fiscal year 2019, and \$4,267,000 of the general fund—federal  
20 appropriation are provided solely for a targeted vendor rate increase  
21 to contracted client service providers.

22 (i) Within the amounts provided in this subsection, \$1,674,000 of  
23 the general fund—state appropriation for fiscal year 2018, \$3,424,000  
24 of the general fund—state appropriation for fiscal year 2019, and  
25 \$4,126,000 of the general fund—federal appropriation are provided  
26 solely for a vendor rate increase of two percent in fiscal year 2018  
27 and an additional two percent in fiscal year 2019 for all contracted  
28 vendors with the exception of nursing home providers, the program of  
29 all-inclusive care for the elderly, nurse delegators, community  
30 residential service providers, individual providers, agency  
31 providers, and adult family homes.

32 (ii) Within the amounts provided in this subsection, \$42,000 of  
33 the general fund—state appropriation for fiscal year 2018, \$69,000 of  
34 the general fund—state appropriation for fiscal year 2019, and  
35 \$141,000 of the general fund—federal appropriation are provided  
36 solely to increase vendor rates for adult residential care and  
37 enhanced adult residential care in the 2017-2019 fiscal biennium up  
38 to the statewide minimum wage established in Initiative Measure No.  
39 1433.

1 (p) \$51,000 of the general fund—state appropriation for fiscal  
2 year 2018, \$51,000 of the general fund—state appropriation for fiscal  
3 year 2019, and \$102,000 of the general fund—federal appropriation are  
4 provided solely to increase the daily rate for private duty nursing  
5 in adult family homes by \$63.77.

6 (q) \$371,000 of the general fund—state appropriation for fiscal  
7 year 2018, \$445,000 of the general fund—state appropriation for  
8 fiscal year 2019, and \$1,069,000 of the general fund—federal  
9 appropriation are provided solely for increasing the hourly rate for  
10 nurse delegators from \$32.96 to \$45.32 effective September 1, 2017.

11 (r) \$212,000 of the general fund—state appropriation for fiscal  
12 year 2018 and \$269,000 of the general fund—federal appropriation are  
13 provided solely to implement Senate Bill No. . . . (S-2907.2). If the  
14 bill is not enacted by July 31, 2017, the amounts provided in this  
15 subsection shall lapse.

16 (s) \$2,199,000 of the general fund—state appropriation for fiscal  
17 year 2018, \$2,878,000 of the general fund—state appropriation for  
18 fiscal year 2019, and \$6,388,000 of the general fund—federal  
19 appropriation are provided solely for the implementation of an  
20 agreement reached between the governor and the adult family home  
21 council under the provisions of chapter 41.56 RCW for the 2017-2019  
22 fiscal biennium. Funding is contingent upon the enactment of Senate  
23 Bill No. 5969 (transparency in public employee collective  
24 bargaining). If the bill is not enacted by July 31, 2017, the amounts  
25 provided in this subsection shall lapse.

26 (t) \$34,000 of the general fund—state appropriation for fiscal  
27 year 2018, \$293,000 of the general fund—state appropriation for  
28 fiscal year 2019, and \$480,000 of the general fund—federal  
29 appropriation are provided solely to implement Engrossed Substitute  
30 Senate Bill No. 6199 (individual provider management). If this bill  
31 is not enacted by June 30, 2018, the amounts provided in this  
32 subsection shall lapse.

33 (u) \$600,000 of the general fund—state appropriation for fiscal  
34 year 2018, \$600,000 of the general fund—state appropriation for  
35 fiscal year 2019, and \$1,200,000 of the general fund—federal  
36 appropriation are provided solely for prevocational services.

37 (v) \$2,200,000 of the general fund—state appropriation for fiscal  
38 year 2018, \$2,200,000 of the general fund—state appropriation for  
39 fiscal year 2019, and \$4,400,000 of the general fund—federal

1 appropriation are provided solely for group supported employment  
2 services.

3 (w) \$2,250,000 of the general fund—state appropriation for fiscal  
4 year 2018, \$2,250,000 of the general fund—state appropriation for  
5 fiscal year 2019, and \$4,500,000 of the general fund—federal  
6 appropriation are provided solely for community access services.

7 (x) \$75,000 of the general fund—state appropriation for fiscal  
8 year 2019 is provided solely for job training at the support  
9 education empowerment disability solutions program.

10 (y) \$290,000 of the general fund—state appropriation for fiscal  
11 year 2019 is provided solely for the enhancement of existing parent-  
12 to-parent programs that serve parents of children with a  
13 developmental disability and the establishment of new programs in  
14 Okanogan county and Whitman county.

15 (z) \$83,000 of the general fund—state appropriation for fiscal  
16 year 2019 and \$751,000 of the general fund—federal appropriation are  
17 provided solely for the development of an information technology  
18 solution that is flexible enough to accommodate all service providers  
19 impacted by the requirements for electronic visit verification  
20 outlined in the 21st century cures act.

21 (aa) \$50,000 of the general fund—state appropriation for fiscal  
22 year 2019 and \$50,000 of the general fund—federal appropriation are  
23 provided solely to implement Substitute Senate Bill No. 6237  
24 (personal needs allowance) or Substitute House Bill No. 2651  
25 (personal needs allowance). If neither bill is enacted by June 30,  
26 2018, the amounts provided in this subsection shall lapse.

27 (2) INSTITUTIONAL SERVICES

28 General Fund—State Appropriation (FY 2018). . . . . ((\$104,159,000))  
29 \$99,622,000

30 General Fund—State Appropriation (FY 2019). . . . . ((\$106,818,000))  
31 \$105,576,000

32 General Fund—Federal Appropriation. . . . . ((\$195,757,000))  
33 \$202,401,000

34 General Fund—Private/Local Appropriation. . . . . ((\$25,041,000))  
35 \$27,041,000

36 Pension Funding Stabilization Account—State  
37 Appropriation. . . . . \$12,441,000

38 TOTAL APPROPRIATION. . . . . ((\$431,775,000))  
39 \$447,081,000

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

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

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

14 (c) \$2,978,000 of the general fund—state appropriation for fiscal  
15 year 2018, \$2,978,000 of the general fund—state appropriation for  
16 fiscal year 2019, and \$5,956,000 of the general fund—federal  
17 appropriation are for additional staff to ensure compliance with  
18 centers for medicare and medicaid services requirements for  
19 habilitation, nursing care, staff safety, and client safety at the  
20 residential habilitation centers.

21 (d) The residential habilitation centers may use funds  
22 appropriated in this subsection to purchase goods (~~and~~), supplies,  
23 and services through hospital group purchasing organizations when it  
24 is cost-effective to do so.

25 (e) \$2,000 of the general fund—state appropriation for fiscal  
26 year 2018, \$5,000 of the general fund—state appropriation for fiscal  
27 year 2019, and \$5,000 of the general fund—federal appropriation are  
28 provided solely to implement chapter 270, Laws of 2017 (SB 5118)  
29 (personal needs allowance).

30 (f) \$325,000 of the general fund—state appropriation for fiscal  
31 year 2019 and \$325,000 of the general fund—federal appropriation for  
32 fiscal year 2019 are provided solely for purposes of maintaining  
33 basic life-and-safety equipment and structures in a manner that  
34 supports a safe and compliant environment of care at the residential  
35 habilitation centers. The department is to develop a budget structure  
36 that allows for transparency in the management and monitoring of  
37 these expenditures as well as related performance and outcomes. The  
38 department is to report to the office of financial management on



1 expenditure levels and outcomes achieved at the close of each fiscal  
2 year.

3 (g) \$121,000 of the general fund—state appropriation for fiscal  
4 year 2018, \$41,000 of the general fund—state appropriation for fiscal  
5 year 2019, and \$161,000 of the general fund—federal appropriation are  
6 provided solely for the replacement of items destroyed by fire at the  
7 laundry facility at Fircrest, and for the transportation of laundry  
8 from Fircrest to Rainier.

9 (h) \$2,288,000 of the general fund—state appropriation for fiscal  
10 year 2018, \$4,798,000 of the general fund—state appropriation for  
11 fiscal year 2019, and \$7,086,000 of the general fund—federal  
12 appropriation are provided solely for additional staffing resources  
13 to provide direct care to clients living in the intermediate care  
14 facilities at Rainier school, Fircrest school, and Lakeland Village  
15 to address deficiencies identified by the centers for medicare and  
16 medicaid services, and to gather information that will support long-  
17 term planning about the residential habilitation centers during the  
18 2019 legislative session.

19 (i) The department of social and health services must contract  
20 with the William D. Ruckelshaus center or other neutral party to  
21 facilitate meetings and discussions about the future of the  
22 residential habilitation centers. The options explored in the  
23 meetings and discussions must include, but are not limited to,  
24 conversion of cottages from certification as an intermediate care  
25 facility to certification as a nursing facility, developing a state-  
26 operated nursing facility for eligible clients, and placement of  
27 additional clients from the residential habilitation centers into  
28 state operated living alternatives. An agreed-upon preferred vision  
29 must be included within a report to the office of financial  
30 management and the appropriate fiscal and policy committees of the  
31 legislature before December 1, 2018. The report must describe the  
32 policy rationale, implementation plan, timeline, and recommended  
33 statutory changes for the preferred vision. The parties invited to  
34 participate in the meetings and discussion must include:

35 (A) One member from each of the two largest caucuses in the  
36 senate, who shall be appointed by the majority leader and minority  
37 leader of the senate;

1 (B) One member from each of the two largest caucuses in the house  
2 of representatives, who shall be appointed by the speaker and  
3 minority leader of the house of representatives;

4 (C) One member from the office of the governor, appointed by the  
5 governor;

6 (D) One member from the developmental disabilities council;

7 (E) One member from the ARC of Washington;

8 (F) One member from the Washington federation of state employees;

9 (G) One member from the service employees international union  
10 1199;

11 (H) One member from the developmental disabilities administration  
12 within the department of social and health services; and

13 (I) One member from the aging and long term support  
14 administration within the department of social and health services;

15 (ii) Before November 1, 2018, the department of social and health  
16 services must provide a report to the office of financial management  
17 and the appropriate fiscal and policy committees of the legislature  
18 that includes the following information:

19 (A) The number of clients living in the residential habilitation  
20 centers from fiscal year 2013 through fiscal year 2018. The  
21 information must be provided by month for each cottage on each  
22 campus.

23 (B) The average age of clients living in the residential  
24 habilitation centers from fiscal year 2013 through fiscal year 2018.  
25 The information must be provided by month for each cottage on each  
26 campus.

27 (C) The number of staff, segmented by the type of position, at  
28 the residential habilitation centers from fiscal year 2013 through  
29 fiscal year 2018. The information must be provided by month for each  
30 cottage on each campus. Any staff that are not directly associated  
31 with a cottage must be provided separately for each campus.

32 (D) Ratios of staff to clients at the residential habilitation  
33 centers from fiscal year 2013 through fiscal year 2018. The ratios  
34 must include, but are not limited to, the number of direct care staff  
35 per client and the number of indirect care staff per client. The  
36 ratio of direct care staff per client must be provided by month for  
37 each cottage on each campus. The ratio of indirect care staff per  
38 client must be provided by month for each campus.

39 (E) The number of individuals with a developmental disability  
40 residing long term at the state psychiatric hospitals from fiscal

1 year 2013 through fiscal year 2018. The information must be provided  
2 by month for each of the state psychiatric hospitals.

3 (F) The average age of individuals with a developmental  
4 disability residing long term at the state psychiatric hospitals from  
5 fiscal year 2013 through fiscal year 2018. The information must be  
6 provided by month for each of the state psychiatric hospitals.

7 (G) All nursing facilities and assisted living facilities that  
8 have closed from fiscal year 2016 through fiscal year 2018. The  
9 report must display location, closure date, and total bed capacity  
10 for each facility.

11 (H) The number of clients living in intermediate care facility  
12 cottages at the residential habilitation centers who meet the  
13 functional criteria for nursing facility care.

14 (I) The process for transitioning a cottage, or multiple  
15 cottages, at a residential habilitation center from certification as  
16 an intermediate care facility to a nursing facility. The section of  
17 the report must include, but is not limited to, a description of the  
18 role for the department of health, department of social and health  
19 services, and the centers for medicare and medicaid services.

20 (J) The estimated capital investment needed to transition a  
21 cottage, or multiple cottages, at a residential habilitation center  
22 from certification as an intermediate care facility to a nursing  
23 facility.

24 (K) The estimated timeline needed to transition a cottage, or  
25 multiple cottages, at a residential habilitation center from  
26 certification as an intermediate care facility to a nursing facility.

27 (L) Options for the alternate use of buildings, vacant or  
28 occupied, at Fircrest school, Rainier school, Yakima Valley school,  
29 or Lakeland Village. The suggestions must include, but are not  
30 limited to, expanding capacity for nursing care, dental care, and  
31 other specialty services for individuals with developmental or  
32 intellectual disabilities.

33 (M) Options for the location of a comprehensive community health  
34 center that would provide medical services, dental services, and  
35 adaptive technology services. Care provided at the center would be  
36 provided to individuals with a developmental or intellectual  
37 disability who are living in community-based settings, as well as  
38 clients living in the residential habilitation centers.

39 (N) Options for transferring the ownership of charitable,  
40 educational, penal, and reform institutions land on the Fircrest

1 campus from the department of natural resources to the department of  
2 social and health services. The options must include, but are not  
3 limited to:

4 (I) Purchase of the charitable, educational, penal, and reform  
5 institutions land on the Fircrest campus. This option must include  
6 the most recent appraisal of the value of charitable, educational,  
7 penal, and reform institutions land on the Fircrest campus.

8 (II) A land swap of equal value between the charitable,  
9 educational, penal, and reform institutions land on the Fircrest  
10 campus and other state-owned property.

11 (III) A combination of the options outlined within (h)(ii)(N)(I)  
12 and (II) of this subsection.

13 (O) Options for the additional use of state operated living  
14 alternative placements to assist clients with the transition from an  
15 institutional setting to a community setting. The report must  
16 identify the number of clients who could transition into state  
17 operated living alternative placements, and the length of time  
18 necessary to transition clients into the additional placements.

19 (P) Options for establishing additional crisis stabilization  
20 services at the residential habilitation centers. The report must  
21 identify the operating costs, capital costs, timeline, and desired  
22 location associated with the additional capacity.

23 (Q) Options for transferring individuals who have been residing  
24 long term at the state psychiatric hospitals into an alternate  
25 location, or multiple locations. One of the options must explore the  
26 possibility of transferring these individuals to the residential  
27 habilitation centers. For any option that is explored, the report  
28 must identify the operating costs, capital costs, timeline, and  
29 desired location associated with the additional capacity.

30 (R) The expenditures for overtime, prescription drugs, controlled  
31 substances, medical supplies, janitorial supplies, household  
32 supplies, maintenance supplies, and office supplies at the  
33 residential habilitation centers from fiscal year 2013 through fiscal  
34 year 2018. The information must be provided by month for each campus.  
35 The department must also provide the strategy, or strategies, that  
36 are being implemented to decrease expenditures for overtime,  
37 prescription drugs, controlled substances, medical supplies,  
38 janitorial supplies, household supplies, maintenance supplies, and  
39 office supplies at the residential habilitation centers.

1	(3) PROGRAM SUPPORT	
2	General Fund—State Appropriation (FY 2018). . . . .	(( <del>\$2,469,000</del> ))
3		<u>\$2,351,000</u>
4	General Fund—State Appropriation (FY 2019). . . . .	(( <del>\$2,531,000</del> ))
5		<u>\$2,417,000</u>
6	General Fund—Federal Appropriation. . . . .	(( <del>\$2,946,000</del> ))
7		<u>\$2,986,000</u>
8	<u>Pension Funding Stabilization Account—State</u>	
9	<u>Appropriation. . . . .</u>	<u>\$270,000</u>
10	TOTAL APPROPRIATION. . . . .	(( <del>\$7,946,000</del> ))
11		<u>\$8,024,000</u>
12	(4) SPECIAL PROJECTS	
13	General Fund—State Appropriation (FY 2018). . . . .	(( <del>\$64,000</del> ))
14		<u>\$55,000</u>
15	General Fund—State Appropriation (FY 2019). . . . .	(( <del>\$64,000</del> ))
16		<u>\$62,000</u>
17	General Fund—Federal Appropriation. . . . .	\$1,092,000
18	<u>Pension Funding Stabilization Account—State</u>	
19	<u>Appropriation. . . . .</u>	<u>\$11,000</u>
20	TOTAL APPROPRIATION. . . . .	\$1,220,000
21	<b>Sec. 206.</b> 2017 3rd sp.s. c 1 s 206 (uncodified) is amended to	
22	read as follows:	
23	<b>FOR THE DEPARTMENT OF SOCIAL AND HEALTH SERVICES—AGING AND ADULT</b>	
24	<b>SERVICES PROGRAM</b>	
25	General Fund—State Appropriation (FY 2018). . . . .	(( <del>\$1,099,017,000</del> ))
26		<u>\$1,077,555,000</u>
27	General Fund—State Appropriation (FY 2019). . . . .	(( <del>\$1,196,263,000</del> ))
28		<u>\$1,209,268,000</u>
29	General Fund—Federal Appropriation. . . . .	(( <del>\$2,839,653,000</del> ))
30		<u>\$2,844,201,000</u>
31	General Fund—Private/Local Appropriation. . . . .	(( <del>\$33,572,000</del> ))
32		<u>\$33,953,000</u>
33	Traumatic Brain Injury Account—State Appropriation. . . . .	\$4,540,000
34	Skilled Nursing Facility Safety Net Trust Account—	
35	State Appropriation. . . . .	\$133,360,000
36	<u>Pension Funding Stabilization Account—State</u>	
37	<u>Appropriation. . . . .</u>	<u>\$13,165,000</u>

1 TOTAL APPROPRIATION. . . . . ((~~\$5,306,405,000~~))  
2 \$5,316,042,000

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

5 (1)(a) For purposes of implementing chapter 74.46 RCW, the  
6 weighted average nursing facility payment rate shall not exceed  
7 ((~~\$201.39~~)) \$200.47 for fiscal year 2018 and shall not exceed  
8 ((~~\$209.35~~)) \$216.64 for fiscal year 2019.

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

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

22 (a) The current annual renewal license fee for adult family homes  
23 shall be \$225 per bed beginning in fiscal year 2018 and \$225 per bed  
24 beginning in fiscal year 2019. A processing fee of \$2,750 shall be  
25 charged to each adult family home when the home is initially  
26 licensed. This fee is nonrefundable. A processing fee of \$700 shall  
27 be charged when adult family home providers file a change of  
28 ownership application.

29 (b) The current annual renewal license fee for assisted living  
30 facilities shall be \$106 per bed beginning in fiscal year 2018 and  
31 ((~~\$106~~)) \$116 per bed beginning in fiscal year 2019.

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

35 (3) 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 (4) \$1,858,000 of the general fund—state appropriation for fiscal  
2 year 2018 and \$1,857,000 of the general fund—state appropriation for  
3 fiscal year 2019 are provided solely for operation of the volunteer  
4 services program. Funding shall be prioritized towards serving  
5 populations traditionally served by long-term care services to  
6 include senior citizens and persons with disabilities.

7 (5) \$14,674,000 of the general fund—state appropriation for  
8 fiscal year 2018, \$37,239,000 of the general fund—state appropriation  
9 for fiscal year 2019, and \$55,716,000 of the general fund—federal  
10 appropriation are provided solely for the implementation of the  
11 agreement reached between the governor and the service employees  
12 international union healthcare 775nw under the provisions of chapters  
13 74.39A and 41.56 RCW for the 2017-2019 fiscal biennium. Funding is  
14 contingent upon the enactment of Senate Bill No. 5969 (transparency  
15 in public employee collective bargaining). If the bill is not enacted  
16 by July 31, 2017, the appropriation in this subsection shall lapse.

17 (6) \$4,833,000 of the general fund—state appropriation for fiscal  
18 year 2018, \$13,413,000 of the general fund—state appropriation for  
19 fiscal year 2019, and \$22,812,000 of the general fund—federal  
20 appropriation are provided solely for the homecare agency parity  
21 impacts of the agreement between the governor and the service  
22 employees international union healthcare 775nw. Funding is contingent  
23 upon the enactment of Senate Bill No. 5969 (transparency in public  
24 employee collective bargaining). If the bill is not enacted by July  
25 31, 2017, the appropriation in this subsection shall lapse.

26 (7) \$5,094,000 of the general fund—state appropriation for fiscal  
27 year 2018 and \$5,094,000 of the general fund—state appropriation for  
28 fiscal year 2019 are provided solely for services and support to  
29 individuals who are deaf, hard of hearing, or deaf-blind.

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

1 necessary to ensure continuity of care during the relicensing  
2 process.

3 (9) In accordance with RCW 18.390.030, the biennial registration  
4 fee for continuing care retirement communities shall be \$1,889 for  
5 each facility.

6 (10) \$234,000 of the general fund—state appropriation for fiscal  
7 year 2018 and \$234,000 of the general fund—state appropriation for  
8 fiscal year 2019 are provided solely for the kinship navigator  
9 program in the Colville Indian reservation, Yakama Nation, and other  
10 tribal areas.

11 (11) \$42,000 of the general fund—state appropriation for fiscal  
12 year 2018, \$127,000 of the general fund—state appropriation for  
13 fiscal year 2019, and \$169,000 of the general fund—federal  
14 appropriation are provided solely to implement chapter 270, Laws of  
15 2017 (SB 5118) (personal needs allowance).

16 (12) Within available funds, the aging and long term support  
17 administration must maintain a unit within adult protective services  
18 that specializes in the investigation of financial abuse allegations  
19 and self-neglect allegations.

20 (13) Within amounts appropriated in this subsection, 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.

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, and 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 office of 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 strategies and policy options to create financing  
10 mechanisms for long-term service and supports that allow individuals  
11 and families to 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 ways to promote advance planning and advance care  
16 directives and implementation strategies for the Bree collaborative  
17 palliative care and related guidelines;

18 (v) Identify ways to meet the needs of the aging demographic  
19 impacted by reduced federal support;

20 (vi) Identify ways to protect the rights of vulnerable adults  
21 through assisted decision-making and guardianship and other relevant  
22 vulnerable adult protections;

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;

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; and

30 (ix) Identify ways to support individuals with developmental  
31 disabilities with long-term care needs who are enrolled members of a  
32 federally recognized Indian tribe, or residing in the household of an  
33 enrolled members of a federally recognized Indian tribe, and are  
34 receiving care from a family member.

35 (c) At least one committee meeting must be devoted to the  
36 exploration of legislation that would allow family members to provide  
37 personal care services to persons with developmental disabilities or  
38 long-term care needs under a voluntary consumer-directed medicaid  
39 service program. During the meeting, the committee should hear  
40 testimony from as many impacted parties as possible, including

1 clients, providers, advocacy groups, and staff from state agencies.  
2 Testimony should explore program design, program oversight, necessary  
3 statutory changes, barriers to implementation, fiscal estimates, and  
4 timeline for implementation.

5 (d) Staff support for the committee shall be provided by the  
6 office of program research, senate committee services, the office of  
7 financial management, and the department of social and health  
8 services.

9 (e) Within existing appropriations, the cost of meetings must be  
10 paid jointly by the senate, house of representatives, and the office  
11 of financial management. Joint committee expenditures are subject to  
12 approval by the senate facilities and operations committee and the  
13 house of representatives executive rules committee, or their  
14 successor committees. The joint committee members may be reimbursed  
15 for travel expenses as authorized under RCW 43.03.050 and 43.03.060,  
16 and chapter 44.04 RCW as appropriate. Advisory committee members may  
17 not receive compensation or reimbursement for travel and expenses.

18 (14)(a) The department of social and health services must  
19 facilitate a stakeholder work group consisting of assisted living  
20 provider associations and the state long-term care ombuds in a  
21 collaborative effort to redesign the medicaid payment methodology for  
22 contracted assisted living, adult residential care, and enhanced  
23 adult residential care. The department must submit a report with the  
24 final work group recommendations to the appropriate legislative  
25 committees by November 30, 2017. A proposed timeline for  
26 implementation of the new methodology must be included in the report.  
27 The new methodology must:

28 (i) Adhere to the standards of an acuity-based payment system as  
29 originally intended by the legislature, and the department will rely  
30 on the time study conducted in 2003 in establishing the acuity scale;

31 (ii) Create a standardized methodology that supports a reasonable  
32 medicaid payment that promotes access, choice, and quality;

33 (iii) Incorporate metrics such as medians, lids, floors, and  
34 other options that provide flexibility to adjust to economic  
35 conditions while maintaining the integrity of the methodology;

36 (iv) Be supported by relevant, reliable, verifiable, and  
37 independent data to the extent possible; and

38 (v) To the extent possible, repurpose and streamline data sources  
39 and modeling that the aging and long-term support administration uses  
40 for other rate-setting processes.

1 (b) In developing payment metrics for medicaid-covered services,  
2 staff and service requirements must be reviewed for assisted living,  
3 adult residential care, and enhanced adult residential care as  
4 described in chapters 74.39A and 18.20 RCW. At a minimum, the  
5 proposed rate methodology must include a component that recognizes  
6 staffing for intermittent nursing and personal care services. Service  
7 area adjustments based on population density must be reviewed and  
8 compared with other options to recognize high-cost areas. The most  
9 recent and complete wage data available through the bureau of labor  
10 statistics must also be included for review and consideration. The  
11 methodology work group must consider operational requirements and  
12 indirect services in developing the model. The work group must  
13 include a rate component that recognizes statutory and regulatory  
14 physical plant requirements. The work group must review and consider  
15 physical plant requirements for assisted living as described in  
16 chapter 51.50 RCW. A fair rental valuation must be reviewed and  
17 considered as an option for the capital component. The recognition of  
18 food for medicaid residents must also be included in the work group  
19 considerations. The department's current methodology to address room  
20 and board requirements, and the appropriateness of the continued use  
21 of the 2003 time study and whether it can be reasonably adjusted or  
22 whether a new time study should be conducted, must be reviewed and  
23 considered by the work group.

24 (15) Within amounts appropriated in this section, the department  
25 must pay medicaid nursing facility payment rates for public hospital  
26 district providers in rural communities as defined under chapter  
27 70.44 RCW that are no less than June 30, 2016, reimbursement levels.  
28 This action is intended to assure continued access to essential  
29 services in rural communities.

30 (16) \$5,370,000 of the general fund—state appropriation for  
31 fiscal year 2018, \$10,199,000 of the general fund—state appropriation  
32 for fiscal year 2019, and \$18,346,000 of the general fund—federal  
33 appropriation are provided solely for a targeted vendor rate increase  
34 to contracted client service providers.

35 (a) Within the amounts provided in this subsection, \$2,763,000 of  
36 the general fund—state appropriation for fiscal year 2018, \$5,741,000  
37 of the general fund—state appropriation for fiscal year 2019, and  
38 \$9,775,000 of the general fund—federal appropriation are provided  
39 solely for a vendor rate increase of two percent in fiscal year 2018

1 and an additional two percent in fiscal year 2019 for all contracted  
2 vendors with the exception of nursing home providers, the program of  
3 all-inclusive care for the elderly, nurse delegators, community  
4 residential service providers, individual providers, agency  
5 providers, and adult family homes.

6 (b) Within the amounts provided in this subsection, \$2,607,000 of  
7 the general fund—state appropriation for fiscal year 2018, \$4,458,000  
8 of the general fund—state appropriation for fiscal year 2019, and  
9 \$8,571,000 of the general fund—federal appropriation are provided  
10 solely to increase vendor rates for nursing homes, assisted living  
11 facilities including adult residential care and enhanced adult  
12 residential care, adult day health and adult day care providers, and  
13 home care agency administration in the 2017-2019 fiscal biennium up  
14 to the statewide minimum wage established in Initiative Measure No.  
15 1433.

16 (17) \$4,815,000 of the general fund—state appropriation for  
17 fiscal year 2018, \$8,527,000 of the general fund—state appropriation  
18 for fiscal year 2019, and \$12,277,000 of the general fund—federal  
19 appropriation are provided solely to create new community alternative  
20 placement beds that prioritize the transition of clients who are  
21 ready for discharge from the state psychiatric hospitals, but who  
22 have additional long-term care or developmental disability needs.

23 (a) Community alternative placement beds include enhanced service  
24 facility beds, adult family home beds, skilled nursing facility beds,  
25 shared supportive housing beds, state operated living alternative  
26 beds, and assisted living facility beds.

27 (b) Each client must receive an individualized assessment prior  
28 to leaving one of the state psychiatric hospitals. The individualized  
29 assessment must identify and authorize personal care, nursing care,  
30 behavioral health stabilization, physical therapy, or other necessary  
31 services to meet the unique needs of each client. It is the  
32 expectation that, in most cases, staffing ratios in all community  
33 alternative placement options described in (a) of this subsection  
34 will need to increase to meet the needs of clients leaving the state  
35 psychiatric hospitals. If specialized training is necessary to meet  
36 the needs of a client before he or she enters a community placement,  
37 then the person centered service plan must also identify and  
38 authorize this training.

1 (c) When reviewing placement options, the department must  
2 consider the safety of other residents, as well as the safety of  
3 staff, in a facility. An initial evaluation of each placement,  
4 including any documented safety concerns, must occur within thirty  
5 days of a client leaving one of the state psychiatric hospitals and  
6 entering one of the community placement options described in (a) of  
7 this subsection. At a minimum, the department must perform two  
8 additional evaluations of each placement during the first year that a  
9 client has lived in the facility.

10 (d) During fiscal year 2018, in a presentation to the select  
11 committee on quality improvement in state hospitals, the department  
12 must describe the process of fielding and subsequently investigating  
13 complaints of abuse, neglect, and exploitation within the community  
14 alternative placement options described in (a) of this subsection. At  
15 a minimum, the presentation must include data about the number of  
16 complaints, and the nature of complaints, over the preceding five  
17 fiscal years.

18 (e) During fiscal year 2019, in a presentation to the select  
19 committee on quality improvement in state hospitals, the department  
20 must provide an update about clients placed out of the state  
21 psychiatric hospitals into the community alternative placement  
22 options described in (a) of this subsection. At a minimum, for each  
23 setting, the presentation must include data about the number of  
24 placements, average daily rate, complaints fielded, and complaints  
25 investigated. The presentation must also include information about  
26 modifications, including the placement of clients into alternate  
27 settings, that occurred due to the evaluations required under (c) of  
28 this subsection.

29 In developing bed capacity, the department shall consider the  
30 complex needs of individuals waiting for discharge from the state  
31 psychiatric hospitals.

32 (18) \$315,000 of the general fund—state appropriation for fiscal  
33 year 2018, \$315,000 of the general fund—state appropriation for  
34 fiscal year 2019, and \$630,000 of the general fund—federal  
35 appropriation are provided solely for discharge case managers  
36 stationed at the state psychiatric hospitals. Discharge case managers  
37 will transition clients ready for hospital discharge into less  
38 restrictive alternative community placements. The transition of

1 clients ready for discharge will free up bed capacity at the state  
2 psychiatric hospitals.

3 (19) \$135,000 of the general fund—state appropriation for fiscal  
4 year 2018, \$135,000 of the general fund—state appropriation for  
5 fiscal year 2019, and \$270,000 of the general fund—federal  
6 appropriation are provided solely for financial service specialists  
7 stationed at the state psychiatric hospitals. Financial service  
8 specialists will help to transition clients ready for hospital  
9 discharge into alternative community placements. The transition of  
10 clients ready for discharge will free up bed capacity at the state  
11 hospitals.

12 (20) \$5,007,000 of the general fund—state appropriation for  
13 fiscal year 2018, \$5,143,000 of the general fund—state appropriation  
14 for fiscal year 2019, and \$10,154,000 of the general fund—federal  
15 appropriation are provided solely to implement chapter 286, Laws of  
16 2017 (SB 5715) (nursing home payments).

17 (21) \$750,000 of the general fund—state appropriation for fiscal  
18 year 2018 and \$750,000 of the general fund—state appropriation for  
19 fiscal year 2019 are provided solely to implement chapter 287, Laws  
20 of 2017 (SB 5736) (nutrition programs).

21 (22) \$183,000 of the general fund—state appropriation for fiscal  
22 year 2018, \$92,000 of the general fund—state appropriation for fiscal  
23 year 2019, and \$2,479,000 of the general fund—federal appropriation  
24 are provided solely to finish the programming necessary to give the  
25 department the ability to pay individual provider overtime when hours  
26 over 40 hours per week are authorized for payment and are subject to  
27 the conditions, limitations, and review provided in section 724 of  
28 this act.

29 (23) \$229,000 of the general fund—state appropriation for fiscal  
30 year 2018, \$229,000 of the general fund—state appropriation for  
31 fiscal year 2019, and \$458,000 of the general fund—federal  
32 appropriation are provided solely to increase the daily rate for  
33 private duty nursing in adult family homes by \$63.77.

34 (24) \$246,000 of the general fund—state appropriation for fiscal  
35 year 2018 and \$313,000 of the general fund—federal appropriation are  
36 provided solely to implement Senate Bill No. . . . (S-2907.2). If the  
37 bill is not enacted by July 31, 2017, the amounts provided in this  
38 subsection shall lapse.

1 (25)(a) No more than \$41,388,000 of the general fund—federal  
2 appropriation may be expended for tailored support for older adults  
3 and medicaid alternative care described in initiative 2 of the  
4 medicaid transformation demonstration waiver under healthier  
5 Washington. The department shall not increase general fund—state  
6 expenditures on this initiative. The secretary in collaboration with  
7 the director of the health care authority shall report to the joint  
8 select committee on health care oversight no less than quarterly on  
9 financial and health outcomes. The secretary in cooperation with the  
10 director shall also report to the fiscal committees of the  
11 legislature all of the expenditures of this subsection and shall  
12 provide such fiscal data in the time, manner, and form requested by  
13 the legislative fiscal committees.

14 (b) No more than \$2,200,000 of the general fund—federal  
15 appropriation may be expended for supported housing and employment  
16 services described in initiative 3a and 3b of the medicaid  
17 transformation demonstration waiver under healthier Washington. Under  
18 this initiative, the department and the health care authority shall  
19 ensure that allowable and necessary services are provided to eligible  
20 clients as identified by the department or its providers third party  
21 administrator. The department and the authority in consultation with  
22 the medicaid forecast work group shall ensure that reasonable  
23 reimbursements are established for services deemed necessary within  
24 an identified limit per individual. The department shall not increase  
25 general fund—state expenditures under this initiative. The secretary  
26 in cooperation with the director shall report to the joint select  
27 committee on health care oversight no less than quarterly on  
28 financial and health outcomes. The secretary in cooperation with the  
29 director shall also report to the fiscal committees of the  
30 legislature all of the expenditures of this subsection and shall  
31 provide such fiscal data in the time, manner, and form requested by  
32 the legislative fiscal committees.

33 (26) \$351,000 of the general fund—state appropriation for fiscal  
34 year 2018, \$421,000 of the general fund—state appropriation for  
35 fiscal year 2019, and \$1,012,000 of the general fund—federal  
36 appropriation are provided solely for increasing the hourly rate for  
37 nurse delegators from \$32.96 to \$45.32 effective September 1, 2017.

38 (27) \$10,017,000 of the general fund—state appropriation for  
39 fiscal year 2018, \$13,111,000 of the general fund—state appropriation

1 for fiscal year 2019, and \$29,104,000 of the general fund—federal  
2 appropriation are provided solely for the implementation of an  
3 agreement reached between the governor and the adult family home  
4 council under the provisions of chapter 41.56 RCW for the 2017-2019  
5 fiscal biennium. Funding is contingent upon the enactment of Senate  
6 Bill No. 5969 (transparency in public employee collective  
7 bargaining). If the bill is not enacted by July 31, 2017, the amounts  
8 provided in this subsection shall lapse.

9 (28) \$339,000 of the general fund—state appropriation for fiscal  
10 year 2019 and \$339,000 of the general fund—federal appropriation are  
11 provided solely to continue the quality assurance unit within the  
12 aging and long-term support administration of the department of  
13 social and health services.

14 (29) \$360,000 of the general fund—federal appropriation and  
15 \$381,000 of the general fund—local appropriation are provided solely  
16 for additional staff to conduct licensing, inspections, and complaint  
17 investigations in assisted living facilities.

18 (30) \$166,000 of the general fund—state appropriation for fiscal  
19 year 2018, \$800,000 of the general fund—state appropriation for  
20 fiscal year 2019, and \$1,510,000 of the general fund—federal  
21 appropriation are provided solely to implement Engrossed Substitute  
22 Senate Bill No. 6199 (individual provider management). If this bill  
23 is not enacted by June 30, 2018, the amounts provided in this  
24 subsection shall lapse.

25 (31) \$217,000 of the general fund—state appropriation for fiscal  
26 year 2019 and \$1,949,000 of the general fund—federal appropriation  
27 are provided solely for the development of an information technology  
28 solution that is flexible enough to accommodate all service providers  
29 impacted by the requirements for electronic visit verification  
30 outlined in the 21st century cures act.

31 (32) \$560,000 of the general fund—state appropriation for fiscal  
32 year 2019 and \$560,000 of the general fund—federal appropriation are  
33 provided solely to implement Substitute Senate Bill No. 6237  
34 (personal needs allowance) or Substitute House Bill No. 2651  
35 (personal needs allowance). If neither bill is enacted by June 30,  
36 2018, the amounts provided in this subsection shall lapse.

37 **Sec. 207.** 2017 3rd sp.s. c 1 s 207 (uncodified) is amended to  
38 read as follows:



1 **FOR THE DEPARTMENT OF SOCIAL AND HEALTH SERVICES—ECONOMIC SERVICES**  
 2 **PROGRAM**

3	General Fund—State Appropriation (FY 2018). . . . .	(( <del>\$396,063,000</del> ))
4		<u>\$365,394,000</u>
5	General Fund—State Appropriation (FY 2019). . . . .	(( <del>\$415,638,000</del> ))
6		<u>\$370,059,000</u>
7	General Fund—Federal Appropriation. . . . .	(( <del>\$1,421,095,000</del> ))
8		<u>\$1,444,287,000</u>
9	General Fund—Private/Local Appropriation. . . . .	\$5,144,000
10	Administrative Contingency Account—State	
11	Appropriation. . . . .	\$5,400,000
12	<u>Pension Funding Stabilization Account—State</u>	
13	<u>Appropriation. . . . .</u>	<u>\$29,264,000</u>
14	TOTAL APPROPRIATION. . . . .	(( <del>\$2,243,340,000</del> ))
15		<u>\$2,219,548,000</u>

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

18 (1)(a) ((~~\$155,022,000~~)) \$128,274,000 of the general fund—state  
 19 appropriation for fiscal year 2018, ((~~\$160,136,000~~)) \$119,669,000 of  
 20 the general fund—state appropriation for fiscal year 2019,  
 21 \$836,761,000 of the general fund—federal appropriation, ((and))  
 22 \$5,400,000 of the administrative contingency account—state  
 23 appropriation, and \$8,155,000 of the pension funding stabilization  
 24 account—state appropriation are provided solely for all components of  
 25 the WorkFirst program. Within the amounts provided for the WorkFirst  
 26 program, the department may provide assistance using state-only funds  
 27 for families eligible for temporary assistance for needy families.  
 28 The department must create a WorkFirst budget structure that allows  
 29 for transparent tracking of budget units and subunits of expenditures  
 30 where these units and subunits are mutually exclusive from other  
 31 department budget units. The budget structure must include budget  
 32 units for the following: Cash assistance, child care, WorkFirst  
 33 activities, and administration of the program. Within these budget  
 34 units, the department must develop program index codes for specific  
 35 activities and develop allotments and track expenditures using these  
 36 codes. The department shall report to the office of financial  
 37 management and the relevant fiscal and policy committees of the  
 38 legislature prior to adopting a structure change.

1 (b) (~~(\$267,057,000)~~) \$258,092,000 of the amounts in (a) of this  
2 subsection are provided solely for assistance to clients, including  
3 grants, diversion cash assistance, and additional diversion emergency  
4 assistance including but not limited to assistance authorized under  
5 RCW 74.08A.210. The department may use state funds to provide support  
6 to working families that are eligible for temporary assistance for  
7 needy families but otherwise not receiving cash assistance. Within  
8 amounts provided in (b) of this subsection, \$1,622,000 of the general  
9 fund—state appropriation for fiscal year 2019 is provided solely for  
10 implementation of Engrossed Substitute Senate Bill No. 5890 (foster  
11 care and adoption). If the bill is not enacted by July 31, 2017, the  
12 amount provided in this subsection shall lapse.

13 (c) (~~(\$168,005,000)~~) \$158,600,000 of the amounts in (a) of this  
14 subsection are provided solely for WorkFirst job search, education  
15 and training activities, barrier removal services, limited English  
16 proficiency services, and tribal assistance under RCW 74.08A.040. The  
17 department must allocate this funding based on client outcomes and  
18 cost effectiveness measures. Amounts provided in (c) of this  
19 subsection include funding for implementation of chapter 156, Laws of  
20 2017 (2SSB 5347) (WorkFirst "work activity"). Within amounts provided  
21 in (c) of this subsection, the department shall implement the working  
22 family support program. The department shall adopt rules to take  
23 effect July 31, 2017, to limit the working family support program at  
24 10,000 households. (~~((i)—\$1,700,000)~~) \$1,350,000 of the funds  
25 appropriated in (c) of this subsection are provided solely for  
26 enhanced transportation assistance provided that the department  
27 prioritize the use of these funds for the recipients most in need of  
28 financial assistance to facilitate their return to work. The  
29 department must not utilize these funds to supplant repayment  
30 arrangements that are currently in place to facilitate the  
31 reinstatement of drivers' licenses.

32 (~~((ii) Prior to renewal of intergovernmental TANF agreements with~~  
33 ~~a tribe, the department shall request information on the total~~  
34 ~~expenditures and total number of clients served in the tribal TANF~~  
35 ~~program. When the per-client costs in the tribal TANF program have~~  
36 ~~increased since the initial agreement, the department may negotiate a~~  
37 ~~lower state maintenance of effort level based on the increased~~  
38 ~~resources provided by the tribe since the original agreement. The~~  
39 ~~department shall report to the office of financial management and the~~  
40 ~~fiscal committees of the legislature the revised amount of the state~~

1 maintenance of effort level within two weeks of each newly signed  
2 intergovernmental TANF agreement.))

3 (d)(i) (~~(\$501,608,000)~~) \$476,804,000 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. In order to not exceed the  
6 appropriated amount, the department shall manage the program so that  
7 the average monthly caseload does not exceed 33,000 households and  
8 the department shall give prioritized access into the program  
9 according to the following order:

10 (A) Families applying for or receiving temporary assistance for  
11 needy families (TANF);

12 (B) TANF families curing sanction;

13 (C) Foster children;

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

15 (E) 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;

19 (F) Families with a child residing with a biological parent or  
20 guardian who have received child protective services, child welfare  
21 services, or a family assessment response from the department in the  
22 past six months, and has received a referral for child care as part  
23 of the family's case management.

24 (G) Families that received subsidies within the last thirty days  
25 and:

26 (I) Have reapplied for subsidies; and

27 (II) Have household income of two hundred percent federal poverty  
28 level or below; and

29 (H) All other eligible families.

30 (ii) The department, within existing appropriations, must ensure  
31 quality control measures for the working connections child care  
32 program by maximizing the use of information technology systems and  
33 the development or modification of the application and standard  
34 operating procedures to ensure that cases are:

35 (A) Appropriately and accurately processed; and

36 (B) Routinely monitored for eligibility in a manner that is  
37 similar to processes and systems currently in place for regular  
38 monitoring in other public assistance programs. Eligibility criteria  
39 routinely monitored must include, at a minimum:

40 (I) Participation in work or other approved activities;

1 (II) Household composition; and

2 (III) Maximum number of subsidized child care hours authorized.

3 The department must submit a preliminary report by December 1, 2017,  
4 and a final report by December 1, 2018, to the governor and the  
5 appropriate fiscal and policy committees of the legislature detailing  
6 the specific actions taken to implement this subsection.

7 (iii) Of the amounts provided in (d) of this subsection,  
8 \$4,620,000 of the appropriation for fiscal year 2018 and \$4,792,000  
9 of the appropriation for fiscal year 2019 are provided for a base  
10 rate increase, a rate increase for Family Friend and Neighbor  
11 providers, covering an increase for health insurance premiums, and  
12 increasing paid professional development days from three days to five  
13 days. This funding is for the 2017-2019 collective bargaining  
14 agreement covering family child care providers as set forth in  
15 section 940 of this act.

16 (iv) Of the amounts provided in (d) of this subsection,  
17 \$8,547,000 of the general fund—state appropriation for fiscal year  
18 2018 and \$10,438,000 of the general fund—state appropriation for  
19 fiscal year 2019 are provided solely for subsidy base rate increases  
20 for child care center providers.

21 (e) \$34,248,000 of the general fund—federal appropriation is  
22 provided solely for child welfare services within the department of  
23 children, youth, and families.

24 (f) (~~(\$170,442,000)~~) \$170,195,000 of the amounts in (1)(a) of  
25 this section are provided solely for WorkFirst and working  
26 connections child care administration and overhead. \$127,000 of the  
27 funds appropriated in this subsection for fiscal year 2019 are  
28 provided solely for implementation of chapter 9, Laws of 2017 3rd sp.  
29 sess. (working connections child care).

30 (g) The amounts in subsections (1)(b) through (e) of this section  
31 shall be expended for the programs and in the amounts specified.  
32 However, the department may transfer up to 10 percent of funding  
33 between subsections (1)(b) through (f) of this section. The  
34 department shall provide notification prior to any transfer to the  
35 office of financial management and to the appropriate legislative  
36 committees and the legislative-executive WorkFirst oversight task  
37 force. The approval of the director of financial management is  
38 required prior to any transfer under this subsection.

1 (h) Each calendar quarter, the department shall provide a  
2 maintenance of effort and participation rate tracking report for  
3 temporary assistance for needy families to the office of financial  
4 management, the appropriate policy and fiscal committees of the  
5 legislature, and the legislative-executive WorkFirst oversight task  
6 force. The report must detail the following information for temporary  
7 assistance for needy families:

8 (i) An overview of federal rules related to maintenance of  
9 effort, excess maintenance of effort, participation rates for  
10 temporary assistance for needy families, and the child care  
11 development fund as it pertains to maintenance of effort and  
12 participation rates;

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

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

18 (iv) The status of reportable federal participation rate  
19 requirements, including any impact of excess maintenance of effort on  
20 participation targets;

21 (v) Potential new sources of maintenance of effort and progress  
22 to obtain additional maintenance of effort; and

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

26 (i) In the 2017-2019 fiscal biennium, it is the intent of the  
27 legislature to provide appropriations from the state general fund for  
28 the purposes of (b) through (f) of this subsection if the department  
29 does not receive additional federal temporary assistance for needy  
30 families contingency funds in each fiscal year as assumed in the  
31 budget outlook.

32 (2) \$1,657,000 of the general fund—state appropriation for fiscal  
33 year 2018 and \$1,657,000 of the general fund—state appropriation for  
34 fiscal year 2019 are provided solely for naturalization services.

35 (3) \$2,366,000 of the general fund—state appropriation for fiscal  
36 year 2018 is provided solely for employment services for refugees and  
37 immigrants, of which \$1,774,000 is provided solely for the department  
38 to pass through to statewide refugee and immigrant assistance  
39 organizations for limited English proficiency pathway services; and

1 \$2,366,000 of the general fund—state appropriation for fiscal year  
2 2019 is provided solely for employment services for refugees and  
3 immigrants, of which \$1,774,000 is provided solely for the department  
4 to pass through to statewide refugee and immigrant assistance  
5 organizations for limited English proficiency pathway services.

6 (4) On (~~December~~) January 1, 2017, and annually thereafter, the  
7 department must report to the governor and the legislature on all  
8 sources of funding available for both refugee and immigrant services  
9 and naturalization services during the current fiscal year and the  
10 amounts expended to date by service type and funding source. The  
11 report must also include the number of clients served and outcome  
12 data for the clients.

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

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

24 (7) (~~(\$433,000)~~) \$856,000 of the general fund—state appropriation  
25 for fiscal year 2018, (~~(\$451,000)~~) \$1,848,000 of the general fund—  
26 state appropriation for fiscal year 2019, and (~~(\$6,451,000)~~)  
27 \$16,267,000 of the general fund—federal appropriation are provided  
28 solely for ESAR Architectural Development and are subject to the  
29 conditions, limitations, and review provided in section 724 of this  
30 act.

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

37 (9) \$750,000 of the general fund—state appropriation for fiscal  
38 year 2018 and \$750,000 of the general fund—state appropriation for

1 fiscal year 2019 are provided solely for operational support of the  
2 Washington information network 211 organization.

3 (10) \$90,000 of the general fund—state appropriation for fiscal  
4 year 2018, \$8,000 of the general fund—state appropriation for fiscal  
5 year 2019, and \$36,000 of the general fund—federal appropriation are  
6 provided solely for implementation of chapter 270, Laws of 2017 (SB  
7 5118) (personal needs allowance).

8 (11) (~~(\$127,000 of the general fund state appropriation for~~  
9 ~~fiscal year 2019 is provided solely for implementation of Substitute~~  
10 ~~House Bill No. 1624 (working connections child care). If the bill is~~  
11 ~~not enacted by July 31, 2017, the amount provided in this subsection~~  
12 ~~shall lapse.)) \$5,000,000 of the general fund—federal appropriation  
13 is provided solely for the resources to improve the successful  
14 employment program. The department shall submit a preliminary report  
15 of its findings of the impact of this program on increasing  
16 employment to the appropriate committees of the legislature no later  
17 than January 1, 2019, with a final report submitted no later than  
18 June 30, 2019.~~

19 (12) \$121,000 of the general fund—state appropriation for fiscal  
20 year 2019 is provided solely for implementation of Substitute Senate  
21 Bill No. 5683 (Pacific Islander health care). If the bill is not  
22 enacted by June 30, 2018, the amount provided in this subsection  
23 shall lapse.

24 (13) \$58,000 of the general fund—state appropriation for fiscal  
25 year 2019 is provided solely to implement Substitute Senate Bill No.  
26 6237 (personal needs allowance) or Substitute House Bill No. 2651  
27 (personal needs allowance). If neither bill is enacted by June 30,  
28 2018, the amount provided in this subsection shall lapse.

29 **Sec. 208.** 2017 3rd sp.s. c 1 s 208 (uncodified) is amended to  
30 read as follows:

31 **FOR THE DEPARTMENT OF SOCIAL AND HEALTH SERVICES—ALCOHOL AND**  
32 **SUBSTANCE ABUSE PROGRAM**

33	General Fund—State Appropriation (FY 2018). . . . .	(( <del>\$78,842,000</del> ))
34		<u>\$96,763,000</u>
35	<del>((General Fund—State Appropriation (FY 2019). . . . .</del>	<del>\$71,308,000))</del>
36	General Fund—Federal Appropriation. . . . .	(( <del>\$575,249,000</del> ))
37		<u>\$301,240,000</u>
38	General Fund—Private/Local Appropriation. . . . .	(( <del>\$20,211,000</del> ))

1		<u>\$10,101,000</u>
2	Criminal Justice Treatment Account—State	
3	Appropriation. . . . .	(( <del>\$12,978,000</del> ))
4		<u>\$6,488,000</u>
5	Problem Gambling Account—State Appropriation. . . . .	(( <del>\$1,453,000</del> ))
6		<u>\$725,000</u>
7	Dedicated Marijuana Account—State Appropriation	
8	(FY 2018). . . . .	\$24,802,000
9	( <del>Dedicated Marijuana Account—State Appropriation</del>	
10	<del>(FY 2019). . . . .</del>	<del>\$24,802,000</del> )
11	<u>Pension Funding Stabilization Account—State</u>	
12	<u>Appropriation. . . . .</u>	<u>\$264,000</u>
13	TOTAL APPROPRIATION. . . . .	(( <del>\$809,645,000</del> ))
14		<u>\$440,383,000</u>

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

17 (1) \$3,278,000 of the dedicated marijuana account—state  
18 appropriation for fiscal year 2018 (~~and \$3,278,000 of the dedicated~~  
19 ~~marijuana account—state appropriation for fiscal year 2019~~) are  
20 provided solely for a memorandum of understanding with the department  
21 of social and health services juvenile rehabilitation administration  
22 to provide substance abuse treatment programs for juvenile offenders.  
23 Of the amounts provided in this subsection:

24 (a) \$1,130,000 of the dedicated marijuana account—state  
25 appropriation for fiscal year 2018 (~~and \$1,130,000 of the dedicated~~  
26 ~~marijuana account—state appropriation for fiscal year 2019 are~~) is  
27 provided solely for alcohol and substance abuse treatment programs  
28 for locally committed offenders. The juvenile rehabilitation  
29 administration shall award these funds as described in section 203(4)  
30 of this act.

31 (b) \$282,000 of the dedicated marijuana account—state  
32 appropriation for fiscal year (~~2017 and \$282,000 of the dedicated~~  
33 ~~marijuana account—state appropriation for fiscal year 2019 are~~) 2018  
34 is provided solely for the expansion of evidence-based treatments and  
35 therapies as described in section 203(2) of this act.

36 (2) During the 2017-19 fiscal biennium, any amounts provided in  
37 this section that are used for case management services for pregnant  
38 and parenting women must be contracted directly between the



1 department and providers rather than through contracts with  
2 behavioral health organizations.

3 (3) Within the amounts appropriated in this section, the  
4 department may contract with the University of Washington and  
5 community-based providers for the provision of the parent-child  
6 assistance program or other specialized chemical dependency case  
7 management providers for pregnant, post-partum, and parenting women.  
8 For all contractors: (i) Service and other outcome data must be  
9 provided to the department by request; and (ii) indirect charges for  
10 administering the program shall not exceed ten percent of the total  
11 contract amount.

12 (~~((4) — \$3,500,000))~~ \$1,750,000 of the general fund—federal  
13 appropriation (from the substance abuse prevention and treatment  
14 federal block grant) is provided solely for the continued funding of  
15 existing county drug and alcohol use prevention programs.

16 (5) \$200,000 of the dedicated marijuana account—state  
17 appropriation for fiscal year 2018 (~~and \$200,000 of the dedicated~~  
18 ~~marijuana account—state appropriation for fiscal year 2019 are~~) is  
19 provided solely for a contract with the Washington state institute  
20 for public policy to conduct cost-benefit evaluations of the  
21 implementation of chapter 3, Laws of 2013 (Initiative Measure No.  
22 502).

23 (6) \$500,000 of the dedicated marijuana account—state  
24 appropriation for fiscal year 2018 (~~and \$500,000 of the dedicated~~  
25 ~~marijuana account—state appropriation for fiscal year 2019 are~~) is  
26 provided solely to design and administer the Washington state healthy  
27 youth survey and the Washington state young adult behavioral health  
28 survey.

29 (7) \$396,000 of the dedicated marijuana account—state  
30 appropriation for fiscal year 2018 (~~and \$396,000 of the dedicated~~  
31 ~~marijuana account—state appropriation for fiscal year 2019 are~~) is  
32 provided solely for maintaining increased services to pregnant and  
33 parenting women provided through the parent child assistance program.

34 (8) \$250,000 of the dedicated marijuana account—state  
35 appropriation for fiscal year 2018 (~~and \$250,000 of the dedicated~~  
36 ~~marijuana account—state appropriation for fiscal year 2019 are~~) is  
37 provided solely for a grant to the office of superintendent of public  
38 instruction to provide life skills training to children and youth in  
39 schools that are in high needs communities.

1 (9) \$386,000 of the dedicated marijuana account—state  
2 appropriation for fiscal year 2018 (~~(and \$386,000 of the dedicated~~  
3 ~~marijuana account—state appropriation for fiscal year 2019 are))~~) is  
4 provided solely to maintain increased prevention and treatment  
5 services provided by tribes to children and youth.

6 (10) \$2,684,000 of the dedicated marijuana account—state  
7 appropriation for fiscal year 2018(~~(, \$2,684,000 of the dedicated~~  
8 ~~marijuana account—state appropriation for fiscal year 2019,))~~) and  
9 (~~(\$1,900,000)~~) \$950,000 of the general fund—federal appropriation are  
10 provided solely to maintain increased residential treatment services  
11 for children and youth.

12 (11) \$250,000 of the dedicated marijuana account—state  
13 appropriation for fiscal year 2018 (~~(and \$250,000 of the dedicated~~  
14 ~~marijuana account—state appropriation for fiscal year 2019 are))~~) is  
15 provided solely for training and technical assistance for the  
16 implementation of evidence based, research based, and promising  
17 programs which prevent or reduce substance use disorders.

18 (12) \$2,434,000 of the dedicated marijuana account—state  
19 appropriation for fiscal year 2018 (~~(and \$2,434,000 of the dedicated~~  
20 ~~marijuana account—state appropriation for fiscal year 2019 are))~~) is  
21 provided solely for expenditure into the home visiting services  
22 account.

23 (13) \$2,500,000 of the dedicated marijuana account—state  
24 appropriation for fiscal year 2018 (~~(and \$2,500,000 of the dedicated~~  
25 ~~marijuana account—state appropriation for fiscal year 2019 are))~~) is  
26 provided solely for grants to community-based programs that provide  
27 prevention services or activities to youth, including programs for  
28 school-based resource officers. These funds must be utilized in  
29 accordance with RCW 69.50.540.

30 (14) Within the amounts provided in this section, behavioral  
31 health organizations must provide outpatient chemical dependency  
32 treatment for offenders enrolled in the medicaid program who are  
33 supervised by the department of corrections pursuant to a term of  
34 community supervision. Contracts with behavioral health organizations  
35 must require that behavioral health organizations include in their  
36 provider network specialized expertise in the provision of  
37 manualized, evidence-based chemical dependency treatment services for  
38 offenders. The department of corrections and the department must  
39 develop a memorandum of understanding for department of corrections

1 offenders on active supervision who are medicaid eligible and meet  
2 medical necessity for outpatient substance use disorder treatment.  
3 The agreement will ensure that treatment services provided are  
4 coordinated, do not result in duplication of services, and maintain  
5 access and quality of care for the individuals being served. The  
6 department must provide all necessary data, access, and reports to  
7 the department of corrections for all department of corrections  
8 offenders that receive medicaid paid services.

9 (15) (~~(\$1,125,000)~~) \$563,000 of the general fund—federal  
10 appropriation is provided solely for the department to develop a  
11 memorandum of understanding with the department of health for  
12 implementation of chapter 297, Laws of 2017 (ESHB 1427) (opioid  
13 treatment programs). The department must use these amounts to  
14 reimburse the department of health for costs incurred through the  
15 implementation of the bill.

16 (16) \$891,000 of the general fund—state appropriation for fiscal  
17 year 2018(~~(, \$2,580,000 of the general fund—state appropriation for~~  
18 ~~fiscal year 2019,)) and (~~(\$2,755,000)~~) \$435,000 of the general fund—  
19 federal appropriation are provided solely for the development and  
20 operation of two secure detoxification facilities. The department  
21 must not use any of these amounts for services in facilities that are  
22 subject to federal funding restrictions that apply to institutions  
23 for mental diseases, unless they have received a waiver that allows  
24 for full federal participation in these facilities.~~

25 (17) (~~(\$1,000,000)~~) \$500,000 of the criminal justice treatment  
26 account—state appropriation is provided solely to maintain increased  
27 funding for substance abuse treatment and support services for  
28 offenders and support of drug courts.

29 (18) The department must review the treatment services provided  
30 by the behavioral health organizations (BHO) to individuals  
31 supervised by the department of corrections in the community. In  
32 reviewing, the department shall compile data specific to BHOs and in  
33 the aggregate for access to services, timeliness, number of referrals  
34 from the department of corrections, and number of individuals served.  
35 The department will consult with the department of corrections and  
36 must report to the governor and the appropriate legislative  
37 committees no later than November 30, 2017, the transition of  
38 services from the department of corrections to the BHOs and identify

1 barriers to access and services for community supervised individuals  
2 and provide recommendations for improved services to this population.

3 (19) \$100,000 of the general fund—state appropriation for fiscal  
4 year 2018 (~~and \$100,000 of the general fund—state appropriation for~~  
5 ~~fiscal year 2019 are~~) is provided solely for parenting education  
6 services focused on pregnant and parenting women.

7 (20) Within existing appropriations, the department shall  
8 prioritize the prevention and treatment of intravenous opiate-based  
9 drug use.

10 (21) In accordance with RCW 70.96A.090, 71.24.035, 43.20B.110,  
11 and 43.135.055, the department is authorized to adopt fees for the  
12 review and approval of mental health and substance use disorder  
13 treatment programs in fiscal (~~years~~) year 2018 (~~and 2019~~) as  
14 necessary to support the costs of the regulatory program. The  
15 department's fee schedule shall have differential rates for providers  
16 with proof of accreditation from organizations that the department  
17 has determined to have substantially equivalent standards to those of  
18 the department, including but not limited to the joint commission on  
19 accreditation of health care organizations, the commission on  
20 accreditation of rehabilitation facilities, and the council on  
21 accreditation. To reflect the reduced costs associated with  
22 regulation of accredited programs, the department's fees for  
23 organizations with such proof of accreditation must reflect the lower  
24 cost of licensing for these programs than for other organizations  
25 which are not accredited. To the extent that the fees charged in  
26 fiscal year 2018 are not expected to fully cover the cost of the  
27 program, the department must submit a report to the office of  
28 financial management and the appropriate fiscal committees of the  
29 legislature identifying what further increases would be required and  
30 the differential impact on providers. This report must be submitted  
31 by December 1, 2017.

32 **Sec. 209.** 2017 3rd sp.s. c 1 s 209 (uncodified) is amended to  
33 read as follows:

34 **FOR THE DEPARTMENT OF SOCIAL AND HEALTH SERVICES—VOCATIONAL**  
35 **REHABILITATION PROGRAM**

36 General Fund—State Appropriation (FY 2018). . . . . (~~(\$14,899,000)~~)  
37 \$13,890,000

38 General Fund—State Appropriation (FY 2019). . . . . (~~(\$15,603,000)~~)



1	General Fund—Federal Appropriation. . . . .	(( <del>\$39,963,000</del> ))
2		<u>\$43,874,000</u>
3	<del>((General Fund—Private/Local Appropriation. . . . .</del>	<del>\$654,000))</del>
4	<u>Pension Funding Stabilization Account—State</u>	
5	<u>Appropriation. . . . .</u>	<u>\$6,247,000</u>
6	TOTAL APPROPRIATION. . . . .	(( <del>\$108,089,000</del> ))
7		<u>\$113,106,000</u>

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

10 (1) \$300,000 of the general fund—state appropriation for fiscal  
11 year 2018 and ((~~\$300,000~~)) \$500,000 of the general fund—state  
12 appropriation for fiscal year 2019 are provided solely for a  
13 Washington state mentoring organization to continue its public-  
14 private partnerships to provide technical assistance and training to  
15 mentoring programs that serve at-risk youth.

16 (2) Within amounts appropriated in this section, the department  
17 shall provide to the department of health, where available, the  
18 following data for all nutrition assistance programs funded by the  
19 United States department of agriculture and administered by the  
20 department. The department must provide the report for the preceding  
21 federal fiscal year by February 1, 2018, and February 1, 2019. The  
22 report must provide:

- 23 (a) The number of people in Washington who are eligible for the
- 24 program;
- 25 (b) The number of people in Washington who participated in the
- 26 program;
- 27 (c) The average annual participation rate in the program;
- 28 (d) Participation rates by geographic distribution; and
- 29 (e) The annual federal funding of the program in Washington.

30 (3) \$1,216,000 of the general fund—state appropriation for fiscal  
31 year 2019 and \$515,000 of the general fund—federal appropriation are  
32 provided solely for the implementation of Engrossed Second Substitute  
33 House Bill No. 1661 (child, youth, families department). If the bill  
34 is not enacted by July 31, 2017, the amount provided in this  
35 subsection shall lapse.

36 (4) \$81,000 of the general fund—state appropriation for fiscal  
37 year 2018, \$86,000 of the general fund—state appropriation for fiscal  
38 year 2019, and \$167,000 of the general fund—federal appropriation are  
39 provided solely for the implementation of an agreement reached

1 between the governor and the Washington federation of state employees  
2 for the language access providers under the provisions of chapter  
3 41.56 RCW for the 2017-2019 fiscal biennium. Funding is contingent  
4 upon the enactment of Senate Bill No. 5969 (transparency in public  
5 employee collective bargaining). If the bill is not enacted by July  
6 31, 2017, the amounts provided in this subsection shall lapse.

7 (5) \$354,000 of the general fund—state appropriation for fiscal  
8 year 2019 and \$78,000 of the general fund—federal appropriation are  
9 provided solely for human resources staff to support hiring  
10 initiatives at the state psychiatric hospitals connected to  
11 compliance efforts with the plan of correction submitted to the  
12 centers for medicare and medicaid services.

13 (6) \$609,000 of the general fund—state appropriation for fiscal  
14 year 2019 and \$141,000 of the general fund—federal appropriation are  
15 provided solely for the replacement of circuits, routers, and  
16 switches at western state hospital, eastern state hospital, Seattle  
17 children's intake center, Rainier school, Lakeland village, and the  
18 special commitment center.

19 (7) \$579,000 of the general fund—state appropriation for fiscal  
20 year 2019 and \$245,000 of the general fund—federal appropriation are  
21 provided solely to modify the number of administrative staff  
22 transferring from the department of social and health services to the  
23 department of children, youth, and families.

24 (8) \$53,000 of the general fund—state appropriation for fiscal  
25 year 2019 and \$12,000 of the general fund—federal appropriation are  
26 provided solely to implement Engrossed Substitute Senate Bill No.  
27 5588 (racial disproportionality). If this bill is not enacted by June  
28 30, 2018, the amounts provided in this subsection shall lapse.

29 (9) \$22,000 of the general fund—state appropriation for fiscal  
30 year 2019 and \$43,000 of the general fund—federal appropriation are  
31 provided solely to implement Engrossed Substitute Senate Bill No.  
32 6037 (uniform parentage act). If this bill is not enacted by June 30,  
33 2018, the amounts provided in this subsection shall lapse.

34 **Sec. 212.** 2017 3rd sp.s. c 1 s 212 (uncodified) is amended to  
35 read as follows:

36 **FOR THE DEPARTMENT OF SOCIAL AND HEALTH SERVICES—PAYMENTS TO OTHER**  
37 **AGENCIES PROGRAM**

38 General Fund—State Appropriation (FY 2018). . . . . (~~(\$81,319,000)~~)

1		<u>\$81,955,000</u>
2	General Fund—State Appropriation (FY 2019). . . . .	(( <del>\$43,380,000</del> ))
3		<u>\$42,108,000</u>
4	General Fund—Federal Appropriation. . . . .	(( <del>\$57,578,000</del> ))
5		<u>\$57,184,000</u>
6	TOTAL APPROPRIATION. . . . .	(( <del>\$182,277,000</del> ))
7		<u>\$181,247,000</u>

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

10 (1) \$39,000 of the general fund—state appropriation for fiscal  
11 year 2018 and \$11,000 of the general fund—federal appropriation are  
12 provided solely for the implementation of Engrossed Second Substitute  
13 House Bill No. 1661 (child, youth, families department). If the bill  
14 is not enacted by July 31, 2017, the amounts provided in this  
15 subsection shall lapse.

16 (2) \$12,000 of the general fund—state appropriation for fiscal  
17 year 2018, \$12,000 of the general fund—state appropriation for fiscal  
18 year 2019, and \$24,000 of the general fund—federal appropriation are  
19 provided solely for the implementation of chapter 268, Laws of 2017  
20 (2SHB 1402) (incapacitated persons/rights).

21 (3) Within the amounts appropriated in this section, the  
22 department must extend master property insurance to all buildings  
23 owned by the department valued over \$250,000 and to all locations  
24 leased by the department with contents valued over \$250,000.

25 (4) \$157,000 of the general fund—state appropriation for fiscal  
26 year 2018, \$159,000 of the general fund—state appropriation for  
27 fiscal year 2019, and \$134,000 of the general fund—federal  
28 appropriation are provided solely for legal support, including formal  
29 proceedings and informal client advice, associated with adult  
30 protective service investigations.

31 **Sec. 213.** 2017 3rd sp.s. c 1 s 213 (uncodified) is amended to  
32 read as follows:

33 **FOR THE STATE HEALTH CARE AUTHORITY**

34 During the 2017-2019 fiscal biennium, the health care authority  
35 shall provide support and data as required by the office of the state  
36 actuary in providing the legislature with health care actuarial  
37 analysis, including providing any information in the possession of  
38 the health care authority or available to the health care authority



1 through contracts with providers, plans, insurers, consultants, or  
2 any other entities contracting with the health care authority.

3 Information technology projects or investments and proposed  
4 projects or investments impacting time capture, payroll and payment  
5 processes and systems, eligibility, case management, and  
6 authorization systems within the health care authority are subject to  
7 technical oversight by the office of the chief information officer.

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

25 The appropriations to the health care authority in this act shall  
26 be expended for the programs and in the amounts specified in this  
27 act. To the extent that appropriations in this section are  
28 insufficient to fund actual expenditures in excess of caseload  
29 forecasts and utilization assumptions, the authority, after May 1,  
30 2018, may transfer general fund—state appropriations for fiscal year  
31 2018 that are provided solely for a specified purpose. The authority  
32 may not transfer funds, and the director of the office of financial  
33 management shall not approve the transfer, unless the transfer is  
34 consistent with the objective of conserving, to the maximum extent  
35 possible, the expenditure of state funds. The director of the office  
36 of financial management shall notify the appropriate fiscal  
37 committees of the senate and house of representatives in writing  
38 seven days prior to approving any allotment modifications or  
39 transfers under this subsection. The written notification must  
40 include a narrative explanation and justification of changes, along

1 with expenditures and allotments by budget unit and appropriation,  
2 both before and after any allotment modifications and transfers.

3 (1) MEDICAL ASSISTANCE

4	General Fund—State Appropriation (FY 2018) . . . . .	(( <del>\$2,065,747,000</del> ))
5		<u>\$2,021,884,000</u>
6	General Fund—State Appropriation (FY 2019). . . . .	(( <del>\$2,114,943,000</del> ))
7		<u>\$2,079,368,000</u>
8	General Fund—Federal Appropriation. . . . .	(( <del>\$11,503,815,000</del> ))
9		<u>\$11,819,053,000</u>
10	General Fund—Private/Local Appropriation. . . . .	(( <del>\$232,300,000</del> ))
11		<u>\$204,427,000</u>
12	Emergency Medical Services and Trauma Care Systems	
13	Trust Account—State Appropriation. . . . .	\$15,086,000
14	Hospital Safety Net Assessment Account—State	
15	Appropriation. . . . .	(( <del>\$725,012,000</del> ))
16		<u>\$693,099,000</u>
17	Medicaid Fraud Penalty Account—State Appropriation. . . . .	\$28,163,000
18	Medical Aid Account—State Appropriation. . . . .	\$528,000
19	Dedicated Marijuana Account—State Appropriation	
20	(FY 2018). . . . .	(( <del>\$16,205,000</del> ))
21		<u>\$59,859,000</u>
22	Dedicated Marijuana Account—State Appropriation	
23	(FY 2019). . . . .	(( <del>\$17,039,000</del> ))
24		<u>\$19,434,000</u>
25	<del>((State Health Care Authority Administrative Account—</del>	
26	<del>State Appropriation. . . . .</del>	<del>\$7,000))</del>
27	<u>Pension Funding Stabilization Account—State</u>	
28	<u>Appropriation. . . . .</u>	<u>\$4,538,000</u>
29	TOTAL APPROPRIATION. . . . .	(( <del>\$16,718,845,000</del> ))
30		<u>\$16,945,439,000</u>

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

33 (a) ((~~\$256,645,000~~)) \$268,117,000 of the general fund—state  
34 appropriation for fiscal year 2018 and \$264,704,000 of the general  
35 fund—state appropriation for fiscal year 2019 are provided solely for  
36 the authority to implement a single, standard medicaid preferred drug  
37 list to be used by all contracted medicaid managed health care  
38 systems, on or before January 1, 2018. The preferred drug list shall

1 be developed in consultation with all contracted managed health care  
2 systems and the state pharmacy and therapeutics committee or drug  
3 utilization review board and shall further the goals and objectives  
4 of the medicaid program. The list shall be designed to maximize  
5 federal rebates and supplemental rebates and ensure access to  
6 clinically effective and appropriate drug therapies under each class.  
7 Entities eligible for 340B drug pricing shall continue to operate  
8 under their current pricing agreement, unless otherwise required by  
9 federal laws or regulations. The authority may utilize external  
10 consultants with expertise in evidence-based drug class reviews,  
11 pharmacy benefit management, and purchasing to assist with the  
12 completion of this development and implementation. The authority  
13 shall require each managed care organization that has contracted with  
14 the authority to provide care to medicaid beneficiaries to use the  
15 established preferred drug list; and shall prohibit each managed care  
16 organization and any of its agents from negotiating or collecting  
17 rebates for any medications listed in the state's medicaid single  
18 preferred drug list whether preferred or nonpreferred. To assist in  
19 the implementation of the single preferred drug list, contracted  
20 medicaid managed health care systems shall provide the authority  
21 drug-specific financial information in a format and frequency  
22 determined by the authority to include the actual amounts paid to  
23 pharmacies for prescription drugs dispensed to covered individuals  
24 compared to the cost invoiced to the health plan and individual  
25 rebates collected for prescription drugs dispensed to medicaid  
26 members. Information disclosed to the authority by the manufacturer  
27 pursuant to this provision shall only be used for the purposes of  
28 developing and implementing a single, standard state preferred drug  
29 list in accordance with this provision. The authority, medicaid  
30 managed care organizations, and all other parties shall maintain the  
31 confidentiality of drug-specific financial and other proprietary  
32 information and such information shall not be subject to the  
33 Washington public records act. The authority shall provide a report  
34 to the governor and appropriate committees of the legislature by  
35 November 15, 2018, and by November 15, 2019, including a comparison  
36 of the amount spent in the previous two fiscal years to expenditures  
37 under the new system by, at a minimum, fund source, total  
38 expenditure, drug class, and top twenty-five drugs. The data provided  
39 to the authority shall be aggregated in any report by the authority,  
40 the legislature, or the office of financial management so as not to

1 disclose the proprietary or confidential drug-specific information,  
2 or the proprietary or confidential information that directly or  
3 indirectly identifies financial information linked to a single  
4 manufacturer. It is the intent of the legislature to revisit this  
5 policy in subsequent biennia to determine whether it is in the best  
6 interest of the state.

7 (b) (~~(\$118,813,000)~~) \$113,356,000 of the general fund—state  
8 appropriation for fiscal year 2018 and (~~(\$120,265,000)~~) \$140,578,000  
9 of the general fund—state appropriation for fiscal year 2019 are  
10 provided solely for holding managed care capitation rates flat at  
11 calendar year 2017 levels in state fiscal years and calendar years  
12 2018 and 2019.

13 (c) \$122,244,000 of the general fund—state appropriation for  
14 fiscal year 2018 and \$116,038,000 of the general fund—state  
15 appropriation for fiscal year 2019 are provided solely for the  
16 authority through the competitive procurement process, to contract  
17 with licensed dental health plans or managed health care plans on a  
18 prepaid or fixed-sum risk basis to provide carved-out managed dental  
19 care services on a statewide basis that will result in greater  
20 efficiency and will facilitate better access and oral health outcomes  
21 for medicaid enrollees. Except in areas where only a single plan is  
22 available, the authority must contract with at least two plans. The  
23 authority shall include in the contracts: (i) Quarterly reporting  
24 requirements to include medicaid utilization and encounter data by  
25 current dental technology (CDT) code; (ii) a direction to increase  
26 the dental provider network; (iii) a commitment to retain innovative  
27 programs that improve access and care such as the access to baby and  
28 child dentistry program; (iv) a program to reduce emergency room use  
29 for dental purposes; (v) a requirement to ensure that dental care is  
30 being coordinated with the primary care provider of the patient to  
31 ensure integrated care; (vi) a provision that no less than eighty-  
32 five percent of the contracting fee be used to directly offset the  
33 cost of providing direct patient care as opposed to administrative  
34 costs; and (vii) a provision to ensure the contracting fee shall be  
35 sufficient to compensate county health departments and federally  
36 qualified health centers for dental patient care. The plan(s) awarded  
37 this contract must absorb all start-up costs associated with moving  
38 the program from fee-for-service to managed care and shall commit to  
39 achieving an overall savings to the program based on 2016 fee-for-

1 service experience. In order to comply with state insurance  
2 underwriting standards, the authority shall ensure that savings  
3 offered by dental plans are actuarially sound. Starting January 31,  
4 2019, and every year thereafter through December 2024, the authority  
5 shall submit an annual report to the governor and the appropriate  
6 committees of the legislature detailing how the contracted entities  
7 have met the requirements of the contract. The report shall include  
8 specific information to include utilization, how the contracted  
9 entities have increased their dental provider networks, how the  
10 emergency room use for dental purposes has been reduced, and how  
11 dental care has been integrated with patients' primary care  
12 providers. If after the end of five years the data reported does not  
13 demonstrate sufficient progress to address the stated contracted  
14 goals, the legislature will reevaluate whether carved-out dental  
15 managed care needs to be replaced with a different delivery model.  
16 The authority is authorized to seek any necessary state plan  
17 amendments or federal waivers to implement this subsection.  
18 Additional dental program savings achieved by the plans beyond those  
19 assumed in the 2017-2019 omnibus appropriations act will be used to  
20 increase dental provider reimbursement rates. By October 30, 2018,  
21 the authority shall report to the governor and the appropriate  
22 committees of the legislature anticipated savings related to  
23 reduction in dental emergency department visits and utilization once  
24 managed care dental coverage begins.

25 (d) (~~(\$1,540,849,000)~~) \$1,524,310,000 of the general fund—state  
26 appropriation for fiscal year 2018 and (~~(\$1,585,513,000)~~)  
27 \$1,530,977,000 of the general fund—state appropriation for fiscal  
28 year 2019 are provided solely for medicaid services and the medicaid  
29 program. However, the authority shall not accept or expend any  
30 federal funds received under a medicaid transformation waiver under  
31 healthier Washington except as described in (e) and (f) of this  
32 subsection until specifically approved and appropriated by the  
33 legislature. To ensure compliance with legislative directive budget  
34 requirements and terms and conditions of the waiver, the authority  
35 shall implement the waiver and reporting requirements with oversight  
36 from the office of financial management. The legislature finds that  
37 appropriate management of the innovation waiver requires better  
38 analytic capability, transparency, consistency, timeliness, accuracy,  
39 and lack of redundancy with other established measures and that the  
40 patient must be considered first and foremost in the implementation

1 and execution of the demonstration waiver. In order to effectuate  
2 these goals, the authority shall: (i) Require the Dr. Robert Bree  
3 collaborative and the health technology assessment program to reduce  
4 the administrative burden upon providers by only requiring  
5 performance measures that are nonduplicative of other nationally  
6 established measures. The joint select committee on health care  
7 oversight will evaluate the measures chosen by the collaborative and  
8 the health technology assessment program for effectiveness and  
9 appropriateness; (ii) develop a patient satisfaction survey with the  
10 goal to gather information about whether it was beneficial for the  
11 patient to use the center of excellence location in exchange for  
12 additional out-of-pocket savings; (iii) ensure patients and health  
13 care providers have significant input into the implementation of the  
14 demonstration waiver, in order to ensure improved patient health  
15 outcomes; and (iv) in cooperation with the department of social and  
16 health services, consult with and provide notification of work on  
17 applications for federal waivers, including details on waiver  
18 duration, financial implications, and potential future impacts on the  
19 state budget, to the joint select committee on health care oversight  
20 prior to submitting waivers for federal approval. By federal  
21 standard, the medicaid transformation demonstration waiver shall not  
22 exceed the duration originally granted by the centers for medicare  
23 and medicaid services and any programs created or funded by this  
24 waiver do not create an entitlement.

25 (e) No more than (~~(\$479,600,000)~~) \$486,683,000 of the general  
26 fund—federal appropriation and no more than (~~(\$154,289,000)~~)  
27 \$129,103,000 of the general fund—local appropriation may be expended  
28 for transformation through accountable communities of health  
29 described in initiative 1 of the medicaid transformation  
30 demonstration wavier under healthier Washington, including preventing  
31 youth drug use, opioid prevention and treatment, and physical and  
32 behavioral health integration. Under this initiative, the authority  
33 shall take into account local input regarding community needs. In  
34 order to ensure transparency to the appropriate fiscal committees of  
35 the legislature, the authority shall provide fiscal staff of the  
36 legislature query ability into any database of the fiscal  
37 intermediary that authority staff would be authorized to access. The  
38 authority shall not increase general fund—state expenditures under  
39 this initiative. The director shall report to the joint select

1 committee on health care oversight no less than quarterly, and  
2 include details for each accountable community of health, on the  
3 financial status and measurable health outcomes. The director shall  
4 also report to the fiscal committees of the legislature all of the  
5 expenditures under this subsection and shall provide such fiscal data  
6 in the time, manner, and form requested by the legislative fiscal  
7 committees. By December 15, 2019, the authority in collaboration with  
8 each accountable community of health shall demonstrate how it will be  
9 self-sustaining by the end of the demonstration waiver period,  
10 including sources of outside funding, and provide this reporting to  
11 the joint select committee on health care oversight. If by the third  
12 year of the demonstration waiver there are not measurable, improved  
13 patient outcomes and financial returns, the Washington state  
14 institute for public policy will conduct an audit of the accountable  
15 communities of health, in addition to the process set in place  
16 through the independent evaluation required by the agreement with  
17 centers for medicare and medicaid services. Prior to the 2018  
18 legislative session, the human services, health care, and judiciary  
19 committees of the legislature will convene a joint work session to  
20 review models in the delivery system and the impacts on medical  
21 liability. The work sessions should include integrated delivery  
22 models with multiple health care providers and medical malpractice  
23 insurance carriers.

24 (f) No more than (~~(\$42,584,000)~~) \$38,425,000 of the general fund—  
25 federal appropriation may be expended for supported housing and  
26 employment services described in initiative 3a and 3b of the medicaid  
27 transformation demonstration waiver under healthier Washington. Under  
28 this initiative, the authority and the department of social and  
29 health services shall ensure that allowable and necessary services  
30 are provided to eligible clients as identified by the department or  
31 its third party administrator. The authority and the department in  
32 consultation with the medicaid forecast work group, shall ensure that  
33 reasonable reimbursements are established for services deemed  
34 necessary within an identified limit per individual. The authority  
35 shall not increase general fund—state expenditures under this  
36 initiative. The director shall report to the joint select committee  
37 on health care oversight no less than quarterly on financial and  
38 health outcomes. The director shall also report to the fiscal  
39 committees of the legislature all of the expenditures of this

1 subsection and shall provide such fiscal data in the time, manner,  
2 and form requested by the legislative fiscal committees.

3 (g) No later than November 1, 2018, and each year thereafter, the  
4 authority shall report to the governor and appropriate committees of  
5 the legislature: (i) Savings attributed to behavioral and physical  
6 integration in areas that are scheduled to integrate in the following  
7 calendar year, and (ii) savings attributed to behavioral and physical  
8 health integration and the level of savings achieved in areas that  
9 have integrated behavioral and physical health.

10 ~~((g))~~ (h) Sufficient amounts are appropriated in this  
11 subsection to implement the medicaid expansion as defined in the  
12 social security act, section 1902(a)(10)(A)(i)(VIII).

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

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

31 ~~((j))~~ (k) In determining financial eligibility for medicaid-  
32 funded services, the health care authority is authorized to disregard  
33 recoveries by Holocaust survivors of insurance proceeds or other  
34 assets, as defined in RCW 48.104.030.

35 ~~((k))~~ (l) The legislature affirms that it is in the state's  
36 interest for Harborview medical center to remain an economically  
37 viable component of the state's health care system.

38 ~~((l))~~ (m) When a person is ineligible for medicaid solely by  
39 reason of residence in an institution for mental diseases, the health  
40 care authority shall provide the person with the same benefits as he



1 or she would receive if eligible for medicaid, using state-only funds  
2 to the extent necessary.

3 ~~((m))~~ (n) \$4,261,000 of the general fund—state appropriation  
4 for fiscal year 2018, \$4,261,000 of the general fund—state  
5 appropriation for fiscal year 2019, and \$8,522,000 of the general  
6 fund—federal appropriation are provided solely for low-income  
7 disproportionate share hospital payments.

8 ~~((n))~~ (o) Within the amounts appropriated in this section, the  
9 health care authority shall provide disproportionate share hospital  
10 payments to hospitals that provide services to children in the  
11 children's health program who are not eligible for services under  
12 Title XIX or XXI of the federal social security act due to their  
13 citizenship status.

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

37 ~~((p))~~ (q) The health care authority shall continue the  
38 inpatient hospital certified public expenditures program for the  
39 2017-2019 fiscal biennium. The program shall apply to all public

1 hospitals, including those owned or operated by the state, except  
2 those classified as critical access hospitals or state psychiatric  
3 institutions. The health care authority shall submit reports to the  
4 governor and legislature by November 1, 2017, and by November 1,  
5 2018, that evaluate whether savings continue to exceed costs for this  
6 program. If the certified public expenditures (CPE) program in its  
7 current form is no longer cost-effective to maintain, the health care  
8 authority shall submit a report to the governor and legislature  
9 detailing cost-effective alternative uses of local, state, and  
10 federal resources as a replacement for this program. During fiscal  
11 year 2018 and fiscal year 2019, hospitals in the program shall be  
12 paid and shall retain one hundred percent of the federal portion of  
13 the allowable hospital cost for each medicaid inpatient fee-for-  
14 service claim payable by medical assistance and one hundred percent  
15 of the federal portion of the maximum disproportionate share hospital  
16 payment allowable under federal regulations. Inpatient medicaid  
17 payments shall be established using an allowable methodology that  
18 approximates the cost of claims submitted by the hospitals. Payments  
19 made to each hospital in the program in each fiscal year of the  
20 biennium shall be compared to a baseline amount. The baseline amount  
21 will be determined by the total of (i) the inpatient claim payment  
22 amounts that would have been paid during the fiscal year had the  
23 hospital not been in the CPE program based on the reimbursement rates  
24 developed, implemented, and consistent with policies approved in the  
25 2017-2019 biennial operating appropriations act and in effect on July  
26 1, 2015, (ii) one-half of the indigent assistance disproportionate  
27 share hospital payment amounts paid to and retained by each hospital  
28 during fiscal year 2005, and (iii) all of the other disproportionate  
29 share hospital payment amounts paid to and retained by each hospital  
30 during fiscal year 2005 to the extent the same disproportionate share  
31 hospital programs exist in the 2017-2019 fiscal biennium. If payments  
32 during the fiscal year exceed the hospital's baseline amount, no  
33 additional payments will be made to the hospital except the federal  
34 portion of allowable disproportionate share hospital payments for  
35 which the hospital can certify allowable match. If payments during  
36 the fiscal year are less than the baseline amount, the hospital will  
37 be paid a state grant equal to the difference between payments during  
38 the fiscal year and the applicable baseline amount. Payment of the  
39 state grant shall be made in the applicable fiscal year and  
40 distributed in monthly payments. The grants will be recalculated and

1 redistributed as the baseline is updated during the fiscal year. The  
2 grant payments are subject to an interim settlement within eleven  
3 months after the end of the fiscal year. A final settlement shall be  
4 performed. To the extent that either settlement determines that a  
5 hospital has received funds in excess of what it would have received  
6 as described in this subsection, the hospital must repay the excess  
7 amounts to the state when requested. (~~(\$10,575,000)~~) \$359,000 of the  
8 general fund—state appropriation for fiscal year 2018 and  
9 (~~(\$13,185,000)~~) \$361,000 of the general fund—state appropriation for  
10 fiscal year 2019 are provided solely for state grants for the  
11 participating hospitals.

12 (~~(q)~~) (r) The health care authority shall seek public-private  
13 partnerships and federal funds that are or may become available to  
14 provide on-going support for outreach and education efforts under the  
15 federal children's health insurance program reauthorization act of  
16 2009.

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

29 (~~(s)~~) (t) The authority shall submit reports to the governor  
30 and the legislature by September 15, 2018, and no later than  
31 September 15, 2019, that delineate the number of individuals in  
32 medicaid managed care, by carrier, age, gender, and eligibility  
33 category, receiving preventative services and vaccinations. The  
34 reports should include baseline and benchmark information from the  
35 previous two fiscal years and should be inclusive of, but not limited  
36 to, services recommended under the United States preventative  
37 services task force, advisory committee on immunization practices,  
38 early and periodic screening, diagnostic, and treatment (EPSDT)  
39 guidelines, and other relevant preventative and vaccination medicaid  
40 guidelines and requirements.

1       ~~((t))~~ (u) Managed care contracts must incorporate  
2 accountability measures that monitor patient health and improved  
3 health outcomes, and shall include an expectation that each patient  
4 receive a wellness examination that documents the baseline health  
5 status and allows for monitoring of health improvements and outcome  
6 measures.

7       ~~((u))~~ (v) Sufficient amounts are appropriated in this section  
8 for the authority to provide an adult dental benefit.

9       ~~((v))~~ (w) The health care authority shall coordinate with the  
10 department of social and health services to provide referrals to the  
11 Washington health benefit exchange for clients that will be  
12 ineligible for medicaid.

13       ~~((w))~~ (x) To facilitate a single point of entry across public  
14 and medical assistance programs, and to maximize the use of federal  
15 funding, the health care authority, the department of social and  
16 health services, and the health benefit exchange will coordinate  
17 efforts to expand HealthPlanfinder access to public assistance and  
18 medical eligibility staff. The health care authority shall complete  
19 medicaid applications in the HealthPlanfinder for households  
20 receiving or applying for medical assistance benefits.

21       ~~((x))~~ (y) \$90,000 of the general fund—state appropriation for  
22 fiscal year 2018, \$90,000 of the general fund—state appropriation for  
23 fiscal year 2019, and \$180,000 of the general fund—federal  
24 appropriation are provided solely to continue operation by a  
25 nonprofit organization of a toll-free hotline that assists families  
26 to learn about and enroll in the apple health for kids program.

27       ~~((y))~~ (z) The appropriations in this section reflect savings  
28 and efficiencies by transferring children receiving medical care  
29 provided through fee-for-service to medical care provided through  
30 managed care.

31       ~~((z))~~ (aa) Within the amounts appropriated in this section, the  
32 authority shall reimburse for primary care services provided by  
33 naturopathic physicians.

34       ~~((aa))~~ (bb) Within the amounts appropriated in this section,  
35 the authority shall continue to provide coverage for pregnant teens  
36 that qualify under existing pregnancy medical programs, but whose  
37 eligibility for pregnancy related services would otherwise end due to  
38 the application of the new modified adjusted gross income eligibility  
39 standard.

1        ~~((bb))~~ (cc) Sufficient amounts are appropriated in this section  
2 to remove the mental health visit limit and to provide the shingles  
3 vaccine and screening, brief intervention, and referral to treatment  
4 benefits that are available in the medicaid alternative benefit plan  
5 in the classic medicaid benefit plan.

6        ~~((ee))~~ (dd) The authority shall use revenue appropriated from  
7 the dedicated marijuana fund for contracts with community health  
8 centers under RCW 69.50.540 in lieu of general fund—state payments to  
9 community health centers for services provided to medical assistance  
10 clients, and it is the intent of the legislature that this policy  
11 will be continued in subsequent fiscal biennia.

12        ~~((dd))~~ (ee) \$127,000 of the general fund—state appropriation  
13 for fiscal year 2018 and \$1,144,000 of the general fund—federal  
14 appropriation are provided solely to the ProviderOne provider  
15 overtime project and are subject to the conditions, limitations, and  
16 review provided in section 724 of this act.

17        ~~((ee))~~ (ff) \$175,000 of the general fund—state appropriation  
18 for fiscal year 2018 and \$825,000 of the general fund—federal  
19 appropriation are provided solely to the ProviderOne CORE operating  
20 rules project and are subject to the conditions, limitations, and  
21 review provided in section 724 of this act.

22        ~~((ff))~~ (gg) \$2,200,000 of the general fund—state appropriation  
23 for fiscal year 2018 ~~((and \$2,701,000))~~, \$3,979,000 of the general  
24 fund—state appropriation for fiscal year 2019, and \$1,509,000 of the  
25 general fund—federal appropriation are provided ~~((solely))~~ for a rate  
26 increase effective July 1, 2018, and for performance payments to  
27 reward successful beneficiary engagement in the health homes program  
28 for dual eligible enrollees and these are the maximum amounts in each  
29 fiscal year the authority may expend for this purpose.

30        ~~((gg))~~ (hh) \$450,000 of the general fund—state appropriation  
31 for fiscal year 2018, \$450,000 of the general fund—state  
32 appropriation for fiscal year 2019, and \$1,058,000 of the general  
33 fund—federal appropriation are provided solely for the authority to  
34 hire ten nurse case managers to coordinate medically assisted  
35 treatment and movements to medical homes for those being treated for  
36 opioid use disorder. Nurses shall be located in areas and provider  
37 settings with the highest concentration of opioid use disorder  
38 patients.

1       (~~(hh)~~) (ii) Sufficient amounts are appropriated in this section  
2 for the authority to provide a collaborative care benefit beginning  
3 July 1, 2017.

4       (~~(ii)~~) (jj) The authority and the department of social and  
5 health services shall convene a work group consisting of  
6 representatives of skilled nursing facilities, adult family homes,  
7 assisted living facilities, managers of in-home long-term care,  
8 hospitals, and managed health care systems. The work group shall  
9 identify barriers that may prevent skilled nursing facilities from  
10 accepting and admitting clients from acute care hospitals in a timely  
11 and appropriate manner. The work group shall consider what additional  
12 resources are needed to allow for faster transfers of enrollees,  
13 including those with complex needs. By December 1, 2017, the  
14 authority shall report the work group's findings to the governor and  
15 the appropriate committees of the legislature.

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

34       (~~(kk)~~) (ll) Within the amounts appropriated within this  
35 section, beginning July 1, 2017, the authority must increase facility  
36 fees to birth centers to the amount listed on page two of their  
37 report to the legislature dated October 15, 2016, entitled  
38 reimbursement for births performed at birth centers. This increased  
39 rate is applicable in both a fee for service setting and is the  
40 minimum allowable rate in a managed care setting. The authority shall

1 report to the governor and appropriate committees of the legislature  
2 by October 15, 2018, updated information regarding access to care,  
3 improvements to the Cesarean section rate, and savings outcomes for  
4 utilizing birth centers as an alternative to hospitals.

5 ~~((+ll))~~ (mm) Beginning no later than January 1, 2018, for any  
6 service eligible under the medicaid state plan for encounter  
7 payments, managed care organizations at the request of a rural health  
8 clinic shall pay the full published encounter rate directly to the  
9 clinic. At no time will a managed care organization be at risk for or  
10 have any right to the supplemental portion of the claim. Payments  
11 will be reconciled on at least an annual basis between the managed  
12 care organization and the authority, with final review and approval  
13 by the authority. By September 31, 2017, the authority shall report  
14 to the legislature on its progress implementing this subsection.

15 ~~((+mm))~~ (nn) Within the amounts appropriated in this section,  
16 and in consultation with appropriate parties, including the rural  
17 health clinic association of Washington and the centers for medicare  
18 and medicaid services, by December 1, 2017, the authority shall  
19 submit a report to the governor and appropriate committees of the  
20 legislature evaluating legislative and administrative options to  
21 reduce or eliminate any amounts owed by rural health clinics under  
22 the payment reconciliation process established in the medicaid state  
23 plan.

24 ~~((+nn))~~ (oo) \$500,000 of the general fund—state appropriation  
25 for fiscal year 2019 and \$500,000 of the general fund—federal  
26 appropriation are provided solely for the authority to implement the  
27 oral health connections pilot project in ~~((Yakima, Adams,))~~ Spokane,  
28 Thurston, and Cowlitz counties. The authority shall work in  
29 collaboration with Washington dental service foundation to jointly  
30 develop and implement the program. The purpose of the three-year  
31 pilot is to test the effect that enhanced dental benefits for adult  
32 medicaid clients with diabetes and pregnant women have on access to  
33 dental care, health outcomes, and medical care costs. The authority  
34 must model the pilot on the access to baby and child dentistry  
35 program. The pilot program must include enhanced reimbursement rates  
36 for participating dental providers, including denturists licensed  
37 under chapter 18.30 RCW, and an increase in the allowable number of  
38 periodontal treatments to up to four per calendar year. Diabetic or  
39 pregnant adult medicaid clients who are receiving dental care within  
40 the pilot region(s), regardless of location of the service within the

1 pilot region(s), are eligible for the increased number of periodontal  
2 treatments. The Washington dental service foundation shall partner  
3 with the authority and provide wraparound services to link patients  
4 to care. The authority and Washington dental service foundation shall  
5 jointly develop the program. The authority and foundation shall  
6 provide a joint progress report to the appropriate committees of the  
7 legislature on December 1, 2017, and December 1, 2018.

8 ~~((+pp))~~ (pp) Sufficient amounts are appropriated in this section  
9 to increase the daily rate by \$155.20 for skilled nursing performed  
10 by licensed practical nurses and registered nurses who serve  
11 medically intensive children's program clients who reside in a group  
12 home setting.

13 ~~((+pp))~~ (qq) During the 2017-2019 fiscal biennium, the authority  
14 must revise its agreements and contracts with vendors to include a  
15 provision to require that each vendor agrees to equality among its  
16 workers by ensuring similarly employed individuals are compensated as  
17 equals as follows:

18 (i) Employees are similarly employed if the individuals work for  
19 the same employer, the performance of the job requires comparable  
20 skill, effort, and responsibility, and the jobs are performed under  
21 similar working conditions. Job titles alone are not determinative of  
22 whether employees are similarly employed;

23 (ii) Vendors may allow differentials in compensation for its  
24 workers based in good faith on any of the following:

25 (A) A seniority system; a merit system; a system that measures  
26 earnings by quantity or quality of production; a bona fide job-  
27 related factor or factors; or a bona fide regional difference in  
28 compensation levels.

29 (B) A bona fide job-related factor or factors may include, but  
30 not be limited to, education, training, or experience, that is:  
31 Consistent with business necessity; not based on or derived from a  
32 gender-based differential; and accounts for the entire differential.

33 (C) A bona fide regional difference in compensation level must  
34 be: Consistent with business necessity; not based on or derived from  
35 a gender-based differential; and account for the entire differential.

36 (iii) The provision must allow for the termination of the  
37 contract if the authority or department of enterprise services  
38 determines that the vendor is not in compliance with this agreement  
39 or contract term.



1 (iv) The authority must implement this provision with any new  
2 contract and at the time of renewal of any existing contract.

3 ~~((+qq))~~ (rr) \$100,000 of the general fund—state appropriation  
4 for fiscal year 2018 and \$100,000 of the general fund—state  
5 appropriation for fiscal year 2019 are provided solely for a pilot  
6 program for treatment of inmates at the Snohomish county jail who are  
7 undergoing detoxification from heroin and other opioids and for  
8 connecting those individuals with treatment providers in the  
9 community upon their release.

10 ~~((+rr))~~ (ss) \$6,487,000 of the general fund—state appropriation  
11 for fiscal year 2018 and \$1,340,000 of the general fund—state  
12 appropriation for fiscal year 2019 are provided solely for the  
13 physical health care costs of medicaid clients receiving services in  
14 facilities classified as institutions for mental diseases for longer  
15 than 15 days in a calendar month. The authority must apply for a  
16 waiver from the center for medicare and medicaid services to allow  
17 for the full cost of stays in institutions for mental diseases to be  
18 included in managed care rates beginning on July 1, 2018. The  
19 authority must submit a report on the status of the waiver to the  
20 office of financial management and the appropriate committees of the  
21 legislature by December 1, 2017.

22 ~~((+ss))~~ (tt) The authority shall evaluate adding a tele-  
23 psychiatry consultation benefit for medicaid covered individuals. The  
24 authority shall submit a report with the cost associated with adding  
25 such a benefit to the governor and appropriate committees of the  
26 legislature by October 1, 2017.

27 ~~((+tt))~~ (uu) \$33,000 of the general fund—state appropriation for  
28 fiscal year 2018~~(, \$7,000 of the state health care authority  
29 administrative account—state appropriation,)~~ and \$42,000 of the  
30 general fund—federal appropriation are provided solely for the  
31 bleeding disorder collaborative for care.

32 ~~((+uu))~~ (vv) \$304,000 of the general fund—state appropriation  
33 for fiscal year 2018, \$304,000 of the general fund—state  
34 appropriation for fiscal year 2019, and \$608,000 of the general fund—  
35 federal appropriation are provided solely for the authority to  
36 contract with the University of Washington tele-pain pain management  
37 program and pain management call center to advance primary care  
38 provider knowledge of complex pain management issues, including  
39 opioid addiction.

1        ~~((+vv))~~ (ww) \$165,000 of the general fund—state appropriation  
2 for fiscal year 2018, \$329,000 of the general fund—state  
3 appropriation for fiscal year 2019, and \$604,000 of the general fund—  
4 federal appropriation are provided solely for implementation of  
5 chapter 202, Laws of 2017 (Engrossed Second Substitute House Bill No.  
6 1713) (children's mental health).

7        ~~((+ww))~~ (xx) \$1,813,000 of the general fund—state appropriation  
8 for fiscal year 2018, \$3,764,000 of the general fund—state  
9 appropriation for fiscal year 2019, and \$12,930,000 of the general  
10 fund—federal appropriation are provided solely for implementation of  
11 chapter 110, Laws of 2017 (Second Substitute House Bill No. 1338)  
12 (state health insurance pool).

13        ~~((+xx) — \$347,000)~~ (yy) \$68,000 of the general fund—state  
14 appropriation for fiscal year 2018, ~~((+839,000))~~ \$1,118,000 of the  
15 general fund—state appropriation for fiscal year 2019, and \$943,000  
16 of the general fund—federal appropriation are provided solely for  
17 implementation of chapter 198, Laws of 2017 (Substitute House Bill  
18 No. 1520) (hospital payment methodology).

19        ~~((+yy))~~ (zz) Sufficient amounts are appropriated in this section  
20 for the implementation of chapter 273, Laws of 2017 (Engrossed Second  
21 Substitute House Bill No. 1358) (community asst. referral programs).

22        ~~((+zz))~~ (aaa) \$69,000 of the general fund—state appropriation  
23 for fiscal year 2018, \$560,000 of the general fund—state  
24 appropriation for fiscal year 2019, and \$308,000 of the general fund—  
25 federal appropriation are provided solely for the authority to  
26 implement, operate, and maintain a provider credentialing system and  
27 are subject to the conditions, limitations, and review provided in  
28 section 724 of this act. The authority, in collaboration with the  
29 department of health, department of corrections, department of social  
30 and health services, the public employees' benefits board, and the  
31 department of labor and industries, shall work to ensure that a  
32 single platform provider credentialing system is implemented. The  
33 authority, departments, and board shall ensure that appropriate cost  
34 offsets and cost avoidance are assumed for reduced staff time  
35 required for provider credentialing activity and reductions in  
36 improper billing activity when implementing provider credentialing  
37 systems. The authority must enter into agreements with the department  
38 of labor and industries and the public employees' benefits board to  
39 pay their share of the costs of implementing and operating a new

1 provider credentialing system. The authority shall submit a report to  
2 the office of financial management and appropriate committees of the  
3 legislature outlining projected cost savings and cost avoidance no  
4 later than December 1, 2018.

5 (bbb) \$358,000 of the general fund—state appropriation and  
6 \$1,123,000 of the general fund—federal appropriation for fiscal year  
7 2019 are provided solely for implementation of Engrossed Second  
8 Substitute Senate Bill No. 5179 (hearing instrument coverage). If the  
9 bill is not enacted by June 30, 2018, the amounts provided in this  
10 subsection shall lapse.

11 (ccc) \$1,006,000 of the general fund—state appropriation for  
12 fiscal year 2019 is provided solely for implementation of Substitute  
13 Senate Bill No. 5683 (Pacific Islander health care). If the bill is  
14 not enacted by June 30, 2018, the amount provided in this subsection  
15 shall lapse.

16 (ddd) \$100,000 of the general fund—state appropriation for fiscal  
17 year 2018 and \$400,000 of the general fund—state appropriation for  
18 fiscal year 2019 are provided solely for the department and the  
19 health care authority to enter into an interagency agreement to  
20 contract with Washington autism alliance and advocacy (WAAA) to  
21 educate and assist persons seeking the authority's services to  
22 address a suspected or diagnosed autism spectrum disorder or  
23 developmental disability related to autism spectrum disorder. The  
24 department or the authority may refer such individuals to WAAA to  
25 support them in navigating the health care system. The authority, in  
26 collaboration with the department and WAAA, shall submit a report to  
27 the governor and the appropriate committees of the legislature by  
28 December 15, 2018, and December 15, 2019, detailing how many persons  
29 were referred to, how many persons received services from, and what  
30 services were provided by WAAA. The reports shall also include what  
31 health care services WAAA was able to connect the referred persons  
32 to, the length of time these connections took, the type of health  
33 coverage the person referred had at the time of referral, and whether  
34 alternate coverage was obtained.

35 (eee) \$770,000 of the general fund—state appropriation for fiscal  
36 year 2019 is provided solely for implementation of Substitute Senate  
37 Bill No. 6452 (child mental health consult). If the bill is not  
38 enacted by June 30, 2018, the amounts provided in this subsection  
39 shall lapse.

1 (fff)(i) \$200,000 of the general fund—state appropriation for  
2 fiscal year 2019 is provided solely for the authority to assist the  
3 governor by convening and providing administrative, analytical, and  
4 communication support to the governor's Indian health council,  
5 including procuring technical assistance from the American Indian  
6 health commission for Washington state, to:

7 (A) Address current or proposed policies or actions that have  
8 tribal implications and are not able to be resolved or addressed at  
9 the agency level;

10 (B) Facilitate training for state agency leadership, staff, and  
11 legislators on the Indian health system and tribal sovereignty; and

12 (C) Provide oversight of contracting and performance of service  
13 coordination organizations or service contracting entities as defined  
14 in RCW 70.320.010 in order to address their impacts on services to  
15 American Indians and Alaska Natives and relationships with Indian  
16 health care providers.

17 (ii) The council shall include:

18 (A) One tribal liaison from each of the authorities; the  
19 department of children, youth, and families; the department of  
20 commerce; the department of corrections; the department of health;  
21 the department of social and health services; the office of the  
22 insurance commissioner; the office of the superintendent of public  
23 instruction; and the Washington health benefit exchange;

24 (B) One individual from each tribe in Washington state,  
25 designated by the tribal legislative body, who is either the tribe's  
26 American Indian health commission for Washington state delegate or an  
27 individual specifically designated for this role, or his or her  
28 designee;

29 (C) The chief executive officer of the Indian health service  
30 Portland area office and each service unit in Washington state or his  
31 or her designee;

32 (D) The chief executive officer of each urban Indian health  
33 program in Washington state or his or her designee who may be the  
34 urban Indian health program's American Indian health commission for  
35 Washington state delegate;

36 (E) The executive director of the American Indian health  
37 commission for Washington state or his or her designee;

38 (F) The executive director of the northwest Portland area Indian  
39 health board or his or her designee;

1 (G) One member from each of the two largest caucuses of the house  
2 of representatives, appointed by the speaker of the house of  
3 representatives, or his or her designee;

4 (H) One member from each of the two largest caucuses of the  
5 senate, appointed by the president of the senate, or his or her  
6 designee; and

7 (I) Two individuals representing the governor's office.

8 (iii) The council will meet at least three times per year when  
9 the legislature is not in session, with one meeting to be hosted by  
10 the authority and the other two meetings to be hosted by tribes or,  
11 if no tribe is able to host, then by a member state agency. The  
12 members representing the tribes, the Indian health service Portland  
13 area office and service units, the urban Indian health programs, the  
14 American Indian health commission for Washington state, and the  
15 northwest Portland area Indian health board shall be paid per diem  
16 and travel expenses in accordance with RCW 43.03.050 and 43.03.060.

17 (iv) By December 1, 2018, the council, with assistance from the  
18 authority, will submit a report to the governor and the appropriate  
19 legislative committees with recommendations to raise the health  
20 status of American Indians and Alaska Natives throughout Washington  
21 state to at least the levels set forth in the goals contained within  
22 the federal health people 2020 initiative or successor objectives,  
23 including draft legislation and fiscal budgets for:

24 (A) Increasing savings to the state general fund resulting from  
25 the one hundred percent federal medical assistance percentage  
26 applicable to services received through an Indian health service  
27 facility, whether operated by the Indian health service or by an  
28 Indian tribe or tribal organization pursuant to 42 U.S.C. Sec. 1396d;  
29 realized by the state for services which are received through an  
30 Indian health service facility whether operated by the Indian health  
31 service or by an Indian tribe or tribal organization pursuant to 42  
32 U.S.C. Sec. 1396(b);

33 (B) Appropriating such increased savings for an Indian health  
34 improvement reinvestment account to be expended solely for improving  
35 health outcomes and access to quality and culturally appropriate  
36 health care for American Indians and Alaska Natives;

37 (C) Developing model performance measures and risk adjustment  
38 methodologies for medicaid managed care value-based purchasing that  
39 account for the Indian health delivery system;

1 (D) Improving population health through tribally determined  
2 practices and resources such as the American Indian health commission  
3 for Washington state's "pulling together for wellness" framework;

4 (E) Developing written and technical assistance to support the  
5 incorporation of cultural awareness and of strategies to address  
6 historical trauma and intergenerational trauma in treatment planning  
7 for services covered by medicaid and other services provided by the  
8 state;

9 (F) Expanding tribal representation on state agency boards,  
10 committees (including the emergency management council), and  
11 nongovernmental entities to whom the state delegates activities or  
12 tasks that directly impact the Indian health delivery system; and

13 (G) Other strategies to improve population health and increase  
14 access to quality health care for American Indians and Alaska  
15 Natives.

16 (ggg) \$139,000 of the general fund—state appropriation and  
17 \$139,000 of the general fund—federal appropriation for fiscal year  
18 2019 are provided solely for implementation of Substitute Senate Bill  
19 No. 6549 (ABCD dental). If the bill is not enacted by June 30, 2018,  
20 the amounts provided in this subsection shall lapse.

21 (hhh) The authority shall establish minimum standards when  
22 issuing requests for proposal for fully integrated managed care  
23 contracts within the appropriations provided in this section. These  
24 minimum standards will be in compliance with RCW 74.09.522 and will  
25 ensure that all managed health care systems have an opportunity to  
26 contract with the authority to the extent that minimum contracting  
27 requirements, as defined by the authority, are met. The authority  
28 shall not limit the number of eligible managed care organizations in  
29 any regional service area when issuing its requests for proposal. If  
30 a regional service area has already transitioned to fully integrated  
31 managed care, it is the intent of the legislature that all eligible  
32 managed health care systems be eligible to contract within that  
33 region on or after January 1, 2020. For the purposes of this  
34 subsection, a regional service area is considered to have  
35 transitioned to fully integrated managed care once contracts between  
36 the authority and managed health care systems to provide all physical  
37 and behavioral health benefits have been established or are in the  
38 process of being established.

1 (iii) \$1,217,000 of the general fund—state appropriation for  
2 fiscal year 2019 and \$4,942,000 of the general fund—federal  
3 appropriation are provided solely to implement Second Substitute  
4 Senate Bill No. 6150 (opioid use disorder) or Engrossed Substitute  
5 House Bill No. 2489 (opioid use disorder). If neither bill is enacted  
6 by June 30, 2018, the amounts provided in this subsection shall  
7 lapse.

8 (jjj) \$5,825,000 of the general fund—state appropriation and  
9 \$8,019,000 of the general fund—federal appropriation are provided  
10 solely for an increase in pediatric primary care provider rates to  
11 privately owned and operated pediatric care providers. These amounts  
12 are the maximum that the authority may spend for this purpose. The  
13 authority must pursue a state plan amendment to increase pediatric  
14 primary care provider and pediatric vaccine rates to this class of  
15 providers through state directed payments through a permissible  
16 payment model. The codes considered for these increases should follow  
17 those that were used under the temporary increase provided in  
18 calendar years 2013 and 2014 as outlined in section 1202 of the  
19 affordable care act. Both physician and nonphysician practitioners  
20 are eligible for these increases and are not required to attest.  
21 Increases are based upon eligible codes. The authority must provide a  
22 report to the governor and appropriate committees of the legislature  
23 by November 1, 2019, detailing how the amounts provided in this  
24 subsection were used, what percentage increase was provided for  
25 pediatric primary care provider evaluation and management rates, what  
26 percentage increase was provided for pediatric vaccine rates, how  
27 utilization has changed within each category, and how these rate  
28 increases have impacted access to care.

29 (2) PUBLIC EMPLOYEES' BENEFITS BOARD AND EMPLOYEE BENEFITS  
30 PROGRAMS

31 State Health Care Authority Administration Account—

32 State Appropriation. . . . . ((\$42,061,000))  
33 \$34,491,000

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

36 (a) 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  
39 that can be made to increase the health care efficiency of the

1 wellness plan. The authority shall report its findings to the  
2 governor and the appropriate committees of the legislature by October  
3 15, 2018.

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

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

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

38 (e) Within the amounts appropriated within this section, the  
39 authority, in consultation with one Washington within the office of  
40 financial management, the office of the chief information officer,



1 and other state agencies with statewide payroll or benefit systems,  
2 shall prepare a report describing options for the replacement of the  
3 Pay 1 information technology system. The report shall evaluate the  
4 potential costs, benefits, and feasibility of integrating the  
5 functions currently performed by Pay 1 into an existing or new  
6 statewide system, as well for a stand-alone system. The report shall  
7 also update the business and system requirements documents previously  
8 developed for a Pay 1 replacement system. This report shall be  
9 provided to the governor and appropriate committees of the  
10 legislature by September 30, 2018.

11 ~~(f) ((\$8,000,000 of the health care authority administrative~~  
12 ~~account—state appropriation is provided solely for implementation of~~  
13 ~~the school employees' benefits board until the new board commences~~  
14 ~~provision of benefits on January 1, 2020. This expenditure shall be~~  
15 ~~reimbursed to the health care authority administrative account from~~  
16 ~~the newly created school employees' insurance administrative account~~  
17 ~~after January 1, 2020.~~

18 (g)) The public employees' benefits board, in collaboration with  
19 the authority, shall work to ensure that a single platform provider  
20 credentialing system is implemented. The authority and the board  
21 shall ensure that appropriate cost offsets and cost avoidance are  
22 assumed for reduced staff time required for provider credentialing  
23 activity and reductions in improper billing activity when  
24 implementing provider credentialing systems. The board must enter  
25 into an agreement with the authority to pay its share of the costs of  
26 implementing and operating a new provider credentialing system.

27 (3) SCHOOL EMPLOYEES' BENEFITS BOARD  
28 School Employees' Insurance Administrative  
29 Account—State Appropriation. . . . . \$28,730,000

30 The appropriation in this subsection is subject to the following  
31 conditions and limitations: \$28,730,000 of the school employees'  
32 insurance administrative account—state appropriation is provided  
33 solely for implementation of the school employees' benefits board. It  
34 is the intent of the legislature that the health care authority  
35 administrative account be reimbursed for the appropriation to this  
36 account made in Part VII of this act, with interest as determined by  
37 the state treasurer.

38 (4) HEALTH BENEFIT EXCHANGE

1	General Fund—State Appropriation (FY 2018). . . . .	\$5,184,000
2	General Fund—State Appropriation (FY 2019). . . . .	<del>((5,184,000))</del>
3		<u>\$5,651,000</u>
4	General Fund—Federal Appropriation. . . . .	<del>((52,837,000))</del>
5		<u>\$53,892,000</u>
6	Health Benefit Exchange Account—State Appropriation. <del>((56,736,000))</del>	
7		<u>\$59,385,000</u>
8	TOTAL APPROPRIATION. . . . .	<del>((119,941,000))</del>
9		<u>\$124,112,000</u>

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

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

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

21 (ii) For the 2017-2019 biennium, for the purpose of annually  
22 calculating issuer assessments, exchange operational costs may  
23 include up to three months of additional operating costs.

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

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

36 (c) \$196,000 of the general fund—state appropriation for fiscal  
37 year 2019 is provided solely for implementation of Substitute Senate  
38 Bill No. 5683 (Pacific Islander health care). If the bill is not

1 enacted by June 30, 2018, the amount provided in this subsection  
2 shall lapse.

3 (d) \$271,000 of the general fund—state appropriation for fiscal  
4 year 2019 is provided solely for implementation of Engrossed Third  
5 Substitute Senate Bill No. 6353 (automatic voter registration). If  
6 the bill is not enacted by June 30, 2018, the amount provided in this  
7 subsection shall lapse.

8 (5) COMMUNITY BEHAVIORAL HEALTH PROGRAM

9	<u>General Fund—State Appropriation (FY 2019). . . . .</u>	<u>\$569,511,000</u>
10	<u>General Fund—Federal Appropriation. . . . .</u>	<u>\$900,212,000</u>
11	<u>General Fund—Private/Local Appropriation. . . . .</u>	<u>\$18,261,000</u>
12	<u>Criminal Justice Treatment Account—State Appropriation. . . . .</u>	<u>\$6,490,000</u>
13	<u>Problem Gambling Account—State Appropriation. . . . .</u>	<u>\$728,000</u>
14	<u>Dedicated Marijuana Account—State</u>	
15	<u>Appropriation (FY 2019). . . . .</u>	<u>\$28,486,000</u>
16	<u>Pension Funding Stabilization Account—State</u>	
17	<u>Appropriation. . . . .</u>	<u>\$857,000</u>
18	<u>TOTAL APPROPRIATION. . . . .</u>	<u>\$1,524,545,000</u>

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

21 (a) \$6,590,000 of the general fund—state appropriation for fiscal  
22 year 2019 and \$3,810,000 of the general fund—federal appropriation  
23 are provided solely for the authority and behavioral health  
24 organizations to continue to contract for implementation of high-  
25 intensity programs for assertive community treatment (PACT) teams. In  
26 determining the proportion of medicaid and nonmedicaid funding  
27 provided to behavioral health organizations with PACT teams, the  
28 authority shall consider the differences between behavioral health  
29 organizations in the percentages of services and other costs  
30 associated with the teams that are not reimbursable under medicaid.  
31 The authority may allow behavioral health organizations which have  
32 nonmedicaid reimbursable costs that are higher than the nonmedicaid  
33 allocation they receive under this section to supplement these funds  
34 with local dollars or funds received under (e) of this subsection.  
35 The authority and behavioral health organizations shall maintain  
36 consistency with all essential elements of the PACT evidence-based  
37 practice model in programs funded under this section.

1       (b) From the general fund—state appropriations in this  
2 subsection, the authority shall assure that behavioral health  
3 organizations reimburse the department of social and health services  
4 aging and long term support administration for the general fund—state  
5 cost of medicaid personal care services that enrolled behavioral  
6 health organization consumers use because of their psychiatric  
7 disability.

8       (c) \$1,760,000 of the general fund—federal appropriation is  
9 provided solely for the authority to maintain a pilot project to put  
10 peer bridging staff into each behavioral health organization as part  
11 of the state psychiatric liaison teams to promote continuity of  
12 service as individuals return to their communities.

13       (d) \$6,858,000 of the general fund—state appropriation for fiscal  
14 year 2019 and \$4,023,000 of the general fund—federal appropriation  
15 are provided solely for new crisis triage or stabilization centers.  
16 The authority must seek proposals from behavioral health  
17 organizations for the use of these funds based on regional  
18 priorities. Services in these facilities may include crisis  
19 stabilization and intervention, individual counseling, peer support,  
20 medication management, education, and referral assistance. The  
21 authority shall monitor each center's effectiveness at lowering the  
22 rate of state psychiatric hospital admissions.

23       (e) \$81,930,000 of the general fund—state appropriation for  
24 fiscal year 2019 is provided solely for persons and services not  
25 covered by the medicaid program. To the extent possible, levels of  
26 behavioral health organization spending must be maintained in the  
27 following priority order: Crisis and commitment services; community  
28 inpatient services; and residential care services, including personal  
29 care and emergency housing assistance. These amounts must be  
30 distributed to behavioral health organizations proportionate to the  
31 fiscal year 2017 allocation of flexible nonmedicaid funds. The  
32 authority must include the following language in medicaid contracts  
33 with behavioral health organizations unless they are provided formal  
34 notification from the center for medicaid and medicare services that  
35 the language will result in the loss of federal medicaid  
36 participation: "The contractor may voluntarily provide services that  
37 are in addition to those covered under the state plan, although the  
38 cost of these services cannot be included when determining payment

1 rates unless including these costs are specifically allowed under  
2 federal law or an approved waiver."

3 (f) The authority is authorized to continue to contract directly,  
4 rather than through contracts with behavioral health organizations  
5 for children's long-term inpatient facility services.

6 (g) \$1,125,000 of the general fund—state appropriation for fiscal  
7 year 2019 is provided solely for the Spokane county behavioral health  
8 organization to implement services to reduce utilization and the  
9 census at eastern state hospital. Such services shall include:

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

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

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

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

21 At least annually, the Spokane county behavioral health  
22 organization shall assess the effectiveness of these services in  
23 reducing utilization at eastern state hospital, identify services  
24 that are not optimally effective, and modify those services to  
25 improve their effectiveness.

26 (h) \$1,204,000 of the general fund—state appropriation for fiscal  
27 year 2019 is provided solely to reimburse Pierce and Spokane counties  
28 for the cost of conducting one hundred eighty-day commitment hearings  
29 at the state psychiatric hospitals.

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

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

3 (j) \$2,291,000 of the general fund—state appropriation for fiscal  
4 year 2019 is provided solely for mental health services for mentally  
5 ill offenders while confined in a county or city jail and for  
6 facilitating access to programs that offer mental health services  
7 upon release from confinement. The authority must collect information  
8 from the behavioral health organizations on their plan for using  
9 these funds, the numbers of individuals served, and the types of  
10 services provided and submit a report to the office of financial  
11 management and the appropriate fiscal committees of the legislature  
12 by December 1st of each year of the biennium.

13 (k) Within the amounts appropriated in this section, funding is  
14 provided for the authority to develop and phase in intensive mental  
15 health services for high needs youth consistent with the settlement  
16 agreement in *T.R. v. Dreyfus and Porter*.

17 (l) The authority must establish minimum and maximum funding  
18 levels for all reserves allowed under behavioral health organization  
19 contracts and insert contract language that clearly states the  
20 requirements and limitations. The authority must monitor and ensure  
21 that behavioral health organization reserves do not exceed maximum  
22 levels. The authority must monitor behavioral health organization  
23 revenue and expenditure reports and must require a behavioral health  
24 organization to submit a corrective action plan on how it will spend  
25 its excess reserves within a reasonable period of time, when its  
26 reported reserves exceed maximum levels established under the  
27 contract. The authority must review and approve such plans and  
28 monitor to ensure compliance. If the authority determines that a  
29 behavioral health organization has failed to provide an adequate  
30 excess reserve corrective action plan or is not complying with an  
31 approved plan, the authority must reduce payments to the behavioral  
32 health organization in accordance with remedial actions provisions  
33 included in the contract. These reductions in payments must continue  
34 until the authority determines that the behavioral health  
35 organization has come into substantial compliance with an approved  
36 excess reserve corrective action plan.

37 (m) \$3,079,000 of the general fund—state appropriation for fiscal  
38 year 2019 and \$2,892,000 of the general fund—federal appropriation  
39 are provided solely for the authority to increase rates for community

1 hospitals that provide a minimum of two hundred medicaid psychiatric  
2 inpatient days. The authority must increase both medicaid and  
3 nonmedicaid psychiatric per-diem reimbursement rates for these  
4 providers within these amounts. The amounts in this subsection  
5 include funding for additional hold harmless payments resulting from  
6 the rate increase. The authority shall prioritize increases for  
7 hospitals not currently paid based on provider specific costs using a  
8 similar methodology used to set rates for existing inpatient  
9 facilities and the latest available cost report information. Rate  
10 increases for providers must be set so as not to exceed the amounts  
11 provided within this subsection. The rate increase related to  
12 nonmedicaid clients must be done to maintain the provider at the same  
13 percentage as currently required under WAC 182-550-4800.

14 (n) \$100,000 of the general fund—state appropriation for fiscal  
15 year 2019 is provided solely for the authority to collaborate with  
16 tribal governments and develop a plan for establishing an evaluation  
17 and treatment facility that will specialize in providing care  
18 specifically to the American Indian and Alaska Native population. The  
19 plan must include options for maximizing federal participation and  
20 ensuring that utilization will be based on medical necessity.

21 (o) \$7,103,000 of the general fund—state appropriation for fiscal  
22 year 2019 and \$8,052,000 of the general fund—federal appropriation  
23 are provided solely for the authority to contract with community  
24 hospitals or freestanding evaluation and treatment centers to provide  
25 up to forty-eight long-term inpatient care beds as defined in RCW  
26 71.24.025. The authority must seek proposals and contract directly  
27 for these services rather than contracting through behavioral health  
28 organizations. The authority must not use any of the amounts provided  
29 under this subsection for contracts with facilities that are subject  
30 to federal funding restrictions that apply to institutions of mental  
31 diseases, unless they have received a waiver that allows for full  
32 federal participation in these facilities.

33 (p) \$1,133,000 of the general fund—state appropriation for fiscal  
34 year 2019 and \$1,297,000 of the general fund—federal appropriation  
35 are provided solely to increase the number of psychiatric residential  
36 treatment beds for individuals transitioning from psychiatric  
37 inpatient settings. The authority must seek proposals from behavioral  
38 health organizations for the use of these amounts and coordinate with  
39 the department of social and health services in awarding these funds.

1 The authority must not allow for any of the amounts provided under  
2 this subsection to be used for services in facilities that are  
3 subject to federal funding restrictions that apply to institutions of  
4 mental diseases, unless they have received a waiver that allows for  
5 full federal participation in these facilities.

6 (q) \$6,744,000 of the general fund—state appropriation for fiscal  
7 year 2019 and \$14,516,000 of the general fund—federal appropriation  
8 are provided solely for the authority to increase medicaid capitation  
9 payments for behavioral health organizations. The authority must work  
10 with the actuaries responsible for certifying behavioral health  
11 capitation rates to adjust average salary assumptions in order to  
12 implement this increase. In developing further updates for medicaid  
13 managed care rates for behavioral health services, the authority must  
14 include and make available all applicable documents and analysis to  
15 legislative staff from the fiscal committees throughout the process.  
16 The authority must require the actuaries to develop and submit rate  
17 ranges for each behavioral health organization prior to certification  
18 of specific rates.

19 (r) The number of beds allocated for use by behavioral health  
20 organizations at eastern state hospital shall be one hundred ninety  
21 two per day. The number of nonforensic beds allocated for use by  
22 behavioral health organizations at western state hospital shall be  
23 five hundred fifty-seven per day. In fiscal year 2019, the authority  
24 must reduce the number of beds allocated for use by behavioral health  
25 organizations at western state hospital by thirty beds to allow for  
26 the repurposing of a civil ward at western state hospital to provide  
27 forensic services. The contracted beds provided under (o) of this  
28 subsection shall be allocated to the behavioral health organizations  
29 in lieu of beds at the state hospitals and be incorporated in their  
30 allocation of state hospital patient days of care for the purposes of  
31 calculating reimbursements pursuant to RCW 71.24.310. It is the  
32 intent of the legislature to continue the policy of expanding  
33 community based alternatives for long term civil commitment services  
34 that allow for state hospital beds to be prioritized for forensic  
35 patients.

36 (s) \$11,405,000 of the general fund—state appropriation for  
37 fiscal year 2019 and \$8,840,000 of the general fund—federal  
38 appropriation are provided solely to maintain enhancements of  
39 community mental health services. The authority must contract these



1 funds for the operation of community programs in which the authority  
2 determines there is a need for capacity that allows individuals to be  
3 diverted or transitioned from the state hospitals including but not  
4 limited to: (i) Community hospital or free standing evaluation and  
5 treatment services providing short-term detention and commitment  
6 services under the involuntary treatment act to be located in the  
7 geographic areas of the King behavioral health organization, the  
8 Spokane behavioral health organization outside of Spokane county, and  
9 the Thurston Mason behavioral health organization; (ii) one new full  
10 program of an assertive community treatment team in the King  
11 behavioral health organization and two new half programs of assertive  
12 community treatment teams in the Spokane behavioral health  
13 organization and the Pierce behavioral health organization; and (iii)  
14 three new recovery support services programs in the Great Rivers  
15 behavioral health organization, the greater Columbia behavioral  
16 health organization, and the north sound behavioral health  
17 organization. In contracting for community evaluation and treatment  
18 services, the authority may not use these resources in facilities  
19 that meet the criteria to be classified under federal law as  
20 institutions for mental diseases. If the authority is unable to come  
21 to a contract agreement with a designated behavioral health  
22 organization for any of the services identified above, it may  
23 consider contracting for that service in another region that has the  
24 need for such service.

25 (t) \$1,296,000 of the general fund—state appropriation for fiscal  
26 year 2019 is provided solely for clubhouse programs. The authority  
27 shall ensure that \$400,000 is used for the biennium for support of  
28 the Spokane clubhouse program and the remaining funds must be used  
29 for support of new clubhouse programs. The authority must develop  
30 options and cost estimates for implementation of clubhouse programs  
31 statewide through a medicaid state plan amendment or a medicaid  
32 waiver and submit a report to the office of financial management and  
33 the appropriate committees of the legislature by December 1, 2018.

34 (u) \$213,000 of the general fund—state appropriation for fiscal  
35 year 2019 is provided solely to fund one pilot project in Pierce  
36 county and one in Yakima county to promote increased utilization of  
37 assisted outpatient treatment programs. The authority shall require  
38 two behavioral health organizations to contract with local government  
39 to establish the necessary infrastructure for the programs. The  
40 authority shall provide a report by October 15, 2018, to the office

1 of financial management and the appropriate fiscal and policy  
2 committees of the legislature to include the number of individuals  
3 served, outcomes to include reduced use of inpatient treatment and  
4 state hospital stays, and recommendations for further implementation  
5 based on lessons learned and best practices identified by the pilot  
6 projects.

7 (v) When a contractual relationship with a behavioral health  
8 organizations ends, the behavioral health organization shall return  
9 reserve and fund balances, not otherwise obligated, to the state,  
10 within sixty days of termination of its agreement to provide  
11 services.

12 (w) \$3,278,000 of the dedicated marijuana account—state  
13 appropriation for fiscal year 2019 is provided solely for a  
14 memorandum of understanding with the department of social and health  
15 services juvenile rehabilitation administration to provide substance  
16 abuse treatment programs for juvenile offenders. Of the amounts  
17 provided in this subsection (5)(w):

18 (i) \$1,130,000 of the dedicated marijuana account—state  
19 appropriation for fiscal year 2019 is provided solely for alcohol and  
20 substance abuse treatment programs for locally committed offenders.  
21 The juvenile rehabilitation administration shall award these funds as  
22 described in section 203(4) of this act.

23 (ii) \$282,000 of the dedicated marijuana account—state  
24 appropriation for fiscal year 2019 is provided solely for the  
25 expansion of evidence-based treatments and therapies as described in  
26 section 203(2) of this act.

27 (x) During fiscal year 2019, any amounts provided in this section  
28 that are used for case management services for pregnant and parenting  
29 women must be contracted directly between the authority and providers  
30 rather than through contracts with behavioral health organizations.

31 (y) Within the amounts appropriated in this section, the  
32 authority may contract with the University of Washington and  
33 community-based providers for the provision of the parent-child  
34 assistance program or other specialized chemical dependency case  
35 management providers for pregnant, post-partum, and parenting women.  
36 For all contractors: (i) Service and other outcome data must be  
37 provided to the department by request; and (ii) indirect charges for  
38 administering the program must not exceed ten percent of the total  
39 contract amount.

1 (z) \$1,750,000 of the general fund—federal appropriation (from  
2 the substance abuse prevention and treatment federal block grant) is  
3 provided solely for the continued funding of existing county drug and  
4 alcohol use prevention programs.

5 (aa) \$200,000 of the dedicated marijuana account—state  
6 appropriation for fiscal year 2019 is provided solely for a contract  
7 with the Washington state institute for public policy to conduct  
8 cost-benefit evaluations of the implementation of chapter 3, Laws of  
9 2013 (Initiative Measure No. 502).

10 (bb) \$500,000 of the dedicated marijuana account—state  
11 appropriation for fiscal year 2019 is provided solely to design and  
12 administer the Washington state healthy youth survey and the  
13 Washington state young adult behavioral health survey.

14 (cc) \$396,000 of the dedicated marijuana account—state  
15 appropriation for fiscal year 2019 is provided solely for maintaining  
16 increased services to pregnant and parenting women provided through  
17 the parent child assistance program.

18 (dd) \$250,000 of the dedicated marijuana account—state  
19 appropriation for fiscal year 2019 is provided solely for a grant to  
20 the office of superintendent of public instruction to provide life  
21 skills training to children and youth in schools that are in high  
22 needs communities.

23 (ee) \$386,000 of the dedicated marijuana account—state  
24 appropriation for fiscal year 2019 is provided solely to maintain  
25 increased prevention and treatment services provided by tribes and  
26 federally-recognized American Indian organizations to children and  
27 youth.

28 (ff) \$2,684,000 of the dedicated marijuana account—state  
29 appropriation for fiscal year 2019 and \$950,000 of the general fund—  
30 federal appropriation are provided solely to maintain increased  
31 residential treatment services for children and youth.

32 (gg) \$250,000 of the dedicated marijuana account—state  
33 appropriation for fiscal year 2019 is provided solely for training  
34 and technical assistance for the implementation of evidence based,  
35 research based, and promising programs which prevent or reduce  
36 substance use disorders.

37 (hh) \$2,434,000 of the dedicated marijuana account—state  
38 appropriation for fiscal year 2019 is provided solely for expenditure  
39 into the home visiting services account.

1 (ii) \$2,500,000 of the dedicated marijuana account—state  
2 appropriation for fiscal year 2019 is provided solely for grants to  
3 community-based programs that provide prevention services or  
4 activities to youth, including programs for school-based resource  
5 officers. These funds must be utilized in accordance with RCW  
6 69.50.540.

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

25 (kk) \$562,000 of the general fund—federal appropriation is  
26 provided solely for the authority to develop a memorandum of  
27 understanding with the department of health for implementation of  
28 chapter 297, Laws of 2017 (ESHB 1427) (opioid treatment programs).  
29 The authority must use these amounts to reimburse the department of  
30 health for costs incurred through the implementation of the bill.

31 (ll) \$2,580,000 of the general fund—state appropriation for  
32 fiscal year 2019 and \$2,320,000 of the general fund—federal  
33 appropriation are provided solely for the development and operation  
34 of two secure detoxification facilities. The authority must not use  
35 any of these amounts for services in facilities that are subject to  
36 federal funding restrictions that apply to institutions for mental  
37 diseases, unless they have received a waiver that allows for full  
38 federal participation in these facilities.

1 (mm) \$500,000 of the criminal justice treatment account—state  
2 appropriation is provided solely to maintain increased funding for  
3 substance abuse treatment and support services for offenders and  
4 support of drug courts.

5 (nn) \$100,000 of the general fund—state appropriation for fiscal  
6 year 2019 is provided solely for parenting education services focused  
7 on pregnant and parenting women.

8 (oo) Within existing appropriations, the authority shall  
9 prioritize the prevention and treatment of intravenous opiate-based  
10 drug use.

11 (pp) \$2,352,000 of the general fund—state appropriation for  
12 fiscal year 2019 and \$2,352,000 of the general fund—federal  
13 appropriation are provided solely for the health care authority to  
14 implement a process that increases access to children's long-term  
15 inpatient program (CLIP) by increasing bed capacity through current  
16 and new providers of services.

17 (qq) \$14,500,000 of the general fund—state appropriation for  
18 fiscal year 2019 is provided solely to support the transition of six  
19 regions to full integration of physical and behavioral health care  
20 under managed care. These amounts must be used to provide a reserve  
21 for nonmedicaid services in each region and to stabilize the crisis  
22 service systems. The health care authority must determine the  
23 disbursements of funding based on populations of the regions.

24 (rr) \$13,115,000 of the general fund—state appropriation for  
25 fiscal year 2019 and \$13,115,000 of the general fund—federal  
26 appropriation are provided solely for behavioral health organizations  
27 or fully integrated managed care entities to increase community-based  
28 behavioral health services that are targeted to keeping individuals  
29 out of the state hospitals for forensic and civil commitments. Of the  
30 amounts appropriated in this subsection, \$2,857,000 of the general  
31 fund—state appropriation for fiscal year 2019 and \$1,652,000 of the  
32 general fund—federal appropriation are provided solely as additional  
33 funding to be divided between the six crisis triage/stabilization  
34 centers funded in (d) of this subsection.

35 (ss) \$140,000 of the general fund—state appropriation for fiscal  
36 year 2019 is provided solely for the University of Washington to  
37 continue developing a forensic mental health training program at  
38 western state hospital.

1 (tt) \$1,657,000 of the general fund—federal appropriation is  
2 provided solely to continue youth alcohol, marijuana and opioid  
3 preventions services in forty predominantly rural communities.

4 (uu) \$806,000 of the general fund—federal appropriation is  
5 provided solely for the health care authority to pursue a medicaid  
6 state plan amendment for substance use disorder peer support  
7 services.

8 (vv) \$727,000 of the general fund—state appropriation for fiscal  
9 year 2019 and \$1,005,000 of the general fund—federal appropriation  
10 are provided solely to implement Engrossed Substitute Senate Bill No.  
11 6491 (outpatient behavioral health). If the bill is not enacted by  
12 June 30, 2018, the amounts provided in this subsection shall lapse.

13 (ww) \$2,732,000 of the general fund—state appropriation for  
14 fiscal year 2019 and \$3,885,000 of the general fund—federal  
15 appropriation are provided solely to implement Senate Bill No. 6150  
16 (opioid use disorder) or Engrossed House Bill No. 2489 (opioid use  
17 disorder). If neither bill is enacted by June 30, 2018, the amounts  
18 provided in this subsection shall lapse.

19 **Sec. 214.** 2017 3rd sp.s. c 1 s 214 (uncodified) is amended to  
20 read as follows:

21 **FOR THE HUMAN RIGHTS COMMISSION**

22	General Fund—State Appropriation (FY 2018)	. . . . .	(( <del>\$2,317,000</del> ))
23			<u>\$2,221,000</u>
24	General Fund—State Appropriation (FY 2019)	. . . . .	(( <del>\$2,359,000</del> ))
25			<u>\$2,444,000</u>
26	General Fund—Federal Appropriation	. . . . .	\$2,427,000
27	<u>Pension Funding Stabilization Account—State</u>		
28	<u>Appropriation.</u>	. . . . .	<u>\$190,000</u>
29	TOTAL APPROPRIATION.	. . . . .	(( <del>\$7,103,000</del> ))
30			<u>\$7,282,000</u>

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

33 (1) \$21,000 of the general fund—state appropriation for fiscal  
34 year 2019 is provided solely for implementation of Senate Bill No.  
35 6471 (model sexual harassment policies). If the bill is not enacted  
36 by June 30, 2018, the amount provided in this subsection shall lapse.

37 (2) \$151,000 of the general fund—state appropriation for fiscal  
38 year 2019 is provided solely for implementation of Substitute Senate

1 Bill No. 6102 (employee reproductive health). If the bill is not  
2 enacted by June 30, 2018, the amount provided in this subsection  
3 shall lapse.

4 **Sec. 215.** 2017 3rd sp.s. c 1 s 215 (uncodified) is amended to  
5 read as follows:

6 **FOR THE BOARD OF INDUSTRIAL INSURANCE APPEALS**

7 Worker and Community Right-to-Know Account—State

8	Appropriation . . . . .	\$10,000
9	Accident Account—State Appropriation . . . . .	<del>(( \$22,437,000 ))</del>
10		<u>\$22,434,000</u>
11	Medical Aid Account—State Appropriation . . . . .	<del>(( \$22,438,000 ))</del>
12		<u>\$22,435,000</u>
13	TOTAL APPROPRIATION. . . . .	<del>(( \$44,885,000 ))</del>
14		<u>\$44,879,000</u>

15 **Sec. 216.** 2017 3rd sp.s. c 1 s 216 (uncodified) is amended to  
16 read as follows:

17 **FOR THE CRIMINAL JUSTICE TRAINING COMMISSION**

18 General Fund—State Appropriation (FY 2018) . . . . .

19		<del>(( \$21,703,000 ))</del>
		<u>\$21,719,000</u>
20	General Fund—State Appropriation (FY 2019) . . . . .	<del>(( \$20,705,000 ))</del>
21		<u>\$22,014,000</u>
22	General Fund—Private/Local Appropriation . . . . .	<del>(( \$5,905,000 ))</del>
23		<u>\$6,693,000</u>
24	Death Investigations Account—State Appropriation . . . . .	\$148,000
25	Municipal Criminal Justice Assistance Account—State	
26	Appropriation . . . . .	\$460,000
27	<u>Pension Funding Stabilization Account—State</u>	
28	<u>Appropriation. . . . .</u>	<u>\$460,000</u>
29	Washington Auto Theft Prevention Authority Account—State	
30	Appropriation . . . . .	\$8,167,000
31	24/7 Sobriety Account—State Appropriation . . . . .	<del>(( \$30,000 ))</del>
32		<u>\$20,000</u>
33	TOTAL APPROPRIATION. . . . .	<del>(( \$57,118,000 ))</del>
34		<u>\$59,681,000</u>

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

1 (1) \$5,000,000 of the general fund—state appropriation for fiscal  
2 year 2018 and \$5,000,000 of the general fund—state appropriation for  
3 fiscal year 2019, are provided to the Washington association of  
4 sheriffs and police chiefs solely to verify the address and residency  
5 of registered sex offenders and kidnapping offenders under RCW  
6 9A.44.130. The association may use no more than \$50,000 per fiscal  
7 year of the amounts provided on program management activities.

8 (2) \$1,284,000 of the general fund—state appropriation for fiscal  
9 year 2018 and (~~(\$1,283,000)~~) \$1,546,000 of the general fund—state  
10 appropriation for fiscal year 2019 are provided solely for seventy-  
11 five percent of the costs of providing six additional statewide basic  
12 law enforcement trainings in (~~each~~) fiscal year 2018, and seven  
13 additional statewide basic law enforcement trainings in fiscal year  
14 2019. The criminal justice training commission must schedule its  
15 funded classes to minimize wait times throughout each fiscal year and  
16 meet statutory wait time requirements.

17 (3) (~~(\$745,000)~~) \$792,000 of the general fund—local appropriation  
18 is provided solely to purchase ammunition for the basic law  
19 enforcement academy. Jurisdictions shall reimburse to the criminal  
20 justice training commission the costs of ammunition, based on the  
21 average cost of ammunition per cadet, for cadets that they enroll in  
22 the basic law enforcement academy.

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

25 (5) \$100,000 of the general fund—state appropriation for fiscal  
26 year 2018 and \$100,000 of the general fund—state appropriation for  
27 fiscal year 2019 are provided solely for a school safety program. The  
28 commission, in collaboration with the school safety center advisory  
29 committee, shall provide the school safety training for all school  
30 administrators and school safety personnel hired after the effective  
31 date of this section.

32 (6) \$96,000 of the general fund—state appropriation for fiscal  
33 year 2018 and \$96,000 of the general fund—state appropriation for  
34 fiscal year 2019 are provided solely for the school safety center  
35 within the commission. The safety center shall act as an information  
36 dissemination and resource center when an incident occurs in a school  
37 district in Washington or in another state, coordinate activities  
38 relating to school safety, and review and approve manuals and  
39 curricula used for school safety models and training. Through an



1 interagency agreement, the commission shall provide funding for the  
2 office of the superintendent of public instruction to continue to  
3 develop and maintain a school safety information web site. The school  
4 safety center advisory committee shall develop and revise the  
5 training program, using the best practices in school safety, for all  
6 school safety personnel. The commission shall provide research-  
7 related programs in school safety and security issues beneficial to  
8 both law enforcement and schools.

9 (7) \$146,000 of the general fund—state appropriation for fiscal  
10 year 2018 and \$146,000 of the general fund—state appropriation for  
11 fiscal year 2019 are provided solely for the costs of providing  
12 statewide advanced driving training with the use of a driving  
13 simulator.

14 (8) \$679,000 of the general fund—state appropriation for fiscal  
15 year 2018 and \$587,000 of the general fund—state appropriation for  
16 fiscal year 2019 are provided solely for implementation of chapter  
17 261, Laws of 2017 (SHB 1501) (attempts to obtain firearms).

18 (9) \$57,000 of the general fund—state appropriation for fiscal  
19 year 2018 is provided solely for implementation of chapter 295, Laws  
20 of 2017 (SHB 1258) (first responders/disability).

21 (10) \$198,000 of the general fund—state appropriation for fiscal  
22 year 2018 and \$414,000 of the general fund—state appropriation for  
23 fiscal year 2019 are provided solely for implementation of chapter  
24 290, Laws of 2017 (ESHB 1109) (victims of sexual assault).

25 (11) \$117,000 of the general fund—state appropriation for fiscal  
26 year 2018, \$117,000 of the general fund—state appropriation for  
27 fiscal year 2019, and \$1,000,000 of the Washington auto theft  
28 prevention account—state appropriation are provided solely for the  
29 first responder building mapping information system.

30 (12) \$595,000 of the general fund—state appropriation for fiscal  
31 year 2018 and \$595,000 of the general fund—state appropriation for  
32 fiscal year 2019 are provided solely to continue crisis intervention  
33 training required in chapter 87, Laws of 2015.

34 (13) \$250,000 of the general fund—state appropriation for fiscal  
35 year 2018 and \$250,000 of the general fund—state appropriation for  
36 fiscal year 2019 are provided solely for the criminal justice  
37 training commission to deliver research-based programs to instruct,  
38 guide, and support local law enforcement agencies in fostering the

1 "guardian philosophy" of policing, which emphasizes de-escalating  
2 conflicts and reducing the use of force.

3 (14) \$429,000 of the general fund—state appropriation for fiscal  
4 year 2018 and \$429,000 of the general fund—state appropriation for  
5 fiscal year 2019 are provided solely for expenditure into the  
6 nonappropriated Washington internet crimes against children account  
7 for the implementation of chapter 84, Laws of 2015.

8 (15) \$842,000 of the general fund—state appropriation for fiscal  
9 year 2018 and \$353,000 of the general fund—state appropriation for  
10 fiscal year 2019 are provided solely for the purpose of creating and  
11 funding on an ongoing basis the: (a) Updating and providing of basic  
12 and in-service training for peace officers and corrections officers  
13 that emphasizes de-escalation and use of less lethal force; and (b)  
14 creation and provision of an evidence-based leadership development  
15 program, in partnership with Microsoft, that trains, equips, and  
16 supports law enforcement leaders using research-based strategies to  
17 reduce crime and improve public trust.

18 (16) \$100,000 of the general fund—state appropriation for fiscal  
19 year 2018 and \$100,000 of the general fund—state appropriation for  
20 fiscal year 2019 are provided solely to the Washington association of  
21 sheriffs and police chiefs to fund pilot projects in Benton county to  
22 support local law enforcement education for law enforcement, medical  
23 professionals, first responders, courts, educators, and others to  
24 raise awareness and identifying warning signs of human trafficking.  
25 Any educational opportunities created through the pilot projects in  
26 Benton county may provide access for adjacent counties if resources  
27 and availability permits.

28 (17) \$500,000 of the general fund—state appropriation for fiscal  
29 year 2018 is provided solely to the Washington association of  
30 sheriffs and police chiefs to administer statewide training in the  
31 use of the Washington state gang database, established in compliance  
32 with RCW 43.43.762, and provide grant funding to ensure agencies  
33 enter appropriate and reliable data into the database. The training  
34 shall develop professionals with regional responsibilities for  
35 database administration throughout the state.

36 (18) \$1,000,000 of the general fund—state appropriation for  
37 fiscal year 2019 is provided solely for the implementation of Second  
38 Substitute Senate Bill No. 5970 (mental health field response). If

1 the bill is not enacted by June 30, 2018, the amount provided in this  
2 subsection shall lapse.

3 (19) \$338,000 of the general fund—local appropriation is provided  
4 solely for the costs associated with one additional basic law  
5 enforcement training to be provided in fiscal year 2018.

6 **Sec. 217.** 2017 3rd sp.s. c 1 s 217 (uncodified) is amended to  
7 read as follows:

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

9	General Fund—State Appropriation (FY 2018)	. . . . .	(( <del>\$7,671,000</del> ))
10			<u>\$7,481,000</u>
11	General Fund—State Appropriation (FY 2019)	. . . . .	(( <del>\$8,897,000</del> ))
12			<u>\$8,937,000</u>
13	General Fund—Federal Appropriation	. . . . .	\$11,876,000
14	Asbestos Account—State Appropriation	. . . . .	\$527,000
15	Electrical License Account—State Appropriation	. . .	(( <del>\$52,100,000</del> ))
16			<u>\$53,851,000</u>
17	Farm Labor Contractor Account—State Appropriation	. . . . .	\$28,000
18	Worker and Community Right-to-Know Account—State		
19	Appropriation	. . . . .	\$993,000
20	Public Works Administration Account—State		
21	Appropriation	. . . . .	(( <del>\$6,303,000</del> ))
22			<u>\$8,590,000</u>
23	Manufactured Home Installation Training		
24	Account—State Appropriation	. . . . .	\$378,000
25	Accident Account—State Appropriation	. . . . .	(( <del>\$320,314,000</del> ))
26			<u>\$320,937,000</u>
27	Accident Account—Federal Appropriation	. . . . .	\$16,765,000
28	Medical Aid Account—State Appropriation	. . . . .	(( <del>\$333,053,000</del> ))
29			<u>\$333,614,000</u>
30	Medical Aid Account—Federal Appropriation	. . . . .	\$3,739,000
31	Plumbing Certificate Account—State Appropriation	. . . . .	\$1,882,000
32	Pressure Systems Safety Account—State Appropriation	. . .	\$4,442,000
33	Construction Registration Inspection Account—State		
34	Appropriation.	. . . . .	(( <del>\$19,128,000</del> ))
35			<u>\$20,945,000</u>
36	<u>Pension Funding Stabilization Account—State</u>		
37	<u>Appropriation.</u>	. . . . .	<u>\$1,435,000</u>
38	TOTAL APPROPRIATION.	. . . . .	(( <del>\$788,096,000</del> ))

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

~~((3))~~ (1) \$123,000 of the accident account—state appropriation and \$22,000 of the medical aid—state appropriation are provided solely for implementation of chapter 150, Laws of 2017 (House Bill No. 1906) (farm internship).

~~((4))~~ (2) The department, in collaboration with the health care authority, shall work to ensure that a single platform provider credentialing system is implemented. The authority and department shall ensure that appropriate cost offsets and cost avoidance are assumed for reduced staff time required for provider credentialing activity and reductions in improper billing activity when implementing provider credentialing systems. The department must enter into an agreement with the health care authority to pay its share of the costs of implementing and operating a new provider credentialing system.

~~((5) \$6,124,000)~~ (3) \$5,802,000 of the accident account—state appropriation and ~~((5,989,000))~~ \$5,676,000 of the medical aid account—state appropriation are provided solely for business transformation projects and are subject to the conditions, limitations, and review provided in section 724 of this act.

~~((6))~~ (4) \$19,128,000 of the construction registration inspection account—state appropriation is provided solely to implement House Bill No. 1716 (construction inspection account). If the bill is not enacted by July 31, 2017, the amounts provided in this subsection shall lapse.

~~((7))~~ (5) \$2,000,000 of the accident account—state appropriation and \$2,000,000 of the medical account—state appropriation are provided solely for a contract with a workforce institute to provide supplemental instruction for information technology apprentices. Funds spent for this purpose must be matched by an equal amount of funding from the information technology industry members, except small and mid-sized employers. Up to \$2,000,000 may be spent to provide supplemental instruction for apprentices at small and mid-sized businesses. "Small and mid-sized employers" means those that have fewer than one hundred employees or have less than five percent net profitability.

1       (6) \$115,000 of the accident account—state appropriation for  
2 fiscal year 2019 and \$20,000 of the medical aid account—state  
3 appropriation for fiscal year 2019 are provided solely to implement  
4 Engrossed Substitute Senate Bill No. 6486 (registered  
5 apprenticeships). If the bill is not enacted by June 30, 2018, the  
6 amounts provided in this subsection shall lapse.

7       **Sec. 218.** 2017 3rd sp.s. c 1 s 218 (uncodified) is amended to  
8 read as follows:

9 **FOR THE DEPARTMENT OF VETERANS AFFAIRS**

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

12       (a) The department of veterans affairs shall not initiate any  
13 services that will require expenditure of state general fund moneys  
14 unless expressly authorized in this act or other law. The department  
15 may seek, receive, and spend, under RCW 43.79.260 through 43.79.282,  
16 federal moneys not anticipated in this act as long as the federal  
17 funding does not require expenditure of state moneys for the program  
18 in excess of amounts anticipated in this act. If the department  
19 receives unanticipated unrestricted federal moneys, those moneys must  
20 be spent for services authorized in this act or in any other  
21 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       (b) Each year, there is fluctuation in the revenue collected to  
30 support the operation of the state veteran homes. When the department  
31 has foreknowledge that revenue will decrease, such as from a loss of  
32 census or from the elimination of a program, the legislature expects  
33 the department to make reasonable efforts to reduce expenditures in a  
34 commensurate manner and to demonstrate that it has made such efforts.  
35 In response to any request by the department for general fund—state  
36 appropriation to backfill a loss of revenue, the legislature shall  
37 consider the department's efforts in reducing its expenditures in  
38 light of known or anticipated decreases to revenues.

1        (2) HEADQUARTERS

2	General Fund—State Appropriation (FY 2018) . . . . .	(( <del>\$2,004,000</del> ))
3		<u>\$1,929,000</u>
4	General Fund—State Appropriation (FY 2019) . . . . .	(( <del>\$1,997,000</del> ))
5		<u>\$1,924,000</u>
6	Charitable, Educational, Penal, and Reformatory	
7	Institutions Account—State Appropriation . . . . .	\$10,000
8	<u>Pension Funding Stabilization Account—State</u>	
9	<u>    Appropriation. . . . .</u>	<u>\$185,000</u>
10	TOTAL APPROPRIATION. . . . .	(( <del>\$4,011,000</del> ))
11		<u>\$4,048,000</u>

12        The appropriations in this subsection are subject to the  
13 following conditions and limitations: \$85,000 of the general fund—  
14 state appropriation for fiscal year 2018 and \$84,000 of the general  
15 fund—state appropriation for fiscal year 2019 are provided solely for  
16 the implementation of chapter 173, Laws of 2017 (ESSB 1802)  
17 (veterans' shared leave pool).

18        ((+2)) (3) FIELD SERVICES

19	General Fund—State Appropriation (FY 2018) . . . . .	(( <del>\$6,220,000</del> ))
20		<u>\$6,077,000</u>
21	General Fund—State Appropriation (FY 2019) . . . . .	(( <del>\$6,278,000</del> ))
22		<u>\$6,133,000</u>
23	General Fund—Federal Appropriation . . . . .	\$3,751,000
24	General Fund—Private/Local Appropriation . . . . .	\$4,799,000
25	Veteran Estate Management Account—Private/Local	
26	Appropriation . . . . .	\$666,000
27	<u>Pension Funding Stabilization Account—State</u>	
28	<u>    Appropriation. . . . .</u>	<u>\$443,000</u>
29	TOTAL APPROPRIATION. . . . .	(( <del>\$21,714,000</del> ))
30		<u>\$21,869,000</u>

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

33        (a) \$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 to provide crisis and emergency  
36 relief and education, training, and employment assistance to veterans  
37 and their families in their communities through the veterans  
38 innovation program.

(b) \$200,000 of the general fund—state appropriation for fiscal year 2018 and \$200,000 of the general fund—state appropriation for fiscal year 2019 are provided solely for the implementation of chapter 192, Laws of 2017 (SB 5849) (veterans' services).

(c) \$110,000 of the general fund—state appropriation for fiscal year 2018 and \$110,000 of the general fund—state appropriation for fiscal year 2019 are provided solely for the expansion of the veterans conservation corps by fifteen paid internships.

((+3)) (4) INSTITUTIONAL SERVICES

General Fund—State Appropriation (FY 2018)	(((2,105,000)))
	<u>\$12,052,000</u>
General Fund—State Appropriation (FY 2019)	(((2,307,000)))
	<u>\$6,031,000</u>
General Fund—Federal Appropriation	(((93,767,000)))
	<u>\$84,155,000</u>
General Fund—Private/Local Appropriation	(((35,687,000)))
	<u>\$28,019,000</u>
<u>Pension Funding Stabilization Account—State</u>	
<u>Appropriation.</u>	<u>\$1,462,000</u>
TOTAL APPROPRIATION.	(((133,866,000)))
	<u>\$131,719,000</u>

The appropriations in this subsection are subject to the following conditions and limitations: \$217,000 of the general fund—state appropriation for fiscal year 2019 is provided solely for the establishment of a clinical and nursing compliance program to monitor the state veteran homes for adherence to federal and state regulations for the quality of care of residents.

**Sec. 219.** 2017 3rd sp.s. c 1 s 219 (uncodified) is amended to read as follows:

**FOR THE DEPARTMENT OF HEALTH**

General Fund—State Appropriation (FY 2018)	(((71,759,000)))
	<u>\$69,949,000</u>
General Fund—State Appropriation (FY 2019)	(((72,148,000)))
	<u>\$78,095,000</u>
General Fund—Federal Appropriation	(((550,186,000)))
	<u>\$550,304,000</u>
General Fund—Private/Local Appropriation	(((185,189,000)))

1		<u>\$186,316,000</u>
2	Hospital Data Collection Account—State Appropriation . . . .	\$348,000
3	Health Professions Account—State Appropriation . . . .	( <del>(\$129,629,000)</del> )
4		<u>\$131,281,000</u>
5	Aquatic Lands Enhancement Account—State Appropriation . . . .	\$623,000
6	Emergency Medical Services and Trauma Care Systems	
7	Trust Account—State Appropriation . . . . .	\$9,247,000
8	Safe Drinking Water Account—State Appropriation . . . .	( <del>(\$5,678,000)</del> )
9		<u>\$5,676,000</u>
10	Drinking Water Assistance Account—Federal	
11	Appropriation . . . . .	( <del>(\$16,016,000)</del> )
12		<u>\$16,006,000</u>
13	Waterworks Operator Certification—State Appropriation	( <del>(\$1,671,000)</del> )
14		<u>\$1,839,000</u>
15	Drinking Water Assistance Administrative Account—State	
16	Appropriation . . . . .	\$372,000
17	Site Closure Account—State Appropriation . . . . .	\$169,000
18	Biotoxin Account—State Appropriation . . . . .	( <del>(\$1,972,000)</del> )
19		<u>\$1,971,000</u>
20	State Toxics Control Account—State Appropriation . . . .	( <del>(\$4,259,000)</del> )
21		<u>\$4,258,000</u>
22	Medicaid Fraud Penalty Account—State Appropriation . . . . .	\$938,000
23	Medical Test Site Licensure Account—State	
24	Appropriation . . . . .	\$2,594,000
25	Youth Tobacco and Vapor Products Prevention Account—State	
26	Appropriation . . . . .	( <del>(\$4,963,000)</del> )
27		<u>\$3,363,000</u>
28	Dedicated Marijuana Account—State Appropriation	
29	(FY 2018). . . . .	\$9,761,000
30	Dedicated Marijuana Account—State Appropriation	
31	(FY 2019). . . . .	\$9,766,000
32	Public Health Supplemental Account—Private/Local	
33	Appropriation . . . . .	\$3,248,000
34	<u>Pension Funding Stabilization Account—State</u>	
35	<u>Appropriation. . . . .</u>	<u>\$3,821,000</u>
36	Accident Account—State Appropriation . . . . .	\$344,000
37	Medical Aid Account—State Appropriation . . . . .	\$53,000
38	Suicide-Safer Homes Project Account—State Appropriation. . .	\$50,000
39	TOTAL APPROPRIATION. . . . .	( <del>(\$1,080,983,000)</del> )



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

(1) The department of health shall not initiate any services that will require expenditure of state general fund moneys unless expressly authorized in this act or other law. The department of health and the state board of health shall not implement any new or amended rules pertaining to primary and secondary school facilities until the rules and a final cost estimate have been presented to the legislature, and the legislature has formally funded implementation of the rules through the omnibus appropriations act or by statute. 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 that provides appropriation authority, and an equal amount of appropriated state 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.

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

(3) In accordance with RCW 43.20B.110, 43.135.055, and 71.24.035, the department is authorized to adopt license and certification fees in fiscal years 2018 and 2019 to support the costs of the regulatory program. The department's fee schedule shall have differential rates for providers with proof of accreditation from organizations that the department has determined to have substantially equivalent standards to those of the department, including but not limited to the joint commission on accreditation of health care organizations, the commission on accreditation of rehabilitation facilities, and the council on accreditation. To reflect the reduced costs associated

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

5 (4)(a) \$5,000,000 of the general fund—state appropriation for  
6 fiscal year 2018 and \$5,000,000 of the general fund—state  
7 appropriation for fiscal year 2019 are provided solely for the  
8 department to support the local health jurisdictions to improve their  
9 ability to address (i) communicable disease monitoring and prevention  
10 and (ii) chronic disease and injury prevention. The department and  
11 representatives of local health jurisdictions must work together to  
12 arrive at a mutually acceptable allocation and distribution of funds  
13 and to determine the best accountability measures to ensure efficient  
14 and effective use of funds, emphasizing the use of shared services.

15 (b) By December 31, 2017, the department shall provide a  
16 preliminary report, and by November 30, 2018, a final report, to the  
17 appropriate committees of the legislature regarding:

18 (i) The allocation of funding, as provided in this subsection, to  
19 the local health jurisdictions;

20 (ii) Steps taken by the local health jurisdictions that received  
21 funding to improve communicable disease monitoring and prevention and  
22 chronic disease and injury prevention;

23 (iii) An assessment of the effectiveness of the steps taken by  
24 local health jurisdictions and the criteria measured; and

25 (iv) Any recommendations for future models for service delivery  
26 to address communicable and chronic diseases.

27 (5)(a) \$1,000,000 of the general fund—state appropriation for  
28 fiscal year 2018 and \$1,000,000 of the general fund—state  
29 appropriation for fiscal year 2019 are provided solely for the  
30 department, as part of foundational public health services, to  
31 implement strategies to control the spread of communicable diseases  
32 and other health threats. These strategies may include updating or  
33 replacing equipment in the state public health laboratory; addressing  
34 health inequities among state residents; reporting on the root cause  
35 analyses of adverse events at medical facilities; performing critical  
36 activities to prevent adverse health consequences of hepatitis C; or  
37 assessing information technology system consolidation and  
38 modernization opportunities for statewide public health data systems.

1 (b) By November 30, 2018, the department shall develop a  
2 statewide governmental public health improvement plan and provide it  
3 to the appropriate committees of the legislature.

4 (6) \$26,000 of the general fund—state appropriation for fiscal  
5 year 2018 and \$10,000 of the general fund—state appropriation for  
6 fiscal year 2019 are provided solely for the implementation of  
7 chapter 295, Laws of 2017 (SHB 1258) (first responders/disability).

8 (7) Within amounts appropriated in this section, funding is  
9 provided to implement chapter 312, Laws of 2017 (SSB 5046) (language  
10 of public notices).

11 (8) \$39,000 of the general fund—local appropriation is provided  
12 solely for the implementation of chapter 249, Laws of 2017 (ESHB  
13 1714) (nurse staffing plans).

14 (9) \$27,000 of the health professions account—state appropriation  
15 and \$50,000 of the Suicide-Safer Homes Project account are provided  
16 solely for the implementation of chapter 262, Laws of 2017 (E2SHB  
17 1612) (reducing access to lethal means).

18 (10) \$269,000 of the health professions account—state  
19 appropriation is provided solely for the implementation of chapter  
20 297, Laws of 2017 (ESHB 1427) (opioid treatment program).

21 (11) \$350,000 of the general fund—state appropriation for fiscal  
22 year 2018 and \$350,000 of the general fund—state appropriation for  
23 fiscal year 2019 are provided to the department solely to cover costs  
24 of providing increased capacity under existing contracts with suicide  
25 prevention lines to respond to calls to the national suicide  
26 prevention lifeline.

27 (12) \$40,000 of the general fund—state appropriation for fiscal  
28 year 2018 and (~~(\$40,000)~~) \$90,000 of the general fund—state  
29 appropriation for fiscal year 2019 are provided solely for the  
30 midwifery licensure and regulatory program to supplement revenue from  
31 fees. The department shall charge no more than five hundred twenty-  
32 five dollars annually for new or renewed licenses for the midwifery  
33 program.

34 (13)(a) Within amounts appropriated in this section, the  
35 department, in consultation with advocacy groups and experts that  
36 focus on hunger and poverty issues, shall produce a report regarding  
37 ongoing nutrition assistance programs funded by the United States  
38 department of agriculture and administered in Washington state. The  
39 report must be a compilation, by program, of data already collected

1 by the department of social and health services, the department of  
2 health, the office of the superintendent of public instruction, and  
3 the Washington state department of agriculture, and it must include,  
4 where available, but is not limited to:

5 (i) The number of people in Washington who are eligible for the  
6 program;

7 (ii) The number of people in Washington who participated in the  
8 program;

9 (iii) The average annual participation rate in the program;

10 (iv) Participation rates by geographic distribution; and

11 (v) The annual federal funding of the program in Washington.

12 (b) The department shall report to the appropriate committees of  
13 the legislature and to the governor. An initial report is due by  
14 April 30, 2018, and a second report is due by April 30, 2019.

15 (14) 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 authorization  
18 systems within the department of health are subject to technical  
19 oversight by the office of the state chief information officer.

20 (15) \$2,604,000 of the health professions account—state  
21 appropriation is provided solely for the medical quality assurance  
22 commission to address increased workload.

23 (16) \$896,000 of the health professions account—state  
24 appropriation is provided solely for the pharmacy commission to  
25 improve research and communication to pharmacies regarding the  
26 development and implementation of new and changing rules.

27 (17) \$9,000,000 of the general fund—federal appropriation is  
28 provided solely for the department to implement projects and  
29 activities during the 2017-2019 fiscal biennium that are designed to  
30 improve the health and well-being of individuals living with human  
31 immunodeficiency virus, including:

32 (a) A health disparity project to increase access to dental,  
33 mental health, and housing services for populations that have  
34 historically experienced limited access to needed services, including  
35 Latino individuals in central Washington;

36 (b) A project to establish a peer-to-peer network for individuals  
37 living with human immunodeficiency virus. Trained navigators will  
38 work to link individuals living with human immunodeficiency virus to  
39 medical care, housing support, training, and other needed services;

1 (c) A project to expand the MAX clinic within Harborview hospital  
2 to serve an increased number of high-need clients and establishing a  
3 MAX clinic to serve high-need clients in Pierce county. This project  
4 shall also provide statewide training for staff of the department, of  
5 local health jurisdictions, and of providers of services for persons  
6 with human immunodeficiency virus;

7 (d) The development of a single eligibility portal to allow  
8 statewide usage and streamlined case management for individuals who  
9 are living with human immunodeficiency virus and receiving public  
10 health services; and

11 (e) An assessment and evaluation of the effectiveness of each of  
12 the projects outlined in subsections (a) through (d) of this  
13 subsection.

14 (18) \$6,096,000 of the general fund—local appropriation is  
15 provided solely for the department to target its efforts in the HIV  
16 early intervention program toward populations with health  
17 disparities.

18 (19) \$1,118,000 of the general fund—local appropriation is  
19 provided solely for equipment, testing supplies, and materials  
20 necessary to add x-linked adrenoleukodystrophy to the mandatory  
21 newborn screening panel. The department is authorized to increase the  
22 newborn screening fee by \$8.10.

23 (20) \$1,500,000 of the general fund—state appropriation for  
24 fiscal year 2018 and \$1,500,000 of the general fund—state  
25 appropriation for fiscal year 2019 are provided solely for:

26 (a) Increased screening, case management, and an electronic data  
27 reporting system to identify children who are at the highest risk of  
28 having elevated levels of lead in their blood, prioritizing children  
29 who live in areas where the risk is highest; and

30 (b) Sampling and testing of drinking water and water fixtures in  
31 public schools. The department, in collaboration with the educational  
32 service districts, must prioritize testing within elementary schools  
33 where drinking water and water fixtures have not been tested for  
34 contaminants at any time, and elementary schools where drinking water  
35 and water fixtures have not been tested within the past three years.  
36 Consistent with the United States environmental protection agency's  
37 manual, "3Ts for Reducing Lead in Drinking Water in Schools—Revised  
38 Technical Guidance," the department must develop guidance and testing  
39 protocols for the lead action level for drinking water and for

1 testing drinking water and drinking water fixtures in public and  
2 private schools. The guidance must include:

3 (i) Actions to take if test results exceed the federal action  
4 level or public drinking water standard;

5 (ii) Recommendations to schools on prioritizing fixture  
6 replacement, and options for further reducing lead, including  
7 replacement of fixtures or use of certified filters when results are  
8 below the federal action level for schools, but exceed the maximum  
9 level recommended by the American Academy of Pediatrics; and

10 (iii) Recommendations for communicating test results and risk to  
11 parents and the community, including that there is no safe level of  
12 lead in water and that action may be warranted even if levels are  
13 below the action level.

14 (21) \$277,000 of the general fund—local appropriation is provided  
15 solely to implement chapter 207, Laws of 2017 (E2SHB 1819)  
16 (children's mental health).

17 (22) \$130,000 of the general fund—state appropriation for fiscal  
18 year 2018 and \$130,000 of the general fund—state appropriation for  
19 fiscal year 2019 are provided solely to increase the funding for the  
20 breast, cervical, and colon health program administered by the  
21 department.

22 (23) Within the amounts appropriated in this section, and in  
23 accordance with RCW 43.20B.110 and 70.41.100, the department shall  
24 set fees to include the full costs of the performance of inspections  
25 pursuant to RCW 70.41.080.

26 (24) Within the amounts appropriated in this section, and in  
27 accordance with RCW 43.70.110 and 71.12.470, the department shall set  
28 fees to include the full costs of the performance of inspections  
29 pursuant to RCW 71.12.485.

30 (25) (~~(\$250,000 of the general fund state appropriation for~~  
31 ~~fiscal year 2018 and~~) \$250,000 of the general fund—state  
32 appropriation for fiscal year 2019 (~~are~~) is provided solely for the  
33 department to contract with a nongovernmental entity that has  
34 experience in adapting global health strategies to underserved  
35 communities for a pilot program to develop strategies to address  
36 health disparities in rural communities. The program should engage  
37 marginalized communities in order to identify barriers and social  
38 determinants that most impact health, including access to housing and  
39 food and economic stability. The department must report to the

1 legislature by December 1, 2018, regarding identified barriers and  
2 any recommendations for interventions.

3 (26) \$27,000 of the general fund—state appropriation for fiscal  
4 year 2018 and \$16,000 of the general fund—state appropriation for  
5 fiscal year 2019 are provided solely for the implementation of  
6 chapter 273, Laws of 2017 (E2SHB 1358) (community assistance referral  
7 programs).

8 (27) \$224,000 of the health professions account—state  
9 appropriation is provided solely for the implementation of chapter  
10 320, Laws of 2017 (SSB 5322) (dentists and third parties).

11 (28) \$93,000 of the health professions account—state  
12 appropriation is provided solely for the implementation of chapter  
13 101, Laws of 2017 (ESHB 1431) (osteopathic medicine and surgery).

14 (29) \$82,000 of the general fund—local appropriation is provided  
15 solely for the implementation of chapter 263, Laws of 2017 (SSB 5152)  
16 (pediatric transitional care).

17 (30) \$25,000 of the general fund—state appropriation for fiscal  
18 year 2018 is provided solely for the department to prepare and submit  
19 a report about the certificate of need program to the governor and  
20 the appropriate fiscal and policy committees of the legislature by  
21 October 1, 2017. By health care setting, for each of the preceding  
22 ten fiscal years, the report must show the total number of  
23 applications, the total number of accepted applications, the total  
24 number of beds requested, the total number of beds approved, and a  
25 summary of the most common reasons for declining an application. The  
26 report must include suggestions for modifying the program to increase  
27 the number of successful applications. At least one suggestion must  
28 address the goal of adding psychiatric beds within hospitals.

29 (31) The department, in collaboration with the health care  
30 authority, shall work to ensure that a single platform provider  
31 credentialing system is implemented. The authority and department  
32 shall ensure that appropriate cost offsets and cost avoidance are  
33 assumed for reduced staff time required for provider credentialing  
34 activity and reductions in improper billing activity when  
35 implementing provider credentialing systems.

36 (32) \$28,000 of the general fund—state appropriation for fiscal  
37 year 2018 and \$28,000 of the general fund—state appropriation for  
38 fiscal year 2019 are provided solely for staffing capacity at the

1 department to support a performance audit of the fee-setting process  
2 for each health profession licensed by the department.

3 (33) The appropriations in this section include sufficient  
4 funding for the implementation of chapter 294, Laws of 2017 (SSB  
5 5835) (health outcomes/pregnancy).

6 (34) In accordance with RCW 43.20B.110, 43.135.055, and  
7 71.24.035, the department is authorized to adopt license and  
8 certification fees in fiscal year 2019 to support the costs of the  
9 regulatory program. The department's fee schedule shall have  
10 differential rates for providers with proof of accreditation from  
11 organizations that the department has determined to have  
12 substantially equivalent standards to those of the department,  
13 including but not limited to the joint commission on accreditation of  
14 health care organizations, the commission on accreditation of  
15 rehabilitation facilities, and the council on accreditation. To  
16 reflect the reduced costs associated with regulation of accredited  
17 programs, the department's fees for organizations with such proof of  
18 accreditation must reflect the lower costs of licensing for these  
19 programs than for other organizations which are not accredited.

20 (35) In accordance with RCW 70.96A.090, 71.24.035, 43.20B.110,  
21 and 43.135.055, the department is authorized to adopt fees for the  
22 review and approval of mental health and substance use disorder  
23 treatment programs in fiscal years 2018 and 2019 as necessary to  
24 support the costs of the regulatory program. The department's fee  
25 schedule must have differential rates for providers with proof of  
26 accreditation from organizations that the department has determined  
27 to have substantially equivalent standards to those of the  
28 department, including but not limited to the joint commission on  
29 accreditation of health care organizations, the commission on  
30 accreditation of rehabilitation facilities, and the council on  
31 accreditation. To reflect the reduced costs associated with  
32 regulation of accredited programs, the department's fees for  
33 organizations with such proof of accreditation must reflect the lower  
34 cost of licensing for these programs than for other organizations  
35 which are not accredited.

36 (36) \$29,000 of the health professions account—state  
37 appropriation is provided solely for the implementation of chapter  
38 22, Laws of 2017 (HB 1198) (substance abuse/podiatric).



1       (37) \$22,000 of the health professions account—state  
2 appropriation is provided solely for the implementation of chapter  
3 108, Laws of 2017 (HB 1278) (physical therapy licensure compact).

4       (38) \$21,000 of the health professions account—state  
5 appropriation is provided solely for the implementation of chapter  
6 195, Laws of 2017 (HB 1337) (interstate medical license compact).

7       (39) \$12,000 of the health professions account—state  
8 appropriation is provided solely for the implementation of chapter  
9 100, Laws of 2017 (SHB 1411) (dental licensure/residency).

10       (40) \$13,000 of the health professions account—state  
11 appropriation is provided solely for the implementation of chapter  
12 205, Laws of 2017 (SHB 1765) (prescription drug donation).

13       (41) \$10,000 of the health professions account—state  
14 appropriation is provided solely for the implementation of chapter  
15 212, Laws of 2017 (SSB 5035) (investigational medical products).

16       (42) \$61,000 of the health professions account—state  
17 appropriation is provided solely for the implementation of chapter  
18 216, Laws of 2017 (SB 5177) (LTC workers/hearing loss training).

19       (43) \$10,000 of the health professions account—state  
20 appropriation is provided solely for the implementation of chapter  
21 45, Laws of 2017 (SB 5413) (physician limited licenses).

22       (44) \$41,000 of the general fund—state appropriation for fiscal  
23 year 2019 is provided solely for the implementation of chapter 56,  
24 Laws of 2016 (SB 5689) (diabetes planning/reporting).

25       (45) \$61,000 of the general fund—state appropriation for fiscal  
26 year 2019 is provided solely for the implementation of chapter 294,  
27 Laws of 2017 (SSB 5835) (health outcomes).

28       (46) \$360,000 of the general fund—state appropriation for fiscal  
29 year 2019 is provided solely for integrating the behavioral health  
30 certification and licensing program with the other professional  
31 management systems and processes at the department of health.

32       (47) \$556,000 of the general fund—state appropriation for fiscal  
33 year 2019 is provided solely for replacing the comprehensive hospital  
34 abstract reporting system.

35       (48) \$15,000 of the general fund—state appropriation for fiscal  
36 year 2018 and \$62,000 of the general fund—state appropriation for  
37 fiscal year 2019 are provided solely for continuing the early hearing  
38 detection diagnosis and intervention program.

1       (49) \$468,000 of the health professions account—state  
2 appropriation is provided solely for completing the online licensing  
3 and information collection project.

4       (50) \$168,000 of the waterworks operator certification account—  
5 state appropriation is provided solely for making quality  
6 improvements to the application and renewal process for drinking  
7 water system operators and increasing opportunities for training,  
8 internships, and apprenticeships for individuals interested in  
9 joining this workforce.

10       (51) \$72,000 of the general fund—state appropriation for fiscal  
11 year 2018 and \$206,000 of the general fund—state appropriation for  
12 fiscal year 2019 are provided solely to implement Substitute Senate  
13 Bill No. 6514 (higher ed. behavioral health). If this bill is not  
14 enacted by June 30, 2018, the amounts provided in this subsection  
15 shall lapse.

16       (52) \$113,000 of the general fund—local appropriation is provided  
17 solely to implement Engrossed Substitute Senate Bill No. 6037  
18 (uniform parentage act). If this bill is not enacted by June 30,  
19 2018, the amount provided in this subsection shall lapse.

20       (53) \$19,000 of the health professions account—state  
21 appropriation is provided solely to implement Substitute Senate Bill  
22 No. 6273 (state charity care). If this bill is not enacted by June  
23 30, 2018, the amount provided in this subsection shall lapse.

24       (54) \$30,000 of the general fund—state appropriation for fiscal  
25 year 2019 is provided solely for the nursing care quality assurance  
26 commission to convene a work group to develop strategies that address  
27 the shortage of nursing staff in long-term care settings.

28       (55) \$3,000,000 of the general fund—state appropriation for  
29 fiscal year 2019 is provided solely for the prevention of  
30 communicable diseases, and the response efforts when outbreaks occur  
31 in King county.

32       (56) \$670,000 of the general fund—state appropriation for fiscal  
33 year 2019 is provided solely for a collaboration between local public  
34 health, accountable communities of health, and health care providers  
35 to reduce preventable hospitalizations. This one-year initiative will  
36 take place in the Tacoma/Pierce county local health jurisdiction.

37       (57) \$30,000 of the general fund—state appropriation for fiscal  
38 year 2018 and \$30,000 of the general fund—state appropriation for  
39 fiscal year 2019 are provided solely to implement Engrossed Second

1 Substitute Senate Bill No. 6529 (pesticide application safety). If  
2 this bill is not enacted by June 30, 2018, the amounts provided in  
3 this subsection shall lapse.

4 (58) \$200,000 of the general fund—state appropriation for fiscal  
5 year 2019 is provided solely for a grant to the Benton-Franklin local  
6 health jurisdiction to expand its youth suicide prevention activities  
7 and to serve as a case study to identify best practice materials,  
8 training, intervention practices, and promotional strategies that can  
9 be replicated in other local health jurisdictions. The amounts  
10 appropriated must be used for the following activities:

11 (a) Prior to September 1, 2018, the Benton-Franklin local health  
12 jurisdiction must document the materials, training, intervention  
13 practices, and promotional strategies for youth suicide prevention  
14 that are available within Benton county and Franklin county.

15 (b) Prior to October 1, 2018, the Benton-Franklin local health  
16 jurisdiction must host a summit about the issue of youth suicide  
17 prevention. The summit must include attendees from schools, health  
18 care organizations, nonprofit organizations, and other relevant  
19 organizations from Benton county and Franklin county. The summit may  
20 also include attendees from other areas of the state who have unique  
21 knowledge and expertise with the issue of youth suicide prevention.  
22 Prior to the summit, the Benton-Franklin local health jurisdiction  
23 must share the result of the work described in (a) of this subsection  
24 with all attendees. During the summit, the Benton-Franklin local  
25 health jurisdiction must survey the attendees to determine best  
26 practices for educational materials, training, intervention  
27 practices, and promotional strategies.

28 (c) Prior to November 1, 2018, the Benton-Franklin local health  
29 jurisdiction must complete a plan for expanding youth suicide  
30 prevention that is based primarily on the survey of attendees  
31 described in (b) of this subsection. For each investment, the plan  
32 must describe the amount of funding utilized, as well as the expected  
33 results. The plan must be shared with the office of financial  
34 management, and the appropriate fiscal and policy committees of the  
35 legislature, by November 10, 2018.

36 (d) Prior to June 15, 2019, the Benton-Franklin local health  
37 jurisdiction must complete a final report summarizing the work  
38 completed to satisfy (a) through (c) of this subsection. The final  
39 report must include a description of outcomes that can be measured  
40 and linked to the expansion of youth suicide prevention activities

1 funded by this subsection. The final report will serve as a guide for  
2 further expansion of youth suicide prevention in Benton-Franklin, or  
3 within other local health jurisdictions. The final report must be  
4 shared with the office of financial management, and the appropriate  
5 fiscal and policy committees of the legislature, by June 30, 2019.

6 (59) \$967,000 of the general fund—state appropriation for fiscal  
7 year 2019 and \$103,000 of the health professions account—state  
8 appropriation are provided solely to implement Second Substitute  
9 Senate Bill No. 6150 (opioid use disorder) or Engrossed Substitute  
10 House Bill No. 2489 (opioid use disorder). If neither bill is enacted  
11 by June 30, 2018, the amounts provided in this subsection shall  
12 lapse.

13 (60) \$2,000,000 of the health professions account—state  
14 appropriation is provided solely for additional staffing resources to  
15 improve the performance of health profession credentialing, and to  
16 develop a report that outlines the steps necessary to achieve an  
17 adequate fund balance in the health professions account. The plan  
18 must include, but is not limited to, an assessment of the ability for  
19 each health profession to recover the cost of licensure through  
20 licensing fees. The plan must be submitted to the appropriate policy  
21 and fiscal committees of the legislature by December 15, 2018.

22 **Sec. 220.** 2017 3rd sp.s. c 1 s 220 (uncodified) is amended to  
23 read as follows:

24 **FOR THE DEPARTMENT OF CORRECTIONS**

25 The appropriations to the department of corrections in this act  
26 shall be expended for the programs and in the amounts specified in  
27 this act. To the extent that appropriations in this section are  
28 insufficient to fund actual expenditures in excess of caseload  
29 forecasts and utilization assumptions, the department, after May 1,  
30 2018, may transfer general fund—state appropriations for fiscal year  
31 2018 that are provided solely for a specified purpose. The department  
32 may not transfer funds, and the director of the office of financial  
33 management may not approve the transfer, unless the transfer is  
34 consistent with the objective of conserving, to the maximum extent  
35 possible, the expenditure of state funds. The director of the office  
36 of financial management shall notify the appropriate fiscal  
37 committees of the senate and house of representatives in writing  
38 seven days prior to approving any allotment modifications or

1 transfers under this subsection. The written notification must  
2 include a narrative explanation and justification of changes, along  
3 with expenditures and allotments by budget unit and appropriation,  
4 both before and after any allotment modifications and transfers.

5 (1) ADMINISTRATION AND SUPPORT SERVICES

6	General Fund—State Appropriation (FY 2018)	(\$64,492,000)
7		<u>\$60,651,000</u>
8	General Fund—State Appropriation (FY 2019)	(\$64,219,000)
9		<u>\$59,790,000</u>
10	<u>General Fund—Federal Appropriation.</u>	<u>\$400,000</u>
11	<u>Pension Funding Stabilization Account—State</u>	
12	<u>Appropriation.</u>	<u>\$7,602,000</u>
13	TOTAL APPROPRIATION.	(\$128,711,000)
14		<u>\$128,443,000</u>

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

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

29 (b)(i) During the 2017-2019 fiscal biennium, the department must  
30 revise its agreements and contracts with vendors to include a  
31 provision to require that each vendor agrees to equality among its  
32 workers by ensuring similarly employed individuals are compensated as  
33 equals as follows:

34 (A) Employees are similarly employed if the individuals work for  
35 the same employer, the performance of the job requires comparable  
36 skill, effort, and responsibility, and the jobs are performed under  
37 similar working conditions. Job titles alone are not determinative of  
38 whether employees are similarly employed;

1 (B) Vendors may allow differentials in compensation for its  
2 workers based in good faith on any of the following:

3 (I) A seniority system; a merit system; a system that measures  
4 earnings by quantity or quality of production; a bona fide job-  
5 related factor or factors; or a bona fide regional difference in  
6 compensation levels.

7 (II) A bona fide job-related factor or factors may include, but  
8 not be limited to, education, training, or experience, that is:  
9 Consistent with business necessity; not based on or derived from a  
10 gender-based differential; and accounts for the entire differential.

11 (III) A bona fide regional difference in compensation level must  
12 be: Consistent with business necessity; not based on or derived from  
13 a gender-based differential; and account for the entire differential.

14 (ii) The provision must allow for the termination of the contract  
15 if the department or department of enterprise services determines  
16 that the vendor is not in compliance with this agreement or contract  
17 term.

18 (iii) The department must implement this provision with any new  
19 contract and at the time of renewal of any existing contract.

20 (c) \$865,000 of the general fund—state appropriation for fiscal  
21 year 2018 and \$587,000 of the general fund—state appropriation for  
22 fiscal year 2019 are provided solely for information technology  
23 business solutions and are subject to the conditions, limitations,  
24 and review provided in section 724 of this act.

25 (d) The department, in collaboration with the health care  
26 authority, shall work to ensure that a single platform provider  
27 credentialing system is implemented. The authority and department  
28 shall ensure that appropriate cost offsets and cost avoidance are  
29 assumed for reduced staff time required for provider credentialing  
30 activity and reductions in improper billing activity when  
31 implementing provider credentialing systems.

32 (e) \$51,000 of the general fund—state appropriation for fiscal  
33 year 2018 is provided solely for the implementation of Substitute  
34 Senate Bill No. 6277 (graduated reentry program). If the bill is not  
35 enacted by June 30, 2018, the amount in this subsection shall lapse.

36 (2) CORRECTIONAL OPERATIONS

37 General Fund—State Appropriation (FY 2018) . . . . (~~(\$541,061,000)~~)  
38 \$499,459,000  
39 General Fund—State Appropriation (FY 2019) . . . . (~~(\$562,878,000)~~)

1		<u>\$517,600,000</u>
2	General Fund—Federal Appropriation . . . . .	\$818,000
3	Washington Auto Theft Prevention Authority Account—State	
4	Appropriation . . . . .	(( <del>\$4,608,000</del> ))
5		<u>\$4,597,000</u>
6	<u>Pension Funding Stabilization Account—State</u>	
7	<u>Appropriation. . . . .</u>	<u>\$62,831,000</u>
8	TOTAL APPROPRIATION. . . . .	(( <del>\$1,109,365,000</del> ))
9		<u>\$1,085,305,000</u>

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

12       (a) The department may contract for beds statewide to the extent  
13 that it is at no net cost to the department. The department shall  
14 calculate and report the average cost per offender per day, inclusive  
15 of all services, on an annual basis for a facility that is  
16 representative of average medium or lower offender costs. The  
17 duration of the contracts may be for up to four years. The department  
18 shall not pay a rate greater than \$85 per day per offender for all  
19 costs associated with the offender while in the local correctional  
20 facility to include programming and health care costs, or the  
21 equivalent of \$85 per day per bed including programming and health  
22 care costs for full units. The capacity provided at local  
23 correctional facilities must be for offenders whom the department of  
24 corrections defines as medium or lower security offenders.  
25 Programming provided for inmates held in local jurisdictions is  
26 included in the rate, and details regarding the type and amount of  
27 programming, and any conditions regarding transferring offenders must  
28 be negotiated with the department as part of any contract. Local  
29 jurisdictions must provide health care to offenders that meet  
30 standards set by the department. The local jail must provide all  
31 medical care including unexpected emergent care. The department must  
32 utilize a screening process to ensure that offenders with existing  
33 extraordinary medical/mental health needs are not transferred to  
34 local jail facilities. If extraordinary medical conditions develop  
35 for an inmate while at a jail facility, the jail may transfer the  
36 offender back to the department, subject to terms of the negotiated  
37 agreement. Health care costs incurred prior to transfer are the  
38 responsibility of the jail.

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

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

11 ~~(((\$250,000 of the general fund—state appropriation for fiscal~~  
12 ~~year 2018 and \$250,000 of the general fund—state appropriation for~~  
13 ~~fiscal year 2019 are provided solely for the department to enter into~~  
14 ~~an agreement to purchase electricity for the Monroe correctional~~  
15 ~~complex from a sawmill waste cogeneration system that is connected to~~  
16 ~~a lumber mill that employs at least 150 people. The agreement cannot~~  
17 ~~increase the total cost for the purchase of electricity for the~~  
18 ~~entire complex.~~

19 (e)) Within the amounts appropriated in this section, funding is  
20 provided to implement chapter 335, Laws of 2017 (SB 5037) (DUI 4th  
21 offense/felony).

22 ((+f)) (e) The appropriations in this section include sufficient  
23 funding for the implementation of chapter 226, Laws of 2017 (HB 1153)  
24 (vulnerable persons/crimes).

25 ~~((g) The appropriations in this section include sufficient~~  
26 ~~funding for the implementation of Senate Bill No. 5934 (concerning~~  
27 ~~convicted persons).~~

28 (i)) (f) Within the amounts appropriated in this section, the  
29 department of corrections must review the use of full body scanners  
30 at state correctional facilities for women to reduce the frequency of  
31 strip and body cavity searches and report with recommendations to the  
32 governor and the appropriate legislative committees by November 15,  
33 2017. The report must address the cost of technology, installation,  
34 and maintenance; the benefits to personnel and inmates; information  
35 regarding accumulated exposure to radiation; and general guidelines  
36 for implementation at a pilot facility.

37 (g) \$44,000 of the general fund—state appropriation for fiscal  
38 year 2019 is provided solely for the implementation of Senate Bill



1 No. 5588 (racial disproportionality). If the bill is not enacted by  
2 June 30, 2018, the amount in this subsection shall lapse.

3 (h) \$240,000 of the general fund—state appropriation for fiscal  
4 year 2019 is provided solely for the department to install a body  
5 scanner at the Washington corrections center for women as a pilot  
6 project to reduce strip searches. The department must collect data on  
7 its change in practices, the benefits or issues with utilizing body  
8 scanners in the prison, and provide a report to the legislature and  
9 the appropriate fiscal committees of the legislature by October 15,  
10 2019.

11 (3) COMMUNITY SUPERVISION

12	General Fund—State Appropriation (FY 2018)	. . . . .	(( <del>\$181,670,000</del> ))
13			<u>\$179,692,000</u>
14	General Fund—State Appropriation (FY 2019)	. . . . .	(( <del>\$187,807,000</del> ))
15			<u>\$187,012,000</u>
16	General Fund—Federal Appropriation	. . . . .	(( <del>\$2,368,000</del> ))
17			<u>\$2,902,000</u>
18	<u>Pension Funding Stabilization Account—State</u>		
19	<u>Appropriation.</u>	. . . . .	<u>\$12,791,000</u>
20	TOTAL APPROPRIATION.	. . . . .	(( <del>\$371,845,000</del> ))
21			<u>\$382,397,000</u>

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

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

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

1 (c) By January 1, 2018, the department of corrections shall  
 2 provide a report to the office of financial management and the  
 3 appropriate fiscal and policy committees of the legislature to  
 4 include a review of the department's policies and procedures related  
 5 to swift and certain sanctioning, and identification of legal  
 6 decisions that impact caseload and operations. The report shall  
 7 include recommendations for improving public and staff safety while  
 8 decreasing recidivism through improved alignment of the department's  
 9 policies and procedures with current best practices concerning swift  
 10 and certain sanctioning. The report shall include a review of  
 11 department practices, legal decisions that impact caseload and  
 12 operations, an analysis of current best practices in other  
 13 jurisdictions that have adopted swift and certain sanctioning, and  
 14 recommendations to improve the department's practices and procedures.

15 (d) Within the amounts appropriated in this section, funding is  
 16 provided to implement chapter 335, Laws of 2017 (SB 5037) (DUI 4th  
 17 offense/felony).

18 (e) ~~((The appropriations in this section include sufficient  
 19 funding for the implementation of Senate Bill No. 5934 (concerning  
 20 convicted persons).))~~ \$1,742,000 of the general fund—state  
 21 appropriation for fiscal year 2019 is provided solely for the  
 22 implementation of Substitute Senate Bill No. 6277 (graduated reentry  
 23 program). If the bill is not enacted by June 30, 2018, the amount in  
 24 this subsection shall lapse.

25 (4) CORRECTIONAL INDUSTRIES

26	General Fund—State Appropriation (FY 2018)	. . . . .	(( <del>\$5,985,000</del> )
27			<u>\$6,278,000</u>
28	General Fund—State Appropriation (FY 2019)	. . . . .	(( <del>\$6,085,000</del> )
29			<u>\$5,979,000</u>
30	<u>Pension Funding Stabilization Account—State</u>		
31	<u>Appropriation.</u>	. . . . .	<u>\$510,000</u>
32	TOTAL APPROPRIATION.	. . . . .	(( <del>\$12,070,000</del> )
33			<u>\$12,767,000</u>

34 (5) INTERAGENCY PAYMENTS

35	General Fund—State Appropriation (FY 2018)	. . . . .	(( <del>\$44,091,000</del> )
36			<u>\$44,806,000</u>
37	General Fund—State Appropriation (FY 2019)	. . . . .	(( <del>\$41,176,000</del> )
38			<u>\$42,085,000</u>
39	TOTAL APPROPRIATION.	. . . . .	(( <del>\$85,267,000</del> )

1 \$86,891,000

2 The appropriations in this subsection are subject to the  
3 following conditions and limitations: \$13,000 of the general fund—  
4 state appropriation for fiscal year 2019 is provided solely for the  
5 implementation of Substitute Senate Bill No. 6277 (graduated reentry  
6 program). If the bill is not enacted by June 30, 2018, the amount in  
7 this subsection shall lapse.

8 (6) OFFENDER CHANGE

9	General Fund—State Appropriation (FY 2018)	. . . . .	(( <del>\$55,170,000</del> ))
10			<u>\$52,713,000</u>
11	General Fund—State Appropriation (FY 2019)	. . . . .	(( <del>\$56,426,000</del> ))
12			<u>\$54,020,000</u>
13	<u>Pension Funding Stabilization Account—State</u>		
14	<u>Appropriation.</u>	. . . . .	<u>\$4,434,000</u>
15	TOTAL APPROPRIATION.	. . . . .	(( <del>\$111,596,000</del> ))
16			<u>\$111,167,000</u>

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

19 (a) The department of corrections shall use funds appropriated in  
20 this subsection (6) for offender programming. The department shall  
21 develop and implement a written comprehensive plan for offender  
22 programming that prioritizes programs which follow the risk-needs-  
23 responsivity model, are evidence-based, and have measurable outcomes.  
24 The department is authorized to discontinue ineffective programs and  
25 to repurpose underspent funds according to the priorities in the  
26 written plan.

27 (b) Within the amounts appropriated in this section, funding is  
28 provided to implement chapter 335, Laws of 2017 (SB 5037) (DUI 4th  
29 offense/felony).

30 (c) \$334,000 of the general fund—state appropriation for fiscal  
31 year 2019 is provided solely for the implementation of Substitute  
32 Senate Bill No. 6277 (graduated reentry program). If the bill is not  
33 enacted by June 30, 2018, the amount in this subsection shall lapse.

34 (7) HEALTH CARE SERVICES

35	General Fund—State Appropriation (FY 2018).	. . . . .	(( <del>\$128,680,000</del> ))
36			<u>\$144,512,000</u>
37	General Fund—State Appropriation (FY 2019).	. . . . .	(( <del>\$127,782,000</del> ))
38			<u>\$146,638,000</u>

1 TOTAL APPROPRIATION. . . . . ((~~\$256,462,000~~))  
2 \$291,150,000

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

8 **Sec. 221.** 2017 3rd sp.s. c 1 s 221 (uncodified) is amended to  
9 read as follows:

10 **FOR THE DEPARTMENT OF SERVICES FOR THE BLIND**

11 General Fund—State Appropriation (FY 2018) . . . . . ((~~\$2,478,000~~))  
12 \$2,451,000  
13 General Fund—State Appropriation (FY 2019) . . . . . ((~~\$2,525,000~~))  
14 \$2,567,000  
15 General Fund—Federal Appropriation . . . . . ((~~\$25,276,00~~))  
16 \$25,282,000  
17 General Fund—Private/Local Appropriation . . . . . \$60,000  
18 Pension Funding Stabilization Account—State  
19 Appropriation. . . . . \$173,000  
20 TOTAL APPROPRIATION. . . . . ((~~\$30,339,000~~))  
21 \$30,533,000

22 The appropriations in this subsection are subject to the  
23 following conditions and limitations: \$60,000 of the general fund—  
24 state appropriation for fiscal year 2018 and \$127,000 of the general  
25 fund—state appropriation for fiscal year 2019 are provided solely for  
26 access to electronic magnification devices and supports, youth  
27 services that are not funded through the federal vocational  
28 rehabilitation grant, and funding to maintain access to printed  
29 information.

30 **Sec. 222.** 2017 3rd sp.s. c 1 s 222 (uncodified) is amended to  
31 read as follows:

32 **FOR THE EMPLOYMENT SECURITY DEPARTMENT**

33 General Fund—Federal Appropriation . . . . . ((~~\$216,993,000~~))  
34 \$209,266,000  
35 General Fund—Private/Local Appropriation . . . . . ((~~\$35,426,000~~))  
36 \$35,416,000

1	Unemployment Compensation Administration Account—Federal	
2	Appropriation . . . . .	(( <del>\$270,643,000</del> ))
3		<u>\$268,112,000</u>
4	<u>Unemployment Compensation Administration Account—State</u>	
5	Appropriation . . . . .	\$23,000
6	Administrative Contingency Account—State	
7	Appropriation . . . . .	(( <del>\$20,386,000</del> ))
8		<u>\$20,136,000</u>
9	Employment Service Administrative Account—State	
10	Appropriation . . . . .	(( <del>\$53,555,000</del> ))
11		<u>\$53,543,000</u>
12	Family and Medical Leave Insurance Account—State	
13	Appropriation. . . . .	\$82,000,000
14	TOTAL APPROPRIATION. . . . .	(( <del>\$679,003,000</del> ))
15		<u>\$668,496,000</u>

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

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

21       (2) \$4,152,000 of the unemployment compensation administration  
22 account—federal appropriation is provided solely to the unemployment  
23 tax and benefits systems and is subject to the conditions,  
24 limitations, and review provided in section 724 of this act.

25       (3) \$82,000,000 of the family and medical leave insurance account  
26 —state appropriation is provided solely for implementation of  
27 Substitute House Bill No. 1116 (family and medical leave insurance),  
28 Senate Bill No. 5975 (paid family and medical leave), or Senate Bill  
29 No. 5032 (family and medical leave insurance). If none of the bills  
30 are enacted by July 31, 2017, the amount provided in this subsection  
31 shall lapse.

32       **Sec. 223.** 2017 3rd sp.s. c 1 s 223 (uncodified) is amended to  
33 read as follows:

34 **FOR THE DEPARTMENT OF CHILDREN, YOUTH, AND FAMILIES**

35       The appropriations to the department of children, youth, and  
36 families in this act shall be expended for the programs and in the  
37 amounts specified in this act. To the extent that appropriations in  
38 this section are insufficient to fund actual expenditures in excess

1 of caseload forecasts and utilization assumptions, the department,  
 2 after May 1, 2018, may transfer general fund—state appropriations for  
 3 fiscal year 2018 that are provided solely for a specified purpose.  
 4 The department may not transfer funds, and the director of the office  
 5 of financial management may not approve the transfer, unless the  
 6 transfer is consistent with the objective of conserving, to the  
 7 maximum extent possible, the expenditure of state funds. The director  
 8 of the office of financial management shall notify the appropriate  
 9 fiscal committees of the senate and house of representatives in  
 10 writing seven days prior to approving any allotment modifications or  
 11 transfers under this subsection. The written notification must  
 12 include a narrative explanation and justification of changes, along  
 13 with expenditures and allotments by budget unit and appropriation,  
 14 both before and after any allotment modifications and transfers.

15 (1) CHILDREN AND FAMILIES SERVICES PROGRAM

16	General Fund—State Appropriation (FY 2019) . . . . .	(( <del>\$366,467,000</del> ))
17		<u>\$361,602,000</u>
18	General Fund—Federal Appropriation. . . . .	(( <del>\$236,770,000</del> ))
19		<u>\$246,433,000</u>
20	General Fund—Private/Local Appropriation. . . . .	\$1,477,000
21	Domestic Violence Prevention Account—State	
22	Appropriation. . . . .	\$1,002,000
23	<u>Pension Funding Stabilization Account—State</u>	
24	<u>Appropriation. . . . .</u>	<u>\$13,976,000</u>
25	TOTAL APPROPRIATION. . . . .	(( <del>\$605,716,000</del> ))
26		<u>\$624,490,000</u>

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

29 (a) \$748,000 of the general fund—state appropriation for fiscal  
 30 year 2019 is provided solely to contract for the operation of one  
 31 pediatric interim care center. The center shall provide residential  
 32 care for up to thirteen children through two years of age. Seventy-  
 33 five percent of the children served by the center must be in need of  
 34 special care as a result of substance abuse by their mothers. The  
 35 center shall also provide on-site training to biological, adoptive,  
 36 or foster parents. The center shall provide at least three months of  
 37 consultation and support to the parents accepting placement of  
 38 children from the center. The center may recruit new and current  
 39 foster and adoptive parents for infants served by the center. The

1 department shall not require case management as a condition of the  
2 contract.

3 (b) \$253,000 of the general fund—state appropriation for fiscal  
4 year 2019 is provided solely for the costs of hub home foster  
5 families that provide a foster care delivery model that includes a  
6 licensed hub home. Use of the hub home model is intended to support  
7 foster parent retention, improve child outcomes, and encourage the  
8 least restrictive community placements for children in out-of-home  
9 care.

10 (c) \$579,000 of the general fund—state appropriation for fiscal  
11 year 2019 and \$55,000 of the general fund—federal appropriation are  
12 provided solely for a receiving care center east of the Cascade  
13 mountains.

14 (d) \$990,000 of the general fund—state appropriation for fiscal  
15 year 2019 is provided solely for services provided through children's  
16 advocacy centers.

17 (e) \$1,351,000 of the general fund—state appropriation for fiscal  
18 year 2019 is provided solely for implementation of performance-based  
19 contracts for family support and related services pursuant to RCW  
20 74.13B.020.

21 (f) \$7,173,000 of the general fund—state appropriation for fiscal  
22 year 2019 and \$6,022,000 of the general fund—federal appropriation  
23 are provided solely for family assessment response.

24 (g) \$94,000 of the general fund—state appropriation for fiscal  
25 year 2019 is provided solely for a contract with a child advocacy  
26 center in Spokane to provide continuum of care services for children  
27 who have experienced abuse or neglect and their families.

28 (h) \$2,933,000 of the general fund—state appropriation for fiscal  
29 year 2019 and \$876,000 of the general fund—federal appropriation are  
30 provided solely for the department to reduce the caseload ratios of  
31 social workers serving children in foster care to promote decreased  
32 lengths of stay and to make progress towards achievement of the Braam  
33 settlement caseload outcome.

34 (i)(A) \$540,000 of the general fund—state appropriation for  
35 fiscal year 2019, \$328,000 of the general fund private/local  
36 appropriation, and \$126,000 of the general fund—federal appropriation  
37 are provided solely for a contract with an educational advocacy  
38 provider with expertise in foster care educational outreach. The  
39 amounts in this subsection are provided solely for contracted

1 education coordinators to assist foster children in succeeding in  
2 K-12 and higher education systems and to assure a focus on education  
3 during the department's transition to performance-based contracts.  
4 Funding must be prioritized to regions with high numbers of foster  
5 care youth, or regions where backlogs of youth that have formerly  
6 requested educational outreach services exist. The department is  
7 encouraged to use private matching funds to maintain educational  
8 advocacy services.

9 (B) The department shall contract with the office of the  
10 superintendent of public instruction, which in turn shall contract  
11 with a nongovernmental entity or entities to provide educational  
12 advocacy services pursuant to RCW 28A.300.590.

13 (j) The department shall continue to implement policies to reduce  
14 the percentage of parents requiring supervised visitation, including  
15 clarification of the threshold for transition from supervised to  
16 unsupervised visitation prior to reunification.

17 (k) \$111,000 of the general fund—state appropriation for fiscal  
18 year 2019 and \$26,000 of the general fund—federal appropriation are  
19 provided solely for a base rate increase for licensed family child  
20 care providers. In addition, \$45,000 of the general fund—state  
21 appropriation for fiscal year 2019 and \$11,000 of the general fund—  
22 federal appropriation are provided solely for increasing paid  
23 professional days from three days to five days for licensed family  
24 child care providers. Amounts in this subsection are provided solely  
25 for the 2017-2019 collective bargaining agreement covering family  
26 child care providers as set forth in section 940 of this act. Amounts  
27 provided in this subsection are contingent on the enactment of Senate  
28 Bill No. 5969 (transparency in public employee collective  
29 bargaining). If the bill is not enacted by July 31, 2017, the amounts  
30 provided in this subsection (k) shall lapse.

31 (l) \$321,000 of the general fund—state appropriation for fiscal  
32 year 2019 and \$133,000 of the general fund—federal appropriation are  
33 provided solely to implement chapter 265, Laws of 2017 (SHB 1867)  
34 (ext. foster care transitions).

35 (m) \$400,000 of the general fund—state appropriation for fiscal  
36 year 2019 is provided solely for a contract with a national nonprofit  
37 organization to, in partnership with private matching funds,  
38 subcontract with a community organization for specialized, enhanced  
39 adoption placement services for legally free children in state



1 custody. The contract must supplement, but not supplant, the work of  
2 the department to secure permanent adoptive homes for children.

3 (n) \$375,000 of the general fund—state appropriation for fiscal  
4 year 2019 and \$56,000 of the general fund—federal appropriation are  
5 provided solely for the department to develop, implement, and expand  
6 strategies to improve the capacity, reliability, and effectiveness of  
7 contracted visitation services for children in temporary out-of-home  
8 care and their parents and siblings. Strategies may include, but are  
9 not limited to, increasing mileage reimbursement for providers,  
10 offering transportation-only contract options, and mechanisms to  
11 reduce the level of parent-child supervision when doing so is in the  
12 best interest of the child. The department must submit an analysis of  
13 the strategies and associated outcomes no later than October 1, 2018.

14 ~~(o) ((\$3,600,000 of the general fund—state appropriation for~~  
15 ~~fiscal year 2019 is provided solely for state supplemental payments~~  
16 ~~for the state maintenance of effort requirement to qualify for~~  
17 ~~medicaid federal financial participation.))~~ For purposes of meeting  
18 the state's maintenance of effort for the state supplemental payment  
19 program, the department of children, youth, and families shall track  
20 and report to the department of social and health services the  
21 monthly state supplemental payment amounts attributable to foster  
22 care children who meet eligibility requirements specified in the  
23 state supplemental payment state plan. Such expenditures must equal  
24 at least \$3,100,000 annually and may not be claimed toward any other  
25 federal maintenance of effort requirement. Annual state supplemental  
26 payment expenditure targets must continue to be established by the  
27 department of social and health services. Attributable amounts must  
28 be communicated by the department of children, youth, and families to  
29 the department of social and health services on a monthly basis.

30 (p) \$1,018,000 of the general fund—state appropriation for fiscal  
31 year 2019 and \$195,000 of the general fund—federal appropriation are  
32 provided solely for a six percent base rate increase for child care  
33 center providers, effective September 1, 2017.

34 (q) \$1,230,000 of the general fund—state appropriation for fiscal  
35 year 2019 and \$78,000 of the general fund—federal appropriation are  
36 provided solely to increase the travel reimbursement for in-home  
37 service providers.

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

4 (s) \$1,342,000 of the general fund—state appropriation for fiscal  
5 year 2019 and \$959,000 of the general fund—federal appropriation are  
6 provided solely to implement Engrossed Substitute Senate Bill No.  
7 5890 (foster care and adoption). Within the amounts provided in this  
8 section, \$366,000 of the general fund—state appropriation for fiscal  
9 year 2019 and \$174,000 of the general fund—federal appropriation are  
10 provided solely for short-term care for licensed foster families. If  
11 the bill is not enacted by July 31, 2017, the amounts provided in  
12 this subsection shall lapse.

13 (t) \$197,000 of the general fund—state appropriation for fiscal  
14 year 2019 is provided solely for the department to conduct biennial  
15 inspections and certifications of facilities, both overnight and day  
16 shelters, that serve those who are under 18 years old and are  
17 homeless.

18 (u) The appropriations in this section include sufficient funding  
19 for the department to operate emergent placement contracts. The  
20 department shall not include the costs to operate emergent placement  
21 contracts in the calculations for family foster home maintenance  
22 payments.

23 (v) The appropriations in this section include sufficient funding  
24 for the implementation of Second Substitute Senate Bill No. 6453  
25 (kinship caregiver legal support).

26 (w) The appropriations in this section include sufficient funding  
27 for the implementation of Substitute Senate Bill No. 6309 (family  
28 assessment response).

29 (x) \$692,000 of the general fund—state appropriation for fiscal  
30 year 2019 and \$487,000 of the general fund—federal appropriation are  
31 provided solely for the department to implement an enhanced rate add-  
32 on for providers who increase bed capacity for behavioral  
33 rehabilitation services as measured against the provider's average  
34 bed capacity as of the first six months of fiscal year 2018. The  
35 department must report to the legislature no later than January 1,  
36 2019, on the effect of this enhanced rate add-on on increasing  
37 behavioral rehabilitation services bed capacity and rates of  
38 placement.

1 (y) \$100,000 of the general fund—state appropriation for fiscal  
2 year 2019 is provided solely for implementation of Substitute Senate  
3 Bill No. 6013 (behavioral rehabilitation services). If the bill is  
4 not enacted by June 30, 2018, the amount provided in this subsection  
5 shall lapse.

6 (z) \$125,000 of the general fund—state appropriation for fiscal  
7 year 2019 is provided solely for implementation of Substitute Senate  
8 Bill No. 6222 (extended foster care eligibility). If the bill is not  
9 enacted by June 30, 2018, the amount provided in this subsection  
10 shall lapse.

11 (2) EARLY LEARNING PROGRAM

12	General Fund—State Appropriation (FY 2019) . . . . .	(( <del>\$126,721,000</del> ))
13		<u>\$128,070,000</u>
14	General Fund—Federal Appropriation . . . . .	(( <del>\$148,179,000</del> ))
15		<u>\$149,016,000</u>
16	Education Legacy Trust Account—State Appropriation . . .	\$14,192,000
17	Home Visiting Services Account—State Appropriation . . .	\$3,191,000
18	Home Visiting Services Account—Federal	
19	Appropriation . . . . .	\$11,708,000
20	WA Opportunity Pathways Account—State Appropriation . . .	\$40,000,000
21	<u>Pension Funding Stabilization Account—State</u>	
22	<u>Appropriation. . . . .</u>	<u>\$468,000</u>
23	TOTAL APPROPRIATION. . . . .	(( <del>\$343,991,000</del> ))
24		<u>\$346,645,000</u>

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

27 (a) \$67,938,000 of the general fund—state appropriation for  
28 fiscal year 2019, \$12,125,000 of the education legacy trust account—  
29 state appropriation, and \$40,000,000 of the opportunity pathways  
30 account appropriation are provided solely for the early childhood  
31 education and assistance program. These amounts shall support at  
32 least 13,491 slots in fiscal year 2019.

33 (b) \$200,000 of the general fund—state appropriation for fiscal  
34 year 2019 is provided solely to develop and provide culturally  
35 relevant supports for parents, family, and other caregivers.

36 (c) The department is the lead agency for and recipient of the  
37 federal child care and development fund grant. Amounts within this  
38 grant shall be used to fund child care licensing, quality

1 initiatives, agency administration, and other costs associated with  
2 child care subsidies. The department shall transfer a portion of this  
3 grant to the department of social and health services to fund the  
4 child care subsidies paid by the department of social and health  
5 services on behalf of the department.

6 (d)(i) (~~(\$76,650,000)~~) \$78,090,000 of the general fund—federal  
7 appropriation is provided solely for the working connections child  
8 care program under RCW 43.215.135. In order to not exceed the  
9 appropriated amount, the department shall manage the program so that  
10 the average monthly caseload does not exceed 33,000 households. The  
11 department shall give prioritized access into the program according  
12 to the following order:

13 (A) Families applying for or receiving temporary assistance for  
14 needy families (TANF);

15 (B) TANF families curing sanction;

16 (C) Foster children;

17 (D) Families that include a child with special needs;

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

22 (F) Families with a child residing with a biological parent or  
23 guardian who have received child protective services, child welfare  
24 services, or a family assessment response from the department in the  
25 past six months, and has received a referral for child care as part  
26 of the family's case management;

27 (G) Families that received subsidies within the last thirty days  
28 and:

29 (I) Have reapplied for subsidies; and

30 (II) Have household income of two hundred percent federal poverty  
31 level or below; and

32 (H) All other eligible families.

33 (ii) The department, in collaboration with the department of  
34 social and health services, must submit a final report by December 1,  
35 2018, to the governor and the appropriate fiscal and policy  
36 committees of the legislature on quality control measures for the  
37 working connections child care program. The report must include:

38 (A) A detailed narrative of the procurement and implementation of  
39 an improved time and attendance system, including a detailed  
40 accounting of the costs of procurement and implementation;

1 (B) A comprehensive description of all processes, including  
2 computer algorithms and additional rule development, that the  
3 department and the department of social and health services plan to  
4 establish prior to and after full implementation of the time and  
5 attendance system. At a minimum, processes must be designed to:

6 (I) Ensure the department's auditing efforts are informed by  
7 regular and continuous alerts of the potential for overpayments;

8 (II) Avoid overpayments to the maximum extent possible and  
9 expediently recover overpayments that have occurred;

10 (III) Withhold payment from providers when necessary to  
11 incentivize receipt of the necessary documentation to complete an  
12 audit;

13 (IV) Establish methods for reducing future payments or  
14 establishing repayment plans in order to recover any overpayments;

15 (V) Sanction providers, including termination of eligibility, who  
16 commit intentional program violations or fail to comply with program  
17 requirements, including compliance with any established repayment  
18 plans; and

19 (VI) Consider pursuit of prosecution in cases with fraudulent  
20 activity; and

21 (C) A description of the process by which fraud is identified and  
22 how fraud investigations are prioritized and expedited.

23 (iii) Beginning July 1, 2018, and annually thereafter, the  
24 department, in collaboration with the department of social and health  
25 services, must report to the governor and the appropriate fiscal and  
26 policy committees of the legislature on the status of overpayments in  
27 the working connections child care program. The report must include  
28 the following information for the previous fiscal year:

29 (A) A summary of the number of overpayments that occurred;

30 (B) The reason for each overpayment;

31 (C) The total cost of overpayments;

32 (D) A comparison to overpayments that occurred in the past two  
33 preceding fiscal years; and

34 (E) Any planned modifications to internal processes that will  
35 take place in the coming fiscal year to further reduce the occurrence  
36 of overpayments.

37 (e) Within available amounts, the department in consultation with  
38 the office of financial management and the department of social and  
39 health services shall report enrollments and active caseload for the  
40 working connections child care program to the legislative fiscal

1 committees and the legislative-executive WorkFirst oversight task  
2 force on an agreed upon schedule. The report shall also identify the  
3 number of cases participating in both temporary assistance for needy  
4 families and working connections child care. The department must also  
5 report on the number of children served through contracted slots.

6 (f) \$1,560,000 of the general fund—state appropriation for fiscal  
7 year 2019 and \$6,712,000 of the general fund—federal appropriation  
8 are provided solely for the seasonal child care program. If federal  
9 sequestration cuts are realized, cuts to the seasonal child care  
10 program must be proportional to other federal reductions made within  
11 the department.

12 (g) \$2,522,000 of the general fund—state appropriation for fiscal  
13 year 2019 is provided solely for the early childhood intervention  
14 prevention services (ECLIPSE) program. The department shall contract  
15 for ECLIPSE services to provide therapeutic child care and other  
16 specialized treatment services to abused, neglected, at-risk, and/or  
17 drug-affected children. The department shall ensure that contracted  
18 providers pursue receipt of federal funding associated with the early  
19 support for infants and toddlers program. Priority for services shall  
20 be given to children referred from the department.

21 (h) \$45,359,000 of the general fund—state appropriation for  
22 fiscal year 2019 and \$13,954,000 of the general fund—federal  
23 appropriation are provided solely to maintain the requirements set  
24 forth in chapter 7, Laws of 2015, 3rd sp. sess. The department shall  
25 place a ten percent administrative overhead cap on any contract  
26 entered into with the University of Washington. In its annual report  
27 to the governor and the legislature, the department shall report the  
28 total amount of funds spent on the quality rating and improvements  
29 system and the total amount of funds spent on degree incentives,  
30 scholarships, and tuition reimbursements. Of the amounts provided in  
31 this subsection (h), \$577,000 of the general fund—state appropriation  
32 for fiscal year 2019 is provided solely for a six percent base rate  
33 increase for child care center providers.

34 (i) \$1,728,000 of the general fund—state appropriation for fiscal  
35 year 2019 is provided solely for reducing barriers for low-income  
36 providers to participate in the early achievers program.

37 (j) \$300,000 of the general fund—state appropriation for fiscal  
38 year 2019 is provided solely for a contract with a nonprofit entity

1 experienced in the provision of promoting early literacy for children  
2 through pediatric office visits.

3 (k) \$2,000,000 of the education legacy trust account—state  
4 appropriation is provided solely for early intervention assessment  
5 and services.

6 (l) \$3,445,000 of the general fund—federal appropriation for  
7 fiscal year 2019 is provided solely for the department to procure a  
8 time and attendance system and are subject to the conditions,  
9 limitations, and review provided in section 724 of this act.

10 (m) Information technology projects or investments and proposed  
11 projects or investments impacting time capture, payroll and payment  
12 processes and systems, eligibility, case management and authorization  
13 systems within the department are subject to technical oversight by  
14 the office of the chief information officer. The department must  
15 collaborate with the office of the chief information officer to  
16 develop a strategic business and technology architecture plan for a  
17 child care attendance and billing system that supports a statewide  
18 architecture.

19 (n)(i)(A) The department is required to provide to the education  
20 research and data center, housed at the office of financial  
21 management, data on all state-funded early childhood programs. These  
22 programs include the early support for infants and toddlers, early  
23 childhood education and assistance program (ECEAP), and the working  
24 connections and seasonal subsidized childcare programs including  
25 license exempt facilities or family, friend, and neighbor care. The  
26 data provided by the department to the education research data center  
27 must include information on children who participate in these  
28 programs, including their name and date of birth, and dates the child  
29 received services at a particular facility.

30 (B) ECEAP early learning professionals must enter any new  
31 qualifications into the department's professional development  
32 registry starting in the 2015-16 school year, and every school year  
33 thereafter. By October 2017, and every October thereafter, the  
34 department must provide updated ECEAP early learning professional  
35 data to the education research data center.

36 (C) The department must request federally funded head start  
37 programs to voluntarily provide data to the department and the  
38 education research data center that is equivalent to what is being  
39 provided for state-funded programs.

1 (D) The education research and data center must provide an  
2 updated report on early childhood program participation and K-12  
3 outcomes to the house of representatives appropriations committee and  
4 the senate ways and means committee using available data by March  
5 2018 for the school year ending in 2017.

6 (ii) The department, in consultation with the department of  
7 social and health services, must withhold payment for services to  
8 early childhood programs that do not report on the name, date of  
9 birth, and the dates a child received services at a particular  
10 facility.

11 (o) The department shall work with state and local law  
12 enforcement, federally recognized tribal governments, and tribal law  
13 enforcement to develop a process for expediting fingerprinting and  
14 data collection necessary to conduct background checks for tribal  
15 early learning and child care providers.

16 (p) \$2,651,000 of the general fund—state appropriation for fiscal  
17 year 2019 is provided solely for the 2017-2019 collective bargaining  
18 agreement covering family child care providers as set forth in  
19 section 940 of this act. Amounts provided in this subsection (p) are  
20 contingent upon the enactment of Senate Bill No. 5969 (transparency  
21 in public employee collective bargaining). If the bill is not enacted  
22 by July 31, 2017, the amount provided in this subsection shall lapse.  
23 Of the amounts provided in this subsection:

24 (i) \$273,000 is for a base rate increase;

25 (ii) \$55,000 is for increasing paid professional development days  
26 from three days to five days;

27 (iii) \$1,708,000 is for the family child care providers 501(c)(3)  
28 organization for the substitute pool, training and quality  
29 improvement support services, and administration;

30 (iv) \$114,000 is for increasing licensing incentive payments; and

31 (v) \$500,000 is for needs based grants.

32 (q) \$175,000 of the general fund—state appropriation for fiscal  
33 year 2019 is provided solely for the department to contract with a  
34 nonprofit entity that provides quality improvement services to  
35 participants in the early achievers program to implement a community-  
36 based training module that supports licensed child care providers who  
37 have been rated in early achievers and who are specifically  
38 interested in serving children in the early childhood education and  
39 assistance program. The module must be functionally translated into  
40 Spanish and Somali. The module must prepare trainees to administer



1 all aspects of the early childhood education and assistance program  
2 for eligible children in their licensed program and must be offered  
3 to 105 child care providers to serve children eligible for the early  
4 childhood education and assistance program by June 30, 2019.

5 (r) \$219,000 of the general fund—state appropriation for fiscal  
6 year 2019 is provided solely for implementation of chapter 236, Laws  
7 of 2017 (SHB 1445) (dual language in early learning & K-12).

8 (s) \$100,000 of the general fund—state appropriation for fiscal  
9 year 2019 is provided solely for implementation of chapter 202, Laws  
10 of 2017 (E2SHB 1713) (children's mental health).

11 (t) \$317,000 of the general fund—state appropriation for fiscal  
12 year 2019 are provided solely for implementation of chapter 162, Laws  
13 of 2017 (SSB 5357) (outdoor early learning programs).

14 (3) PROGRAM SUPPORT

15	General Fund—State Appropriation (FY 2019)	\$50,448,000
16	General Fund—Federal Appropriation.	\$15,928,000
17	TOTAL APPROPRIATION.	\$66,376,000

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

20 (a) The appropriations provided in this subsection are provided  
21 solely for implementation of Engrossed Second Substitute House Bill  
22 No. 1661 (child, youth, families department). If the bill is not  
23 enacted by July 31, 2017, the amount provided in this subsection  
24 shall lapse.

25 (b)(i) During the 2017-2019 fiscal biennium, the department must  
26 revise its agreements and contracts with vendors to include a  
27 provision to require that each vendor agrees to equality among its  
28 workers by ensuring similarly employed individuals are compensated as  
29 equals as follows:

30 (A) Employees are similarly employed if the individuals work for  
31 the same employer, the performance of the job requires comparable  
32 skill, effort, and responsibility, and the jobs are performed under  
33 similar working conditions. Job titles alone are not determinative of  
34 whether employees are similarly employed;

35 (B) Vendors may allow differentials in compensation for its  
36 workers based in good faith on any of the following:

37 (I) A seniority system; a merit system; a system that measures  
38 earnings by quantity or quality of production; a bona fide job-

1 related factor or factors; or a bona fide regional difference in  
2 compensation levels.

3 (II) A bona fide job-related factor or factors may include, but  
4 not be limited to, education, training, or experience, that is:  
5 Consistent with business necessity; not based on or derived from a  
6 gender-based differential; and accounts for the entire differential.

7 (III) A bona fide regional difference in compensation level must  
8 be: Consistent with business necessity; not based on or derived from  
9 a gender-based differential; and account for the entire differential.

10 (ii) The provision must allow for the termination of the contract  
11 if the department or department of enterprise services determines  
12 that the vendor is not in compliance with this agreement or contract  
13 term.

14 (iii) The department must implement this provision with any new  
15 contract and at the time of renewal of any existing contract.

(End of part)

PART III  
NATURAL RESOURCES

Sec. 301. 2017 3rd sp.s. c 1 s 301 (uncodified) is amended to read as follows:

**FOR THE COLUMBIA RIVER GORGE COMMISSION**

General Fund—State Appropriation (FY 2018)	(( <del>\$485,000</del> ))
	<u>\$462,000</u>
General Fund—State Appropriation (FY 2019)	(( <del>\$507,000</del> ))
	<u>\$483,000</u>
General Fund—Federal Appropriation	\$32,000
General Fund—Private/Local Appropriation	(( <del>\$960,000</del> ))
	<u>\$959,000</u>
<u>Pension Funding Stabilization Account—State</u>	
Appropriation	\$46,000
TOTAL APPROPRIATION	(( <del>\$1,984,000</del> ))
	<u>\$1,982,000</u>

Sec. 302. 2017 3rd sp.s. c 1 s 302 (uncodified) is amended to read as follows:

**FOR THE DEPARTMENT OF ECOLOGY**

General Fund—State Appropriation (FY 2018)	(( <del>\$20,877,000</del> ))
	<u>\$19,714,000</u>
General Fund—State Appropriation (FY 2019)	(( <del>\$21,411,000</del> ))
	<u>\$21,953,000</u>
General Fund—Federal Appropriation	\$106,575,000
General Fund—Private/Local Appropriation	\$23,028,000
Reclamation Account—State Appropriation	\$4,106,000
Flood Control Assistance Account—State Appropriation	(( <del>\$2,175,000</del> ))
	<u>\$4,175,000</u>
State Emergency Water Projects Revolving Account—State	
Appropriation	\$40,000
Waste Reduction/Recycling/Litter Control—State	
Appropriation	(( <del>\$13,736,000</del> ))
	<u>\$13,795,000</u>
State Drought Preparedness Account—State Appropriation	\$204,000
State and Local Improvements Revolving Account (Water	
Supply Facilities)—State Appropriation	\$164,000
Aquatic Algae Control Account—State Appropriation	\$522,000

1	Water Rights Tracking System Account—State Appropriation . . .	\$47,000
2	Site Closure Account—State Appropriation . . . . .	\$582,000
3	Wood Stove Education and Enforcement Account—State	
4	Appropriation . . . . .	\$560,000
5	Worker and Community Right-to-Know Account—State	
6	Appropriation . . . . .	\$1,872,000
7	Water Rights Processing Account—State Appropriation . . . . .	\$39,000
8	State Toxics Control Account—State Appropriation . . . . .	<del>(\$147,806,000)</del>
9		<u>\$149,093,000</u>
10	State Toxics Control Account—Private/Local	
11	Appropriation . . . . .	\$499,000
12	Local Toxics Control Account—State Appropriation . . . . .	<del>(\$4,845,000)</del>
13		<u>\$4,869,000</u>
14	Water Quality Permit Account—State Appropriation . . . . .	<del>(\$44,119,000)</del>
15		<u>\$44,421,000</u>
16	Underground Storage Tank Account—State Appropriation . . . . .	<del>(\$3,635,000)</del>
17		<u>\$3,666,000</u>
18	Biosolids Permit Account—State Appropriation . . . . .	\$2,207,000
19	Environmental Legacy Stewardship Account—State	
20	Appropriation . . . . .	<del>(\$41,259,000)</del>
21		<u>\$41,440,000</u>
22	Hazardous Waste Assistance Account—State	
23	Appropriation . . . . .	<del>(\$6,466,000)</del>
24		<u>\$6,519,000</u>
25	Radioactive Mixed Waste Account—State Appropriation . . . . .	<del>(\$18,170,000)</del>
26		<u>\$18,436,000</u>
27	Air Pollution Control Account—State Appropriation . . . . .	<del>(\$3,437,000)</del>
28		<u>\$3,463,000</u>
29	Oil Spill Prevention Account—State Appropriation . . . . .	<del>(\$8,469,000)</del>
30		<u>\$8,606,000</u>
31	Air Operating Permit Account—State Appropriation . . . . .	<del>(\$3,787,000)</del>
32		<u>\$3,819,000</u>
33	Freshwater Aquatic Weeds Account—State Appropriation . . . . .	\$1,460,000
34	Oil Spill Response Account—State Appropriation . . . . .	\$7,076,000
35	<u>Pension Funding Stabilization Account—State</u>	
36	<u>Appropriation. . . . .</u>	<u>\$2,924,000</u>
37	Water Pollution Control Revolving Administration	
38	Account—State Appropriation . . . . .	\$3,601,000
39	TOTAL APPROPRIATION. . . . .	<del>(\$492,774,000)</del>

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

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

~~((+3))~~ (2) \$15,000,000 of the general fund—state appropriation for fiscal year 2018 and \$15,000,000 of the general fund—state appropriation for fiscal year 2019 are provided solely for activities within the water resources program.

~~((+4))~~ (3) \$228,000 of the general fund—state appropriation for fiscal year 2018 and \$227,000 of the general fund—state appropriation for fiscal year 2019 are provided solely for the department to grant to the northwest straits commission to distribute equally among the seven Puget Sound marine resource committees.

~~((+5))~~ (4) Within existing resources, the department of ecology must engage stakeholders in a revision of WSR 13-22-073, rule amendments to chapter 173-350 WAC, to revise the proposed rule and submit a report to the senate local government and energy, environment, and telecommunications committees and the house of representatives local government and environment committees by September 1, 2017. The report must include a summary of areas of consensus and dispute, proposed resolution of disputes, a list of engaged stakeholders, a proposed timeline for potential rule adoption, and the most recent draft of proposed amendment language, if any.

(5) \$180,000 of the general fund—state appropriation for fiscal year 2019, \$44,000 of the waste reduction, recycling and litter control account—state appropriation, \$720,000 of the state toxics control account—state appropriation, \$17,000 of the local toxics control account—state appropriation, \$220,000 of the water quality permit account—state appropriation, \$23,000 of the underground storage tank account—state appropriation, \$132,000 of the environmental legacy stewardship account—state appropriation, \$39,000 of the hazardous waste assistance account—state appropriation, \$86,000 of the radioactive mixed waste account—state appropriation, \$18,000 of the air pollution control account—state appropriation,

1 \$41,000 of the oil spill prevention account—state appropriation, and  
2 \$23,000 of the air operating permit account—state appropriation are  
3 provided solely for modernizing and migrating the department of  
4 ecology's business applications from an agency-based data center to  
5 the state data center or a cloud environment.

6 (6) \$57,000 of the general fund—state appropriation for fiscal  
7 year 2018 and \$137,000 of the general fund—state appropriation for  
8 fiscal year 2019 are provided solely for implementation of Executive  
9 Order No. 12-07, Washington's response to ocean acidification.

10 (7) \$81,000 of the oil spill prevention account—state  
11 appropriation is provided solely for rule-making and other  
12 implementation costs of chapter 239, Laws of 2017 (short line  
13 railroad).

14 (8) \$11,000 of the general fund—state appropriation for fiscal  
15 year 2019 is provided solely for implementing Substitute Senate Bill  
16 No. 6055 (apple maggot/outdoor burning). If the bill is not enacted  
17 by June 30, 2018, the amount provided in this subsection shall lapse.

18 (9) \$190,000 of the general fund—state appropriation for fiscal  
19 year 2018, \$1,707,000 of the general fund—state appropriation for  
20 fiscal year 2019, and \$2,000,000 of the flood control assistance  
21 account—state appropriation are provided solely for the department to  
22 establish watershed restoration and enhancement committees in fifteen  
23 watersheds, adopt rules, fund water use mitigation projects, create a  
24 water-metering pilot project, and provide information to a joint  
25 legislative task force, as specified in chapter 1, Laws of 2018  
26 (Engrossed Substitute Senate Bill No. 6091, water availability).

27 (10) \$73,000 of the state toxics control account—state  
28 appropriation is provided solely for implementing the provisions of  
29 Engrossed Substitute Senate Bill No. 6413 (firefighting/toxic  
30 chemicals). If the bill is not enacted by June 30, 2018, the amount  
31 provided in this subsection shall lapse.

32 **Sec. 303.** 2017 3rd sp.s. c 1 s 303 (uncodified) is amended to  
33 read as follows:

34 **FOR THE STATE PARKS AND RECREATION COMMISSION**

35	General Fund—State Appropriation (FY 2018)	. . . . .	(( <del>\$9,645,000</del> ))
36			\$8,993,000
37	General Fund—State Appropriation (FY 2019)	. . . . .	(( <del>\$9,945,000</del> ))
38			\$9,288,000

1	General Fund—Federal Appropriation . . . . .	\$6,981,000
2	Winter Recreation Program Account—State Appropriation . .	\$3,293,000
3	ORV and Nonhighway Vehicle Account—State Appropriation .	<del>(( \$232,000 ))</del>
4		<u>\$392,000</u>
5	Snowmobile Account—State Appropriation . . . . .	\$5,633,000
6	Aquatic Lands Enhancement Account—State Appropriation . . .	\$367,000
7	<del>((Outdoor Education and Recreation Account—State</del>	
8	<del>Appropriation. . . . .</del>	<del>\$1,500,000))</del>
9	Recreation Access Pass Account—State Appropriation. . . . .	\$50,000
10	Parks Renewal and Stewardship Account—State	
11	Appropriation . . . . .	<del>(( \$124,759,000 ))</del>
12		<u>\$125,374,000</u>
13	Parks Renewal and Stewardship Account—Private/Local	
14	Appropriation . . . . .	<del>(( \$318,000 ))</del>
15		<u>\$420,000</u>
16	<u>Pension Funding Stabilization Account—State</u>	
17	<u>Appropriation. . . . .</u>	<u>\$1,498,000</u>
18	TOTAL APPROPRIATION. . . . .	<del>(( \$162,723,000 ))</del>
19		<u>\$162,289,000</u>

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

22 (1) \$129,000 of the general fund—state appropriation for fiscal  
23 year 2018 and \$129,000 of the general fund—state appropriation for  
24 fiscal year 2019 are provided solely for a grant for the operation of  
25 the Northwest weather and avalanche center.

26 (2) \$100,000 of the general fund—state appropriation for fiscal  
27 year 2018 and \$100,000 of the general fund—state appropriation for  
28 fiscal year 2019 are provided solely for the commission to pay  
29 assessments charged by local improvement districts.

30 (3) \$700,000 of the parks renewal and stewardship account—state  
31 appropriation is provided solely for the commission to replace 32  
32 existing automated pay stations and to install 38 additional  
33 automated pay stations within state parks.

34 (4) ~~(( \$500,000 of the outdoor education and recreation account—~~  
35 ~~state appropriation is provided solely for the commission to partner~~  
36 ~~with organizations that have at least one veteran on staff in~~  
37 ~~implementation of the no child left inside program.~~

1       ~~(5))~~ \$50,000 of the recreation access pass account—state  
2 appropriation is provided solely for the commission, using its  
3 authority under RCW 79A.05.055(3) and in partnership with the  
4 department of fish and wildlife and the department of natural  
5 resources, to coordinate a process to develop options and  
6 recommendations to improve consistency, equity, and simplicity in  
7 recreational access fee systems while accounting for the fiscal  
8 health and stability of public land management. The process must be  
9 collaborative and include other relevant agencies and appropriate  
10 stakeholders. The commission must contract with the William D.  
11 Ruckelshaus Center or another neutral third party to facilitate  
12 meetings and discussions with parties involved in the process and  
13 provide a report to the appropriate committees of the legislature by  
14 December 1, 2017. The process must analyze and make recommendations  
15 on:

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

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

23       (c) Opportunities to develop a comprehensive and consistent  
24 statewide approach to recreational fee discounts and exemptions to  
25 social and other groups including, but not limited to, disabled  
26 persons, seniors, disabled veterans, foster families, low-income  
27 residents, and volunteers. This analysis must examine the cost of  
28 such a program, and should consider how recreational fee discounts  
29 fit into the broader set of benefits provided by the state to these  
30 social groups. This includes a review of the efficacy, purpose, and  
31 cost of existing recreational fee discounts and exemptions, as well  
32 as opportunities for new or modified social group discounts and  
33 exemptions. The department of veterans affairs and the department of  
34 social and health services must be included in this portion of the  
35 process.

36       (5) \$100,000 of the general fund—state appropriation for fiscal  
37 year 2019 is provided solely for the commission to carry out forest  
38 health related activities at the Squilchuck state park.



1       **Sec. 304.** 2017 3rd sp.s. c 1 s 304 (uncodified) is amended to  
2 read as follows:

3 **FOR THE RECREATION AND CONSERVATION FUNDING BOARD**

4	General Fund—State Appropriation (FY 2018)	. . . . .	(( <del>\$1,441,000</del> ))
5			<u>\$1,401,000</u>
6	General Fund—State Appropriation (FY 2019)	. . . . .	(( <del>\$1,398,000</del> ))
7			<u>\$1,483,000</u>
8	General Fund—Federal Appropriation	. . . . .	\$3,646,000
9	General Fund—Private/Local Appropriation	. . . . .	\$24,000
10	Aquatic Lands Enhancement Account—State Appropriation	. . .	\$495,000
11	Firearms Range Account—State Appropriation	. . . . .	\$37,000
12	Recreation Resources Account—State Appropriation	. . .	(( <del>\$3,615,000</del> ))
13			<u>\$3,614,000</u>
14	NOVA Program Account—State Appropriation	. . . . .	\$1,054,000
15	<u>Pension Funding Stabilization Account—State</u>		
16	<u>Appropriation.</u>	. . . . .	\$80,000
17	TOTAL APPROPRIATION.	. . . . .	(( <del>\$11,710,000</del> ))
18			<u>\$11,834,000</u>

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

21       (1) \$156,000 of the general fund—state appropriation for fiscal  
22 year 2018 and \$156,000 of the general fund—state appropriation for  
23 fiscal year 2019 are provided solely for the board to grant to the  
24 Nisqually River Foundation for implementation of the Nisqually  
25 watershed stewardship plan.

26       (2) \$375,000 of the general fund—state appropriation for fiscal  
27 year 2018 and \$375,000 of the general fund—state appropriation for  
28 fiscal year 2019 are provided solely for the salmon recovery funding  
29 board to grant to the Hood Canal coordinating council for the sole  
30 purpose of conducting an ecosystem impact assessment on the Hood  
31 Canal. The assessment is to study any causal relationship between the  
32 Hood Canal bridge and migrating steelhead and salmon.

33       (3) \$125,000 of the general fund—state appropriation for fiscal  
34 year 2019 is provided solely for the board to conduct a study of  
35 bicycling, walking, and hiking behavior in Washington.

36       **Sec. 305.** 2017 3rd sp.s. c 1 s 305 (uncodified) is amended to  
37 read as follows:

38 **FOR THE ENVIRONMENTAL AND LAND USE HEARINGS OFFICE**



(b) In addition to members appointed by the director of the state conservation commission, four legislators may serve on the food policy forum in an ex officio capacity. Legislative participants must be appointed as follows:

(i) The speaker of the house of representatives shall appoint one member from each of the two largest caucuses of the house of representatives; and

(ii) The president of the senate shall appoint one member from each of the two largest caucuses of the senate.

(c) The commission shall coordinate with the office of farmland preservation and the department of agriculture to avoid duplication of effort. The commission must report to the appropriate committees of the legislature, consistent with RCW 43.01.036, with the forum's recommendations by October 31, 2018.

(3) \$375,000 of the general fund—state appropriation for fiscal year 2018 and \$375,000 of the general fund—state appropriation for fiscal year 2019 are provided solely for grants and technical assistance. Of the amounts provided in this subsection, \$125,000 in each fiscal year is provided solely for activities related to water quality improvements and fecal coliform DNA speciation statewide.

**Sec. 307.** 2017 3rd sp.s. c 1 s 307 (uncodified) is amended to read as follows:

**FOR THE DEPARTMENT OF FISH AND WILDLIFE**

General Fund—State Appropriation (FY 2018)	((( <del>\$46,860,000</del> )))
	<u>\$45,189,000</u>
General Fund—State Appropriation (FY 2019)	((( <del>\$46,483,000</del> )))
	<u>\$47,414,000</u>
General Fund—Federal Appropriation	((( <del>\$118,809,000</del> )))
	<u>\$130,476,000</u>
General Fund—Private/Local Appropriation	((( <del>\$63,920,000</del> )))
	<u>\$63,988,000</u>
ORV and Nonhighway Vehicle Account—State Appropriation	((( <del>\$437,000</del> )))
	<u>\$699,000</u>
Aquatic Lands Enhancement Account—State	
Appropriation	\$10,460,000
Recreational Fisheries Enhancement—State	
Appropriation	((( <del>\$3,084,000</del> )))
	<u>\$3,122,000</u>

1	Warm Water Game Fish Account—State Appropriation . . . . .	(( <del>\$2,773,000</del> ))
2		<u>\$2,668,000</u>
3	Eastern Washington Pheasant Enhancement Account—State	
4	Appropriation . . . . .	\$675,000
5	State Wildlife Account—State Appropriation . . . . .	(( <del>\$118,033,000</del> ))
6		<u>\$117,903,000</u>
7	Special Wildlife Account—State Appropriation . . . . .	(( <del>\$71,000</del> ))
8		<u>\$3,234,000</u>
9	Special Wildlife Account—Federal Appropriation . . . . .	\$505,000
10	Special Wildlife Account—Private/Local Appropriation . . . . .	\$3,576,000
11	Wildlife Rehabilitation Account—State Appropriation . . . . .	\$361,000
12	Ballast Water <u>and Biofouling</u> Management Account—State Appropriation	
13	\$10,000	
14	Hydraulic Project Approval Account—State Appropriation . . . . .	(( <del>\$690,000</del> ))
15		<u>\$31,000</u>
16	Environmental Legacy Stewardship Account—State	
17	Appropriation . . . . .	\$2,765,000
18	Regional Fisheries Enhancement Salmonid Recovery Account—	
19	Federal Appropriation . . . . .	\$5,001,000
20	Oil Spill Prevention Account—State Appropriation . . . . .	\$1,122,000
21	Oyster Reserve Land Account—State Appropriation . . . . .	\$527,000
22	Performance Audits of Government Account—State	
23	Appropriation. . . . .	\$325,000
24	Aquatic Invasive Species Management Account—State	
25	Appropriation. . . . .	\$1,658,000
26	<u>Pension Funding Stabilization Account—State</u>	
27	<u>Appropriation. . . . .</u>	<u>\$5,178,000</u>
28	TOTAL APPROPRIATION. . . . .	(( <del>\$428,145,000</del> ))
29		<u>\$446,887,000</u>

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

32 (1) ((~~\$467,000~~)) \$67,000 of the general fund—state appropriation  
33 for fiscal year 2018 and \$467,000 of the general fund—state  
34 appropriation for fiscal year 2019 are provided solely to pay for  
35 emergency fire suppression costs. These amounts may not be used to  
36 fund agency indirect and administrative expenses.

37 (2) \$1,098,000 of the general fund—state appropriation for fiscal  
38 year 2018 and \$1,098,000 of the general fund—state appropriation for

1 fiscal year 2019 are provided solely for payments in lieu of real  
2 property taxes to counties that elect to receive the payments for  
3 department-owned game lands within the county.

4 (3) \$415,000 of the general fund—state appropriation for fiscal  
5 year 2018, \$415,000 of the general fund—state appropriation for  
6 fiscal year 2019, and \$440,000 of the general fund—federal  
7 appropriation are provided solely for county assessments.

8 (4)(a) Prior to submitting its 2019-2021 biennial operating and  
9 capital budget requests related to state fish hatcheries to the  
10 office of financial management, the department shall contract with  
11 the hatchery scientific review group (HSRG) to review the proposed  
12 requests. This review shall: ~~((a))~~ (i) Determine if the proposed  
13 requests are consistent with HSRG recommendations; ~~((b))~~ (ii)  
14 prioritize the components of the requests based on their  
15 contributions to protecting wild salmonid stocks and meeting the  
16 recommendations of the HSRG; and ~~((e))~~ (iii) evaluate whether the  
17 proposed requests are being made in the most cost-effective manner.  
18 The department shall provide a copy of the HSRG review to the office  
19 of financial management with its agency budget proposal.

20 (b) The department shall contract with the hatchery scientific  
21 review group (HSRG) to create a prioritized list of actions that are  
22 needed to recover salmon, including what types of actions to take and  
23 how best to conduct them. The list should also include the role  
24 hatcheries should play in salmon recovery, specifically hatchery  
25 locations that are providing positive outcomes, those producing  
26 negative outcomes, and locations within the state where new  
27 hatcheries may be beneficial. The prioritized list shall be provided  
28 to the appropriate committees of the legislature by December 1, 2018.

29 (5) \$400,000 of the general fund—state appropriation for fiscal  
30 year 2018 and \$400,000 of the general fund—state appropriation for  
31 fiscal year 2019 are provided solely for a state match to support the  
32 Puget Sound nearshore partnership between the department and the  
33 United States army corps of engineers. Prior to implementation of any  
34 Puget Sound nearshore ecosystem restoration projects in Whatcom  
35 county, the department must consult with and seek, to the maximum  
36 extent practicable, consensus on those projects among appropriate  
37 landowners, federally recognized Indian tribes, agencies, and  
38 community and interest groups.

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

6 (7) \$525,000 of the general fund—state appropriation for fiscal  
7 year 2018 and \$425,000 of the general fund—state appropriation for  
8 fiscal year 2019 are provided solely for training for a work unit to  
9 engage and empower diverse stakeholders in decisions about fish and  
10 wildlife, (~~and~~) the continued conflict transformation with the wolf  
11 advisory group, and for cost share partnerships with livestock owners  
12 and use of range riders to reduce the potential for depredation of  
13 livestock from wolves. The department shall cooperate with the  
14 department of agriculture to shift the responsibility of implementing  
15 cost-sharing contracts with livestock producers to use nonlethal  
16 actions to minimize livestock loss from wolves and other carnivores  
17 to the department of agriculture.

18 (8) \$1,259,000 of the state wildlife account—state appropriation  
19 is provided solely for the fish program, including implementation of  
20 Substitute House Bill No. 1597 (commercial fishing). If the bill is  
21 not enacted by July 31, 2017, the amount provided in this subsection  
22 shall lapse.

23 (9) \$1,630,000 of the aquatic invasive species management  
24 account, \$600,000 of the general fund—federal appropriation, \$62,000  
25 of the state wildlife account—state appropriation, and \$10,000 of the  
26 ballast water management account—state appropriation are provided  
27 solely for activities related to aquatic invasive species, including  
28 implementation of Substitute House Bill No. 1429 or Substitute Senate  
29 Bill No. 5303 (aquatic invasive species). If neither bill is enacted  
30 by July 31, 2017, the amounts provided in this subsection shall  
31 lapse.

32 (10) Within amounts provided in this section, the department must  
33 consult with affected tribes and landowners in Skagit county to  
34 develop and implement a plan designed to address elk-related  
35 agricultural damage and vehicular collisions by using all available  
36 and appropriate methods including, but not limited to, cooperative  
37 fencing projects and harvest in order to minimize elk numbers on  
38 private lands and maximize the number of elk located on state and  
39 federal lands. The plan must be implemented by September 1, 2018.

1 (11) Within the appropriations of this section, the department  
2 shall initiate outreach with recreational fishing stakeholders so  
3 that recreational fishing guide and non-guided angler data can be  
4 collected and analyzed to evaluate changes in the structure of guide  
5 licensing, with the objectives of: (a) Improving the fishing  
6 experience and ensuring equitable opportunity for both guided and  
7 non-guided river anglers, (b) managing fishing pressure to protect  
8 wild steelhead and other species; and (c) ensuring that recreational  
9 fish guiding remains a sustainable economic contributor to rural  
10 economies. The department shall convene public meetings in the North  
11 Olympic Peninsula and Klickitat River areas, and may include other  
12 areas of the state, and shall provide the appropriate standing  
13 committees of the legislature a summary of its findings, by December  
14 31, 2017.

15 (12) \$450,000 of the general fund—state appropriation for fiscal  
16 year 2018 and \$450,000 of the general fund—state appropriation for  
17 fiscal year 2019 are provided solely for the department to grant to  
18 the regional fisheries enhancement groups.

19 (13)(a) \$5,500,000 of the general fund—state appropriation for  
20 fiscal year 2018, \$5,500,000 of the general fund—state appropriation  
21 for fiscal year 2019, and \$325,000 of the performance audits of  
22 government account—state appropriation are provided solely as one-  
23 time funding to support the department in response to its budget  
24 shortfall. In order to address this shortfall on a long-term basis,  
25 the department must develop a plan for balancing projected revenue  
26 and expenditures and improving the efficiency and effectiveness of  
27 agency operations, including:

28 (i) Expenditure reduction options that maximize administrative  
29 and organizational efficiencies and savings, while avoiding hatchery  
30 closures and minimizing impacts to fisheries and hunting  
31 opportunities; and

32 (ii) Additional revenue options and an associated outreach plan  
33 designed to ensure that the public, stakeholders, the commission, and  
34 legislators have the opportunity to understand and impact the design  
35 of the revenue options.

36 (iii) The range of options created under (a)(i) and (ii) of this  
37 subsection must be prioritized by impact on achieving financial  
38 stability, impact on the public and fisheries and hunting

1 opportunities, and on timeliness and ability to achieve intended  
2 outcomes.

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

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

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

13 (iii) Executive management, program management, and regional  
14 management structures, specifically addressing accountability.

15 (c) In carrying out these planning requirements, the department  
16 must provide quarterly updates to the commission, office of financial  
17 management, and appropriate legislative committees. The department  
18 must provide a final summary of its process and plan by (~~May~~)  
19 September 1, 2018.

20 (d) The department, in cooperation with the office of financial  
21 management shall conduct a zero-based budget review of its operating  
22 budget and activities to be submitted with the department's 2019-2021  
23 biennial budget submittal. Information and analysis submitted by the  
24 department for the zero-based review under this subsection shall  
25 include:

26 (i) A statement of the statutory basis or other basis for the  
27 creation of each program and the history of each program that is  
28 being reviewed;

29 (ii) A description of how each program fits within the strategic  
30 plan and goals of the agency and an analysis of the quantified  
31 objectives of each program within the agency;

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

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

38 (v) An analysis of the major costs and benefits of operating each  
39 program and the rationale for specific expenditure and staffing  
40 levels;



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

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

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

6 (14) \$373,000 of the general fund—state appropriation for fiscal  
7 year 2018 and \$417,000 of the general fund—state appropriation for  
8 fiscal year 2019 are provided solely for the department to complete  
9 the third and final phase of the Puget Sound steelhead research  
10 project.

11 (15) \$100,000 of the general fund—state appropriation for fiscal  
12 year 2018 and \$400,000 of the general fund—state appropriation for  
13 fiscal year 2019 are provided solely for the department to add a  
14 veterinarian, microbiologist, and make laboratory upgrades to ensure  
15 the hatchery program complies with recent changes in water quality  
16 and health laws.

17 (16) \$490,000 of the general fund—state appropriation for fiscal  
18 year 2018 and \$123,000 of the general fund—state appropriation for  
19 fiscal year 2019 are provided solely for restoration costs that are a  
20 result of wildfire damage.

21 (17) \$449,000 of the general fund—state appropriation for fiscal  
22 year 2019 is provided solely for the department to implement and  
23 enforce chapter 2, Laws of 2016 (Initiative Measure No. 1401).

24 (18) \$76,000 of the general fund—state appropriation for fiscal  
25 year 2018 and \$472,000 of the general fund—state appropriation for  
26 fiscal year 2019 are provided solely for the department to increase  
27 enforcement of vessel traffic near orca whales, especially commercial  
28 and recreational whale watchers and shipping, and to reduce  
29 underwater noise levels that interfere with feeding and  
30 communication. While the patrol focus is to be on orca whale  
31 protection when the animals are present, nothing prohibits responses  
32 to emergent public safety or in-progress poaching incidents. In the  
33 event that orca whales are not present in marine waters of Puget  
34 Sound, emphasis will be placed on patrols that protect living marine  
35 resources in northern Puget Sound.

36 (19) \$837,000 of the general fund—state appropriation for fiscal  
37 year 2019 is appropriated for the department to increase hatchery  
38 production of key prey species fish throughout the Puget Sound,  
39 coast, and Columbia river. The department shall work with the

1 governor, federal partners, tribal co-managers, other representatives  
2 and other interested parties to develop a biennial hatchery  
3 production plan by December 31, 2018, that will: (a) Identify, within  
4 hatchery standards and endangered species act constraints, hatchery  
5 programs and specific facilities to contribute to the dietary needs  
6 of orca whales; (b) consider prey species preferences and migratory  
7 patterns of orca whales; and (c) include adaptive management  
8 provisions to ensure the conservation and enhancement of wild stocks.

9 (20) \$115,000 of the general fund—state appropriation for fiscal  
10 year 2019 is provided solely for an interagency agreement with the  
11 office of financial management for facilitation services and support  
12 the governor's efforts to develop a long-term action plan for orca  
13 whale recovery.

14 (21) The department shall, within existing appropriations,  
15 contract with the hatchery scientific review group (HSRG) to evaluate  
16 and prioritize proposed orca whale recovery measures in terms of  
17 expected increases in salmon abundance and impacts on endangered  
18 species listed stocks, as well as conduct a preliminary review of  
19 feasibility and costs. The HSRG must conduct a broad review to  
20 identify alternative opportunities to increase abundance of salmon  
21 through increases in hatchery production, consistent with recovery  
22 goals. The review should focus on Chinook salmon as a priority. Since  
23 effects of hatchery production depend on harvest policies and habitat  
24 and ocean conditions, the HSRG will identify harvest and habitat  
25 assumptions that are critical for successful hatchery programs.

26 (22) \$580,000 of the general fund—state appropriation for fiscal  
27 year 2019 is provided solely for the department to assist the  
28 department of ecology in developing watershed restoration and  
29 enhancement plans in fifteen different watersheds, as well as provide  
30 information to a joint legislative task force, as specified in  
31 chapter 1, Laws of 2018, (Engrossed Substitute Senate Bill No. 6091,  
32 water availability).

33 (23) \$55,000 of the state wildlife account—state appropriation is  
34 provided solely for implementing the provisions of Engrossed  
35 Substitute Senate Bill No. 6127 (halibut fishery). If the bill is not  
36 enacted by June 30, 2018, the amount provided in this subsection  
37 shall lapse.

1       **Sec. 308.** 2017 3rd sp.s. c 1 s 308 (uncodified) is amended to  
2 read as follows:

3 **FOR THE DEPARTMENT OF NATURAL RESOURCES**

4	General Fund—State Appropriation (FY 2018) . . . . .	(( <del>\$48,463,000</del> ))
5		<u>\$73,919,000</u>
6	General Fund—State Appropriation (FY 2019) . . . . .	(( <del>\$48,264,000</del> ))
7		<u>\$47,309,000</u>
8	General Fund—Federal Appropriation . . . . .	(( <del>\$27,329,000</del> ))
9		<u>\$36,503,000</u>
10	General Fund—Private/Local Appropriation . . . . .	(( <del>\$2,372,000</del> ))
11		<u>\$3,230,000</u>
12	Forest Development Account—State Appropriation . . . . .	(( <del>\$56,643,000</del> ))
13		<u>\$50,206,000</u>
14	ORV and Nonhighway Vehicle Account—State	
15	Appropriation . . . . .	(( <del>\$8,449,000</del> ))
16		<u>\$7,854,000</u>
17	Surveys and Maps Account—State Appropriation . . . . .	(( <del>\$3,462,000</del> ))
18		<u>\$2,480,000</u>
19	Aquatic Lands Enhancement Account—State	
20	Appropriation . . . . .	(( <del>\$13,262,000</del> ))
21		<u>\$16,199,000</u>
22	Resources Management Cost Account—State	
23	Appropriation . . . . .	(( <del>\$121,559,000</del> ))
24		<u>\$121,715,000</u>
25	Surface Mining Reclamation Account—State	
26	Appropriation . . . . .	(( <del>\$4,130,000</del> ))
27		<u>\$4,123,000</u>
28	Disaster Response Account—State Appropriation. . . . .	\$23,076,000
29	Forest and Fish Support Account—State Appropriation. . . . .	\$12,790,000
30	Aquatic Land Dredged Material Disposal Site Account—State	
31	Appropriation. . . . .	\$400,000
32	Natural Resources Conservation Areas Stewardship Account—State	
33	Appropriation . . . . .	(( <del>\$34,000</del> ))
34		<u>\$232,000</u>
35	State Toxics Control Account—State Appropriation. . . . .	(( <del>\$10,705,000</del> ))
36		<u>\$10,704,000</u>
37	Forest Practices Application Account—State	
38	Appropriation . . . . .	(( <del>\$2,158,000</del> ))
39		<u>\$1,900,000</u>

1	Air Pollution Control Account—State Appropriation . . . . .	\$872,000
2	NOVA Program Account—State Appropriation . . . . .	\$734,000
3	Derelict Vessel Removal Account—State Appropriation. . . . .	\$1,946,000
4	Community Forest Trust Account—State Appropriation. . . . .	\$52,000
5	Agricultural College Trust Management Account—State	
6	Appropriation . . . . .	<del>(( \$3,056,000 ))</del>
7		<u>\$3,064,000</u>
8	<u>Pension Funding Stabilization Account—State</u>	
9	<u>Appropriation. . . . .</u>	<u>\$3,239,000</u>
10	TOTAL APPROPRIATION. . . . .	<del>(( \$389,756,000 ))</del>
11		<u>\$422,547,000</u>

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

14       (1) \$1,420,000 of the general fund—state appropriation for fiscal  
15 year 2018 and \$1,352,000 of the general fund—state appropriation for  
16 fiscal year 2019 are provided solely for deposit into the  
17 agricultural college trust management account and are provided solely  
18 to manage approximately 70,700 acres of Washington State University's  
19 agricultural college trust lands.

20       (2) ~~(( \$16,546,000 ))~~ \$27,165,000 of the general fund—state  
21 appropriation for fiscal year 2018, \$16,546,000 of the general fund—  
22 state appropriation for fiscal year 2019, and \$16,050,000 of the  
23 disaster response account—state appropriation are provided solely for  
24 emergency fire suppression. The general fund—state appropriations  
25 provided in this subsection may not be used to fund the department's  
26 indirect and administrative expenses. The department's indirect and  
27 administrative costs shall be allocated among its remaining accounts  
28 and appropriations.

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

37       (4) \$1,640,000 of the general fund—state appropriation for fiscal  
38 year 2018 and \$1,640,000 of the general fund—state appropriation for  
39 fiscal year 2019 are provided solely for the department to carry out

1 the forest practices adaptive management program pursuant to RCW  
2 76.09.370 and the May 24, 2012, settlement agreement entered into by  
3 the department and the department of ecology. Scientific research  
4 must be carried out according to the master project schedule and work  
5 plan of cooperative monitoring, evaluation, and research priorities  
6 adopted by the forest practices board. The forest practices board  
7 shall submit a report to the legislature following review, approval,  
8 and solicitation of public comment on the cooperative monitoring,  
9 evaluation, and research master project schedule, to include:  
10 Cooperative monitoring, evaluation, and research science and related  
11 adaptive management expenditure details, accomplishments, the use of  
12 cooperative monitoring, evaluation, and research science in decision-  
13 making, and funding needs for the coming biennium. (~~For new or~~  
14 ~~amended forest practices rules adopted or new or amended board manual~~  
15 ~~provisions approved under chapter 76.09 RCW, the forest practices~~  
16 ~~board shall also report on its evaluation of the scientific basis for~~  
17 ~~the rule or board manual provisions including a technical assessment~~  
18 ~~of the value added benefits for aquatic resources and the~~  
19 ~~corresponding economic impact to the regulated community from the~~  
20 ~~rule or board manual.)) The report shall be provided to the  
21 appropriate committees of the legislature by November 1, 2018.~~

22 (5) \$147,000 of the general fund—state appropriation for fiscal  
23 year 2018 and \$147,000 of the general fund—state appropriation for  
24 fiscal year 2019 are provided solely for chapter 280, Laws of 2017  
25 (ESHB 2010) (homelessness/wildfire areas), including local capacity  
26 for wildfire suppression in any county located east of the crest of  
27 the Cascade mountain range that shares a common border with Canada  
28 and has a population of one hundred thousand or fewer. The funding  
29 provided in this subsection must be provided to these counties for  
30 radio communication equipment, or to fire protection service  
31 providers within these counties for residential wildfire risk  
32 reduction activities, including education and outreach, technical  
33 assistance, fuel mitigation, and other residential risk reduction  
34 measures. For the purposes of this subsection, fire protection  
35 service providers include fire departments, fire districts, emergency  
36 management services, and regional fire protection service  
37 authorities. The department must prioritize funding to counties  
38 authorized in this subsection, and fire protection service providers  
39 within those counties that serve a disproportionately higher  
40 percentage of low-income residents as defined in RCW 84.36.042, that

1 are located in areas of higher wildfire risk, and whose fire  
2 protection service providers have a shortage of reliable equipment  
3 and resources. Of the amount provided in this subsection, \$7,000 per  
4 fiscal year is provided for department administration costs.

5 (6) Sufficient funding is provided in this section and the  
6 capital appropriations act to implement chapter 248, Laws of 2017  
7 (E2SHB 1711) (forest health treatments).

8 (7) \$211,000 of the general fund—state appropriation for fiscal  
9 year 2018 is provided solely for implementation of chapter 319, Laws  
10 of 2017 (ESSB 5198) (fire retardant use). The department shall study  
11 and report on the types and efficacy of fire retardants used in fire  
12 suppression activities, their potential impact on human health and  
13 natural resources, and make recommendations to the legislature by  
14 December 31, 2017.

15 (8) \$505,000 of the general fund—state appropriation for fiscal  
16 year 2018 and \$486,000 of the general fund—state appropriation for  
17 fiscal year 2019 are provided solely for implementation of chapter  
18 95, Laws of 2017 (2SSB 5546) (forest health treatment assessment).  
19 The department shall establish a forest health assessment and  
20 treatment framework that consists of biennial forest health  
21 assessments, treatments, and progress review and reporting.

22 (9) \$150,000 of the aquatic lands enhancement account—state  
23 appropriation is provided solely for continued facilitation and  
24 support services for the marine resources advisory council.

25 (10) \$250,000 of the aquatic lands enhancement account—state  
26 appropriation is provided solely for implementation of the state  
27 marine management plan and ongoing costs of the Washington coastal  
28 marine advisory council to serve as a forum and provide  
29 recommendations on coastal management issues.

30 (11) \$406,000 of the general fund—state appropriation for fiscal  
31 year 2018 and \$350,000 of the general fund—state appropriation for  
32 fiscal year 2019 are provided solely for Teanaway community forest  
33 operations management costs, such as management plan oversight and  
34 forest health.

35 (12) \$150,000 of the state toxics control account—state  
36 appropriation is provided solely for the department to meet its  
37 obligations as a potentially liable party under the Washington model  
38 toxics control act at Whitmarsh landfill and the east waterway site.

1 (13) \$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 (14) \$25,000 of the general fund—state appropriation for fiscal  
6 year 2018 is provided solely for the department to grant to the  
7 University of Washington, Olympic natural resources center to develop  
8 a plan to mitigate the effects of Swiss needle cast disease on  
9 douglas fir tree species.

10 (15) Within existing resources, the department, in collaboration  
11 with the emergency management division of the military department,  
12 must develop agreements with other state agencies to recruit state  
13 employees to voluntarily participate in the wildfire suppression  
14 program. Other agency staff are eligible to receive training, fire  
15 gear, and any other necessary items to be ready for deployment to  
16 fight wildfires when called. The department shall cover agency staff  
17 costs directly or through reimbursement and must submit a request for  
18 an appropriation in the next legislative session to fulfill this  
19 requirement. The department must provide a report detailing the  
20 opportunities, challenges, and recommendations for increasing state  
21 employee voluntary participation in the wildfire suppression program  
22 to the appropriate committees of the legislature by December 1, 2017.

23 (16) \$37,000 of the aquatic land enhancement account—state  
24 appropriation and \$37,000 of the resource management cost account—  
25 state appropriation are provided solely for implementation of Second  
26 Substitute Senate Bill No. 6086 (nonnative finfish release). If the  
27 bill is not enacted by June 30, 2018, the amounts provided in this  
28 subsection shall lapse.

29 (17) \$2,900,000 of the aquatics land enhancement account—state  
30 appropriation is provided solely for the department's share of the  
31 costs to clean up the Fairview avenue site near Lake Union.

32 (18) \$543,000 of the general fund—state appropriation for fiscal  
33 year 2019 is provided solely for the department to produce new and  
34 improved earthquake and tsunami hazard maps, a seismic inventory of  
35 critical facilities, and a geologic hazard database.

36 (19) \$198,000 of the natural resources conservation areas  
37 stewardship account—state appropriation is provided solely for weed  
38 control and maintenance of public access at natural areas.

1       (20) \$150,000 of the general fund—state appropriation for fiscal  
2 year 2019 is provided solely for the department to research and map  
3 sites for potential development of geothermal resource production.

4       (21) \$160,000 of the general fund—state appropriation for fiscal  
5 year 2019 is provided solely for implementing the provisions of  
6 Engrossed Substitute Senate Bill No. 6109 (wildland urban interface).  
7 If the bill is not enacted by June 30, 2018, the amount provided in  
8 this subsection shall lapse.

9       (22) \$73,000 of the forest development account—state  
10 appropriation, \$170,000 of the resource management cost account—state  
11 appropriation, and \$8,000 of the agricultural college trust account—  
12 state appropriation are provided solely for implementing the  
13 provisions of Engrossed Senate Bill No. 6140 (state managed lands).  
14 If the bill is not enacted by June 30, 2018, the amounts provided in  
15 this subsection shall lapse.

16       **Sec. 309.** 2017 3rd sp.s. c 1 s 309 (uncodified) is amended to  
17 read as follows:

18 **FOR THE DEPARTMENT OF AGRICULTURE**

19	General Fund—State Appropriation (FY 2018)	. . . . .	(( <u>\$17,281,000</u> ))
20			<u>\$16,885,000</u>
21	General Fund—State Appropriation (FY 2019)	. . . . .	(( <u>\$17,525,000</u> ))
22			<u>\$17,265,000</u>
23	General Fund—Federal Appropriation	. . . . .	(( <u>\$31,424,000</u> ))
24			<u>\$32,149,000</u>
25	General Fund—Private/Local Appropriation	. . . . .	\$193,000
26	Aquatic Lands Enhancement Account—State Appropriation		(( <u>\$2,565,000</u> ))
27			<u>\$2,566,000</u>
28	State Toxics Control Account—State Appropriation	. . . . .	(( <u>\$5,534,000</u> ))
29			<u>\$5,536,000</u>
30	Water Quality Permit Account—State Appropriation	. . . . .	\$73,000
31	<u>Pension Funding Stabilization Account—State</u>		
32	<u>Appropriation.</u>	. . . . .	<u>\$1,041,000</u>
33	TOTAL APPROPRIATION.	. . . . .	(( <u>\$74,595,000</u> ))
34			<u>\$75,708,000</u>

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

37       (1) \$6,108,445 of the general fund—state appropriation for fiscal  
38 year 2018 and \$6,102,905 of the general fund—state appropriation for



1 fiscal year 2019 are provided solely for implementing the food  
2 assistance program as defined in RCW 43.23.290.

3 (2) Within amounts appropriated in this section, the department  
4 shall provide to the department of health, where available, the  
5 following data for all nutrition assistance programs that are funded  
6 by the United States department of agriculture and administered by  
7 the department. The department must provide the report for the  
8 preceding federal fiscal year by February 1, 2018, and February 1,  
9 2019. The report must provide:

10 (a) The number of people in Washington who are eligible for the  
11 program;

12 (b) The number of people in Washington who participated in the  
13 program;

14 (c) The average annual participation rate in the program;

15 (d) Participation rates by geographic distribution; and

16 (e) The annual federal funding of the program in Washington.

17 (3) \$132,000 of the general fund—state appropriation for fiscal  
18 year 2019 is provided solely for the department to fund an  
19 aquaculture coordinator. The aquaculture coordinator will work with  
20 shellfish growers and federal, state, and local governments to  
21 improve the efficiency and effectiveness of shellfish farm  
22 permitting. Many of those improvements will come directly from the  
23 shellfish interagency permitting team recommendations.

24 (4) \$238,000 of the general fund—state appropriation for fiscal  
25 year 2019 is provided solely for the eradication of European gypsy  
26 moths following established federal protocols.

27 (5) \$100,000 of the general fund—state appropriation for fiscal  
28 year 2019 is provided solely for the department to continue the  
29 industrial hemp research pilot project.

30 (6) \$14,000 of the general fund—state appropriation for fiscal  
31 year 2019 is provided solely for implementing Substitute Senate Bill  
32 No. 6055 (apple maggot/outdoor burning). If the bill is not enacted  
33 by June 30, 2018, the amount provided in this subsection shall lapse.

34 (7) \$2,000 of the general fund—state appropriation for fiscal  
35 year 2018 and \$18,000 of the general fund—state appropriation for  
36 fiscal year 2019 are provided solely for the department to assist the  
37 department of ecology in developing watershed restoration and  
38 enhancement plans in fifteen different watersheds, as well as provide  
39 information to a joint legislative task force, as specified in

1 chapter 1, Laws of 2018 (Engrossed Substitute Senate Bill No. 6091,  
2 water availability).

3 **Sec. 310.** 2017 3rd sp.s. c 1 s 310 (uncodified) is amended to  
4 read as follows:

5 **FOR THE WASHINGTON POLLUTION LIABILITY INSURANCE PROGRAM**

6	Underground Storage Tank Revolving Account—State	
7	Appropriation . . . . .	(( <del>\$10,000</del> ))
8		<u>\$90,000</u>
9	Pollution Liability Insurance Program Trust Account—State	
10	Appropriation . . . . .	(( <del>\$1,338,000</del> ))
11		<u>\$1,339,000</u>
12	TOTAL APPROPRIATION. . . . .	(( <del>\$1,348,000</del> ))
13		<u>\$1,429,000</u>

14 **Sec. 311.** 2017 3rd sp.s. c 1 s 311 (uncodified) is amended to  
15 read as follows:

16 **FOR THE PUGET SOUND PARTNERSHIP**

17	General Fund—State Appropriation (FY 2018) . . . . .	(( <del>\$2,922,000</del> ))
18		<u>\$2,782,000</u>
19	General Fund—State Appropriation (FY 2019) . . . . .	(( <del>\$2,668,000</del> ))
20		<u>\$2,526,000</u>
21	General Fund—Federal Appropriation . . . . .	(( <del>\$8,102,000</del> ))
22		<u>\$10,336,000</u>
23	Aquatic Lands Enhancement Account—State	
24	Appropriation. . . . .	(( <del>\$1,420,000</del> ))
25		<u>\$1,419,000</u>
26	State Toxics Control Account—State Appropriation . . . . .	\$721,000
27	<u>Pension Funding Stabilization Account—State</u>	
28	<u>Appropriation. . . . .</u>	<u>\$277,000</u>
29	TOTAL APPROPRIATION. . . . .	(( <del>\$15,833,000</del> ))
30		<u>\$18,061,000</u>

31 The appropriations in this section are subject to the following  
32 conditions and limitations: By October 15, 2018, the Puget Sound  
33 partnership shall provide the governor a single, prioritized list of  
34 state agency 2019-2021 capital and operating budget requests related  
35 to Puget Sound restoration.

(End of part)

**PART IV**  
**TRANSPORTATION**

**Sec. 401.** 2017 3rd sp.s. c 1 s 401 (uncodified) is amended to read as follows:

**FOR THE DEPARTMENT OF LICENSING**

General Fund—State Appropriation (FY 2018)	(( <del>\$1,460,000</del> ))
	<u>\$1,655,000</u>
General Fund—State Appropriation (FY 2019)	(( <del>\$1,530,000</del> ))
	<u>\$1,810,000</u>
Architects' License Account—State Appropriation	(( <del>\$995,000</del> ))
	<u>\$1,205,000</u>
Professional Engineers' Account—State Appropriation	(( <del>\$3,922,000</del> ))
	<u>\$3,932,000</u>
Real Estate Commission Account—State Appropriation	(( <del>\$11,045,000</del> ))
	<u>\$11,575,000</u>
Uniform Commercial Code Account—State Appropriation	(( <del>\$3,448,000</del> ))
	<u>\$3,472,000</u>
Real Estate Education Program Account—State Appropriation	\$276,000
Real Estate Appraiser Commission Account—State Appropriation	(( <del>\$1,870,000</del> ))
	<u>\$1,875,000</u>
Business and Professions Account—State Appropriation	(( <del>\$19,302,000</del> ))
	<u>\$22,019,000</u>
Real Estate Research Account—State Appropriation	\$415,000
<u>Landscape Architects' License Account—State</u>	<u>\$4,000</u>
Geologists' Account—State Appropriation	\$53,000
Derelict Vessel Removal Account—State Appropriation	\$33,000
CPL Renewal Notification Account—State Appropriation	\$183,000
Firearms Range Account—State Appropriation	\$75,000
<u>Pension Funding Stabilization Account—State Appropriation</u>	<u>\$95,000</u>
TOTAL APPROPRIATION	(( <del>\$44,607,000</del> ))
	<u>\$48,677,000</u>

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

1 (1) \$105,000 of the business and professions account  
2 appropriation is provided solely to implement chapter 46, Laws of  
3 2017 (SHB 1420) (theatrical wrestling).

4 (2) \$183,000 of the concealed pistol license renewal notification  
5 account appropriation and \$75,000 of the firearms range account  
6 appropriation are provided solely to implement chapter 74, Laws of  
7 2017 (SHB 1100) (concealed pistol license) and chapter 282, Laws of  
8 2017 (SB 5268) (concealed pistol license notices).

9 (3) \$198,000 of the general fund—state appropriation for fiscal  
10 year 2018 and \$11,000 of the general fund—state appropriation for  
11 fiscal year 2019 are provided solely for costs related to sending  
12 notices to persons to encourage the renewal of vessel registrations.

13 **Sec. 402.** 2017 3rd sp.s. c 1 s 402 (uncodified) is amended to  
14 read as follows:

15 **FOR THE STATE PATROL**

16	General Fund—State Appropriation (FY 2018) . . . . .	(( <del>\$44,994,000</del> ))
17		<u>\$43,785,000</u>
18	General Fund—State Appropriation (FY 2019) . . . . .	(( <del>\$45,986,000</del> ))
19		<u>\$46,209,000</u>
20	General Fund—Federal Appropriation . . . . .	\$16,260,000
21	General Fund—Private/Local Appropriation . . . . .	\$3,085,000
22	Death Investigations Account—State Appropriation . . .	(( <del>\$7,087,000</del> ))
23		<u>\$8,217,000</u>
24	County Criminal Justice Assistance Account—State	
25	Appropriation . . . . .	\$3,755,000
26	Municipal Criminal Justice Assistance Account—State	
27	Appropriation . . . . .	\$1,521,000
28	Fire Service Trust Account—State Appropriation . . . . .	\$131,000
29	Vehicle License Fraud Account—State Appropriation . . . . .	\$110,000
30	Disaster Response Account—State Appropriation . . . . .	(( <del>\$8,000,000</del> ))
31		<u>\$16,400,000</u>
32	Fire Service Training Account—State Appropriation . . . . .	\$11,126,000
33	Aquatic Invasive Species Management Account—State	
34	Appropriation . . . . .	\$54,000
35	<u>Pension Funding Stabilization Account—State</u>	
36	<u>Appropriation.</u> . . . . .	<u>\$3,295,000</u>
37	State Toxics Control Account—State Appropriation . . . . .	\$549,000
38	Fingerprint Identification Account—State	

1	Appropriation . . . . .	\$15,768,000
2	TOTAL APPROPRIATION. . . . .	(( <del>\$158,426,000</del> ))
3		<u>\$170,265,000</u>

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

6 (1) \$270,000 of the fire service training account—state  
7 appropriation is provided solely for two FTEs in the office of the  
8 state director of fire protection to exclusively review K-12  
9 construction documents for fire and life safety in accordance with  
10 the state building code. It is the intent of this appropriation to  
11 provide these services only to those districts that are located in  
12 counties without qualified review capabilities.

13 (2) (~~(\$8,000,000)~~) \$16,400,000 of the disaster response account—  
14 state appropriation is provided solely for Washington state fire  
15 service resource mobilization costs incurred in response to an  
16 emergency or disaster authorized under RCW 43.43.960 through  
17 43.43.964. The state patrol shall submit a report quarterly to the  
18 office of financial management and the legislative fiscal committees  
19 detailing information on current and planned expenditures from this  
20 account. This work shall be done in coordination with the military  
21 department.

22 (3) \$700,000 of the fire service training account—state  
23 appropriation is provided solely for the firefighter apprenticeship  
24 training program.

25 (4) \$41,000 of the general fund—state appropriation for fiscal  
26 year 2018 and \$41,000 of the general fund—state appropriation for  
27 fiscal year 2019 are provided solely for implementation of chapter  
28 272, Laws of 2017 (E2SHB 1163) (domestic violence).

29 (5) \$125,000 of the general fund—state appropriation for fiscal  
30 year 2018 and \$116,000 of the general fund—state appropriation for  
31 fiscal year 2019 are provided solely for implementation of chapter  
32 261, Laws of 2017 (SHB 1501) (attempts to obtain firearms).

33 (6) \$104,000 of the general fund—state appropriation for fiscal  
34 year 2018 and \$90,000 of the general fund—state appropriation for  
35 fiscal year 2019 are provided solely for implementation of chapter  
36 308, Laws of 2017 (SHB 1863) (fire incident reporting system).

37 (7) \$3,421,000 of the fingerprint identification account—state  
38 appropriation is provided solely for the completion of the state  
39 patrol's plan to upgrade the criminal history system, and is subject

1 to the conditions, limitations, and review provided in section 724 of  
2 this act.

3 (8) \$1,039,000 of the fingerprint identification account—state  
4 appropriation is provided solely for the implementation of a sexual  
5 assault kit tracking database project and is subject to the  
6 conditions, limitations, and review provided in section 724 of this  
7 act.

8 (9) \$495,000 of the general fund—state appropriation for fiscal  
9 year 2019 is provided solely for the costs related to the 1995 king  
10 air maintenance. By June 30, 2019, the state patrol is directed to  
11 sell the 1983 king air and proceeds generated from the sale of the  
12 1983 king air must be deposited into the state patrol highway  
13 account.

14 (10) \$45,000 of the general fund—state appropriation for fiscal  
15 year 2019 is provided solely for implementation of Substitute Senate  
16 Bill No. 6473 (rental dwelling unit fires). If the bill is not  
17 enacted by June 30, 2018, the amount provided in this subsection  
18 shall lapse.

(End of part)

**PART V**  
**EDUCATION**

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NEW SECTION. **Sec. 500.** The appropriations in this part reflect the implementation of Engrossed Second Substitute Senate Bill No. 6362 (basic education funding), with the exception of section 409. With the recent influx of revenues in the February 2018 official economic and revenue forecast, the legislature finds the proposed changes to the apportionment payment schedule are no longer necessary and intends to retain the current apportionment schedule contained in RCW 28A.510.250 with payments due in February at 9 percent, March at 9 percent, April at 9 percent, and August at 10 percent.

**Sec. 501.** 2017 3rd sp.s. c 1 s 501 (uncodified) is amended to read as follows:

**FOR THE SUPERINTENDENT OF PUBLIC INSTRUCTION**

General Fund—State Appropriation (FY 2018) . . . . .	(( <del>\$49,844,000</del> ))
	<u>\$49,040,000</u>
General Fund—State Appropriation (FY 2019) . . . . .	(( <del>\$47,888,000</del> ))
	<u>\$56,320,000</u>
General Fund—Federal Appropriation . . . . .	(( <del>\$68,460,000</del> ))
	<u>\$83,460,000</u>
General Fund—Private/Local Appropriation . . . . .	\$8,051,000
Washington Opportunity Pathways Account—State Appropriation . . . . .	\$584,000
Dedicated Marijuana Account—State Appropriation (FY 2018) . . . . .	\$513,000
Dedicated Marijuana Account—State Appropriation (FY 2019) . . . . .	\$516,000
<u>Pension Funding Stabilization Account—State Appropriation . . . . .</u>	<u>\$2,126,000</u>
Performance Audits of Government Account—State Appropriation . . . . .	\$211,000
TOTAL APPROPRIATION. . . . .	(( <del>\$176,067,000</del> ))
	<u>\$200,821,000</u>

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

1 (1) (~~(\$10,437,000)~~) \$9,634,000 of the general fund—state  
2 appropriation for fiscal year 2018 and (~~(\$11,112,000)~~) \$10,364,000 of  
3 the general fund—state appropriation for fiscal year 2019 are  
4 provided solely for the operation and expenses of the office of the  
5 superintendent of public instruction.

6 (a) The superintendent shall recognize the extraordinary  
7 accomplishments of four students who have demonstrated a strong  
8 understanding of the civics essential learning requirements to  
9 receive the Daniel J. Evans civic education award.

10 (b) Districts shall report to the office of the superintendent of  
11 public instruction daily student unexcused absence data by school,  
12 using a uniform definition of unexcused absence as established by the  
13 superintendent.

14 (c) By September of each year, the office of the superintendent  
15 of public instruction shall produce an annual status report on  
16 implementation of the budget provisos in sections 501 and 513 of this  
17 act. The status report of each proviso shall include, but not be  
18 limited to, the following information: Purpose and objective, number  
19 of state staff funded by the proviso, number of contractors, status  
20 of proviso implementation, number of beneficiaries by year, list of  
21 beneficiaries, a comparison of budgeted funding and actual  
22 expenditures, other sources and amounts of funding, and proviso  
23 outcomes and achievements.

24 (d) The superintendent of public instruction, in consultation  
25 with the secretary of state, shall update the program prepared and  
26 distributed under RCW 28A.230.150 for the observation of temperance  
27 and good citizenship day to include providing an opportunity for  
28 eligible students to register to vote at school.

29 (e) Districts shall annually report to the office of the  
30 superintendent of public instruction on: (i) The annual number of  
31 graduating high school seniors within the district earning the  
32 Washington state seal of biliteracy provided in RCW 28A.300.575; and  
33 (ii) the number of high school students earning competency-based high  
34 school credits for world languages by demonstrating proficiency in a  
35 language other than English. The office of the superintendent of  
36 public instruction shall provide a summary report to the office of  
37 the governor and the appropriate committees of the legislature by  
38 December 1st of each year.



1 (2) \$3,857,000 of the general fund—state appropriation for fiscal  
2 year 2018 and \$3,857,000 of the general fund—state appropriation for  
3 fiscal year 2019 are provided solely for activities associated with  
4 the implementation of House Bill No. 2242 (fully funding the program  
5 of basic education).

6 (3)(a) \$911,000 of the general fund—state appropriation for  
7 fiscal year 2018 and \$911,000 of the general fund—state appropriation  
8 for fiscal year 2019 are provided solely for the operation and  
9 expenses of the state board of education, including basic education  
10 assistance activities.

11 (b) \$322,000 of the Washington opportunity pathways account—state  
12 appropriation is provided solely for the state board of education to  
13 provide assistance to public schools other than common schools  
14 authorized under chapter 28A.710 RCW.

15 (4) \$3,512,000 of the general fund—state appropriation for fiscal  
16 year 2018 and \$3,512,000 of the general fund—state appropriation for  
17 fiscal year 2019 are provided solely to the professional educator  
18 standards board for the following:

19 (a) \$1,115,000 in fiscal year 2018 and \$1,115,000 in fiscal year  
20 2019 are for the operation and expenses of the Washington  
21 professional educator standards board;

22 (b) \$2,372,000 of the general fund—state appropriation for fiscal  
23 year 2018 and \$2,372,000 of the general fund—state appropriation for  
24 fiscal year 2019 are for grants to improve preservice teacher  
25 training and for funding of alternate routes to certification  
26 programs administered by the professional educator standards board.  
27 Alternate routes programs include the pipeline for paraeducators  
28 program, the retooling to teach conditional loan programs, and the  
29 recruiting Washington teachers program. Priority shall be given to  
30 programs that support bilingual teachers and English language  
31 learners. Within this subsection (4)(b), up to \$500,000 per fiscal  
32 year is available for grants to public or private colleges of  
33 education in Washington state to develop models and share best  
34 practices for increasing the classroom teaching experience of  
35 preservice training programs and \$250,000 is provided solely for the  
36 pipeline for paraeducators conditional scholarship program for  
37 scholarships for paraeducators to complete their associate of arts  
38 degrees in subject matter shortage areas;

1 (c) \$25,000 of the general fund—state appropriation for fiscal  
2 year 2018 and \$25,000 of the general fund—state appropriation for  
3 fiscal year 2019 are provided solely for the professional educator  
4 standards board to develop educator interpreter standards and  
5 identify interpreter assessments that are available to school  
6 districts. Interpreter assessments should meet the following  
7 criteria: (A) Include both written assessment and performance  
8 assessment; (B) be offered by a national organization of professional  
9 sign language interpreters and transliterators; and (C) be designed  
10 to assess performance in more than one sign system or sign language.  
11 The board shall establish a performance standard, defining what  
12 constitutes a minimum assessment result, for each educational  
13 interpreter assessment identified. The board shall publicize the  
14 standards and assessments for school district use;

15 (d) Within the amounts appropriated in this section, sufficient  
16 funding is provided for implementation of chapter 172, Laws of 2017  
17 (SHB 1741) (educator prep. data/PESB).

18 (5) \$266,000 of the general fund—state appropriation for fiscal  
19 year 2018 and (~~(\$266,000)~~) \$502,000 of the general fund—state  
20 appropriation for fiscal year 2019 are provided solely for the  
21 implementation of chapter 240, Laws of 2010, including staffing the  
22 office of equity and civil rights.

23 (6) \$61,000 of the general fund—state appropriation for fiscal  
24 year 2018 and \$61,000 of the general fund—state appropriation for  
25 fiscal year 2019 are provided solely for the ongoing work of the  
26 education opportunity gap oversight and accountability committee.

27 (7) \$61,000 of the general fund—state appropriation for fiscal  
28 year 2018 and \$61,000 of the general fund—state appropriation for  
29 fiscal year 2019 are provided solely for the implementation of  
30 chapter 380, Laws of 2009 (enacting the interstate compact on  
31 educational opportunity for military children).

32 (8) \$262,000 of the Washington opportunity pathways account—state  
33 appropriation is provided solely for activities related to public  
34 schools other than common schools authorized under chapter 28A.710  
35 RCW.

36 (9) \$1,802,000 of the general fund—state appropriation for fiscal  
37 year 2018 and \$1,802,000 of the general fund—state appropriation for  
38 fiscal year 2019 are provided solely for implementing a comprehensive  
39 data system to include financial, student, and educator data,

1 including development and maintenance of the comprehensive education  
2 data and research system (CEDARS).

3 (10) \$50,000 of the general fund—state appropriation for fiscal  
4 year 2018 and \$50,000 of the general fund—state appropriation for  
5 fiscal year 2019 are provided solely for project citizen, a program  
6 sponsored by the national conference of state legislatures and the  
7 center for civic education to promote participation in government by  
8 middle school students.

9 (11) \$1,500,000 of the general fund—state appropriation for  
10 fiscal year 2018 is provided solely for collaborative schools for  
11 innovation and success authorized under chapter 53, Laws of 2012. The  
12 office of the superintendent of public instruction shall award  
13 \$500,000 for each collaborative school for innovation and success  
14 selected for participation in the pilot program during 2012.

15 (12) \$123,000 of the general fund—state appropriation for fiscal  
16 year 2018 and \$123,000 of the general fund—state appropriation for  
17 fiscal year 2019 are provided solely for implementation of chapter  
18 163, Laws of 2012 (foster care outcomes). The office of the  
19 superintendent of public instruction shall annually report each  
20 December on the implementation of the state's plan of cross-system  
21 collaboration to promote educational stability and improve education  
22 outcomes of foster youth.

23 (13) \$250,000 of the general fund—state appropriation for fiscal  
24 year 2018 is provided solely for implementation of chapter 178, Laws  
25 of 2012 (open K-12 education resources).

26 (14) \$50,000 of the general fund—state appropriation for fiscal  
27 year 2018 and \$50,000 of the general fund—state appropriation for  
28 fiscal year 2019 are provided solely for school bullying and  
29 harassment prevention activities.

30 (15) \$14,000 of the general fund—state appropriation for fiscal  
31 year 2018 and \$14,000 of the general fund—state appropriation for  
32 fiscal year 2019 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 2018 and \$62,000 of the general fund—state appropriation for  
36 fiscal year 2019 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 2018 and \$10,000 of the general fund—state appropriation for  
15 fiscal year 2019 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 2018 and \$100,000 of the general fund—state appropriation for  
25 fiscal year 2019 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) \$131,000 of the general fund—state appropriation for fiscal  
30 year 2018, \$131,000 of the general fund—state appropriation for  
31 fiscal year 2019, and \$211,000 of the performance audits of  
32 government account—state appropriation are provided solely for the  
33 office of the superintendent of public instruction to perform on-  
34 going program reviews of alternative learning experience programs,  
35 dropout reengagement programs, and other high risk programs. Findings  
36 from the program reviews will be used to support and prioritize the  
37 office of the superintendent of public instruction outreach and  
38 education efforts that assist school districts in implementing the  
39 programs in accordance with statute and legislative intent, as well

1 as to support financial and performance audit work conducted by the  
2 office of the state auditor.

3 (20) \$150,000 of the general fund—state appropriation for fiscal  
4 year 2018 and \$150,000 of the general fund—state appropriation for  
5 fiscal year 2019 are provided solely for youth suicide prevention  
6 activities.

7 (21) \$31,000 of the general fund—state appropriation for fiscal  
8 year 2018 and \$55,000 of the general fund—state appropriation for  
9 fiscal year 2019 are provided solely for the office of the  
10 superintendent of public instruction for statewide implementation of  
11 career and technical education course equivalency frameworks  
12 authorized under RCW 28A.700.070 for math and science. This may  
13 include development of additional equivalency course frameworks,  
14 course performance assessments, and professional development for  
15 districts implementing the new frameworks.

16 (22) \$2,541,000 of the general fund—state appropriation for  
17 fiscal year 2018 and \$2,541,000 of the general fund—state  
18 appropriation for fiscal year 2019 are provided solely for a corps of  
19 nurses located at educational service districts, as determined by the  
20 superintendent of public instruction, to be dispatched to the most  
21 needy schools to provide direct care to students, health education,  
22 and training for school staff.

23 (23) \$300,000 of the general fund—state appropriation for fiscal  
24 year 2018 and \$300,000 of the general fund—state appropriation for  
25 fiscal year 2019 are provided solely for a nonviolence and ethical  
26 leadership training and professional development program provided by  
27 the institute for community leadership.

28 (24) \$1,221,000 of the general fund—state appropriation for  
29 fiscal year 2018 and \$1,221,000 of the general fund—state  
30 appropriation for fiscal year 2019 are provided solely for K-20  
31 telecommunications network technical support in the K-12 sector to  
32 prevent system failures and avoid interruptions in school utilization  
33 of the data processing and video-conferencing capabilities of the  
34 network. These funds may be used to purchase engineering and advanced  
35 technical support for the network.

36 (25) \$3,940,000 of the general fund—state appropriation for  
37 fiscal year 2018 and \$3,940,000 of the general fund—state  
38 appropriation for fiscal year 2019 are provided solely for the  
39 Washington state achievers scholarship and Washington higher

1 education readiness program. The funds shall be used to: Support  
2 community involvement officers that recruit, train, and match  
3 community volunteer mentors with students selected as achievers  
4 scholars; and to identify and reduce barriers to college for low-  
5 income and underserved middle and high school students.

6 (26) \$1,354,000 of the general fund—state appropriation for  
7 fiscal year 2018 and (~~(\$1,354,000)~~) \$1,454,000 of the general fund—  
8 state appropriation for fiscal year 2019 are provided solely for  
9 contracting with a college scholarship organization with expertise in  
10 conducting outreach to students concerning eligibility for the  
11 Washington college bound scholarship consistent with chapter 405,  
12 Laws of 2007.

13 (27) \$410,000 of the general fund—state appropriation for fiscal  
14 year 2018, \$280,000 of the general fund—state appropriation for  
15 fiscal year 2019, and \$1,029,000 of the dedicated marijuana account—  
16 state appropriation are provided solely for dropout prevention,  
17 intervention, and reengagement programs, including the jobs for  
18 America's graduates (JAG) program, dropout prevention programs that  
19 provide student mentoring, and the building bridges statewide  
20 program. Students in the foster care system or who are homeless shall  
21 be given priority by districts offering the jobs for America's  
22 graduates program. The office of the superintendent of public  
23 instruction shall convene staff representatives from high schools to  
24 meet and share best practices for dropout prevention. Of these  
25 amounts, \$513,000 of the dedicated marijuana account—state  
26 appropriation for fiscal year 2018, and \$516,000 of the dedicated  
27 marijuana account—state appropriation for fiscal year 2019 are  
28 provided solely for the building bridges statewide program.

29 (28) \$2,984,000 of the general fund—state appropriation for  
30 fiscal year 2018 and \$2,590,000 of the general fund—state  
31 appropriation for fiscal year 2019 are provided solely for the  
32 Washington kindergarten inventory of developing skills. State funding  
33 shall support statewide administration and district implementation of  
34 the inventory under RCW 28A.655.080.

35 (29) \$293,000 of the general fund—state appropriation for fiscal  
36 year 2018 and \$293,000 of the general fund—state appropriation for  
37 fiscal year 2019 are provided solely for the office of the  
38 superintendent of public instruction to support district  
39 implementation of comprehensive guidance and planning programs in

1 support of high-quality high school and beyond plans consistent with  
2 RCW 28A.230.090.

3 (30) \$4,894,000 of the general fund—state appropriation for  
4 fiscal year 2018 and \$4,894,000 of the general fund—state  
5 appropriation for fiscal year 2019 are provided solely for (~~grants~~  
6 ~~for~~) implementation of dual credit programs and subsidized advance  
7 placement exam fees and international baccalaureate class fees and  
8 exam fees for low-income students. For expenditures related to  
9 subsidized exam fees, the superintendent shall report: The number of  
10 students served; the demographics of the students served; and how the  
11 students perform on the exams.

12 (31) \$100,000 of the general fund—state appropriation for fiscal  
13 year 2018 and \$100,000 of the general fund—state appropriation for  
14 fiscal year 2019 are provided solely for the superintendent of public  
15 instruction to convene a work group to build upon the work of the  
16 social emotional learning work group established under section  
17 501(34), chapter 4, Laws of 2015 3rd sp. sess. The members of the  
18 work group must include representatives from the same organizations  
19 that were represented on the 2015 work group, as well as five  
20 representatives of diverse communities and a statewide expanded  
21 learning opportunities intermediary. The work group must identify and  
22 articulate developmental indicators for each grade level for each of  
23 the social emotional learning benchmarks, solicit feedback from  
24 stakeholders, and develop a model of best practices or guidance for  
25 schools on implementing the benchmarks and indicators. The work group  
26 shall submit recommendations to the education committees of the  
27 legislature and the office of the governor by June 30, 2019.

28 (32) \$117,000 of the general fund—state appropriation for fiscal  
29 year 2018 and \$117,000 of the general fund—state appropriation for  
30 fiscal year 2019 are provided solely for implementation of chapter 3  
31 (SHB No. 1813), Laws of 2015 1st sp. sess. (computer science).

32 (33) \$450,000 of the general fund—state appropriation for fiscal  
33 year 2018 and (~~(\$450,000))~~ \$1,450,000 of the general fund—state  
34 appropriation for fiscal year 2019 are provided solely for  
35 implementation of chapter 236, Laws of 2017 (SHB 1445) (dual  
36 language/early learning & K-12). In selecting recipients of the K-12  
37 dual language grant, the superintendent of public instruction must  
38 prioritize districts that received grants under section 501(36),  
39 chapter 4, Laws of 2015 3rd sp. sess. Up to \$450,000 of the general

1 fund—state appropriation for fiscal year 2019 is for implementation  
2 of the K-12 dual language grant program established in RCW  
3 28A.630.095. \$1,000,000 of the general fund—state appropriation for  
4 fiscal year 2019 is provided solely for implementation of the  
5 bilingual educator initiative pilot project established under RCW  
6 28A.180.120.

7 (34) \$125,000 of the general fund—state appropriation for fiscal  
8 year 2018 and \$125,000 of the general fund—state appropriation for  
9 fiscal year 2019 are provided solely for the Kip Tokuda memorial  
10 Washington civil liberties public education program. The  
11 superintendent of public instruction shall award grants consistent  
12 with RCW 28A.300.410.

13 (35) \$1,000,000 of the general fund—state appropriation for  
14 fiscal year 2018 and \$1,000,000 of the general fund—state  
15 appropriation for fiscal year 2019 are provided solely for the  
16 computer science and education grant program to support the following  
17 three purposes: Train and credential teachers in computer sciences;  
18 provide and upgrade technology needed to learn computer science; and,  
19 for computer science frontiers grants to introduce students to and  
20 engage them in computer science. The office of the superintendent of  
21 public instruction must use the computer science learning standards  
22 adopted pursuant to chapter 3, Laws of 2015 (computer science) in  
23 implementing the grant, to the extent possible. Additionally, grants  
24 provided for the purpose of introducing students to computer science  
25 are intended to support innovative ways to introduce and engage  
26 students from historically underrepresented groups, including girls,  
27 low-income students, and minority students, to computer science and  
28 to inspire them to enter computer science careers. Grant funds for  
29 the computer science and education grant program may be expended only  
30 to the extent that they are equally matched by private sources for  
31 the program, including gifts, grants, or endowments.

32 (36) \$2,145,000 of the general fund—state appropriation for  
33 fiscal year 2018 and \$2,145,000 of the general fund—state  
34 appropriation for fiscal year 2019 are provided solely for a contract  
35 with a nongovernmental entity or entities for demonstration sites to  
36 improve the educational outcomes of students who are dependent  
37 pursuant to chapter 13.34 RCW pursuant to chapter 71, Laws of 2016  
38 (Fourth Substitute House Bill No. 1999, foster youth edu. outcomes).



1 (a) Of the amount provided in this subsection, \$446,000 of the  
2 general fund—state appropriation for fiscal year 2018 and \$446,000 of  
3 the general fund—state appropriation for fiscal year 2019 are  
4 provided solely for the demonstration site established pursuant to  
5 the 2013-2015 omnibus appropriations act, section 202(10), chapter 4,  
6 Laws of 2013, 2nd sp. sess.

7 (b) Of the amount provided in this subsection, \$1,015,000 of the  
8 general fund—state appropriation for fiscal year 2018 and \$1,015,000  
9 of the general fund—state appropriation for fiscal year 2019 are  
10 provided solely for the demonstration site established pursuant to  
11 the 2015-2017 omnibus appropriations act, section 501(43)(b), chapter  
12 4, Laws of 2015, 3rd sp. sess., as amended.

13 (37) \$1,000,000 of the general fund—state appropriation for  
14 fiscal year 2018 and \$1,000,000 of the general fund—state  
15 appropriation for fiscal year 2019 are provided solely for  
16 implementation of chapter 157, Laws of 2016 (Third Substitute House  
17 Bill No. 1682, homeless students).

18 (38) \$753,000 of the general fund—state appropriation for fiscal  
19 year 2018 and \$703,000 of the general fund—state appropriation for  
20 fiscal year 2019 are provided solely for implementation of chapter  
21 72, Laws of 2016 (Fourth Substitute House Bill No. 1541, educational  
22 opportunity gap).

23 (39) \$57,000 of the general fund—state appropriation for fiscal  
24 year 2018 and \$15,000 of the general fund—state appropriation for  
25 fiscal year 2019 are provided solely for implementation of chapter  
26 240, Laws of 2016 (Engrossed Senate Bill No. 6620, school safety).

27 (40) \$186,000 of the general fund—state appropriation for fiscal  
28 year 2018 and \$178,000 of the general fund—state appropriation for  
29 fiscal year 2019 are provided solely for implementation of chapter  
30 291, Laws of 2017 (2SHB 1170) (truancy reduction efforts).

31 (41) \$984,000 of the general fund—state appropriation for fiscal  
32 year 2018 and \$912,000 of the general fund—state appropriation for  
33 fiscal year 2019 are provided solely for implementation of chapter  
34 237, Laws of 2017 (ESHB 1115) (paraeducators).

35 (42) \$204,000 of the general fund—state appropriation for fiscal  
36 year 2018, \$204,000 of the general fund—state appropriation for  
37 fiscal year 2019, and \$408,000 of the general fund—federal  
38 appropriation are provided solely for implementation of chapter 202,  
39 Laws of 2017 (E2SHB 1713) (children's mental health).

1 (43) \$300,000 of the general fund—state appropriation for fiscal  
2 year 2018 and \$300,000 of the general fund—state appropriation for  
3 fiscal year 2019 are provided solely for grants to middle and high  
4 schools to support international baccalaureate programs in high  
5 poverty schools. Of these amounts:

6 (a) \$200,000 of the appropriation for fiscal year 2018 and  
7 \$200,000 of the appropriation for fiscal year 2019 are provided  
8 solely for grants to high schools that have an existing international  
9 baccalaureate program and enrollments of seventy percent or more  
10 students eligible for free or reduced-price meals in the prior school  
11 year to implement and sustain an international baccalaureate program;  
12 and

13 (b) \$100,000 of the appropriation for fiscal year 2018 and  
14 \$100,000 of the appropriation for fiscal year 2019 are provided  
15 solely for grants to middle schools with students that will attend a  
16 qualifying high poverty high school that has received a grant under  
17 (a) of this subsection to support implementation of a middle school  
18 international baccalaureate program.

19 (44) \$240,000 of the general fund—state appropriation for fiscal  
20 year 2018 is provided solely for a grant to the Pacific science  
21 center to continue providing science on wheels activities in schools  
22 and other community settings. Funding is provided to assist with  
23 upgrading three planetarium computers and software and to assist with  
24 purchasing and outfitting three vans with new traveling planetarium  
25 exhibits.

26 (45) \$100,000 of the general fund—state appropriation for fiscal  
27 year 2018 is provided solely for the office of the superintendent of  
28 public instruction to contract for consulting services for a study of  
29 the current state pupil transportation funding formula. The study  
30 must evaluate the extent to which the formula corresponds to the  
31 actual costs of providing pupil transportation to and from school for  
32 the state's statutory program of basic education, including local  
33 school district characteristics such as unique geographic  
34 constraints, and transportation for students who are identified as  
35 homeless under the McKinney-Vento act. Based on the results of this  
36 evaluation, the superintendent must make recommendations for any  
37 necessary revisions to the state's pupil transportation formula,  
38 taking into account the statutory program of basic education,  
39 promotion of the efficient use of state and local resources, and

1 continued local district control over the management of pupil  
2 transportation systems. The superintendent must make recommendations  
3 to clarify the sources of funding that districts can use to transport  
4 homeless students to and from school.

5 (46) \$440,000 of the general fund—state appropriation for fiscal  
6 year 2018 and \$270,000 of the general fund—state appropriation for  
7 fiscal year 2019 are provided solely for the office of the  
8 superintendent of public instruction for the procurement and  
9 implementation of a reporting and data aggregation system that will  
10 connect state- and district-level information to secure and protect  
11 district, school and student information in order to close student  
12 performance gaps by assisting school districts in data-driven  
13 implementation of strategies and supports that are responsive of  
14 student needs.

15 (47) \$150,000 of the general fund—state appropriation for fiscal  
16 year 2018 and \$450,000 of the general fund—state appropriation for  
17 fiscal year 2019 are provided for the superintendent of public  
18 instruction to develop and implement a statewide accountability  
19 system to address absenteeism and to improve student graduation  
20 rates. The system must use data to engage schools and districts in  
21 identifying successful strategies and systems that are based on  
22 federal and state accountability measures. Funding may also support  
23 the effort to provide assistance about successful strategies and  
24 systems to districts and schools that are underperforming in the  
25 targeted student subgroups.

26 (48) \$178,000 of the general fund—state appropriation for fiscal  
27 year 2018 and \$179,000 of the general fund—state appropriation for  
28 fiscal year 2019 are provided solely for implementation of chapter  
29 180, Laws of 2017 (2SSB 5258) (Washington Aim program).

30 (49) \$150,000 of the general fund—state appropriation for fiscal  
31 year 2019 and \$50,000 of the general fund—private/local appropriation  
32 for fiscal year 2019 are provided solely for support of national  
33 history day. Activities funded must include outreach, implementation,  
34 and support for student participation.

35 (50) \$4,000,000 of the general fund—state appropriation for  
36 fiscal year 2019 is provided solely for the office of the  
37 superintendent of public instruction to provide grants to school  
38 districts and educational service districts for science teacher  
39 training in the next generation science standards including training

1 in the climate science standards. At a minimum, school districts  
2 shall ensure that teachers in one grade level in each elementary,  
3 middle, and high school participate in this science training. Of the  
4 amount appropriated \$1,000,000 is provided solely for community based  
5 nonprofits to partner with public schools for next generation science  
6 standards.

7 (51) \$132,000 of the general fund—state appropriation for fiscal  
8 year 2019 is provided solely for implementation of Second Substitute  
9 Senate Bill No. 6162 (dyslexia). If the bill is not enacted by June  
10 30, 2018, the amount provided in this subsection shall lapse.

11 (52) \$386,000 of the general fund—state appropriation for fiscal  
12 year 2019 is provided solely for implementation of Second Substitute  
13 Senate Bill No. 6410 (school safety). If the bill is not enacted by  
14 June 30, 2018, the amount provided in this subsection shall lapse.

15 (53) \$77,000 of the general fund—state appropriation for fiscal  
16 year 2019 is provided solely for implementation of Substitute Senate  
17 Bill No. 6141 (student distress response). If the bill is not enacted  
18 by June 30, 2018, the amount provided in this subsection shall lapse.

19 (54) Within the amounts appropriated in this section the office  
20 of the superintendent of public instruction shall ensure career and  
21 technical education courses are aligned with high-demand, high-wage  
22 jobs. The superintendent shall verify that the current list of career  
23 and technical education courses meets the criteria established in RCW  
24 28A.700.020(2). The superintendent shall remove from the list any  
25 career and technical education course that no longer meets such  
26 criteria.

27 (55) \$250,000 of the general fund—state appropriation for fiscal  
28 year 2019 is provided solely to the state of Washington professional  
29 educator standards board to provide overall oversight to procure or  
30 develop professional development for special education and  
31 transitional bilingual program paraeducator specialty certificates  
32 and align courses with paraeducator general certificate professional  
33 development, including any necessary changes or edits to general  
34 certificate online modules.

35 (56) \$240,000 of the general fund—state appropriation for fiscal  
36 year 2019 is provided solely for the office of native education to  
37 increase services to tribes, including but not limited to, providing  
38 assistance to tribes and school districts to implement Since Time  
39 Immemorial, applying to become tribal compact schools, convening the

1 Washington state native American education advisory committee, and  
2 extending professional learning opportunities to provide instruction  
3 in tribal history, culture, and government.

4 (57) \$40,000 of the general fund—state appropriation for fiscal  
5 year 2019 is provided solely for the legislative youth advisory  
6 council. The council of statewide members advises legislators on  
7 issues of importance to youth.

8 (58) \$200,000 of the general fund—state appropriation for fiscal  
9 year 2019 is provided solely to the office of the superintendent of  
10 public instruction for programs to combat bias. Of the amount  
11 appropriated:

12 (a) \$100,000 is provided solely to contract with a nonprofit  
13 organization that supports Washington teachers in implementing  
14 lessons of the Holocaust for the creation of a comprehensive online  
15 encyclopedia of local Holocaust education resources. The online  
16 encyclopedia must include teaching trunk materials, Anne Frank  
17 materials, genocide resources, and video testimonies.

18 (b) \$100,000 is provided solely to contract with a nonprofit,  
19 civil rights and human relations organization with expertise in  
20 tracking and responding to hate incidents in schools, and with  
21 experience implementing programs designed to empower students to  
22 improve upon and sustain school climates that combat bias and  
23 bullying. The contract must expand the organization's current anti-  
24 bias programs to twelve public schools across Washington, with five  
25 of the twelve located east of the crest of the Cascade mountains.

26 (59) \$900,000 of the general fund—state appropriation for fiscal  
27 year 2019 is provided solely for the office of the superintendent of  
28 public instruction to leverage federal funding from the e-rate  
29 program operated by the universal service administrative company,  
30 under the federal communications commission. Funding is provided to  
31 enable more student access to digital learning.

32 (60) \$1,200,000 of the general fund—state appropriation for  
33 fiscal year 2019 are for one-time start-up allocation grants to each  
34 high-needs school implementing a breakfast after the bell program  
35 under section 3 of Second Engrossed Substitute House Bill No. 1508  
36 (student meals and nutrition). If the bill is not enacted by June 30,  
37 2018, the amount provided in this subsection shall lapse.

38 (61) \$250,000 of the general fund—state appropriation for fiscal  
39 year 2019 is provided solely for implementation of Senate Bill No.

1 6201 (open education resources project). If the bill is not enacted  
2 by June 30, 2018, the amount provided in this subsection shall lapse.

3 **Sec. 502.** 2017 3rd sp.s. c 1 s 502 (uncodified) is amended to  
4 read as follows:

5 **FOR THE SUPERINTENDENT OF PUBLIC INSTRUCTION—FOR GENERAL**  
6 **APPORTIONMENT**

7	General Fund—State Appropriation (FY 2018)	. . .	(( <del>\$7,183,886,000</del> ))
8			<u>\$7,239,334,000</u>
9	General Fund—State Appropriation (FY 2019)	. . .	(( <del>\$7,412,055,000</del> ))
10			<u>\$7,391,036,000</u>
11	Education Legacy Trust Account—State Appropriation	. . .	\$345,730,000
12	TOTAL APPROPRIATION.	. . . . .	(( <del>\$14,941,671,000</del> ))
13			<u>\$14,976,100,000</u>

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

16 (1)(a) Each general fund fiscal year appropriation includes such  
17 funds as are necessary to complete the school year ending in the  
18 fiscal year and for prior fiscal year adjustments.

19 (b) For the 2017-18 and 2018-19 school years, the superintendent  
20 shall allocate general apportionment funding to school districts as  
21 provided in the funding formulas and salary allocations in sections  
22 502 and 503 of this act, excluding (c) of this subsection, and in  
23 House Bill No. 2242 (fully funding the program of basic education).

24 (c) From July 1, 2017, to August 31, 2017, the superintendent  
25 shall allocate general apportionment funding to school districts  
26 programs as provided in sections 502 and 503, chapter 4, Laws of 2015  
27 3rd sp. sess., as amended.

28 (d) The enrollment of any district shall be the annual average  
29 number of full-time equivalent students and part-time students as  
30 provided in RCW 28A.150.350, enrolled on the fourth day of school in  
31 September and on the first school day of each month October through  
32 June, including students who are in attendance pursuant to RCW  
33 28A.335.160 and 28A.225.250 who do not reside within the servicing  
34 school district. Any school district concluding its basic education  
35 program in May must report the enrollment of the last school day held  
36 in May in lieu of a June enrollment.

1 (e)(i) Funding provided in part V of this act is sufficient to  
2 provide each full-time equivalent student with the minimum hours of  
3 instruction required under RCW 28A.150.220.

4 (ii) The office of the superintendent of public instruction shall  
5 align the agency rules defining a full-time equivalent student with  
6 the increase in the minimum instructional hours under RCW  
7 28A.150.220, as amended by the legislature in 2014.

8 (f) The superintendent shall adopt rules requiring school  
9 districts to report full-time equivalent student enrollment as  
10 provided in RCW 28A.655.210.

11 (g) For the 2017-18 and 2018-19 school years, school districts  
12 must report to the office of the superintendent of public instruction  
13 the monthly actual average district-wide class size across each grade  
14 level of kindergarten, first grade, second grade, and third grade  
15 classes. The superintendent of public instruction shall report this  
16 information to the education and fiscal committees of the house of  
17 representatives and the senate by September 30th of each year.

18 (h) For the 2018-19 school year, a school district qualifies for  
19 a hold harmless payment if the sum of the school district's state  
20 basic education allocations plus its enrichment levy and local effort  
21 assistance under chapter 13, Laws of 2017 3rd sp. sess. is less than  
22 the sum of state basic education allocations, local maintenance and  
23 operation levy, and local effort assistance provided under the law as  
24 it existed on January 1, 2017. For the purposes of this section, the  
25 local levy is limited to the lesser of the voter-approved levy as of  
26 January 1, 2017, or the maximum levy allowed under the law as of  
27 January 1, 2017.

28 (2) CERTIFICATED INSTRUCTIONAL STAFF ALLOCATIONS

29 Allocations for certificated instructional staff salaries for the  
30 2017-18 and 2018-19 school years are determined using formula-  
31 generated staff units calculated pursuant to this subsection.

32 (a) Certificated instructional staff units, as defined in RCW  
33 28A.150.410, shall be allocated to reflect the minimum class size  
34 allocations, requirements, and school prototypes assumptions as  
35 provided in RCW 28A.150.260. The superintendent shall make  
36 allocations to school districts based on the district's annual  
37 average full-time equivalent student enrollment in each grade.

38 (b) Additional certificated instructional staff units provided in  
39 this subsection (2) that exceed the minimum requirements in RCW

1 28A.150.260 are enhancements outside the program of basic education,  
2 except as otherwise provided in this section.

3 (c)(i) The superintendent shall base allocations for each level  
4 of prototypical school on the following regular education average  
5 class size of full-time equivalent students per teacher, except as  
6 provided in (c)(ii) of this subsection:

7 General education class size:

8	Grade	RCW 28A.150.260	2017-18	2018-19
9			School Year	School Year
10	Grade K		17.00	17.00
11	Grade 1		17.00	17.00
12	Grade 2		17.00	17.00
13	Grade 3		17.00	17.00
14	Grade 4		27.00	27.00
15	Grades 5-6		27.00	27.00
16	Grades 7-8		28.53	28.53
17	Grades 9-12		28.74	28.74

18 The superintendent shall base allocations for: Laboratory science  
19 average class size as provided in RCW 28A.150.260; career and  
20 technical education (CTE) class size of 23.0; and skill center  
21 program class size of 20.0.

22 (ii) For each level of prototypical school at which more than  
23 fifty percent of the students were eligible for free and reduced-  
24 price meals in the prior school year, the superintendent shall  
25 allocate funding based on the following average class size of full-  
26 time equivalent students per teacher:

27 General education class size in high poverty schools:

28	Grade	RCW 28A.150.260	2017-18	2018-19
29			School Year	School Year
30	Grade K		17.00	17.00
31	Grade 1		17.00	17.00
32	Grade 2		17.00	17.00
33	Grade 3		17.00	17.00
34	Grade 4		27.00	27.00



1	Grades 5-6	27.00	27.00
2	Grades 7-8	28.53	28.53
3	Grades 9-12	28.74	28.74

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

7 (iv) Advanced placement and international baccalaureate courses  
8 are funded at the same class size assumptions as general education  
9 schools in the same grade; and

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

15 (ii) Students in approved career and technical education and  
16 skill center programs generate certificated instructional staff units  
17 to provide for the services of teacher librarians, school nurses,  
18 social workers, school psychologists, and guidance counselors at the  
19 following combined rate per 1000 student full-time equivalent  
20 enrollment:

21		2017-18	2018-19
22		School Year	School Year
23	Career and Technical Education	3.07	3.07
24	Skill Center	3.41	3.41

25 (3) ADMINISTRATIVE STAFF ALLOCATIONS

26 (a) Allocations for school building-level certificated  
27 administrative staff salaries for the 2017-18 and 2018-19 school  
28 years for general education students are determined using the formula  
29 generated staff units calculated pursuant to this subsection. The  
30 superintendent shall make allocations to school districts based on  
31 the district's annual average full-time equivalent enrollment in each  
32 grade. The following prototypical school values shall determine the  
33 allocation for principals, assistance principals, and other  
34 certificated building level administrators:

35 Prototypical School Building:

36	Elementary School	1.253
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1	Middle School	1.353
2	High School	1.880

3 (b) Students in approved career and technical education and skill  
4 center programs generate certificated school building-level  
5 administrator staff units at per student rates that are a multiple of  
6 the general education rate in (a) of this subsection by the following  
7 factors: Career and Technical Education students. . . . . 1.025  
8 Skill Center students. . . . . 1.198

9 (4) CLASSIFIED STAFF ALLOCATIONS

10 Allocations for classified staff units providing school building-  
11 level and district-wide support services for the 2017-18 and 2018-19  
12 school years are determined using the formula-generated staff units  
13 provided in RCW 28A.150.260 and pursuant to this subsection, and  
14 adjusted based on each district's annual average full-time equivalent  
15 student enrollment in each grade.

16 (5) CENTRAL OFFICE ALLOCATIONS

17 In addition to classified and administrative staff units  
18 allocated in subsections (3) and (4) of this section, classified and  
19 administrative staff units are provided for the 2017-18 and 2018-19  
20 school years for the central office administrative costs of operating  
21 a school district, at the following rates:

22 (a) The total central office staff units provided in this  
23 subsection (5) are calculated by first multiplying the total number  
24 of eligible certificated instructional, certificated administrative,  
25 and classified staff units providing school-based or district-wide  
26 support services, as identified in RCW 28A.150.260(6)(b) and the  
27 increased allocations provided pursuant to subsections (2) and (4) of  
28 this section, by 5.3 percent.

29 (b) Of the central office staff units calculated in (a) of this  
30 subsection, 74.53 percent are allocated as classified staff units, as  
31 generated in subsection (4) of this section, and 25.47 percent shall  
32 be allocated as administrative staff units, as generated in  
33 subsection (3) of this section.

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

1 (d) For students in approved career-technical and skill center  
2 programs, central office classified units are allocated at the same  
3 staff unit per student rate as those generated for general education  
4 students of the same grade in this subsection (5), and central office  
5 administrative staff units are allocated at staff unit per student  
6 rates that exceed the general education rate established for students  
7 in the same grade in this subsection (5) by 12.29 percent in the  
8 2017-18 school year and 12.29 percent in the 2018-19 school year for  
9 career and technical education students, and 17.61 percent in the  
10 2017-18 school year and 17.61 percent in the 2018-19 school year for  
11 skill center students.

12 (6) FRINGE BENEFIT ALLOCATIONS

13 Fringe benefit allocations shall be calculated at a rate of 23.49  
14 percent in the 2017-18 school year and 23.49 percent in the 2018-19  
15 school year for certificated salary allocations provided under  
16 subsections (2), (3), and (5) of this section, and a rate of 24.60  
17 percent in the 2017-18 school year and 24.60 percent in the 2018-19  
18 school year for classified salary allocations provided under  
19 subsections (4) and (5) of this section.

20 (7) INSURANCE BENEFIT ALLOCATIONS

21 Insurance benefit allocations shall be calculated at the  
22 maintenance rate specified in section 504 of this act, based on the  
23 number of benefit units determined as follows:

24 (a) The number of certificated staff units determined in  
25 subsections (2), (3), and (5) of this section; and

26 (b) The number of classified staff units determined in  
27 subsections (4) and (5) of this section multiplied by 1.152. This  
28 factor is intended to adjust allocations so that, for the purpose of  
29 distributing insurance benefits, full-time equivalent classified  
30 employees may be calculated on the basis of 1,440 hours of work per  
31 year, with no individual employee counted as more than one full-time  
32 equivalent.

33 (8) MATERIALS, SUPPLIES, AND OPERATING COSTS (MSOC) ALLOCATIONS

34 Funding is allocated per annual average full-time equivalent  
35 student for the materials, supplies, and operating costs (MSOC)  
36 incurred by school districts, consistent with the requirements of RCW  
37 28A.150.260.

38 (a)(i) MSOC funding for general education students are allocated  
39 at the following per student rates:

MSOC RATES/STUDENT FTE

MSOC Component	2017-18 School Year	2018-19 School Year
Technology	\$130.76	<del>(\$132.85)</del> <u>\$133.24</u>
Utilities and Insurance	\$355.30	<del>(\$360.98)</del> <u>\$362.05</u>
Curriculum and Textbooks	\$140.39	<del>(\$142.64)</del> <u>\$143.06</u>
Other Supplies and Library Materials	\$298.05	<del>(\$302.82)</del> <u>\$303.71</u>
Instructional Professional Development for Certificated and Classified Staff	\$21.71	<del>(\$22.06)</del> <u>\$22.12</u>
Facilities Maintenance	\$176.01	<del>(\$178.83)</del> <u>\$179.36</u>
Security and Central Office	\$121.94	<del>(\$123.89)</del> <u>\$124.26</u>
TOTAL BASIC EDUCATION MSOC/STUDENT FTE	\$1,244.16	<del>(\$1,264.07)</del> <u>\$1,267.80</u>

(ii) For the 2017-18 school year and 2018-19 school year, as part of the budget development, hearing, and review process required by chapter 28A.505 RCW, each school district must disclose: (A) The amount of state funding to be received by the district under (a) and (d) of this subsection (8); (B) the amount the district proposes to spend for materials, supplies, and operating costs; (C) the difference between these two amounts; and (D) if (A) of this subsection (8)(a)(ii) exceeds (B) of this subsection (8)(a)(ii), any proposed use of this difference and how this use will improve student achievement.

(b) Students in approved skill center programs generate per student FTE MSOC allocations of \$1,472.01 for the 2017-18 school year and ~~(\$1,495.56)~~ \$1,499.98 for the 2018-19 school year.

(c) Students in approved exploratory and preparatory career and technical education programs generate per student FTE MSOC allocations of \$1,472.01 for the 2017-18 school year and ~~(\$1,495.56)~~ \$1,499.98 for the 2018-19 school year.

(d) Students in grades 9-12 generate per student FTE MSOC allocations in addition to the allocations provided in (a) through (c) of this subsection at the following rate:

1 MSOC Component	2017-18	2018-19
	School Year	School Year
3 Technology	\$37.60	(( <del>\$38.20</del> )) <u>\$38.31</u>
4 Curriculum and Textbooks	\$41.02	(( <del>\$41.67</del> )) <u>\$41.80</u>
5 Other Supplies and Library Materials	\$85.46	(( <del>\$86.82</del> )) <u>\$87.08</u>
6 Instructional Professional Development for Certified 7 and Classified Staff	\$6.83	(( <del>\$6.95</del> )) <u>\$6.97</u>
8 TOTAL GRADE 9-12 BASIC EDUCATION MSOC/STUDENT FTE	\$170.91	(( <del>\$173.64</del> )) <u>\$174.16</u>

9 (9) SUBSTITUTE TEACHER ALLOCATIONS

10 For the 2017-18 and 2018-19 school years, funding for substitute  
11 costs for classroom teachers is based on four (4) funded substitute  
12 days per classroom teacher unit generated under subsection (2) of  
13 this section, at a daily substitute rate of \$151.86.

14 (10) ALTERNATIVE LEARNING EXPERIENCE PROGRAM FUNDING

15 (a) Amounts provided in this section from July 1, 2017, to August  
16 31, 2017, are adjusted to reflect provisions of chapter 4, Laws of  
17 2015 3rd sp. sess., as amended (allocation of funding for students  
18 enrolled in alternative learning experiences).

19 (b) The superintendent of public instruction shall require all  
20 districts receiving general apportionment funding for alternative  
21 learning experience (ALE) programs as defined in WAC 392-121-182 to  
22 provide separate financial accounting of expenditures for the ALE  
23 programs offered in district or with a provider, including but not  
24 limited to private companies and multidistrict cooperatives, as well  
25 as accurate, monthly headcount and FTE enrollment claimed for basic  
26 education, including separate counts of resident and nonresident  
27 students.

28 (11) DROPOUT REENGAGEMENT PROGRAM

29 The superintendent shall adopt rules to require students claimed  
30 for general apportionment funding based on enrollment in dropout  
31 reengagement programs authorized under RCW 28A.175.100 through  
32 28A.175.115 to meet requirements for at least weekly minimum  
33 instructional contact, academic counseling, career counseling, or  
34 case management contact. Districts must also provide separate  
35 financial accounting of expenditures for the programs offered by the  
36 district or under contract with a provider, as well as accurate  
37 monthly headcount and full-time equivalent enrollment claimed for

1 basic education, including separate enrollment counts of resident and  
2 nonresident students.

3 (12) ALL DAY KINDERGARTEN PROGRAMS

4 Funding in this section is sufficient to fund all day  
5 kindergarten programs in all schools in the 2017-18 school year and  
6 2018-19 school year, pursuant to RCW 28A.150.220 and 28A.150.315.

7 (13) ADDITIONAL FUNDING FOR SMALL SCHOOL DISTRICTS AND REMOTE AND  
8 NECESSARY PLANTS

9 For small school districts and remote and necessary school plants  
10 within any district which have been judged to be remote and necessary  
11 by the superintendent of public instruction, additional staff units  
12 are provided to ensure a minimum level of staffing support.  
13 Additional administrative and certificated instructional staff units  
14 provided to districts in this subsection shall be reduced by the  
15 general education staff units, excluding career and technical  
16 education and skills center enhancement units, otherwise provided in  
17 subsections (2) through (5) of this section on a per district basis.

18 (a) For districts enrolling not more than twenty-five average  
19 annual full-time equivalent students in grades K-8, and for small  
20 school plants within any school district which have been judged to be  
21 remote and necessary by the superintendent of public instruction and  
22 enroll not more than twenty-five average annual full-time equivalent  
23 students in grades K-8:

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

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

34 (b) For specified enrollments in districts enrolling more than  
35 twenty-five but not more than one hundred average annual full-time  
36 equivalent students in grades K-8, and for small school plants within  
37 any school district which enroll more than twenty-five average annual  
38 full-time equivalent students in grades K-8 and have been judged to  
39 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  
12 consistent with the nonemployee related costs (NERC) allocation  
13 formula in place for the 2010-11 school year as provided section 502,  
14 chapter 37, Laws of 2010 1st sp. sess. (2010 supplemental budget),  
15 adjusted annually for inflation.

16 (14) Any school district board of directors may petition the  
17 superintendent of public instruction by submission of a resolution  
18 adopted in a public meeting to reduce or delay any portion of its  
19 basic education allocation for any school year. The superintendent of  
20 public instruction shall approve such reduction or delay if it does  
21 not impair the district's financial condition. Any delay shall not be  
22 for more than two school years. Any reduction or delay shall have no  
23 impact on levy authority pursuant to RCW 84.52.0531 and local effort  
24 assistance pursuant to chapter 28A.500 RCW.

25 (15) The superintendent may distribute funding for the following  
26 programs outside the basic education formula during fiscal years 2018  
27 and 2019 as follows:

28 (a) \$638,000 of the general fund—state appropriation for fiscal  
29 year 2018 and \$648,000 of the general fund—state appropriation for  
30 fiscal year 2019 are provided solely for fire protection for school  
31 districts located in a fire protection district as now or hereafter  
32 established pursuant to chapter 52.04 RCW.

33 (b) \$436,000 of the general fund—state appropriation for fiscal  
34 year 2018 and \$436,000 of the general fund—state appropriation for  
35 fiscal year 2019 are provided solely for programs providing skills  
36 training for secondary students who are enrolled in extended day  
37 school-to-work programs, as approved by the superintendent of public  
38 instruction. The funds shall be allocated at a rate not to exceed  
39 \$500 per full-time equivalent student enrolled in those programs.



1 (16) \$225,000 of the general fund—state appropriation for fiscal  
2 year 2018 and \$229,000 of the general fund—state appropriation for  
3 fiscal year 2019 are provided solely for school district emergencies  
4 as certified by the superintendent of public instruction. Funding  
5 provided must be conditioned upon the written commitment and plan of  
6 the school district board of directors to repay the grant with any  
7 insurance payments or other judgments that may be awarded, if  
8 applicable. At the close of the fiscal year the superintendent of  
9 public instruction shall report to the office of financial management  
10 and the appropriate fiscal committees of the legislature on the  
11 allocations provided to districts and the nature of the emergency.

12 (17) Funding in this section is sufficient to fund a maximum of  
13 1.6 FTE enrollment for skills center students pursuant to chapter  
14 463, Laws of 2007.

15 (18) Students participating in running start programs may be  
16 funded up to a combined maximum enrollment of 1.2 FTE including  
17 school district and institution of higher education enrollment  
18 consistent with the running start course requirements provided in  
19 chapter 202, Laws of 2015 (dual credit education opportunities). In  
20 calculating the combined 1.2 FTE, the office of the superintendent of  
21 public instruction may average the participating student's September  
22 through June enrollment to account for differences in the start and  
23 end dates for courses provided by the high school and higher  
24 education institution. Additionally, the office of the superintendent  
25 of public instruction, in consultation with the state board for  
26 community and technical colleges, the student achievement council,  
27 and the education data center, shall annually track and report to the  
28 fiscal committees of the legislature on the combined FTE experience  
29 of students participating in the running start program, including  
30 course load analyses at both the high school and community and  
31 technical college system.

32 (19) If two or more school districts consolidate and each  
33 district was receiving additional basic education formula staff units  
34 pursuant to subsection (~~((12))~~) (13) of this section, the following  
35 apply:

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

1 (b) For the fourth through eighth school years following  
2 consolidation, the difference between the basic education formula  
3 staff units received by the districts for the school year prior to  
4 consolidation and the basic education formula staff units after  
5 consolidation pursuant to subsection ~~((12))~~ (13) of this section  
6 shall be reduced in increments of twenty percent per year.

7 (20)(a) Indirect cost charges by a school district to approved  
8 career and technical education middle and secondary programs shall  
9 not exceed ~~((5-percent))~~ the lesser of five percent or the cap  
10 established in federal law of the combined basic education and career  
11 and technical education program enhancement allocations of state  
12 funds. Middle and secondary career and technical education programs  
13 are considered separate programs for funding and financial reporting  
14 purposes under this section.

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

21 (21) Funding in this section is sufficient to provide full  
22 general apportionment payments to school districts eligible for  
23 federal forest revenues as provided in RCW 28A.520.020. For the  
24 2017-2019 biennium only, general apportionment payments are not  
25 reduced for school districts receiving federal forest revenues.

26 **Sec. 503.** 2017 3rd sp.s. c 1 s 503 (uncodified) is amended to  
27 read as follows:

28 **FOR THE SUPERINTENDENT OF PUBLIC INSTRUCTION—BASIC EDUCATION EMPLOYEE**  
29 **COMPENSATION**

30 (1) The following calculations determine the salaries used in the  
31 state allocations for certificated instructional, certificated  
32 administrative, and classified staff units as provided in House Bill  
33 No. 2242 (fully funding the program of basic education), RCW  
34 28A.150.260, and under section 502 of this act:

35 (a) For the 2017-18 school year, salary allocations for  
36 certificated instructional staff units are determined for each  
37 district by multiplying the district's certificated instructional  
38 total base salary shown on LEAP Document 2 by the district's average

1 staff mix factor for certificated instructional staff in that school  
2 year, computed using LEAP document 1.

3 (b) For the 2017-18 school year, salary allocations for  
4 certificated administrative staff units and classified staff units  
5 for each district are determined based on the district's certificated  
6 administrative and classified salary allocation amounts shown on LEAP  
7 Document 2.

8 (c) For the 2018-19 school year salary allocations for  
9 certificated instructional staff, certificated administrative staff,  
10 and classified staff units are determined for each school district by  
11 multiplying the statewide minimum salary allocation for each staff  
12 type by the school district's regionalization factor shown in LEAP  
13 Document 3.

14 Statewide Minimum Salary Allocation  
15 For School Year 2018-19

16	Certificated Instructional Staff	(((\$59,333.55))
17		<u>\$65,216.05</u>
18	Certificated Administrative Staff	(((\$79,127.50))
19		<u>\$96,805.00</u>
20	Classified Staff	(((\$39,975.50))
21		<u>\$46,784.33</u>

22 (2) For the purposes of this section:

23 (a) "LEAP Document 1" means the staff mix factors for  
24 certificated instructional staff according to education and years of  
25 experience, as developed by the legislative evaluation and  
26 accountability program committee on June 22, 2017, at 1:14 hours; and

27 (b) "LEAP Document 2" means the school year salary allocations  
28 for certificated administrative staff and classified staff and  
29 derived and total base salaries for certificated instructional staff  
30 as developed by the legislative evaluation and accountability program  
31 committee on June 22, 2017, at 1:14 hours.

32 (c) "LEAP Document 3" means the school district regionalization  
33 factors for certificated instructional, certificated administrative,  
34 and classified staff, as developed by the legislative evaluation and  
35 accountability program committee on ~~((June 22, 2017, at 1:14 hours))~~  
36 February 16, 2018, at 15:56 hours.

37 (3) Incremental fringe benefit factors are applied to salary  
38 adjustments at a rate of 22.85 percent for school year 2017-18 and

1 22.85 percent for school year 2018-19 for certificated instructional  
 2 and certificated administrative staff and 21.10 percent for school  
 3 year 2017-18 and 21.10 percent for the 2018-19 school year for  
 4 classified staff.

5 (4)(a) Pursuant to RCW 28A.150.410, the following state-wide  
 6 salary allocation schedule for certificated instructional staff are  
 7 established for basic education salary allocations for the 2017-18  
 8 school year:

9 **Table Of Total Base Salaries For Certificated Instructional Staff**  
 10 **For School Year 2017-18**

11 \*\*\* Education Experience \*\*\*

12	Years										MA+90
13	of										OR
14	Service	BA	BA+15	BA+30	BA+45	BA+90	BA+135	MA	MA+45	Ph.D.	
15	0	36,521	37,507	38,529	39,554	42,840	44,957	43,785	47,072	49,191	
16	1	37,013	38,013	39,048	40,117	43,438	45,543	44,272	47,593	49,697	
17	2	37,481	38,491	39,537	40,688	44,000	46,127	44,762	48,073	50,201	
18	3	37,964	38,983	40,040	41,229	44,534	46,712	45,227	48,529	50,709	
19	4	38,437	39,501	40,565	41,794	45,119	47,313	45,714	49,038	51,234	
20	5	38,926	39,995	41,069	42,367	45,679	47,918	46,209	49,522	51,760	
21	6	39,428	40,474	41,585	42,948	46,244	48,494	46,716	50,013	52,262	
22	7	40,312	41,373	42,498	43,935	47,280	49,593	47,666	51,010	53,324	
23	8	41,604	42,724	43,876	45,431	48,822	51,219	49,161	52,552	54,949	
24	9		44,122	45,332	46,943	50,413	52,892	50,672	54,143	56,623	
25	10			46,805	48,533	52,049	54,611	52,263	55,780	58,340	
26	11				50,169	53,761	56,375	53,899	57,492	60,104	
27	12				51,753	55,520	58,211	55,600	59,250	61,942	
28	13					57,322	60,093	57,360	61,052	63,823	
29	14					59,132	62,046	59,172	62,981	65,776	
30	15					60,671	63,660	60,710	64,618	67,486	
31	16 or					61,884	64,932	61,924	65,910	68,836	
32	more										

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

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

8 (i) Credits earned since receiving the masters degree; and

9 (ii) Any credits in excess of forty-five credits that were earned  
10 after the baccalaureate degree but before the masters degree.

11 (5) For the purposes of this section:

12 (a) "BA" means a baccalaureate degree.

13 (b) "MA" means a masters degree.

14 (c) "PHD" means a doctorate degree.

15 (d) "Years of service" shall be calculated under the same rules  
16 adopted by the superintendent of public instruction.

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

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

25 (a) The employee has a masters degree; or

26 (b) The credits were used in generating state salary allocations  
27 before January 1, 1992.

28 (7) The salary allocations established in this section are for  
29 allocation purposes only except as provided in this subsection, and  
30 do not entitle an individual staff position to a particular paid  
31 salary except as provided in RCW 28A.400.200, as amended by House  
32 Bill No. 2242 (fully funding the program of basic education).

33 (8) For school year 2018-19, the salary allocations for each  
34 district shall be the greater of:

35 (a) The derived school year 2018-19 salary allocations in  
36 subsection (1) of this section; or

37 (b) The derived salary allocations for school year 2017-18  
38 increased by 2.3 percent.

1       **Sec. 504.** 2017 3rd sp.s. c 1 s 504 (uncodified) is amended to  
2 read as follows:

3       **FOR THE SUPERINTENDENT OF PUBLIC INSTRUCTION—FOR SCHOOL EMPLOYEE**  
4       **COMPENSATION ADJUSTMENTS**

5	General Fund—State Appropriation (FY 2018). . . . .	(( <del>\$216,086,000</del> ))
6		<u>\$206,149,000</u>
7	General Fund—State Appropriation (FY 2019). . . . .	(( <del>\$1,360,536,000</del> ))
8		<u>\$2,101,845,000</u>
9	TOTAL APPROPRIATION. . . . .	(( <del>\$1,576,622,000</del> ))
10		<u>\$2,307,994,000</u>

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

13       (1) The appropriations in this part reflect the implementation of  
14 Engrossed Second Substitute Senate Bill No. 6362 (basic education  
15 funding), with the exception of section 409. With the recent influx  
16 of revenues in the February 2018 official economic and revenue  
17 forecast, the legislature finds the proposed changes to the  
18 apportionment payment schedule are no longer necessary and intends to  
19 retain the current apportionment schedule contained in RCW  
20 28A.510.250 with payments due in February at 9 percent, March at 9  
21 percent, April at 9 percent, and August at 10 percent.

22       (2) The salary increases provided in this section are inclusive  
23 of and above the annual cost-of-living adjustments pursuant to RCW  
24 28A.400.205.

25       ~~((2) In addition to salary allocations specified in this~~  
26 ~~subsection (1) funding in this subsection includes one day of~~  
27 ~~professional learning for each of the funded full-time equivalent~~  
28 ~~certificated instructional staff units in school year 2018-19.~~  
29 ~~Nothing in this section entitles an individual certificated~~  
30 ~~instructional staff to any particular number of professional learning~~  
31 ~~days.))~~

32       (3)(a) The appropriations in this section include associated  
33 incremental fringe benefit allocations at 22.85 percent for the  
34 2017-18 school year and 22.85 percent for the 2018-19 school year for  
35 certificated instructional and certificated administrative staff and  
36 21.10 percent for the 2017-18 school year and 21.10 percent for the  
37 2018-19 school year for classified staff.

38       (b) The appropriations in this section include the increased or  
39 decreased portion of salaries and incremental fringe benefits for all

1 relevant state-funded school programs in part V of this act. Changes  
2 for general apportionment (basic education) are based on the salary  
3 allocations and methodology in sections 502 and 503 of this act.  
4 Changes for special education result from changes in each district's  
5 basic education allocation per student. Changes for educational  
6 service districts and institutional education programs are determined  
7 by the superintendent of public instruction using the methodology for  
8 general apportionment salaries and benefits in sections 502 and 503  
9 of this act.

10 (c) The appropriations in this section include no salary  
11 adjustments for substitute teachers.

12 ~~((4))~~ (5) The maintenance rate for insurance benefit  
13 allocations is \$780.00 per month for the 2017-18 and 2018-19 school  
14 years. The appropriations in this section reflect the incremental  
15 change in cost of allocating rates of \$820.00 per month for the  
16 2017-18 school year and ~~((840.00))~~ \$845.18 per month for the 2018-19  
17 school year.

18 ~~((5))~~ (6) The rates specified in this section are subject to  
19 revision each year by the legislature.

20 (7) \$750,790,000 of the general fund—state appropriation for  
21 fiscal year 2019 is provided solely for implementation of Engrossed  
22 Second Substitute Senate Bill No. 6362 (basic education funding). If  
23 the bill is not enacted by June 30, 2018, the amount provided in this  
24 subsection shall lapse.

25 **Sec. 505.** 2017 3rd sp.s. c 1 s 505 (uncodified) is amended to  
26 read as follows:

27 **FOR THE SUPERINTENDENT OF PUBLIC INSTRUCTION—FOR PUPIL TRANSPORTATION**

28 General Fund—State Appropriation (FY 2018) . . . .	<del>((502,599,000))</del>
	<u>\$518,512,000</u>
29 General Fund—State Appropriation (FY 2019) . . . .	<del>((497,940,000))</del>
	<u>\$519,533,000</u>
30 TOTAL APPROPRIATION. . . . .	<del>((1,000,539,000))</del>
	<u>\$1,038,045,000</u>

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

36 (1) Each general fund fiscal year appropriation includes such  
37 funds as are necessary to complete the school year ending in the  
38 fiscal year and for prior fiscal year adjustments.

1 (2)(a) For the 2017-18 and 2018-19 school years, the  
2 superintendent shall allocate funding to school district programs for  
3 the transportation of eligible students as provided in RCW  
4 28A.160.192. Funding in this section constitutes full implementation  
5 of RCW 28A.160.192, which enhancement is within the program of basic  
6 education. Students are considered eligible only if meeting the  
7 definitions provided in RCW 28A.160.160.

8 (b) From July 1, 2017, to August 31, 2017, the superintendent  
9 shall allocate funding to school districts programs for the  
10 transportation of students as provided in section 505, chapter 4,  
11 Laws of 2015 3rd sp. sess., as amended.

12 (3) Within amounts appropriated in this section, up to  
13 \$10,000,000 of the general fund—state appropriation for fiscal year  
14 2018 and up to \$10,000,000 of the general fund—state appropriation  
15 for fiscal year 2019 are for a transportation alternate funding grant  
16 program based on the alternate funding process established in RCW  
17 28A.160.191. The superintendent of public instruction must include a  
18 review of school district efficiency rating, key performance  
19 indicators and local school district characteristics such as unique  
20 geographic constraints in the grant award process.

21 (4) A maximum of \$913,000 of this fiscal year 2018 appropriation  
22 and a maximum of (~~(\$937,000)~~) \$939,000 of the fiscal year 2019  
23 appropriation may be expended for regional transportation  
24 coordinators and related activities. The transportation coordinators  
25 shall ensure that data submitted by school districts for state  
26 transportation funding shall, to the greatest extent practical,  
27 reflect the actual transportation activity of each district.

28 (5) The office of the superintendent of public instruction shall  
29 provide reimbursement funding to a school district for school bus  
30 purchases only after the superintendent of public instruction  
31 determines that the school bus was purchased from the list  
32 established pursuant to RCW 28A.160.195(2) or a comparable  
33 competitive bid process based on the lowest price quote based on  
34 similar bus categories to those used to establish the list pursuant  
35 to RCW 28A.160.195.

36 (6) The superintendent of public instruction shall base  
37 depreciation payments for school district buses on the presales tax  
38 five-year average of lowest bids in the appropriate category of bus.  
39 In the final year on the depreciation schedule, the depreciation



1 payment shall be based on the lowest bid in the appropriate bus  
2 category for that school year.

3 (7) Funding levels in this section reflect waivers granted by the  
4 state board of education for four-day school weeks as allowed under  
5 RCW 28A.305.141.

6 (8) The office of the superintendent of public instruction shall  
7 annually disburse payments for bus depreciation in August.

8 **Sec. 506.** 2017 3rd sp.s. c 1 s 507 (uncodified) is amended to  
9 read as follows:

10 **FOR THE SUPERINTENDENT OF PUBLIC INSTRUCTION—FOR SPECIAL EDUCATION**  
11 **PROGRAMS**

12	General Fund—State Appropriation (FY 2018)	. . . . .	(( <del>\$956,055,000</del> ))
13			<u>\$965,613,000</u>
14	General Fund—State Appropriation (FY 2019)	. . . . .	(( <del>\$989,284,000</del> ))
15			<u>\$991,736,000</u>
16	General Fund—Federal Appropriation	. . . . .	(( <del>\$470,673,000</del> ))
17			<u>\$485,054,000</u>
18	Education Legacy Trust Account—State Appropriation	. . .	\$54,694,000
19	<u>Pension Funding Stabilization Account—State</u>		
20	<u>Appropriation.</u>	. . . . .	<u>\$20,000</u>
21	<u>Dedicated McCleary Penalty Account—State</u>		
22	<u>Appropriation.</u>	. . . . .	<u>\$25,201,000</u>
23	TOTAL APPROPRIATION.	. . . . .	(( <del>\$2,470,706,000</del> ))
24			<u>\$2,522,318,000</u>

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

27 (1)(a) Funding for special education programs is provided on an  
28 excess cost basis, pursuant to RCW 28A.150.390. School districts  
29 shall ensure that special education students as a class receive their  
30 full share of the general apportionment allocation accruing through  
31 sections 502 and 504 of this act. To the extent a school district  
32 cannot provide an appropriate education for special education  
33 students under chapter 28A.155 RCW through the general apportionment  
34 allocation, it shall provide services through the special education  
35 excess cost allocation funded in this section.

36 (b) Funding provided within this section is sufficient for  
37 districts to provide school principals and lead special education  
38 teachers annual professional development on the best-practices for

1 special education instruction and strategies for implementation.  
2 Districts shall annually provide a summary of professional  
3 development activities to the office of the superintendent of public  
4 instruction.

5 (2)(a) The superintendent of public instruction shall ensure  
6 that:

7 (i) Special education students are basic education students  
8 first;

9 (ii) As a class, special education students are entitled to the  
10 full basic education allocation; and

11 (iii) Special education students are basic education students for  
12 the entire school day.

13 (b) The superintendent of public instruction shall continue to  
14 implement the full cost method of excess cost accounting, as designed  
15 by the committee and recommended by the superintendent, pursuant to  
16 section 501(1)(k), chapter 372, Laws of 2006.

17 (3) Each fiscal year appropriation includes such funds as are  
18 necessary to complete the school year ending in the fiscal year and  
19 for prior fiscal year adjustments.

20 (4)(a) For the 2017-18 and 2018-19 school years, the  
21 superintendent shall allocate funding to school district programs for  
22 special education students as provided in RCW 28A.150.390, except  
23 that the calculation of the base allocation also includes allocations  
24 provided under section 502 (2) and (4) of this act, which enhancement  
25 is within the program of basic education.

26 (b) From July 1, 2017, to August 31, 2017, the superintendent  
27 shall allocate funding to school district programs for special  
28 education students as provided in section 507, chapter 4, Laws of  
29 2015 3rd sp. sess., as amended.

30 (5) The following applies throughout this section: The  
31 definitions for enrollment and enrollment percent are as specified in  
32 RCW 28A.150.390(3). Each district's general fund—state funded special  
33 education enrollment shall be the lesser of the district's actual  
34 enrollment percent or 13.5 percent.

35 (6) At the request of any interdistrict cooperative of at least  
36 15 districts in which all excess cost services for special education  
37 students of the districts are provided by the cooperative, the  
38 maximum enrollment percent shall be calculated in accordance with RCW  
39 28A.150.390(3) (c) and (d), and shall be calculated in the aggregate  
40 rather than individual district units. For purposes of this

1 subsection, the average basic education allocation per full-time  
2 equivalent student shall be calculated in the aggregate rather than  
3 individual district units.

4 (7) ~~(\$31,087,000)~~ of the general fund—state appropriation for  
5 fiscal year 2018, (~~(\$31,087,000)~~) \$25,952,000 of the general fund—  
6 state appropriation for fiscal year 2019, and (~~(\$31,024,000)~~)  
7 \$29,574,000 of the general fund—federal appropriation are provided  
8 solely for safety net awards for districts with demonstrated needs  
9 for special education funding beyond the amounts provided in  
10 subsection (4) of this section. If the federal safety net awards  
11 based on the federal eligibility threshold exceed the federal  
12 appropriation in this subsection (7) in any fiscal year, the  
13 superintendent shall expend all available federal discretionary funds  
14 necessary to meet this need. At the conclusion of each school year,  
15 the superintendent shall recover safety net funds that were  
16 distributed prospectively but for which districts were not  
17 subsequently eligible.

18 (a) For the 2017-18 and 2018-19 school years, safety net funds  
19 shall be awarded by the state safety net oversight committee as  
20 provided in section 109(1) chapter 548, Laws of 2009 (ESHB 2261).

21 (b) The office of the superintendent of public instruction shall  
22 make award determinations for state safety net funding in August of  
23 each school year, except that the superintendent of public  
24 instruction shall make award determinations for state safety net  
25 funding in July of each school year for the Washington state school  
26 for the blind and for the center for childhood deafness and hearing  
27 loss. Determinations on school district eligibility for state safety  
28 net awards shall be based on analysis of actual expenditure data from  
29 the current school year.

30 (8) (~~(A maximum of \$931,000 may be expended from the general fund~~  
31 ~~—state appropriations))~~ \$465,500 of the general fund—state  
32 appropriation for fiscal year 2018 and \$465,500 of the general fund—  
33 state appropriation for fiscal year 2019 may be expended to fund 5.43  
34 full-time equivalent teachers and 2.1 full-time equivalent aides at  
35 children's orthopedic hospital and medical center. This amount is in  
36 lieu of money provided through the home and hospital allocation and  
37 the special education program.

38 (9) The superintendent shall maintain the percentage of federal  
39 flow-through to school districts at 85 percent. In addition to other

1 purposes, school districts may use increased federal funds for high-  
2 cost students, for purchasing regional special education services  
3 from educational service districts, and for staff development  
4 activities particularly relating to inclusion issues.

5 (10) A school district may carry over from one year to the next  
6 year up to 10 percent of the general fund—state funds allocated under  
7 this program; however, carryover funds shall be expended in the  
8 special education program.

9 (11) \$256,000 of the general fund—state appropriation for fiscal  
10 year 2018 and \$256,000 of the general fund—state appropriation for  
11 fiscal year 2019 are provided solely for two additional full-time  
12 equivalent staff to support the work of the safety net committee and  
13 to provide training and support to districts applying for safety net  
14 awards.

15 (12) \$50,000 of the general fund—state appropriation for fiscal  
16 year 2018, \$50,000 of the general fund—state appropriation for fiscal  
17 year 2019, and \$100,000 of the general fund—federal appropriation are  
18 provided solely for a special education family liaison position  
19 within the office of the superintendent of public instruction.

20 (13) \$25,201,000 of the dedicated McCleary penalty account—state  
21 appropriations is provided solely for basic education special  
22 education allocations pursuant to Engrossed Second Substitute Senate  
23 Bill No. 6362 (basic education funding), subject to supreme court  
24 approval. If the bill is not enacted by June 30, 2018, the amount  
25 provided in this subsection shall lapse.

26 **Sec. 507.** 2017 3rd sp.s. c 1 s 508 (uncodified) is amended to  
27 read as follows:

28 **FOR THE SUPERINTENDENT OF PUBLIC INSTRUCTION—FOR EDUCATIONAL SERVICE**  
29 **DISTRICTS**

30	General Fund—State Appropriation (FY 2018)	. . . . .	(( <del>\$8,534,000</del> ))
31			<u>\$8,549,000</u>
32	General Fund—State Appropriation (FY 2019)	. . . . .	(( <del>\$8,558,000</del> ))
33			<u>\$8,565,000</u>
34	TOTAL APPROPRIATION.	. . . . .	(( <del>\$17,092,000</del> ))
35			<u>\$17,114,000</u>

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

1 (1) The educational service districts shall continue to furnish  
2 financial services required by the superintendent of public  
3 instruction and RCW 28A.310.190 (3) and (4).

4 (2) Funding within this section is provided for regional  
5 professional development related to mathematics and science  
6 curriculum and instructional strategies aligned with common core  
7 state standards and next generation science standards. Funding shall  
8 be distributed among the educational service districts in the same  
9 proportion as distributions in the 2007-2009 biennium. Each  
10 educational service district shall use this funding solely for salary  
11 and benefits for a certificated instructional staff with expertise in  
12 the appropriate subject matter and in professional development  
13 delivery, and for travel, materials, and other expenditures related  
14 to providing regional professional development support.

15 (3) The educational service districts, at the request of the  
16 state board of education pursuant to RCW 28A.310.010 and 28A.305.130,  
17 may receive and screen applications for school accreditation, conduct  
18 school accreditation site visits pursuant to state board of education  
19 rules, and submit to the state board of education post-site visit  
20 recommendations for school accreditation. The educational service  
21 districts may assess a cooperative service fee to recover actual plus  
22 reasonable indirect costs for the purposes of this subsection.

23 **Sec. 508.** 2017 3rd sp.s. c 1 s 510 (uncodified) is amended to  
24 read as follows:

25 **FOR THE SUPERINTENDENT OF PUBLIC INSTRUCTION—FOR INSTITUTIONAL**  
26 **EDUCATION PROGRAMS**

27	General Fund—State Appropriation (FY 2018)	. . . . .	(( <del>\$13,565,000</del> ))
28			<u>\$13,895,000</u>
29	General Fund—State Appropriation (FY 2019)	. . . . .	(( <del>\$13,689,000</del> ))
30			<u>\$14,092,000</u>
31	TOTAL APPROPRIATION.	. . . . .	(( <del>\$27,254,000</del> ))
32			<u>\$27,987,000</u>

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

35 (1) Each general fund—state fiscal year appropriation includes  
36 such funds as are necessary to complete the school year ending in the  
37 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 **Sec. 509.** 2017 3rd sp.s. c 1 s 509 (uncodified) is amended to  
28 read as follows:

29 **FOR THE SUPERINTENDENT OF PUBLIC INSTRUCTION—FOR LOCAL EFFORT**  
30 **ASSISTANCE**

31	General Fund—State Appropriation (FY 2018)	. . . .	(( <del>\$449,808,000</del> ))
32			<u>\$451,423,000</u>
33	General Fund—State Appropriation (FY 2019)	. . . .	(( <del>\$454,876,000</del> ))
34			<u>\$425,973,000</u>
35	TOTAL APPROPRIATION.	. . . . .	(( <del>\$904,684,000</del> ))
36			<u>\$877,396,000</u>

37 The appropriations in this section are subject to the following  
38 conditions and limitations: For purposes of RCW 84.52.0531, the

1 increase per full-time equivalent student is 5.85 percent from the  
2 2016-17 school year to the 2017-18 school year.

3 **Sec. 510.** 2017 3rd sp.s. c 1 s 511 (uncodified) is amended to  
4 read as follows:

5 **FOR THE SUPERINTENDENT OF PUBLIC INSTRUCTION—FOR PROGRAMS FOR HIGHLY**  
6 **CAPABLE STUDENTS**

7	General Fund—State Appropriation (FY 2018)	. . . . .	(( <del>\$21,265,000</del> ))
8			<u>\$21,447,000</u>
9	General Fund—State Appropriation (FY 2019)	. . . . .	(( <del>\$24,306,000</del> ))
10			<u>\$24,220,000</u>
11	TOTAL APPROPRIATION.	. . . . .	(( <del>\$45,571,000</del> ))
12			<u>\$45,667,000</u>

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

15 (1) Each general fund fiscal year appropriation includes such  
16 funds as are necessary to complete the school year ending in the  
17 fiscal year and for prior fiscal year adjustments.

18 (2) For the 2017-18 and 2018-19 school years, the superintendent  
19 shall allocate funding to school district programs for highly capable  
20 students as provided in RCW 28A.150.260(10)(c) except that  
21 allocations must be based on 5.0 percent of each school district's  
22 full-time equivalent enrollment. In calculating the allocations, the  
23 superintendent shall assume the following: (i) Additional instruction  
24 of 2.1590 hours per week per funded highly capable program student;  
25 (ii) fifteen highly capable program students per teacher; (iii) 36  
26 instructional weeks per year; (iv) 900 instructional hours per  
27 teacher; and (v) the compensation rates as provided in sections 503  
28 and 504 of this act.

29 (b) From July 1, 2017, to August 31, 2017, the superintendent  
30 shall allocate funding to school districts programs for highly  
31 capable students as provided in section 511, chapter 4, Laws of 2015  
32 3rd sp. sess., as amended.

33 (3) \$85,000 of the general fund—state appropriation for fiscal  
34 year 2018 and \$85,000 of the general fund—state appropriation for  
35 fiscal year 2019 are provided solely for the centrum program at Fort  
36 Worden state park.





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)~~) \$62,674,000 of the general fund—state  
11 appropriation for fiscal year 2018 and (~~(\$82,665,000)~~) \$82,670,000 of  
12 the general fund—state appropriation for fiscal year 2019 are  
13 provided solely for the following bonuses for teachers who hold  
14 valid, unexpired certification from the national board for  
15 professional teaching standards and who are teaching in a Washington  
16 public school, subject to the following conditions and limitations:

17 (a) For national board certified teachers, a bonus of \$5,296 per  
18 teacher in the 2017-18 school year and a bonus of \$5,381 per teacher  
19 in the 2018-19 school year;

20 (b) An additional \$5,000 annual bonus shall be paid to national  
21 board certified teachers who teach in either: (A) High schools where  
22 at least 50 percent of student headcount enrollment is eligible for  
23 federal free or reduced-price lunch, (B) middle schools where at  
24 least 60 percent of student headcount enrollment is eligible for  
25 federal free or reduced-price lunch, or (C) elementary schools where  
26 at least 70 percent of student headcount enrollment is eligible for  
27 federal free or reduced-price lunch;

28 (c) The superintendent of public instruction shall adopt rules to  
29 ensure that national board certified teachers meet the qualifications  
30 for bonuses under (b) of this subsection for less than one full  
31 school year receive bonuses in a prorated manner. All bonuses in this  
32 subsection will be paid in July of each school year. Bonuses in this  
33 subsection shall be reduced by a factor of 40 percent for first year  
34 NBPTS certified teachers, to reflect the portion of the instructional  
35 school year they are certified; and

36 (d) During the 2017-18 and 2018-19 school years, and within  
37 available funds, certificated instructional staff who have met the  
38 eligibility requirements and have applied for certification from the  
39 national board for professional teaching standards may receive a

1 conditional loan of two thousand dollars or the amount set by the  
2 office of the superintendent of public instruction to contribute  
3 toward the current assessment fee, not including the initial up-front  
4 candidacy payment. The fee shall be an advance on the first annual  
5 bonus under RCW 28A.405.415. The conditional loan is provided in  
6 addition to compensation received under a district's salary  
7 allocation and shall not be included in calculations of a district's  
8 average salary and associated salary limitation under RCW  
9 28A.400.200. Recipients who fail to receive certification after three  
10 years are required to repay the conditional loan. The office of the  
11 superintendent of public instruction shall adopt rules to define the  
12 terms for initial grant of the assessment fee and repayment,  
13 including applicable fees. To the extent necessary, the  
14 superintendent may use revenues from the repayment of conditional  
15 loan scholarships to ensure payment of all national board bonus  
16 payments required by this section in each school year.

17 (5) \$477,000 of the general fund—state appropriation for fiscal  
18 year 2018 and \$477,000 of the general fund—state appropriation for  
19 fiscal year 2019 are provided solely for the leadership internship  
20 program for superintendents, principals, and program administrators.

21 (6) \$950,000 of the general fund—state appropriation for fiscal  
22 year 2018 and \$950,000 of the general fund—state appropriation for  
23 fiscal year 2019 are provided solely for the Washington reading  
24 corps. The superintendent shall allocate reading corps members to  
25 schools identified for comprehensive or targeted support and school  
26 districts that are implementing comprehensive, proven, research-based  
27 reading programs. Two or more schools may combine their Washington  
28 reading corps programs.

29 (7) \$810,000 of the general fund—state appropriation for fiscal  
30 year 2018 and \$810,000 of the general fund—state appropriation for  
31 fiscal year 2019 are provided solely for the development of a  
32 leadership academy for school principals and administrators. The  
33 superintendent of public instruction shall contract with an  
34 independent organization to operate a state-of-the-art education  
35 leadership academy that will be accessible throughout the state.  
36 Semiannually the independent organization shall report on amounts  
37 committed by foundations and others to support the development and  
38 implementation of this program. Leadership academy partners shall  
39 include the state level organizations for school administrators and

1 principals, the superintendent of public instruction, the  
2 professional educator standards board, and others as the independent  
3 organization shall identify.

4 (8) \$3,000,000 of the general fund—state appropriation for fiscal  
5 year 2018 and \$3,000,000 of the general fund—state appropriation for  
6 fiscal year 2019 are provided solely for a statewide information  
7 technology (IT) academy program. This public-private partnership will  
8 provide educational software, as well as IT certification and  
9 software training opportunities for students and staff in public  
10 schools.

11 (9) \$1,802,000 of the general fund—state appropriation for fiscal  
12 year 2018 and \$1,802,000 of the general fund—state appropriation for  
13 fiscal year 2019 are provided solely for secondary career and  
14 technical education grants pursuant to chapter 170, Laws of 2008. If  
15 equally matched by private donations, \$825,000 of the 2018  
16 appropriation and \$825,000 of the 2019 appropriation shall be used to  
17 support FIRST robotics programs. Of the amounts in this subsection,  
18 \$100,000 of the fiscal year 2018 appropriation and \$100,000 of the  
19 fiscal year 2019 appropriation are provided solely for the purpose of  
20 statewide supervision activities for career and technical education  
21 student leadership organizations.

22 (10) \$125,000 of the general fund—state appropriation for fiscal  
23 year 2018 and \$125,000 of the general fund—state appropriation for  
24 fiscal year 2019 are provided solely for (a) staff at the office of  
25 the superintendent of public instruction to coordinate and promote  
26 efforts to develop integrated math, science, technology, and  
27 engineering programs in schools and districts across the state; and  
28 (b) grants of \$2,500 to provide twenty middle and high school  
29 teachers each year with professional development training for  
30 implementing integrated math, science, technology, and engineering  
31 programs in their schools.

32 (11) \$135,000 of the general fund—state appropriation for fiscal  
33 year 2018 and \$135,000 of the general fund—state appropriation for  
34 fiscal year 2019 are provided solely for science, technology,  
35 engineering and mathematics lighthouse projects, consistent with  
36 chapter 238, Laws of 2010.

37 (12) \$10,500,000 of the general fund—state appropriation for  
38 fiscal year 2018 and \$10,500,000 of the general fund—state  
39 appropriation for fiscal year 2019 are provided solely for a

1 beginning educator support program. The program shall prioritize  
2 first year teachers in the mentoring program. School districts and/or  
3 regional consortia may apply for grant funding. The program provided  
4 by a district and/or regional consortia shall include: A paid  
5 orientation; assignment of a qualified mentor; development of a  
6 professional growth plan for each beginning teacher aligned with  
7 professional certification; release time for mentors and new teachers  
8 to work together; and teacher observation time with accomplished  
9 peers. Funding may be used to provide statewide professional  
10 development opportunities for mentors and beginning educators.

11 (13) \$250,000 of the general fund—state appropriation for fiscal  
12 year 2018 and \$250,000 of the general fund—state appropriation for  
13 fiscal year 2019 are provided solely for advanced project lead the  
14 way courses at ten high schools. To be eligible for funding in 2018,  
15 a high school must have offered a foundational project lead the way  
16 course during the 2016-17 school year. The 2018 funding must be used  
17 for one-time start-up course costs for an advanced project lead the  
18 way course, to be offered to students beginning in the 2017-18 school  
19 year. To be eligible for funding in 2019, a high school must have  
20 offered a foundational project lead the way course during the 2017-18  
21 school year. The 2018 funding must be used for one-time start-up  
22 course costs for an advanced project lead the way course, to be  
23 offered to students beginning in the 2018-19 school year. The office  
24 of the superintendent of public instruction and the education  
25 research and data center at the office of financial management shall  
26 track student participation and long-term outcome data.

27 (14) \$9,352,000 of the general fund—state appropriation for  
28 fiscal year 2018 and \$14,352,000 of the general fund—state  
29 appropriation for fiscal year 2019 are provided solely for  
30 implementation of chapter 159, Laws of 2013. By January 15, 2018, the  
31 superintendent of public instruction shall submit a plan to the  
32 fiscal committees of the legislature outlining the additional school  
33 accountability supports that will be implemented as a result of the  
34 increased appropriation provided in fiscal year 2019. Of the amount  
35 provided in this subsection, \$5,000,000 of the general fund—state  
36 appropriation for fiscal year 2019 is provided solely for expenditure  
37 contingent upon legislative approval of the superintendent's plan for  
38 additional school accountability supports, and the superintendent may  
39 not spend that amount until approval is received.

1 (15) \$450,000 of the general fund—state appropriation for fiscal  
2 year 2018 and \$450,000 of the general fund—state appropriation for  
3 fiscal year 2019 are provided solely for annual start-up, expansion,  
4 or maintenance of existing programs in aerospace and advanced  
5 manufacturing programs. To be eligible for funding, the skills center  
6 and high schools must agree to engage in developing local business  
7 and industry partnerships for oversight and input regarding program  
8 components. Program instructors must also agree to participate in  
9 professional development leading to student employment, or  
10 certification in aerospace or advanced manufacturing industries as  
11 determined by the superintendent of public instruction. The office of  
12 the superintendent of public instruction and the education research  
13 and data center shall report annually student participation and long-  
14 term outcome data.

15 (16) \$5,000,000 of the general fund—state appropriation for  
16 fiscal year 2018 and \$4,000,000 of the general fund—state  
17 appropriation for fiscal year 2019 are provided solely for the  
18 provision of training for teachers in the performance-based teacher  
19 principal evaluation program.

20 (17) \$100,000 of the general fund—state appropriation for fiscal  
21 year 2018 and \$100,000 of the general fund—state appropriation for  
22 fiscal year 2019 are provided solely to promote the financial  
23 literacy of students. The effort will be coordinated through the  
24 financial literacy public-private partnership.

25 (18) \$2,194,000 of the general fund—state appropriation for  
26 fiscal year 2018 and \$2,194,000 of the general fund—state  
27 appropriation for fiscal year 2019 are provided solely to implement  
28 chapter 18, Laws of 2013 2nd sp. sess. (Engrossed Substitute Senate  
29 Bill No. 5946) (strengthening student educational outcomes).

30 (19) \$36,000 of the general fund—state appropriation for fiscal  
31 year 2018 and \$36,000 of the general fund—state appropriation for  
32 fiscal year 2019 are provided solely for chapter 212, Laws of 2014  
33 (Substitute Senate Bill No. 6074) (homeless student educational  
34 outcomes).

35 (20) \$80,000 of the general fund—state appropriation for fiscal  
36 year 2018 and \$40,000 of the general fund—state appropriation for  
37 fiscal year 2019 are provided solely for chapter 219, Laws of 2014  
38 (Second Substitute Senate Bill No. 6163) (expanded learning).

1 (21) \$10,000 of the general fund—state appropriation for fiscal  
2 year 2018 and \$10,000 of the general fund—state appropriation for  
3 fiscal year 2019 are provided solely for chapter 102, Laws of 2014  
4 (Senate Bill No. 6424) (biliteracy seal).

5 (22) \$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 the office of the  
8 superintendent of public instruction to contract with a nonprofit  
9 organization to integrate the state learning standards in English  
10 language arts, mathematics, and science with FieldSTEM outdoor field  
11 studies and project-based and work-based learning opportunities  
12 aligned with the environmental, natural resource, and agricultural  
13 sectors.

14 (23) Within the amounts provided in this section, the  
15 superintendent of public instruction shall obtain an existing student  
16 assessment inventory tool that is free and openly licensed and  
17 distribute the tool to every school district. Each school district  
18 shall use the student assessment inventory tool to identify all  
19 state-level and district-level assessments that are required of  
20 students. The state-required assessments should include: Reading  
21 proficiency assessments used for compliance with RCW 28A.320.202; the  
22 required statewide assessments under chapter 28A.655 RCW in grades  
23 three through eight and at the high school level in English language  
24 arts, mathematics, and science, as well as the practice and training  
25 tests used to prepare for them; and the high school end-of-course  
26 exams in mathematics under RCW 28A.655.066. District-required  
27 assessments should include: The second grade reading assessment used  
28 to comply with RCW 28A.300.320; interim smarter balanced assessments,  
29 if required; the measures of academic progress assessment, if  
30 required; and other required interim, benchmark, or summative  
31 standardized assessments, including assessments used in social  
32 studies, the arts, health, and physical education in accordance with  
33 RCW 28A.230.095, and for educational technology in accordance with  
34 RCW 28A.655.075. The assessments identified should not include  
35 assessments used to determine eligibility for any categorical program  
36 including the transitional bilingual instruction program, learning  
37 assistance program, highly capable program, special education  
38 program, or any formative or diagnostic assessments used solely to  
39 inform teacher instructional practices, other than those already

1 identified. By October 15th of each year, each district shall report  
 2 to the superintendent the amount of student time in the previous  
 3 school year that is spent taking each assessment identified. By  
 4 December 15th of each year, the superintendent shall summarize the  
 5 information reported by the school districts and report to the  
 6 education committees of the house of representatives and the senate.

7 (24) Sufficient amounts are appropriated in this section for the  
 8 office of the superintendent of public instruction to create a  
 9 process and provide assistance to school districts in planning for  
 10 future implementation of the summer knowledge improvement program  
 11 grants.

12 (25) \$125,000 of the general fund—state appropriation for fiscal  
 13 year 2018 and \$125,000 of the general fund—state appropriation for  
 14 fiscal year 2019 are provided solely for the office of the  
 15 superintendent of public instruction to contract with a nonprofit  
 16 501(c)(3) that provides direct services to children exclusively  
 17 through one-to-one volunteer mentoring with a child for the life of  
 18 the mentoring partnership. The mentor, student, and parent must each  
 19 receive monthly coaching from professional staff in the first year,  
 20 and bimonthly coaching from professional staff in subsequent years. A  
 21 majority of the children supported through this program must be  
 22 higher risk children and a significant number of these programs  
 23 offered to these children must be in rural areas of the state.

24 **Sec. 513.** 2017 3rd sp.s. c 1 s 514 (uncodified) is amended to  
 25 read as follows:

26 **FOR THE SUPERINTENDENT OF PUBLIC INSTRUCTION—FOR TRANSITIONAL**  
 27 **BILINGUAL PROGRAMS**

28	General Fund—State Appropriation (FY 2018)	. . . . .	(( <del>\$147,948,000</del> ))
29			<u>\$151,022,000</u>
30	General Fund—State Appropriation (FY 2019)	. . . . .	(( <del>\$157,744,000</del> ))
31			<u>\$158,574,000</u>
32	General Fund—Federal Appropriation	. . . . .	(( <del>\$92,244,000</del> ))
33			<u>\$97,244,000</u>
34	<u>Pension Funding Stabilization Account—State</u>		
35	<u>Appropriation.</u>	. . . . .	<u>\$4,000</u>
36	TOTAL APPROPRIATION.	. . . . .	(( <del>\$397,936,000</del> ))
37			<u>\$406,844,000</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 2017-18 and 2018-19 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 six and 6.7780 hours per week per transitional  
15 bilingual program student in grades seven through twelve in school  
16 years 2017-18 and 2018-19; (ii) additional instruction of 3.0000  
17 hours per week in school years 2017-18 and 2018-19 for the head count  
18 number of students who have exited the transitional bilingual  
19 instruction program within the previous two years based on their  
20 performance on the English proficiency assessment; (iii) fifteen  
21 transitional bilingual program students per teacher; (iv) 36  
22 instructional weeks per year; (v) 900 instructional hours per  
23 teacher; and (vi) the compensation rates as provided in sections 503  
24 and 504 of this act. Pursuant to RCW 28A.180.040(1)(g), the  
25 instructional hours specified in (a)(ii) of this subsection (2) are  
26 within the program of basic education.

27 (b) From July 1, 2017, to August 31, 2017, the superintendent  
28 shall allocate funding to school districts for transitional bilingual  
29 instruction programs as provided in section 514, chapter 4, Laws of  
30 2015, 3rd sp. sess., as amended.

31 (3) The superintendent may withhold allocations to school  
32 districts in subsection (2) of this section solely for the central  
33 provision of assessments as provided in RCW 28A.180.090 (1) and (2)  
34 up to the following amounts: (~~2.55~~) 2.50 percent for school year  
35 2017-18 and 2.57 percent for school year 2018-19.

36 (4) The general fund—federal appropriation in this section is for  
37 migrant education under Title I Part C and English language  
38 acquisition, and language enhancement grants under Title III of the  
39 elementary and secondary education act.



1 (5) \$35,000 of the general fund—state appropriation for fiscal  
2 year 2018 and \$35,000 of the general fund—state appropriation for  
3 fiscal year 2019 are provided solely to track current and former  
4 transitional bilingual program students.

5 **Sec. 514.** 2017 3rd sp.s. c 1 s 515 (uncodified) is amended to  
6 read as follows:

7 **FOR THE SUPERINTENDENT OF PUBLIC INSTRUCTION—FOR THE LEARNING**  
8 **ASSISTANCE PROGRAM**

9	General Fund—State Appropriation (FY 2018)	. . . . .	(( <del>\$326,233,000</del> ))
10			<u>\$323,386,000</u>
11	General Fund—State Appropriation (FY 2019)	. . . . .	(( <del>\$355,633,000</del> ))
12			<u>\$348,116,000</u>
13	General Fund—Federal Appropriation	. . . . .	(( <del>\$505,487,000</del> ))
14			<u>\$519,487,000</u>
15	TOTAL APPROPRIATION.	. . . . .	(( <del>\$1,187,353,000</del> ))
16			<u>\$1,190,989,000</u>

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

19 (1) The general fund—state appropriations in this section are  
20 subject to the following conditions and limitations:

21 (a) The appropriations include such funds as are necessary to  
22 complete the school year ending in the fiscal year and for prior  
23 fiscal year adjustments.

24 (b)(i) For the 2017-18 and 2018-19 school years, the  
25 superintendent shall allocate funding to school districts for  
26 learning assistance programs as provided in RCW 28A.150.260(10)(a),  
27 except that the allocation for the additional instructional hours  
28 shall be enhanced as provided in this section, which enhancements are  
29 within the program of the basic education. In calculating the  
30 allocations, the superintendent shall assume the following averages:

31 (A) Additional instruction of 2.3975 hours per week per funded  
32 learning assistance program student for the 2017-18 and 2018-19  
33 school years; (B) additional instruction of 1.1 hours per week per  
34 funded learning assistance program student for the 2017-18 and  
35 2018-19 school years in qualifying high-poverty school building; (C)  
36 fifteen learning assistance program students per teacher; (D) 36  
37 instructional weeks per year; (E) 900 instructional hours per

1 teacher; and (F) the compensation rates as provided in sections 503  
2 and 504 of this act.

3 (ii) From July 1, 2017, to August 31, 2017, the superintendent  
4 shall allocate funding to school districts for learning assistance  
5 programs as provided in section 515, chapter 4, Laws of 2015, 3rd sp.  
6 sess., as amended.

7 (c) A school district's funded students for the learning  
8 assistance program shall be the sum of the district's full-time  
9 equivalent enrollment in grades K-12 for the prior school year  
10 multiplied by the district's percentage of October headcount  
11 enrollment in grades K-12 eligible for free or reduced-price lunch in  
12 the prior school year. The prior school year's October headcount  
13 enrollment for free and reduced-price lunch shall be as reported in  
14 the comprehensive education data and research system.

15 (2) Allocations made pursuant to subsection (1) of this section  
16 shall be adjusted to reflect ineligible applications identified  
17 through the annual income verification process required by the  
18 national school lunch program, as recommended in the report of the  
19 state auditor on the learning assistance program dated February,  
20 2010.

21 (3) The general fund—federal appropriation in this section is  
22 provided for Title I Part A allocations of the every student succeeds  
23 act of 2016.

24 (4) A school district may carry over from one year to the next up  
25 to 10 percent of the general fund—state funds allocated under this  
26 program; however, carryover funds shall be expended for the learning  
27 assistance program.

28 (5) Within existing resources, during the 2017-18 and 2018-19  
29 school years, school districts are authorized to use funds allocated  
30 for the learning assistance program to also provide assistance to  
31 high school students who have not passed the state assessment in  
32 science.

33 **Sec. 515.** 2017 3rd sp.s. c 1 s 516 (uncodified) is amended to  
34 read as follows:

35 **FOR THE SUPERINTENDENT OF PUBLIC INSTRUCTION—PER PUPIL ALLOCATIONS**

36 Statewide Average Allocations  
37 Per Annual Average Full-Time Equivalent Student

1	Basic Education Program	2017-18	2018-19
2		School	School
3		Year	Year
4	General Apportionment	\$7,038	<del>(\$8,037)</del>
5			<u>\$8,729</u>
6	Pupil Transportation	\$422	<del>(\$485)</del>
7			<u>\$531</u>
8	Special Education Programs	\$6,920	<del>(\$7,875)</del>
9			<u>\$8,676</u>
10	Institutional Education	\$13,476	<del>(\$15,369)</del>
11	Programs		<u>\$17,800</u>
12	Programs for Highly Capable	\$455	<del>(\$525)</del>
13	Students		<u>\$569</u>
14	Transitional Bilingual	\$1,024	<del>(\$1,163)</del>
15	Programs		<u>\$1,248</u>
16	Learning Assistance Program	\$735	<del>(\$849)</del>
17			<u>\$920</u>

18       **Sec. 516.** 2017 3rd sp.s. c 1 s 518 (uncodified) is amended to  
19 read as follows:

20 **FOR THE SUPERINTENDENT OF PUBLIC INSTRUCTION**

21       (1) Amounts distributed to districts by the superintendent  
22 through part V of this act are for allocations purposes only, unless  
23 specified by part V of this act, and do not entitle a particular  
24 district, district employee, or student to a specific service, beyond  
25 what has been expressly provided in statute. Part V of this act  
26 restates the requirements of various sections of Title 28A RCW. If  
27 any conflict exists, the provisions of Title 28A RCW control unless  
28 this act explicitly states that it is providing an enhancement. Any  
29 amounts provided in part V of this act in excess of the amounts  
30 required by Title 28A RCW provided in statute, are not within the  
31 program of basic education unless clearly stated by this act.

32       (2) To the maximum extent practicable, when adopting new or  
33 revised rules or policies relating to the administration of  
34 allocations in part V of this act that result in fiscal impact, the  
35 office of the superintendent of public instruction shall attempt to  
36 seek legislative approval through the budget request process.

1 (3) Appropriations made in this act to the office of the  
2 superintendent of public instruction shall initially be allotted as  
3 required by this act. Subsequent allotment modifications shall not  
4 include transfers of moneys between sections of this act except as  
5 expressly provided in subsection (4) of this section.

6 (4) The appropriations to the office of the superintendent of  
7 public instruction in this act shall be expended for the programs and  
8 amounts specified in this act. However, after May 1, 2018, unless  
9 specifically prohibited by this act and after approval by the  
10 director of financial management, the superintendent of public  
11 instruction may transfer state general fund appropriations for fiscal  
12 year 2018 among the following programs to meet the apportionment  
13 schedule for a specified formula in another of these programs:  
14 General apportionment, employee compensation adjustments, pupil  
15 transportation, special education programs, institutional education  
16 programs, transitional bilingual programs, highly capable, and  
17 learning assistance programs.

18 (5) The director of financial management shall notify the  
19 appropriate legislative fiscal committees in writing prior to  
20 approving any allotment modifications or transfers under this  
21 section.

22 (6) As required by RCW 28A.710.110, the office of the  
23 superintendent of public instruction shall transmit the charter  
24 school authorizer oversight fee for the charter school commission to  
25 the charter school oversight account.

26 **Sec. 517.** 2017 3rd sp.s. c 1 s 519 (uncodified) is amended to  
27 read as follows:

28 **FOR THE OFFICE OF THE SUPERINTENDENT OF PUBLIC INSTRUCTION—FOR**  
29 **CHARTER SCHOOLS**

30 Washington Opportunity Pathways Account—State

31	Appropriation. . . . .	(( <del>\$62,713,000</del> ))
32		<u>\$55,542,000</u>

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

35 (1) The superintendent shall distribute funding appropriated in  
36 this section to charter schools under chapter 28A.710 RCW. Within  
37 amounts provided in this section the superintendent may distribute  
38 funding for safety net awards for charter schools with demonstrated

1 needs for special education funding beyond the amounts provided under  
2 chapter 28A.710 RCW.

3 (2) \$2,372,000 of the Washington opportunity pathways account—  
4 state appropriation is provided solely for implementation of  
5 Engrossed Second Substitute Senate Bill No. 6362 (basic education  
6 funding). If the bill is not enacted by June 30, 2018, the amount  
7 provided in this subsection shall lapse.

8 **Sec. 518.** 2017 3rd sp.s. c 1 s 520 (uncodified) is amended to  
9 read as follows:

10 **FOR THE OFFICE OF THE SUPERINTENDENT OF PUBLIC INSTRUCTION—FOR THE**  
11 **WASHINGTON STATE CHARTER SCHOOL COMMISSION**

12 Washington Opportunity Pathways Account—State

13	Appropriation . . . . .	(( <del>\$477,000</del> ))
14		<u>\$862,000</u>
15	Charter Schools Oversight Account—State Appropriation	(( <del>\$1,958,000</del> ))
16		<u>\$1,572,000</u>
17	TOTAL APPROPRIATION. . . . .	(( <del>\$2,435,000</del> ))
18		<u>\$2,434,000</u>

19 The appropriations in this section are subject to the following  
20 conditions and limitations: The entire Washington opportunity  
21 pathways account—state appropriation in this section is provided to  
22 the superintendent of public instruction solely for the operations of  
23 the Washington state charter school commission under chapter 28A.710  
24 RCW.

(End of part)

PART VI  
HIGHER EDUCATION

Sec. 601. 2017 3rd sp.s. c 1 s 605 (uncodified) is amended to read as follows:

**FOR THE STATE BOARD FOR COMMUNITY AND TECHNICAL COLLEGES**

General Fund—State Appropriation (FY 2018)	((( <del>\$662,672,000</del> )))
	<u>\$631,269,000</u>
General Fund—State Appropriation (FY 2019)	((( <del>\$668,368,000</del> )))
	<u>\$647,953,000</u>
Community/Technical College Capital Projects	
Account—State Appropriation.	((( <del>\$23,841,000</del> )))
	<u>\$21,618,000</u>
Education Legacy Trust Account—State Appropriation	((( <del>\$138,314,000</del> )))
	<u>\$138,318,000</u>
<u>Pension Funding Stabilization Account—State</u>	
<u>Appropriation.</u>	<u>\$67,897,000</u>
TOTAL APPROPRIATION.	((( <del>\$1,493,195,000</del> )))
	<u>\$1,507,055,000</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 2018 and \$33,261,000 of the general fund—state appropriation for fiscal year 2019 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 2018 and at least 7,170 full-time equivalent students in fiscal year 2019.

(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 2018 and \$425,000 of the general fund—state appropriation for

1 fiscal year 2019 are provided solely for Seattle central college's  
2 expansion of allied health programs.

3 (4) \$5,250,000 of the general fund—state appropriation for fiscal  
4 year 2018 and \$5,250,000 of the general fund—state appropriation for  
5 fiscal year 2019 are provided solely for the student achievement  
6 initiative.

7 (5) \$1,610,000 of the general fund—state appropriation for fiscal  
8 year 2018, and \$1,610,000 of the general fund—state appropriation for  
9 fiscal year 2019 are provided solely for the expansion of the  
10 mathematics, engineering, and science achievement program. The state  
11 board shall report back to the appropriate committees of the  
12 legislature on the number of campuses and students served by December  
13 31, 2018.

14 (6) \$1,500,000 of the general fund—state appropriation for fiscal  
15 year 2018 and \$1,500,000 of the general fund—state appropriation for  
16 fiscal year 2019 are provided solely for implementation of guided  
17 pathways or similar programs designed to improve student success,  
18 including, but not limited to, academic program redesign, student  
19 advising, and other student supports.

20 (7) \$1,500,000 of the general fund—state appropriation for fiscal  
21 year 2018 and \$1,500,000 of the general fund—state appropriation for  
22 fiscal year 2019 are provided solely for operating a fabrication  
23 composite wing incumbent worker training program to be housed at the  
24 Washington aerospace training and research center.

25 (8) \$100,000 of the general fund—state appropriation for fiscal  
26 year 2018 and \$100,000 of the general fund—state appropriation for  
27 fiscal year 2019 are provided solely for the aerospace center of  
28 excellence currently hosted by Everett community college to:

29 (a) Increase statewide communications and outreach between  
30 industry sectors, industry organizations, businesses, K-12 schools,  
31 colleges, and universities;

32 (b) Enhance information technology to increase business and  
33 student accessibility and use of the center's web site; and

34 (c) Act as the information entry point for prospective students  
35 and job seekers regarding education, training, and employment in the  
36 industry.

37 (9) (~~(\$18,588,000)~~) \$18,697,000 of the general fund—state  
38 appropriation for fiscal year 2018 and (~~(\$18,960,000)~~) \$19,165,000 of  
39 the general fund—state appropriation for fiscal year 2019 are

1 provided solely for the implementation of the college affordability  
2 program as set forth in RCW 28B.15.066.

3 (10) Community and technical colleges are not required to send  
4 mass mailings of course catalogs to residents of their districts.  
5 Community and technical colleges shall consider lower cost  
6 alternatives, such as mailing postcards or brochures that direct  
7 individuals to online information and other ways of acquiring print  
8 catalogs.

9 (11) The state board for community and technical colleges shall  
10 not use funds appropriated in this section to support intercollegiate  
11 athletics programs.

12 (12) \$157,000 of the general fund—state appropriation for fiscal  
13 year 2018 and \$157,000 of the general fund—state appropriation for  
14 fiscal year 2019 are provided solely for the Wenatchee Valley college  
15 wildfire prevention program.

16 (13) \$100,000 of the general fund—state appropriation for fiscal  
17 year 2018 is provided solely for implementation of chapter 154, Laws  
18 of 2017 (SSB 5022) (education loan information).

19 (14) \$185,000 of the general fund—state appropriation for fiscal  
20 year 2018 and \$185,000 of the general fund—state appropriation for  
21 fiscal year 2019 are provided solely for implementation of chapter  
22 177, Laws of 2017 (SSB 5100) (financial literacy seminars).

23 (15) \$41,000 of the general fund—state appropriation for fiscal  
24 year 2018 and \$42,000 of the general fund—state appropriation for  
25 fiscal year 2019 are provided solely for implementation of chapter  
26 98, Laws of 2017 (E2SHB 1375) (ctc course material costs).

27 (16) \$158,000 of the general fund—state appropriation for fiscal  
28 year 2018 and \$5,000 of the general fund—state appropriation for  
29 fiscal year 2019 are provided solely for implementation of chapter  
30 237, Laws of 2017 (ESHB 1115) (paraeducators).

31 (17) \$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 program delivery through  
34 Green River College to the Covington area and southeast King county  
35 in response to the education needs assessment conducted by the  
36 student achievement council in the 2015-2017 fiscal biennium.

37 (18) \$60,000 of the general fund—state appropriation for fiscal  
38 year 2018 and \$60,000 of the general fund—state appropriation for  
39 fiscal year 2019 are provided solely for a youth development program



1 operated by Everett community college in conjunction with a county  
2 chapter of a national civil rights organization.

3 (19) \$750,000 of the general fund—state appropriation for fiscal  
4 year 2018 and \$750,000 of the general fund—state appropriation for  
5 fiscal year 2019 are provided solely for increased enrollments in the  
6 integrated basic education and skills training program. Funding will  
7 support approximately 120 additional full-time equivalent enrollments  
8 annually.

9 (20)(a) The state board must provide quality assurance reports on  
10 the ctcLink project at the frequency directed by the office of chief  
11 information officer for review and for posting on its information  
12 technology project dashboard.

13 (b) The state board must develop a technology budget using a  
14 method similar to the state capital budget, identifying project  
15 costs, funding sources, and anticipated deliverables through each  
16 stage of the investment and across fiscal periods and biennia from  
17 project initiation to implementation. The budget must be updated at  
18 the frequency directed by the office of chief information officer for  
19 review and for posting on its information technology project  
20 dashboard.

21 (c) The office of the chief information officer may suspend the  
22 ctcLink project at any time if the office of the chief information  
23 officer determines that the project is not meeting or is not expected  
24 to meet anticipated performance measures, implementation timelines,  
25 or budget estimates. Once suspension or termination occurs, the state  
26 board shall not make additional expenditures on the ctcLink project  
27 without approval of the chief information officer. The ctcLink  
28 project funded through the community and technical college innovation  
29 account created in RCW 28B.50.515 is subject to the conditions,  
30 limitations, and review provided in section 724 of this act.

31 (21) \$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 aerospace center of  
34 excellence hosted by Everett Community College to develop an unmanned  
35 aircraft system program in Sunnyside.

36 (22) \$338,000 of the general fund—state appropriation for fiscal  
37 year 2019 is provided solely for the Washington state labor education  
38 and research center at South Seattle College and the labor archives  
39 of Washington.

1       (23) \$150,000 of the general fund—state appropriation for fiscal  
2 year 2018 and \$150,000 of the general fund—state appropriation for  
3 fiscal year 2019 are provided solely for the state board to continue  
4 the feasibility study for a potential new community and technical  
5 college in the Graham, Washington area that was first authorized by  
6 section 605, chapter 4, Laws of 2015 3rd sp. sess. The feasibility  
7 study shall be accomplished by continuing to expand enrollment and  
8 classes at the Graham-Kapowsin high school and gathering data, such  
9 as enrollment numbers, future class interest, and student profile  
10 data, from students who participate. The feasibility study shall  
11 specifically address the intent of pursuing the establishment of a  
12 community college in the Graham, Washington area and the state board  
13 of community and technical colleges shall report to the legislature  
14 the findings of the feasibility study by December 31, 2018.

15       (24) \$86,000 of the general fund—state appropriation for fiscal  
16 year 2019 is provided solely for implementation of Engrossed  
17 Substitute Senate Bill No. 6486 (registered apprenticeships). If the  
18 bill is not enacted by June 30, 2018, the amount provided in this  
19 subsection shall lapse.

20       (25) \$42,000 of the general fund—state appropriation for fiscal  
21 year 2019 is provided solely for implementation of Senate Bill No.  
22 5028 (Native American curriculum). If the bill is not enacted by June  
23 30, 2018, the amount provided in this subsection shall lapse.

24       (26) \$5,000,000 of the general fund—state appropriation for  
25 fiscal year 2019 is provided solely for expansion of the mathematics,  
26 engineering, and science achievement program, and implementation of  
27 guided pathways or similar programs designed to improve student  
28 success.

29       **Sec. 602.** 2017 3rd sp.s. c 1 s 606 (uncodified) is amended to  
30 read as follows:

31 **FOR THE UNIVERSITY OF WASHINGTON**

32	General Fund—State Appropriation (FY 2018)	. . . .	(( <del>\$336,712,000</del> ))
33			\$310,414,000
34	General Fund—State Appropriation (FY 2019)	. . . .	(( <del>\$353,811,000</del> ))
35			\$325,556,000
36	Aquatic Lands Enhancement Account—State Appropriation	. .	\$1,350,000
37	UW Building Account—State Appropriation	. . . . .	\$1,052,000
38	Education Legacy Trust Account—State Appropriation	. .	(( <del>\$30,050,000</del> ))

1		<u>\$33,050,000</u>
2	Economic Development Strategic Reserve Account—State	
3	Appropriation . . . . .	\$3,035,000
4	Biotoxin Account—State Appropriation . . . . .	\$597,000
5	Dedicated Marijuana Account—State Appropriation	
6	(FY 2018). . . . .	\$247,000
7	Dedicated Marijuana Account—State Appropriation	
8	(FY 2019). . . . .	\$247,000
9	<u>Pension Funding Stabilization Account—State</u>	
10	<u>Appropriation. . . . .</u>	<u>\$51,068,000</u>
11	Accident Account—State Appropriation . . . . .	(( <del>\$7,436,000</del> ))
12		<u>\$7,686,000</u>
13	Medical Aid Account—State Appropriation . . . . .	(( <del>\$7,042,000</del> ))
14		<u>\$7,283,000</u>
15	<u>Geoduck Aquaculture Research Account—State</u>	
16	<u>Appropriation. . . . .</u>	<u>\$200,000</u>
17	TOTAL APPROPRIATION. . . . .	(( <del>\$741,579,000</del> ))
18		<u>\$741,785,000</u>

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

21 (1) \$52,000 of the general fund—state appropriation for fiscal  
22 year 2018 and \$52,000 of the general fund—state appropriation for  
23 fiscal year 2019 are provided solely for the center for international  
24 trade in forest products in the college of forest resources.

25 (2) ((~~\$38,581,000~~)) \$38,807,000 of the general fund—state  
26 appropriation for fiscal year 2018 and ((~~\$39,353,000~~)) \$39,777,000 of  
27 the general fund—state appropriation for fiscal year 2019 are  
28 provided solely for the implementation of the college affordability  
29 program as set forth in RCW 28B.15.066.

30 (3) \$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 for labor archives of  
33 Washington. The university shall work in collaboration with the state  
34 board for community and technical colleges.

35 (4) \$8,000,000 of the education legacy trust account—state  
36 appropriation is provided solely for the family medicine residency  
37 network at the university to expand the number of residency slots  
38 available in Washington.

1 (5) 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 (6) \$1,350,000 of the aquatic lands enhancement account—state is  
11 provided solely for ocean acidification monitoring, forecasting, and  
12 research and for operation of the Washington ocean acidification  
13 center. By September 1, 2017, the center must provide a biennial work  
14 plan and begin quarterly progress reports to the Washington marine  
15 resources advisory council created under RCW 43.06.338.

16 (7) (~~(\$8,000,000)~~) \$11,000,000 of the education legacy trust  
17 account—state appropriation is provided solely for the expansion of  
18 degrees in the department of computer science and engineering at the  
19 Seattle campus.

20 (8) \$1,000,000 of the general fund—state appropriation for fiscal  
21 year 2018 and \$1,000,000 of the general fund—state appropriation for  
22 fiscal year 2019 are provided solely for the university to increase  
23 resident undergraduate enrollments in science, technology,  
24 engineering, and math majors. The university is expected to increase  
25 full-time equivalent enrollment by approximately 60 additional  
26 students.

27 (9) \$3,000,000 of the economic development strategic reserve  
28 account appropriation is provided solely to support the joint center  
29 for aerospace innovation technology.

30 (10) The University of Washington shall not use funds  
31 appropriated in this section to support intercollegiate athletics  
32 programs.

33 (11) \$250,000 of the general fund—state appropriation for fiscal  
34 year 2018 and \$250,000 of the general fund—state appropriation for  
35 fiscal year 2019 are provided solely for the Latino health center.

36 (12) \$200,000 of the general fund—state appropriation for fiscal  
37 year 2018 and \$200,000 of the general fund—state appropriation for  
38 fiscal year 2019 are provided solely for the climate impacts group in  
39 the college of the environment.

1 (13) \$8,400,000 of the general fund—state appropriation for  
2 fiscal year 2018 and \$7,400,000 of the general fund—state  
3 appropriation for fiscal year 2019 are provided solely for the  
4 continued operations and expansion of the Washington, Wyoming,  
5 Alaska, Montana, Idaho medical school program.

6 (14) \$3,200,000 of the general fund—state appropriation for  
7 fiscal year 2019 is provided solely for the university to host the  
8 Special Olympics USA Games in July 2018.

9 (15) \$5,000 of the general fund—state appropriation for fiscal  
10 year 2018 and \$80,000 of the general fund—state appropriation for  
11 fiscal year 2019 are provided solely for implementation of chapter  
12 262, Laws of 2017 (E2SHB 1612) (lethal means, reduce access).

13 (16) \$400,000 of the general fund—state appropriation for fiscal  
14 year 2018 and \$400,000 of the general fund—state appropriation for  
15 fiscal year 2019 are provided solely for a contract with the center  
16 for sensorimotor neural engineering to advance research on spinal  
17 cord injuries.

18 (17) \$2,250,000 of the general fund—state appropriation for  
19 fiscal year 2018 and \$2,250,000 of the general fund—state  
20 appropriation for fiscal year 2019 are provided solely for the  
21 institute for stem cell and regenerative medicine. Funds appropriated  
22 in this subsection must be dedicated to research utilizing  
23 pluripotent stem cells and related research methods.

24 (18) \$500,000 of the general fund—state appropriation for fiscal  
25 year 2018 and \$500,000 of the general fund—state appropriation for  
26 fiscal year 2019 are provided to the University of Washington to  
27 support youth and young adults experiencing homelessness in the  
28 university district of Seattle. Funding is provided for the  
29 university to work with community service providers and university  
30 colleges and departments to plan for and implement a comprehensive  
31 one-stop center with navigation services for homeless youth; the  
32 university may contract with the department of commerce to expand  
33 services that serve homeless youth in the university district.

34 (19) \$125,000 of the general fund—state appropriation for fiscal  
35 year 2018 and \$125,000 of the general fund—state appropriation for  
36 fiscal year 2019 are provided solely for the University of Washington  
37 school of public health to study the air quality implications of air  
38 traffic at the international airport in the state that has the  
39 highest total annual number of arrivals and departures. The study

1 must include an assessment of the concentrations of ultrafine  
2 particulate matter in areas surrounding and directly impacted by air  
3 traffic generated by the airport, including areas within ten miles of  
4 the airport in the directions of aircraft flight paths and within ten  
5 miles of the airport where public agencies operate an existing air  
6 monitoring station. The study must attempt to distinguish between  
7 aircraft and other sources of ultrafine particulate matter, and must  
8 compare concentrations of ultrafine particulate matter in areas  
9 impacted by high volumes of air traffic with concentrations of  
10 ultrafine particulate matter in areas that are not impacted by high  
11 volumes of air traffic. The university must coordinate with local  
12 governments in areas addressed by the study to share results and  
13 inclusively solicit feedback from community members. By December 1,  
14 2019, the university must report study findings, including any gaps  
15 and uncertainties in health information associated with ultrafine  
16 particulate matter, and recommend to the legislature whether  
17 sufficient information is available to proceed with a second phase of  
18 the study.

19 (20) The appropriations in this section include sufficient  
20 funding for the implementation of chapter 154, Laws of 2017 (SSB  
21 5022) (education loan information).

22 (21) The appropriations in this section include sufficient  
23 funding for the implementation of chapter 177, Laws of 2017 (SSB  
24 5100) (financial literacy seminars).

25 (22) Within the funds appropriated in this section, the  
26 University of Washington shall:

27 (a) Review the scholarly literature on the short-term and long-  
28 term effects of marijuana use to assess if other states or private  
29 entities are conducting marijuana research in areas that may be  
30 useful to the state.

31 (b) Provide as part of its budget request for the 2019-2021  
32 biennium:

33 (i) A list of intended state, federal, and privately funded  
34 marijuana research, including cost, duration, and scope; and

35 (ii) Plans for partnerships with other universities, state  
36 agencies, or private entities, including entities outside the state,  
37 for purposes related to researching short-term and long-term effects  
38 of marijuana use.

39 (23) General fund—state appropriations in this section are  
40 reduced to reflect a reduction in state-supported tuition waivers for

1 graduate students. When reducing tuition waivers, the university will  
2 not change its practices and procedures for providing eligible  
3 veterans with tuition waivers.

4 (24) \$45,000 of the general fund—state appropriation for fiscal  
5 year 2018 is provided solely for the university to conduct research  
6 and analysis of military officers who are attending or have completed  
7 the command and general staff college, intermediate level education,  
8 or advanced operations course as part of their military education.  
9 The purpose of the research and analysis is to examine possible  
10 graduate level degree programs to be offered in partnership with the  
11 university and the U.S. army's command and general staff college. The  
12 research and analysis shall include stakeholder meetings with the  
13 U.S. army's command and general staff college. The university shall  
14 submit a report to the appropriate legislative higher education  
15 committees and the joint committee on veterans and military affairs  
16 by December 31, 2018. The report shall include the results of the  
17 research and analysis and plans for possible next steps with other  
18 service schools for field grade officers.

19 (25)(a) \$140,000 of the general fund—state appropriation for  
20 fiscal year 2018 is provided solely for the University of Washington  
21 school of law to convene a study on the Washington state supreme  
22 court decision *Volk v. DeMeerleer*, 386 P.3d 254 (Wash. 2016), and  
23 whether or not it substantially changed the law on the duty of care  
24 for mental health providers and whether it has had an impact on  
25 access to mental health care services in the state. The study shall  
26 include:

27 (i) Comprehensive review of duty to warn and duty to protect case  
28 law and laws in the United States, including a description of how  
29 Washington state's law compares to other states and to what extent,  
30 if any, the Volk decision changed the law in this state;

31 (ii) Comprehensive review and assessment of the involuntary and  
32 voluntary treatment capacity available in the state, including  
33 information and data available from the select committee on quality  
34 improvement in state hospitals, related contractors, and other  
35 sources;

36 (iii) An analysis of lawsuits brought in the state as a result of  
37 the Volk decision, including the outcome of any such cases and any  
38 harm alleged in each lawsuit;

39 (iv) An analysis of lawsuits brought in the state prior to the  
40 issuance of the Volk decision, and since the issuance of the decision

1 in *Petersen v. State*, against outpatient mental health providers  
2 alleged to have breached either the duty to warn or the duty to take  
3 reasonable precautions established in *Petersen*, including the outcome  
4 of any such cases and the harm alleged in each lawsuit;

5 (v) An analysis of insurance claims filed as a result of the Volk  
6 decision, including the outcome of any such cases and any harm  
7 alleged in each claim filed;

8 (vi) Whether insurance policy provisions and rates have been  
9 affected due to the Volk decision;

10 (vii) Assessment of the number of mental health service providers  
11 available to provide treatment to voluntary mental health patients in  
12 the state, whether that capacity has changed, and whether any such  
13 change is a result of the Volk decision, and a description of any  
14 changes as a result of the Volk decision;

15 (viii) Assessment of whether mental health service providers may  
16 be changing practice to limit exposure to the potential risks created  
17 by the Volk decision;

18 (ix) Assessment of legal and practice implications state legal  
19 standards regarding duty to warn and duty to protect in the voluntary  
20 and involuntary treatment context; and

21 (x) Comprehensive review of practices where the practice has been  
22 consistently shown to have achieved the results it seeks to achieve  
23 and that those results are superior to those achieved by other means.

24 (b) When performing the study under this subsection, the  
25 University of Washington school of law shall consult with subject-  
26 matter experts including, but not limited to, individuals  
27 representing the following organizations:

28 (i) Attorneys with experience representing defendants in personal  
29 injury cases or wrongful death cases related to the issues raised by  
30 duty to warn cases;

31 (ii) Washington state association for justice, representing  
32 attorneys with experience representing plaintiffs in personal injury  
33 cases or wrongful death cases related to the issues raised by duty to  
34 warn cases;

35 (iii) Department of social and health services;

36 (iv) Washington academy of family physicians;

37 (v) Washington association for mental health treatment  
38 protection;

39 (vi) Office of the insurance commissioner;

40 (vii) Washington council for behavioral health;



1 (viii) Washington state hospital association;  
2 (ix) Washington state medical association;  
3 (x) Washington state psychiatric association;  
4 (xi) Washington state psychological association;  
5 (xii) Washington state society for clinical social work;  
6 (xiii) Washington association of police chiefs and sheriffs;  
7 (xiv) Victim support services;  
8 (xv) NW health law advocates;  
9 (xvi) National alliance on mental illness;  
10 (xvii) American civil liberties union; and  
11 (xviii) A sample of families who testified or presented evidence  
12 of their cases to the legislature.

13 (c) The University of Washington school of law shall consult each  
14 listed organization separately. Following collection and analysis of  
15 relevant data, they shall hold at least one meeting of all listed  
16 organizations to discuss the data, analysis, and recommendations. The  
17 University of Washington school of law must submit the final report  
18 to the appropriate committees of the legislature by December 1, 2017.

19 (26) \$200,000 of the geoduck aquaculture research account—state  
20 appropriation is provided solely for the Washington sea grant program  
21 at the University of Washington to complete a three-year study to  
22 identify best management practices related to shellfish production.  
23 The University of Washington must submit an annual report detailing  
24 any findings and outline the progress of the study, consistent with  
25 RCW 43.01.036, to the office of the governor and the appropriate  
26 legislative committees by December 1st of each year.

27 (27) Any public-private partnership, business venture,  
28 affiliation, or joint venture with a public or private entity, except  
29 the government of the United States, for which the University of  
30 Washington partners or participates to provide services to the  
31 general public is subject to financial and accountability audits by  
32 the Washington state auditor. The university must cooperate and  
33 comply with all state auditor requests for information to conduct  
34 these audits. The university must also include in any contract or  
35 agreement with a private party to provide services to the general  
36 public a clause to require the production of any financial  
37 information necessary to conduct the financial and accountability  
38 audits to the state auditor on demand. If University of Washington  
39 believes that any law, regulation, or contract provision prevents  
40 production of information for the state auditor, the university must

1 produce the information to the solicitor general's office of the  
2 office of the attorney general for their review. If the solicitor  
3 general's office determines there is no legal or contractual basis to  
4 prevent production, the office must transmit the information to the  
5 state auditor.

6 (28) \$250,000 of the accident account—state appropriation and  
7 \$241,000 of the medical aid—state appropriation are provided solely  
8 for implementation of Substitute Senate Bill No. 6343 (energy workers  
9 task force). If the bill is not enacted by June 30, 2018, the amounts  
10 provided in this subsection shall lapse.

11 (29) \$135,000 of the general fund—state appropriation for fiscal  
12 year 2019 is provided solely for Washington MESA to continue the  
13 First Nations MESA program in the Yakima Valley.

14 (30) \$128,000 of the general fund—state appropriation for fiscal  
15 year 2019 is provided solely for implementation of Senate Bill No.  
16 5028 (Native American curriculum). If the bill is not enacted by June  
17 30, 2018, the amount provided in this subsection shall lapse.

18 **Sec. 603.** 2017 3rd sp.s. c 1 s 607 (uncodified) is amended to  
19 read as follows:

20 **FOR WASHINGTON STATE UNIVERSITY**

21	General Fund—State Appropriation (FY 2018)	. . . . .	(( <del>\$215,329,000</del> ))
22			\$200,486,000
23	General Fund—State Appropriation (FY 2019)	. . . . .	(( <del>\$227,266,000</del> ))
24			\$213,024,000
25	WSU Building Account—State Appropriation.	. . . . .	\$792,000
26	<u>Pension Funding Stabilization Account—State</u>		
27	<u>Appropriation.</u>	. . . . .	\$30,983,000
28	Education Legacy Trust Account—State Appropriation	. . . . .	\$33,995,000
29	Dedicated Marijuana Account—State Appropriation		
30	(FY 2018)	. . . . .	\$138,000
31	Dedicated Marijuana Account—State Appropriation		
32	(FY 2019)	. . . . .	\$138,000
33	TOTAL APPROPRIATION.	. . . . .	(( <del>\$477,658,000</del> ))
34			\$479,556,000

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

37 (1) \$90,000 of the general fund—state appropriation for fiscal  
38 year 2018 and \$90,000 of the general fund—state appropriation for

1 fiscal year 2019 are provided solely for a rural economic development  
2 and outreach coordinator.

3 (2) 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 (3) \$500,000 of the general fund—state appropriation for fiscal  
13 year 2018 and \$500,000 of the general fund—state appropriation for  
14 fiscal year 2019 are provided solely for state match requirements  
15 related to the federal aviation administration grant.

16 (4) Washington State University shall not use funds appropriated  
17 in this section to support intercollegiate athletic programs.

18 (5) The appropriations in this section include sufficient funding  
19 for the implementation of chapter 154, Laws of 2017 (SSB 5022)  
20 (education loan information).

21 (6) The appropriations in this section include sufficient funding  
22 for the implementation of chapter 177, Laws of 2017 (SSB 5100)  
23 (financial literacy seminars).

24 (7) \$3,000,000 of the general fund—state appropriation for fiscal  
25 year 2018 and \$7,000,000 of the general fund—state appropriation for  
26 fiscal year 2019 are provided solely for the continued development  
27 and operations of a medical school program in Spokane.

28 (8) Within the funds appropriated in this section, Washington  
29 State University is required to provide administrative support to the  
30 sustainable aviation biofuels work group authorized under RCW  
31 28B.30.904.

32 (9) \$135,000 of the general fund—state appropriation for fiscal  
33 year 2018 and \$135,000 of the general fund—state appropriation for  
34 fiscal year 2019 are provided solely for a honey bee biology research  
35 position.

36 (10) (~~(\$27,425,000)~~) \$27,585,000 of the general fund—state  
37 appropriation for fiscal year 2018 and (~~(\$27,973,000)~~) \$28,275,000 of  
38 the general fund—state appropriation for fiscal year 2019 are

1 provided solely for the implementation of the college affordability  
2 program as set forth in RCW 28B.15.066.

3 (11) \$230,000 of the general fund—state appropriation for fiscal  
4 year 2018 and \$376,000 of the general fund—state appropriation for  
5 fiscal year 2019 are provided solely for chapter 202, Laws of 2017  
6 (2SHB 1713) (children's mental health).

7 (12) \$300,000 of the general fund—state appropriation for fiscal  
8 year 2018 and \$300,000 of the general fund—state appropriation for  
9 fiscal year 2019 are provided solely for the William D. Ruckelshaus  
10 center to collaborate with groups and organizations, including  
11 associations of local governments, associations of the business, real  
12 estate and building industries, state agencies, environmental  
13 organizations, state universities, public health and planning  
14 organizations, and tribal governments, to create a "Road Map to  
15 Washington's Future." The road map shall identify areas of agreement  
16 on ways to adapt Washington's growth management framework of  
17 statutes, institutions, and policies to meet future challenges in  
18 view of robust forecasted growth and the unique circumstances and  
19 urgent priorities in the diverse regions of the state. The center  
20 shall, in conjunction with state universities and other sponsors,  
21 conduct regional workshops to:

22 (a) Engage Washington residents in identifying a desired  
23 statewide vision for Washington's future;

24 (b) Partner with state universities on targeted research to  
25 inform future alternatives;

26 (c) Facilitate deep and candid interviews with representatives of  
27 the above named groups and organizations; and

28 (d) Convene parties for collaborative conversations and potential  
29 agreement seeking.

30 The center must submit a final report to the appropriate committees  
31 of the legislature by June 30, 2019.

32 (13) \$580,000 of the general fund—state appropriation for fiscal  
33 year 2018 and \$580,000 of the general fund—state appropriation for  
34 fiscal year 2019 are provided solely for the development of an  
35 organic agriculture systems degree program located at the university  
36 center in Everett.

37 (14) Within the funds appropriated in this section, Washington  
38 State University shall:

1 (a) Review the scholarly literature on the short-term and long-  
2 term effects of marijuana use to assess if other states or private  
3 entities are conducting marijuana research in areas that may be  
4 useful to the state.

5 (b) Provide as part of its budget request for the 2019-2021  
6 fiscal biennium:

7 (i) A list of intended state, federal, and privately funded  
8 marijuana research, including cost, duration, and scope;

9 (ii) Plans for partnerships with other universities, state  
10 agencies, or private entities, including entities outside the state,  
11 for purposes related to researching short-term and long-term effects  
12 of marijuana use.

13 (15) \$760,000 of the general fund—state appropriation for fiscal  
14 year 2018 and \$760,000 of the general fund—state appropriation for  
15 fiscal year 2019 are provided solely for implementation of chapter  
16 159, Laws of 2017 (2SSB 5474) (elk hoof disease).

17 (16) \$630,000 of the general fund—state appropriation for fiscal  
18 2018 and \$630,000 of the general fund—state appropriation for fiscal  
19 year 2019 are provided solely for the creation of an electrical  
20 engineering program located in Bremerton. At full implementation, the  
21 university is expected to increase degree production by 25 new  
22 bachelor's degrees per year. The university must identify these  
23 students separately when providing data to the education research  
24 data center as required in subsection (2) of this section.

25 (17) \$1,370,000 of the general fund—state appropriation for  
26 fiscal year 2018 and \$1,370,000 of the general fund—state  
27 appropriation for fiscal year 2019 are provided solely for the  
28 creation of software engineering and data analytic programs at the  
29 university center in Everett. At full implementation, the university  
30 is expected to enroll 50 students per academic year. The university  
31 must identify these students separately when providing data to the  
32 education research data center as required in subsection (2) of this  
33 section.

34 (18) General fund—state appropriations in this section are  
35 reduced to reflect a reduction in state-supported tuition waivers for  
36 graduate students. When reducing tuition waivers, the university will  
37 not change its practices and procedures for providing eligible  
38 veterans with tuition waivers.

1 (19) \$500,000 of the general fund—state appropriation for fiscal  
2 year 2019 is provided solely for the joint center for deployment and  
3 research in earth abundant materials.

4 (20) \$768,000 of the general fund—state appropriation for fiscal  
5 year 2018 and \$504,000 of the general fund—state appropriation for  
6 fiscal year 2019 are provided solely for implementation of chapter  
7 36, Laws of 2017 3rd sp. sess. (renewable energy, tax incentives).

8 (21) \$75,000 of the general fund—state appropriation for fiscal  
9 year 2019 is provided solely for the Washington State University tree  
10 fruit research and extension center in Wenatchee to create a plan for  
11 expansion of graduate research in the greater Wenatchee Valley. This  
12 plan may include proposals for new research programs, new or expanded  
13 facilities, and other elements necessary to facilitate expansion of  
14 graduate research in the greater Wenatchee Valley.

15 (22) \$20,000 of the general fund—state appropriation for fiscal  
16 year 2019 is provided solely for implementation of Senate Bill No.  
17 6563 (aviation biofuels work group). If the bill is not enacted by  
18 June 30, 2018, the amount provided in this subsection shall lapse.

19 (23) \$30,000 of the general fund—state appropriation for fiscal  
20 year 2019 is provided solely for implementation of Senate Bill No.  
21 5028 (Native American curriculum). If the bill is not enacted by June  
22 30, 2018, the amount provided in this subsection shall lapse.

23 **Sec. 604.** 2017 3rd sp.s. c 1 s 608 (uncodified) is amended to  
24 read as follows:

25 **FOR EASTERN WASHINGTON UNIVERSITY**

26	General Fund—State Appropriation (FY 2018)	. . . . .	(( <del>\$50,064,000</del> ))
27			<u>\$50,090,000</u>
28	General Fund—State Appropriation (FY 2019)	. . . . .	(( <del>\$51,985,000</del> ))
29			<u>\$52,080,000</u>
30	Education Legacy Trust Account—State Appropriation	. . .	\$16,598,000
31	TOTAL APPROPRIATION.	. . . . .	(( <del>\$118,647,000</del> ))
32			<u>\$118,768,000</u>

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

35 (1) At least \$200,000 of the general fund—state appropriation for  
36 fiscal year 2018 and at least \$200,000 of the general fund—state  
37 appropriation for fiscal year 2019 must be expended on the Northwest  
38 autism center.

1 (2) 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 (3) Eastern Washington University shall not use funds  
11 appropriated in this section to support intercollegiate athletics  
12 programs.

13 (4) (~~(\$9,851,000)~~) \$9,909,000 of the general fund—state  
14 appropriation for fiscal year 2018 and (~~(\$10,048,000)~~) \$10,157,000 of  
15 the general fund—state appropriation for fiscal year 2019 are  
16 provided solely for the implementation of the college affordability  
17 program as set forth in RCW 28B.15.066.

18 (5) The appropriations in this section include sufficient funding  
19 for the implementation of chapter 154, Laws of 2017 (SSB 5022)  
20 (education loan information).

21 (6) The appropriations in this section include sufficient funding  
22 for the implementation of chapter 177, Laws of 2017 (SSB 5100)  
23 (financial literacy seminars).

24 (7) Within amounts appropriated in this section, the university  
25 is encouraged to increase the number of tenure-track positions  
26 created and hired.

27 (8) \$20,000 of the general fund—state appropriation for fiscal  
28 year 2019 is provided solely for implementation of Senate Bill No.  
29 5028 (Native American curriculum). If the bill is not enacted by June  
30 30, 2018, the amount provided in this subsection shall lapse.

31 **Sec. 605.** 2017 3rd sp.s. c 1 s 609 (uncodified) is amended to  
32 read as follows:

33 **FOR CENTRAL WASHINGTON UNIVERSITY**

34	General Fund—State Appropriation (FY 2018)	. . . . .	( <del>(\$49,969,000)</del> )
35			<u>\$48,136,000</u>
36	General Fund—State Appropriation (FY 2019)	. . . . .	( <del>(\$52,303,000)</del> )
37			<u>\$50,699,000</u>
38	CWU Capital Projects Account—State Appropriation.	. . . . .	\$76,000

1	Education Legacy Trust Account—State Appropriation . . .	\$19,076,000
2	<u>Pension Funding Stabilization Account—State</u>	
3	<u>Appropriation. . . . .</u>	<u>\$3,921,000</u>
4	TOTAL APPROPRIATION. . . . .	(( <del>\$121,424,000</del> ))
5		<u>\$121,908,000</u>

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

8 (1) The university must continue work with the education research  
9 and data center to demonstrate progress in engineering enrollments.  
10 By September 1st of each year, the university shall provide a report  
11 including but not limited to the cost per student, student completion  
12 rates, and the number of low-income students enrolled in each  
13 program, any process changes or best-practices implemented by the  
14 university, and how many students are enrolled in engineering  
15 programs above the prior academic year.

16 (2) Central Washington University shall not use funds  
17 appropriated in this section to support intercollegiate athletics  
18 programs.

19 (3) ((~~\$11,104,000~~)) \$11,169,000 of the general fund—state  
20 appropriation for fiscal year 2018 and ((~~\$11,326,000~~)) \$11,448,000 of  
21 the general fund—state appropriation for fiscal year 2019 are  
22 provided solely for the implementation of the college affordability  
23 program as set forth in RCW 28B.15.066.

24 (4) The appropriations in this section include sufficient funding  
25 for the implementation of chapter 154, Laws of 2017 (SSB 5022)  
26 (education loan information).

27 (5) The appropriations in this section include sufficient funding  
28 for the implementation of chapter 177, Laws of 2017 (SSB 5100)  
29 (financial literacy seminars).

30 (6) Within amounts appropriated in this section, the university  
31 is encouraged to increase the number of tenure-track positions  
32 created and hired.

33 (7) \$130,000 of the general fund—state appropriation for fiscal  
34 year 2019 is provided solely for Central Washington University to  
35 partner with the office of the lieutenant governor, and employers and  
36 labor representatives from the building and construction trades to  
37 create a bachelor's degree program for individuals who have completed  
38 or are completing certain registered apprenticeship programs. The  
39 program shall be inclusive of prior learning, specifically tailored



1 to experience gained through apprenticeships and work in the building  
2 and construction trades, and use an affordable online delivery model.  
3 The program's financial model must be designed to make this degree  
4 program self-sustaining without state support.

5 (8) \$46,000 of the general fund—state appropriation for fiscal  
6 year 2019 is provided solely for implementation of Senate Bill No.  
7 5028 (Native American curriculum). If the bill is not enacted by June  
8 30, 2018, the amount provided in this subsection shall lapse.

9 **Sec. 606.** 2017 3rd sp.s. c 1 s 610 (uncodified) is amended to  
10 read as follows:

11 **FOR THE EVERGREEN STATE COLLEGE**

12	General Fund—State Appropriation (FY 2018)	. . . . .	(( <del>\$26,543,000</del> ))
13			<u>\$26,627,000</u>
14	General Fund—State Appropriation (FY 2019)	. . . . .	(( <del>\$27,146,000</del> ))
15			<u>\$27,810,000</u>
16	TESC Capital Projects Account—State Appropriation.	. . . . .	\$80,000
17	<u>Pension Funding Stabilization Account—State Appropriation.</u>	. . . . .	<u>\$2,000</u>
18	Education Legacy Trust Account—State Appropriation	. . . . .	\$5,450,000
19	<del>((Liquor Revolving Account—State Appropriation.</del>	<del>. . . . .</del>	<del>(\$250,000))</del>
20	TOTAL APPROPRIATION.	. . . . .	(( <del>\$59,469,000</del> ))
21			<u>\$59,969,000</u>

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

24 (1) ((~~\$3,377,000~~)) \$3,397,000 of the general fund—state  
25 appropriation for fiscal year 2018 and ((~~\$3,445,000~~)) \$3,482,000 of  
26 the general fund—state appropriation for fiscal year 2019 are  
27 provided solely for the implementation of the college affordability  
28 program as set forth in RCW 28B.15.066.

29 (2) Funding provided in this section is sufficient for The  
30 Evergreen State College to continue operations of the Longhouse  
31 Center and the Northwest Indian applied research institute.

32 (3) Notwithstanding other provisions in this section, the board  
33 of directors for the Washington state institute for public policy may  
34 adjust due dates for projects included on the institute's 2017-19  
35 work plan as necessary to efficiently manage workload.

36 (4) The Evergreen State College shall not use funds appropriated  
37 in this section to support intercollegiate athletics programs.

1 (5) \$33,000 of the general fund—state appropriation for fiscal  
2 year 2018 and (~~(\$65,000)~~) \$95,000 of the general fund—state  
3 appropriation for fiscal year 2019 are provided solely for  
4 implementation of chapter 265, Laws of 2017 (SHB 1867) (ext. foster  
5 care transitions).

6 (6) \$62,000 of the general fund—state appropriation for fiscal  
7 year 2018 are provided solely for implementation of chapter 237, Laws  
8 of 2017 (ESHB 1115) (paraeducators).

9 (7) \$17,000 of the general fund—state appropriation for fiscal  
10 year 2018 and (~~(\$34,000)~~) \$41,000 of the general fund—state  
11 appropriation for fiscal year 2019 are provided solely for the  
12 Washington institute for public policy to conduct a study regarding  
13 the implementation of certain aspects of the involuntary treatment  
14 act, pursuant to chapter 29, Laws of 2016, sp. sess. (E3SHB 1713).

15 (8) The appropriations in this section include sufficient funding  
16 for the implementation of chapter 154, Laws of 2017 (SSB 5022)  
17 (education loan information).

18 (9) The appropriations in this section include sufficient funding  
19 for the implementation of chapter 177, Laws of 2017 (SSB 5100)  
20 (financial literacy seminars).

21 (10) \$72,000 of the general fund—state appropriation for fiscal  
22 year 2018 and \$43,000 of the general fund—state appropriation for  
23 fiscal year 2019 is provided solely for the Washington institute for  
24 public policy to update its previous meta-analysis on the effect of  
25 the national board for professional teaching standards certification  
26 on student outcomes by December 15, 2018. The institute shall also  
27 report on the following:

28 (a) Does the certification improve teacher retention in  
29 Washington state?;

30 (b) Has the additional bonus provided under RCW 28A.405.415 to  
31 certificated instructional staff who have attained national board  
32 certification to work in high poverty schools acted as an incentive  
33 for such teachers to actually work in high poverty schools?; and

34 (c) Have other states provided similar incentives to achieve a  
35 more equitable distribution of staff with national board  
36 certification?

37 (11) \$122,000 of the general fund—state appropriation for fiscal  
38 year 2018 and (~~(\$40,000)~~) \$141,000 of the general fund—state

1 appropriation for fiscal year 2019 are provided solely for the  
2 implementation of chapter 244, Laws of 2015 (college bound).

3 (12) \$1,000 of the general fund—state appropriation for fiscal  
4 year 2018 and (~~(\$1,000)~~) \$7,000 of the general fund—state  
5 appropriation for fiscal year 2019 are provided solely for the  
6 implementation of chapter 7, Laws of 2015, 3rd sp.s. (early start  
7 act).

8 (~~((14))~~) (13) Within amounts appropriated in this section, the  
9 college is encouraged to increase the number of tenure-track  
10 positions created and hired.

11 (~~((15))~~) (14) \$16,000 of the general fund—state appropriation for  
12 fiscal year 2018 and (~~(\$22,000)~~) \$50,000 of the general fund—state  
13 appropriation for fiscal year 2019 are provided solely for  
14 implementation of Engrossed Substitute Senate Bill No. 5890 (foster  
15 care and adoption). If the bill is not enacted by July 31, 2017, the  
16 amounts provided in this subsection shall lapse.

17 (15) \$111,000 of the general fund—state appropriation for fiscal  
18 year 2018 and \$17,000 of the general fund—state appropriation for  
19 fiscal year 2019 are provided solely for implementation of chapter  
20 205, Laws of 2016 (2SHB 2449) (truancy reduction).

21 (16)(a) \$100,000 of the general fund—state appropriation for  
22 fiscal year 2019 is provided solely for the Washington state  
23 institute for public policy shall conduct a statewide study on the  
24 needs of dually involved females. To the extent possible, the study  
25 must review available data for the following purposes:

26 (i) Understanding the prevalence and demographics of the dually  
27 involved female population and their families;

28 (ii) Tracking outcomes for this population including, but not  
29 limited to, academic, social, and vocational achievement; and

30 (iii) Surveying other states' systems that address and treat the  
31 needs of this population.

32 (b) To the extent possible, the data should be disaggregated by  
33 race and ethnicity, gender, sexual orientation and gender identity,  
34 county of residence, and other relevant variables.

35 (c) The study should include a cost-benefit analysis of programs  
36 for dually involved females that would show evidence of avoidance of  
37 costs associated with public welfare programs or would demonstrate  
38 higher educational attainment.

1 (d) By July 1, 2019, the Washington state institute for public  
2 policy shall submit its study findings to the legislative fiscal and  
3 policy committees with responsibility for child welfare and juvenile  
4 justice issues.

5 (17) \$23,000 of the general fund—state appropriation for fiscal  
6 year 2019 is provided solely for the Washington institute for public  
7 policy to review, study, and report to the legislature on policy  
8 recommendations for protecting consumers against excessive  
9 prescription drug price increases. The study must include a two year  
10 look back at prescription drug price increases where the wholesale  
11 acquisition cost increased by a percentage equal to or greater than  
12 one hundred percent, at any one time, or in the aggregate in any  
13 twelve-month period. The study only applies to prescription drugs  
14 costing twenty-five dollars or more for a thirty-day supply, and does  
15 not pertain to price increases for new prescription drugs. For the  
16 purposes of the study, the wholesale acquisition cost means the price  
17 for each dosage, size, or concentration of the prescription drug  
18 offered or sold by the drug manufacturer. The report with policy  
19 recommendations must be submitted to the appropriate committees of  
20 the legislature by November 30, 2018.

21 (18) \$57,000 of the general fund—state appropriation for fiscal  
22 year 2019 is provided solely for the Washington institute for public  
23 policy to conduct a review of the available research literature on  
24 step therapy protocol usage, including any rigorous evidence  
25 concerning positive or negative health outcomes resulting from step  
26 therapy protocol usage. The institute must also review any rigorous  
27 evidence regarding the effectiveness of exceptions to the use of step  
28 therapy in improving health outcomes and reducing adverse events, and  
29 provide a summary of step therapy protocol exceptions that have been  
30 codified in other states. The institute must submit a report on its  
31 findings to the appropriate committees of the senate and house of  
32 representatives by December 1, 2018.

33 (19)(a) \$25,000 of the general fund—state appropriation for  
34 fiscal year 2018 and \$55,000 of the general fund—state appropriation  
35 for fiscal year 2019 are provided solely for the Washington state  
36 institute of public policy to review the higher education funding  
37 models in ten states with higher education systems that are similar  
38 to Washington state, and report to the legislature by November 1,  
39 2018. The review must include a breakdown of:

1 (i) The method used to determine state funding levels for  
2 institutions of higher education;

3 (ii) The proportion of state funding that comes from the state  
4 general fund or that state's equivalent accounts for salary and  
5 benefit increases at institutions of higher education;

6 (iii) The manner in which salary and benefit increases are  
7 determined at or on behalf of employees at institutions of higher  
8 education;

9 (iv) The total proportion of state funding that comes from the  
10 state general fund or that state's equivalent accounts for  
11 institutions of higher education.

12 (b) The office of financial management in consultation with the  
13 state board for community and technical colleges and the council of  
14 presidents, may use information in the report to present funding  
15 options to the legislature. The legislature shall consider any  
16 options that are made available by the office of financial management  
17 under this subsection when making future decisions about funding for  
18 salaries and benefits during the 2019-2021 biennium.

19 (20) \$20,000 of the general fund—state appropriation for fiscal  
20 year 2018 and \$140,000 of the general fund—state appropriation for  
21 fiscal year 2019 are provided solely for implementation of Second  
22 Substitute Senate Bill No. 6029 (student loan bill of rights). If the  
23 bill is not enacted by June 30, 2018, the amounts provided in this  
24 subsection shall lapse.

25 **Sec. 607.** 2017 3rd sp.s. c 1 s 611 (uncodified) is amended to  
26 read as follows:

27 **FOR WESTERN WASHINGTON UNIVERSITY**

28	General Fund—State Appropriation (FY 2018)	. . . . .	(( <del>\$70,456,000</del> ))
29			\$70,474,000
30	General Fund—State Appropriation (FY 2019)	. . . . .	(( <del>\$72,950,000</del> ))
31			\$74,376,000
32	Education Legacy Trust Account—State Appropriation	. . .	\$13,831,000
33	Western Washington University Capital Projects		
34	Account—State Appropriation (FY 2018)	. . . . .	\$771,000
35	Western Washington University Capital Projects Account—State		
36	Appropriation (FY 2019)	. . . . .	\$712,000
37	TOTAL APPROPRIATION	. . . . .	(( <del>\$158,720,000</del> ))
38			<u>\$160,164,000</u>

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

3 (1) 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 (2) \$630,000 of the general fund—state appropriation for fiscal  
13 year 2018 and \$630,000 of the general fund—state appropriation for  
14 fiscal year 2019 are provided solely for the computer and information  
15 systems security program located at Olympic college - Poulsbo. The  
16 university is expected to enroll 30 students each academic year  
17 beginning in fiscal year 2017. The university must identify these  
18 students separately when providing data to the educational data  
19 centers as required in (1) of this section.

20 (3) Western Washington University shall not use funds  
21 appropriated in this section to support intercollegiate athletics  
22 programs.

23 (4) (~~(\$15,326,000)~~) \$15,416,000 of the general fund—state  
24 appropriation for fiscal year 2018 and (~~(\$15,632,000)~~) \$15,801,000 of  
25 the general fund—state appropriation for fiscal year 2019 are  
26 provided solely for the implementation of the college affordability  
27 program as set forth in RCW 28B.15.066.

28 (5) The appropriations in this section include sufficient funding  
29 for the implementation of chapter 154, Laws of 2017 (SSB 5022)  
30 (education loan information).

31 (6) The appropriations in this section include sufficient funding  
32 for the implementation of chapter 177, Laws of 2017 (SSB 5100)  
33 (financial literacy seminars).

34 (7) \$500,000 of the general fund—state appropriation for fiscal  
35 year 2018 and \$500,000 of the general fund—state appropriation for  
36 fiscal year 2019 are provided solely for programs or initiatives  
37 designed to improve student academic success and increase degree  
38 completion.

1 (8) Within amounts appropriated in this section, the university  
2 is encouraged to increase the number of tenure-track positions  
3 created and hired.

4 (9) \$24,000 of the general fund—state appropriation for fiscal  
5 year 2019 is provided solely for implementation of Senate Bill No.  
6 5028 (Native American curriculum). If the bill is not enacted by June  
7 30, 2018, the amount provided in this subsection shall lapse.

8 (10) \$1,306,000 of the general fund—state appropriation for  
9 fiscal year 2019 is provided solely for Western Washington University  
10 to develop a new program in marine, coastal, and watershed sciences.

11 **Sec. 608.** 2017 3rd sp.s. c 1 s 612 (uncodified) is amended to  
12 read as follows:

13 **FOR THE STUDENT ACHIEVEMENT COUNCIL—POLICY COORDINATION AND**  
14 **ADMINISTRATION**

15	General Fund—State Appropriation (FY 2018) . . . . .	(( <del>\$5,640,000</del> ))
16		<u>\$5,370,000</u>
17	General Fund—State Appropriation (FY 2019) . . . . .	(( <del>\$5,791,000</del> ))
18		<u>\$6,089,000</u>
19	General Fund—Federal Appropriation . . . . .	\$4,892,000
20	<u>Pension Funding Stabilization Account—State</u>	
21	<u>Appropriation. . . . .</u>	<u>\$535,000</u>
22	TOTAL APPROPRIATION. . . . .	(( <del>\$16,323,000</del> ))
23		<u>\$16,886,000</u>

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

26 (1) \$20,000 of the general fund—state appropriation for fiscal  
27 year 2018 is provided solely for administrative costs to implement  
28 the expansion of the college bound scholarship program for foster  
29 youth, pursuant to Engrossed Substitute Senate Bill No. 5890 (foster  
30 care and adoption). If the bill is not enacted by July 31, 2017, the  
31 amount provided in this subsection shall lapse.

32 (2) \$130,000 of the general fund—state appropriation for fiscal  
33 year 2019 is provided solely for implementation of Engrossed  
34 Substitute Senate Bill No. 6486 (registered apprenticeships). If the  
35 bill is not enacted by June 30, 2018, the amount provided in this  
36 subsection shall lapse.

37 (3) \$68,000 of the general fund—state appropriation for fiscal  
38 year 2019 is provided solely for implementation of Substitute Senate

1 Bill No. 6514 (higher education behavioral health). If the bill is  
2 not enacted by June 30, 2018, the amount provided in this subsection  
3 shall lapse.

4 (4) \$245,000 of the general fund—state appropriation for fiscal  
5 year 2019 is provided solely for implementation of Second Substitute  
6 Senate Bill No. 6029 (student loan bill of rights). If the bill is  
7 not enacted by June 30, 2018, the amount provided in this subsection  
8 shall lapse.

9 **Sec. 609.** 2017 3rd sp.s. c 1 s 613 (uncodified) is amended to  
10 read as follows:

11 **FOR THE STUDENT ACHIEVEMENT COUNCIL—OFFICE OF STUDENT FINANCIAL**  
12 **ASSISTANCE**

13	General Fund—State Appropriation (FY 2018) . . . . .	(( <del>\$238,397,000</del> ))
14		<u>\$238,388,000</u>
15	General Fund—State Appropriation (FY 2019) . . . . .	(( <del>\$242,726,000</del> ))
16		<u>\$253,118,000</u>
17	General Fund—Federal Appropriation . . . . .	(( <del>\$11,906,000</del> ))
18		<u>\$11,905,000</u>
19	General Fund—Private/Local Appropriation . . . . .	\$300,000
20	Education Legacy Trust Account—State Appropriation . . . . .	(( <del>\$99,955,000</del> ))
21		<u>\$104,291,000</u>
22	WA Opportunity Pathways Account—State	
23	Appropriation . . . . .	(( <del>\$117,389,000</del> ))
24		<u>\$122,350,000</u>
25	Aerospace Training Student Loan Account—State	
26	Appropriation . . . . .	\$208,000
27	<u>Pension Funding Stabilization Account—State</u>	
28	<u>Appropriation. . . . .</u>	<u>\$18,000</u>
29	Health Professionals Loan Repayment and Scholarship	
30	Program Account—State Appropriation . . . . .	\$4,720,000
31	TOTAL APPROPRIATION. . . . .	(( <del>\$715,601,000</del> ))
32		<u>\$735,298,000</u>

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

35 (1) \$229,157,000 of the general fund—state appropriation for  
36 fiscal year 2018, ((~~\$233,928,000~~)) \$243,770,000 of the general fund—  
37 state appropriation for fiscal year 2019, \$69,376,000 of the  
38 education legacy trust account—state appropriation, and \$88,000,000



1 of the Washington opportunity pathways account—state appropriation  
2 are provided solely for student financial aid payments under the  
3 state need grant and state work study programs, including up to four  
4 percent administrative allowance for the state work study program.

5 (2)(a) For the 2017-2019 fiscal biennium, state need grant awards  
6 given to private for-profit institutions shall be the same amount as  
7 the prior year.

8 (b) For the 2017-2019 fiscal biennium, grant awards given to  
9 private four-year not-for-profit institutions shall be set at the  
10 same level as the average grant award for public research  
11 universities. Increases in awards given to private four-year not-for-  
12 profit institutions shall align with annual tuition increases for  
13 public research institutions.

14 (3) Changes made to the state work study program in the 2009-2011  
15 and 2011-2013 fiscal biennia are continued in the 2017-2019 fiscal  
16 biennium including maintaining the increased required employer share  
17 of wages; adjusted employer match rates; discontinuation of  
18 nonresident student eligibility for the program; and revising  
19 distribution methods to institutions by taking into consideration  
20 other factors such as off-campus job development, historical  
21 utilization trends, and student need.

22 (4) Within the funds appropriated in this section, eligibility  
23 for the state need grant includes students with family incomes at or  
24 below 70 percent of the state median family income (MFI), adjusted  
25 for family size, and shall include students enrolled in three to five  
26 credit-bearing quarter credits, or the equivalent semester credits.  
27 Awards for students with incomes between 51 and 70 percent of the  
28 state median shall be prorated at the following percentages of the  
29 award amount granted to those with incomes below 51 percent of the  
30 MFI: 70 percent for students with family incomes between 51 and 55  
31 percent MFI; 65 percent for students with family incomes between 56  
32 and 60 percent MFI; 60 percent for students with family incomes  
33 between 61 and 65 percent MFI; and 50 percent for students with  
34 family incomes between 66 and 70 percent MFI.

35 (5) Of the amounts provided in subsection (1) of this section,  
36 \$100,000 of the general fund—state appropriation for fiscal year 2018  
37 and \$100,000 of the general fund—state appropriation for fiscal year  
38 2019 are provided for the council to process an alternative financial  
39 aid application system pursuant to RCW 28B.92.010.

1 (6) Students who are eligible for the college bound scholarship  
2 shall be given priority for the state need grant program. These  
3 eligible college bound students whose family incomes are in the 0-65  
4 percent median family income ranges must be awarded the maximum state  
5 need grant for which they are eligible under state policies and may  
6 not be denied maximum state need grant funding due to institutional  
7 policies or delayed awarding of college bound scholarship students.  
8 The council shall provide directions to institutions to maximize the  
9 number of college bound scholarship students receiving the maximum  
10 state need grant for which they are eligible with a goal of 100  
11 percent coordination. Institutions shall identify all college bound  
12 scholarship students to receive state need grant priority. If an  
13 institution is unable to identify all college bound scholarship  
14 students at the time of initial state aid packaging, the institution  
15 should reserve state need grant funding sufficient to cover the  
16 projected enrollments of college bound scholarship students.

17 (7) \$15,849,000 of the education legacy trust account—state  
18 appropriation and (~~(\$29,389,000)~~) \$34,350,000 of the Washington  
19 opportunity pathways account—state appropriation are provided solely  
20 for the college bound scholarship program and may support  
21 scholarships for summer session. The office of student financial  
22 assistance and the institutions of higher education shall consider  
23 awards made by the opportunity scholarship program to be state-funded  
24 for the purpose of determining the value of an award amount under RCW  
25 28B.118.010.

26 (8) \$2,236,000 of the general fund—state appropriation for fiscal  
27 year 2018 and \$2,236,000 of the general fund—state appropriation for  
28 fiscal year 2019 are provided solely for the passport to college  
29 program. The maximum scholarship award is up to \$5,000. The council  
30 shall contract with a nonprofit organization to provide support  
31 services to increase student completion in their postsecondary  
32 program and shall, under this contract, provide a minimum of \$500,000  
33 in fiscal years 2018 and 2019 for this purpose.

34 (9) (~~(\$14,730,000)~~) \$19,066,000 of the education legacy trust  
35 account—state appropriation is provided solely to meet state match  
36 requirements associated with the opportunity scholarship program. The  
37 legislature will evaluate subsequent appropriations to the  
38 opportunity scholarship program based on the extent that additional

1 private contributions are made, program spending patterns, and fund  
2 balance.

3 (10) \$2,325,000 of the general fund—state appropriation for  
4 fiscal year 2018 and \$2,325,000 of the general fund—state  
5 appropriation for fiscal year 2019 are provided solely for  
6 expenditure into the health professionals loan repayment and  
7 scholarship program account. These amounts and \$4,720,000  
8 appropriated from the health professionals loan repayment and  
9 scholarship program account must be used to increase the number of  
10 licensed primary care health professionals to serve in licensed  
11 primary care health professional critical shortage areas. The office  
12 of student financial assistance and the department of health shall  
13 prioritize a portion of any nonfederal balances in the health  
14 professional loan repayment and scholarship fund for conditional loan  
15 repayment contracts with psychiatrists and with advanced registered  
16 nurse practitioners for work at one of the state-operated psychiatric  
17 hospitals. The office and department shall designate the state  
18 hospitals as health professional shortage areas if necessary for this  
19 purpose. The office shall coordinate with the department of social  
20 and health services to effectively incorporate three conditional loan  
21 repayments into the department's advanced psychiatric professional  
22 recruitment and retention strategies. The office may use these  
23 targeted amounts for other program participants should there be any  
24 remaining amounts after eligible psychiatrists and advanced  
25 registered nurse practitioners have been served. The office shall  
26 also work to prioritize loan repayments to professionals working at  
27 health care delivery sites that demonstrate a commitment to serving  
28 uninsured clients.

29 (11) \$42,000 of the general fund—state appropriation for fiscal  
30 year 2018 and \$42,000 of the general fund—state appropriation for  
31 fiscal year 2019 are provided solely for the council to design and  
32 implement a program that provides customized information to high-  
33 achieving (as determined by local school districts), low-income, high  
34 school students. "Low-income" means students who are from low-income  
35 families as defined by the education data center in RCW 43.41.400.  
36 For the purposes of designing, developing, and implementing the  
37 program, the council shall partner with a national entity that offers  
38 aptitude tests and shall consult with institutions of higher  
39 education with a physical location in Washington. The council shall

1 implement the program no later than fall 2016, giving consideration  
2 to spring mailings in order to capture early action decisions offered  
3 by institutions of higher education and nonprofit baccalaureate  
4 degree-granting institutions. The information packet for students  
5 must include at a minimum:

- 6 (a) Materials that help students to choose colleges;
- 7 (b) An application guidance booklet;
- 8 (c) Application fee waivers, if available, for four-year  
9 institutions of higher education and independent nonprofit  
10 baccalaureate degree-granting institutions in the state that enable  
11 students receiving a packet to apply without paying application fees;
- 12 (d) Information on college affordability and financial aid that  
13 includes information on the net cost of attendance for each four-year  
14 institution of higher education and each nonprofit baccalaureate  
15 degree-granting institution, and information on merit and need-based  
16 aid from federal, state, and institutional sources; and
- 17 (e) A personally addressed cover letter signed by the governor  
18 and the president of each four-year institution of higher education  
19 and nonprofit baccalaureate degree-granting institution in the state.

20 (12) \$559,000 of the general fund—state appropriation for fiscal  
21 year 2019 is provided solely for implementation of Second Substitute  
22 Senate Bill No. 6274 (apprenticeships/foster, etc.). If the bill is  
23 not enacted by June 30, 2018, the amount provided in this subsection  
24 shall lapse.

25 **Sec. 610.** 2017 3rd sp.s. c 1 s 614 (uncodified) is amended to  
26 read as follows:

27 **FOR THE WORKFORCE TRAINING AND EDUCATION COORDINATING BOARD**

28	General Fund—State Appropriation (FY 2018)	. . . . .	(( <del>\$1,881,000</del> ))
29			<u>\$1,845,000</u>
30	General Fund—State Appropriation (FY 2019)	. . . . .	(( <del>\$1,795,000</del> ))
31			<u>\$2,214,000</u>
32	General Fund—Federal Appropriation	. . . . .	\$55,279,000
33	<u>Pension Funding Stabilization Account—State</u>		
34	<u>Appropriation.</u>	. . . . .	<u>\$176,000</u>
35	General Fund—Private/Local Appropriation	. . . . .	\$208,000
36	TOTAL APPROPRIATION.	. . . . .	(( <del>\$59,163,000</del> ))
37			<u>\$59,722,000</u>

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 chapter 154, Laws  
26 of 2017 (SSB 5022) (education loan information).

27 (4) \$114,000 of the general fund—state appropriation for fiscal  
28 year 2018 and \$57,000 of the general fund—state appropriation for  
29 fiscal year 2019 are provided solely for implementation of chapter  
30 182, Laws of 2017 (2SSB 5285) (workforce employment sectors study).

31 (5) \$147,000 of the general fund—state appropriation for fiscal  
32 year 2019 is provided solely for implementation of Engrossed  
33 Substitute Senate Bill No. 6486 (registered apprenticeships). If the  
34 bill is not enacted by June 30, 2018, the amount provided in this  
35 subsection shall lapse.

36 (6) \$350,000 of the general fund—state appropriation for fiscal  
37 year 2019 is provided solely for implementation of Substitute Senate  
38 Bill No. 6544 (future of work task force). If the bill is not enacted  
39 by June 30, 2018, the amount provided in this subsection shall lapse.

1 (7) \$9,000 of the general fund—state appropriation for fiscal  
2 year 2019 is provided solely for implementation of Second Substitute  
3 Senate Bill No. 6236 (economic growth commission). If the bill is not  
4 enacted by June 30, 2018, the amount provided in this subsection  
5 shall lapse.

6 **Sec. 611.** 2017 3rd sp.s. c 1 s 615 (uncodified) is amended to  
7 read as follows:

8 **FOR THE DEPARTMENT OF EARLY LEARNING**

9	General Fund—State Appropriation (FY 2018)	. . . . .	(( <del>\$119,174,000</del> ))
10			<u>\$116,758,000</u>
11	General Fund—Federal Appropriation	. . . . .	(( <del>\$171,032,000</del> ))
12			<u>\$171,805,000</u>
13	Education Legacy Trust Account—State Appropriation	. . .	\$14,091,000
14	Home Visiting Services Account—State Appropriation	. . . .	\$3,133,000
15	Home Visiting Services Account—Federal		
16	Appropriation	. . . . .	\$12,153,000
17	WA Opportunity Pathways Account—State Appropriation	. . .	\$40,000,000
18	<u>Pension Funding Stabilization Account—State</u>		
19	<u>Appropriation.</u>	. . . . .	<u>\$468,000</u>
20	TOTAL APPROPRIATION.	. . . . .	(( <del>\$359,583,000</del> ))
21			<u>\$358,408,000</u>

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

24 (1) \$58,185,000 of the general fund—state appropriation for  
25 fiscal year 2018, \$12,125,000 of the education legacy trust account—  
26 state appropriation, and \$40,000,000 of the opportunity pathways  
27 account appropriation are provided solely for the early childhood  
28 education and assistance program. These amounts shall support at  
29 least 12,491 slots in fiscal year 2018.

30 (2) \$200,000 of the general fund—state appropriation for fiscal  
31 year 2018 is provided solely to develop and provide culturally  
32 relevant supports for parents, family, and other caregivers.

33 (3) The department is the lead agency for and recipient of the  
34 federal child care and development fund grant. Amounts within this  
35 grant shall be used to fund child care licensing, quality  
36 initiatives, agency administration, and other costs associated with  
37 child care subsidies. The department shall transfer a portion of this  
38 grant to the department of social and health services to fund the

1 child care subsidies paid by the department of social and health  
2 services on behalf of the department of early learning.

3 (4)(a) (~~(\$76,650,000)~~) \$78,026,000 of the general fund—federal  
4 appropriation is provided solely for the working connections child  
5 care program under RCW 43.215.135. In order to not exceed the  
6 appropriated amount, the department shall manage the program so that  
7 the average monthly caseload does not exceed 33,000 households. The  
8 department shall give prioritized access into the program according  
9 to the following order:

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

12 (ii) TANF families curing sanction;

13 (iii) Foster children;

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;

19 (vi) Families with a child residing with a biological parent or  
20 guardian who have received child protective services, child welfare  
21 services, or a family assessment response from the department of  
22 social and health services in the past six months, and has received a  
23 referral for child care as part of the family's case management; and

24 (vii) Families that received subsidies within the last thirty  
25 days and:

26 (A) Have reapplied for subsidies; and

27 (B) Have household income of two hundred percent federal poverty  
28 level or below; and

29 (viii) All other eligible families.

30 (b) The department of early learning and the department of social  
31 and health services must take immediate action to reduce fraud and  
32 overpayments in the working connections child care program. By  
33 December 1, 2017, the department must adopt rules to:

34 (i) Require verification of the applicant's household composition  
35 in determining eligibility for the working connections child care  
36 program. At a minimum, the department of social and health services  
37 must consult agency records for the temporary assistance for needy  
38 families program, food assistance, medical assistance, and child  
39 support enforcement to verify the applicant's household composition  
40 and other applicable eligibility criteria whenever possible. In cases

1 where only one parent's name appears on the application and the  
2 department of social and health services cannot verify an open child  
3 support case or verify household composition through internal agency  
4 records, then the applicant must:

5 (A) Provide the name and address of the other parent or indicate,  
6 under penalty of perjury, that the other parent's identity or address  
7 are unknown to the applicant; and

8 (B) Document the presence or absence of the other parent through  
9 acceptable documentation as defined by the department in rule.

10 The department must exempt an applicant from providing  
11 information about the other parent if the department of social and  
12 health services determines the applicant has good cause not to  
13 cooperate. For the purposes of this subsection, "good cause" must  
14 include, at a minimum, consideration of the safety of domestic  
15 violence victims;

16 (ii) Authorize working connections child care payments to  
17 licensed and certified providers and in-home relative child care  
18 providers serving eligible consumers who participate in one hundred  
19 ten hours or more of approved work or related activities per calendar  
20 month within the following categories: (A) Full day care for a non-  
21 school-age child, (B) half-day care for a school-age child during the  
22 school year, and (C) full day care for a school-age child during  
23 school holidays;

24 (iii) Define the occurrence of fraud, an intentional program  
25 violation, an unintentional program violation and an administrative  
26 error;

27 (iv) Outline the administrative process for determining fraud or  
28 an intentional program violation; and

29 (v) Define the progressive disqualification process for providers  
30 who commit fraud or intentional program violation(s).

31 (c) The department, in collaboration with the department of  
32 social and health services, must submit a preliminary report by  
33 December 1, 2017, and a final report by December 1, 2018, to the  
34 governor and the appropriate fiscal and policy committees of the  
35 legislature on quality control measures for the working connections  
36 child care program. The reports must each include:

37 (i) A detailed narrative of the procurement and implementation of  
38 an improved time and attendance system, including a detailed  
39 accounting of the costs of procurement and implementation;



1 (ii) A comprehensive description of all processes, including  
2 computer algorithms and additional rule development, that the  
3 department and the department of social and health services plan to  
4 establish prior to and after full implementation of the time and  
5 attendance system. At a minimum, processes must be designed to:

6 (A) Ensure the department's auditing efforts are informed by  
7 regular and continuous alerts of the potential for overpayments;

8 (B) Avoid overpayments to the maximum extent possible and  
9 expediently recover overpayments that have occurred;

10 (C) Withhold payment from providers when necessary to incentivize  
11 receipt of the necessary documentation to complete an audit;

12 (D) Establish methods for reducing future payments or  
13 establishing repayment plans in order to recover any overpayments;

14 (E) Sanction providers, including termination of eligibility, who  
15 commit intentional program violations or fail to comply with program  
16 requirements, including compliance with any established repayment  
17 plans;

18 (F) Consider pursuit of prosecution in cases with fraudulent  
19 activity; and

20 (iii) A description of the process by which fraud is identified  
21 and how fraud investigations are prioritized and expedited.

22 (d) Beginning July 1, 2018, and annually thereafter, the  
23 department, in collaboration with the department of social and health  
24 services, must report to the governor and the appropriate fiscal and  
25 policy committees of the legislature on the status of overpayments in  
26 the working connections child care program. The report must include  
27 the following information for the previous fiscal year:

28 (i) A summary of the number of overpayments that occurred;

29 (ii) The reason for each overpayment;

30 (iii) The total cost of overpayments;

31 (iv) A comparison to overpayments that occurred in the past two  
32 preceding fiscal years; and

33 (v) Any planned modifications to internal processes that will  
34 take place in the coming fiscal year to further reduce the occurrence  
35 of overpayments.

36 (5) Within available amounts, the department in consultation with  
37 the office of financial management and the department of social and  
38 health services shall report enrollments and active caseload for the  
39 working connections child care program to the legislative fiscal  
40 committees and the legislative-executive WorkFirst oversight task

1 force on an agreed upon schedule. The report shall also identify the  
2 number of cases participating in both temporary assistance for needy  
3 families and working connections child care. The department must also  
4 report on the number of children served through contracted slots.

5 (6) \$1,560,000 of the general fund—state appropriation for fiscal  
6 year 2018 and \$6,712,000 of the general fund—federal appropriation  
7 are provided solely for the seasonal child care program. If federal  
8 sequestration cuts are realized, cuts to the seasonal child care  
9 program must be proportional to other federal reductions made within  
10 the department.

11 (7) (~~(\$4,674,000)~~) \$2,522,000 of the general fund—state  
12 appropriation for fiscal year 2018 is provided solely for the early  
13 childhood intervention prevention services (ECLIPSE) program. The  
14 department shall contract for ECLIPSE services to provide therapeutic  
15 child care and other specialized treatment services to abused,  
16 neglected, at-risk, and/or drug-affected children. The department  
17 shall ensure that contracted providers pursue receipt of federal  
18 funding associated with the early support for infants and toddlers  
19 program. Priority for services shall be given to children referred  
20 from the department of social and health services children's  
21 administration.

22 (8) \$44,663,000 of the general fund—state appropriation for  
23 fiscal year 2018 and \$13,954,000 of the general fund—federal  
24 appropriation are provided solely to maintain the requirements set  
25 forth in chapter 7, Laws of 2015 3rd sp. sess. The department shall  
26 place a ten percent administrative overhead cap on any contract  
27 entered into with the University of Washington. In its annual report  
28 to the governor and the legislature, the department shall report the  
29 total amount of funds spent on the quality rating and improvements  
30 system and the total amount of funds spent on degree incentives,  
31 scholarships, and tuition reimbursements. Of the amounts provided in  
32 this subsection, \$386,000 of the general fund—state appropriation for  
33 fiscal year 2018 is provided solely for a six percent base rate  
34 increase for child care center providers.

35 (9) \$1,728,000 of the general fund—state appropriation for fiscal  
36 year 2018 is provided solely for reducing barriers for low-income  
37 providers to participate in the early achievers program.

38 (10) \$300,000 of the general fund—state appropriation for fiscal  
39 year 2018 is provided solely for a contract with a nonprofit entity

1 experienced in the provision of promoting early literacy for children  
2 through pediatric office visits.

3 (11) \$2,000,000 of the education legacy trust account—state  
4 appropriation is provided solely for early intervention assessment  
5 and services.

6 (12) \$7,979,000 of the general fund—federal appropriation for  
7 fiscal year 2018 is provided solely for the department to procure a  
8 time and attendance system and are subject to the conditions,  
9 limitations, and review provided in section 724 of this act.

10 (13) Information technology projects or investments and proposed  
11 projects or investments impacting time capture, payroll and payment  
12 processes and systems, eligibility, case management and authorization  
13 systems within the department of early learning are subject to  
14 technical oversight by the office of the chief information officer.  
15 The department must collaborate with the office of the chief  
16 information officer to develop a strategic business and technology  
17 architecture plan for a child care attendance and billing system that  
18 supports a statewide architecture.

19 (14)(a)(i) The department of early learning is required to  
20 provide to the education research and data center, housed at the  
21 office of financial management, data on all state-funded early  
22 childhood programs. These programs include the early support for  
23 infants and toddlers, early childhood education and assistance  
24 program (ECEAP), and the working connections and seasonal subsidized  
25 childcare programs including license exempt facilities or family,  
26 friend, and neighbor care. The data provided by the department to the  
27 education research data center must include information on children  
28 who participate in these programs, including their name and date of  
29 birth, and dates the child received services at a particular  
30 facility.

31 (ii) ECEAP early learning professionals must enter any new  
32 qualifications into the department's professional development  
33 registry starting in the 2015-16 school year, and every school year  
34 thereafter. By October 2017, and every October thereafter, the  
35 department must provide updated ECEAP early learning professional  
36 data to the education research data center.

37 (iii) The department must request federally funded head start  
38 programs to voluntarily provide data to the department and the  
39 education research data center that is equivalent to what is being  
40 provided for state-funded programs.

1 (iv) The education research and data center must provide an  
2 updated report on early childhood program participation and K-12  
3 outcomes to the house of representatives appropriations committee and  
4 the senate ways and means committee using available data by November  
5 2017 for the school year ending in 2016 and again in March 2018 for  
6 the school year ending in 2017.

7 (b) The department, in consultation with the department of social  
8 and health services, must withhold payment for services to early  
9 childhood programs that do not report on the name, date of birth, and  
10 the dates a child received services at a particular facility.

11 (15) The department shall work with state and local law  
12 enforcement, federally recognized tribal governments, and tribal law  
13 enforcement to develop a process for expediting fingerprinting and  
14 data collection necessary to conduct background checks for tribal  
15 early learning and child care providers.

16 (16) \$2,651,000 of the general fund—state appropriation for  
17 fiscal year 2018 is provided solely for the 2017-2019 collective  
18 bargaining agreement covering family child care providers as set  
19 forth in section 940 of this act. Funding is contingent upon  
20 enactment of Senate Bill No. 5969 (transparency in public employee  
21 collective bargaining). If the bill is not enacted by July 31, 2017,  
22 the amount provided in this subsection shall lapse. Of the amounts  
23 provided in this subsection:

24 (a) \$273,000 is for a base rate increase;

25 (b) \$55,000 is for increasing paid professional development days  
26 from three days to five days;

27 (c) \$1,708,000 is for the family child care providers 501c3  
28 organization for the substitute pool, training and quality  
29 improvement support services, and administration;

30 (d) \$114,000 is for increasing licensing incentive payments; and

31 (e) \$500,000 is for needs based grants.

32 (17) \$175,000 of the general fund—state appropriation for fiscal  
33 year 2018 is provided solely for the department to contract with a  
34 nonprofit entity that provides quality improvement services to  
35 participants in the early achievers program to implement a community-  
36 based training module that supports licensed child care providers who  
37 have been rated in early achievers and who are specifically  
38 interested in serving children in the early childhood education and  
39 assistance program. The module must be functionally translated into  
40 Spanish and Somali. The module must prepare trainees to administer

1 all aspects of the early childhood education and assistance program  
2 for eligible children in their licensed program and must be offered  
3 to 105 child care providers to serve children eligible for the early  
4 childhood education and assistance program by June 30, 2019.

5 (18) \$750,000 of the general fund—state appropriation for fiscal  
6 year 2018 is provided solely for the implementation of the early  
7 achievers expanded learning opportunity quality initiative pursuant  
8 to RCW 43.215.100(3)(d).

9 (19) \$267,000 of the general fund—state appropriation for fiscal  
10 year 2018 is provided solely for implementation of chapter 236, Laws  
11 of 2017 (SHB 1445) (dual language in early learning & K-12).

12 (20) \$100,000 of the general fund—state appropriation for fiscal  
13 year 2018 is provided solely for implementation of chapter 202, Laws  
14 of 2017 (E2SHB 1713) (children's mental health).

15 (21) \$5,000 of the general fund—state appropriation for fiscal  
16 year 2018 is provided solely for a child care workforce development  
17 technical work group to develop recommendations to support increased  
18 child care workforce wages, reduce turnover, enable child care  
19 providers to recruit more qualified educators, and maintain the  
20 diversity of the current workforce.

21 (a) The department shall convene and provide staff support for  
22 the technical work group. The department shall consult with advocates  
23 and stakeholders of the early learning workforce when selecting  
24 members for the technical work group. Membership of the work group  
25 must consist of representatives from the following organizations and  
26 entities:

- 27 (i) The statewide child care resource and referral network;
- 28 (ii) The department;
- 29 (iii) The department of commerce;
- 30 (iv) The economic opportunity institute;
- 31 (v) A coalition of organizations representing nonprofits,  
32 professional associations, businesses, and industries in early  
33 learning;
- 34 (vi) The state board for community and technical colleges;
- 35 (vii) A union representing child care workers;
- 36 (viii) The small business administration;
- 37 (ix) A member consisting of either an economist or a  
38 representative of the workforce development councils;

1 (x) A representative from an early childhood education and  
2 assistance program;

3 (xi) A representative from a nonprofit child care center;

4 (xii) A representative from a private child care center; and

5 (xiii) A representative from an organization that provides  
6 culturally responsive services for early learning programs in  
7 communities with high numbers of families whose primary language is  
8 not English.

9 (b) Members of the work group may be reimbursed for travel  
10 expenses as provided in RCW 43.03.050 and 43.03.060. Funding in this  
11 subsection is provided solely for travel reimbursement of work group  
12 members and other costs to conduct the meetings. Funding provided in  
13 this subsection may not be used to contract for facilitation.

14 (c) The work group shall issue a report with recommendations and  
15 an implementation plan to the governor and appropriate committees of  
16 the legislature by December 1, 2018.

17 (22) \$317,000 of the general fund—state appropriation for fiscal  
18 year 2018 is provided solely for implementation of chapter 162, Laws  
19 of 2017 (SSB 5357) (outdoor early learning programs).

20 (23)(a) During the 2017-2019 fiscal biennium, the department must  
21 revise its agreements and contracts with vendors to include a  
22 provision to require that each vendor agrees to equality among its  
23 workers by ensuring similarly employed individuals are compensated as  
24 equals as follows:

25 (i) Employees are similarly employed if the individuals work for  
26 the same employer, the performance of the job requires comparable  
27 skill, effort, and responsibility, and the jobs are performed under  
28 similar working conditions. Job titles alone are not determinative of  
29 whether employees are similarly employed;

30 (ii) Vendors may allow differentials in compensation for its  
31 workers based in good faith on any of the following:

32 (A) A seniority system; a merit system; a system that measures  
33 earnings by quantity or quality of production; a bona fide job-  
34 related factor or factors; or a bona fide regional difference in  
35 compensation levels.

36 (B) A bona fide job-related factor or factors may include, but  
37 not be limited to, education, training, or experience, that is:  
38 Consistent with business necessity; not based on or derived from a  
39 gender-based differential; and accounts for the entire differential.

1 (C) A bona fide regional difference in compensation level must  
2 be: Consistent with business necessity; not based on or derived from  
3 a gender-based differential; and account for the entire differential.

4 (b) The provision must allow for the termination of the contract  
5 if the department or department of enterprise services determines  
6 that the vendor is not in compliance with this agreement or contract  
7 term.

8 (c) The department must implement this provision with any new  
9 contract and at the time of renewal of any existing contract.

10 **Sec. 612.** 2017 3rd sp.s. c 1 s 616 (uncodified) is amended to  
11 read as follows:

12 **FOR THE STATE SCHOOL FOR THE BLIND**

13	General Fund—State Appropriation (FY 2018)	. . . . .	\$6,976,000
14	General Fund—State Appropriation (FY 2019)	. . . . .	<del>(\$7,427,000)</del>
15			<u>\$7,600,000</u>
16	General Fund—Private/Local Appropriation	. . . . .	\$34,000
17	<u>Pension Funding Stabilization Account—State</u>		
18	<u>Appropriation.</u>	. . . . .	\$591,000
19	TOTAL APPROPRIATION.	. . . . .	<del>(\$14,437,000)</del>
20			<u>\$15,201,000</u>

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

23 (1) Funding provided in this section is sufficient for the school  
24 to offer to students enrolled in grades nine through twelve for full-  
25 time instructional services at the Vancouver campus with the  
26 opportunity to participate in a minimum of one thousand eighty hours  
27 of instruction and the opportunity to earn twenty-four high school  
28 credits.

29 (2) \$78,000 of the general fund—state appropriation for fiscal  
30 year 2018 and \$22,000 of the general fund—state appropriation for  
31 fiscal year 2019 are provided solely for the purchase of electronic  
32 Braille technology for Braille-reading students.

33 (3) \$49,000 of the general fund—state appropriation for fiscal  
34 year 2018 and \$50,000 of the general fund—state appropriation for  
35 fiscal year 2019 are provided solely for employees who have requested  
36 and received approval for reasonable accommodation in the workplace.

37 (4) \$105,000 of the general fund—state appropriation for fiscal  
38 year 2018 and \$136,000 of the general fund—state appropriation for

1 fiscal year 2019 are provided solely for the transportation of  
2 students to and from the home campus in Vancouver.

3 **Sec. 613.** 2017 3rd sp.s. c 1 s 617 (uncodified) is amended to  
4 read as follows:

5 **FOR THE WASHINGTON STATE CENTER FOR CHILDHOOD DEAFNESS AND HEARING**  
6 **LOSS**

7	General Fund—State Appropriation (FY 2018)	. . . . .	(( <del>\$10,646,000</del> ))
8			<u>\$10,290,000</u>
9	General Fund—State Appropriation (FY 2019)	. . . . .	(( <del>\$11,679,000</del> ))
10			<u>\$11,621,000</u>
11	<u>Pension Funding Stabilization Account—State</u>		
12	Appropriation. . . . .		\$727,000
13	TOTAL APPROPRIATION. . . . .		(( <del>\$22,325,000</del> ))
14			<u>\$22,638,000</u>

15 The appropriations in this section are subject to the following  
16 conditions and limitations: Funding provided in this section is  
17 sufficient for the center to offer to students enrolled in grades  
18 nine through twelve for full-time instructional services at the  
19 Vancouver campus with the opportunity to participate in a minimum of  
20 one thousand eighty hours of instruction and the opportunity to earn  
21 twenty-four high school credits.

22 **Sec. 614.** 2017 3rd sp.s. c 1 s 618 (uncodified) is amended to  
23 read as follows:

24 **FOR THE WASHINGTON STATE ARTS COMMISSION**

25	General Fund—State Appropriation (FY 2018)	. . . . .	(( <del>\$1,497,000</del> ))
26			<u>\$1,417,000</u>
27	General Fund—State Appropriation (FY 2019)	. . . . .	(( <del>\$1,514,000</del> ))
28			<u>\$1,567,000</u>
29	General Fund—Federal Appropriation . . . . .		\$2,124,000
30	General Fund—Private/Local Appropriation . . . . .		(( <del>\$16,000</del> ))
31			<u>\$50,000</u>
32	<u>Pension Funding Stabilization Account—State</u>		
33	Appropriation. . . . .		\$122,000
34	TOTAL APPROPRIATION. . . . .		(( <del>\$5,151,000</del> ))
35			<u>\$5,280,000</u>

36 The appropriations in this section are subject to the following  
37 conditions and limitations: ((~~\$78,000~~)) \$58,000 of the general fund—



1 state appropriation for fiscal year 2018 and (~~(\$78,000)~~) \$98,000 of  
2 the general fund—state appropriation for fiscal year 2019 are  
3 provided solely to implement chapter 240, Laws of 2017 (creative  
4 districts).

5 **Sec. 615.** 2017 3rd sp.s. c 1 s 619 (uncodified) is amended to  
6 read as follows:

7 **FOR THE WASHINGTON STATE HISTORICAL SOCIETY**

8	General Fund—State Appropriation (FY 2018)	. . . . .	( <del>(\$2,505,000)</del> )
9			<u>\$2,469,000</u>
10	General Fund—State Appropriation (FY 2019)	. . . . .	( <del>(\$2,603,000)</del> )
11			<u>\$2,831,000</u>
12	<u>Pension Funding Stabilization Account—State</u>		
13	Appropriation. . . . .		\$230,000
14	TOTAL APPROPRIATION. . . . .		( <del>(\$5,108,000)</del> )
15			<u>\$5,530,000</u>

16 The appropriations in this section are subject to the following  
17 conditions and limitations: \$22,000 of the general fund—state  
18 appropriation for fiscal year 2018 and \$138,000 of the general fund—  
19 state appropriation for fiscal year 2019 are provided solely to  
20 commemorate the centennial of national women's suffrage.

21 **Sec. 616.** 2017 3rd sp.s. c 1 s 620 (uncodified) is amended to  
22 read as follows:

23 **FOR THE EASTERN WASHINGTON STATE HISTORICAL SOCIETY**

24	General Fund—State Appropriation (FY 2018)	. . . . .	( <del>(\$1,991,000)</del> )
25			<u>\$1,925,000</u>
26	General Fund—State Appropriation (FY 2019)	. . . . .	( <del>(\$2,044,000)</del> )
27			<u>\$2,091,000</u>
28	<u>Pension Funding Stabilization Account—State</u>		
29	Appropriation. . . . .		\$213,000
30	TOTAL APPROPRIATION. . . . .		( <del>(\$4,035,000)</del> )
31			<u>\$4,229,000</u>

(End of part)

PART VII

SPECIAL APPROPRIATIONS

Sec. 701. 2017 3rd sp.s. c 1 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 2018), General Fund—State Appropriation (FY 2019), State Building Construction Account—State Appropriation, Columbia River Basin Water Supply—State Appropriation, State Taxable Building Construction Account—State Appropriation, Debt-Limit Reimbursable Bond Retire Account—State Appropriation, and TOTAL APPROPRIATION.

The appropriations in this section are subject to the following conditions and limitations: The general fund appropriations are for expenditure into the debt-limit general fund bond retirement account.

Sec. 702. 2017 3rd sp.s. c 1 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 BOND SALE EXPENSES

Table with 2 columns: Description and Amount. Rows include General Fund—State Appropriation (FY 2018), General Fund—State Appropriation (FY 2019), State Building Construction Account—State Appropriation, Columbia River Basin Water Supply—State Appropriation, Columbia River Basin Taxable Bond Water Supply—State Appropriation, and State Taxable Building Construction Account—State Appropriation.

1 TOTAL APPROPRIATION. . . . . (~~(\$5,214,000)~~)  
2 \$5,213,000

3 NEW SECTION. Sec. 703. A new section is added to 2017 3rd sp.s.  
4 c 1 (uncodified) to read as follows:

5 **FOR SUNDRY CLAIMS**

6 The following sums, or so much thereof as may be necessary, are  
7 appropriated from the general fund for fiscal year 2018, unless  
8 otherwise indicated, for relief of various individuals, firms, and  
9 corporations for sundry claims.

10 (1) These appropriations are to be disbursed on vouchers approved  
11 by the director of the department of enterprise services, except as  
12 otherwise provided, for reimbursement of criminal defendants  
13 acquitted on the basis of self-defense, pursuant to RCW 9A.16.110, as  
14 follows:

- 15 (a) John Weiler, claim number 99970144. . . . . \$7,975
- 16 (b) Samson Asfaw, claim number 99970145. . . . . \$18,873
- 17 (c) Kevon Turner, claim number 99970147. . . . . \$9,750
- 18 (d) Arthur Eshe, claim number 99970148. . . . . \$12,900
- 19 (e) Woody J. Pierson, claim number 99970235. . . . . \$19,789

20 (2) These appropriations are to be disbursed on vouchers approved  
21 by the director of the department of enterprise services, except as  
22 otherwise provided, for payment of compensation for wrongful  
23 convictions pursuant to RCW 4.100.060, as follows:

24 Robert Larson, Tyler Gassman, and Paul Statler, claim numbers  
25 99970072-99970074. . . . . \$79,000

26 NEW SECTION. Sec. 704. A new section is added to 2017 3rd sp.s.  
27 c 1 (uncodified) to read as follows:

28 **FOR THE OFFICE OF FINANCIAL MANAGEMENT—DISASTER RESPONSE ACCOUNT**

29 General Fund—State Appropriation (FY 2018) . . . . . \$41,470,000  
30 General Fund—State Appropriation (FY 2019). . . . . \$21,763,000  
31 TOTAL APPROPRIATION. . . . . \$63,233,000

32 The appropriations in this section are subject to the following  
33 conditions and limitations: The appropriations in this section, or so  
34 much thereof as may be necessary, are provided solely for expenditure  
35 into the disaster response account to ensure the account is not in  
36 deficit.

1 NEW SECTION. **Sec. 705.** A new section is added to 2017 3rd sp.s.  
2 c 1 (uncodified) to read as follows:

3 **FOR THE OFFICE OF FINANCIAL MANAGEMENT—SCHOOL EMPLOYEES' INSURANCE**  
4 **ADMINISTRATIVE ACCOUNT**

5 State Health Care Authority Administrative Account—  
6 State Appropriation . . . . . \$28,730,000

7 The appropriation in this section is subject to the following  
8 conditions and limitations: The appropriations in this section, or so  
9 much thereof as may be necessary, are provided solely for expenditure  
10 into the school employees' insurance administrative account for  
11 start-up costs for the school employees' benefits program pursuant to  
12 chapter 13, Laws of 2017 3rd sp. sess. It is the intent of the  
13 legislature that this amount, plus interest as determined by the  
14 treasurer, be repaid to the state health care authority  
15 administrative account.

16 **Sec. 706.** 2017 3rd sp.s. c 1 s 708 (uncodified) is amended to  
17 read as follows:

18 **FOR THE STATE TREASURER—COUNTY PUBLIC HEALTH ASSISTANCE**

19 General Fund—State Appropriation (FY 2018) . . . . . \$36,386,000  
20 General Fund—State Appropriation (FY 2019) . . . . . \$36,386,000  
21 TOTAL APPROPRIATION. . . . . \$72,772,000

22 The appropriations in this section are subject to the following  
23 conditions and limitations: The state treasurer shall distribute the  
24 appropriations to the following counties and health districts in the  
25 amounts designated to support public health services, including  
26 public health nursing:

27 <b>Health District</b>	<b>FY 2018</b>	<b>FY 2019</b>	<b>2017-2019</b>
			<b>Biennium</b>
29 <del>((Adams County Health District))</del> <u>Adams County</u>	\$121,213	\$121,213	\$242,426
30 <u>Integrated Health Care Services</u>			
31 Asotin County Health District	\$159,890	\$159,890	\$319,780
32 Benton-Franklin Health District	\$1,614,337	\$1,614,337	\$3,228,674
33 Chelan-Douglas Health District	\$399,634	\$399,634	\$799,268
34 Clallam County Health and Human Services Department	\$291,401	\$291,401	\$582,802
35 <del>((Clark County Health District))</del> <u>Clark County Public</u>	\$1,767,341	\$1,767,341	\$3,534,682
36 <u>Health</u>			

1	<del>((Skamania County Health Department))</del> <u>Skamania</u>	\$111,327	\$111,327	\$222,654
2	<u>County Community Health</u>			
3	Columbia County Health District	\$119,991	\$119,991	\$239,982
4	<del>((Cowlitz County Health Department))</del> <u>Cowlitz County</u>	\$477,981	\$477,981	\$955,962
5	<u>Health and Human Services</u>			
6	Garfield County Health District	\$93,154	\$93,154	\$186,308
7	Grant County Health District	\$297,761	\$297,761	\$595,522
8	<del>((Grays Harbor Health Department))</del> <u>Grays Harbor</u>	\$335,666	\$335,666	\$671,332
9	<u>Public Health and Social Services</u>			
10	Island County Health Department	\$255,224	\$255,224	\$510,448
11	<del>((Jefferson County Health and Human Services))</del>	\$184,080	\$184,080	\$368,160
12	<u>Jefferson County Public Health</u>			
13	<del>((Seattle-King County Department of Public Health))</del>	\$12,685,521	\$12,685,521	\$25,371,042
14	<u>Public Health - Seattle &amp; King County</u>			
15	<del>((Bremerton-Kitsap County Health District))</del> <u>Kitsap</u>	\$997,476	\$997,476	\$1,994,952
16	<u>Public Health District</u>			
17	Kittitas County <u>Public Health</u> <del>((Department))</del>	\$198,979	\$198,979	\$397,958
18	Klickitat County <u>Public Health</u> <del>((Department))</del>	\$153,784	\$153,784	\$307,568
19	<del>((Lewis County Health Department))</del> <u>Lewis County</u>	\$263,134	\$263,134	\$526,268
20	<u>Public Health and Social Services</u>			
21	Lincoln County Health Department	\$113,917	\$113,917	\$227,834
22	<del>((Mason County Department of Health Services))</del>	\$227,448	\$227,448	\$454,896
23	<u>Mason County Public Health and Human Services</u>			
24	<del>((Okanogan County Health District))</del> <u>Okanogan County</u>	\$169,882	\$169,882	\$339,764
25	<u>Public Health</u>			
26	<del>((Pacific County Health Department))</del> <u>Pacific County</u>	\$169,075	\$169,075	\$338,150
27	<u>Health and Human Services</u>			
28	Tacoma-Pierce County Health Department	\$4,143,169	\$4,143,169	\$8,286,338
29	San Juan County Health and Community Services	\$126,569	\$126,569	\$253,138
30	Skagit County Health Department	\$449,745	\$449,745	\$899,490
31	Snohomish Health District	\$3,433,291	\$3,433,291	\$6,866,582
32	<del>((Spokane County Health District))</del> <u>Spokane Regional</u>	\$2,877,318	\$2,877,318	\$5,754,636
33	<u>Health District</u>			
34	Northeast Tri-County Health District	\$249,303	\$249,303	\$498,606

1	((Thurston County Health Department)) <u>Thurston</u>	\$1,046,897	\$1,046,897	\$2,093,794
2	<u>County Public Health and Social Services</u>			
3	((Wahkiakum County Health Department)) <u>Wahkiakum</u>	\$93,181	\$93,181	\$186,362
4	<u>County Health and Human Services</u>			
5	((Walla Walla County-City Health Department)) <u>Walla</u>	\$302,173	\$302,173	\$604,346
6	<u>Walla County Department of Community Health</u>			
7	Whatcom County Health Department	\$1,214,301	\$1,214,301	\$2,428,602
8	Whitman County Health Department	\$189,355	\$189,355	\$378,710
9	Yakima Health District	\$1,052,482	\$1,052,482	\$2,104,964
10	TOTAL APPROPRIATIONS	\$36,386,000	\$36,386,000	\$72,772,000

11       **Sec. 707.** 2017 3rd sp.s. c 1 s 720 (uncodified) is amended to  
12 read as follows:

13 **FOR THE OFFICE OF FINANCIAL MANAGEMENT—ANDY HILL CANCER RESEARCH**  
14 **ENDOWMENT FUND MATCH TRANSFER ACCOUNT**

15	General Fund—State Appropriation (FY 2018) . . . . .	\$5,000,000
16	<u>General Fund—State Appropriation (FY 2019). . . . .</u>	<u>\$5,000,000</u>
17	<u>TOTAL APPROPRIATION. . . . .</u>	<u>\$10,000,000</u>

18       The appropriations in this section are subject to the following  
19 conditions and limitations: The appropriation in this section is  
20 provided solely for expenditure into the Andy Hill cancer research  
21 endowment fund match transfer account per RCW 43.348.080 to fund the  
22 Andy Hill cancer research endowment program.

23       **Sec. 708.** 2017 3rd sp.s. c 1 s 722 (uncodified) is amended to  
24 read as follows:

25 **FOR THE OFFICE OF FINANCIAL MANAGEMENT—HEALTH PROFESSIONS ACCOUNT**

26	Dedicated Marijuana Account—State Appropriation	
27	(FY 2018) . . . . .	<del>(\$352,000)</del>
28		<u>\$2,652,000</u>
29	Dedicated Marijuana Account—State Appropriation	
30	(FY 2019) . . . . .	\$352,000
31	TOTAL APPROPRIATION. . . . .	<del>(\$704,000)</del>
32		<u>\$3,004,000</u>

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

1 for expenditure into the health professions account to reimburse the  
2 account for costs incurred by the department of health for the  
3 development and administration of the marijuana authorization  
4 database.

5 **Sec. 709.** 2017 3rd sp.s. c 1 s 723 (uncodified) is amended to  
6 read as follows:

7 **FOR THE OFFICE OF FINANCIAL MANAGEMENT—LEASE COST POOL**

8	General Fund—State Appropriation (FY 2018) . . . . .	<del>(\$9,712,000)</del>
9		<u>\$5,312,000</u>
10	<u>General Fund—State Appropriation (FY 2019). . . . .</u>	<u>\$4,400,000</u>
11	General Fund—Federal Appropriation . . . . .	\$2,431,000
12	TOTAL APPROPRIATION. . . . .	\$12,143,000

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 state agency office relocation pool account  
17 ~~((created in section 949 of this act for state agency office~~  
18 ~~relocation costs as shown in LEAP omnibus document LEAS2-2017, dated~~  
19 ~~March 14, 2017, which is hereby incorporated by reference. To~~  
20 ~~facilitate the transfer of moneys from other funds and accounts that~~  
21 ~~are associated with office relocations contained in LEAP omnibus~~  
22 ~~document LEAS-2017, dated March 14, 2017, the state treasurer is~~  
23 ~~directed to transfer moneys from other funds and accounts in an~~  
24 ~~amount not to exceed \$2,431,000 to the lease cost pool in accordance~~  
25 ~~with schedules provided by the office of financial management)).~~

26 (2) Agencies may apply to the office of financial management to  
27 receive funds from the state agency office relocation pool account in  
28 an amount not to exceed the actual costs for the office relocations.

29 NEW SECTION. **Sec. 710.** 2017 3rd sp.s. c 1 s 737 (uncodified) is  
30 repealed.

31 NEW SECTION. **Sec. 711.** A new section is added to 2017 3rd sp.s.  
32 c 1 (uncodified) to read as follows:

33 **PAID FAMILY MEDICAL LEAVE—LOW-WAGE WORKERS**

34	General Fund—State Appropriation (FY 2019) . . . . .	\$42,000
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1 The appropriation in this section is subject to the following  
2 conditions and limitations: Funding is provided for employer payment  
3 of employee family and medical leave premiums for low-wage workers.

4 NEW SECTION. **Sec. 712.** A new section is added to 2017 3rd sp.s.  
5 c 1 (uncodified) to read as follows:

6 **FOR THE OFFICE OF FINANCIAL MANAGEMENT—SECRETARY OF STATE ARCHIVES**  
7 **AND RECORDS MANAGEMENT**

8	General Fund—State Appropriation (FY 2018) . . . . .	\$3,000
9	General Fund—State Appropriation (FY 2019) . . . . .	\$4,000
10	General Fund—Federal Appropriation . . . . .	\$2,000
11	TOTAL APPROPRIATION. . . . .	\$9,000

12 The appropriations in this section are subject to the following  
13 conditions and limitations: The appropriations in this section  
14 reflect adjustments in agency appropriations related to corresponding  
15 adjustments in the secretary of state's billing authority for  
16 archives and records management. The office of financial management  
17 shall adjust allotments in the amounts specified, and to the state  
18 agencies specified in LEAP omnibus document 92C-2018, dated February  
19 19, 2018, and adjust appropriation schedules accordingly.

20 NEW SECTION. **Sec. 713.** A new section is added to 2017 3rd sp.s.  
21 c 1 (uncodified) to read as follows:

22 **FOR THE OFFICE OF FINANCIAL MANAGEMENT—STATE AUDITOR AUDIT SERVICES**

23	General Fund—State Appropriation (FY 2019) . . . . .	\$4,000
24	General Fund—Federal Appropriation . . . . .	\$3,000
25	TOTAL APPROPRIATION. . . . .	\$7,000

26 The appropriations in this section are subject to the following  
27 conditions and limitations: The appropriations in this section  
28 reflect adjustments in agency appropriations related to corresponding  
29 adjustments in the state auditor's billing authority for state agency  
30 auditing services. The office of financial management shall adjust  
31 allotments in the amounts specified, and to the state agencies  
32 specified in LEAP omnibus document 92D-2018, dated February 19, 2018,  
33 and adjust appropriation schedules accordingly.

34 NEW SECTION. **Sec. 714.** A new section is added to 2017 3rd sp.s.  
35 c 1 (uncodified) to read as follows:



1 **FOR THE OFFICE OF FINANCIAL MANAGEMENT—OFFICE OF ATTORNEY GENERAL**  
2 **LEGAL SERVICES**

3	General Fund—State Appropriation (FY 2018) . . . . .	\$300,000
4	General Fund—State Appropriation (FY 2019) . . . . .	\$222,000
5	General Fund—Federal Appropriation . . . . .	\$81,000
6	General Fund—Private/Local Appropriation . . . . .	\$6,000
7	Other Appropriated Funds . . . . .	\$260,000
8	TOTAL APPROPRIATION. . . . .	\$869,000

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 office of attorney general's billing authority for  
13 legal services. The office of financial management shall adjust  
14 allotments in the amounts specified, and to the state agencies  
15 specified in LEAP omnibus document 92E-2018, dated February 19, 2018,  
16 and adjust appropriation schedules accordingly.

17 NEW SECTION. **Sec. 715.** A new section is added to 2017 3rd sp.s.  
18 c 1 (uncodified) to read as follows:

19 **FOR THE OFFICE OF FINANCIAL MANAGEMENT—ADMINISTRATIVE HEARINGS**

20	General Fund—State Appropriation (FY 2018) . . . . .	(\$37,000)
21	General Fund—State Appropriation (FY 2019) . . . . .	(\$302,000)
22	General Fund—Federal Appropriation . . . . .	(\$243,000)
23	General Fund—Private/Local Appropriation . . . . .	\$27,000
24	Other Appropriated Funds . . . . .	\$2,663,000
25	TOTAL APPROPRIATION. . . . .	\$2,108,000

26 The appropriations in this section are subject to the following  
27 conditions and limitations: The appropriations in this section  
28 reflect adjustments in agency appropriations related to corresponding  
29 adjustments in the office of administrative hearing's billing  
30 authority. The office of financial management shall adjust allotments  
31 in the amounts specified, and to the state agencies specified in LEAP  
32 omnibus document 92G-2018, dated February 19, 2018, and adjust  
33 appropriation schedules accordingly.

34 NEW SECTION. **Sec. 716.** A new section is added to 2017 3rd sp.s.  
35 c 1 (uncodified) to read as follows:

1 **FOR THE OFFICE OF FINANCIAL MANAGEMENT—CONSOLIDATED TECHNOLOGY**  
2 **SERVICES CENTRAL SERVICES**

3	General Fund—State Appropriation (FY 2018) . . . . .	\$1,138,000
4	General Fund—State Appropriation (FY 2019) . . . . .	\$981,000
5	General Fund—Federal Appropriation . . . . .	\$587,000
6	General Fund—Private/Local Appropriation . . . . .	\$55,000
7	Other Appropriated Funds . . . . .	\$968,000
8	TOTAL APPROPRIATION. . . . .	\$3,729,000

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 central technology services' billing authority.  
13 The office of financial management shall adjust allotments in the  
14 amounts specified, and to the state agencies specified in LEAP  
15 omnibus document 92J-2018, dated February 19, 2018, and adjust  
16 appropriation schedules accordingly.

17 NEW SECTION. **Sec. 717.** A new section is added to 2017 3rd sp.s.  
18 c 1 (uncodified) to read as follows:

19 **FOR THE OFFICE OF FINANCIAL MANAGEMENT—DEPARTMENT OF ENTERPRISE**  
20 **SERVICES CENTRAL SERVICES**

21	General Fund—State Appropriation (FY 2018) . . . . .	\$11,000
22	General Fund—State Appropriation (FY 2019) . . . . .	\$35,000
23	General Fund—Federal Appropriation . . . . .	\$7,000
24	General Fund—Private/Local Appropriation . . . . .	\$1,000
25	Other Appropriated Funds . . . . .	\$11,000
26	TOTAL APPROPRIATION. . . . .	\$65,000

27 The appropriations in this section are subject to the following  
28 conditions and limitations: The appropriations in this section  
29 reflect adjustments in agency appropriations related to corresponding  
30 adjustments in the department of enterprise services' billing  
31 authority. The office of financial management shall adjust allotments  
32 in the amounts specified, and to the state agencies specified in LEAP  
33 omnibus document 92K-2018, dated February 19, 2018, and adjust  
34 appropriation schedules accordingly.

35 NEW SECTION. **Sec. 718.** A new section is added to 2017 3rd sp.s.  
36 c 1 (uncodified) to read as follows:

1 **FOR THE OFFICE OF FINANCIAL MANAGEMENT—OFFICE OF FINANCIAL MANAGEMENT**  
2 **CENTRAL SERVICES**

3	General Fund—State Appropriation (FY 2018) . . . . .	\$5,000
4	General Fund—State Appropriation (FY 2019) . . . . .	\$1,627,000
5	General Fund—Federal Appropriation . . . . .	\$422,000
6	General Fund—Private/Local Appropriation . . . . .	\$40,000
7	Other Appropriated Funds . . . . .	\$682,000
8	TOTAL APPROPRIATION. . . . .	\$2,776,000

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 new billing  
12 authority for central service functions performed by the office of  
13 financial management. The office of financial management shall adjust  
14 allotments in the amounts specified, and to the state agencies  
15 specified in LEAP omnibus document 92R-2018, dated February 19, 2018,  
16 and adjust appropriation schedules accordingly.

17 NEW SECTION. **Sec. 719.** A new section is added to 2017 3rd sp.s.  
18 c 1 (uncodified) to read as follows:

19 **FOR THE OFFICE OF FINANCIAL MANAGEMENT—SELF-INSURANCE LIABILITY**  
20 **PREMIUM**

21	General Fund—State Appropriation (FY 2019) . . . . .	\$1,864,000
22	General Fund—Federal Appropriation . . . . .	\$424,000
23	General Fund—Private/Local Appropriation . . . . .	\$2,000
24	Other Appropriated Funds . . . . .	\$219,000
25	TOTAL APPROPRIATION. . . . .	\$2,509,000

26 The appropriations in this section are subject to the following  
27 conditions and limitations: The appropriations in this section  
28 reflect adjustments in agency appropriations related to corresponding  
29 adjustments in the self-insurance premium liability billing authority  
30 from implementation of Second Substitute Senate Bill No. 6015  
31 (wrongful death/injury). The office of financial management shall  
32 adjust allotments in the amounts specified, and to the state agencies  
33 specified in LEAP omnibus document 92X-2018, dated February 19, 2018,  
34 and adjust appropriation schedules accordingly.

35 NEW SECTION. **Sec. 720.** A new section is added to 2017 3rd sp.s.  
36 c 1 (uncodified) to read as follows:

1 **FOR THE OFFICE OF FINANCIAL MANAGEMENT—EXTRAORDINARY CRIMINAL JUSTICE**  
2 **COSTS**

3 General Fund—State Appropriation (FY 2018) . . . . . \$824,000

4 The appropriation in this section is subject to the following  
5 conditions and limitations: The director of financial management  
6 shall distribute \$420,000 to Thurston county, \$401,000 to Yakima  
7 county, and \$3,000 to Mason county for extraordinary criminal justice  
8 costs pursuant to RCW 43.330.190.

9 NEW SECTION. **Sec. 721.** A new section is added to 2017 3rd sp.s.  
10 c 1 (uncodified) to read as follows:

11 **FOR THE OFFICE OF FINANCIAL MANAGEMENT—DEDICATED MCCLEARY PENALTY**  
12 **ACCOUNT**

13 General Fund—State Appropriation (FY 2018). . . . . \$103,800,000

14 The appropriation in this section is subject to the following  
15 conditions and limitations: The appropriations are provided solely  
16 for expenditure into the dedicated McCleary penalty account created  
17 in section 916 of this act.

18 NEW SECTION. **Sec. 722.** A new section is added to 2017 3rd sp.s.  
19 c 1 (uncodified) to read as follows:

20 **FOR THE OFFICE OF FINANCIAL MANAGEMENT—JUDICIAL INFORMATION SYSTEMS**  
21 **ACCOUNT**

22 General Fund—State Appropriation (FY 2019) . . . . . \$2,665,000

23 The appropriation in this section is subject to the following  
24 conditions and limitations: The appropriation is provided solely for  
25 expenditure into the judicial information systems account.

26 NEW SECTION. **Sec. 723.** A new section is added to 2017 3rd sp.s.  
27 c 1 (uncodified) to read as follows:

28 **FOR THE OFFICE OF FINANCIAL MANAGEMENT—JUDICIAL STABILIZATION TRUST**  
29 **ACCOUNT**

30 General Fund—State Appropriation (FY 2019) . . . . . \$1,600,000

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 judicial stabilization trust account.

1       **Sec. 724.** 2017 3rd sp.s. c 1 s 724 (uncodified) is amended to  
2 read as follows:

3 **FOR THE OFFICE OF FINANCIAL MANAGEMENT—INFORMATION TECHNOLOGY**  
4 **INVESTMENT POOL**

5	<u>General Fund—State Appropriation (FY 2018)</u>	<u>\$847,000</u>
6	<u>General Fund—State Appropriation (FY 2019)</u>	<u>((<del>\$8,226,000</del>)</u>
7		<u>\$12,369,000</u>
8	<u>General Fund—Federal Appropriation</u>	<u>\$816,000</u>
9	<u>Other Appropriated Funds</u>	<u>\$103,000</u>
10	<u>TOTAL APPROPRIATION</u>	<u>\$14,135,000</u>

11       (1) The appropriations in this section (~~(is)~~) are provided solely  
12 for expenditure into the information technology investment revolving  
13 account created in (~~(section 950 of this act)~~) RCW 43.41.433.

14       (a) Amounts in the account are provided solely for the following  
15 information technology projects:

16       (i) Department of services for the blind - business management  
17 system;

18       (ii) Secretary of state - modernize elections system;

19       (iii) Office of the superintendent of public instruction - school  
20 financial system redesign;

21       (iv) Department of social and health services - time, leave,  
22 attendance scheduling;

23       (v) Human rights commission - new case management database;

24       (vi) Department of health - syringe service data tracking;

25       (vii) Department of fish and wildlife - enforcement records  
26 management;

27       (viii) Department of fish and wildlife - rebuild WDFW network  
28 infrastructure;

29       (ix) Washington state patrol - dedicated state network;

30       (x) Office of the superintendent of public instruction - data  
31 center migration;

32       (xi) Office of the superintendent of public instruction - web  
33 site upgrade for ADA compliance.

34       (b) To facilitate the transfer of moneys from other funds and  
35 accounts that are associated with projects listed in (a)(i) through  
36 (~~(iii)~~) (xi) of this subsection, the state treasurer must transfer  
37 moneys from other funds and accounts to the information technology  
38 investment revolving account in accordance with schedules provided by  
39 the office of financial management.

1 (2) Agencies may apply to the office of financial management to  
2 receive funding from the information technology investment revolving  
3 account.

4 (3) Agencies must apply to the office of the state chief  
5 information officer for approval before proceeding with each stage of  
6 a project subject to this section. At each stage, the office of the  
7 state chief information officer must certify that the project  
8 complies with state information technology and security policy and  
9 strategies. Allocations and allotments may be made only during  
10 discrete stages of projects, which at a minimum must include a  
11 planning stage, procurement stage, and implementation and integration  
12 stage. Prior to an allocation or allotment of funds to an agency, the  
13 office of financial management, jointly with the office of the chief  
14 information officer, must deliver to the legislative fiscal  
15 committees the following information for each project receiving an  
16 allocation:

17 (a) A technology budget using a method similar to the state  
18 capital budget, identifying project costs, funding sources, and  
19 anticipated deliverables through each stage of the investment and  
20 across fiscal periods and biennia from project initiation to  
21 implementation. If the project affects more than one agency, a  
22 technology budget must be prepared for each agency;

23 (b) The technology implementation plan that includes:

24 (i) An organizational chart of the project management team that  
25 identifies team members and their roles and responsibilities;

26 (ii) The office of the chief information officer staff assigned  
27 to the project;

28 (iii) An implementation schedule covering activities, critical  
29 milestones, and deliverables at each stage of the project for the  
30 life of the project at each agency affected by the project; and

31 (iv) Performance measures used to determine that the project is  
32 on time, within budget, and meeting expectations for quality of work  
33 product.

34 (c) A letter from the office of the chief information officer  
35 certifying that:

36 (i) The project is consistent with the state's enterprise  
37 architecture and other policies developed by the office of the chief  
38 information officer;

39 (ii) The agency has the organizational capacity, preparedness,  
40 and leadership to implement the project successfully;

1 (iii) The agency has adequately assessed and minimized the risks  
2 inherent with the project;

3 (iv) The project has the management, staffing, and oversight  
4 resources needed for the cost, complexity, and risks associated with  
5 the project;

6 (v) The project has implementation schedules and performance  
7 measures for timeliness, deliverables, quality, and budget;

8 (vi) The agency has an adequate risk management plan that also  
9 enables the office of the chief information officer to assess,  
10 intervene, and take necessary action when performance measures are  
11 not being met; and

12 (vii) For any investment that does not use commercial off-the-  
13 shelf or software as a service technology solution, the proposed  
14 project represents the best business solution and should not be  
15 delayed.

16 (4) For any project that exceeds two million dollars in total  
17 funds to complete, requires more than one biennium to complete, or is  
18 financed through financial contracts, bonds, or other indebtedness:

19 (i) Quality assurance for the project must report independently  
20 to the office of the chief information officer;

21 (ii) The office of the chief information officer must review, and  
22 if necessary, revise the proposed project to ensure it is flexible  
23 and adaptable to advances in technology;

24 (iii) The technology budget must specifically identify the uses  
25 of any financing proceeds. No more than thirty percent of the  
26 financing proceeds may be used for payroll-related costs for state  
27 employees assigned to project management, installation, testing, or  
28 training;

29 (iv) The agency must consult with the office of the state  
30 treasurer during the competitive procurement process to evaluate  
31 early in the process whether products and services to be solicited  
32 and the responsive bids from a solicitation may be financed; and

33 (v) The agency must consult with the contracting division of the  
34 department of enterprise services for a review of all contracts and  
35 agreements related to the project's information technology  
36 procurements.

37 (5) The office of the chief information officer may suspend or  
38 terminate a project at any time if the office of the chief  
39 information officer determines that the project is not meeting or is  
40 not expected to meet anticipated performance measures. Once

1 suspension or termination occurs, the agency shall not make  
2 additional expenditures on the project without approval of the state  
3 chief information officer. If a project is terminated, the office of  
4 financial management must terminate the agency's allocation from the  
5 information technology investment revolving account and the agency  
6 shall return any remaining funds to the account to be reallocated to  
7 other projects by the office of financial management.

8 (6) Any cost to administer or implement this section for projects  
9 listed in subsection (1) of this section, must be paid from the  
10 information technology investment revolving account. For any other  
11 information technology project made subject to the conditions,  
12 limitations, and review of this section, the cost to implement this  
13 section must be paid from the funds for that project.

14 NEW SECTION. **Sec. 725.** A new section is added to 2017 3rd sp.s.  
15 c 1 (uncodified) to read as follows:

16 **FOR THE DEPARTMENT OF NATURAL RESOURCES—FOREST FIRE PROTECTION**  
17 **ASSESSMENT ACCOUNT**

18 Forest Fire Protection Assessment Account—State  
19 Appropriation (FY 2019) . . . . . \$1,690,000

20 The appropriation in this section is subject to the following  
21 conditions and limitations: The appropriation is provided solely for  
22 the department of natural resources to respond to wildfires, upgrade  
23 tracking systems for wildfire and forest health data, train  
24 department and fire service personnel, add fire management staff, and  
25 replace aviation fuel trucks.

26 **Sec. 726.** 2017 3rd sp.s. c 1 s 718 (uncodified) is amended to  
27 read as follows:

28 **FOR THE OFFICE OF FINANCIAL MANAGEMENT—OUTDOOR EDUCATION AND**  
29 **RECREATION ACCOUNT**

30 General Fund—State Appropriation (FY 2018) . . . . . \$750,000  
31 General Fund—State Appropriation (FY 2019) . . . . . \$750,000  
32 TOTAL APPROPRIATION. . . . . \$1,500,000

33 The appropriations in this section are subject to the following  
34 conditions and limitations: The appropriations are provided solely  
35 for expenditure into the outdoor education and recreation account for  
36 the state parks and recreation commission's outdoor education and  
37 recreation program purposes identified in RCW 79A.05.351. Of the



1 amounts appropriated, \$500,000 is provided solely to partner with  
2 organizations that employ at least one veteran.

3 NEW SECTION. Sec. 727. A new section is added to 2017 3rd sp.s.  
4 c 1 (uncodified) to read as follows:

5 **PLAN 1 RETIREE BENEFIT INCREASES**

6	General Fund—State Appropriation (FY 2019)	\$10,687,000
7	Other Appropriated Funds	\$1,649,000
8	TOTAL APPROPRIATION.	\$12,336,000

9 The appropriations in this section are provided solely for  
10 implementation of Substitute Senate Bill No. 6340 (plan 1 retiree  
11 benefit increases). If the bill is not enacted by June 30, 2018, the  
12 amounts provided in this subsection shall lapse.

13 NEW SECTION. Sec. 728. A new section is added to 2017 3rd sp.s.  
14 c 1 (uncodified) to read as follows:

15 **OFFICE OF FINANCIAL MANAGEMENT—PAID FAMILY AND MEDICAL LEAVE EMPLOYER**  
16 **PREMIUMS**

17	General Fund—State Appropriation (FY 2019)	\$1,013,000
18	General Fund—Federal Appropriation (FY 2019)	\$85,000
19	General Fund—Local Appropriation (FY 2019)	\$7,000
20	Other Appropriated Funds	\$221,000
21	TOTAL APPROPRIATION.	\$1,326,000

22 The appropriations in this section are provided solely for the  
23 employer portion of the paid family and medical leave premiums  
24 required under chapter 5, Laws of 2017 3rd sp. sess., for state  
25 employees other than those covered by a collective bargaining  
26 agreement.

27 NEW SECTION. Sec. 729. A new section is added to 2017 3rd sp.s.  
28 c 1 (uncodified) to read as follows:

29 **OFFICE OF FINANCIAL MANAGEMENT—CONTRIBUTIONS FOR EMPLOYEE HEALTH**  
30 **INSURANCE**

31	General Fund—State Appropriation (FY 2019)	(\$27,760,000)
32	General Fund—Federal Appropriation (FY 2019)	(\$4,955,000)
33	General Fund—Local Appropriation (FY 2019)	(\$464,000)
34	Other Appropriated Funds	(\$7,251,000)
35	TOTAL APPROPRIATION.	(\$40,430,000)

1 The appropriations in this section are provided solely to adjust  
2 agency and institution appropriations to reflect the reductions in  
3 the state employer funding rate for health insurance.

4 **Sec. 730.** 2017 3rd sp.s. c 1 s 718 (uncodified) is amended to  
5 read as follows:

6 **FOR THE DEPARTMENT OF RETIREMENT SYSTEMS—CONTRIBUTIONS TO RETIREMENT**  
7 **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 the  
12 appropriations for the judges and judicial retirement systems shall  
13 be made on a quarterly basis consistent with chapters 2.10 and 2.12  
14 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)	. . . . .	\$70,050,000
18	General Fund—State Appropriation (FY 2019)	. . . . .	<del>(\$73,350,000)</del>
19			<u>\$75,750,000</u>
20	TOTAL APPROPRIATION.	. . . . .	<del>(\$143,400,000)</del>
21			<u>\$145,800,000</u>

22 The appropriations in this subsection (1) are subject to the  
23 following conditions and limitations: \$2,400,000 of the general fund—  
24 state appropriation for fiscal year 2019 is provided solely for  
25 implementation of Substitute Senate Bill No. 6213 (occupational  
26 disease presumptions). If the bill is not enacted by June 30, 2018,  
27 the amount provided in this subsection shall lapse.

28 (2) There is appropriated for contributions to the judicial  
29 retirement system:

30	General Fund—State Appropriation (FY 2018)	. . . . .	\$8,700,000
31	General Fund—State Appropriation (FY 2019)	. . . . .	\$8,400,000
32	TOTAL APPROPRIATION.	. . . . .	\$17,100,000

33 (3) There is appropriated for contributions to the judges'  
34 retirement system:

35	General Fund—State Appropriation (FY 2018)	. . . . .	\$500,000
36	General Fund—State Appropriation (FY 2019)	. . . . .	\$500,000
37	TOTAL APPROPRIATION.	. . . . .	\$1,000,000

1 NEW SECTION. Sec. 731. A new section is added to 2017 3rd sp.s.  
2 c 1 (uncodified) to read as follows:

3 **FOR THE OFFICE OF FINANCIAL MANAGEMENT—CONSOLIDATED TECHNOLOGY**  
4 **SERVICES FEE FOR SERVICE ADJUSTMENT**

5	General Fund—State Appropriation (FY 2018) . . . . .	\$282,000
6	General Fund—State Appropriation (FY 2019). . . . .	\$570,000
7	General Fund—Federal Appropriation. . . . .	\$228,000
8	General Fund—Private/Local Appropriation. . . . .	\$36,000
9	Other Appropriated Funds. . . . .	\$559,000
10	TOTAL APPROPRIATION. . . . .	\$1,675,000

11 The appropriations in this section are subject to the following  
12 conditions and limitations: The appropriations in this section  
13 reflect adjustments in agency appropriations related to corresponding  
14 adjustments in the consolidated technology services' billing  
15 authority. The office of financial management shall adjust allotments  
16 in the amounts specified, and to the state agencies specified in LEAP  
17 omnibus document GZC-2018, dated February 19, 2018, and adjust  
18 appropriation schedules accordingly.

19 NEW SECTION. Sec. 732. A new section is added to 2017 3rd sp.s.  
20 c 1 (uncodified) to read as follows:

21 **FOR THE OFFICE OF FINANCIAL MANAGEMENT—DEPARTMENT OF ENTERPRISE**  
22 **SERVICES RATE COMPENSATION ADJUSTMENTS**

23	General Fund—State Appropriation (FY 2018) . . . . .	(\$5,000)
24	General Fund—State Appropriation (FY 2019). . . . .	\$572,000
25	General Fund—Federal Appropriation. . . . .	\$112,000
26	General Fund—Private/Local Appropriation. . . . .	\$15,000
27	Other Appropriated Funds. . . . .	\$298,000
28	TOTAL APPROPRIATION. . . . .	\$992,000

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 corresponding  
32 adjustments in the department of enterprise services' billing  
33 authority. The office of financial management shall adjust allotments  
34 in the amounts specified, and to the state agencies specified in LEAP  
35 omnibus document GZH-2018, dated February 19, 2018, and adjust  
36 appropriation schedules accordingly.

(End of part)

PART VIII

OTHER TRANSFERS AND APPROPRIATIONS

Sec. 801. 2017 3rd sp.s. c 1 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. . . . .	(( <del>\$9,731,000</del> ))	<u>\$9,730,000</u>
General Fund Appropriation for prosecuting attorney distributions. . . . .	(( <del>\$6,786,000</del> ))	<u>\$6,643,000</u>
General Fund Appropriation for boating safety and education distributions. . . . .	\$4,000,000	
General Fund Appropriation for public utility district excise tax distributions. . . . .	(( <del>\$60,611,000</del> ))	<u>\$30,230,000</u>
Death Investigations Account Appropriation for distribution to counties for publicly funded autopsies. . . . .	(( <del>\$3,556,000</del> ))	<u>\$3,135,000</u>
Aquatic Lands Enhancement Account Appropriation for harbor improvement revenue distribution. . . . .	\$140,000	
Timber Tax Distribution Account Appropriation for distribution to "timber" counties. . . . .	(( <del>\$77,367,000</del> ))	<u>\$68,009,000</u>
County Criminal Justice Assistance Appropriation. . . . .	(( <del>\$96,145,000</del> ))	<u>\$93,628,000</u>
Municipal Criminal Justice Assistance Appropriation. . . . .	(( <del>\$38,126,000</del> ))	<u>\$36,908,000</u>
City-County Assistance Appropriation. . . . .	\$27,160,000	
Liquor Excise Tax Account Appropriation for liquor excise tax distribution. . . . .	\$56,058,000	
Streamlined Sales and Use Tax Mitigation Account Appropriation for distribution to local taxing jurisdictions to mitigate the unintended revenue redistributions effect of sourcing law changes. . . . .	(( <del>\$20,012,000</del> ))	<u>\$20,549,000</u>
Columbia River Water Delivery Account Appropriation for the Confederated Tribes of the Colville		

1	Reservation. . . . .	\$8,074,000
2	Columbia River Water Delivery Account Appropriation	
3	for the Spokane Tribe of Indians. . . . .	\$5,402,000
4	Liquor Revolving Account Appropriation for liquor	
5	profits distribution. . . . .	\$98,876,000
6	General Fund Appropriation for other tax	
7	distributions. . . . .	\$80,000
8	General Fund Appropriation for Marijuana Excise	
9	Tax distributions. . . . .	\$12,000,000
10	General Fund Appropriation for Habitat Conservation	
11	Program distributions. . . . .	\$5,347,000
12	TOTAL APPROPRIATION. . . . .	(( <del>\$529,471,000</del> ))
13		<u>\$485,096,000</u>

14 The total expenditures from the state treasury under the  
15 appropriations in this section shall not exceed the funds available  
16 under statutory distributions for the stated purposes.

17 **Sec. 802.** 2017 3rd sp.s. c 1 s 805 (uncodified) is amended to  
18 read as follows:

19 **FOR THE STATE TREASURER—TRANSFERS**

20 Criminal Justice Treatment Account: For transfer to  
21 the state general fund, \$4,450,000 for fiscal  
22 year 2018 and \$4,450,000 for fiscal year 2019. . . . . \$8,900,000  
23 Dedicated Marijuana Account: For transfer to  
24 the basic health plan trust account, the lesser  
25 of the amount determined pursuant to RCW 69.50.540  
26 or this amount for fiscal year 2018, (~~(\$170,000,000)~~)  
27 \$180,000,000 and this amount for fiscal year 2019,  
28 (~~(\$180,000,000)~~) \$186,000,000. . . . . (~~(\$350,000,000)~~)  
29 \$366,000,000

30 Dedicated Marijuana Account: For transfer to  
31 the state general fund, the lesser of the  
32 amount determined pursuant to RCW 69.50.540  
33 or this amount for fiscal year 2018, \$120,000,000  
34 and this amount for fiscal year 2019,  
35 (~~(\$130,000,000)~~) \$127,000,000. . . . . (~~(\$239,239,000)~~)  
36 \$247,000,000

37 Aquatic Lands Enhancement Account: For transfer to  
38 the clean up settlement account as repayment of

1 the loan provided in section 3022(2) chapter 2,  
2 Laws of 2012, 2nd sp. sess. (ESB 6074 2012  
3 supplemental capital budget), \$620,000 for fiscal  
4 year 2018 and \$620,000 for fiscal year 2019. . . . . \$1,240,000  
5 Tobacco Settlement Account: For transfer to the  
6 state general fund, in an amount not to exceed the  
7 actual amount of the annual base payment to the  
8 tobacco settlement account for fiscal year 2018. . . \$101,639,000  
9 Tobacco Settlement Account: For transfer to the  
10 state general fund, in an amount not to exceed the  
11 actual amount of the annual base payment to the  
12 tobacco settlement account for fiscal year 2019. . . \$101,639,000  
13 State Toxics Control Account: For transfer to the  
14 cleanup settlement account as repayment of the  
15 loan provided in section 3022(2) chapter 2,  
16 Laws of 2012, 2nd sp. sess. (ESB 6074, 2012  
17 supplemental capital budget), \$620,000 for  
18 fiscal year 2018 and \$620,000 for fiscal  
19 year 2019. . . . . \$1,240,000  
20 General Fund: For transfer to the streamlined sales  
21 and use tax account, (~~(\$11,171,000)~~) \$12,913,000  
22 for fiscal year 2018 and (~~(\$8,641,000)~~) \$7,674,000  
23 for fiscal year 2019. . . . . (~~(\$20,012,000)~~)  
24 \$20,587,000  
25 Aerospace Training and Student Loan Account: For  
26 transfer to the state general fund, \$750,000  
27 for fiscal year 2018 and \$750,000 for fiscal  
28 year 2019. . . . . \$1,500,000  
29 Disaster Response Account: For transfer to the state  
30 general fund, \$42,000,000 for fiscal year 2018. . . . \$42,000,000  
31 State Treasurer's Service Account: For transfer to the state  
32 general fund, \$6,000,000 for fiscal year 2018 and  
33 \$6,000,000 for fiscal year 2019. . . . . \$12,000,000  
34 Statewide Information Tech System Maintenance and  
35 Operations Revolving Account: For transfer to the  
36 consolidated technology services revolving account,  
37 \$5,500,000 for fiscal year 2018. . . . . \$5,500,000  
38 General Fund: For transfer to the family and medical  
39 leave insurance account as start-up costs for  
40 the family and medical leave insurance program

1 pursuant to enactment of Substitute House Bill  
 2 No. 1116 (family and medical leave insurance),  
 3 Senate Bill No. 5975 (paid family and medical  
 4 leave insurance), or Senate Bill No. 5032  
 5 (family and medical leave insurance),  
 6 \$82,000,000 for fiscal year 2018. . . . . \$82,000,000  
 7 Family and Medical Leave Insurance Account: For  
 8 transfer to the General Fund as repayment for  
 9 start-up costs for the family and medical leave  
 10 insurance program pursuant to implementation of  
 11 Substitute House Bill No. 1116 (family and  
 12 medical leave insurance), Senate Bill No. 5975  
 13 (paid family and medical leave insurance),  
 14 or Senate Bill No. 5032 (family and medical  
 15 leave insurance), the lesser of the amount  
 16 determined by the treasurer for full repayment  
 17 of the \$82,000,000 transferred from the general  
 18 fund in fiscal year 2018 for start-up costs  
 19 with any related interest or this amount for  
 20 fiscal year 2019, \$90,000,000. . . . . \$90,000,000  
 21 Public Works Assistance Account: For transfer to the  
 22 education legacy trust account, \$136,998,000 for  
 23 fiscal year 2018 and \$117,017,000 for fiscal  
 24 year 2019. . . . . \$254,015,000  
 25 General Fund: For transfer to the firearms range  
 26 account for fiscal year 2018. . . . . \$75,000  
 27 (~~Death Investigations Account: For transfer to~~  
 28 ~~the state general fund, \$1,186,000 for~~  
 29 ~~fiscal year 2018. . . . . \$1,186,000~~)  
 30 New Motor Vehicle Arbitration Account: For transfer  
 31 to the state general fund, \$2,000,000 for fiscal  
 32 year 2018. . . . . \$2,000,000  
 33 Local Toxics Control Account: For transfer to the  
 34 state toxics control account, \$9,000,000 for  
 35 fiscal year 2018 and \$12,000,000 for fiscal  
 36 year 2019. . . . . \$21,000,000  
 37 State Toxics Control Account: For transfer to water  
 38 pollution control revolving account, \$3,000 for  
 39 fiscal year 2018. . . . . \$3,000  
 40 Aquatic Lands Enhancement Account: For transfer to

1        the geoduck aquaculture research account for  
2        fiscal year 2019. . . . . \$200,000  
3        Public Works Administration Account: For transfer to  
4        the state general fund for fiscal year 2018. . . . . \$2,500,000

(End of part)



**PART IX**  
**MISCELLANEOUS**

**Sec. 901.** RCW 43.41.433 and 2017 3rd sp.s. c 1 s 950 are each amended to read as follows:

(1) The information technology investment revolving account is created in the custody of the state treasurer. All receipts from legislative appropriations and transfers must be deposited into the account. Only the director of financial management or the director's designee may authorize expenditures from the account. The account is subject to allotment procedures under chapter 43.88 RCW, but an appropriation is not required for expenditures.

(2) Any residual balance of funds remaining in the information technology investment revolving account created in section 705, chapter 4, Laws of 2015 3rd sp. sess. and reenacted in subsection (1) of this section shall be transferred to the information technology investment revolving account created in subsection (1) of this section after June 30, 2017.

**Sec. 902.** 2017 3rd sp.s. c 1 s 936 (uncodified) is amended to read as follows:

**COMPENSATION—REPRESENTED EMPLOYEES—SUPER COALITION—INSURANCE  
BENEFITS**

An agreement was reached for the 2017-2019 biennium between the governor and the health care super coalition under the provisions of chapter 41.80 RCW. Appropriations in this act for state agencies, including institutions of higher education, are sufficient to implement the provisions of the 2017-2019 collective bargaining agreement, and are subject to the following conditions and limitations:

(1) The monthly employer funding rate for insurance benefit premiums, public employees' benefits board administration, and the uniform medical plan, shall not exceed \$913 per eligible employee for fiscal year 2018. For fiscal year 2019, the monthly employer funding rate shall not exceed (~~(\$957)~~) \$906 per eligible employee.

(2) Except as provided by the parties' health care agreement, in order to achieve the level of funding provided for health benefits, the public employees' benefits board shall require any or all of the following: Employee premium copayments, increases in point-of-service cost sharing, the implementation of managed competition, or other

1 changes to benefits consistent with RCW 41.05.065. The board shall  
2 collect a twenty-five dollar per month surcharge payment from members  
3 who use tobacco products and a surcharge payment of not less than  
4 fifty dollars per month from members who cover a spouse or domestic  
5 partner where the spouse or domestic partner has chosen not to enroll  
6 in another employer-based group health insurance that has benefits  
7 and premiums with an actuarial value of not less than 95 percent of  
8 the actuarial value of the public employees' benefits board plan with  
9 the largest enrollment. The surcharge payments shall be collected in  
10 addition to the member premium payment.

11 (3) The health care authority shall deposit any moneys received  
12 on behalf of the uniform medical plan as a result of rebates on  
13 prescription drugs, audits of hospitals, subrogation payments, or any  
14 other moneys recovered as a result of prior uniform medical plan  
15 claims payments, into the public employees' and retirees' insurance  
16 account to be used for insurance benefits. Such receipts may not be  
17 used for administrative expenditures.

18 **Sec. 903.** 2017 3rd sp.s. c 1 s 937 (uncodified) is amended to  
19 read as follows:

20 **COMPENSATION—REPRESENTED EMPLOYEES OUTSIDE SUPER COALITION—INSURANCE**  
21 **BENEFITS**

22 Appropriations for state agencies in this act are sufficient for  
23 represented employees outside the super coalition for health  
24 benefits, and are subject to the following conditions and  
25 limitations:

26 (1) The monthly employer funding rate for insurance benefit  
27 premiums, public employees' benefits board administration, and the  
28 uniform medical plan, may not exceed \$913 per eligible employee for  
29 fiscal year 2018. For fiscal year 2019, the monthly employer funding  
30 rate may not exceed (~~(\$957)~~) \$906 per eligible employee.

31 (2) In order to achieve the level of funding provided for health  
32 benefits, the public employees' benefits board shall require any or  
33 all of the following: Employee premium copayments, increases in  
34 point-of-service cost sharing, the implementation of managed  
35 competition, or other changes to benefits consistent with RCW  
36 41.05.065. The board shall collect a twenty-five dollar per month  
37 surcharge payment from members who use tobacco products and a  
38 surcharge payment of not less than fifty dollars per month from  
39 members who cover a spouse or domestic partner where the spouse or

1 domestic partner has chosen not to enroll in another employer-based  
2 group health insurance that has benefits and premiums with an  
3 actuarial value of not less than 95 percent of the actuarial value of  
4 the public employees' benefits board plan with the largest  
5 enrollment. The surcharge payments shall be collected in addition to  
6 the member premium payment.

7 (3) The health care authority shall deposit any moneys received  
8 on behalf of the uniform medical plan as a result of rebates on  
9 prescription drugs, audits of hospitals, subrogation payments, or any  
10 other moneys recovered as a result of prior uniform medical plan  
11 claims payments, into the public employees' and retirees' insurance  
12 account to be used for insurance benefits. Such receipts may not be  
13 used for administrative expenditures.

14 **Sec. 904.** 2017 3rd sp.s. c 1 s 942 (uncodified) is amended to  
15 read as follows:

16 **COMPENSATION—NONREPRESENTED EMPLOYEES—INSURANCE BENEFITS**

17 Appropriations for state agencies in this act are sufficient for  
18 nonrepresented state employee health benefits for state agencies,  
19 including institutions of higher education, and are subject to the  
20 following conditions and limitations:

21 (1)(a) The monthly employer funding rate for insurance benefit  
22 premiums, public employees' benefits board administration, and the  
23 uniform medical plan, may not exceed \$913 per eligible employee for  
24 fiscal year 2018. For fiscal year 2019, the monthly employer funding  
25 rate may not exceed (~~(\$957)~~) \$906 per eligible employee.

26 (b) In order to achieve the level of funding provided for health  
27 benefits, the public employees' benefits board shall require any or  
28 all of the following: Employee premium copayments, increases in  
29 point-of-service cost sharing, the implementation of managed  
30 competition, or make other changes to benefits consistent with RCW  
31 41.05.065. The board shall collect a twenty-five dollar per month  
32 surcharge payment from members who use tobacco products and a  
33 surcharge payment of not less than fifty dollars per month from  
34 members who cover a spouse or domestic partner where the spouse or  
35 domestic partner has chosen not to enroll in another employer-based  
36 group health insurance that has benefits and premiums with an  
37 actuarial value of not less than 95 percent of the actuarial value of  
38 the public employees' benefits board plan with the largest  
39 enrollment. The surcharge payments shall be collected in addition to

1 the member premium payment. All savings resulting from reduced claim  
2 costs or other factors identified after December 31, 2016, must be  
3 reserved for reducing expenditures in the current biennium, or for  
4 funding employee health benefits in the 2019-2021 fiscal biennium,  
5 and shall not be used to increase benefits, except as provided in (c)  
6 of this subsection.

7 (c) The funding is sufficient for a new virtual diabetes  
8 prevention program, and for a change in the waiting period for dental  
9 crown replacements in the uniform dental program from seven years to  
10 five years.

11 (d) The health care authority shall deposit any moneys received  
12 on behalf of the uniform medical plan as a result of rebates on  
13 prescription drugs, audits of hospitals, subrogation payments, or any  
14 other moneys recovered as a result of prior uniform medical plan  
15 claims payments, into the public employees' and retirees' insurance  
16 account to be used for insurance benefits. Such receipts may not be  
17 used for administrative expenditures.

18 (2) The health care authority, subject to the approval of the  
19 public employees' benefits board, shall provide subsidies for health  
20 benefit premiums to eligible retired or disabled public employees and  
21 school district employees who are eligible for medicare, pursuant to  
22 RCW 41.05.085. For calendar years 2018 and 2019, the subsidy shall be  
23 up to \$150 per month. The public employees' benefits board may not  
24 authorize under RCW 41.05.085, and the health care authority may not  
25 provide, a subsidy under this subsection of more than \$150 per month.  
26 Funds from reserves accumulated for future adverse claims experience,  
27 from past favorable claims experience, or otherwise, may not be used  
28 to increase this retiree subsidy beyond what is authorized by the  
29 legislature in this subsection.

30 (3) Technical colleges, school districts, and educational service  
31 districts shall remit to the health care authority for deposit into  
32 the public employees' and retirees' insurance account established in  
33 RCW 41.05.120 the following amounts:

34 (a) For each full-time employee, \$64.07 per month beginning  
35 September 1, 2017, and (~~(\$68.67))~~ \$69.57 beginning September 1, 2018;

36 (b) For each part-time employee, who at the time of the  
37 remittance is employed in an eligible position as defined in RCW  
38 41.32.010 or 41.40.010 and is eligible for employer fringe benefit  
39 contributions for basic benefits, \$64.07 each month beginning  
40 September 1, 2017, and (~~(\$68.67))~~ \$69.57 beginning September 1, 2018,

1 prorated by the proportion of employer fringe benefit contributions  
2 for a full-time employee that the part-time employee receives. The  
3 remittance requirements specified in this subsection do not apply to  
4 employees of a technical college, school district, or educational  
5 service district who purchase insurance benefits through contracts  
6 with the health care authority.

7 **Sec. 905.** RCW 43.79.445 and 2017 3rd sp.s. c 1 s 970 are each  
8 amended to read as follows:

9 There is established an account in the state treasury referred to  
10 as the "death investigations account" which shall exist for the  
11 purpose of receiving, holding, investing, and disbursing funds  
12 appropriated or provided in RCW 70.58.107 and any moneys appropriated  
13 or otherwise provided thereafter.

14 Moneys in the death investigations account shall be disbursed by  
15 the state treasurer once every year on December 31 and at any other  
16 time determined by the treasurer. The treasurer shall make  
17 disbursements to: The state toxicology laboratory, counties for the  
18 cost of autopsies, the state patrol for providing partial funding for  
19 the state dental identification system, the criminal justice training  
20 commission for training county coroners, medical examiners and their  
21 staff, and the state forensic investigations council. Funds from the  
22 death investigations account may be appropriated during the 2013-2015  
23 fiscal biennium for the activities of the state crime laboratory  
24 within the Washington state patrol. (~~In addition, during the~~  
25 ~~2017-2019 fiscal biennium, the legislature may direct the state~~  
26 ~~treasurer to make transfers of moneys in the death investigations~~  
27 ~~account to the state general fund.))~~

28 **Sec. 906.** RCW 28B.20.476 and 2013 2nd sp.s. c 4 s 960 are each  
29 amended to read as follows:

30 The geoduck aquaculture research account is created in the  
31 custody of the state treasurer. All receipts from any legislative  
32 appropriations, the aquaculture industry, or any other private or  
33 public source directed to the account must be deposited in the  
34 account. Expenditures from the account may only be used by the sea  
35 grant program for the geoduck research projects identified by RCW  
36 28B.20.475. Only the president of the University of Washington or the  
37 president's designee may authorize expenditures from the account. The  
38 account is subject to the allotment procedures under chapter 43.88

1 RCW, but an appropriation is not required for expenditures. During  
2 the ((2013-2015)) 2017-2019 fiscal biennium, amounts available in the  
3 geoduck aquaculture research account may also be appropriated for the  
4 sea grant program at the University of Washington to conduct research  
5 examining the possible negative and positive effects of evolving  
6 shellfish aquaculture techniques and practices on Washington's  
7 economy and marine ecosystems.

8 **Sec. 907.** 2017 3rd sp.s. c 1 s 944 (uncodified) is amended to  
9 read as follows:

10 **INITIATIVE 732 COST-OF-LIVING INCREASES**

11 Part IX of this act authorizes general wage increases for state  
12 employees covered by Initiative Measure No. 732. The general wage  
13 increases on July 1, 2017, and July 1, 2018, provide a portion of the  
14 annual cost-of-living adjustments required under Initiative Measure  
15 No. 732. Funding is also provided for additional increases of three-  
16 tenths of a percent on July 1, 2017, and ((seven-tenths)) one and  
17 one-tenth of a percent on July 1, 2018, for cost-of-living  
18 adjustments under the initiative. Funding is provided for a salary  
19 increase on January 1, 2019, of ((one)) six-tenths of a percent for  
20 these employees, for a nominal total of a six percent increase during  
21 the 2017-2019 fiscal biennium.

22 NEW SECTION. **Sec. 908.** A new section is added to 2017 3rd sp.s.  
23 c 1 (uncodified) to read as follows:

24 A paid family and medical leave program was created by chapter 5,  
25 Laws of 2017 3rd sp. sess. The state, as an employer, will be  
26 responsible for payment of employer premiums for employees beginning  
27 January 1, 2019, other than those covered by a collective bargaining  
28 agreement. Funding is provided for this obligation, and for an  
29 additional employer contribution for employee premiums for  
30 nonrepresented employees earning less than the equivalent of \$34,060  
31 annually.

32 NEW SECTION. **Sec. 909.** A new section is added to 2017 3rd sp.s.  
33 c 1 (uncodified) to read as follows:

34 Appropriations in part VII of this act include funding for an  
35 increase in pension contribution rates for several state pension  
36 systems. An increase of twelve one-hundredths of one-percent is  
37 funded for state employer contributions to the public employees' and

1 public safety employees' retirement systems. An increase of twenty-  
2 six one-hundredths of one percent is funded for school employer  
3 contributions to the teachers' retirement system and an increase of  
4 twelve one-hundredths of one percent for employer contributions to  
5 the school employees' retirement system. These increases are provided  
6 for the purpose of a one-time, two percent, ongoing pension increase  
7 for retirees in the public employees' retirement system plan 1 and  
8 teachers' retirement system plan 1.

9 **Sec. 910.** RCW 41.26.802 and 2017 3rd sp.s. c 1 s 964 are each  
10 amended to read as follows:

11 ~~(1) ((By September 30, 2011, if the prior fiscal biennium's~~  
12 ~~general state revenues exceed the previous fiscal biennium's revenues~~  
13 ~~by more than five percent, subject to appropriation by the~~  
14 ~~legislature, the state treasurer shall transfer five million dollars~~  
15 ~~to the local public safety enhancement account.~~

16 (+2)) By September 30, 2019, and by September 30 of each  
17 odd-numbered year thereafter, if the prior fiscal biennium's general  
18 state revenues exceed the previous fiscal biennium's revenues by more  
19 than five percent, subject to appropriation by the legislature, the  
20 state treasurer shall transfer the lesser of one-third of the  
21 increase, or fifty million dollars, to the local public safety  
22 enhancement account.

23 (2) It is the intent of the legislature to fund any distributions  
24 in 2019 dedicated to the local law enforcement officers' and  
25 firefighters' retirement system benefits improvement account through  
26 alternative means, which may include transfer from the law  
27 enforcement officers' and firefighters' plan 2 retirement fund.

28 **Sec. 911.** RCW 70.105D.070 and 2017 3rd sp.s. c 1 s 980 are each  
29 amended to read as follows:

30 (1) The state toxics control account and the local toxics control  
31 account are hereby created in the state treasury.

32 (2)(a) Moneys collected under RCW 82.21.030 must be deposited as  
33 follows: Fifty-six percent to the state toxics control account under  
34 subsection (3) of this section and forty-four percent to the local  
35 toxics control account under subsection (4) of this section. When the  
36 cumulative amount of deposits made to the state and local toxics  
37 control accounts under this section reaches the limit during a fiscal  
38 year as established in (b) of this subsection, the remainder of the

1 moneys collected under RCW 82.21.030 during that fiscal year must be  
2 deposited into the environmental legacy stewardship account created  
3 in RCW 70.105D.170.

4 (b) The limit on distributions of moneys collected under RCW  
5 82.21.030 to the state and local toxics control accounts for the  
6 fiscal year beginning July 1, 2013, is one hundred forty million  
7 dollars.

8 (c) In addition to the funds required under (a) of this  
9 subsection, the following moneys must be deposited into the state  
10 toxics control account: (i) The costs of remedial actions recovered  
11 under this chapter or chapter 70.105A RCW; (ii) penalties collected  
12 or recovered under this chapter; and (iii) any other money  
13 appropriated or transferred to the account by the legislature.

14 (3) Moneys in the state toxics control account must be used only  
15 to carry out the purposes of this chapter, including but not limited  
16 to the following activities:

17 (a) The state's responsibility for hazardous waste planning,  
18 management, regulation, enforcement, technical assistance, and public  
19 education required under chapter 70.105 RCW;

20 (b) The state's responsibility for solid waste planning,  
21 management, regulation, enforcement, technical assistance, and public  
22 education required under chapter 70.95 RCW;

23 (c) The hazardous waste clean-up program required under this  
24 chapter;

25 (d) State matching funds required under federal cleanup law;

26 (e) Financial assistance for local programs in accordance with  
27 chapters 70.95, 70.95C, 70.95I, and 70.105 RCW;

28 (f) State government programs for the safe reduction, recycling,  
29 or disposal of paint and hazardous wastes from households, small  
30 businesses, and agriculture;

31 (g) Oil and hazardous materials spill prevention, preparedness,  
32 training, and response activities;

33 (h) Water and environmental health protection and monitoring  
34 programs;

35 (i) Programs authorized under chapter 70.146 RCW;

36 (j) A public participation program;

37 (k) Public funding to assist potentially liable persons to pay  
38 for the costs of remedial action in compliance with clean-up  
39 standards under RCW 70.105D.030(2)(e) but only when the amount and  
40 terms of such funding are established under a settlement agreement



1 under RCW 70.105D.040(4) and when the director has found that the  
2 funding will achieve both: (i) A substantially more expeditious or  
3 enhanced cleanup than would otherwise occur; and (ii) the prevention  
4 or mitigation of unfair economic hardship;

5 (l) Development and demonstration of alternative management  
6 technologies designed to carry out the hazardous waste management  
7 priorities of RCW 70.105.150;

8 (m) State agriculture and health programs for the safe use,  
9 reduction, recycling, or disposal of pesticides;

10 (n) Stormwater pollution control projects and activities that  
11 protect or preserve existing remedial actions or prevent hazardous  
12 clean-up sites;

13 (o) Funding requirements to maintain receipt of federal funds  
14 under the federal solid waste disposal act (42 U.S.C. Sec. 6901 et  
15 seq.);

16 (p) Air quality programs and actions for reducing public exposure  
17 to toxic air pollution;

18 (q) Public funding to assist prospective purchasers to pay for  
19 the costs of remedial action in compliance with clean-up standards  
20 under RCW 70.105D.030(2)(e) if:

21 (i) The facility is located within a redevelopment opportunity  
22 zone designated under RCW 70.105D.150;

23 (ii) The amount and terms of the funding are established under a  
24 settlement agreement under RCW 70.105D.040(5); and

25 (iii) The director has found the funding meets any additional  
26 criteria established in rule by the department, will achieve a  
27 substantially more expeditious or enhanced cleanup than would  
28 otherwise occur, and will provide a public benefit in addition to  
29 cleanup commensurate with the scope of the public funding;

30 (r) Petroleum-based plastic or expanded polystyrene foam debris  
31 cleanup activities in fresh or marine waters;

32 (s) Appropriations to the local toxics control account or the  
33 environmental legacy stewardship account created in RCW 70.105D.170,  
34 if the legislature determines that priorities for spending exceed  
35 available funds in those accounts;

36 (t) During the 2015-2017 and 2017-2019 fiscal biennia, the  
37 department of ecology's water quality, shorelands, environmental  
38 assessment, administration, and air quality programs;

39 (u) During the 2013-2015 fiscal biennium, actions at the state  
40 conservation commission to improve water quality for shellfish;

1 (v) During the 2013-2015 and 2015-2017 fiscal biennia, actions at  
2 the University of Washington for reducing ocean acidification;

3 (w) During the 2015-2017 and 2017-2019 fiscal biennia, for the  
4 University of Washington Tacoma soil remediation project;

5 (x) For the 2013-2015 fiscal biennium, moneys in the state toxics  
6 control account may be spent on projects in section 3160, chapter 19,  
7 Laws of 2013 2nd sp. sess. and for transfer to the local toxics  
8 control account;

9 (y) For the 2013-2015 fiscal biennium, moneys in the state toxics  
10 control account may be transferred to the radioactive mixed waste  
11 account; and

12 (z) For the 2015-2017 and 2017-2019 fiscal biennia, forest  
13 practices regulation at the department of natural resources.

14 (4)(a) The department shall use moneys deposited in the local  
15 toxics control account for grants or loans to local governments for  
16 the following purposes in descending order of priority:

17 (i) Extended grant agreements entered into under ~~((e+))~~ (c)(i)  
18 of this subsection;

19 (ii) Remedial actions, including planning for adaptive reuse of  
20 properties as provided for under ~~((e+))~~ (c)(iv) of this subsection.  
21 The department must prioritize funding of remedial actions at:

22 (A) Facilities on the department's hazardous sites list with a  
23 high hazard ranking for which there is an approved remedial action  
24 work plan or an equivalent document under federal cleanup law;

25 (B) Brownfield properties within a redevelopment opportunity zone  
26 if the local government is a prospective purchaser of the property  
27 and there is a department-approved remedial action work plan or  
28 equivalent document under the federal cleanup law;

29 (iii) Stormwater pollution source projects that: (A) Work in  
30 conjunction with a remedial action; (B) protect completed remedial  
31 actions against recontamination; or (C) prevent hazardous clean-up  
32 sites;

33 (iv) Hazardous waste plans and programs under chapter 70.105 RCW;

34 (v) Solid waste plans and programs under chapters 70.95, 70.95C,  
35 70.95I, and 70.105 RCW;

36 (vi) Petroleum-based plastic or expanded polystyrene foam debris  
37 cleanup activities in fresh or marine waters; and

38 (vii) Appropriations to the state toxics control account or the  
39 environmental legacy stewardship account created in RCW 70.105D.170,

1 if the legislature determines that priorities for spending exceed  
2 available funds in those accounts.

3 (b) Funds for plans and programs must be allocated consistent  
4 with the priorities and matching requirements established in chapters  
5 70.105, 70.95C, 70.95I, and 70.95 RCW.

6 (c) During the 2013-2015 fiscal biennium, the local toxics  
7 control account may also be used for local government stormwater  
8 planning and implementation activities.

9 (d) During the 2013-2015 fiscal biennium, the legislature may  
10 transfer from the local toxics control account to the state general  
11 fund, such amounts as reflect the excess fund balance in the account.

12 (e) To expedite cleanups throughout the state, the department may  
13 use the following strategies when providing grants to local  
14 governments under this subsection:

15 (i) Enter into an extended grant agreement with a local  
16 government conducting remedial actions at a facility where those  
17 actions extend over multiple biennia and the total eligible cost of  
18 those actions exceeds twenty million dollars. The agreement is  
19 subject to the following limitations:

20 (A) The initial duration of such an agreement may not exceed ten  
21 years. The department may extend the duration of such an agreement  
22 upon finding substantial progress has been made on remedial actions  
23 at the facility;

24 (B) Extended grant agreements may not exceed fifty percent of the  
25 total eligible remedial action costs at the facility; and

26 (C) The department may not allocate future funding to an extended  
27 grant agreement unless the local government has demonstrated to the  
28 department that funds awarded under the agreement during the previous  
29 biennium have been substantially expended or contracts have been  
30 entered into to substantially expend the funds;

31 (ii) Enter into a grant agreement with a local government  
32 conducting a remedial action that provides for periodic reimbursement  
33 of remedial action costs as they are incurred as established in the  
34 agreement;

35 (iii) Enter into a grant agreement with a local government prior  
36 to it acquiring a property or obtaining necessary access to conduct  
37 remedial actions, provided the agreement is conditioned upon the  
38 local government acquiring the property or obtaining the access in  
39 accordance with a schedule specified in the agreement;

1 (iv) Provide integrated planning grants to local governments to  
2 fund studies necessary to facilitate remedial actions at brownfield  
3 properties and adaptive reuse of properties following remediation.  
4 Eligible activities include, but are not limited to: Environmental  
5 site assessments; remedial investigations; health assessments;  
6 feasibility studies; site planning; community involvement; land use  
7 and regulatory analyses; building and infrastructure assessments;  
8 economic and fiscal analyses; and any environmental analyses under  
9 chapter 43.21C RCW;

10 (v) Provide grants to local governments for remedial actions  
11 related to area-wide groundwater contamination. To receive the  
12 funding, the local government does not need to be a potentially  
13 liable person or be required to seek reimbursement of grant funds  
14 from a potentially liable person;

15 (vi) The director may alter grant matching requirements to create  
16 incentives for local governments to expedite cleanups when one of the  
17 following conditions exists:

18 (A) Funding would prevent or mitigate unfair economic hardship  
19 imposed by the clean-up liability;

20 (B) Funding would create new substantial economic development,  
21 public recreational opportunities, or habitat restoration  
22 opportunities that would not otherwise occur; or

23 (C) Funding would create an opportunity for acquisition and  
24 redevelopment of brownfield property under RCW 70.105D.040(5) that  
25 would not otherwise occur;

26 (vii) When pending grant applications under (e)(iv) and (v) of  
27 this subsection (4) exceed the amount of funds available, designated  
28 redevelopment opportunity zones must receive priority for  
29 distribution of available funds.

30 (f) To expedite multiparty clean-up efforts, the department may  
31 purchase remedial action cost-cap insurance. For the 2013-2015 fiscal  
32 biennium, moneys in the local toxics control account may be spent on  
33 projects in sections 3024, 3035, 3036, and 3059, chapter 19, Laws of  
34 2013 2nd sp. sess.

35 (5) Except for unanticipated receipts under RCW 43.79.260 through  
36 43.79.282, moneys in the state and local toxics control accounts may  
37 be spent only after appropriation by statute.

38 (6) No moneys deposited into either the state or local toxics  
39 control account may be used for: Natural disasters where there is no  
40 hazardous substance contamination; high performance buildings; solid

1 waste incinerator facility feasibility studies, construction,  
2 maintenance, or operation; or (~~after January 1, 2010, for~~) projects  
3 designed to address the restoration of Puget Sound, funded in a  
4 competitive grant process, that are in conflict with the action  
5 agenda developed by the Puget Sound partnership under RCW 90.71.310.  
6 However, this subsection does not prevent an appropriation from the  
7 state toxics control account to the department of revenue to enforce  
8 compliance with the hazardous substance tax imposed in chapter 82.21  
9 RCW.

10 (7) Except during the 2011-2013 and the 2015-2017 fiscal biennia,  
11 one percent of the moneys collected under RCW 82.21.030 shall be  
12 allocated only for public participation grants to persons who may be  
13 adversely affected by a release or threatened release of a hazardous  
14 substance and to not-for-profit public interest organizations. The  
15 primary purpose of these grants is to facilitate the participation by  
16 persons and organizations in the investigation and remedying of  
17 releases or threatened releases of hazardous substances and to  
18 implement the state's solid and hazardous waste management  
19 priorities. No grant may exceed sixty thousand dollars. Grants may be  
20 renewed annually. Moneys appropriated for public participation that  
21 are not expended at the close of any biennium revert to the state  
22 toxics control account.

23 (8) The department shall adopt rules for grant or loan issuance  
24 and performance. To accelerate both remedial action and economic  
25 recovery, the department may expedite the adoption of rules necessary  
26 to implement chapter 1, Laws of 2013 2nd sp. sess. using the  
27 expedited procedures in RCW 34.05.353. The department shall initiate  
28 the award of financial assistance by August 1, 2013. To ensure the  
29 adoption of rules will not delay financial assistance, the department  
30 may administer the award of financial assistance through interpretive  
31 guidance pending the adoption of rules through July 1, 2014.

32 (9) Except as provided under subsection (3)(k) and (q) of this  
33 section, nothing in chapter 1, Laws of 2013 2nd sp. sess. affects the  
34 ability of a potentially liable person to receive public funding.

35 (10) During the 2015-2017 fiscal biennium the local toxics  
36 control account may also be used for the centennial clean water  
37 program and for the stormwater financial assistance program  
38 administered by the department of ecology.

39 (11) During the 2017-2019 fiscal biennium:

1       (a) The state toxics control account, the local toxics control  
2       account, and the environmental legacy stewardship account may be used  
3       for interchangeable purposes and funds may be transferred between  
4       accounts to accomplish those purposes.

5       (b) The legislature may direct the state treasurer to make  
6       transfers of moneys in the state toxics control account to the water  
7       pollution control revolving account.

8       **Sec. 912.** RCW 79.105.150 and 2017 3rd sp.s. c 1 s 987 are each  
9       amended to read as follows:

10       (1) After deduction for management costs as provided in RCW  
11       79.64.040 and payments to towns under RCW 79.115.150(2), all moneys  
12       received by the state from the sale or lease of state-owned aquatic  
13       lands and from the sale of valuable material from state-owned aquatic  
14       lands shall be deposited in the aquatic lands enhancement account  
15       which is hereby created in the state treasury. After appropriation,  
16       these funds shall be used solely for aquatic lands enhancement  
17       projects; for the purchase, improvement, or protection of aquatic  
18       lands for public purposes; for providing and improving access to the  
19       lands; and for volunteer cooperative fish and game projects. During  
20       the 2013-2015, 2015-2017, and 2017-2019 fiscal biennia, the aquatic  
21       lands enhancement account may be used to support the shellfish  
22       program, the ballast water program, hatcheries, the Puget Sound toxic  
23       sampling program and steelhead mortality research at the department  
24       of fish and wildlife, the knotweed program at the department of  
25       agriculture, actions at the University of Washington for reducing  
26       ocean acidification, which may include the creation of a center on  
27       ocean acidification, the Puget SoundCorps program, and support of the  
28       marine resource advisory council and the Washington coastal marine  
29       advisory council. During the 2013-2015 (~~biennium~~) and 2017-2019  
30       fiscal biennia, the legislature may transfer from the aquatic lands  
31       enhancement account to the geoduck aquaculture research account for  
32       research related to shellfish aquaculture. During the 2015-2017  
33       fiscal biennium, the legislature may transfer moneys from the aquatic  
34       lands enhancement account to the marine resources stewardship trust  
35       account.

36       (2) In providing grants for aquatic lands enhancement projects,  
37       the recreation and conservation funding board shall:

38       (a) Require grant recipients to incorporate the environmental  
39       benefits of the project into their grant applications;

1 (b) Utilize the statement of environmental benefits,  
2 consideration, except as provided in RCW 79.105.610, of whether the  
3 applicant is a Puget Sound partner, as defined in RCW 90.71.010,  
4 whether a project is referenced in the action agenda developed by the  
5 Puget Sound partnership under RCW 90.71.310, and except as otherwise  
6 provided in RCW 79.105.630, and effective one calendar year following  
7 the development and statewide availability of model evergreen  
8 community management plans and ordinances under RCW 35.105.050,  
9 whether the applicant is an entity that has been recognized, and what  
10 gradation of recognition was received, in the evergreen community  
11 recognition program created in RCW 35.105.030 in its prioritization  
12 and selection process; and

13 (c) Develop appropriate outcome-focused performance measures to  
14 be used both for management and performance assessment of the grants.

15 (3) To the extent possible, the department should coordinate its  
16 performance measure system with other natural resource-related  
17 agencies as defined in RCW 43.41.270.

18 (4) The department shall consult with affected interest groups in  
19 implementing this section.

20 (5) (~~After January 1, 2010,~~) Any project designed to address  
21 the restoration of Puget Sound may be funded under this chapter only  
22 if the project is not in conflict with the action agenda developed by  
23 the Puget Sound partnership under RCW 90.71.310.

24 **Sec. 913.** RCW 86.26.007 and 2015 3rd sp.s. c 4 s 978 are each  
25 amended to read as follows:

26 The flood control assistance account is hereby established in the  
27 state treasury. At the beginning of the 2005-2007 fiscal biennium,  
28 the state treasurer shall transfer three million dollars from the  
29 general fund to the flood control assistance account. Each biennium  
30 thereafter the state treasurer shall transfer four million dollars  
31 from the general fund to the flood control assistance account, except  
32 that during the 2011-2013 fiscal biennium, the state treasurer shall  
33 transfer one million dollars from the general fund to the flood  
34 control assistance account. Moneys in the flood control assistance  
35 account may be spent only after appropriation for purposes specified  
36 under this chapter. During the 2013-2015 fiscal biennium and the  
37 2015-2017 fiscal biennium, the legislature may transfer from the  
38 flood control assistance account to the state general fund such  
39 amounts as reflect the excess fund balance of the account. During the

1 2017-2019 fiscal biennium, the legislature may appropriate moneys  
2 from the account for the purposes specified under chapter 90.--- RCW  
3 (the new chapter created in section 305, chapter 1, Laws of 2018).

4 **Sec. 914.** RCW 69.50.540 and 2017 3rd sp.s. c 1 s 979 are each  
5 amended to read as follows:

6 The legislature must annually appropriate moneys in the dedicated  
7 marijuana account created in RCW 69.50.530 as follows:

8 (1) For the purposes listed in this subsection (1), the  
9 legislature must appropriate to the respective agencies amounts  
10 sufficient to make the following expenditures on a quarterly basis:

11 (a) Beginning July 1, 2015, one hundred twenty-five thousand  
12 dollars to the department of social and health services to design and  
13 administer the Washington state healthy youth survey, analyze the  
14 collected data, and produce reports, in collaboration with the office  
15 of the superintendent of public instruction, department of health,  
16 department of commerce, family policy council, and state liquor and  
17 cannabis board. The survey must be conducted at least every two years  
18 and include questions regarding, but not necessarily limited to,  
19 academic achievement, age at time of substance use initiation,  
20 antisocial behavior of friends, attitudes toward antisocial behavior,  
21 attitudes toward substance use, laws and community norms regarding  
22 antisocial behavior, family conflict, family management, parental  
23 attitudes toward substance use, peer rewarding of antisocial  
24 behavior, perceived risk of substance use, and rebelliousness. Funds  
25 disbursed under this subsection may be used to expand administration  
26 of the healthy youth survey to student populations attending  
27 institutions of higher education in Washington;

28 (b) Beginning July 1, 2015, fifty thousand dollars to the  
29 department of social and health services for the purpose of  
30 contracting with the Washington state institute for public policy to  
31 conduct the cost-benefit evaluation and produce the reports described  
32 in RCW 69.50.550. This appropriation ends after production of the  
33 final report required by RCW 69.50.550;

34 (c) Beginning July 1, 2015, five thousand dollars to the  
35 University of Washington alcohol and drug abuse institute for the  
36 creation, maintenance, and timely updating of web-based public  
37 education materials providing medically and scientifically accurate  
38 information about the health and safety risks posed by marijuana use;



1 (d)(i) An amount not less than one million two hundred fifty  
2 thousand dollars to the state liquor and cannabis board for  
3 administration of this chapter as appropriated in the omnibus  
4 appropriations act; and

5 (ii) (~~Three hundred fifty one thousand seven hundred~~) Two  
6 million six hundred fifty-two thousand dollars for fiscal year 2018  
7 and three hundred fifty-one thousand seven hundred fifty dollars for  
8 fiscal year 2019 to the health professions account established under  
9 RCW 43.70.320 for the development and administration of the marijuana  
10 authorization database by the department of health. It is the intent  
11 of the legislature that this policy will be continued in the  
12 2019-2021 fiscal biennium;

13 (e) Twenty-three thousand seven hundred fifty dollars to the  
14 department of enterprise services provided solely for the state  
15 building code council established under RCW 19.27.070, to develop and  
16 adopt fire and building code provisions related to marijuana  
17 processing and extraction facilities. The distribution under this  
18 subsection (1)(e) is for fiscal year 2016 only;

19 (2) From the amounts in the dedicated marijuana account after  
20 appropriation of the amounts identified in subsection (1) of this  
21 section, the legislature must appropriate for the purposes listed in  
22 this subsection (2) as follows:

23 (a)(i) Up to fifteen percent to the department of social and  
24 health services division of behavioral health and recovery for the  
25 development, implementation, maintenance, and evaluation of programs  
26 and practices aimed at the prevention or reduction of maladaptive  
27 substance use, substance use disorder, substance abuse or substance  
28 dependence, as these terms are defined in the Diagnostic and  
29 Statistical Manual of Mental Disorders, among middle school and high  
30 school-age students, whether as an explicit goal of a given program  
31 or practice or as a consistently corresponding effect of its  
32 implementation, mental health services for children and youth, and  
33 services for pregnant and parenting women; PROVIDED, That:

34 (A) Of the funds appropriated under (a)(i) of this subsection for  
35 new programs and new services, at least eighty-five percent must be  
36 directed to evidence-based or research-based programs and practices  
37 that produce objectively measurable results and, by September 1,  
38 2020, are cost-beneficial; and

39 (B) Up to fifteen percent of the funds appropriated under (a)(i)  
40 of this subsection for new programs and new services may be directed

1 to proven and tested practices, emerging best practices, or promising  
2 practices.

3 (ii) In deciding which programs and practices to fund, the  
4 secretary of the department of social and health services must  
5 consult, at least annually, with the University of Washington's  
6 social development research group and the University of Washington's  
7 alcohol and drug abuse institute.

8 (iii) For the fiscal year beginning July 1, 2016, the legislature  
9 must appropriate a minimum of twenty-seven million seven hundred  
10 eighty-six thousand dollars, and for each subsequent fiscal year  
11 thereafter, the legislature must appropriate a minimum of twenty-five  
12 million five hundred thirty-six thousand dollars under this  
13 subsection (2)(a);

14 (b)(i) Up to ten percent to the department of health for the  
15 following, subject to (b)(ii) of this subsection (2):

16 (A) Creation, implementation, operation, and management of a  
17 marijuana education and public health program that contains the  
18 following:

19 (I) A marijuana use public health hotline that provides referrals  
20 to substance abuse treatment providers, utilizes evidence-based or  
21 research-based public health approaches to minimizing the harms  
22 associated with marijuana use, and does not solely advocate an  
23 abstinence-only approach;

24 (II) A grants program for local health departments or other local  
25 community agencies that supports development and implementation of  
26 coordinated intervention strategies for the prevention and reduction  
27 of marijuana use by youth; and

28 (III) Media-based education campaigns across television,  
29 internet, radio, print, and out-of-home advertising, separately  
30 targeting youth and adults, that provide medically and scientifically  
31 accurate information about the health and safety risks posed by  
32 marijuana use;

33 (B) The Washington poison control center; and

34 (C) During the 2015-2017 fiscal biennium, the funds appropriated  
35 under this subsection (2)(b) may be used for prevention activities  
36 that target youth and populations with a high incidence of tobacco  
37 use.

38 (ii) For the fiscal year beginning July 1, 2016, the legislature  
39 must appropriate a minimum of seven million five hundred thousand  
40 dollars and for each subsequent fiscal year thereafter, the

1 legislature must appropriate a minimum of nine million seven hundred  
2 fifty thousand dollars under this subsection (2)(b);

3 (c)(i) Up to six-tenths of one percent to the University of  
4 Washington and four-tenths of one percent to Washington State  
5 University for research on the short and long-term effects of  
6 marijuana use, to include but not be limited to formal and informal  
7 methods for estimating and measuring intoxication and impairment, and  
8 for the dissemination of such research.

9 (ii) For the fiscal year beginning July 1, 2016, the legislature  
10 must appropriate a minimum of two hundred seven thousand dollars and  
11 for each subsequent fiscal year, except for the 2017-2019 fiscal  
12 biennium, the legislature must appropriate a minimum of one million  
13 twenty-one thousand dollars to the University of Washington. For the  
14 fiscal year beginning July 1, 2016, the legislature must appropriate  
15 a minimum of one hundred thirty-eight thousand dollars and for each  
16 subsequent fiscal year thereafter, except for the 2017-2019 fiscal  
17 biennium, a minimum of six hundred eighty-one thousand dollars to  
18 Washington State University under this subsection (2)(c). It is the  
19 intent of the legislature that this policy will be continued in the  
20 2019-2021 fiscal biennium;

21 (d) Fifty percent to the state basic health plan trust account to  
22 be administered by the Washington basic health plan administrator and  
23 used as provided under chapter 70.47 RCW;

24 (e) Five percent to the Washington state health care authority to  
25 be expended exclusively through contracts with community health  
26 centers to provide primary health and dental care services, migrant  
27 health services, and maternity health care services as provided under  
28 RCW 41.05.220;

29 (f)(i) Up to three-tenths of one percent to the office of the  
30 superintendent of public instruction to fund grants to building  
31 bridges programs under chapter 28A.175 RCW.

32 (ii) For the fiscal year beginning July 1, 2016, and each  
33 subsequent fiscal year, the legislature must appropriate a minimum of  
34 five hundred eleven thousand dollars to the office of the  
35 superintendent of public instruction under this subsection (2)(f);  
36 and

37 (g) At the end of each fiscal year, the treasurer must transfer  
38 any amounts in the dedicated marijuana account that are not  
39 appropriated pursuant to subsection (1) of this section and this

1 subsection (2) into the general fund, except as provided in (g)(i) of  
2 this subsection (2).

3 (i) Beginning in fiscal year 2018, if marijuana excise tax  
4 collections deposited into the general fund in the prior fiscal year  
5 exceed twenty-five million dollars, then each fiscal year the  
6 legislature must appropriate an amount equal to thirty percent of all  
7 marijuana excise taxes deposited into the general fund the prior  
8 fiscal year to the treasurer for distribution to counties, cities,  
9 and towns as follows:

10 (A) Thirty percent must be distributed to counties, cities, and  
11 towns where licensed marijuana retailers are physically located. Each  
12 jurisdiction must receive a share of the revenue distribution under  
13 this subsection (2)(g)(i)(A) based on the proportional share of the  
14 total revenues generated in the individual jurisdiction from the  
15 taxes collected under RCW 69.50.535, from licensed marijuana  
16 retailers physically located in each jurisdiction. For purposes of  
17 this subsection (2)(g)(i)(A), one hundred percent of the proportional  
18 amount attributed to a retailer physically located in a city or town  
19 must be distributed to the city or town.

20 (B) Seventy percent must be distributed to counties, cities, and  
21 towns ratably on a per capita basis. Counties must receive sixty  
22 percent of the distribution, which must be disbursed based on each  
23 county's total proportional population. Funds may only be distributed  
24 to jurisdictions that do not prohibit the siting of any state  
25 licensed marijuana producer, processor, or retailer.

26 (ii) Distribution amounts allocated to each county, city, and  
27 town must be distributed in four installments by the last day of each  
28 fiscal quarter.

29 (iii) By September 15th of each year, the state liquor and  
30 cannabis board must provide the state treasurer the annual  
31 distribution amount, if any, for each county and city as determined  
32 in (g)(i) of this subsection (2).

33 (iv) The total share of marijuana excise tax revenues distributed  
34 to counties and cities in (g)(i) of this subsection (2) may not  
35 exceed six million dollars in fiscal years 2018 and 2019 and twenty  
36 million dollars per fiscal year thereafter. However, if the February  
37 2018 forecast of state revenues for the general fund in the 2017-2019  
38 fiscal biennium exceeds the amount estimated in the June 2017 revenue  
39 forecast by over eighteen million dollars after adjusting for changes  
40 directly related to legislation adopted in the 2017 legislative

1 session, the total share of marijuana excise tax revenue distributed  
2 to counties and cities in (g)(i) of this subsection (2) may not  
3 exceed fifteen million dollars in fiscal years 2018 and 2019. It is  
4 the intent of the legislature that the policy for the maximum  
5 distributions in the subsequent fiscal biennia will be no more than  
6 (~~(\$6)~~) six million dollars per fiscal year.

7 For the purposes of this section, "marijuana products" means  
8 "useable marijuana," "marijuana concentrates," and "marijuana-infused  
9 products" as those terms are defined in RCW 69.50.101.

10 **Sec. 915.** RCW 39.12.080 and 2006 c 230 s 2 are each amended to  
11 read as follows:

12 The public works administration account is created in the state  
13 treasury. The department of labor and industries shall deposit in the  
14 account all moneys received from fees or civil penalties collected  
15 under RCW 39.12.050, 39.12.065, and 39.12.070. Appropriations from  
16 the account may be made only for the purposes of administration of  
17 this chapter, including, but not limited to, the performance of  
18 adequate wage surveys, and for the investigation and enforcement of  
19 all alleged violations of this chapter as provided for in this  
20 chapter and chapters 49.48 and 49.52 RCW. During the 2017-2019 fiscal  
21 biennium the legislature may direct the state treasurer to make  
22 transfers of moneys in the public works administration account to the  
23 state general fund. It is the intent of the legislature to use the  
24 moneys transferred in the 2017-2019 biennium to support  
25 apprenticeship programs.

26 NEW SECTION. **Sec. 916.** A new section is added to chapter 43.79  
27 RCW to read as follows:

28 The dedicated McCleary penalty account is created in the state  
29 treasury. Moneys in the account may be spent only after  
30 appropriation. Expenditures from the account may be used only to meet  
31 the state's obligation for basic education funding under RCW  
32 28A.150.220.

33 **Sec. 917.** RCW 76.04.610 and 2012 2nd sp.s. c 7 s 922 are each  
34 amended to read as follows:

35 (1)(a) If any owner of forestland within a forest protection zone  
36 neglects or fails to provide adequate fire protection as required by  
37 RCW 76.04.600, the department shall provide such protection and shall

1 annually impose the following assessments on each parcel of such  
2 land: (i) A flat fee assessment of seventeen dollars and fifty cents;  
3 and (ii) twenty-seven cents on each acre exceeding fifty acres.

4 (b) Assessors may, at their option, collect the assessment on tax  
5 exempt lands. If the assessor elects not to collect the assessment,  
6 the department may bill the landowner directly.

7 (2) An owner who has paid assessments on two or more parcels,  
8 each containing fewer than fifty acres and each within the same  
9 county, may obtain the following refund:

10 (a) If all the parcels together contain less than fifty acres,  
11 then the refund is equal to the flat fee assessments paid, reduced by  
12 the total of (i) seventeen dollars and (ii) the total of the amounts  
13 retained by the county from such assessments under subsection (5) of  
14 this section.

15 (b) If all the parcels together contain fifty or more acres, then  
16 the refund is equal to the flat fee assessments paid, reduced by the  
17 total of (i) seventeen dollars, (ii) twenty-seven cents for each acre  
18 exceeding fifty acres, and (iii) the total of the amounts retained by  
19 the county from such assessments under subsection (5) of this  
20 section.

21 Applications for refunds shall be submitted to the department on  
22 a form prescribed by the department and in the same year in which the  
23 assessments were paid. The department may not provide refunds to  
24 applicants who do not provide verification that all assessments and  
25 property taxes on the property have been paid. Applications may be  
26 made by mail.

27 In addition to the procedures under this subsection, property  
28 owners with multiple parcels in a single county who qualify for a  
29 refund under this section may apply to the department on an  
30 application listing all the parcels owned in order to have the  
31 assessment computed on all parcels but billed to a single parcel.  
32 Property owners with the following number of parcels may apply to the  
33 department in the year indicated:

Year	Number of Parcels
2002	10 or more parcels
2003	8 or more parcels
2004 and thereafter	6 or more parcels

1       The department must compute the correct assessment and allocate  
2 one parcel in the county to use to collect the assessment. The county  
3 must then bill the forest fire protection assessment on that one  
4 allocated identified parcel. The landowner is responsible for  
5 notifying the department of any changes in parcel ownership.

6       (3) Beginning January 1, 1991, under the administration and at  
7 the discretion of the department up to two hundred thousand dollars  
8 per year of this assessment shall be used in support of those rural  
9 fire districts assisting the department in fire protection services  
10 on forestlands.

11       (4) For the purpose of this chapter, the department may divide  
12 the forestlands of the state, or any part thereof, into districts,  
13 for fire protection and assessment purposes, may classify lands  
14 according to the character of timber prevailing, and the fire hazard  
15 existing, and place unprotected lands under the administration of the  
16 proper district. Amounts paid or contracted to be paid by the  
17 department for protection of forestlands from funds at its disposal  
18 shall be a lien upon the property protected, unless reimbursed by the  
19 owner within ten days after October 1st of the year in which they  
20 were incurred. The department shall be prepared to make statement  
21 thereof, upon request, to a forest owner whose own protection has not  
22 been previously approved as to its adequacy, the department shall  
23 report the same to the assessor of the county in which the property  
24 is situated. The assessor shall extend the amounts upon the tax rolls  
25 covering the property, and upon authorization from the department  
26 shall levy the forest protection assessment against the amounts of  
27 unimproved land as shown in each ownership on the county assessor's  
28 records. The assessor may then segregate on the records to provide  
29 that the improved land and improvements thereon carry the millage  
30 levy designed to support the rural fire protection districts as  
31 provided for in RCW 52.16.170.

32       (5) The amounts assessed shall be collected at the time, in the  
33 same manner, by the same procedure, and with the same penalties  
34 attached that general state and county taxes on the same property are  
35 collected, except that errors in assessments may be corrected at any  
36 time by the department certifying them to the treasurer of the county  
37 in which the land involved is situated. Assessments shall be known  
38 and designated as assessments of the year in which the amounts became  
39 reimbursable. Upon the collection of assessments the county treasurer

1 shall place fifty cents of the total assessments paid on a parcel for  
2 fire protection into the county current expense fund to defray the  
3 costs of listing, billing, and collecting these assessments. The  
4 treasurer shall then transmit the balance to the department.  
5 Collections shall be applied against expenses incurred in carrying  
6 out the provisions of this section, including necessary and  
7 reasonable administrative costs incurred by the department in the  
8 enforcement of these provisions. The department may also expend sums  
9 collected from owners of forestlands or received from any other  
10 source for necessary administrative costs in connection with the  
11 enforcement of RCW 76.04.660. During the 2017-2019 fiscal biennium,  
12 the legislature may appropriate moneys from the account for  
13 department of natural resources wildfire response and forest health  
14 activities.

15 (6) When land against which forest protection assessments are  
16 outstanding is acquired for delinquent taxes and sold at public  
17 auction, the state shall have a prior lien on the proceeds of sale  
18 over and above the amount necessary to satisfy the county's  
19 delinquent tax judgment. The county treasurer, in case the proceeds  
20 of sale exceed the amount of the delinquent tax judgment, shall  
21 immediately remit to the department the amount of the outstanding  
22 forest protection assessments.

23 (7) All nonfederal public bodies owning or administering  
24 forestland included in a forest protection zone shall pay the forest  
25 protection assessments provided in this section and the special  
26 forest fire suppression account assessments under RCW 76.04.630. The  
27 forest protection assessments and special forest fire suppression  
28 account assessments shall be payable by nonfederal public bodies from  
29 available funds within thirty days following receipt of the written  
30 notice from the department which is given after October 1st of the  
31 year in which the protection was provided. Unpaid assessments are not  
32 a lien against the nonfederal publicly owned land but shall  
33 constitute a debt by the nonfederal public body to the department and  
34 are subject to interest charges at the legal rate. During the  
35 2011-2013 fiscal biennium, the forest fire protection assessment  
36 account may be appropriated to The Evergreen State College for  
37 analysis and recommendations to improve the efficiency and  
38 effectiveness of the state's mechanisms for funding fire prevention  
39 and suppression activities.



1 (8) A public body, having failed to previously pay the forest  
2 protection assessments required of it by this section, which fails to  
3 suppress a fire on or originating from forestlands owned or  
4 administered by it, is liable for the costs of suppression incurred  
5 by the department or its agent and is not entitled to reimbursement  
6 of costs incurred by the public body in the suppression activities.

7 (9) The department may adopt rules to implement this section,  
8 including, but not limited to, rules on levying and collecting forest  
9 protection assessments.

10 NEW SECTION. **Sec. 918.** If any provision of this act or its  
11 application to any person or circumstance is held invalid, the  
12 remainder of the act or the application of the provision to other  
13 persons or circumstances is not affected.

14 NEW SECTION. **Sec. 919.** This act is necessary for the immediate  
15 preservation of the public peace, health, or safety, or support of  
16 the state government and its existing public institutions, and takes  
17 effect immediately.

(End of part)

(End of Bill)

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