
ENGROSSED SUBSTITUTE SENATE BILL 6032

State of Washington

65th Legislature

2018 Regular Session

By Senate Ways & Means (originally sponsored by Senators Rolfes and Braun; by request of Office of Financial Management)

READ FIRST TIME 02/22/18.

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, 76.04.610, 90.56.500, 77.12.203, 82.19.040, and
4 82.19.040; amending 2017 3rd sp.s. c 1 ss 101, 102, 103, 104, 105,
5 106, 107, 108, 110, 111, 112, 113, 114, 115, 116, 117, 118, 119, 120,
6 121, 122, 123, 124, 125, 126, 127, 128, 129, 130, 131, 132, 133, 134,
7 135, 136, 137, 139, 140, 141, 142, 143, 144, 145, 147, 149, 150, 201,
8 202, 203, 204, 205, 206, 207, 208, 209, 210, 211, 212, 213, 214, 215,
9 216, 217, 218, 219, 220, 221, 222, 223, 301, 302, 303, 304, 305, 306,
10 307, 308, 309, 310, 311, 401, 402, 501, 502, 503, 504, 505, 507, 508,
11 510, 509, 511, 512, 513, 514, 515, 516, 518, 519, 520, 605, 606, 607,
12 608, 609, 610, 611, 612, 613, 614, 615, 616, 617, 618, 619, 620, 701,
13 703, 708, 720, 722, 723, 724, 718, 718, 801, 805, 936, 937, 942, and
14 944 (uncodified); adding new sections to 2017 3rd sp.s. c 1
15 (uncodified); adding a new section to chapter 43.79 RCW; creating a
16 new section; repealing 2017 3rd sp.s. c 1 s 737 (uncodified); making
17 appropriations; providing an effective date; providing an expiration
18 date; and declaring an emergency.

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

20

PART I

21

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).	((\$37,642,000))
5		<u>\$35,527,000</u>
6	General Fund—State Appropriation (FY 2019).	((\$39,205,000))
7		<u>\$37,209,000</u>
8	((Motor Vehicle Account—State Appropriation.	\$2,011,000))
9	<u>Pension Funding Stabilization Account—State</u>	
10	<u>Appropriation.</u>	<u>\$4,280,000</u>
11	TOTAL APPROPRIATION.	((\$78,858,000))
12		<u>\$77,016,000</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).	((\$26,369,000))
32		<u>\$24,943,000</u>
33	General Fund—State Appropriation (FY 2019).	((\$29,451,000))
34		<u>\$28,138,000</u>
35	((Motor Vehicle Account—State Appropriation.	\$1,903,000))
36	<u>Pension Funding Stabilization Account—State</u>	
37	<u>Appropriation.</u>	<u>\$2,941,000</u>
38	TOTAL APPROPRIATION.	((\$57,723,000))

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).	\$29,000
7	Performance Audits of Government—State	
8	Appropriation.	(\$8,619,000)
9		<u>\$8,332,000</u>
10	TOTAL APPROPRIATION.	(\$8,783,000)
11		<u>\$8,496,000</u>

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

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

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

23 (3) \$308,000 of the performance audits of government account—
24 state appropriation is provided solely for the implementation of
25 chapter 303, Laws of 2017 (ESHB 1594) (public records
26 administration).

27 ~~((+5))~~ (4) \$100,000 of the performance audits of government
28 account—state appropriation is provided solely for an evaluation of:
29 (a) The adequacy and effectiveness of the department of commerce
30 office of youth homelessness performance based contracting with
31 homelessness service providers; and (b) compliance with the
32 performance measurement, reporting, and quality award program
33 application requirements of chapter 43.185C RCW.

34 ~~((+6))~~ (5) The agency is directed to use its moneys in the
35 savings incentive account for one-time relocation, furniture,
36 equipment, and tenant improvements costs to move to the 1063
37 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 **Sec. 107.** 2017 3rd sp.s. c 1 s 107 (uncodified) is amended to
3 read as follows:

4 **FOR THE STATUTE LAW COMMITTEE**

5 General Fund—State Appropriation (FY 2018). (~~(\$4,936,000)~~)
6 \$4,650,000

7 General Fund—State Appropriation (FY 2019). (~~(\$5,455,000)~~)
8 \$5,171,000

9 Pension Funding Stabilization Account—State
10 Appropriation. \$568,000

11 TOTAL APPROPRIATION. (~~(\$10,391,000)~~)
12 \$10,389,000

13 **Sec. 108.** 2017 3rd sp.s. c 1 s 108 (uncodified) is amended to
14 read as follows:

15 **FOR THE OFFICE OF LEGISLATIVE SUPPORT SERVICES**

16 General Fund—State Appropriation (FY 2018). (~~(\$4,043,000)~~)
17 \$3,823,000

18 General Fund—State Appropriation (FY 2019). (~~(\$4,485,000)~~)
19 \$4,267,000

20 Pension Funding Stabilization Account—State
21 Appropriation. \$438,000

22 TOTAL APPROPRIATION. \$8,528,000

23 **Sec. 109.** 2017 3rd sp.s. c 1 s 110 (uncodified) is amended to
24 read as follows:

25 **FOR THE SUPREME COURT**

26 General Fund—State Appropriation (FY 2018). (~~(\$8,046,000)~~)
27 \$7,711,000

28 General Fund—State Appropriation (FY 2019). (~~(\$8,368,000)~~)
29 \$8,028,000

30 Pension Funding Stabilization Account—State
31 Appropriation. \$671,000

32 TOTAL APPROPRIATION. (~~(\$16,414,000)~~)
33 \$16,410,000

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

1 **FOR THE LAW LIBRARY**

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

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

12 **FOR THE COMMISSION ON JUDICIAL CONDUCT**

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

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

22 **FOR THE COURT OF APPEALS**

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

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

33 **FOR THE ADMINISTRATOR FOR THE COURTS**

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

1		<u>\$61,177,000</u>
2	General Fund—Federal Appropriation.	\$2,175,000
3	General Fund—Private/Local Appropriation.	\$677,000
4	Judicial Information Systems Account—State	
5	Appropriation.	((\$58,486,000))
6		<u>\$61,141,000</u>
7	Judicial Stabilization Trust Account—State	
8	Appropriation.	\$6,691,000
9	<u>Pension Funding Stabilization Account—State</u>	
10	<u>Appropriation.</u>	<u>\$4,580,000</u>
11	TOTAL APPROPRIATION.	((\$183,690,000))
12		<u>\$191,543,000</u>

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

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

20 (2) \$1,399,000 of the general fund—state appropriation for fiscal
21 year 2018 and \$1,399,000 of the general fund—state appropriation for
22 fiscal year 2019 are provided solely for school districts for
23 petitions to juvenile court for truant students as provided in RCW
24 28A.225.030 and 28A.225.035. The administrator for the courts shall
25 develop an interagency agreement with the superintendent of public
26 instruction to allocate the funding provided in this subsection.
27 Allocation of this money to school districts shall be based on the
28 number of petitions filed. This funding includes amounts school
29 districts may expend on the cost of serving petitions filed under RCW
30 28A.225.030 by certified mail or by personal service or for the
31 performance of service of process for any hearing associated with RCW
32 28A.225.030.

33 (3)(a) \$7,313,000 of the general fund—state appropriation for
34 fiscal year 2018 and \$7,313,000 of the general fund—state
35 appropriation for fiscal year 2019 are provided solely for
36 distribution to county juvenile court administrators to fund the
37 costs of processing truancy, children in need of services, and at-
38 risk youth petitions. The administrator for the courts, in
39 conjunction with the juvenile court administrators, shall develop an

1 equitable funding distribution formula. The formula shall neither
2 reward counties with higher than average per-petition processing
3 costs nor shall it penalize counties with lower than average per-
4 petition processing costs.

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

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

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

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

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

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

1 and the steering committee for the courts of limited jurisdiction
2 case management system to prioritize expenditures for judicial branch
3 information technology projects. For any competitive procurement
4 using amounts appropriated, the office of the chief information
5 officer must review the qualifications and proposed work plan of the
6 apparently successful bidder prior to final selection and review the
7 proposed vendor contract prior to its execution. The office shall not
8 enter into any contract using appropriated amounts that would cause
9 total information technology expenditures to exceed projected
10 resources in the judicial information systems account in the
11 2019-2021 fiscal biennium.

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

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

22 (9) \$61,000 of the general fund—state appropriation for fiscal
23 year 2018 and \$58,000 of the general fund—state appropriation for
24 fiscal year 2019 are provided solely for implementation of chapter
25 268, Laws of 2017 (2SHB 1402) (incapacitated persons/rights).

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

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

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

1 of the county or city and funds must be used for criminal indigent
2 defense costs and other costs that directly impact court operations
3 in criminal cases.

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

6 **FOR THE OFFICE OF PUBLIC DEFENSE**

7	General Fund—State Appropriation (FY 2018).	((\$41,558,000))
8		<u>\$42,129,000</u>
9	General Fund—State Appropriation (FY 2019).	((\$42,539,000))
10		<u>\$44,454,000</u>
11	Judicial Stabilization Trust Account—State	
12	Appropriation.	((\$3,710,000))
13		<u>\$3,709,000</u>
14	<u>Pension Funding Stabilization Account—State</u>	
15	<u>Appropriation.</u>	<u>\$278,000</u>
16	TOTAL APPROPRIATION.	((\$87,807,000))
17		<u>\$90,570,000</u>

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

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

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

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

35 (4) \$2,384,000 of the general fund—state appropriation for fiscal
36 year 2018 and \$3,364,000 of the general fund—state appropriation for
37 fiscal year 2019 are provided solely for the office to complete the
38 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) \$960,000 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 **Sec. 115.** 2017 3rd sp.s. c 1 s 116 (uncodified) is amended to
23 read as follows:

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

25	General Fund—State Appropriation (FY 2018).	((\$14,855,000))
26		<u>\$14,833,000</u>
27	General Fund—State Appropriation (FY 2019).	((\$16,490,000))
28		<u>\$17,231,000</u>
29	Judicial Stabilization Trust Account—State	
30	Appropriation.	\$1,463,000
31	<u>Pension Funding Stabilization Account—State</u>	
32	<u>Appropriation.</u>	<u>\$44,000</u>
33	TOTAL APPROPRIATION.	((\$32,808,000))
34		<u>\$33,571,000</u>

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

37 (1) An amount not to exceed \$40,000 of the general fund—state
38 appropriation for fiscal year 2018 and an amount not to exceed

1 \$40,000 of the general fund—state appropriation for fiscal year 2019
2 may be used to provide telephonic legal advice and assistance to
3 otherwise eligible persons who are sixty years of age or older on
4 matters authorized by RCW 2.53.030(2) (a) through (k) regardless of
5 household income or asset level.

6 (2) \$1,075,000 of the general fund—state appropriation for fiscal
7 year 2018 and \$2,600,000 of the general fund—state appropriation for
8 fiscal year 2019 are provided solely for the office to partially
9 implement the civil legal aid reinvestment plan.

10 (3) \$338,000 of the general fund—state appropriation for fiscal
11 year 2019 is provided solely for the addition of five contract
12 attorneys beginning January 1, 2019, to further implement the civil
13 legal aid reinvestment plan.

14 (4) \$300,000 of the general fund—state appropriation for fiscal
15 year 2019 is provided solely for the office to automate, deploy, and
16 host a plain language family law forms document assembly system.

17 (5) \$125,000 of the general fund—state appropriation for fiscal
18 year 2019 is provided solely for a contract with the international
19 families justice coalition to expand private capacity to provide
20 legal services for indigent foreign nationals in contested domestic
21 relations and family law cases. Moneys may not be expended from this
22 appropriation for private legal representation of clients in domestic
23 relations and family law cases.

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

26 **FOR THE OFFICE OF THE GOVERNOR**

27	General Fund—State Appropriation (FY 2018).	((\$6,406,000))
28		<u>\$6,216,000</u>
29	General Fund—State Appropriation (FY 2019).	((\$5,833,000))
30		<u>\$5,826,000</u>
31	<u>Economic Development Strategic Reserve Account—State</u>	
32	<u>Appropriation.</u>	<u>\$4,000,000</u>
33	<u>Pension Funding Stabilization Account—State</u>	
34	<u>Appropriation.</u>	<u>\$676,000</u>
35	TOTAL APPROPRIATION.	((\$12,239,000))
36		<u>\$16,718,000</u>

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

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

5 (2) \$730,000 of the general fund—state appropriation for fiscal
6 year 2018 is provided solely for implementation of Engrossed Second
7 Substitute House Bill No. 1661 (child, youth, families/department).
8 The amount of state and federal funding to be transferred from the
9 department of social and health services to the department of
10 children, youth, and families for the working connections child care
11 services, administration, and staff must be included in the report
12 required by the bill on how to incorporate the staff responsible for
13 determining eligibility for the working connections child care
14 program into the department of children, youth, and families. If the
15 bill is not enacted by July 31, 2017, the amount provided in this
16 subsection shall lapse.

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

19 **FOR THE LIEUTENANT GOVERNOR**

20	General Fund—State Appropriation (FY 2018).	((\$833,000))
21		\$807,000
22	General Fund—State Appropriation (FY 2019).	((\$859,000))
23		\$901,000
24	General Fund—Private/Local Appropriation.	\$90,000
25	<u>Pension Funding Stabilization Account—State</u>	
26	<u>Appropriation.</u>	<u>\$54,000</u>
27	TOTAL APPROPRIATION.	((\$1,782,000))
28		<u>\$1,852,000</u>

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

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

37 **FOR THE PUBLIC DISCLOSURE COMMISSION**

1	General Fund—State Appropriation (FY 2018).	((\$2,826,000))
2		<u>\$2,696,000</u>
3	General Fund—State Appropriation (FY 2019).	((\$2,872,000))
4		<u>\$3,095,000</u>
5	<u>Pension Funding Stabilization Account—State</u>	
6	<u>Appropriation.</u>	\$260,000
7	TOTAL APPROPRIATION.	((\$5,698,000))
8		<u>\$6,051,000</u>

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

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

17 **FOR THE SECRETARY OF STATE**

18	General Fund—State Appropriation (FY 2018).	((\$15,131,000))
19		<u>\$15,703,000</u>
20	General Fund—State Appropriation (FY 2019).	((\$13,465,000))
21		<u>\$13,466,000</u>
22	General Fund—Federal Appropriation.	\$7,801,000
23	Public Records Efficiency, Preservation, and Access	
24	Account—State Appropriation.	((\$9,223,000))
25		<u>\$9,218,000</u>
26	<u>Charitable Organization Education Account—State</u>	
27	<u>Appropriation.</u>	\$673,000
28	<u>Local Government Archives Account—State</u>	
29	<u>Appropriation.</u>	((\$10,946,000))
30		<u>\$10,943,000</u>
31	Election Account—Federal Appropriation.	\$4,387,000
32	<u>Washington State Heritage Center Account—State</u>	
33	<u>Appropriation.</u>	((\$10,383,000))
34		<u>\$10,625,000</u>
35	<u>Pension Funding Stabilization Account—State</u>	
36	<u>Appropriation.</u>	\$959,000
37	TOTAL APPROPRIATION.	((\$72,009,000))
38		<u>\$73,775,000</u>

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

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

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

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

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

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

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

1 (ii) Making contributions reportable under chapter 42.17 RCW; or
2 (iii) Providing any: (A) Gift; (B) honoraria; or (C) travel,
3 lodging, meals, or entertainment to a public officer or employee.

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

7 (4) \$15,000 of the general fund—state appropriation for fiscal
8 year 2018, \$15,000 of the general fund—state appropriation for fiscal
9 year 2019, \$4,000 of the public records efficiency, preservation and
10 access account, and \$2,253,000 of the local government archives
11 account appropriation are provided solely for the implementation of
12 chapter 303, Laws of 2017 (ESHB 1594) (public records
13 administration).

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

17 (6) \$102,000 of the general fund—state appropriation for fiscal
18 year 2019 is provided solely for implementation of Engrossed Third
19 Substitute Senate Bill No. 6353 (automatic voter registration). If
20 the bill is not enacted by June 30, 2018, the amount provided in this
21 subsection shall lapse.

22 (7) \$35,000 of the general fund—state appropriation for fiscal
23 year 2018 and \$39,000 of the general fund—state appropriation for
24 fiscal year 2019 are provided solely for humanities Washington
25 speaker's bureau community conversations to expand programming in
26 underserved areas of the state.

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

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

30	General Fund—State Appropriation (FY 2018).	((\$289,000))
31		<u>\$274,000</u>
32	General Fund—State Appropriation (FY 2019).	((\$276,000))
33		<u>\$263,000</u>
34	<u>Pension Funding Stabilization Account—State</u>	
35	<u>Appropriation.</u>	<u>\$28,000</u>
36	TOTAL APPROPRIATION.	\$565,000

37 The appropriations in this section are subject to the following
38 conditions and limitations: The office shall assist the department of

1 enterprise services on providing the government-to-government
2 training sessions for federal, state, local, and tribal government
3 employees. The training sessions shall cover tribal historical
4 perspectives, legal issues, tribal sovereignty, and tribal
5 governments. Costs of the training sessions shall be recouped through
6 a fee charged to the participants of each session. The department of
7 enterprise services shall be responsible for all of the
8 administrative aspects of the training, including the billing and
9 collection of the fees for the training.

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

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

13	General Fund—State Appropriation (FY 2018).	((\$253,000))
14		<u>\$240,000</u>
15	General Fund—State Appropriation (FY 2019).	((\$263,000))
16		<u>\$250,000</u>
17	<u>Pension Funding Stabilization Account—State</u>	
18	<u>Appropriation.</u>	<u>\$26,000</u>
19	TOTAL APPROPRIATION.	\$516,000

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

22 **FOR THE STATE TREASURER**

23	State Treasurer's Service Account—State	
24	Appropriation.	((\$18,918,000))
25		<u>\$19,608,000</u>

26 The appropriation in this section is subject to the following
27 conditions and limitations: \$75,000 of the state treasurer's service
28 account—state appropriation is provided solely to establish a task
29 force on public infrastructure and a publicly-owned depository. The
30 task force must examine the scope of financial needs for local
31 governments for constructing public infrastructure; the feasibility
32 of creating a publicly-owned depository to facilitate investment in,
33 and financing of, public infrastructure systems that will increase
34 public health and safety, and leverage the financial capital and
35 resources of Washington state by working in partnership with
36 financial institutions that benefit local communities, or with
37 community-based organizations, economic development organizations,

1 local governments, guaranty agencies, and other stakeholder groups to
2 create jobs and economic opportunities within our state for public
3 benefit.

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

19 (2) The task force will report any recommendations identified by
20 the task force that involve statutory changes, funding
21 recommendations, or administrative action to the legislature as draft
22 legislation by December 1, 2017.

23 (3) \$700,000 of the state treasurer's service account—state
24 appropriation is provided solely for the office to participate in the
25 office of financial management's work group to develop an
26 organizational and governance structure appropriate for public
27 banking, and a business plan to establish a publicly owned depository
28 for infrastructure development and local government funding
29 assistance. If section 129(20) of this act is not enacted, the
30 amounts provided in this subsection shall lapse.

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

33 **FOR THE STATE AUDITOR**

34	General Fund—State Appropriation (FY 2018).	\$28,000
35	General Fund—State Appropriation (FY 2019).	\$32,000
36	State Auditing Services Revolving Account—State	
37	Appropriation.	((\$10,219,000))
38		<u>\$10,916,000</u>

1	Performance Audit of Government Account—State	
2	Appropriation.	\$3,019,000
3	TOTAL APPROPRIATION.	((\$13,298,000))
4		<u>\$13,995,000</u>

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

7 (1) \$774,000 of the performance audit of government account—state
8 appropriation is provided solely for the state auditor's office to
9 conduct a performance audit of the department of health focused on
10 the fee setting for each health profession licensed by the
11 department. The performance audit must include, but is not limited
12 to:

- 13 (a) A review of each health profession's process for setting
14 application, licensure, renewal, examination, and indirect fees;
- 15 (b) A review of the costs of running each health profession
16 program or board;
- 17 (c) An analysis of how any moneys collected as indirect charges
18 levied on a health profession are used by the department; and
- 19 (d) A review of any department policies or procedures that have
20 been adopted in an attempt to reduce the fee levels of any of the
21 health professions.
- 22 (e) A final report of the performance audit must be submitted to
23 the appropriate legislative policy and fiscal committees by December
24 1, 2018.

25 (2) \$1,585,000 of the performance audit of government account—
26 state appropriation is provided solely for staff and related costs to
27 verify the accuracy of reported school district data submitted for
28 state funding purposes; conduct school district program audits of
29 state-funded public school programs; establish the specific amount of
30 state funding adjustments whenever audit exceptions occur and the
31 amount is not firmly established in the course of regular public
32 school audits; and to assist the state special education safety net
33 committee when requested.

34 (3) \$667,000 of the performance audits of government account—
35 state appropriation ((~~for fiscal year 2018~~)) is provided solely for
36 the state auditor's office to conduct a performance audit of
37 Washington charter public schools to satisfy the requirement to
38 contract for an independent performance audit pursuant to RCW
39 28A.710.030(2). The final report of the performance audit must be

1 submitted to the appropriate legislative policy committees by (~~June~~
2 ~~30~~) December 31, 2018. The audit must include (~~eight~~) ten schools
3 currently in (~~their first year of~~) operation and, subject to the
4 availability of data, must (~~address the following questions~~)
5 include, but is not limited to evaluating, the following operational
6 and academic outcomes:

7 (a) Whether the charter school has a charter contract that
8 includes performance provisions based on a performance framework that
9 sets forth academic and operational performance indicators, measures,
10 and metrics;

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

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

23 (4) \$700,000 of the auditing services revolving account—state
24 appropriation is provided solely for the state auditor's office to
25 conduct ten additional program or agency audits.

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

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

29	General Fund—State Appropriation (FY 2018).	((\$204,000))
30		<u>\$213,000</u>
31	General Fund—State Appropriation (FY 2019).	((\$205,000))
32		<u>\$218,000</u>
33	<u>Pension Funding Stabilization Account—State</u>	
34	<u>Appropriation.</u>	<u>\$30,000</u>
35	TOTAL APPROPRIATION.	((\$409,000))
36		<u>\$461,000</u>

1 **Sec. 125.** 2017 3rd sp.s. c 1 s 126 (uncodified) is amended to
2 read as follows:

3 **FOR THE ATTORNEY GENERAL**

4	General Fund—State Appropriation (FY 2018).	((\$8,641,000))
5		<u>\$7,865,000</u>
6	General Fund—State Appropriation (FY 2019).	((\$8,951,000))
7		<u>\$8,253,000</u>
8	General Fund—Federal Appropriation.	((\$6,969,000))
9		<u>\$8,945,000</u>
10	New Motor Vehicle Arbitration Account—State	
11	Appropriation.	\$1,145,000
12	Legal Services Revolving Account—State	
13	Appropriation.	((\$245,290,000))
14		<u>\$251,123,000</u>
15	Tobacco Prevention and Control Account—State	
16	Appropriation.	\$273,000
17	Medicaid Fraud Penalty Account—State Appropriation. . . .	\$3,526,000
18	Public Service Revolving Account—State	
19	Appropriation.	((\$2,373,000))
20		<u>\$2,724,000</u>
21	Child Rescue Fund—State Appropriation.	((\$550,000))
22		<u>\$500,000</u>
23	Local Government Archives Account—State Appropriation. . . .	\$660,000
24	<u>Pension Funding Stabilization Account—State</u>	
25	<u>Appropriation.</u>	<u>\$1,606,000</u>
26	TOTAL APPROPRIATION.	((\$278,378,000))
27		<u>\$286,620,000</u>

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

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

1 overhead and a breakdown by division of division administration
2 expenses.

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

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

15 (4) \$353,000 of the general fund—state appropriation for fiscal
16 year 2018 and \$353,000 of the general fund—state appropriation for
17 fiscal year 2019 are provided solely for a grant to the Washington
18 coalition of crime victim advocates to provide training,
19 certification, and technical assistance for crime victim service
20 center advocates.

21 (5) \$92,000 of the general fund—state appropriation for fiscal
22 year 2018 and \$91,000 of the general fund—state appropriation for
23 fiscal year 2019 are provided solely for implementation of chapter
24 163, Laws of 2017 (SHB 1055) (military members/pro bono).

25 (6) \$49,000 of the legal services revolving account—state
26 appropriation is provided solely for implementation of chapter 268,
27 Laws of 2017 (2SHB 1402) (incapacitated persons/rights).

28 (7) \$276,000 of the general fund—state appropriation for fiscal
29 year 2018 and \$259,000 of the general fund—state appropriation for
30 fiscal year 2019 are provided solely for implementation of chapter
31 294, Laws of 2017 (SSB 5835) (health outcomes/pregnancy).

32 (8) \$22,000 of the legal services revolving account—state
33 appropriation is provided solely for implementation of chapter 295,
34 Laws of 2017 (SHB 1258) (first responders/disability).

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

38 (10) \$361,000 of the legal services revolving account—state
39 appropriation and \$660,000 of the local government archives account—

1 state appropriation are provided solely for implementation of chapter
2 303, Laws of 2017 (ESHB 1594) (public records administration).

3 (11) \$40,000 of the general fund—state appropriation for fiscal
4 year 2018 is provided solely for the implementation of chapter 243,
5 Laws of 2017 (HB 1352) (small business owners).

6 (12) \$67,000 of the legal services revolving account—state
7 appropriation is provided solely for the implementation of chapter
8 320, Laws of 2017 (SSB 5322) (dentists and third parties).

9 (13) \$11,000 of the legal services revolving account—state
10 appropriation is provided solely for the implementation of chapter
11 53, Laws of 2017 (2SHB 1120) (regulatory fairness act).

12 (14) \$26,000 of the legal services revolving account—state
13 appropriation for fiscal year 2019 is provided solely for
14 implementation of Engrossed Second Substitute Senate Bill No. 5407
15 (housing options). If the bill is not enacted by June 30, 2018, the
16 amount provided in this subsection shall lapse.

17 (15) \$55,000 of the legal services revolving account—state
18 appropriation for fiscal year 2019 is provided solely for
19 implementation of Substitute Senate Bill No. 6102 (employee
20 reproductive health). If the bill is not enacted by June 30, 2018,
21 the amount provided in this subsection shall lapse.

22 (16) \$119,000 of the legal services revolving account—state
23 appropriation for fiscal year 2019 is provided solely for
24 implementation of Engrossed Substitute Senate Bill No. 6091 (water
25 availability). If the bill is not enacted by June 30, 2018, the
26 amount provided in this subsection shall lapse.

27 (17) \$96,000 of the general fund—state appropriation for fiscal
28 year 2019 is provided solely for implementation of Engrossed Second
29 Substitute Senate Bill No. 6029 (student loan bill of rights). If the
30 bill is not enacted by June 30, 2018, the amount provided in this
31 subsection shall lapse.

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

34 **FOR THE CASELOAD FORECAST COUNCIL**

35	General Fund—State Appropriation (FY 2018).	((\$1,606,000))
36		<u>\$1,535,000</u>
37	General Fund—State Appropriation (FY 2019).	((\$1,576,000))
38		<u>\$1,701,000</u>

1 Pension Funding Stabilization Account—State

2	<u>Appropriation.</u>	<u>\$169,000</u>
3	TOTAL APPROPRIATION.	((\$3,182,000))
4		<u>\$3,405,000</u>

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

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

11 (2) \$154,000 of the general fund—state appropriation for fiscal
12 year 2019 is provided solely for implementation of Engrossed
13 Substitute Senate Bill No. 5588 (racial disproportionality). If the
14 bill is not enacted by June 30, 2018, the amount provided in this
15 subsection shall lapse.

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

18 **FOR THE DEPARTMENT OF COMMERCE**

19	General Fund—State Appropriation (FY 2018).	((\$64,989,000))
20		<u>\$64,182,000</u>
21	General Fund—State Appropriation (FY 2019).	((\$65,634,000))
22		<u>\$75,360,000</u>
23	General Fund—Federal Appropriation.	((\$295,855,000))
24		<u>\$295,861,000</u>
25	General Fund—Private/Local Appropriation.	((\$8,623,000))
26		<u>\$8,626,000</u>
27	Public Works Assistance Account—State	
28	Appropriation.	\$8,092,000
29	Drinking Water Assistance Administrative	
30	Account—State Appropriation.	\$508,000
31	Lead Paint Account—State Appropriation.	((\$238,000))
32		<u>\$431,000</u>
33	Building Code Council Account—State Appropriation.	\$15,000
34	Home Security Fund Account—State Appropriation.	((\$48,400,000))
35		<u>\$48,401,000</u>
36	Affordable Housing for All Account—State	
37	Appropriation.	\$13,867,000
38	Financial Fraud and Identity Theft Crimes	

1	Investigation and Prosecution Account—State	
2	Appropriation.	\$1,974,000
3	Low-Income Weatherization and Structural	
4	Rehabilitation Assistance Account—State	
5	Appropriation.	\$1,398,000
6	Community and Economic Development Fee Account—State	
7	Appropriation.	\$4,630,000
8	Washington Housing Trust Account—State	
9	Appropriation.	((\$12,617,000))
10		<u>\$12,619,000</u>
11	Prostitution Prevention and Intervention Account—	
12	State Appropriation.	\$26,000
13	Public Facility Construction Loan Revolving	
14	Account—State Appropriation.	((\$842,000))
15		<u>\$843,000</u>
16	Drinking Water Assistance Account—State	
17	Appropriation.	\$46,000
18	Liquor Revolving Account—State Appropriation.	\$5,613,000
19	Energy Freedom Account—State Appropriation.	\$6,000
20	Liquor Excise Tax Account—State Appropriation.	\$665,000
21	Economic Development Strategic Reserve Account—State	
22	Appropriation.	((\$5,611,000))
23		<u>\$2,985,000</u>
24	<u>Landlord Mitigation Program Account—State</u>	
25	<u>Appropriation.</u>	<u>\$402,000</u>
26	Financial Services Regulation Account—State	
27	Appropriation.	\$468,000
28	<u>Pension Funding Stabilization Account—State</u>	
29	<u>Appropriation.</u>	<u>\$1,618,000</u>
30	<u>Statewide Tourism Marketing Account—State</u>	
31	<u>Appropriation.</u>	<u>\$1,500,000</u>
32	TOTAL APPROPRIATION.	((\$540,117,000))
33		<u>\$550,136,000</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)~~) \$1,000,000 of the general fund—state
7 appropriation for fiscal year 2019 are provided solely for a grant to
8 resolution Washington to building statewide capacity for alternative
9 dispute resolution centers and dispute resolution programs that
10 guarantee that citizens have access to low-cost resolution as an
11 alternative to 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) \$1,500,000 of the statewide tourism marketing account—state
27 appropriation is provided solely for implementation of Engrossed
28 Fourth Substitute Senate Bill No. 5251 (tourism marketing). Of the
29 amount appropriated, \$198,000 is provided solely for expenditures of
30 the department that are related to implementation of the statewide
31 tourism marketing program and operation of the authority. If the bill
32 is not enacted by June 30, 2018, the amount provided in this
33 subsection shall lapse.

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

1 (52) \$96,000 of the general fund—state appropriation for fiscal
2 year 2019 is provided solely for implementation of Substitute Senate
3 Bill No. 6175 (common interest ownership). If the bill is not enacted
4 by June 30, 2018, the amount provided in this subsection shall lapse.

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

11 (54) \$50,000 of the general fund—state appropriation for fiscal
12 year 2019 is provided solely for the city of Issaquah to host a
13 regional or national sports medicine conference.

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

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

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

36 (58) \$250,000 of the general fund—state appropriation for fiscal
37 year 2019 is provided solely for a grant to the museum of history and
38 industry (MOHAI) to provide Armistice Day activities in schools and
39 other community settings. Funding must be used to assist with the

1 100th anniversary of World War I and Armistice Day, including the
2 presentation of the World War I America exhibit, new curriculum,
3 teacher training, student and classroom visits, and visits for
4 veterans and active duty military.

5 (59) \$20,000 of the general fund—state appropriation for fiscal
6 year 2019 is provided solely for the office of homeless youth
7 prevention and protection programs to conduct a survey of homeless
8 youth service and informational gaps, especially in nonurban areas,
9 with an emphasis on providing nonurban school districts with adequate
10 informational resources related to homeless youth and youth in crisis
11 services available in their community.

12 (60) \$20,000 of the general fund—state appropriation for fiscal
13 year 2019 is provided solely for implementation of Engrossed
14 Substitute Senate Bill No. 6081 (distributed generation). If the bill
15 is not enacted by June 30, 2018, the amount provided in this
16 subsection shall lapse.

17 (61) \$800,000 of the general fund—state appropriation for fiscal
18 year 2019 is provided solely for the department to contract for a
19 pilot project in Snohomish county to administer a forty bed
20 residential criminal justice diversion center with the objective of
21 reducing the use of crisis and emergency resources. The department
22 must collect data from Snohomish county on the use of the funds, any
23 reduction in the use of emergency resources and jail capacity, any
24 identified offsets in costs, and submit a report with this
25 information to the office of financial management and the appropriate
26 fiscal committees of the legislature by December 1, 2020.

27 (62) \$150,000 of the general fund—state appropriation for fiscal
28 year 2019 is provided solely for a grant to the city of Yakima to
29 establish a gang prevention pilot program. The pilot program shall
30 have the goal of creating a sustainable organized response to gang
31 activity utilizing evidence-based resources.

32 (63) \$125,000 of the general fund—state appropriation for fiscal
33 year 2019 is provided solely for a grant to the Seattle science
34 foundation to develop a comprehensive 3D spinal cord atlas with the
35 goal of providing clinicians and researchers with a digital map of
36 the spinal cord.

37 (64) \$300,000 of the general fund—state appropriation for fiscal
38 year 2019 is provided solely for the department to conduct a study of
39 current and ongoing impacts associated with the SeaTac airport on the

1 surrounding airport communities and its residents. The cities of
2 Federal Way, Des Moines, Burien, and SeaTac would raise matching
3 funds.

4 (65) \$250,000 of the general fund—state appropriation for fiscal
5 year 2019 is provided solely for the department to contract with the
6 Washington state microenterprise association to assist people with
7 limited incomes in nonmetro areas of the state to start and sustain
8 small businesses and embrace the effects of globalization.

9 (66) \$16,000 of the general fund—state appropriation for fiscal
10 year 2019 is provided solely to implement Substitute House Bill No.
11 2833 (life sciences discovery fund). If the bill is not enacted by
12 June 30, 2018, the amount provided in this subsection shall lapse.

13 (67) \$1,000,000 of the general fund—state appropriation for
14 fiscal year 2019 is provided solely for the department of contract
15 with organizations and attorneys to provide legal representation
16 and/or referral services for legal representation to indigent persons
17 who are in need of legal services for matters related to their
18 immigration status. Persons eligible for assistance under this
19 contract must be determined to be indigent under standards developed
20 under chapter 10.101 RCW.

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

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

24 General Fund—State Appropriation (FY 2018).	(\$850,000)
25	<u>\$799,000</u>
26 General Fund—State Appropriation (FY 2019).	(\$905,000)
27	<u>\$854,000</u>
28 Lottery Administrative Account—State Appropriation.	\$50,000
29 <u>Pension Funding Stabilization Account—State</u>	
30 <u>Appropriation.</u>	<u>\$102,000</u>
31 TOTAL APPROPRIATION.	\$1,805,000

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

34 **FOR THE OFFICE OF FINANCIAL MANAGEMENT**

35 General Fund—State Appropriation (FY 2018).	(\$11,711,000)
36	<u>\$13,002,000</u>
37 General Fund—State Appropriation (FY 2019).	(\$11,956,000)

1		<u>\$12,081,000</u>
2	General Fund—Federal Appropriation.	\$39,716,000
3	General Fund—Private/Local Appropriation.	((\$501,000))
4		<u>\$843,000</u>
5	Economic Development Strategic Reserve Account—State	
6	Appropriation.	\$314,000
7	<u>Recreation Access Pass Account—State Appropriation.</u>	<u>\$75,000</u>
8	Personnel Service Fund—State Appropriation.	((\$8,882,000))
9		<u>\$8,888,000</u>
10	Higher Education Personnel Services Account—State	
11	Appropriation.	\$1,497,000
12	Performance Audits of Government Account—State	
13	Appropriation.	\$621,000
14	Statewide Information Technology System Development	
15	Revolving Account—State Appropriation.	((\$6,503,000))
16		<u>\$10,022,000</u>
17	OFM Central Services—State Appropriation.	((\$19,237,000))
18		<u>\$19,253,000</u>
19	<u>Pension Funding Stabilization Account—State</u>	
20	<u>Appropriation.</u>	<u>\$2,448,000</u>
21	TOTAL APPROPRIATION.	((\$100,938,000))
22		<u>\$108,760,000</u>

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

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

30 (2)(a) The student achievement council and all institutions of
31 higher education eligible to participate in the state need grant
32 shall ensure that data needed to analyze and evaluate the
33 effectiveness of the state need grant program are promptly
34 transmitted to the education data center so that it is available and
35 easily accessible. The data to be reported must include but not be
36 limited to:

- 37 (i) The number of state need grant recipients;
- 38 (ii) The number of students on the unserved waiting list of the
- 39 state need grant;

1 (iii) Persistence and completion rates of state need grant
2 recipients and students on the state need grant unserved waiting
3 list, disaggregated by institutions of higher education;

4 (iv) State need grant recipients and students on state need grant
5 unserved waiting list grade point averages; and

6 (v) State need grant program costs.

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

10 (3) \$149,000 of the general fund—state appropriation for fiscal
11 year 2018 and \$144,000 of the general fund—state appropriation for
12 fiscal year 2019 are provided solely to implement chapter 172, Laws
13 of 2017 (SHB 1741) (educator preparation data/PESB).

14 (4) \$84,000 of the general fund—state appropriation for fiscal
15 year 2018 and \$75,000 of the general fund—state appropriation for
16 fiscal year 2019 are provided solely to implement chapter 53, Laws of
17 2017 (2SHB 1120) (regulatory fairness act).

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

32 (6) \$500,000 of the general fund—state appropriation for fiscal
33 year 2018, \$131,000 of the general fund—state appropriation for
34 fiscal year 2019, and \$139,000 of the personnel service account—state
35 appropriation are provided solely for implementation of Engrossed
36 Second Substitute House Bill No. 1661 (children, youth, families
37 department). The cost allocation contract must include a
38 determination of the amount of administrative funding to be
39 transferred between appropriations in sections 223(1) and 223(2) of

1 this act to section 222(3) of this act for the new department of
2 children, youth, and families. If the bill is not enacted by July 31,
3 2017, the amounts provided in this subsection shall lapse.

4 (7) (~~(\$4,503,000)~~) \$8,022,000 of the statewide information
5 technology system development revolving account—state appropriation
6 is provided solely for readiness activities related to the One
7 Washington replacement project to modernize and improve
8 administrative systems and related business processes across state
9 government over a multi-biennia time period and this project is
10 subject to the conditions, limitations, and review provided in
11 section 724 of this act. The funding provided in this subsection is
12 for conducting business warehouse planning and system integrations
13 and contracting with a strategic partner for the design of the long-
14 term program blueprint detailing the readiness, planning, and
15 implementation activities related to this project. Legislative
16 expectation is that the strategic partner selected for this design of
17 this long-term blueprint will have proven experience in successfully
18 managing similar efforts in other states or jurisdictions and that
19 the ultimate project scope will integrate performance information and
20 provide information on discrete units of costs for state governmental
21 activities with the goal of improved management and efficiency. The
22 office of financial management will provide the needed management
23 support for this design effort and will ensure that state agencies
24 fully participate in this initial design effort, including the office
25 of chief information officer. The office of financial management will
26 provide quarterly reports to the legislative fiscal committees and
27 the legislative evaluation and accountability program committee.
28 Before submitting additional funding requests for this project, the
29 office of financial management will submit a comprehensive detailed
30 feasibility study and financial plan for the project to the
31 legislative evaluation and accountability program committee.

32 (8) \$4,000,000 of the general fund—federal appropriation is
33 provided solely for the procurement and implementation of the
34 Washington state all payer claims database project and this project
35 is subject to the conditions, limitations, and review provided in
36 section 724 of this act.

37 (9) \$140,000 of the general fund—state appropriation for fiscal
38 year 2018 and \$140,000 of the general fund—federal appropriation are
39 provided solely for the authority to incorporate long-term inpatient

1 care as defined in RCW 71.24.025 into the psychiatric managed care
2 capitation risk model. The model shall be submitted to the governor
3 and appropriate committees of the legislature by December 1, 2017.
4 The model must integrate civil inpatient psychiatric hospital
5 services including ninety and one hundred eighty day commitments
6 provided in state hospitals or community settings into medicaid
7 managed care capitation rates and nonmedicaid contracts. The model
8 should phase-in the financial risk such that managed care
9 organizations bear full financial risk for long-term civil inpatient
10 psychiatric hospital commitments beginning January 2020. The model
11 must address strategies to ensure that the state is able to maximize
12 the state's allotment of federal disproportionate share funding.

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

31 (11) Within existing resources, the labor relations section shall
32 produce a report annually on workforce data and trends for the
33 previous fiscal year. At a minimum, the report must include a
34 workforce profile; information on employee compensation, including
35 salaries and cost of overtime; and information on retention,
36 including average length of service and workforce turnover.

37 (12) \$75,000 of the recreation access pass account—state
38 appropriation is provided solely for the office of financial
39 management, in consultation with the parks and recreation commission,
40 department of natural resources, and department of fish and wildlife,

1 to further analyze the cost and revenue potential of the options and
2 recommendations in *Recreation Fees in Washington: Options and*
3 *Recommendations* (The William D. Ruckelshaus Center, December 2017).
4 The office must collaborate with other relevant agencies and
5 appropriate stakeholders. The office must provide a report to the
6 appropriate committees of the legislature by September 1, 2018. For
7 each of the options, the report must:

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

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

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

16 (d) Identify fiscal impacts of changing the state access pass to
17 each of the options identified including any combination state and
18 federal recreational access pass options; and

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

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

27 (a) Obtaining coverage under the state program;

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

30 (c) Developing a system to allow the state to make payments in
31 lieu of premium contributions for benefits attributable to state
32 employees; and

33 (d) Providing coverage under the state program.

34 (14) \$2,000,000 of the general fund—state appropriation for
35 fiscal year 2018 is provided solely to support the implementation of
36 the department of children, youth, and families. The department must
37 submit an expenditure plan to the office of financial management and
38 may expend implementation funds after the approval of the director of
39 the office of financial management.

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

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

7 (17) \$75,000 of the general fund—state appropriation for fiscal
8 year 2019 is provided solely for implementation of chapter 192, Laws
9 of 2017 (Senate Bill No. 5849, veterans services), to develop a
10 veteran's recruitment program.

11 (18) The office of financial management shall develop an
12 implementation plan to create a new agency to manage the public
13 employee benefit and school employee benefit programs that are
14 currently housed within the health care authority, and report to the
15 governor and the legislature by November 1, 2018. The office of
16 financial management may consult with the department of retirement
17 systems in the development of the implementation plan. The report
18 must include draft legislation that will be considered by the 2019
19 legislature.

20 (19) \$200,000 of the general fund—state appropriation for fiscal
21 year 2018 and \$400,000 of the general fund—state appropriation for
22 fiscal year 2019 are provided solely for a blue ribbon commission to
23 evaluate the adult sentencing grid. The commission will review
24 sentencing practices across the state and make recommendations on
25 reforms that reduce sentencing complexity, increase consistency and
26 fairness, and reduce recidivism.

27 (20) \$230,000 of the general fund—state appropriation for fiscal
28 year 2018 and \$326,000 of the general fund—state appropriation for
29 fiscal year 2019 are provided solely for the office of financial
30 management to contract with an entity or entities with expertise in
31 public finance, commercial, and public banking to:

32 (a) Evaluate the benefits and risks of establishing and operating
33 a state-chartered, public cooperative bank in the state of
34 Washington, specifically including the business and operational
35 issues raised by the 2017 infrastructure and public depository task
36 force; and

37 (b) Develop a business plan for a public cooperative bank based
38 on the federal home loan bank model whose members may only be the
39 state and/or political subdivisions. The purpose of this bank is to

1 assist the potential members of the bank to manage cash and
2 investments more efficiently to increase yield while maintaining
3 liquidity, and to establish a sustainable funding source of ready
4 capital for infrastructure and economic development in the state of
5 Washington. The business plan shall include, but is not limited to:

- 6 (i) Identification of potential members of the bank;
- 7 (ii) The capital structure that would be necessary;
- 8 (iii) Potential products the bank might offer;
- 9 (iv) Projections of earnings;
- 10 (v) Recommendations on corporate governance, accountability, and
11 assurances;
- 12 (vi) Legal, constitutional, and regulatory issues;
- 13 (vii) If needed, how to obtain a federal master account and join
14 the federal reserve;
- 15 (viii) Information technology security and cybersecurity;
- 16 (ix) Opportunities for collaborating with other financial
17 institutions;
- 18 (x) Impacts on the state's debt limit;
- 19 (xi) In the event of failure, the risk to taxpayers, including
20 any impact on Washington's bond rating and reputation;
- 21 (xii) Potential effects on the budgets and existing state
22 agencies programs; and
- 23 (xiii) Other items necessary to establish a state-chartered,
24 public cooperative bank modeled after the federal home loan bank or
25 other similar institution.

26 The office of financial management shall facilitate the timely
27 transmission of information and documents from all appropriate state
28 departments and state agencies to the entity hired to carry out its
29 contract. A status report must be provided to the governor and
30 appropriate committees of the legislature by December 1, 2018, and
31 final report and business plan provided to the appropriate committees
32 of the legislature by June 30, 2019. The contract is exempt from the
33 competitive procurement requirements in chapter 39.26 RCW.

34 (21) \$25,000 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 education research and
37 data center within the office of financial management to the
38 appropriate committees of the legislature by January 1, 2019,
39 providing a report on postsecondary enrollment and completion of
40 Washington students broken down by student subgroups including race,

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

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

5 **FOR THE DEPARTMENT OF REVENUE**

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

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

29 (1) \$5,628,000 of the general fund—state appropriation for fiscal
30 year 2018, \$5,628,000 of the general fund—state appropriation for
31 fiscal year 2019, and \$11,257,000 of the business license account—
32 state appropriation are provided solely for the taxpayer legacy
33 system replacement project.

34 ((+3)) (2) Prior to the suspension of the streamlined sales tax
35 mitigation program established under chapter 82.14 RCW, the
36 department must analyze if and when expected revenue gains from the
37 provisions of sections 201 through 213 of House Bill No. 2163 will be
38 equal to or exceed revenue losses to local taxing districts, as

1 measured under the streamlined sales tax mitigation system from the
2 switch to destination sourcing of sales tax. The analysis must
3 include a comprehensive review of tax, wage, census, and economic
4 data. The review must consider online sales tax and streamlined sales
5 tax mitigation trends for areas with rich concentrations of
6 warehousing distribution and manufacturing centers. The department
7 must provide a report and recommendations to the governor and
8 appropriate committees of the legislature by November 1, 2018. If
9 House Bill No. 2163 (revenue) is not enacted by July 31, 2017, this
10 subsection is void.

11 ~~((4))~~ (3) \$8,028,000 of the general fund—state appropriation
12 for fiscal year 2018 and \$6,304,000 of the general fund—state
13 appropriation for fiscal year 2019 are provided solely for the
14 implementation of House Bill No. 2163 (revenue). If the bill is not
15 enacted by July 31, 2017, the amounts provided in this subsection
16 shall lapse.

17 (4) \$30,000 of the general fund—state appropriation for fiscal
18 year 2018 and \$120,000 of the general fund—state appropriation for
19 fiscal year 2019 are provided solely for the department to make
20 publicly available an online searchable database of all taxes and tax
21 rates in the state for each taxing district. The information must be
22 aggregated by type of tax and accessible by entering a physical
23 address for each residency or business. In addition to searching by
24 physical address for each residence or business, searches must be
25 accommodated by navigating through a map of the state as a whole and
26 down to the level of each taxing district.

27 (a) The department must also provide tax rate calculators on the
28 searchable database to allow taxpayers to calculate their potential
29 taxes. Calculators must be provided at a minimum for property, sales
30 and use, business and occupation, vehicle, and other business taxes
31 and must be specific to the rate for the taxing district in which the
32 taxpayer resides. The calculator may only be used for educational
33 purposes and does not have a legal effect on taxes due.

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

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

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

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

6 (iii) State and local business taxes including, but not limited
7 to, business and occupation taxes, public utility taxes, unemployment
8 compensation taxes, and industrial insurance premiums;

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

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

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

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

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

19 **FOR THE BOARD OF TAX APPEALS**

20	General Fund—State Appropriation (FY 2018).	((\$1,409,000))
21		<u>\$1,709,000</u>
22	General Fund—State Appropriation (FY 2019).	((\$1,438,000))
23		<u>\$1,695,000</u>
24	<u>Pension Funding Stabilization Account—State</u>	
25	<u>Appropriation.</u>	<u>\$162,000</u>
26	TOTAL APPROPRIATION.	((\$2,847,000))
27		<u>\$3,566,000</u>

28 **Sec. 137.** 2017 3rd sp.s. c 1 s 139 (uncodified) is amended to
29 read as follows:

30 **FOR THE INSURANCE COMMISSIONER**

31	General Fund—Federal Appropriation.	\$4,615,000
32	<u>Insurance Commissioners Regulatory Account—State</u>	
33	<u>Appropriation.</u>	<u>((\$59,548,000))</u>
34		<u>\$60,064,000</u>
35	TOTAL APPROPRIATION.	((\$64,163,000))
36		<u>\$64,679,000</u>

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

3 (1) \$48,000 of the insurance commissioners regulatory account—
4 state appropriation is provided solely for implementation of chapter
5 103, Laws of 2017 (EHB 1450) (title insurance rating orgs.).

6 (2) \$12,000 of the insurance commissioners regulatory account—
7 state appropriation is provided solely for implementation of chapter
8 49, Laws of 2017 (SHB 1027) (surplus line broker licenses).

9 (3) \$29,000 of the insurance commissioners regulatory account—
10 state appropriation for fiscal year 2019 is provided solely for
11 implementation of Substitute Senate Bill No. 6059 (insurer annual
12 disclosures). If the bill is not enacted by June 30, 2018, the amount
13 provided in this subsection shall lapse.

14 (4) \$40,000 of the insurance commissioners regulatory account—
15 state appropriation for fiscal year 2019 is provided solely for
16 implementation of Substitute Senate Bill No. 6219 (reproductive
17 health coverage). If the bill is not enacted by June 30, 2018, the
18 amount provided in this subsection shall lapse.

19 (5) \$39,000 of the insurance commissioners regulatory account—
20 state appropriation for fiscal year 2019 is provided solely for
21 implementation of Senate Bill No. 5912 (tomosynthesis/mammography).
22 If the bill is not enacted by June 30, 2018, the amount provided in
23 this subsection shall lapse.

24 **Sec. 138.** 2017 3rd sp.s. c 1 s 140 (uncodified) is amended to
25 read as follows:

26 **FOR THE STATE INVESTMENT BOARD**

27 State Investment Board Expense Account—State
28 Appropriation. ((~~\$48,916,000~~))
29 \$48,908,000

30 **Sec. 139.** 2017 3rd sp.s. c 1 s 141 (uncodified) is amended to
31 read as follows:

32 **FOR THE LIQUOR AND CANNABIS BOARD**

33 Dedicated Marijuana Fund—State Appropriation
34 (FY 2018). ((~~\$10,400,000~~))
35 \$10,382,000

36 Dedicated Marijuana Fund—State Appropriation
37 (FY 2019). ((~~\$9,596,000~~))

1		\$9,576,000
2	Liquor Revolving Account—State Appropriation.	((\$69,578,000))
3		<u>\$69,438,000</u>
4	General Fund—Federal Appropriation.	\$2,912,000
5	General Fund—State Appropriation (FY 2018).	((\$372,000))
6		<u>\$334,000</u>
7	General Fund—State Appropriation (FY 2019).	((\$393,000))
8		<u>\$353,000</u>
9	General Fund—Private/Local Appropriation.	\$50,000
10	<u>Pension Funding Stabilization Account—State</u>	
11	<u>Appropriation.</u>	<u>\$78,000</u>
12	TOTAL APPROPRIATION.	((\$93,301,000))
13		<u>\$93,123,000</u>

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

16 (1) \$11,000 of the liquor revolving account—state appropriation
17 is provided solely for the implementation of chapter 96, Laws of 2017
18 (E2SHB 1351) (sale of spirits, beer and wine).

19 (2) The liquor and cannabis board may require electronic payment
20 of the marijuana excise tax levied by RCW 69.50.535. The liquor and
21 cannabis board may allow a waiver to the electronic payment
22 requirement for good cause as provided by rule.

23 (3) \$1,420,000 of the dedicated marijuana account—state
24 appropriation for fiscal year 2018 and \$885,000 of the dedicated
25 marijuana account—state appropriation for fiscal year 2019 are
26 provided solely for the marijuana traceability system used to track
27 the production, processing, and retail sale of each marijuana product
28 as it moves through the regulated recreational and medical
29 marketplace. The board may accept a proposal for a traceability
30 system that is less than the amounts appropriated within this section
31 if the proposal meets the board's requirements. The traceability
32 system is subject to the conditions, limitations, and review provided
33 in section 724 of this act.

34 (4) \$93,000 of the general fund—state appropriation for fiscal
35 year 2018 and \$70,000 of the general fund—state appropriation for
36 fiscal year 2019 are provided solely to implement and enforce vapor
37 products licensing, packaging, and sales regulations pursuant to
38 chapter 38, Laws of 2016 (ESSB 6328).

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

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

10 **FOR THE UTILITIES AND TRANSPORTATION COMMISSION**

11	General Fund—Private/Local Appropriation.	\$16,464,000
12	Public Service Revolving Account—State	
13	Appropriation.	((\$40,248,000))
14		<u>\$40,267,000</u>
15	Pipeline Safety Account—State Appropriation.	((\$3,412,000))
16		<u>\$3,411,000</u>
17	Pipeline Safety Account—Federal Appropriation.	\$3,072,000
18	<u>General Fund—State Appropriation (FY 2019).</u>	<u>\$25,000</u>
19	TOTAL APPROPRIATION.	((\$63,196,000))
20		<u>\$63,239,000</u>

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

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

33 (2) \$2,093,000 of the public service revolving account—state
34 appropriation is provided solely for the commission to cover the
35 costs of moving its offices to a new location, in cooperation with
36 the department of enterprise services.

37 (3) Up to \$800,000 of the public service revolving account—state
38 appropriation in this section is for the utilities and transportation

1 commission to supplement funds committed by a telecommunications
2 company to expand rural broadband service on behalf of an eligible
3 governmental entity. The amount in this subsection represents
4 payments collected by the utilities and transportation commission
5 pursuant to the Qwest performance assurance plan.

6 (4) \$27,000 of the public service revolving account—state
7 appropriation is provided solely for implementing the provisions of
8 Engrossed Substitute Senate Bill No. 6081 (distributed generation).
9 If the bill is not enacted by June 30, 2018, the amount provided in
10 this subsection shall lapse.

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

18 (6) \$25,000 of the general fund—state appropriation for fiscal
19 year 2019 is provided solely for a task force to make recommendations
20 to the legislature regarding the most effective method of regulation
21 of digital application-based micro-movers and the small goods movers
22 that utilize their digital application, to ensure the safety and
23 protection of the public while examining barriers to entry and
24 opportunities for short-distance transportation of small household
25 goods moves. The task force shall consist of two representatives of
26 said micro-movers and the small goods movers that utilize their
27 digital application, two representatives from the insurance industry,
28 one representative of the office of the insurance commissioner, one
29 representative from commercial movers, one representative from solid
30 waste hauling, two representatives from labor, and one representative
31 from the utilities and transportation commission. The utilities and
32 transportation commission shall provide staff support to the task
33 force. The report is due to the legislature by December 15, 2018.

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

36 **FOR THE MILITARY DEPARTMENT**

37 General Fund—State Appropriation (FY 2018). (~~(\$7,676,000)~~)
38 \$7,015,000

1	General Fund—State Appropriation (FY 2019).	((\$7,910,000))
2		<u>\$9,088,000</u>
3	General Fund—Federal Appropriation.	((\$118,521,000))
4		<u>\$117,248,000</u>
5	Enhanced 911 Account—State Appropriation.	((\$51,857,000))
6		<u>\$53,470,000</u>
7	Disaster Response Account—State Appropriation.	((\$29,433,000))
8		<u>\$42,018,000</u>
9	Disaster Response Account—Federal Appropriation.	((\$81,560,000))
10		<u>\$118,587,000</u>
11	Military Department Rent and Lease Account—State	
12	Appropriation.	\$615,000
13	Worker and Community Right-to-Know Account—State	
14	Appropriation.	\$2,339,000
15	Oil Spill Prevention Account—State Appropriation.	\$1,028,000
16	<u>Pension Funding Stabilization Account—State</u>	
17	<u>Appropriation.</u>	<u>\$1,243,000</u>
18	<u>Military Department Active State Service</u>	
19	<u>Account—State Appropriation.</u>	<u>\$200,000</u>
20	TOTAL APPROPRIATION.	((\$300,939,000))
21		<u>\$352,851,000</u>

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

24 (1) The military department shall submit a report to the office
25 of financial management and the legislative fiscal committees on
26 ((~~October 1st and~~)) February 1st, July 31st, and October 31st of each
27 year detailing information on the disaster response account,
28 including: (a) The amount and type of deposits into the account; (b)
29 the current available fund balance as of the reporting date; and (c)
30 the projected fund balance at the end of the 2017-2019 biennium based
31 on current revenue and expenditure patterns.

32 (2) \$40,000,000 of the general fund—federal appropriation is
33 provided solely for homeland security, subject to the following
34 conditions: Any communications equipment purchased by local
35 jurisdictions or state agencies shall be consistent with standards
36 set by the Washington state interoperability executive committee.

37 (3) \$100,000 of the general fund—state appropriation for fiscal
38 year 2018 and \$100,000 of the general fund—state appropriation for

1 fiscal year 2019 are provided solely for the conditional scholarship
2 program pursuant to chapter 28B.103 RCW.

3 (4) \$5,389,000 of the enhanced 911 account—state appropriation is
4 provided solely for transitioning to an internet protocol based next
5 generation 911 network and increased network costs during the
6 transition and hardware required for the new system. The department's
7 activities and procurement is a major information technology project
8 subject to oversight and review by the office of the chief
9 information officer.

10 (5) \$11,000,000 of the enhanced 911 account—state appropriation
11 is provided solely for financial assistance to counties.

12 (6) \$2,000,000 of the enhanced 911 account—state appropriation is
13 provided solely for one-time grants to (~~small and medium sized,~~
14 ~~rural counties for replacement of~~) Skagit, Cowlitz, Island, and
15 Whatcom counties for replacing and upgrading the equipment necessary
16 to maintain 911 service after the state's transition to a next
17 generation 911 system(~~, including reimbursement of replacement and~~
18 upgrades that have already been made)). Grants may also be used to
19 reimburse costs incurred in prior biennia for replacing and upgrading
20 equipment for 911 services.

21 (7) \$784,000 of the disaster response account—state appropriation
22 is provided solely for fire suppression training (~~and~~) equipment,
23 and supporting costs to national guard soldiers and airmen.

24 (8) \$38,000 of the enhanced 911 account—state appropriation is
25 provided solely for implementation of chapter 295, Laws of 2017 (SHB
26 1258) (first responders/disability).

27 (9) \$372,000 of the disaster response account—state appropriation
28 is provided solely for implementation of chapter 312, Laws of 2017
29 (SSB 5046) (language of public notices).

30 (10) Appropriations provided to the department are sufficient to
31 fund the administrative costs associated with implementation of
32 chapter 173, Laws of 2017 (E2SHB 1802) (veterans/shared leave
33 access).

34 (11) (~~(\$951,000)~~) \$190,000 of the disaster response account—state
35 appropriation is provided solely to Okanogan and Ferry counties to
36 continue to address deficiencies within their communications
37 infrastructure for 911 dispatch. Funding will be used to replace
38 failing radio dispatching hardware within 911 dispatch centers; build
39 interoperable communications between each county's dispatch center

1 such that each can serve as a back-up to the other; and build upon
2 the existing wireless microwave network for 911 calls, dispatch
3 centers, and first responder radio operations.

4 (12) \$1,582,000 of the general fund—state appropriation for
5 fiscal year 2019 and \$2,618,000 of the enhanced 911 account—state
6 appropriation are provided solely for the department to complete the
7 internet protocol based next generation 911 network project while
8 maintaining financial assistance to counties.

9 (13) \$110,000 of the general fund—state appropriation for fiscal
10 year 2019 is provided solely for implementing the provisions of
11 Substitute Senate Bill No. 6011 (continuity of government). If the
12 bill is not enacted by June 30, 2018, the amount provided in this
13 subsection shall lapse.

14 (14) \$200,000 of the military department active state service
15 account—state appropriation is provided solely for emergency response
16 training and planning of national guard members with funding provided
17 from Substitute Senate Bill No. 6269 (oil transportation safety). If
18 the bill is not enacted by June 30, 2018, the amount provided in this
19 subsection shall lapse.

20 (15) \$150,000 of the general fund—state appropriation for fiscal
21 year 2019 is provided solely for the emergency management division of
22 the military department to conduct an update to the October 2006
23 report to the state emergency response commission regarding statewide
24 response to chemical, biological, radiological, nuclear, and
25 explosive materials.

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

28 **FOR THE PUBLIC EMPLOYMENT RELATIONS COMMISSION**

29	General Fund—State Appropriation (FY 2018).	((\$2,076,000))
30		<u>\$1,962,000</u>
31	General Fund—State Appropriation (FY 2019).	((\$2,251,000))
32		<u>\$2,140,000</u>
33	Higher Education Personnel Services Account—State	
34	Appropriation.	\$1,327,000
35	Personnel Service Account—State Appropriation.	\$4,032,000
36	<u>Pension Funding Stabilization Account—State</u>	
37	<u>Appropriation.</u>	<u>\$228,000</u>
38	TOTAL APPROPRIATION.	((\$9,686,000))

1 \$9,689,000

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

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

10 **FOR THE BOARD OF ACCOUNTANCY**

11 Certified Public Accountants' Account—State
12 Appropriation. (~~(\$2,907,000)~~)
13 \$3,244,000

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

16 **FOR THE DEPARTMENT OF ENTERPRISE SERVICES**

17 General Fund—State Appropriation (FY 2018). (~~(\$4,368,000)~~)
18 \$4,364,000
19 General Fund—State Appropriation (FY 2019). (~~(\$4,405,000)~~)
20 \$4,538,000
21 General Fund—Private/Local Appropriation. \$102,000
22 Building Code Council Account—State Appropriation. . . (~~(\$1,056,000)~~)
23 \$1,132,000
24 TOTAL APPROPRIATION. (~~(\$9,931,000)~~)
25 \$10,136,000

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

28 (1) (~~(\$4,031,000)~~) \$3,994,000 of the general fund—state
29 appropriation for fiscal year 2018 and (~~(\$4,082,000)~~) \$3,974,000 of
30 the general fund—state appropriation for fiscal year 2019 are
31 provided solely for the payment of facilities and services charges,
32 utilities and contracts charges, public and historic facilities
33 charges, and capital projects surcharges allocable to the senate,
34 house of representatives, statute law committee, legislative support
35 services, joint legislative systems committee, and office of support
36 services. The department shall allocate charges attributable to these
37 agencies among the affected revolving funds. The department shall

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

8 (2) In accordance with RCW 46.08.172 and 43.135.055, the
9 department is authorized to increase parking fees in fiscal years
10 2018 and 2019 as necessary to meet the actual costs of conducting
11 business.

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

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

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

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

32 (i) Employees are similarly employed if the individuals work for
33 the same employer, the performance of the job requires comparable
34 skill, effort, and responsibility, and the jobs are performed under
35 similar working conditions. Job titles alone are not determinative of
36 whether employees are similarly employed;

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

39 (A) A seniority system; a merit system; a system that measures
40 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 (B) 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 (C) 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 (b) The provision must allow for the termination of the contract
11 if the public entity using the contract or agreement of the
12 department of enterprise services determines that the vendor is not
13 in compliance with this agreement or contract term.

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

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

18 (7) \$14,000 of the general fund—state appropriation for fiscal
19 year 2019 is provided solely for implementation of Substitute Senate
20 Bill No. 6081 (distributed generation). If the bill is not enacted by
21 June 30, 2018, the amount provided in this subsection shall lapse.

22 (8) \$13,000 of the general fund—state appropriation for fiscal
23 year 2019 is provided solely for implementation of Engrossed Senate
24 Bill No. 5450 (cross-laminated timber). If the bill is not enacted by
25 June 30, 2018, the amount provided in this subsection shall lapse.

26 (9) \$130,000 of the general fund—state appropriation for fiscal
27 year 2019 is provided solely for activities to resolve issues related
28 to the ferry county memorial public hospital district energy savings
29 performance contract. The department of enterprise services must
30 redouble its activities to enforce performance from the energy
31 savings performance contractor, identify the work necessary to
32 address the deficiencies of the heating, ventilation, and air
33 conditioning system (HVAC), and any other actions to make the
34 hospital district whole under the contract. The department must
35 provide monthly status reports to the director of the office of
36 financial management and the legislature on steps, timelines, and
37 activities to repair the HVAC system and secure contractor
38 performance. In the May 2018 report, the department must identify
39 steps that may be taken to improve its master contract to remove

1 contractors for performance failures from its master contract or to
2 add other contract remedies to prevent similar events. No moneys may
3 be expended from the appropriations in this section for department of
4 enterprise services costs, except for costs related to actual
5 litigation with the energy savings performance contractor or its
6 insurer. Moneys may be used for litigation or actual repair and
7 replacement costs incurred by the hospital associated with the
8 fulfillment of the contract.

9 (10) During the 2017-2019 fiscal biennium, the department shall
10 allow individuals to access the top of the capitol dome under
11 approved supervision and guidelines developed by the department.

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

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

15	General Fund—State Appropriation (FY 2018).	((\$1,607,000))
16		<u>\$1,580,000</u>
17	General Fund—State Appropriation (FY 2019).	((\$1,633,000))
18		<u>\$1,659,000</u>
19	General Fund—Federal Appropriation.	\$2,228,000
20	General Fund—Private/Local Appropriation.	\$264,000
21	<u>Pension Funding Stabilization Account—State</u>	
22	<u>Appropriation.</u>	<u>\$136,000</u>
23	TOTAL APPROPRIATION.	((\$5,732,000))
24		<u>\$5,867,000</u>

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

27 (1) \$103,000 of the general fund—state appropriation for fiscal
28 year 2018 and \$103,000 of the general fund—state appropriation for
29 fiscal year 2019 are provided solely for archaeological
30 determinations and excavations of inadvertently discovered skeletal
31 human remains, and removal and reinterment of such remains when
32 necessary.

33 (2) \$80,000 of the general fund—state appropriation for fiscal
34 year 2019 is provided solely for the department to work with the
35 department of commerce to facilitate a capital needs assessment study
36 of historic public libraries in distressed counties.

1 **Sec. 146.** 2017 3rd sp.s. c 1 s 150 (uncodified) is amended to
2 read as follows:

3 **FOR THE CONSOLIDATED TECHNOLOGY SERVICES AGENCY**

4	General Fund—State Appropriation (FY 2018).	\$187,000
5	General Fund—State Appropriation (FY 2019).	\$188,000
6	Consolidated Technology Services Revolving	
7	Account—State Appropriation	(\$19,136,000)
8		<u>\$18,578,000</u>
9	TOTAL APPROPRIATION.	(\$19,511,000)
10		<u>\$18,953,000</u>

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

13 (1) \$7,263,000 of the consolidated technology services revolving
14 account—state appropriation is for the office of the chief
15 information officer.

16 (2) ~~(\$9,443,000)~~ \$10,668,000 of the consolidated technology
17 services revolving account—state appropriation is for the office of
18 cyber security.

19 (3) The consolidated technology services agency shall work with
20 customer agencies using the Washington state electronic records vault
21 (WASERV) to identify opportunities to:

22 (a) Reduce storage volumes and costs associated with vault
23 records stored beyond the agencies' record retention schedules; and

24 (b) Assess a customized service charge as defined in chapter 304,
25 Laws of 2017 for costs of using WASERV to prepare data compilations
26 in response to public records requests.

27 (4) The consolidated technology services agency shall provide
28 desktop support services without charging a per device fee to the
29 following agencies: The governor's office of Indian affairs, the
30 commission on Asian Pacific American affairs, the citizen's
31 commission on salaries for elected officials, the commission on
32 Hispanic affairs, and the commission on African-American affairs. The
33 consolidated technology services agency must not withhold or reduce
34 desktop support services provided to small agencies that had been
35 receiving desktop support services and had not previously received
36 appropriations provided specifically for the purpose of reimbursing
37 the consolidated technology services agency for those services.

38 (5) In conjunction with the office of the chief information
39 officer's prioritization of proposed information technology

1 expenditures, agency budget requests for proposed information
2 technology expenditures shall include the following: The agency's
3 priority ranking of each information technology request; the
4 estimated cost for the current biennium; the estimated total cost of
5 the request over all biennia; and the expected timeline to complete
6 the request. The office of the chief information officer and the
7 office of financial management may request agencies to include
8 additional information on proposed information technology expenditure
9 requests.

10 (6) The consolidated technology services agency must not increase
11 fees charged for existing services without prior approval by the
12 office of financial management. The agency may develop fees to
13 recover the actual cost of new infrastructure to support increased
14 use of cloud technologies.

15 (7) \$500,000 of the consolidated technology services revolving
16 account—state appropriation is provided solely for the agency, in
17 collaboration with the office of financial management, to conduct a
18 zero-based budget review of the agency's services. Information and
19 analysis submitted by the department for the zero-based review under
20 this subsection shall include:

21 (a) A statement of the statutory basis or other basis for the
22 creation of each program or service and the history of each program
23 or service that is being reviewed;

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

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

29 (d) A description with supporting cost and staffing data of each
30 program or service and the populations served by each program or
31 service, and the level of funding and staff required to accomplish
32 the goals of the program or service if different than the actual
33 maintenance level;

34 (e) An analysis of the major costs and benefits of operating each
35 program or service and the rationale for specific expenditure and
36 staffing levels;

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

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

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

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

5 ~~((+9))~~ (8) Within existing resources, the agency must provide
6 oversight of state procurement and contracting for information
7 technology goods and services by the department of enterprise
8 services.

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

(End of part)

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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).	((\$348,992,000))
18		<u>\$345,579,000</u>
19	General Fund—Federal Appropriation.	((\$265,365,000))
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.	((\$616,836,000))
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:

31 **FOR THE DEPARTMENT OF SOCIAL AND HEALTH SERVICES—JUVENILE**
32 **REHABILITATION PROGRAM**

33	General Fund—State Appropriation (FY 2018).	((\$95,885,000))
34		<u>\$91,247,000</u>
35	General Fund—State Appropriation (FY 2019).	((\$97,123,000))
36		<u>\$95,172,000</u>
37	General Fund—Federal Appropriation.	\$3,464,000
38	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.	((\$198,653,000))
6		<u>\$200,785,000</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) \$107,000 of the general fund—state appropriation for fiscal
18 year 2018 and \$432,000 of the general fund—state appropriation for
19 fiscal year 2019 are provided solely for the department to provide
20 housing services to clients releasing from incarceration into the
21 community.

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

27 (13)(a) \$101,000 of the general fund—state appropriation for
28 fiscal year 2019 is provided solely for the department through its
29 office of juvenile justice to allocate funds to community truancy
30 boards to implement a one-year pilot project in counties listed under
31 (c) of this subsection to provide families with case management
32 services, including the use of juvenile detention alternatives
33 initiative strategies, when possible. The community truancy boards
34 may provide these services directly or contract out for such services
35 as appropriate. The amount appropriated under this subsection must
36 not affect or impact those funds appropriated to counties
37 implementing juvenile detention alternatives initiative strategies as
38 of the effective date of this section.

1 (b) \$1,000,000 of the general fund—state appropriation for fiscal
2 year 2019 is provided solely for the department through its juvenile
3 rehabilitation administration to allocate funds to community truancy
4 boards to implement a one-year pilot project in counties listed under
5 (c) of this subsection to provide families with evidence-based
6 services, including functional family therapy, when possible. The
7 community truancy boards may contract out for such services as
8 appropriate.

9 (c) The three pilot project counties under this subsection must
10 consist of two counties on the western side of the Cascade mountain
11 range and one county on the eastern side of the Cascade mountain
12 range and:

13 (i) Must have, according to the detention report provided by the
14 Washington state center for court research in response to chapter
15 205, Laws of 2016, the highest percentage use of detention for
16 nonoffender matters;

17 (ii) Must have a high propensity to use a valid court order for
18 detention purposes; and

19 (iii) Must have not implemented juvenile detention alternatives
20 initiative strategies as part of its juvenile court system.

21 (d) The department must submit a report to the legislature, by
22 December 1, 2019, that includes the number of youth and families that
23 received evidence-based services or case management services, or
24 both.

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).	(\$391,457,000)
31	\$381,760,000
32 (General Fund—State Appropriation (FY 2019).)	\$409,108,000)
33 General Fund—Federal Appropriation.	(\$1,021,705,000)
34	\$481,439,000
35 General Fund—Private/Local Appropriation.	(\$17,864,000)
36	\$8,932,000
37 Dedicated Marijuana Account—State Appropriation	
38 (FY 2018).	\$3,684,000

1	((Dedicated Marijuana Account—State Appropriation	
2	(FY 2019).	\$3,684,000))
3	<u>Pension Funding Stabilization Account—State</u>	
4	<u>Appropriation.</u>	<u>\$39,000</u>
5	TOTAL APPROPRIATION.	((\$1,847,502,000))
6		<u>\$875,854,000</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).	(\$286,936,000)
28		<u>\$330,371,000</u>
29	General Fund—State Appropriation (FY 2019).	(\$277,823,000)
30		<u>\$261,645,000</u>
31	General Fund—Federal Appropriation.	(\$148,093,000)
32		<u>\$181,903,000</u>
33	General Fund—Private/Local Appropriation.	(\$52,630,000)
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.	(\$765,482,000)
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).	((\$514,000))
33		\$486,000
34	((General Fund—State Appropriation (FY 2019).	\$508,000))
35	General Fund—Federal Appropriation.	((\$25,852,000))
36		\$3,148,000
37	<u>Pension Funding Stabilization Account—State</u>	
38	<u>Appropriation.</u>	\$28,000
39	TOTAL APPROPRIATION.	((\$26,874,000))

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

1		<u>\$2,979,000</u>
2	General Fund—Federal Appropriation.	((\$12,046,000))
3		<u>\$8,310,000</u>
4	General Fund—Private/Local Appropriation.	((\$502,000))
5		<u>\$251,000</u>
6	<u>Pension Funding Stabilization Account—State</u>	
7	<u>Appropriation.</u>	<u>\$526,000</u>
8	TOTAL APPROPRIATION.	((\$32,266,000))
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).	((\$612,748,000))
14		<u>\$601,623,000</u>
15	General Fund—State Appropriation (FY 2019).	((\$662,252,000))
16		<u>\$663,405,000</u>
17	General Fund—Federal Appropriation.	((\$1,301,629,000))
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.	((\$2,577,163,000))
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) \$75,000 of the general fund—state appropriation for fiscal
34 year 2019 is provided solely for job training at the support
35 education empowerment disability solutions program.

36 (v) \$290,000 of the general fund—state appropriation for fiscal
37 year 2019 is provided solely for the enhancement of existing parent-
38 to-parent programs that serve parents of children with a

1 developmental disability and the establishment of new programs in
2 Okanogan county and Whitman county.

3 (w) \$83,000 of the general fund—state appropriation for fiscal
4 year 2019 and \$751,000 of the general fund—federal appropriation are
5 provided solely for the development of an information technology
6 solution that is flexible enough to accommodate all service providers
7 impacted by the requirements for electronic visit verification
8 outlined in the 21st century cures act.

9 (x) \$50,000 of the general fund—state appropriation for fiscal
10 year 2019 and \$50,000 of the general fund—federal appropriation are
11 provided solely to implement Substitute Senate Bill No. 6237
12 (personal needs allowance) or Substitute House Bill No. 2651
13 (personal needs allowance). If neither bill is enacted by June 30,
14 2018, the amounts provided in this subsection shall lapse.

15 (2) INSTITUTIONAL SERVICES

16	General Fund—State Appropriation (FY 2018).	((\$104,159,000))
17		<u>\$99,622,000</u>
18	General Fund—State Appropriation (FY 2019).	((\$106,818,000))
19		<u>\$105,576,000</u>
20	General Fund—Federal Appropriation.	((\$195,757,000))
21		<u>\$202,401,000</u>
22	General Fund—Private/Local Appropriation.	((\$25,041,000))
23		<u>\$27,041,000</u>
24	<u>Pension Funding Stabilization Account—State</u>	
25	<u>Appropriation.</u>	<u>\$12,441,000</u>
26	TOTAL APPROPRIATION.	((\$431,775,000))
27		<u>\$447,081,000</u>

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

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

34 (b) \$495,000 of the general fund—state appropriation for fiscal
35 year 2018 and \$495,000 of the general fund—state appropriation for
36 fiscal year 2019 are for the department to fulfill its contracts with
37 the school districts under chapter 28A.190 RCW to provide
38 transportation, building space, and other support services as are

1 reasonably necessary to support the educational programs of students
2 living in residential habilitation centers.

3 (c) \$2,978,000 of the general fund—state appropriation for fiscal
4 year 2018, \$2,978,000 of the general fund—state appropriation for
5 fiscal year 2019, and \$5,956,000 of the general fund—federal
6 appropriation are for additional staff to ensure compliance with
7 centers for medicare and medicaid services requirements for
8 habilitation, nursing care, staff safety, and client safety at the
9 residential habilitation centers.

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

14 (e) \$2,000 of the general fund—state appropriation for fiscal
15 year 2018, \$5,000 of the general fund—state appropriation for fiscal
16 year 2019, and \$5,000 of the general fund—federal appropriation are
17 provided solely to implement chapter 270, Laws of 2017 (SB 5118)
18 (personal needs allowance).

19 (f) \$325,000 of the general fund—state appropriation for fiscal
20 year 2019 and \$325,000 of the general fund—federal appropriation for
21 fiscal year 2019 are provided solely for purposes of maintaining
22 basic life-and-safety equipment and structures in a manner that
23 supports a safe and compliant environment of care at the residential
24 habilitation centers. The department is to develop a budget structure
25 that allows for transparency in the management and monitoring of
26 these expenditures as well as related performance and outcomes. The
27 department is to report to the office of financial management on
28 expenditure levels and outcomes achieved at the close of each fiscal
29 year.

30 (g) \$121,000 of the general fund—state appropriation for fiscal
31 year 2018, \$41,000 of the general fund—state appropriation for fiscal
32 year 2019, and \$161,000 of the general fund—federal appropriation are
33 provided solely for the replacement of items destroyed by fire at the
34 laundry facility at Fircrest, and for the transportation of laundry
35 from Fircrest to Rainier.

36 (h) \$2,288,000 of the general fund—state appropriation for fiscal
37 year 2018, \$4,798,000 of the general fund—state appropriation for
38 fiscal year 2019, and \$7,086,000 of the general fund—federal
39 appropriation are provided solely for additional staffing resources

1 to provide direct care to clients living in the intermediate care
2 facilities at Rainier school, Fircrest school, and Lakeland Village
3 to address deficiencies identified by the centers for medicare and
4 medicaid services, and to gather information that will support long-
5 term planning about the residential habilitation centers during the
6 2019 legislative session.

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

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

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

29 (C) One member from the office of the governor, appointed by the
30 governor;

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

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

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

34 (G) One member from the service employees international union
35 1199;

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

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

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

5 (A) The number of clients living in the residential habilitation
6 centers from fiscal year 2013 through fiscal year 2018. The
7 information must be provided by month for each cottage on each
8 campus.

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

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

18 (D) Ratios of staff to clients at the residential habilitation
19 centers from fiscal year 2013 through fiscal year 2018. The ratios
20 must include, but are not limited to, the number of direct care staff
21 per client and the number of indirect care staff per client. The
22 ratio of direct care staff per client must be provided by month for
23 each cottage on each campus. The ratio of indirect care staff per
24 client must be provided by month for each campus.

25 (E) The number of individuals with a developmental disability
26 residing long term at the state psychiatric hospitals from fiscal
27 year 2013 through fiscal year 2018. The information must be provided
28 by month for each of the state psychiatric hospitals.

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

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

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

1 (I) The process for transitioning a cottage, or multiple
2 cottages, at a residential habilitation center from certification as
3 an intermediate care facility to a nursing facility. The section of
4 the report must include, but is not limited to, a description of the
5 role for the department of health, department of social and health
6 services, and the centers for medicare and medicaid services.

7 (J) The estimated capital investment needed to transition a
8 cottage, or multiple cottages, at a residential habilitation center
9 from certification as an intermediate care facility to a nursing
10 facility.

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

14 (L) Options for the alternate use of buildings, vacant or
15 occupied, at Fircrest school, Rainier school, Yakima Valley school,
16 or Lakeland Village. The suggestions must include, but are not
17 limited to, expanding capacity for nursing care, dental care, and
18 other specialty services for individuals with developmental or
19 intellectual disabilities.

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

26 (N) Options for transferring the ownership of charitable,
27 educational, penal, and reform institutions land on the Fircrest
28 campus from the department of natural resources to the department of
29 social and health services. The options must include, but are not
30 limited to:

31 (I) Purchase of the charitable, educational, penal, and reform
32 institutions land on the Fircrest campus. This option must include
33 the most recent appraisal of the value of charitable, educational,
34 penal, and reform institutions land on the Fircrest campus.

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

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

1 (O) Options for the additional use of state operated living
2 alternative placements to assist clients with the transition from an
3 institutional setting to a community setting. The report must
4 identify the number of clients who could transition into state
5 operated living alternative placements, and the length of time
6 necessary to transition clients into the additional placements.

7 (P) Options for establishing additional crisis stabilization
8 services at the residential habilitation centers. The report must
9 identify the operating costs, capital costs, timeline, and desired
10 location associated with the additional capacity.

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

18 (R) The expenditures for overtime, prescription drugs, controlled
19 substances, medical supplies, janitorial supplies, household
20 supplies, maintenance supplies, and office supplies at the
21 residential habilitation centers from fiscal year 2013 through fiscal
22 year 2018. The information must be provided by month for each campus.
23 The department must also provide the strategy, or strategies, that
24 are being implemented to decrease expenditures for overtime,
25 prescription drugs, controlled substances, medical supplies,
26 janitorial supplies, household supplies, maintenance supplies, and
27 office supplies at the residential habilitation centers.

28 (3) PROGRAM SUPPORT

29	General Fund—State Appropriation (FY 2018).	((\$2,469,000))
30		<u>\$2,351,000</u>
31	General Fund—State Appropriation (FY 2019).	((\$2,531,000))
32		<u>\$2,417,000</u>
33	General Fund—Federal Appropriation.	((\$2,946,000))
34		<u>\$2,986,000</u>
35	<u>Pension Funding Stabilization Account—State</u>	
36	<u>Appropriation.</u>	<u>\$270,000</u>
37	TOTAL APPROPRIATION.	((\$7,946,000))
38		<u>\$8,024,000</u>

39 (4) SPECIAL PROJECTS

1	General Fund—State Appropriation (FY 2018).	((\$64,000))
2		<u>\$55,000</u>
3	General Fund—State Appropriation (FY 2019).	((\$64,000))
4		<u>\$62,000</u>
5	General Fund—Federal Appropriation.	\$1,092,000
6	<u>Pension Funding Stabilization Account—State</u>	
7	<u>Appropriation.</u>	<u>\$11,000</u>
8	TOTAL APPROPRIATION.	\$1,220,000

9 **Sec. 206.** 2017 3rd sp.s. c 1 s 206 (uncodified) is amended to
10 read as follows:

11 **FOR THE DEPARTMENT OF SOCIAL AND HEALTH SERVICES—AGING AND ADULT**
12 **SERVICES PROGRAM**

13	General Fund—State Appropriation (FY 2018).	((\$1,099,017,000))
14		<u>\$1,077,555,000</u>
15	General Fund—State Appropriation (FY 2019).	((\$1,196,263,000))
16		<u>\$1,209,368,000</u>
17	General Fund—Federal Appropriation.	((\$2,839,653,000))
18		<u>\$2,844,301,000</u>
19	General Fund—Private/Local Appropriation.	((\$33,572,000))
20		<u>\$33,953,000</u>
21	Traumatic Brain Injury Account—State Appropriation.	\$4,540,000
22	Skilled Nursing Facility Safety Net Trust Account—	
23	State Appropriation.	\$133,360,000
24	<u>Pension Funding Stabilization Account—State</u>	
25	<u>Appropriation.</u>	<u>\$13,165,000</u>
26	TOTAL APPROPRIATION.	((\$5,306,405,000))
27		<u>\$5,316,242,000</u>

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

30 (1)(a) For purposes of implementing chapter 74.46 RCW, the
31 weighted average nursing facility payment rate shall not exceed
32 ((~~\$201.39~~)) \$200.47 for fiscal year 2018 and shall not exceed
33 ((~~\$209.35~~)) \$216.64 for fiscal year 2019.

34 (b) The department shall provide a medicaid rate add-on to
35 reimburse the medicaid share of the skilled nursing facility safety
36 net assessment as a medicaid allowable cost. The nursing facility
37 safety net rate add-on may not be included in the calculation of the
38 annual statewide weighted average nursing facility payment rate.

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

9 (a) The current annual renewal license fee for adult family homes
10 shall be \$225 per bed beginning in fiscal year 2018 and \$225 per bed
11 beginning in fiscal year 2019. A processing fee of \$2,750 shall be
12 charged to each adult family home when the home is initially
13 licensed. This fee is nonrefundable. A processing fee of \$700 shall
14 be charged when adult family home providers file a change of
15 ownership application.

16 (b) The current annual renewal license fee for assisted living
17 facilities shall be \$106 per bed beginning in fiscal year 2018 and
18 (~~(\$106)~~) \$116 per bed beginning in fiscal year 2019.

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

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

26 (4) \$1,858,000 of the general fund—state appropriation for fiscal
27 year 2018 and \$1,857,000 of the general fund—state appropriation for
28 fiscal year 2019 are provided solely for operation of the volunteer
29 services program. Funding shall be prioritized towards serving
30 populations traditionally served by long-term care services to
31 include senior citizens and persons with disabilities.

32 (5) \$14,674,000 of the general fund—state appropriation for
33 fiscal year 2018, \$37,239,000 of the general fund—state appropriation
34 for fiscal year 2019, and \$55,716,000 of the general fund—federal
35 appropriation are provided solely for the implementation of the
36 agreement reached between the governor and the service employees
37 international union healthcare 775nw under the provisions of chapters
38 74.39A and 41.56 RCW for the 2017-2019 fiscal biennium. Funding is
39 contingent upon the enactment of Senate Bill No. 5969 (transparency

1 in public employee collective bargaining). If the bill is not enacted
2 by July 31, 2017, the appropriation in this subsection shall lapse.

3 (6) \$4,833,000 of the general fund—state appropriation for fiscal
4 year 2018, \$13,413,000 of the general fund—state appropriation for
5 fiscal year 2019, and \$22,812,000 of the general fund—federal
6 appropriation are provided solely for the homecare agency parity
7 impacts of the agreement between the governor and the service
8 employees international union healthcare 775nw. Funding is contingent
9 upon the enactment of Senate Bill No. 5969 (transparency in public
10 employee collective bargaining). If the bill is not enacted by July
11 31, 2017, the appropriation in this subsection shall lapse.

12 (7) \$5,094,000 of the general fund—state appropriation for fiscal
13 year 2018 and \$5,094,000 of the general fund—state appropriation for
14 fiscal year 2019 are provided solely for services and support to
15 individuals who are deaf, hard of hearing, or deaf-blind.

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

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

30 (10) \$234,000 of the general fund—state appropriation for fiscal
31 year 2018 and \$234,000 of the general fund—state appropriation for
32 fiscal year 2019 are provided solely for the kinship navigator
33 program in the Colville Indian reservation, Yakama Nation, and other
34 tribal areas.

35 (11) \$42,000 of the general fund—state appropriation for fiscal
36 year 2018, \$127,000 of the general fund—state appropriation for
37 fiscal year 2019, and \$169,000 of the general fund—federal
38 appropriation are provided solely to implement chapter 270, Laws of
39 2017 (SB 5118) (personal needs allowance).

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

5 (13) Within amounts appropriated in this subsection, the
6 department shall assist the legislature to continue the work of the
7 joint legislative executive committee on planning for aging and
8 disability issues.

9 (a) A joint legislative executive committee on aging and
10 disability is continued, with members as provided in this subsection.

11 (i) Four members of the senate, with the leaders of the two
12 largest caucuses each appointing two members, and four members of the
13 house of representatives, with the leaders of the two largest
14 caucuses each appointing two members;

15 (ii) A member from the office of the governor, appointed by the
16 governor;

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

19 (iv) The director of the health care authority or his or her
20 designee;

21 (v) A member from disability rights Washington and a member from
22 the office of long-term care ombuds;

23 (vi) The insurance commissioner or his or her designee, who shall
24 serve as an ex officio member; and

25 (vii) Other agency directors or designees as necessary.

26 (b) The committee must make recommendations and continue to
27 identify key strategic actions to prepare for the aging of the
28 population in Washington, including state budget and policy options,
29 by conducting at least, but not limited to, the following tasks:

30 (i) Identify strategies to better serve the health care needs of
31 an aging population and people with disabilities to promote healthy
32 living and palliative care planning;

33 (ii) Identify strategies and policy options to create financing
34 mechanisms for long-term service and supports that allow individuals
35 and families to meet their needs for service;

36 (iii) Identify policies to promote financial security in
37 retirement, support people who wish to stay in the workplace longer,
38 and expand the availability of workplace retirement savings plans;

1 (iv) Identify ways to promote advance planning and advance care
2 directives and implementation strategies for the Bree collaborative
3 palliative care and related guidelines;

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

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

9 (vii) Identify options for promoting client safety through
10 residential care services and consider methods of protecting older
11 people and people with disabilities from physical abuse and financial
12 exploitation;

13 (viii) Identify other policy options and recommendations to help
14 communities adapt to the aging demographic in planning for housing,
15 land use, and transportation; and

16 (ix) Identify ways to support individuals with developmental
17 disabilities with long-term care needs who are enrolled members of a
18 federally recognized Indian tribe, or residing in the household of an
19 enrolled members of a federally recognized Indian tribe, and are
20 receiving care from a family member.

21 (c) At least one committee meeting must be devoted to the
22 exploration of legislation that would allow family members to provide
23 personal care services to persons with developmental disabilities or
24 long-term care needs under a voluntary consumer-directed medicaid
25 service program. During the meeting, the committee should hear
26 testimony from as many impacted parties as possible, including
27 clients, providers, advocacy groups, and staff from state agencies.
28 Testimony should explore program design, program oversight, necessary
29 statutory changes, barriers to implementation, fiscal estimates, and
30 timeline for implementation.

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

35 (e) Within existing appropriations, the cost of meetings must be
36 paid jointly by the senate, house of representatives, and the office
37 of financial management. Joint committee expenditures are subject to
38 approval by the senate facilities and operations committee and the
39 house of representatives executive rules committee, or their
40 successor committees. The joint committee members may be reimbursed

1 for travel expenses as authorized under RCW 43.03.050 and 43.03.060,
2 and chapter 44.04 RCW as appropriate. Advisory committee members may
3 not receive compensation or reimbursement for travel and expenses.

4 (14)(a) The department of social and health services must
5 facilitate a stakeholder work group consisting of assisted living
6 provider associations and the state long-term care ombuds in a
7 collaborative effort to redesign the medicaid payment methodology for
8 contracted assisted living, adult residential care, and enhanced
9 adult residential care. The department must submit a report with the
10 final work group recommendations to the appropriate legislative
11 committees by November 30, 2017. A proposed timeline for
12 implementation of the new methodology must be included in the report.
13 The new methodology must:

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

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

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

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

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

27 (b) In developing payment metrics for medicaid-covered services,
28 staff and service requirements must be reviewed for assisted living,
29 adult residential care, and enhanced adult residential care as
30 described in chapters 74.39A and 18.20 RCW. At a minimum, the
31 proposed rate methodology must include a component that recognizes
32 staffing for intermittent nursing and personal care services. Service
33 area adjustments based on population density must be reviewed and
34 compared with other options to recognize high-cost areas. The most
35 recent and complete wage data available through the bureau of labor
36 statistics must also be included for review and consideration. The
37 methodology work group must consider operational requirements and
38 indirect services in developing the model. The work group must
39 include a rate component that recognizes statutory and regulatory
40 physical plant requirements. The work group must review and consider

1 physical plant requirements for assisted living as described in
2 chapter 51.50 RCW. A fair rental valuation must be reviewed and
3 considered as an option for the capital component. The recognition of
4 food for medicaid residents must also be included in the work group
5 considerations. The department's current methodology to address room
6 and board requirements, and the appropriateness of the continued use
7 of the 2003 time study and whether it can be reasonably adjusted or
8 whether a new time study should be conducted, must be reviewed and
9 considered by the work group.

10 (15) Within amounts appropriated in this section, the department
11 must pay medicaid nursing facility payment rates for public hospital
12 district providers in rural communities as defined under chapter
13 70.44 RCW that are no less than June 30, 2016, reimbursement levels.
14 This action is intended to assure continued access to essential
15 services in rural communities.

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

21 (a) Within the amounts provided in this subsection, \$2,763,000 of
22 the general fund—state appropriation for fiscal year 2018, \$5,741,000
23 of the general fund—state appropriation for fiscal year 2019, and
24 \$9,775,000 of the general fund—federal appropriation are provided
25 solely for a vendor rate increase of two percent in fiscal year 2018
26 and an additional two percent in fiscal year 2019 for all contracted
27 vendors with the exception of nursing home providers, the program of
28 all-inclusive care for the elderly, nurse delegators, community
29 residential service providers, individual providers, agency
30 providers, and adult family homes.

31 (b) Within the amounts provided in this subsection, \$2,607,000 of
32 the general fund—state appropriation for fiscal year 2018, \$4,458,000
33 of the general fund—state appropriation for fiscal year 2019, and
34 \$8,571,000 of the general fund—federal appropriation are provided
35 solely to increase vendor rates for nursing homes, assisted living
36 facilities including adult residential care and enhanced adult
37 residential care, adult day health and adult day care providers, and
38 home care agency administration in the 2017-2019 fiscal biennium up

1 to the statewide minimum wage established in Initiative Measure No.
2 1433.

3 (17) \$4,815,000 of the general fund—state appropriation for
4 fiscal year 2018, \$8,527,000 of the general fund—state appropriation
5 for fiscal year 2019, and \$12,277,000 of the general fund—federal
6 appropriation are provided solely to create new community alternative
7 placement beds that prioritize the transition of clients who are
8 ready for discharge from the state psychiatric hospitals, but who
9 have additional long-term care or developmental disability needs.

10 (a) Community alternative placement beds include enhanced service
11 facility beds, adult family home beds, skilled nursing facility beds,
12 shared supportive housing beds, state operated living alternative
13 beds, and assisted living facility beds.

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

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

35 (d) During fiscal year 2018, in a presentation to the select
36 committee on quality improvement in state hospitals, the department
37 must describe the process of fielding and subsequently investigating
38 complaints of abuse, neglect, and exploitation within the community
39 alternative placement options described in (a) of this subsection. At

1 a minimum, the presentation must include data about the number of
2 complaints, and the nature of complaints, over the preceding five
3 fiscal years.

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

15 In developing bed capacity, the department shall consider the
16 complex needs of individuals waiting for discharge from the state
17 psychiatric hospitals.

18 (18) \$315,000 of the general fund—state appropriation for fiscal
19 year 2018, \$315,000 of the general fund—state appropriation for
20 fiscal year 2019, and \$630,000 of the general fund—federal
21 appropriation are provided solely for discharge case managers
22 stationed at the state psychiatric hospitals. Discharge case managers
23 will transition clients ready for hospital discharge into less
24 restrictive alternative community placements. The transition of
25 clients ready for discharge will free up bed capacity at the state
26 psychiatric hospitals.

27 (19) \$135,000 of the general fund—state appropriation for fiscal
28 year 2018, \$135,000 of the general fund—state appropriation for
29 fiscal year 2019, and \$270,000 of the general fund—federal
30 appropriation are provided solely for financial service specialists
31 stationed at the state psychiatric hospitals. Financial service
32 specialists will help to transition clients ready for hospital
33 discharge into alternative community placements. The transition of
34 clients ready for discharge will free up bed capacity at the state
35 hospitals.

36 (20) \$5,007,000 of the general fund—state appropriation for
37 fiscal year 2018, \$5,143,000 of the general fund—state appropriation
38 for fiscal year 2019, and \$10,154,000 of the general fund—federal

1 appropriation are provided solely to implement chapter 286, Laws of
2 2017 (SB 5715) (nursing home payments).

3 (21) \$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 to implement chapter 287, Laws
6 of 2017 (SB 5736) (nutrition programs).

7 (22) \$183,000 of the general fund—state appropriation for fiscal
8 year 2018, \$92,000 of the general fund—state appropriation for fiscal
9 year 2019, and \$2,479,000 of the general fund—federal appropriation
10 are provided solely to finish the programming necessary to give the
11 department the ability to pay individual provider overtime when hours
12 over 40 hours per week are authorized for payment and are subject to
13 the conditions, limitations, and review provided in section 724 of
14 this act.

15 (23) \$229,000 of the general fund—state appropriation for fiscal
16 year 2018, \$229,000 of the general fund—state appropriation for
17 fiscal year 2019, and \$458,000 of the general fund—federal
18 appropriation are provided solely to increase the daily rate for
19 private duty nursing in adult family homes by \$63.77.

20 (24) \$246,000 of the general fund—state appropriation for fiscal
21 year 2018 and \$313,000 of the general fund—federal appropriation are
22 provided solely to implement Senate Bill No. . . . (S-2907.2). If the
23 bill is not enacted by July 31, 2017, the amounts provided in this
24 subsection shall lapse.

25 (25)(a) No more than \$41,388,000 of the general fund—federal
26 appropriation may be expended for tailored support for older adults
27 and medicaid alternative care described in initiative 2 of the
28 medicaid transformation demonstration waiver under healthier
29 Washington. The department shall not increase general fund—state
30 expenditures on this initiative. The secretary in collaboration with
31 the director of the health care authority shall report to the joint
32 select committee on health care oversight no less than quarterly on
33 financial and health outcomes. The secretary in cooperation with the
34 director shall also report to the fiscal committees of the
35 legislature all of the expenditures of this subsection and shall
36 provide such fiscal data in the time, manner, and form requested by
37 the legislative fiscal committees.

38 (b) No more than \$2,200,000 of the general fund—federal
39 appropriation may be expended for supported housing and employment

1 services described in initiative 3a and 3b of the medicaid
2 transformation demonstration waiver under healthier Washington. Under
3 this initiative, the department and the health care authority shall
4 ensure that allowable and necessary services are provided to eligible
5 clients as identified by the department or its providers third party
6 administrator. The department and the authority in consultation with
7 the medicaid forecast work group shall ensure that reasonable
8 reimbursements are established for services deemed necessary within
9 an identified limit per individual. The department shall not increase
10 general fund—state expenditures under this initiative. The secretary
11 in cooperation with the director shall report to the joint select
12 committee on health care oversight no less than quarterly on
13 financial and health outcomes. The secretary in cooperation with the
14 director shall also report to the fiscal committees of the
15 legislature all of the expenditures of this subsection and shall
16 provide such fiscal data in the time, manner, and form requested by
17 the legislative fiscal committees.

18 (26) \$351,000 of the general fund—state appropriation for fiscal
19 year 2018, \$421,000 of the general fund—state appropriation for
20 fiscal year 2019, and \$1,012,000 of the general fund—federal
21 appropriation are provided solely for increasing the hourly rate for
22 nurse delegators from \$32.96 to \$45.32 effective September 1, 2017.

23 (27) \$10,017,000 of the general fund—state appropriation for
24 fiscal year 2018, \$13,111,000 of the general fund—state appropriation
25 for fiscal year 2019, and \$29,104,000 of the general fund—federal
26 appropriation are provided solely for the implementation of an
27 agreement reached between the governor and the adult family home
28 council under the provisions of chapter 41.56 RCW for the 2017-2019
29 fiscal biennium. Funding is 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 amounts
32 provided in this subsection shall lapse.

33 (28) \$339,000 of the general fund—state appropriation for fiscal
34 year 2019 and \$339,000 of the general fund—federal appropriation are
35 provided solely to continue the quality assurance unit within the
36 aging and long-term support administration of the department of
37 social and health services.

38 (29) \$360,000 of the general fund—federal appropriation and
39 \$381,000 of the general fund—local appropriation are provided solely

1 for additional staff to conduct licensing, inspections, and complaint
2 investigations in assisted living facilities.

3 (30) \$166,000 of the general fund—state appropriation for fiscal
4 year 2018, \$800,000 of the general fund—state appropriation for
5 fiscal year 2019, and \$1,510,000 of the general fund—federal
6 appropriation are provided solely to implement Engrossed Substitute
7 Senate Bill No. 6199 (individual provider management). If this bill
8 is not enacted by June 30, 2018, the amounts provided in this
9 subsection shall lapse.

10 (31) \$217,000 of the general fund—state appropriation for fiscal
11 year 2019 and \$1,949,000 of the general fund—federal appropriation
12 are provided solely for the development of an information technology
13 solution that is flexible enough to accommodate all service providers
14 impacted by the requirements for electronic visit verification
15 outlined in the 21st century cures act.

16 (32) \$560,000 of the general fund—state appropriation for fiscal
17 year 2019 and \$560,000 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 (33) \$100,000 of the general fund—state appropriation for fiscal
23 year 2019 and \$100,000 of the general fund—federal appropriation are
24 provided solely for the department of social and health services to
25 contract for an updated actuarial model of the 2016 independent
26 feasibility study and actuarial modeling of public and private
27 options for leveraging private resources to help individuals prepare
28 for long-term services and supports needs. The follow-up study must
29 model alternative variations of the previously studied public long-
30 term care benefit for workers, funded through a payroll deduction
31 that would provide a time-limited long-term care insurance benefit,
32 including but not limited to alternative minimum hours worked per
33 year for vesting.

34 (a) The report must include input from the joint committee on
35 aging and disability and other interested stakeholders.

36 (b) The report must also include an analysis of each variation
37 based on:

38 (i) The expected costs and benefits for participants;

39 (ii) The total anticipated number of participants;

1 (iii) The projected savings to the state medicaid program, if
 2 any; and
 3 (iv) Legal and financial risks to the state.
 4 (c) The department must provide status updates to the joint
 5 legislative executive committee on aging and disability. The
 6 feasibility study and actuarial analysis shall be completed and
 7 submitted to the department of social and health services by
 8 September 1, 2018. The department shall submit a report, including
 9 the director's findings and recommendations based on the feasibility
 10 study and actuarial analysis, to the governor and the legislature by
 11 October 1, 2018.

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

14 **FOR THE DEPARTMENT OF SOCIAL AND HEALTH SERVICES—ECONOMIC SERVICES**
 15 **PROGRAM**

16	General Fund—State Appropriation (FY 2018).	((\$396,063,000))
17		<u>\$365,394,000</u>
18	General Fund—State Appropriation (FY 2019).	((\$415,638,000))
19		<u>\$369,991,000</u>
20	General Fund—Federal Appropriation.	((\$1,421,095,000))
21		<u>\$1,444,289,000</u>
22	General Fund—Private/Local Appropriation.	\$5,144,000
23	Administrative Contingency Account—State	
24	Appropriation.	\$5,400,000
25	<u>Pension Funding Stabilization Account—State</u>	
26	<u>Appropriation.</u>	<u>\$29,264,000</u>
27	TOTAL APPROPRIATION.	((\$2,243,340,000))
28		<u>\$2,219,482,000</u>

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

31 (1)(a) ((~~\$155,022,000~~)) \$128,274,000 of the general fund—state
 32 appropriation for fiscal year 2018, ((~~\$160,136,000~~)) \$119,669,000 of
 33 the general fund—state appropriation for fiscal year 2019,
 34 \$836,761,000 of the general fund—federal appropriation, ((and))
 35 \$5,400,000 of the administrative contingency account—state
 36 appropriation, and \$8,155,000 of the pension funding stabilization
 37 account—state appropriation are provided solely for all components of
 38 the WorkFirst program. Within the amounts provided for the WorkFirst

1 program, the department may provide assistance using state-only funds
2 for families eligible for temporary assistance for needy families.
3 The department must create a WorkFirst budget structure that allows
4 for transparent tracking of budget units and subunits of expenditures
5 where these units and subunits are mutually exclusive from other
6 department budget units. The budget structure must include budget
7 units for the following: Cash assistance, child care, WorkFirst
8 activities, and administration of the program. Within these budget
9 units, the department must develop program index codes for specific
10 activities and develop allotments and track expenditures using these
11 codes. The department shall report to the office of financial
12 management and the relevant fiscal and policy committees of the
13 legislature prior to adopting a structure change.

14 (b) (~~(\$267,057,000)~~) \$258,141,000 of the amounts in (a) of this
15 subsection are provided solely for assistance to clients, including
16 grants, diversion cash assistance, and additional diversion emergency
17 assistance including but not limited to assistance authorized under
18 RCW 74.08A.210. The department may use state funds to provide support
19 to working families that are eligible for temporary assistance for
20 needy families but otherwise not receiving cash assistance. Within
21 amounts provided in (b) of this subsection, \$1,622,000 of the general
22 fund—state appropriation for fiscal year 2019 is provided solely for
23 implementation of Engrossed Substitute Senate Bill No. 5890 (foster
24 care and adoption). If the bill is not enacted by July 31, 2017, the
25 amount provided in this subsection shall lapse.

26 (c) (~~(\$168,005,000)~~) \$158,668,000 of the amounts in (a) of this
27 subsection are provided solely for WorkFirst job search, education
28 and training activities, barrier removal services, limited English
29 proficiency services, and tribal assistance under RCW 74.08A.040. The
30 department must allocate this funding based on client outcomes and
31 cost effectiveness measures. Amounts provided in (c) of this
32 subsection include funding for implementation of chapter 156, Laws of
33 2017 (2SSB 5347) (WorkFirst "work activity"). Within amounts provided
34 in (c) of this subsection, the department shall implement the working
35 family support program. The department shall adopt rules to take
36 effect July 31, 2017, to limit the working family support program at
37 10,000 households. (~~((i) — \$1,700,000)~~) \$1,350,000 of the funds
38 appropriated in (c) of this subsection are provided solely for
39 enhanced transportation assistance provided that the department
40 prioritize the use of these funds for the recipients most in need of

1 financial assistance to facilitate their return to work. The
2 department must not utilize these funds to supplant repayment
3 arrangements that are currently in place to facilitate the
4 reinstatement of drivers' licenses.

5 ~~((ii) Prior to renewal of intergovernmental TANF agreements with
6 a tribe, the department shall request information on the total
7 expenditures and total number of clients served in the tribal TANF
8 program. When the per-client costs in the tribal TANF program have
9 increased since the initial agreement, the department may negotiate a
10 lower state maintenance of effort level based on the increased
11 resources provided by the tribe since the original agreement. The
12 department shall report to the office of financial management and the
13 fiscal committees of the legislature the revised amount of the state
14 maintenance of effort level within two weeks of each newly signed
15 intergovernmental TANF agreement.))~~

16 (d)(i) ~~((\$501,608,000))~~ \$477,004,000 of the amounts in (a) of
17 this subsection are provided solely for the working connections child
18 care program under RCW 43.215.135. In order to not exceed the
19 appropriated amount, the department shall manage the program so that
20 the average monthly caseload does not exceed 33,000 households and
21 the department shall give prioritized access into the program
22 according to the following order:

23 (A) Families applying for or receiving temporary assistance for
24 needy families (TANF);

25 (B) TANF families curing sanction;

26 (C) Foster children;

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

28 (E) Families in which a parent of a child in care is a minor who
29 is not living with a parent or guardian and who is a full-time
30 student in a high school that has a school-sponsored on-site child
31 care center;

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

37 (G) Families that received subsidies within the last thirty days
38 and:

39 (I) Have reapplied for subsidies; and

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

3 (H) All other eligible families.

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

9 (A) Appropriately and accurately processed; and

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

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

15 (II) Household composition; and

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

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

21 (iii) Of the amounts provided in (d) of this subsection,
22 \$4,620,000 of the appropriation for fiscal year 2018 and \$4,792,000
23 of the appropriation for fiscal year 2019 are provided for a base
24 rate increase, a rate increase for Family Friend and Neighbor
25 providers, covering an increase for health insurance premiums, and
26 increasing paid professional development days from three days to five
27 days. This funding is for the 2017-2019 collective bargaining
28 agreement covering family child care providers as set forth in
29 section 940 of this act.

30 (iv) Of the amounts provided in (d) of this subsection,
31 \$8,547,000 of the general fund—state appropriation for fiscal year
32 2018 and \$10,438,000 of the general fund—state appropriation for
33 fiscal year 2019 are provided solely for subsidy base rate increases
34 for child care center providers.

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

38 (f) (~~(\$170,442,000)~~) \$170,276,000 of the amounts in (1)(a) of
39 this section are provided solely for WorkFirst and working

1 connections child care administration and overhead. \$127,000 of the
2 funds appropriated in this subsection for fiscal year 2019 are
3 provided solely for implementation of chapter 9, Laws of 2017 3rd sp.
4 sess. (working connections child care).

5 (g) The amounts in subsections (1)(b) through (e) of this section
6 shall be expended for the programs and in the amounts specified.
7 However, the department may transfer up to 10 percent of funding
8 between subsections (1)(b) through (f) of this section. The
9 department shall provide notification prior to any transfer to the
10 office of financial management and to the appropriate legislative
11 committees and the legislative-executive WorkFirst oversight task
12 force. The approval of the director of financial management is
13 required prior to any transfer under this subsection.

14 (h) Each calendar quarter, the department shall provide a
15 maintenance of effort and participation rate tracking report for
16 temporary assistance for needy families to the office of financial
17 management, the appropriate policy and fiscal committees of the
18 legislature, and the legislative-executive WorkFirst oversight task
19 force. The report must detail the following information for temporary
20 assistance for needy families:

21 (i) An overview of federal rules related to maintenance of
22 effort, excess maintenance of effort, participation rates for
23 temporary assistance for needy families, and the child care
24 development fund as it pertains to maintenance of effort and
25 participation rates;

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

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

31 (iv) The status of reportable federal participation rate
32 requirements, including any impact of excess maintenance of effort on
33 participation targets;

34 (v) Potential new sources of maintenance of effort and progress
35 to obtain additional maintenance of effort; and

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

39 (i) In the 2017-2019 fiscal biennium, it is the intent of the
40 legislature to provide appropriations from the state general fund for

1 the purposes of (b) through (f) of this subsection if the department
2 does not receive additional federal temporary assistance for needy
3 families contingency funds in each fiscal year as assumed in the
4 budget outlook.

5 (2) \$1,657,000 of the general fund—state appropriation for fiscal
6 year 2018 and \$1,657,000 of the general fund—state appropriation for
7 fiscal year 2019 are provided solely for naturalization services.

8 (3) \$2,366,000 of the general fund—state appropriation for fiscal
9 year 2018 is provided solely for employment services for refugees and
10 immigrants, of which \$1,774,000 is provided solely for the department
11 to pass through to statewide refugee and immigrant assistance
12 organizations for limited English proficiency pathway services; and
13 \$2,366,000 of the general fund—state appropriation for fiscal year
14 2019 is provided solely for employment services for refugees and
15 immigrants, of which \$1,774,000 is provided solely for the department
16 to pass through to statewide refugee and immigrant assistance
17 organizations for limited English proficiency pathway services.

18 (4) On (~~December~~) January 1, 2017, and annually thereafter, the
19 department must report to the governor and the legislature on all
20 sources of funding available for both refugee and immigrant services
21 and naturalization services during the current fiscal year and the
22 amounts expended to date by service type and funding source. The
23 report must also include the number of clients served and outcome
24 data for the clients.

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

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

36 (7) (~~(\$433,000)~~) \$856,000 of the general fund—state appropriation
37 for fiscal year 2018, (~~(\$451,000)~~) \$1,848,000 of the general fund—
38 state appropriation for fiscal year 2019, and (~~(\$6,451,000)~~)
39 \$16,267,000 of the general fund—federal appropriation are provided

1 solely for ESAR Architectural Development and are subject to the
2 conditions, limitations, and review provided in section 724 of this
3 act.

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

10 (9) \$750,000 of the general fund—state appropriation for fiscal
11 year 2018 and \$750,000 of the general fund—state appropriation for
12 fiscal year 2019 are provided solely for operational support of the
13 Washington information network 211 organization.

14 (10) \$90,000 of the general fund—state appropriation for fiscal
15 year 2018, \$8,000 of the general fund—state appropriation for fiscal
16 year 2019, and \$36,000 of the general fund—federal appropriation are
17 provided solely for implementation of chapter 270, Laws of 2017 (SB
18 5118) (personal needs allowance).

19 (~~(\$127,000 of the general fund state appropriation for~~
20 ~~fiscal year 2019 is provided solely for implementation of Substitute~~
21 ~~House Bill No. 1624 (working connections child care). If the bill is~~
22 ~~not enacted by July 31, 2017, the amount provided in this subsection~~
23 ~~shall lapse.)) \$5,000,000 of the general fund—federal appropriation
24 is provided solely for the resources to improve the successful
25 employment program. The department shall submit a preliminary report
26 of its findings of the impact of this program on increasing
27 employment to the appropriate committees of the legislature no later
28 than January 1, 2019, with a final report submitted no later than
29 June 30, 2019.~~

30 (12) \$121,000 of the general fund—state appropriation for fiscal
31 year 2019 is provided solely for implementation of Substitute Senate
32 Bill No. 5683 (Pacific Islander health care). If the bill is not
33 enacted by June 30, 2018, the amount provided in this subsection
34 shall lapse.

35 (13) \$58,000 of the general fund—state appropriation for fiscal
36 year 2019 is provided solely to implement Substitute Senate Bill No.
37 6237 (personal needs allowance) or Substitute House Bill No. 2651
38 (personal needs allowance). If neither bill is enacted by June 30,
39 2018, the amount provided in this subsection shall lapse.

1 **Sec. 208.** 2017 3rd sp.s. c 1 s 208 (uncodified) is amended to
2 read as follows:

3 **FOR THE DEPARTMENT OF SOCIAL AND HEALTH SERVICES—ALCOHOL AND**
4 **SUBSTANCE ABUSE PROGRAM**

5	General Fund—State Appropriation (FY 2018).	((\$78,842,000))
6		<u>\$96,763,000</u>
7	((General Fund—State Appropriation (FY 2019).	\$71,308,000))
8	General Fund—Federal Appropriation.	((\$575,249,000))
9		<u>\$301,240,000</u>
10	General Fund—Private/Local Appropriation.	((\$20,211,000))
11		<u>\$10,101,000</u>
12	Criminal Justice Treatment Account—State	
13	Appropriation.	((\$12,978,000))
14		<u>\$6,488,000</u>
15	Problem Gambling Account—State Appropriation.	((\$1,453,000))
16		<u>\$725,000</u>
17	Dedicated Marijuana Account—State Appropriation	
18	(FY 2018).	\$24,802,000
19	((Dedicated Marijuana Account—State Appropriation	
20	 (FY 2019).	\$24,802,000))
21	<u>Pension Funding Stabilization Account—State</u>	
22	<u> Appropriation.</u>	<u>\$264,000</u>
23	TOTAL APPROPRIATION.	((\$809,645,000))
24		<u>\$440,383,000</u>

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

27 (1) \$3,278,000 of the dedicated marijuana account—state
28 appropriation for fiscal year 2018 ((and ~~\$3,278,000 of the dedicated~~
29 ~~marijuana account—state appropriation for fiscal year 2019~~)) are
30 provided solely for a memorandum of understanding with the department
31 of social and health services juvenile rehabilitation administration
32 to provide substance abuse treatment programs for juvenile offenders.
33 Of the amounts provided in this subsection:

34 (a) \$1,130,000 of the dedicated marijuana account—state
35 appropriation for fiscal year 2018 ((and ~~\$1,130,000 of the dedicated~~
36 ~~marijuana account—state appropriation for fiscal year 2019~~ are)) is
37 provided solely for alcohol and substance abuse treatment programs
38 for locally committed offenders. The juvenile rehabilitation

1 administration shall award these funds as described in section 203(4)
2 of this act.

3 (b) \$282,000 of the dedicated marijuana account—state
4 appropriation for fiscal year (~~((2017 and \$282,000 of the dedicated~~
5 ~~marijuana account—state appropriation for fiscal year 2019 are))~~) 2018
6 is provided solely for the expansion of evidence-based treatments and
7 therapies as described in section 203(2) of this act.

8 (2) During the 2017-19 fiscal biennium, any amounts provided in
9 this section that are used for case management services for pregnant
10 and parenting women must be contracted directly between the
11 department and providers rather than through contracts with
12 behavioral health organizations.

13 (3) Within the amounts appropriated in this section, the
14 department may contract with the University of Washington and
15 community-based providers for the provision of the parent-child
16 assistance program or other specialized chemical dependency case
17 management providers for pregnant, post-partum, and parenting women.
18 For all contractors: (i) Service and other outcome data must be
19 provided to the department by request; and (ii) indirect charges for
20 administering the program shall not exceed ten percent of the total
21 contract amount.

22 (~~((4) \$3,500,000))~~) \$1,750,000 of the general fund—federal
23 appropriation (from the substance abuse prevention and treatment
24 federal block grant) is provided solely for the continued funding of
25 existing county drug and alcohol use prevention programs.

26 (5) \$200,000 of the dedicated marijuana account—state
27 appropriation for fiscal year 2018 (~~((and \$200,000 of the dedicated~~
28 ~~marijuana account—state appropriation for fiscal year 2019 are))~~) is
29 provided solely for a contract with the Washington state institute
30 for public policy to conduct cost-benefit evaluations of the
31 implementation of chapter 3, Laws of 2013 (Initiative Measure No.
32 502).

33 (6) \$500,000 of the dedicated marijuana account—state
34 appropriation for fiscal year 2018 (~~((and \$500,000 of the dedicated~~
35 ~~marijuana account—state appropriation for fiscal year 2019 are))~~) is
36 provided solely to design and administer the Washington state healthy
37 youth survey and the Washington state young adult behavioral health
38 survey.

1 (7) \$396,000 of the dedicated marijuana account—state
2 appropriation for fiscal year 2018 (~~and \$396,000 of the dedicated~~
3 ~~marijuana account—state appropriation for fiscal year 2019 are~~) is
4 provided solely for maintaining increased services to pregnant and
5 parenting women provided through the parent child assistance program.

6 (8) \$250,000 of the dedicated marijuana account—state
7 appropriation for fiscal year 2018 (~~and \$250,000 of the dedicated~~
8 ~~marijuana account—state appropriation for fiscal year 2019 are~~) is
9 provided solely for a grant to the office of superintendent of public
10 instruction to provide life skills training to children and youth in
11 schools that are in high needs communities.

12 (9) \$386,000 of the dedicated marijuana account—state
13 appropriation for fiscal year 2018 (~~and \$386,000 of the dedicated~~
14 ~~marijuana account—state appropriation for fiscal year 2019 are~~) is
15 provided solely to maintain increased prevention and treatment
16 services provided by tribes to children and youth.

17 (10) \$2,684,000 of the dedicated marijuana account—state
18 appropriation for fiscal year 2018(~~(, \$2,684,000 of the dedicated~~
19 ~~marijuana account—state appropriation for fiscal year 2019,)~~) and
20 (~~(\$1,900,000)~~) \$950,000 of the general fund—federal appropriation are
21 provided solely to maintain increased residential treatment services
22 for children and youth.

23 (11) \$250,000 of the dedicated marijuana account—state
24 appropriation for fiscal year 2018 (~~and \$250,000 of the dedicated~~
25 ~~marijuana account—state appropriation for fiscal year 2019 are~~) is
26 provided solely for training and technical assistance for the
27 implementation of evidence based, research based, and promising
28 programs which prevent or reduce substance use disorders.

29 (12) \$2,434,000 of the dedicated marijuana account—state
30 appropriation for fiscal year 2018 (~~and \$2,434,000 of the dedicated~~
31 ~~marijuana account—state appropriation for fiscal year 2019 are~~) is
32 provided solely for expenditure into the home visiting services
33 account.

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

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

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

21 (15) (~~(\$1,125,000)~~) \$563,000 of the general fund—federal
22 appropriation is provided solely for the department to develop a
23 memorandum of understanding with the department of health for
24 implementation of chapter 297, Laws of 2017 (ESHB 1427) (opioid
25 treatment programs). The department must use these amounts to
26 reimburse the department of health for costs incurred through the
27 implementation of the bill.

28 (16) \$891,000 of the general fund—state appropriation for fiscal
29 year 2018(~~(, \$2,580,000 of the general fund—state appropriation for~~
30 ~~fiscal year 2019,)) and (~~(\$2,755,000)~~) \$435,000 of the general fund—
31 federal appropriation are provided solely for the development and
32 operation of two secure detoxification facilities. The department
33 must not use any of these amounts for services in facilities that are
34 subject to federal funding restrictions that apply to institutions
35 for mental diseases, unless they have received a waiver that allows
36 for full federal participation in these facilities.~~

37 (17) (~~(\$1,000,000)~~) \$500,000 of the criminal justice treatment
38 account—state appropriation is provided solely to maintain increased

1 funding for substance abuse treatment and support services for
2 offenders and support of drug courts.

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

15 (19) \$100,000 of the general fund—state appropriation for fiscal
16 year 2018 (~~and \$100,000 of the general fund—state appropriation for~~
17 ~~fiscal year 2019 are~~) is provided solely for parenting education
18 services focused on pregnant and parenting women.

19 (20) Within existing appropriations, the department shall
20 prioritize the prevention and treatment of intravenous opiate-based
21 drug use.

22 (21) In accordance with RCW 70.96A.090, 71.24.035, 43.20B.110,
23 and 43.135.055, the department is authorized to adopt fees for the
24 review and approval of mental health and substance use disorder
25 treatment programs in fiscal (~~years~~) year 2018 (~~and 2019~~) as
26 necessary to support the costs of the regulatory program. The
27 department's fee schedule shall have differential rates for providers
28 with proof of accreditation from organizations that the department
29 has determined to have substantially equivalent standards to those of
30 the department, including but not limited to the joint commission on
31 accreditation of health care organizations, the commission on
32 accreditation of rehabilitation facilities, and the council on
33 accreditation. To reflect the reduced costs associated with
34 regulation of accredited programs, the department's fees for
35 organizations with such proof of accreditation must reflect the lower
36 cost of licensing for these programs than for other organizations
37 which are not accredited. To the extent that the fees charged in
38 fiscal year 2018 are not expected to fully cover the cost of the
39 program, the department must submit a report to the office of
40 financial management and the appropriate fiscal committees of the

1 legislature identifying what further increases would be required and
2 the differential impact on providers. This report must be submitted
3 by December 1, 2017.

4 **Sec. 209.** 2017 3rd sp.s. c 1 s 209 (uncodified) is amended to
5 read as follows:

6 **FOR THE DEPARTMENT OF SOCIAL AND HEALTH SERVICES—VOCATIONAL**
7 **REHABILITATION PROGRAM**

8	General Fund—State Appropriation (FY 2018).	((\$14,899,000))
9		<u>\$13,890,000</u>
10	General Fund—State Appropriation (FY 2019).	((\$15,603,000))
11		<u>\$14,594,000</u>
12	General Fund—Federal Appropriation.	((\$97,328,000))
13		<u>\$109,730,000</u>
14	<u>Pension Funding Stabilization Account—State</u>	
15	<u>Appropriation.</u>	<u>\$2,024,000</u>
16	TOTAL APPROPRIATION.	((\$127,830,000))
17		<u>\$140,238,000</u>

18 **Sec. 210.** 2017 3rd sp.s. c 1 s 210 (uncodified) is amended to
19 read as follows:

20 **FOR THE DEPARTMENT OF SOCIAL AND HEALTH SERVICES—SPECIAL COMMITMENT**
21 **PROGRAM**

22	General Fund—State Appropriation (FY 2018).	((\$45,488,000))
23		<u>\$46,202,000</u>
24	General Fund—State Appropriation (FY 2019).	((\$46,173,000))
25		<u>\$47,375,000</u>
26	<u>Pension Funding Stabilization Account—State</u>	
27	<u>Appropriation.</u>	<u>\$4,858,000</u>
28	TOTAL APPROPRIATION.	((\$91,661,000))
29		<u>\$98,435,000</u>

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

32 (1) The special commitment center may use funds appropriated in
33 this subsection to purchase goods and supplies through hospital group
34 purchasing organizations when it is cost-effective to do so.

35 (2) \$97,000 of the general fund—state appropriation for fiscal
36 year 2018 and \$400,000 of the general fund—state appropriation for
37 fiscal year 2019 are provided solely to increase staff to maintain

1 the McNeil Island ambulance license under current state and county
2 rules and regulations.

3 **Sec. 211.** 2017 3rd sp.s. c 1 s 211 (uncodified) is amended to
4 read as follows:

5 **FOR THE DEPARTMENT OF SOCIAL AND HEALTH SERVICES—ADMINISTRATION AND**
6 **SUPPORTING SERVICES PROGRAM**

7	General Fund—State Appropriation (FY 2018).	((\$36,681,000))
8		<u>\$33,519,000</u>
9	General Fund—State Appropriation (FY 2019).	((\$30,791,000))
10		<u>\$29,466,000</u>
11	General Fund—Federal Appropriation.	((\$39,963,000))
12		<u>\$43,874,000</u>
13	((General Fund—Private/Local Appropriation.	\$654,000))
14	<u>Pension Funding Stabilization Account—State</u>	
15	<u>Appropriation.</u>	<u>\$6,247,000</u>
16	TOTAL APPROPRIATION.	((\$108,089,000))
17		<u>\$113,106,000</u>

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

20 (1) \$300,000 of the general fund—state appropriation for fiscal
21 year 2018 and ((~~\$300,000~~)) \$500,000 of the general fund—state
22 appropriation for fiscal year 2019 are provided solely for a
23 Washington state mentoring organization to continue its public-
24 private partnerships to provide technical assistance and training to
25 mentoring programs that serve at-risk youth.

26 (2) Within amounts appropriated in this section, the department
27 shall provide to the department of health, where available, the
28 following data for all nutrition assistance programs funded by the
29 United States department of agriculture and administered by the
30 department. The department must provide the report for the preceding
31 federal fiscal year by February 1, 2018, and February 1, 2019. The
32 report must provide:

33 (a) The number of people in Washington who are eligible for the
34 program;

35 (b) The number of people in Washington who participated in the
36 program;

37 (c) The average annual participation rate in the program;

38 (d) Participation rates by geographic distribution; and

1 (e) The annual federal funding of the program in Washington.

2 (3) \$1,216,000 of the general fund—state appropriation for fiscal
3 year 2019 and \$515,000 of the general fund—federal appropriation are
4 provided solely for the implementation of Engrossed Second Substitute
5 House Bill No. 1661 (child, youth, families department). If the bill
6 is not enacted by July 31, 2017, the amount provided in this
7 subsection shall lapse.

8 (4) \$81,000 of the general fund—state appropriation for fiscal
9 year 2018, \$86,000 of the general fund—state appropriation for fiscal
10 year 2019, and \$167,000 of the general fund—federal appropriation are
11 provided solely for the implementation of an agreement reached
12 between the governor and the Washington federation of state employees
13 for the language access providers under the provisions of chapter
14 41.56 RCW for the 2017-2019 fiscal biennium. Funding is contingent
15 upon the enactment of Senate Bill No. 5969 (transparency in public
16 employee collective bargaining). If the bill is not enacted by July
17 31, 2017, the amounts provided in this subsection shall lapse.

18 (5) \$354,000 of the general fund—state appropriation for fiscal
19 year 2019 and \$78,000 of the general fund—federal appropriation are
20 provided solely for human resources staff to support hiring
21 initiatives at the state psychiatric hospitals connected to
22 compliance efforts with the plan of correction submitted to the
23 centers for medicare and medicaid services.

24 (6) \$609,000 of the general fund—state appropriation for fiscal
25 year 2019 and \$141,000 of the general fund—federal appropriation are
26 provided solely for the replacement of circuits, routers, and
27 switches at western state hospital, eastern state hospital, Seattle
28 children's intake center, Rainier school, Lakeland village, and the
29 special commitment center.

30 (7) \$579,000 of the general fund—state appropriation for fiscal
31 year 2019 and \$245,000 of the general fund—federal appropriation are
32 provided solely to modify the number of administrative staff
33 transferring from the department of social and health services to the
34 department of children, youth, and families.

35 (8) \$53,000 of the general fund—state appropriation for fiscal
36 year 2019 and \$12,000 of the general fund—federal appropriation are
37 provided solely to implement Engrossed Substitute Senate Bill No.
38 5588 (racial disproportionality). If this bill is not enacted by June
39 30, 2018, the amounts provided in this subsection shall lapse.

1 (9) \$22,000 of the general fund—state appropriation for fiscal
2 year 2019 and \$43,000 of the general fund—federal appropriation are
3 provided solely to implement Engrossed Substitute Senate Bill No.
4 6037 (uniform parentage act). If this bill is not enacted by June 30,
5 2018, the amounts provided in this subsection shall lapse.

6 **Sec. 212.** 2017 3rd sp.s. c 1 s 212 (uncodified) is amended to
7 read as follows:

8 **FOR THE DEPARTMENT OF SOCIAL AND HEALTH SERVICES—PAYMENTS TO OTHER**
9 **AGENCIES PROGRAM**

10	General Fund—State Appropriation (FY 2018).	((\$81,319,000))
11		<u>\$81,955,000</u>
12	General Fund—State Appropriation (FY 2019).	((\$43,380,000))
13		<u>\$42,108,000</u>
14	General Fund—Federal Appropriation.	((\$57,578,000))
15		<u>\$57,184,000</u>
16	TOTAL APPROPRIATION.	((\$182,277,000))
17		<u>\$181,247,000</u>

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

20 (1) \$39,000 of the general fund—state appropriation for fiscal
21 year 2018 and \$11,000 of the general fund—federal appropriation are
22 provided solely for the implementation of Engrossed Second Substitute
23 House Bill No. 1661 (child, youth, families department). If the bill
24 is not enacted by July 31, 2017, the amounts provided in this
25 subsection shall lapse.

26 (2) \$12,000 of the general fund—state appropriation for fiscal
27 year 2018, \$12,000 of the general fund—state appropriation for fiscal
28 year 2019, and \$24,000 of the general fund—federal appropriation are
29 provided solely for the implementation of chapter 268, Laws of 2017
30 (2SHB 1402) (incapacitated persons/rights).

31 (3) Within the amounts appropriated in this section, the
32 department must extend master property insurance to all buildings
33 owned by the department valued over \$250,000 and to all locations
34 leased by the department with contents valued over \$250,000.

35 (4) \$157,000 of the general fund—state appropriation for fiscal
36 year 2018, \$159,000 of the general fund—state appropriation for
37 fiscal year 2019, and \$134,000 of the general fund—federal
38 appropriation are provided solely for legal support, including formal

1 proceedings and informal client advice, associated with adult
2 protective service investigations.

1 **Sec. 213.** 2017 3rd sp.s. c 1 s 213 (uncodified) is amended to
2 read as follows:

3 **FOR THE STATE HEALTH CARE AUTHORITY**

4 During the 2017-2019 fiscal biennium, the health care authority
5 shall provide support and data as required by the office of the state
6 actuary in providing the legislature with health care actuarial
7 analysis, including providing any information in the possession of
8 the health care authority or available to the health care authority
9 through contracts with providers, plans, insurers, consultants, or
10 any other entities contracting with the health care authority.

11 Information technology projects or investments and proposed
12 projects or investments impacting time capture, payroll and payment
13 processes and systems, eligibility, case management, and
14 authorization systems within the health care authority are subject to
15 technical oversight by the office of the chief information officer.

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

33 The appropriations to the health care authority in this act shall
34 be expended for the programs and in the amounts specified in this
35 act. To the extent that appropriations in this section are
36 insufficient to fund actual expenditures in excess of caseload
37 forecasts and utilization assumptions, the authority, after May 1,
38 2018, may transfer general fund—state appropriations for fiscal year
39 2018 that are provided solely for a specified purpose. The authority

1 may not transfer funds, and the director of the office of financial
 2 management shall 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 must
 9 include a narrative explanation and justification of changes, along
 10 with expenditures and allotments by budget unit and appropriation,
 11 both before and after any allotment modifications and transfers.

12 (1) MEDICAL ASSISTANCE

13	General Fund—State Appropriation (FY 2018)	((\$2,065,747,000))
14		<u>\$2,021,884,000</u>
15	General Fund—State Appropriation (FY 2019).	((\$2,114,943,000))
16		<u>\$2,079,568,000</u>
17	General Fund—Federal Appropriation.	((\$11,503,815,000))
18		<u>\$11,819,053,000</u>
19	General Fund—Private/Local Appropriation.	((\$232,300,000))
20		<u>\$204,427,000</u>
21	Emergency Medical Services and Trauma Care Systems	
22	Trust Account—State Appropriation.	\$15,086,000
23	Hospital Safety Net Assessment Account—State	
24	Appropriation.	((\$725,012,000))
25		<u>\$693,099,000</u>
26	Medicaid Fraud Penalty Account—State Appropriation.	\$28,163,000
27	Medical Aid Account—State Appropriation.	\$528,000
28	Dedicated Marijuana Account—State Appropriation	
29	(FY 2018).	((\$16,205,000))
30		<u>\$59,859,000</u>
31	Dedicated Marijuana Account—State Appropriation	
32	(FY 2019).	((\$17,039,000))
33		<u>\$19,434,000</u>
34	((State Health Care Authority Administrative Account—	
35	State Appropriation.	\$7,000))
36	<u>Pension Funding Stabilization Account—State</u>	
37	<u>Appropriation.</u>	<u>\$4,538,000</u>
38	TOTAL APPROPRIATION.	((\$16,718,845,000))
39		<u>\$16,945,639,000</u>

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

3 (a) (~~(\$256,645,000)~~) \$268,117,000 of the general fund—state
4 appropriation for fiscal year 2018 and \$264,704,000 of the general
5 fund—state appropriation for fiscal year 2019 are provided solely for
6 the authority to implement a single, standard medicaid preferred drug
7 list to be used by all contracted medicaid managed health care
8 systems, on or before January 1, 2018. The preferred drug list shall
9 be developed in consultation with all contracted managed health care
10 systems and the state pharmacy and therapeutics committee or drug
11 utilization review board and shall further the goals and objectives
12 of the medicaid program. The list shall be designed to maximize
13 federal rebates and supplemental rebates and ensure access to
14 clinically effective and appropriate drug therapies under each class.
15 Entities eligible for 340B drug pricing shall continue to operate
16 under their current pricing agreement, unless otherwise required by
17 federal laws or regulations. The authority may utilize external
18 consultants with expertise in evidence-based drug class reviews,
19 pharmacy benefit management, and purchasing to assist with the
20 completion of this development and implementation. The authority
21 shall require each managed care organization that has contracted with
22 the authority to provide care to medicaid beneficiaries to use the
23 established preferred drug list; and shall prohibit each managed care
24 organization and any of its agents from negotiating or collecting
25 rebates for any medications listed in the state's medicaid single
26 preferred drug list whether preferred or nonpreferred. To assist in
27 the implementation of the single preferred drug list, contracted
28 medicaid managed health care systems shall provide the authority
29 drug-specific financial information in a format and frequency
30 determined by the authority to include the actual amounts paid to
31 pharmacies for prescription drugs dispensed to covered individuals
32 compared to the cost invoiced to the health plan and individual
33 rebates collected for prescription drugs dispensed to medicaid
34 members. Information disclosed to the authority by the manufacturer
35 pursuant to this provision shall only be used for the purposes of
36 developing and implementing a single, standard state preferred drug
37 list in accordance with this provision. The authority, medicaid
38 managed care organizations, and all other parties shall maintain the
39 confidentiality of drug-specific financial and other proprietary

1 information and such information shall not be subject to the
2 Washington public records act. The authority shall provide a report
3 to the governor and appropriate committees of the legislature by
4 November 15, 2018, and by November 15, 2019, including a comparison
5 of the amount spent in the previous two fiscal years to expenditures
6 under the new system by, at a minimum, fund source, total
7 expenditure, drug class, and top twenty-five drugs. The data provided
8 to the authority shall be aggregated in any report by the authority,
9 the legislature, or the office of financial management so as not to
10 disclose the proprietary or confidential drug-specific information,
11 or the proprietary or confidential information that directly or
12 indirectly identifies financial information linked to a single
13 manufacturer. It is the intent of the legislature to revisit this
14 policy in subsequent biennia to determine whether it is in the best
15 interest of the state.

16 (b) (~~(\$118,813,000)~~) \$113,356,000 of the general fund—state
17 appropriation for fiscal year 2018 and (~~(\$120,265,000)~~) \$140,578,000
18 of the general fund—state appropriation for fiscal year 2019 are
19 provided solely for holding managed care capitation rates flat at
20 calendar year 2017 levels in state fiscal years and calendar years
21 2018 and 2019.

22 (c) \$122,244,000 of the general fund—state appropriation for
23 fiscal year 2018 and \$116,038,000 of the general fund—state
24 appropriation for fiscal year 2019 are provided solely for the
25 authority through the competitive procurement process, to contract
26 with licensed dental health plans or managed health care plans on a
27 prepaid or fixed-sum risk basis to provide carved-out managed dental
28 care services on a statewide basis that will result in greater
29 efficiency and will facilitate better access and oral health outcomes
30 for medicaid enrollees. Except in areas where only a single plan is
31 available, the authority must contract with at least two plans. The
32 authority shall include in the contracts: (i) Quarterly reporting
33 requirements to include medicaid utilization and encounter data by
34 current dental technology (CDT) code; (ii) a direction to increase
35 the dental provider network; (iii) a commitment to retain innovative
36 programs that improve access and care such as the access to baby and
37 child dentistry program; (iv) a program to reduce emergency room use
38 for dental purposes; (v) a requirement to ensure that dental care is
39 being coordinated with the primary care provider of the patient to

1 ensure integrated care; (vi) a provision that no less than eighty-
2 five percent of the contracting fee be used to directly offset the
3 cost of providing direct patient care as opposed to administrative
4 costs; and (vii) a provision to ensure the contracting fee shall be
5 sufficient to compensate county health departments and federally
6 qualified health centers for dental patient care. The plan(s) awarded
7 this contract must absorb all start-up costs associated with moving
8 the program from fee-for-service to managed care and shall commit to
9 achieving an overall savings to the program based on 2016 fee-for-
10 service experience. In order to comply with state insurance
11 underwriting standards, the authority shall ensure that savings
12 offered by dental plans are actuarially sound. Starting January 31,
13 2019, and every year thereafter through December 2024, the authority
14 shall submit an annual report to the governor and the appropriate
15 committees of the legislature detailing how the contracted entities
16 have met the requirements of the contract. The report shall include
17 specific information to include utilization, how the contracted
18 entities have increased their dental provider networks, how the
19 emergency room use for dental purposes has been reduced, and how
20 dental care has been integrated with patients' primary care
21 providers. If after the end of five years the data reported does not
22 demonstrate sufficient progress to address the stated contracted
23 goals, the legislature will reevaluate whether carved-out dental
24 managed care needs to be replaced with a different delivery model.
25 The authority is authorized to seek any necessary state plan
26 amendments or federal waivers to implement this subsection.
27 Additional dental program savings achieved by the plans beyond those
28 assumed in the 2017-2019 omnibus appropriations act will be used to
29 increase dental provider reimbursement rates. By October 30, 2018,
30 the authority shall report to the governor and the appropriate
31 committees of the legislature anticipated savings related to
32 reduction in dental emergency department visits and utilization once
33 managed care dental coverage begins.

34 (d) (~~(\$1,540,849,000)~~) \$1,525,027,000 of the general fund—state
35 appropriation for fiscal year 2018 and (~~(\$1,585,513,000)~~)
36 \$1,533,565,000 of the general fund—state appropriation for fiscal
37 year 2019 are provided solely for medicaid services and the medicaid
38 program. However, the authority shall not accept or expend any
39 federal funds received under a medicaid transformation waiver under
40 healthier Washington except as described in (e) and (f) of this

1 subsection until specifically approved and appropriated by the
2 legislature. To ensure compliance with legislative directive budget
3 requirements and terms and conditions of the waiver, the authority
4 shall implement the waiver and reporting requirements with oversight
5 from the office of financial management. The legislature finds that
6 appropriate management of the innovation waiver requires better
7 analytic capability, transparency, consistency, timeliness, accuracy,
8 and lack of redundancy with other established measures and that the
9 patient must be considered first and foremost in the implementation
10 and execution of the demonstration waiver. In order to effectuate
11 these goals, the authority shall: (i) Require the Dr. Robert Bree
12 collaborative and the health technology assessment program to reduce
13 the administrative burden upon providers by only requiring
14 performance measures that are nonduplicative of other nationally
15 established measures. The joint select committee on health care
16 oversight will evaluate the measures chosen by the collaborative and
17 the health technology assessment program for effectiveness and
18 appropriateness; (ii) develop a patient satisfaction survey with the
19 goal to gather information about whether it was beneficial for the
20 patient to use the center of excellence location in exchange for
21 additional out-of-pocket savings; (iii) ensure patients and health
22 care providers have significant input into the implementation of the
23 demonstration waiver, in order to ensure improved patient health
24 outcomes; and (iv) in cooperation with the department of social and
25 health services, consult with and provide notification of work on
26 applications for federal waivers, including details on waiver
27 duration, financial implications, and potential future impacts on the
28 state budget, to the joint select committee on health care oversight
29 prior to submitting waivers for federal approval. By federal
30 standard, the medicaid transformation demonstration waiver shall not
31 exceed the duration originally granted by the centers for medicare
32 and medicaid services and any programs created or funded by this
33 waiver do not create an entitlement.

34 (e) No more than (~~(\$479,600,000)~~) \$486,683,000 of the general
35 fund—federal appropriation and no more than (~~(\$154,289,000)~~)
36 \$129,103,000 of the general fund—local appropriation may be expended
37 for transformation through accountable communities of health
38 described in initiative 1 of the medicaid transformation
39 demonstration wavier under healthier Washington, including preventing
40 youth drug use, opioid prevention and treatment, and physical and

1 behavioral health integration. Under this initiative, the authority
2 shall take into account local input regarding community needs. In
3 order to ensure transparency to the appropriate fiscal committees of
4 the legislature, the authority shall provide fiscal staff of the
5 legislature query ability into any database of the fiscal
6 intermediary that authority staff would be authorized to access. The
7 authority shall not increase general fund—state expenditures under
8 this initiative. The director shall report to the joint select
9 committee on health care oversight no less than quarterly, and
10 include details for each accountable community of health, on the
11 financial status and measurable health outcomes. The director shall
12 also report to the fiscal committees of the legislature all of the
13 expenditures under this subsection and shall provide such fiscal data
14 in the time, manner, and form requested by the legislative fiscal
15 committees. By December 15, 2019, the authority in collaboration with
16 each accountable community of health shall demonstrate how it will be
17 self-sustaining by the end of the demonstration waiver period,
18 including sources of outside funding, and provide this reporting to
19 the joint select committee on health care oversight. If by the third
20 year of the demonstration waiver there are not measurable, improved
21 patient outcomes and financial returns, the Washington state
22 institute for public policy will conduct an audit of the accountable
23 communities of health, in addition to the process set in place
24 through the independent evaluation required by the agreement with
25 centers for medicare and medicaid services. Prior to the 2018
26 legislative session, the human services, health care, and judiciary
27 committees of the legislature will convene a joint work session to
28 review models in the delivery system and the impacts on medical
29 liability. The work sessions should include integrated delivery
30 models with multiple health care providers and medical malpractice
31 insurance carriers.

32 (f) No more than (~~(\$42,584,000)~~) \$38,425,000 of the general fund—
33 federal appropriation may be expended for supported housing and
34 employment services described in initiative 3a and 3b of the medicaid
35 transformation demonstration waiver under healthier Washington. Under
36 this initiative, the authority and the department of social and
37 health services shall ensure that allowable and necessary services
38 are provided to eligible clients as identified by the department or
39 its third party administrator. The authority and the department in
40 consultation with the medicaid forecast work group, shall ensure that

1 reasonable reimbursements are established for services deemed
2 necessary within an identified limit per individual. The authority
3 shall not increase general fund—state expenditures under this
4 initiative. The director shall report to the joint select committee
5 on health care oversight no less than quarterly on financial and
6 health outcomes. The director shall also report to the fiscal
7 committees of the legislature all of the expenditures of this
8 subsection and shall provide such fiscal data in the time, manner,
9 and form requested by the legislative fiscal committees.

10 (g) No later than November 1, 2018, and each year thereafter, the
11 authority shall report to the governor and appropriate committees of
12 the legislature: (i) Savings attributed to behavioral and physical
13 integration in areas that are scheduled to integrate in the following
14 calendar year, and (ii) savings attributed to behavioral and physical
15 health integration and the level of savings achieved in areas that
16 have integrated behavioral and physical health.

17 ~~((g))~~ (h) Sufficient amounts are appropriated in this
18 subsection to implement the medicaid expansion as defined in the
19 social security act, section 1902(a)(10)(A)(i)(VIII).

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

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

38 ~~((j))~~ (k) In determining financial eligibility for medicaid-
39 funded services, the health care authority is authorized to disregard

1 recoveries by Holocaust survivors of insurance proceeds or other
2 assets, as defined in RCW 48.104.030.

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

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

11 ~~((m))~~ (n) \$4,261,000 of the general fund—state appropriation
12 for fiscal year 2018, \$4,261,000 of the general fund—state
13 appropriation for fiscal year 2019, and \$8,522,000 of the general
14 fund—federal appropriation are provided solely for low-income
15 disproportionate share hospital payments.

16 ~~((n))~~ (o) Within the amounts appropriated in this section, the
17 health care authority shall provide disproportionate share hospital
18 payments to hospitals that provide services to children in the
19 children's health program who are not eligible for services under
20 Title XIX or XXI of the federal social security act due to their
21 citizenship status.

22 ~~((o))~~ (p) \$6,000,000 of the general fund—federal appropriation
23 is provided solely for supplemental payments to nursing homes
24 operated by public hospital districts. The public hospital district
25 shall be responsible for providing the required nonfederal match for
26 the supplemental payment, and the payments shall not exceed the
27 maximum allowable under federal rules. It is the legislature's intent
28 that the payments shall be supplemental to and shall not in any way
29 offset or reduce the payments calculated and provided in accordance
30 with part E of chapter 74.46 RCW. It is the legislature's further
31 intent that costs otherwise allowable for rate-setting and settlement
32 against payments under chapter 74.46 RCW shall not be disallowed
33 solely because such costs have been paid by revenues retained by the
34 nursing home from these supplemental payments. The supplemental
35 payments are subject to retrospective interim and final cost
36 settlements based on the nursing homes' as-filed and final medicare
37 cost reports. The timing of the interim and final cost settlements
38 shall be at the health care authority's discretion. During either the
39 interim cost settlement or the final cost settlement, the health care

1 authority shall recoup from the public hospital districts the
2 supplemental payments that exceed the medicaid cost limit and/or the
3 medicare upper payment limit. The health care authority shall apply
4 federal rules for identifying the eligible incurred medicaid costs
5 and the medicare upper payment limit.

6 ~~((p))~~ (q) The health care authority shall continue the
7 inpatient hospital certified public expenditures program for the
8 2017-2019 fiscal biennium. The program shall apply to all public
9 hospitals, including those owned or operated by the state, except
10 those classified as critical access hospitals or state psychiatric
11 institutions. The health care authority shall submit reports to the
12 governor and legislature by November 1, 2017, and by November 1,
13 2018, that evaluate whether savings continue to exceed costs for this
14 program. If the certified public expenditures (CPE) program in its
15 current form is no longer cost-effective to maintain, the health care
16 authority shall submit a report to the governor and legislature
17 detailing cost-effective alternative uses of local, state, and
18 federal resources as a replacement for this program. During fiscal
19 year 2018 and fiscal year 2019, hospitals in the program shall be
20 paid and shall retain one hundred percent of the federal portion of
21 the allowable hospital cost for each medicaid inpatient fee-for-
22 service claim payable by medical assistance and one hundred percent
23 of the federal portion of the maximum disproportionate share hospital
24 payment allowable under federal regulations. Inpatient medicaid
25 payments shall be established using an allowable methodology that
26 approximates the cost of claims submitted by the hospitals. Payments
27 made to each hospital in the program in each fiscal year of the
28 biennium shall be compared to a baseline amount. The baseline amount
29 will be determined by the total of (i) the inpatient claim payment
30 amounts that would have been paid during the fiscal year had the
31 hospital not been in the CPE program based on the reimbursement rates
32 developed, implemented, and consistent with policies approved in the
33 2017-2019 biennial operating appropriations act and in effect on July
34 1, 2015, (ii) one-half of the indigent assistance disproportionate
35 share hospital payment amounts paid to and retained by each hospital
36 during fiscal year 2005, and (iii) all of the other disproportionate
37 share hospital payment amounts paid to and retained by each hospital
38 during fiscal year 2005 to the extent the same disproportionate share
39 hospital programs exist in the 2017-2019 fiscal biennium. If payments
40 during the fiscal year exceed the hospital's baseline amount, no

1 additional payments will be made to the hospital except the federal
2 portion of allowable disproportionate share hospital payments for
3 which the hospital can certify allowable match. If payments during
4 the fiscal year are less than the baseline amount, the hospital will
5 be paid a state grant equal to the difference between payments during
6 the fiscal year and the applicable baseline amount. Payment of the
7 state grant shall be made in the applicable fiscal year and
8 distributed in monthly payments. The grants will be recalculated and
9 redistributed as the baseline is updated during the fiscal year. The
10 grant payments are subject to an interim settlement within eleven
11 months after the end of the fiscal year. A final settlement shall be
12 performed. To the extent that either settlement determines that a
13 hospital has received funds in excess of what it would have received
14 as described in this subsection, the hospital must repay the excess
15 amounts to the state when requested. (~~(\$10,575,000)~~) \$359,000 of the
16 general fund—state appropriation for fiscal year 2018 and
17 (~~(\$13,185,000)~~) \$361,000 of the general fund—state appropriation for
18 fiscal year 2019 are provided solely for state grants for the
19 participating hospitals.

20 (~~(q)~~) (r) The health care authority shall seek public-private
21 partnerships and federal funds that are or may become available to
22 provide on-going support for outreach and education efforts under the
23 federal children's health insurance program reauthorization act of
24 2009.

25 (~~(r)~~) (s) The health care authority shall target funding for
26 maternity support services towards pregnant women with factors that
27 lead to higher rates of poor birth outcomes, including hypertension,
28 a preterm or low birth weight birth in the most recent previous
29 birth, a cognitive deficit or developmental disability, substance
30 abuse, severe mental illness, unhealthy weight or failure to gain
31 weight, tobacco use, or African American or Native American race. The
32 health care authority shall prioritize evidence-based practices for
33 delivery of maternity support services. To the extent practicable,
34 the health care authority shall develop a mechanism to increase
35 federal funding for maternity support services by leveraging local
36 public funding for those services.

37 (~~(s)~~) (t) The authority shall submit reports to the governor
38 and the legislature by September 15, 2018, and no later than
39 September 15, 2019, that delineate the number of individuals in
40 medicaid managed care, by carrier, age, gender, and eligibility

1 category, receiving preventative services and vaccinations. The
2 reports should include baseline and benchmark information from the
3 previous two fiscal years and should be inclusive of, but not limited
4 to, services recommended under the United States preventative
5 services task force, advisory committee on immunization practices,
6 early and periodic screening, diagnostic, and treatment (EPSDT)
7 guidelines, and other relevant preventative and vaccination medicaid
8 guidelines and requirements.

9 ~~((t))~~ (u) Managed care contracts must incorporate
10 accountability measures that monitor patient health and improved
11 health outcomes, and shall include an expectation that each patient
12 receive a wellness examination that documents the baseline health
13 status and allows for monitoring of health improvements and outcome
14 measures.

15 ~~((u))~~ (v) Sufficient amounts are appropriated in this section
16 for the authority to provide an adult dental benefit.

17 ~~((v))~~ (w) The health care authority shall coordinate with the
18 department of social and health services to provide referrals to the
19 Washington health benefit exchange for clients that will be
20 ineligible for medicaid.

21 ~~((w))~~ (x) To facilitate a single point of entry across public
22 and medical assistance programs, and to maximize the use of federal
23 funding, the health care authority, the department of social and
24 health services, and the health benefit exchange will coordinate
25 efforts to expand HealthPlanfinder access to public assistance and
26 medical eligibility staff. The health care authority shall complete
27 medicaid applications in the HealthPlanfinder for households
28 receiving or applying for medical assistance benefits.

29 ~~((x))~~ (y) \$90,000 of the general fund—state appropriation for
30 fiscal year 2018, \$90,000 of the general fund—state appropriation for
31 fiscal year 2019, and \$180,000 of the general fund—federal
32 appropriation are provided solely to continue operation by a
33 nonprofit organization of a toll-free hotline that assists families
34 to learn about and enroll in the apple health for kids program.

35 ~~((y))~~ (z) The appropriations in this section reflect savings
36 and efficiencies by transferring children receiving medical care
37 provided through fee-for-service to medical care provided through
38 managed care.

1 ~~((z))~~ (aa) Within the amounts appropriated in this section, the
2 authority shall reimburse for primary care services provided by
3 naturopathic physicians.

4 ~~((aa))~~ (bb) Within the amounts appropriated in this section,
5 the authority shall continue to provide coverage for pregnant teens
6 that qualify under existing pregnancy medical programs, but whose
7 eligibility for pregnancy related services would otherwise end due to
8 the application of the new modified adjusted gross income eligibility
9 standard.

10 ~~((bb))~~ (cc) Sufficient amounts are appropriated in this section
11 to remove the mental health visit limit and to provide the shingles
12 vaccine and screening, brief intervention, and referral to treatment
13 benefits that are available in the medicaid alternative benefit plan
14 in the classic medicaid benefit plan.

15 ~~((ee))~~ (dd) The authority shall use revenue appropriated from
16 the dedicated marijuana fund for contracts with community health
17 centers under RCW 69.50.540 in lieu of general fund—state payments to
18 community health centers for services provided to medical assistance
19 clients, and it is the intent of the legislature that this policy
20 will be continued in subsequent fiscal biennia.

21 ~~((dd))~~ (ee) \$127,000 of the general fund—state appropriation
22 for fiscal year 2018 and \$1,144,000 of the general fund—federal
23 appropriation are provided solely to the ProviderOne provider
24 overtime project and are subject to the conditions, limitations, and
25 review provided in section 724 of this act.

26 ~~((ee))~~ (ff) \$175,000 of the general fund—state appropriation
27 for fiscal year 2018 and \$825,000 of the general fund—federal
28 appropriation are provided solely to the ProviderOne CORE operating
29 rules project and are subject to the conditions, limitations, and
30 review provided in section 724 of this act.

31 ~~((ff—\$2,200,000))~~ (gg) \$1,483,000 of the general fund—state
32 appropriation for fiscal year 2018 ~~((and \$2,701,000)),~~ \$1,594,000 of
33 the general fund—state appropriation for fiscal year 2019, and
34 \$1,509,000 of the general fund—federal appropriation are provided
35 ~~((solely))~~ for a rate increase effective July 1, 2018, and for
36 performance payments to reward successful beneficiary engagement in
37 the health homes program for ~~((dual-eligible))~~ fee for service
38 enrollees and these are the maximum amounts in each fiscal year the
39 authority may expend for this purpose.

1 ~~((+gg+))~~ (hh) \$450,000 of the general fund—state appropriation
2 for fiscal year 2018, \$450,000 of the general fund—state
3 appropriation for fiscal year 2019, and \$1,058,000 of the general
4 fund—federal appropriation are provided solely for the authority to
5 hire ten nurse case managers to coordinate medically assisted
6 treatment and movements to medical homes for those being treated for
7 opioid use disorder. Nurses shall be located in areas and provider
8 settings with the highest concentration of opioid use disorder
9 patients.

10 ~~((+hh+))~~ (ii) Sufficient amounts are appropriated in this section
11 for the authority to provide a collaborative care benefit beginning
12 July 1, 2017.

13 ~~((+ii+))~~ (jj) The authority and the department of social and
14 health services shall convene a work group consisting of
15 representatives of skilled nursing facilities, adult family homes,
16 assisted living facilities, managers of in-home long-term care,
17 hospitals, and managed health care systems. The work group shall
18 identify barriers that may prevent skilled nursing facilities from
19 accepting and admitting clients from acute care hospitals in a timely
20 and appropriate manner. The work group shall consider what additional
21 resources are needed to allow for faster transfers of enrollees,
22 including those with complex needs. By December 1, 2017, the
23 authority shall report the work group's findings to the governor and
24 the appropriate committees of the legislature.

25 ~~((+jj+))~~ (kk) Within the amounts appropriated within this
26 section, the authority shall implement the plan to show how improved
27 access to home health nursing reduces potentially preventable
28 readmissions, increases access to care, reduces hospital length of
29 stay, and prevents overall hospital admissions for clients receiving
30 private duty nursing, medically intensive care, or home health
31 benefits as described in their report to the legislature dated
32 December 15, 2016, entitled home health nursing. The authority shall
33 report to the governor and appropriate committees of the legislature
34 by December 31, 2017, information regarding the effect of the ten
35 dollar rate increases for skilled nursing care delivered via private
36 duty nursing or home health nursing, and how the rate changes
37 impacted the utilization and cost of emergency room visits, reduced
38 the length of stay for initial hospital admissions, and reduced
39 utilization and costs of preventable hospital readmissions. The

1 report will quantify potential cost saving opportunities that may
2 exist through improved access to private duty and home health nursing
3 statewide.

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

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

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

34 ~~((nn))~~ (oo) \$500,000 of the general fund—state appropriation
35 for fiscal year 2019 and \$500,000 of the general fund—federal
36 appropriation are provided solely for the authority to implement the
37 oral health connections pilot project in ~~((Yakima, Adams,))~~ Spokane,
38 Thurston, and Cowlitz counties. The authority shall work in
39 collaboration with Washington dental service foundation to jointly
40 develop and implement the program. The purpose of the three-year

1 pilot is to test the effect that enhanced dental benefits for adult
2 medicaid clients with diabetes and pregnant women have on access to
3 dental care, health outcomes, and medical care costs. The authority
4 must model the pilot on the access to baby and child dentistry
5 program. The pilot program must include enhanced reimbursement rates
6 for participating dental providers, including denturists licensed
7 under chapter 18.30 RCW, and an increase in the allowable number of
8 periodontal treatments to up to four per calendar year. Diabetic or
9 pregnant adult medicaid clients who are receiving dental care within
10 the pilot region(s), regardless of location of the service within the
11 pilot region(s), are eligible for the increased number of periodontal
12 treatments. The Washington dental service foundation shall partner
13 with the authority and provide wraparound services to link patients
14 to care. The authority and Washington dental service foundation shall
15 jointly develop the program. The authority and foundation shall
16 provide a joint progress report to the appropriate committees of the
17 legislature on December 1, 2017, and December 1, 2018.

18 ~~((+oo))~~ (pp) Sufficient amounts are appropriated in this section
19 to increase the daily rate by \$155.20 for skilled nursing performed
20 by licensed practical nurses and registered nurses who serve
21 medically intensive children's program clients who reside in a group
22 home setting.

23 ~~((+pp))~~ (qq) During the 2017-2019 fiscal biennium, the authority
24 must revise its agreements and contracts with vendors to include a
25 provision to require that each vendor agrees to equality among its
26 workers by ensuring similarly employed individuals are compensated as
27 equals as follows:

28 (i) Employees are similarly employed if the individuals work for
29 the same employer, the performance of the job requires comparable
30 skill, effort, and responsibility, and the jobs are performed under
31 similar working conditions. Job titles alone are not determinative of
32 whether employees are similarly employed;

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

35 (A) A seniority system; a merit system; a system that measures
36 earnings by quantity or quality of production; a bona fide job-
37 related factor or factors; or a bona fide regional difference in
38 compensation levels.

39 (B) A bona fide job-related factor or factors may include, but
40 not be limited to, education, training, or experience, that is:

1 Consistent with business necessity; not based on or derived from a
2 gender-based differential; and accounts for the entire differential.

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

6 (iii) The provision must allow for the termination of the
7 contract if the authority or department of enterprise services
8 determines that the vendor is not in compliance with this agreement
9 or contract term.

10 (iv) The authority must implement this provision with any new
11 contract and at the time of renewal of any existing contract.

12 ~~((+qq+))~~ (rr) \$100,000 of the general fund—state appropriation
13 for fiscal year 2018 and \$100,000 of the general fund—state
14 appropriation for fiscal year 2019 are provided solely for a pilot
15 program for treatment of inmates at the Snohomish county jail who are
16 undergoing detoxification from heroin and other opioids and for
17 connecting those individuals with treatment providers in the
18 community upon their release.

19 ~~((+rr+))~~ (ss) \$6,487,000 of the general fund—state appropriation
20 for fiscal year 2018 and \$1,340,000 of the general fund—state
21 appropriation for fiscal year 2019 are provided solely for the
22 physical health care costs of medicaid clients receiving services in
23 facilities classified as institutions for mental diseases for longer
24 than 15 days in a calendar month. The authority must apply for a
25 waiver from the center for medicare and medicaid services to allow
26 for the full cost of stays in institutions for mental diseases to be
27 included in managed care rates beginning on July 1, 2018. The
28 authority must submit a report on the status of the waiver to the
29 office of financial management and the appropriate committees of the
30 legislature by December 1, 2017.

31 ~~((+ss+))~~ (tt) The authority shall evaluate adding a tele-
32 psychiatry consultation benefit for medicaid covered individuals. The
33 authority shall submit a report with the cost associated with adding
34 such a benefit to the governor and appropriate committees of the
35 legislature by October 1, 2017.

36 ~~((+tt+))~~ (uu) \$33,000 of the general fund—state appropriation for
37 fiscal year 2018(~~(, —\$7,000 of the state health care authority
38 administrative account—state appropriation,)~~) and \$42,000 of the

1 general fund—federal appropriation are provided solely for the
2 bleeding disorder collaborative for care.

3 ~~((+uu))~~ (vv) \$304,000 of the general fund—state appropriation
4 for fiscal year 2018, \$304,000 of the general fund—state
5 appropriation for fiscal year 2019, and \$608,000 of the general fund—
6 federal appropriation are provided solely for the authority to
7 contract with the University of Washington tele-pain pain management
8 program and pain management call center to advance primary care
9 provider knowledge of complex pain management issues, including
10 opioid addiction.

11 ~~((+vv))~~ (ww) \$165,000 of the general fund—state appropriation
12 for fiscal year 2018, \$329,000 of the general fund—state
13 appropriation for fiscal year 2019, and \$604,000 of the general fund—
14 federal appropriation are provided solely for implementation of
15 chapter 202, Laws of 2017 (Engrossed Second Substitute House Bill No.
16 1713) (children's mental health).

17 ~~((+ww))~~ (xx) \$1,813,000 of the general fund—state appropriation
18 for fiscal year 2018, \$3,764,000 of the general fund—state
19 appropriation for fiscal year 2019, and \$12,930,000 of the general
20 fund—federal appropriation are provided solely for implementation of
21 chapter 110, Laws of 2017 (Second Substitute House Bill No. 1338)
22 (state health insurance pool).

23 ~~((+xx) — \$347,000)~~ (yy) \$68,000 of the general fund—state
24 appropriation for fiscal year 2018, ~~((+839,000))~~ \$1,118,000 of the
25 general fund—state appropriation for fiscal year 2019, and \$943,000
26 of the general fund—federal appropriation are provided solely for
27 implementation of chapter 198, Laws of 2017 (Substitute House Bill
28 No. 1520) (hospital payment methodology).

29 ~~((+yy))~~ (zz) Sufficient amounts are appropriated in this section
30 for the implementation of chapter 273, Laws of 2017 (Engrossed Second
31 Substitute House Bill No. 1358) (community asst. referral programs).

32 ~~((+zz))~~ (aaa) \$69,000 of the general fund—state appropriation
33 for fiscal year 2018, \$560,000 of the general fund—state
34 appropriation for fiscal year 2019, and \$308,000 of the general fund—
35 federal appropriation are provided solely for the authority to
36 implement, operate, and maintain a provider credentialing system and
37 are subject to the conditions, limitations, and review provided in
38 section 724 of this act. The authority, in collaboration with the
39 department of health, department of corrections, department of social

1 and health services, the public employees' benefits board, and the
2 department of labor and industries, shall work to ensure that a
3 single platform provider credentialing system is implemented. The
4 authority, departments, and board shall ensure that appropriate cost
5 offsets and cost avoidance are assumed for reduced staff time
6 required for provider credentialing activity and reductions in
7 improper billing activity when implementing provider credentialing
8 systems. The authority must enter into agreements with the department
9 of labor and industries and the public employees' benefits board to
10 pay their share of the costs of implementing and operating a new
11 provider credentialing system. The authority shall submit a report to
12 the office of financial management and appropriate committees of the
13 legislature outlining projected cost savings and cost avoidance no
14 later than December 1, 2018.

15 (bbb) \$358,000 of the general fund—state appropriation and
16 \$1,123,000 of the general fund—federal appropriation for fiscal year
17 2019 are provided solely for implementation of Engrossed Second
18 Substitute Senate Bill No. 5179 (hearing instrument coverage). If the
19 bill is not enacted by June 30, 2018, the amounts provided in this
20 subsection shall lapse.

21 (ccc) \$1,006,000 of the general fund—state appropriation for
22 fiscal year 2019 is provided solely for implementation of Substitute
23 Senate Bill No. 5683 (Pacific Islander health care). If the bill is
24 not enacted by June 30, 2018, the amount provided in this subsection
25 shall lapse.

26 (ddd) \$100,000 of the general fund—state appropriation for fiscal
27 year 2018 and \$400,000 of the general fund—state appropriation for
28 fiscal year 2019 are provided solely for the department and the
29 health care authority to enter into an interagency agreement to
30 contract with Washington autism alliance and advocacy (WAAA) to
31 educate and assist persons seeking the authority's services to
32 address a suspected or diagnosed autism spectrum disorder or
33 developmental disability related to autism spectrum disorder. The
34 department or the authority may refer such individuals to WAAA to
35 support them in navigating the health care system. The authority, in
36 collaboration with the department and WAAA, shall submit a report to
37 the governor and the appropriate committees of the legislature by
38 December 15, 2018, and December 15, 2019, detailing how many persons
39 were referred to, how many persons received services from, and what

1 services were provided by WAAA. The reports shall also include what
2 health care services WAAA was able to connect the referred persons
3 to, the length of time these connections took, the type of health
4 coverage the person referred had at the time of referral, and whether
5 alternate coverage was obtained.

6 (eee) \$770,000 of the general fund—state appropriation for fiscal
7 year 2019 is provided solely for implementation of Substitute Senate
8 Bill No. 6452 (child mental health consult). If the bill is not
9 enacted by June 30, 2018, the amounts provided in this subsection
10 shall lapse.

11 (fff)(i) \$200,000 of the general fund—state appropriation for
12 fiscal year 2019 is provided solely for the authority to assist the
13 governor by convening and providing administrative, analytical, and
14 communication support to the governor's Indian health council,
15 including procuring technical assistance from the American Indian
16 health commission for Washington state, to:

17 (A) Address current or proposed policies or actions that have
18 tribal implications and are not able to be resolved or addressed at
19 the agency level;

20 (B) Facilitate training for state agency leadership, staff, and
21 legislators on the Indian health system and tribal sovereignty; and

22 (C) Provide oversight of contracting and performance of service
23 coordination organizations or service contracting entities as defined
24 in RCW 70.320.010 in order to address their impacts on services to
25 American Indians and Alaska Natives and relationships with Indian
26 health care providers.

27 (ii) The council shall include:

28 (A) One tribal liaison from each of the authorities; the
29 department of children, youth, and families; the department of
30 commerce; the department of corrections; the department of health;
31 the department of social and health services; the office of the
32 insurance commissioner; the office of the superintendent of public
33 instruction; and the Washington health benefit exchange;

34 (B) One individual from each tribe in Washington state,
35 designated by the tribal legislative body, who is either the tribe's
36 American Indian health commission for Washington state delegate or an
37 individual specifically designated for this role, or his or her
38 designee;

1 (C) The chief executive officer of the Indian health service
2 Portland area office and each service unit in Washington state or his
3 or her designee;

4 (D) The chief executive officer of each urban Indian health
5 program in Washington state or his or her designee who may be the
6 urban Indian health program's American Indian health commission for
7 Washington state delegate;

8 (E) The executive director of the American Indian health
9 commission for Washington state or his or her designee;

10 (F) The executive director of the northwest Portland area Indian
11 health board or his or her designee;

12 (G) 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, or his or her designee;

15 (H) One member from each of the two largest caucuses of the
16 senate, appointed by the president of the senate, or his or her
17 designee; and

18 (I) Two individuals representing the governor's office.

19 (iii) The council will meet at least three times per year when
20 the legislature is not in session, with one meeting to be hosted by
21 the authority and the other two meetings to be hosted by tribes or,
22 if no tribe is able to host, then by a member state agency. The
23 members representing the tribes, the Indian health service Portland
24 area office and service units, the urban Indian health programs, the
25 American Indian health commission for Washington state, and the
26 northwest Portland area Indian health board shall be paid per diem
27 and travel expenses in accordance with RCW 43.03.050 and 43.03.060.

28 (iv) By December 1, 2018, the council, with assistance from the
29 authority, will submit a report to the governor and the appropriate
30 legislative committees with recommendations to raise the health
31 status of American Indians and Alaska Natives throughout Washington
32 state to at least the levels set forth in the goals contained within
33 the federal health people 2020 initiative or successor objectives,
34 including draft legislation and fiscal budgets for:

35 (A) Increasing savings to the state general fund resulting from
36 the one hundred percent federal medical assistance percentage
37 applicable to services received through an Indian health service
38 facility, whether operated by the Indian health service or by an
39 Indian tribe or tribal organization pursuant to 42 U.S.C. Sec. 1396d;
40 realized by the state for services which are received through an

1 Indian health service facility whether operated by the Indian health
2 service or by an Indian tribe or tribal organization pursuant to 42
3 U.S.C. Sec. 1396(b);

4 (B) Appropriating such increased savings for an Indian health
5 improvement reinvestment account to be expended solely for improving
6 health outcomes and access to quality and culturally appropriate
7 health care for American Indians and Alaska Natives;

8 (C) Developing model performance measures and risk adjustment
9 methodologies for medicaid managed care value-based purchasing that
10 account for the Indian health delivery system;

11 (D) Improving population health through tribally determined
12 practices and resources such as the American Indian health commission
13 for Washington state's "pulling together for wellness" framework;

14 (E) Developing written and technical assistance to support the
15 incorporation of cultural awareness and of strategies to address
16 historical trauma and intergenerational trauma in treatment planning
17 for services covered by medicaid and other services provided by the
18 state;

19 (F) Expanding tribal representation on state agency boards,
20 committees (including the emergency management council), and
21 nongovernmental entities to whom the state delegates activities or
22 tasks that directly impact the Indian health delivery system; and

23 (G) Other strategies to improve population health and increase
24 access to quality health care for American Indians and Alaska
25 Natives.

26 (ggg) \$139,000 of the general fund—state appropriation and
27 \$139,000 of the general fund—federal appropriation for fiscal year
28 2019 are provided solely for implementation of Substitute Senate Bill
29 No. 6549 (ABCD dental). If the bill is not enacted by June 30, 2018,
30 the amounts provided in this subsection shall lapse.

31 (hhh) \$1,214,000 of the general fund—state appropriation for
32 fiscal year 2019 and \$4,942,000 of the general fund—federal
33 appropriation are provided solely to implement Second Substitute
34 Senate Bill No. 6150 (opioid use disorder) or Engrossed Substitute
35 House Bill No. 2489 (opioid use disorder). If neither bill is enacted
36 by June 30, 2018, the amounts provided in this subsection shall
37 lapse.

38 (iii) \$5,825,000 of the general fund—state appropriation for
39 fiscal year 2019 and \$8,019,000 of the general fund—federal

1 appropriation are provided solely for an increase in pediatric
2 primary care provider rates to privately owned and operated pediatric
3 care providers. These amounts are the maximum that the authority may
4 spend for this purpose. The authority must pursue a state plan
5 amendment to increase pediatric primary care provider and pediatric
6 vaccine rates to this class of providers through state directed
7 payments through a permissible payment model. The codes considered
8 for these increases should follow those that were used under the
9 temporary increase provided in calendar years 2013 and 2014 as
10 outlined in section 1202 of the affordable care act. Both physician
11 and nonphysician practitioners are eligible for these increases and
12 are not required to attest. Increases are based upon eligible codes.
13 The authority must provide a report to the governor and appropriate
14 committees of the legislature by November 1, 2019, detailing how the
15 amounts provided in this subsection were used, what percentage
16 increase was provided for pediatric primary care provider evaluation
17 and management rates, what percentage increase was provided for
18 pediatric vaccine rates, how utilization has changed within each
19 category, and how these rate increases have impacted access to care.

20 (2) PUBLIC EMPLOYEES' BENEFITS BOARD AND EMPLOYEE BENEFITS
21 PROGRAMS

22 State Health Care Authority Administration Account—

23 State Appropriation. ((\$42,061,000))
24 \$34,491,000

25 The appropriation in this subsection is subject to the following
26 conditions and limitations:

27 (a) The authority and the public employees' benefits board shall
28 consult with the Washington state institute for public policy on the
29 cost-effectiveness of the wellness plan and any changes to the plan
30 that can be made to increase the health care efficiency of the
31 wellness plan. The authority shall report its findings to the
32 governor and the appropriate committees of the legislature by October
33 15, 2018.

34 (b) The authority and the public employees' benefits board shall
35 ensure that procurement for employee health benefits during the
36 2019-2021 fiscal biennium is consistent with the funding limitations
37 provided in part 9 of this act.

38 (c) \$236,000 of the state health care authority administration
39 account—state appropriation for fiscal year 2018 and \$236,000 of the

1 state health care authority administration account—state
2 appropriation for fiscal year 2019 are provided solely to the
3 affordable care act employer shared responsibility project and are
4 subject to the conditions, limitations, and review provided in
5 section 724 of this act.

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

29 (e) Within the amounts appropriated within this section, the
30 authority, in consultation with one Washington within the office of
31 financial management, the office of the chief information officer,
32 and other state agencies with statewide payroll or benefit systems,
33 shall prepare a report describing options for the replacement of the
34 Pay 1 information technology system. The report shall evaluate the
35 potential costs, benefits, and feasibility of integrating the
36 functions currently performed by Pay 1 into an existing or new
37 statewide system, as well for a stand-alone system. The report shall
38 also update the business and system requirements documents previously
39 developed for a Pay 1 replacement system. This report shall be

1 provided to the governor and appropriate committees of the
2 legislature by September 30, 2018.

3 (f) (~~(\$8,000,000 of the health care authority administrative~~
4 ~~account—state appropriation is provided solely for implementation of~~
5 ~~the school employees' benefits board until the new board commences~~
6 ~~provision of benefits on January 1, 2020. This expenditure shall be~~
7 ~~reimbursed to the health care authority administrative account from~~
8 ~~the newly created school employees' insurance administrative account~~
9 ~~after January 1, 2020.~~

10 (g)) The public employees' benefits board, in collaboration with
11 the authority, shall work to ensure that a single platform provider
12 credentialing system is implemented. The authority and the board
13 shall ensure that appropriate cost offsets and cost avoidance are
14 assumed for reduced staff time required for provider credentialing
15 activity and reductions in improper billing activity when
16 implementing provider credentialing systems. The board must enter
17 into an agreement with the authority to pay its share of the costs of
18 implementing and operating a new provider credentialing system.

19 (3) SCHOOL EMPLOYEES' BENEFITS BOARD

20 School Employees' Insurance Administrative

21 Account—State Appropriation. \$28,730,000

22 The appropriation in this subsection is subject to the following
23 conditions and limitations: \$28,730,000 of the school employees'
24 insurance administrative account—state appropriation is provided
25 solely for implementation of the school employees' benefits board. It
26 is the intent of the legislature that the health care authority
27 administrative account be reimbursed for the appropriation to this
28 account made in Part VII of this act, with interest as determined by
29 the state treasurer.

30 (4) HEALTH BENEFIT EXCHANGE

31 General Fund—State Appropriation (FY 2018). \$5,184,000

32 General Fund—State Appropriation (FY 2019). (~~(\$5,184,000)~~)

33 \$5,651,000

34 General Fund—Federal Appropriation. (~~(\$52,837,000)~~)

35 \$53,892,000

36 Health Benefit Exchange Account—State Appropriation. (~~(\$56,736,000)~~)

37 \$59,385,000

38 TOTAL APPROPRIATION. (~~(\$119,941,000)~~)

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

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

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

(ii) For the 2017-2019 biennium, for the purpose of annually calculating issuer assessments, exchange operational costs may include up to three months of additional operating costs.

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

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

(c) \$196,000 of the general fund—state appropriation for fiscal year 2019 is provided solely for implementation of Substitute Senate Bill No. 5683 (Pacific Islander health care). If the bill is not enacted by June 30, 2018, the amount provided in this subsection shall lapse.

(d) \$271,000 of the general fund—state appropriation for fiscal year 2019 is provided solely for implementation of Engrossed Third Substitute Senate Bill No. 6353 (automatic voter registration). If the bill is not enacted by June 30, 2018, the amount provided in this subsection shall lapse.

(5) COMMUNITY BEHAVIORAL HEALTH PROGRAM
General Fund—State Appropriation (FY 2019). \$569,511,000

1	<u>General Fund—Federal Appropriation.</u>	<u>\$891,497,000</u>
2	<u>General Fund—Private/Local Appropriation.</u>	<u>\$18,261,000</u>
3	<u>Criminal Justice Treatment Account—State Appropriation.</u>	<u>\$6,490,000</u>
4	<u>Problem Gambling Account—State Appropriation.</u>	<u>\$728,000</u>
5	<u>Dedicated Marijuana Account—State</u>	
6	<u>Appropriation (FY 2019).</u>	<u>\$28,486,000</u>
7	<u>Pension Funding Stabilization Account—State</u>	
8	<u>Appropriation.</u>	<u>\$857,000</u>
9	<u>TOTAL APPROPRIATION.</u>	<u>\$1,515,830,000</u>

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

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

29 (b) From the general fund—state appropriations in this
30 subsection, the authority shall assure that behavioral health
31 organizations reimburse the department of social and health services
32 aging and long term support administration for the general fund—state
33 cost of medicaid personal care services that enrolled behavioral
34 health organization consumers use because of their psychiatric
35 disability.

36 (c) \$1,760,000 of the general fund—federal appropriation is
37 provided solely for the authority to maintain a pilot project to put
38 peer bridging staff into each behavioral health organization as part

1 of the state psychiatric liaison teams to promote continuity of
2 service as individuals return to their communities.

3 (d) \$6,858,000 of the general fund—state appropriation for fiscal
4 year 2019 and \$4,023,000 of the general fund—federal appropriation
5 are provided solely for new crisis triage or stabilization centers.
6 The authority must seek proposals from behavioral health
7 organizations for the use of these funds based on regional
8 priorities. Services in these facilities may include crisis
9 stabilization and intervention, individual counseling, peer support,
10 medication management, education, and referral assistance. The
11 authority shall monitor each center's effectiveness at lowering the
12 rate of state psychiatric hospital admissions.

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

31 (f) The authority is authorized to continue to contract directly,
32 rather than through contracts with behavioral health organizations
33 for children's long-term inpatient facility services.

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

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

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

7 (iii) Mental health services provided in nursing facilities to
8 individuals with dementia, and consultation to facility staff
9 treating those individuals; and

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

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

17 (h) \$1,204,000 of the general fund—state appropriation for fiscal
18 year 2019 is provided solely to reimburse Pierce and Spokane counties
19 for the cost of conducting one hundred eighty-day commitment hearings
20 at the state psychiatric hospitals.

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

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

1 management and the appropriate fiscal committees of the legislature
2 by December 1st of each year of the biennium.

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

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

27 (m) \$3,079,000 of the general fund—state appropriation for fiscal
28 year 2019 and \$2,892,000 of the general fund—federal appropriation
29 are provided solely for the authority to increase rates for community
30 hospitals that provide a minimum of two hundred medicaid psychiatric
31 inpatient days. The authority must increase both medicaid and
32 nonmedicaid psychiatric per-diem reimbursement rates for these
33 providers within these amounts. The amounts in this subsection
34 include funding for additional hold harmless payments resulting from
35 the rate increase. The authority shall prioritize increases for
36 hospitals not currently paid based on provider specific costs using a
37 similar methodology used to set rates for existing inpatient
38 facilities and the latest available cost report information. Rate
39 increases for providers must be set so as not to exceed the amounts
40 provided within this subsection. The rate increase related to

1 nonmedicaid clients must be done to maintain the provider at the same
2 percentage as currently required under WAC 182-550-4800.

3 (n) \$100,000 of the general fund—state appropriation for fiscal
4 year 2019 is provided solely for the authority to collaborate with
5 tribal governments and develop a plan for establishing an evaluation
6 and treatment facility that will specialize in providing care
7 specifically to the American Indian and Alaska Native population. The
8 plan must include options for maximizing federal participation and
9 ensuring that utilization will be based on medical necessity.

10 (o) \$7,103,000 of the general fund—state appropriation for fiscal
11 year 2019 and \$8,052,000 of the general fund—federal appropriation
12 are provided solely for the authority to contract with community
13 hospitals or freestanding evaluation and treatment centers to provide
14 up to forty-eight long-term inpatient care beds as defined in RCW
15 71.24.025. The authority must seek proposals and contract directly
16 for these services rather than contracting through behavioral health
17 organizations. The authority must not use any of the amounts provided
18 under this subsection for contracts with facilities that are subject
19 to federal funding restrictions that apply to institutions of mental
20 diseases, unless they have received a waiver that allows for full
21 federal participation in these facilities.

22 (p) \$1,133,000 of the general fund—state appropriation for fiscal
23 year 2019 and \$1,297,000 of the general fund—federal appropriation
24 are provided solely to increase the number of psychiatric residential
25 treatment beds for individuals transitioning from psychiatric
26 inpatient settings. The authority must seek proposals from behavioral
27 health organizations for the use of these amounts and coordinate with
28 the department of social and health services in awarding these funds.
29 The authority must not allow for any of the amounts provided under
30 this subsection to be used for services in facilities that are
31 subject to federal funding restrictions that apply to institutions of
32 mental diseases, unless they have received a waiver that allows for
33 full federal participation in these facilities.

34 (q) \$6,744,000 of the general fund—state appropriation for fiscal
35 year 2019 and \$14,516,000 of the general fund—federal appropriation
36 are provided solely for the authority to increase medicaid capitation
37 payments for behavioral health organizations. The authority must work
38 with the actuaries responsible for certifying behavioral health
39 capitation rates to adjust average salary assumptions in order to

1 implement this increase. In developing further updates for medicaid
2 managed care rates for behavioral health services, the authority must
3 include and make available all applicable documents and analysis to
4 legislative staff from the fiscal committees throughout the process.
5 The authority must require the actuaries to develop and submit rate
6 ranges for each behavioral health organization prior to certification
7 of specific rates.

8 (r) The number of beds allocated for use by behavioral health
9 organizations at eastern state hospital shall be one hundred ninety
10 two per day. The number of nonforensic beds allocated for use by
11 behavioral health organizations at western state hospital shall be
12 five hundred fifty-seven per day. In fiscal year 2019, the authority
13 must reduce the number of beds allocated for use by behavioral health
14 organizations at western state hospital by thirty beds to allow for
15 the repurposing of a civil ward at western state hospital to provide
16 forensic services. The contracted beds provided under (o) of this
17 subsection shall be allocated to the behavioral health organizations
18 in lieu of beds at the state hospitals and be incorporated in their
19 allocation of state hospital patient days of care for the purposes of
20 calculating reimbursements pursuant to RCW 71.24.310. It is the
21 intent of the legislature to continue the policy of expanding
22 community based alternatives for long term civil commitment services
23 that allow for state hospital beds to be prioritized for forensic
24 patients.

25 (s) \$11,405,000 of the general fund—state appropriation for
26 fiscal year 2019 and \$8,840,000 of the general fund—federal
27 appropriation are provided solely to maintain enhancements of
28 community mental health services. The authority must contract these
29 funds for the operation of community programs in which the authority
30 determines there is a need for capacity that allows individuals to be
31 diverted or transitioned from the state hospitals including but not
32 limited to: (i) Community hospital or free standing evaluation and
33 treatment services providing short-term detention and commitment
34 services under the involuntary treatment act to be located in the
35 geographic areas of the King behavioral health organization, the
36 Spokane behavioral health organization outside of Spokane county, and
37 the Thurston Mason behavioral health organization; (ii) one new full
38 program of an assertive community treatment team in the King
39 behavioral health organization and two new half programs of assertive
40 community treatment teams in the Spokane behavioral health

1 organization and the Pierce behavioral health organization; and (iii)
2 three new recovery support services programs in the Great Rivers
3 behavioral health organization, the greater Columbia behavioral
4 health organization, and the north sound behavioral health
5 organization. In contracting for community evaluation and treatment
6 services, the authority may not use these resources in facilities
7 that meet the criteria to be classified under federal law as
8 institutions for mental diseases. If the authority is unable to come
9 to a contract agreement with a designated behavioral health
10 organization for any of the services identified above, it may
11 consider contracting for that service in another region that has the
12 need for such service.

13 (t) \$1,296,000 of the general fund—state appropriation for fiscal
14 year 2019 is provided solely for clubhouse programs. The authority
15 shall ensure that \$400,000 is used for the biennium for support of
16 the Spokane clubhouse program and the remaining funds must be used
17 for support of new clubhouse programs. The authority must develop
18 options and cost estimates for implementation of clubhouse programs
19 statewide through a medicaid state plan amendment or a medicaid
20 waiver and submit a report to the office of financial management and
21 the appropriate committees of the legislature by December 1, 2018.

22 (u) \$213,000 of the general fund—state appropriation for fiscal
23 year 2019 is provided solely to fund one pilot project in Pierce
24 county and one in Yakima county to promote increased utilization of
25 assisted outpatient treatment programs. The authority shall require
26 two behavioral health organizations to contract with local government
27 to establish the necessary infrastructure for the programs. The
28 authority shall provide a report by October 15, 2018, to the office
29 of financial management and the appropriate fiscal and policy
30 committees of the legislature to include the number of individuals
31 served, outcomes to include reduced use of inpatient treatment and
32 state hospital stays, and recommendations for further implementation
33 based on lessons learned and best practices identified by the pilot
34 projects.

35 (v) When a contractual relationship with a behavioral health
36 organizations ends, the behavioral health organization shall return
37 reserve and fund balances, not otherwise obligated, to the state,
38 within sixty days of termination of its agreement to provide
39 services.

1 (w) \$3,278,000 of the dedicated marijuana account—state
2 appropriation for fiscal year 2019 is provided solely for a
3 memorandum of understanding with the department of social and health
4 services juvenile rehabilitation administration to provide substance
5 abuse treatment programs for juvenile offenders. Of the amounts
6 provided in this subsection (5)(w):

7 (i) \$1,130,000 of the dedicated marijuana account—state
8 appropriation for fiscal year 2019 is provided solely for alcohol and
9 substance abuse treatment programs for locally committed offenders.
10 The juvenile rehabilitation administration shall award these funds as
11 described in section 203(4) of this act.

12 (ii) \$282,000 of the dedicated marijuana account—state
13 appropriation for fiscal year 2019 is provided solely for the
14 expansion of evidence-based treatments and therapies as described in
15 section 203(2) of this act.

16 (x) During fiscal year 2019, any amounts provided in this section
17 that are used for case management services for pregnant and parenting
18 women must be contracted directly between the authority and providers
19 rather than through contracts with behavioral health organizations.

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

29 (z) \$1,750,000 of the general fund—federal appropriation (from
30 the substance abuse prevention and treatment federal block grant) is
31 provided solely for the continued funding of existing county drug and
32 alcohol use prevention programs.

33 (aa) \$200,000 of the dedicated marijuana account—state
34 appropriation for fiscal year 2019 is provided solely for a contract
35 with the Washington state institute for public policy to conduct
36 cost-benefit evaluations of the implementation of chapter 3, Laws of
37 2013 (Initiative Measure No. 502).

38 (bb) \$500,000 of the dedicated marijuana account—state
39 appropriation for fiscal year 2019 is provided solely to design and

1 administer the Washington state healthy youth survey and the
2 Washington state young adult behavioral health survey.

3 (cc) \$396,000 of the dedicated marijuana account—state
4 appropriation for fiscal year 2019 is provided solely for maintaining
5 increased services to pregnant and parenting women provided through
6 the parent child assistance program.

7 (dd) \$250,000 of the dedicated marijuana account—state
8 appropriation for fiscal year 2019 is provided solely for a grant to
9 the office of superintendent of public instruction to provide life
10 skills training to children and youth in schools that are in high
11 needs communities.

12 (ee) \$386,000 of the dedicated marijuana account—state
13 appropriation for fiscal year 2019 is provided solely to maintain
14 increased prevention and treatment services provided by tribes and
15 federally-recognized American Indian organizations to children and
16 youth.

17 (ff) \$2,684,000 of the dedicated marijuana account—state
18 appropriation for fiscal year 2019 and \$950,000 of the general fund—
19 federal appropriation are provided solely to maintain increased
20 residential treatment services for children and youth.

21 (gg) \$250,000 of the dedicated marijuana account—state
22 appropriation for fiscal year 2019 is provided solely for training
23 and technical assistance for the implementation of evidence based,
24 research based, and promising programs which prevent or reduce
25 substance use disorders.

26 (hh) \$2,434,000 of the dedicated marijuana account—state
27 appropriation for fiscal year 2019 is provided solely for expenditure
28 into the home visiting services account.

29 (ii) \$2,500,000 of the dedicated marijuana account—state
30 appropriation for fiscal year 2019 is provided solely for grants to
31 community-based programs that provide prevention services or
32 activities to youth, including programs for school-based resource
33 officers. These funds must be utilized in accordance with RCW
34 69.50.540.

35 (jj) Within the amounts provided in this section, behavioral
36 health organizations must provide outpatient chemical dependency
37 treatment for offenders enrolled in the medicaid program who are
38 supervised by the department of corrections pursuant to a term of
39 community supervision. Contracts with behavioral health organizations

1 must require that behavioral health organizations include in their
2 provider network specialized expertise in the provision of
3 manualized, evidence-based chemical dependency treatment services for
4 offenders. The department of corrections and the authority must
5 develop a memorandum of understanding for department of corrections
6 offenders on active supervision who are medicaid eligible and meet
7 medical necessity for outpatient substance use disorder treatment.
8 The agreement will ensure that treatment services provided are
9 coordinated, do not result in duplication of services, and maintain
10 access and quality of care for the individuals being served. The
11 authority must provide all necessary data, access, and reports to the
12 department of corrections for all department of corrections offenders
13 that receive medicaid paid services.

14 (kk) \$562,000 of the general fund—federal appropriation is
15 provided solely for the authority to develop a memorandum of
16 understanding with the department of health for implementation of
17 chapter 297, Laws of 2017 (ESHB 1427) (opioid treatment programs).
18 The authority must use these amounts to reimburse the department of
19 health for costs incurred through the implementation of the bill.

20 (ll) \$2,580,000 of the general fund—state appropriation for
21 fiscal year 2019 and \$2,320,000 of the general fund—federal
22 appropriation are provided solely for the development and operation
23 of two secure detoxification facilities. The authority must not use
24 any of these amounts for services in facilities that are subject to
25 federal funding restrictions that apply to institutions for mental
26 diseases, unless they have received a waiver that allows for full
27 federal participation in these facilities.

28 (mm) \$500,000 of the criminal justice treatment account—state
29 appropriation is provided solely to maintain increased funding for
30 substance abuse treatment and support services for offenders and
31 support of drug courts.

32 (nn) \$100,000 of the general fund—state appropriation for fiscal
33 year 2019 is provided solely for parenting education services focused
34 on pregnant and parenting women.

35 (oo) Within existing appropriations, the authority shall
36 prioritize the prevention and treatment of intravenous opiate-based
37 drug use.

38 (pp) \$2,352,000 of the general fund—state appropriation for
39 fiscal year 2019 and \$2,352,000 of the general fund—federal

1 appropriation are provided solely for the health care authority to
2 implement a process that increases access to children's long-term
3 inpatient program (CLIP) by increasing bed capacity through current
4 and new providers of services.

5 (qq) \$14,500,000 of the general fund—state appropriation for
6 fiscal year 2019 is provided solely to support the transition of six
7 regions to full integration of physical and behavioral health care
8 under managed care. These amounts must be used to provide a reserve
9 for nonmedicaid services in each region and to stabilize the crisis
10 service systems. The health care authority must determine the
11 disbursements of funding based on populations of the regions.

12 (rr) \$20,179,000 of the general fund—state appropriation for
13 fiscal year 2019 and \$18,000,000 of the general fund—federal
14 appropriation are provided solely for behavioral health organizations
15 or fully integrated managed care entities to increase community-based
16 behavioral health services that are targeted to keeping individuals
17 out of the state hospitals for forensic and civil commitments. Of the
18 amounts appropriated in this subsection, \$2,857,000 of the general
19 fund—state appropriation for fiscal year 2019 and \$1,652,000 of the
20 general fund—federal appropriation are provided solely as additional
21 funding to be divided between the six crisis triage/stabilization
22 centers funded in (d) of this subsection.

23 (ss) \$140,000 of the general fund—state appropriation for fiscal
24 year 2019 is provided solely for the University of Washington to
25 continue developing a forensic mental health training program at
26 western state hospital.

27 (tt) \$1,657,000 of the general fund—federal appropriation is
28 provided solely to continue youth alcohol, marijuana and opioid
29 preventions services in forty predominantly rural communities.

30 (uu) \$806,000 of the general fund—federal appropriation is
31 provided solely for the health care authority to pursue a medicaid
32 state plan amendment for substance use disorder peer support
33 services.

34 (vv) \$727,000 of the general fund—state appropriation for fiscal
35 year 2019 and \$1,005,000 of the general fund—federal appropriation
36 are provided solely to implement Engrossed Substitute Senate Bill No.
37 6491 (outpatient behavioral health). If the bill is not enacted by
38 June 30, 2018, the amounts provided in this subsection shall lapse.

1 (ww) \$2,732,000 of the general fund—state appropriation for
2 fiscal year 2019 and \$3,885,000 of the general fund—federal
3 appropriation are provided solely to implement Senate Bill No. 6150
4 (opioid use disorder) or Engrossed House Bill No. 2489 (opioid use
5 disorder). If neither bill is enacted by June 30, 2018, the amounts
6 provided in this subsection shall lapse.

7 **Sec. 214.** 2017 3rd sp.s. c 1 s 214 (uncodified) is amended to
8 read as follows:

9 **FOR THE HUMAN RIGHTS COMMISSION**

10	General Fund—State Appropriation (FY 2018)	. . . . .	((\$2,317,000)
11			\$2,221,000
12	General Fund—State Appropriation (FY 2019)	. . . . .	((\$2,359,000)
13			\$2,444,000
14	General Fund—Federal Appropriation	. . . . .	\$2,427,000
15	<u>Pension Funding Stabilization Account—State</u>		
16	<u>Appropriation.</u>	. . . . .	\$190,000
17	TOTAL APPROPRIATION.	. . . . .	((\$7,103,000)
18			\$7,282,000

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

21 (1) \$21,000 of the general fund—state appropriation for fiscal
22 year 2019 is provided solely for implementation of Senate Bill No.
23 6471 (model sexual harassment policies). If the bill is not enacted
24 by June 30, 2018, the amount provided in this subsection shall lapse.

25 (2) \$151,000 of the general fund—state appropriation for fiscal
26 year 2019 is provided solely for implementation of Substitute Senate
27 Bill No. 6102 (employee reproductive health). If the bill is not
28 enacted by June 30, 2018, the amount provided in this subsection
29 shall lapse.

30 **Sec. 215.** 2017 3rd sp.s. c 1 s 215 (uncodified) is amended to
31 read as follows:

32 **FOR THE BOARD OF INDUSTRIAL INSURANCE APPEALS**

33	Worker and Community Right-to-Know Account—State		
34	Appropriation	. . . . .	\$10,000
35	Accident Account—State Appropriation	. . . . .	((\$22,437,000)
36			\$22,434,000
37	Medical Aid Account—State Appropriation	. . . . .	((\$22,438,000)

1		<u>\$22,435,000</u>
2	TOTAL APPROPRIATION.	((\$44,885,000))
3		<u>\$44,879,000</u>

4 **Sec. 216.** 2017 3rd sp.s. c 1 s 216 (uncodified) is amended to
5 read as follows:

6	FOR THE CRIMINAL JUSTICE TRAINING COMMISSION	
7	General Fund—State Appropriation (FY 2018)	((\$21,703,000))
8		<u>\$21,719,000</u>
9	General Fund—State Appropriation (FY 2019)	((\$20,705,000))
10		<u>\$23,274,000</u>
11	General Fund—Private/Local Appropriation	((\$5,905,000))
12		<u>\$6,693,000</u>
13	Death Investigations Account—State Appropriation	\$148,000
14	Municipal Criminal Justice Assistance Account—State	
15	Appropriation	\$460,000
16	<u>Pension Funding Stabilization Account—State</u>	
17	<u>Appropriation.</u>	<u>\$460,000</u>
18	Washington Auto Theft Prevention Authority Account—State	
19	Appropriation	\$8,167,000
20	24/7 Sobriety Account—State Appropriation	((\$30,000))
21		<u>\$20,000</u>
22	TOTAL APPROPRIATION.	((\$57,118,000))
23		<u>\$60,941,000</u>

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

26 (1) \$5,000,000 of the general fund—state appropriation for fiscal
27 year 2018 and \$5,000,000 of the general fund—state appropriation for
28 fiscal year 2019, are provided to the Washington association of
29 sheriffs and police chiefs solely to verify the address and residency
30 of registered sex offenders and kidnapping offenders under RCW
31 9A.44.130. The association may use no more than \$50,000 per fiscal
32 year of the amounts provided on program management activities.

33 (2) \$1,284,000 of the general fund—state appropriation for fiscal
34 year 2018 and ((~~\$1,283,000~~)) \$1,546,000 of the general fund—state
35 appropriation for fiscal year 2019 are provided solely for seventy-
36 five percent of the costs of providing six additional statewide basic
37 law enforcement trainings in ((each)) fiscal year 2018, and seven
38 additional statewide basic law enforcement trainings in fiscal year

1 2019. The criminal justice training commission must schedule its
2 funded classes to minimize wait times throughout each fiscal year and
3 meet statutory wait time requirements.

4 (3) (~~(\$745,000)~~) \$792,000 of the general fund—local appropriation
5 is provided solely to purchase ammunition for the basic law
6 enforcement academy. Jurisdictions shall reimburse to the criminal
7 justice training commission the costs of ammunition, based on the
8 average cost of ammunition per cadet, for cadets that they enroll in
9 the basic law enforcement academy.

10 (4) The criminal justice training commission may not run a basic
11 law enforcement academy class of fewer than 30 students.

12 (5) \$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 a school safety program. The
15 commission, in collaboration with the school safety center advisory
16 committee, shall provide the school safety training for all school
17 administrators and school safety personnel hired after the effective
18 date of this section.

19 (6) \$96,000 of the general fund—state appropriation for fiscal
20 year 2018 and \$96,000 of the general fund—state appropriation for
21 fiscal year 2019 are provided solely for the school safety center
22 within the commission. The safety center shall act as an information
23 dissemination and resource center when an incident occurs in a school
24 district in Washington or in another state, coordinate activities
25 relating to school safety, and review and approve manuals and
26 curricula used for school safety models and training. Through an
27 interagency agreement, the commission shall provide funding for the
28 office of the superintendent of public instruction to continue to
29 develop and maintain a school safety information web site. The school
30 safety center advisory committee shall develop and revise the
31 training program, using the best practices in school safety, for all
32 school safety personnel. The commission shall provide research-
33 related programs in school safety and security issues beneficial to
34 both law enforcement and schools.

35 (7) \$146,000 of the general fund—state appropriation for fiscal
36 year 2018 and \$146,000 of the general fund—state appropriation for
37 fiscal year 2019 are provided solely for the costs of providing
38 statewide advanced driving training with the use of a driving
39 simulator.

1 (8) \$679,000 of the general fund—state appropriation for fiscal
2 year 2018 and \$587,000 of the general fund—state appropriation for
3 fiscal year 2019 are provided solely for implementation of chapter
4 261, Laws of 2017 (SHB 1501) (attempts to obtain firearms).

5 (9) \$57,000 of the general fund—state appropriation for fiscal
6 year 2018 is provided solely for implementation of chapter 295, Laws
7 of 2017 (SHB 1258) (first responders/disability).

8 (10) \$198,000 of the general fund—state appropriation for fiscal
9 year 2018 and \$414,000 of the general fund—state appropriation for
10 fiscal year 2019 are provided solely for implementation of chapter
11 290, Laws of 2017 (ESHB 1109) (victims of sexual assault).

12 (11) \$117,000 of the general fund—state appropriation for fiscal
13 year 2018, \$117,000 of the general fund—state appropriation for
14 fiscal year 2019, and \$1,000,000 of the Washington auto theft
15 prevention account—state appropriation are provided solely for the
16 first responder building mapping information system.

17 (12) \$595,000 of the general fund—state appropriation for fiscal
18 year 2018 and \$595,000 of the general fund—state appropriation for
19 fiscal year 2019 are provided solely to continue crisis intervention
20 training required in chapter 87, Laws of 2015.

21 (13) \$250,000 of the general fund—state appropriation for fiscal
22 year 2018 and \$250,000 of the general fund—state appropriation for
23 fiscal year 2019 are provided solely for the criminal justice
24 training commission to deliver research-based programs to instruct,
25 guide, and support local law enforcement agencies in fostering the
26 "guardian philosophy" of policing, which emphasizes de-escalating
27 conflicts and reducing the use of force.

28 (14) \$429,000 of the general fund—state appropriation for fiscal
29 year 2018 and \$429,000 of the general fund—state appropriation for
30 fiscal year 2019 are provided solely for expenditure into the
31 nonappropriated Washington internet crimes against children account
32 for the implementation of chapter 84, Laws of 2015.

33 (15) \$842,000 of the general fund—state appropriation for fiscal
34 year 2018 and (~~(\$353,000)~~) \$1,613,000 of the general fund—state
35 appropriation for fiscal year 2019 are provided solely for the
36 purpose of creating and funding on an ongoing basis the: (a) Updating
37 and providing of basic and in-service training for peace officers and
38 corrections officers that emphasizes de-escalation and use of less
39 lethal force; and (b) creation and provision of an evidence-based

1 leadership development program, in partnership with Microsoft, that
2 trains, equips, and supports law enforcement leaders using research-
3 based strategies to reduce crime and improve public trust. Of the
4 amounts appropriated in this subsection, \$1,260,000 of the general
5 fund—state appropriation for fiscal year 2019 is provided solely for
6 the training in (a) of this subsection.

7 (16) \$100,000 of the general fund—state appropriation for fiscal
8 year 2018 and \$100,000 of the general fund—state appropriation for
9 fiscal year 2019 are provided solely to the Washington association of
10 sheriffs and police chiefs to fund pilot projects in Benton county to
11 support local law enforcement education for law enforcement, medical
12 professionals, first responders, courts, educators, and others to
13 raise awareness and identifying warning signs of human trafficking.
14 Any educational opportunities created through the pilot projects in
15 Benton county may provide access for adjacent counties if resources
16 and availability permits.

17 (17) \$500,000 of the general fund—state appropriation for fiscal
18 year 2018 is provided solely to the Washington association of
19 sheriffs and police chiefs to administer statewide training in the
20 use of the Washington state gang database, established in compliance
21 with RCW 43.43.762, and provide grant funding to ensure agencies
22 enter appropriate and reliable data into the database. The training
23 shall develop professionals with regional responsibilities for
24 database administration throughout the state.

25 (18) \$1,000,000 of the general fund—state appropriation for
26 fiscal year 2019 is provided solely for the implementation of Second
27 Substitute Senate Bill No. 5970 (mental health field response). If
28 the bill is not enacted by June 30, 2018, the amount provided in this
29 subsection shall lapse.

30 (19) \$338,000 of the general fund—local appropriation is provided
31 solely for the costs associated with one additional basic law
32 enforcement training to be provided in fiscal year 2018.

33 **Sec. 217.** 2017 3rd sp.s. c 1 s 217 (uncodified) is amended to
34 read as follows:

35 **FOR THE DEPARTMENT OF LABOR AND INDUSTRIES**

36	General Fund—State Appropriation (FY 2018)	. . . . .	((\$7,671,000))
37			<u>\$7,481,000</u>
38	General Fund—State Appropriation (FY 2019)	. . . . .	((\$8,897,000))

1		<u>\$8,937,000</u>
2	General Fund—Federal Appropriation	\$11,876,000
3	Asbestos Account—State Appropriation	\$527,000
4	Electrical License Account—State Appropriation	((\$52,100,000))
5		<u>\$53,851,000</u>
6	Farm Labor Contractor Account—State Appropriation	\$28,000
7	Worker and Community Right-to-Know Account—State	
8	Appropriation	\$993,000
9	Public Works Administration Account—State	
10	Appropriation	((\$6,303,000))
11		<u>\$8,590,000</u>
12	Manufactured Home Installation Training	
13	Account—State Appropriation	\$378,000
14	Accident Account—State Appropriation	((\$320,314,000))
15		<u>\$320,937,000</u>
16	Accident Account—Federal Appropriation	\$16,765,000
17	Medical Aid Account—State Appropriation	((\$333,053,000))
18		<u>\$333,614,000</u>
19	Medical Aid Account—Federal Appropriation	\$3,739,000
20	Plumbing Certificate Account—State Appropriation	\$1,882,000
21	Pressure Systems Safety Account—State Appropriation	\$4,442,000
22	Construction Registration Inspection Account—State	
23	Appropriation.	((\$19,128,000))
24		<u>\$20,945,000</u>
25	<u>Pension Funding Stabilization Account—State</u>	
26	<u>Appropriation.</u>	<u>\$1,435,000</u>
27	TOTAL APPROPRIATION.	((\$788,096,000))
28		<u>\$796,420,000</u>

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

31 ((+3)) (1) \$123,000 of the accident account—state appropriation
32 and \$22,000 of the medical aid—state appropriation are provided
33 solely for implementation of chapter 150, Laws of 2017 (House Bill
34 No. 1906) (farm internship).

35 ((+4)) (2) The department, in collaboration with the health care
36 authority, shall work to ensure that a single platform provider
37 credentialing system is implemented. The authority and department
38 shall ensure that appropriate cost offsets and cost avoidance are

1 assumed for reduced staff time required for provider credentialing
2 activity and reductions in improper billing activity when
3 implementing provider credentialing systems. The department must
4 enter into an agreement with the health care authority to pay its
5 share of the costs of implementing and operating a new provider
6 credentialing system.

7 ~~((5) \$6,124,000))~~ (3) \$5,802,000 of the accident account—state
8 appropriation and ~~((5,989,000))~~ \$5,676,000 of the medical aid
9 account—state appropriation are provided solely for business
10 transformation projects and are subject to the conditions,
11 limitations, and review provided in section 724 of this act.

12 ~~((6))~~ (4) \$19,128,000 of the construction registration
13 inspection account—state appropriation is provided solely to
14 implement House Bill No. 1716 (construction inspection account). If
15 the bill is not enacted by July 31, 2017, the amounts provided in
16 this subsection shall lapse.

17 ~~((7))~~ (5) \$2,000,000 of the accident account—state
18 appropriation and \$2,000,000 of the medical account—state
19 appropriation are provided solely for a contract with a workforce
20 institute to provide supplemental instruction for information
21 technology apprentices. Funds spent for this purpose must be matched
22 by an equal amount of funding from the information technology
23 industry members, except small and mid-sized employers. Up to
24 \$2,000,000 may be spent to provide supplemental instruction for
25 apprentices at small and mid-sized businesses. "Small and mid-sized
26 employers" means those that have fewer than one hundred employees or
27 have less than five percent net profitability.

28 (6) \$115,000 of the accident account—state appropriation for
29 fiscal year 2019 and \$20,000 of the medical aid account—state
30 appropriation for fiscal year 2019 are provided solely to implement
31 Engrossed Substitute Senate Bill No. 6486 (registered
32 apprenticeships). If the bill is not enacted by June 30, 2018, the
33 amounts provided in this subsection shall lapse.

34 **Sec. 218.** 2017 3rd sp.s. c 1 s 218 (uncodified) is amended to
35 read as follows:

36 **FOR THE DEPARTMENT OF VETERANS AFFAIRS**

37 (1) The appropriations in this section are subject to the
38 following conditions and limitations:

1 (a) The department of veterans affairs shall not initiate any
2 services that will require expenditure of state general fund moneys
3 unless expressly authorized in this act or other law. The department
4 may seek, receive, and spend, under RCW 43.79.260 through 43.79.282,
5 federal moneys not anticipated in this act as long as the federal
6 funding does not require expenditure of state moneys for the program
7 in excess of amounts anticipated in this act. If the department
8 receives unanticipated unrestricted federal moneys, those moneys must
9 be spent for services authorized in this act or in any other
10 legislation that provides appropriation authority, and an equal
11 amount of appropriated state moneys shall lapse. Upon the lapsing of
12 any moneys under this subsection, the office of financial management
13 shall notify the legislative fiscal committees. As used in this
14 subsection, "unrestricted federal moneys" includes block grants and
15 other funds that federal law does not require to be spent on
16 specifically defined projects or matched on a formula basis by state
17 funds.

18 (b) Each year, there is fluctuation in the revenue collected to
19 support the operation of the state veteran homes. When the department
20 has foreknowledge that revenue will decrease, such as from a loss of
21 census or from the elimination of a program, the legislature expects
22 the department to make reasonable efforts to reduce expenditures in a
23 commensurate manner and to demonstrate that it has made such efforts.
24 In response to any request by the department for general fund—state
25 appropriation to backfill a loss of revenue, the legislature shall
26 consider the department's efforts in reducing its expenditures in
27 light of known or anticipated decreases to revenues.

28 (2) HEADQUARTERS

29	General Fund—State Appropriation (FY 2018)	. . . . .	((\\$2,004,000))
30			<u>\$1,929,000</u>
31	General Fund—State Appropriation (FY 2019)	. . . . .	((\\$1,997,000))
32			<u>\$1,924,000</u>
33	Charitable, Educational, Penal, and Reformatory		
34	Institutions Account—State Appropriation	. . . . .	\$10,000
35	<u>Pension Funding Stabilization Account—State</u>		
36	<u>Appropriation.</u>	. . . . .	<u>\$185,000</u>
37	TOTAL APPROPRIATION.	. . . . .	((\\$4,011,000))
38			<u>\$4,048,000</u>

1 The appropriations in this subsection are subject to the
2 following conditions and limitations: \$85,000 of the general fund—
3 state appropriation for fiscal year 2018 and \$84,000 of the general
4 fund—state appropriation for fiscal year 2019 are provided solely for
5 the implementation of chapter 173, Laws of 2017 (ESSB 1802)
6 (veterans' shared leave pool).

7 ((+2)) (3) FIELD SERVICES

8	General Fund—State Appropriation (FY 2018)	. . . . .	((\$6,220,000))
9			<u>\$6,077,000</u>
10	General Fund—State Appropriation (FY 2019)	. . . . .	((\$6,278,000))
11			<u>\$6,133,000</u>
12	General Fund—Federal Appropriation	. . . . .	\$3,751,000
13	General Fund—Private/Local Appropriation	. . . . .	\$4,799,000
14	Veteran Estate Management Account—Private/Local		
15	Appropriation	. . . . .	\$666,000
16	<u>Pension Funding Stabilization Account—State</u>		
17	<u>Appropriation</u>	. . . . .	<u>\$443,000</u>
18	TOTAL APPROPRIATION	. . . . .	((\$21,714,000))
19			<u>\$21,869,000</u>

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

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

28 (b) \$200,000 of the general fund—state appropriation for fiscal
29 year 2018 and \$200,000 of the general fund—state appropriation for
30 fiscal year 2019 are provided solely for the implementation of
31 chapter 192, Laws of 2017 (SB 5849) (veterans' services).

32 (c) \$110,000 of the general fund—state appropriation for fiscal
33 year 2018 and \$110,000 of the general fund—state appropriation for
34 fiscal year 2019 are provided solely for the expansion of the
35 veterans conservation corps by fifteen paid internships.

36 ((+3)) (4) INSTITUTIONAL SERVICES

37	General Fund—State Appropriation (FY 2018)	. . . . .	((\$2,105,000))
38			<u>\$12,052,000</u>

1	General Fund—State Appropriation (FY 2019)	(((2,307,000)))
2		<u>\$6,031,000</u>
3	General Fund—Federal Appropriation	(((93,767,000)))
4		<u>\$84,155,000</u>
5	General Fund—Private/Local Appropriation	(((35,687,000)))
6		<u>\$28,019,000</u>
7	<u>Pension Funding Stabilization Account—State</u>	
8	<u>Appropriation.</u>	<u>\$1,462,000</u>
9	TOTAL APPROPRIATION.	(((133,866,000)))
10		<u>\$131,719,000</u>

11 The appropriations in this subsection are subject to the
12 following conditions and limitations: \$217,000 of the general fund—
13 state appropriation for fiscal year 2019 is provided solely for the
14 establishment of a clinical and nursing compliance program to monitor
15 the state veteran homes for adherence to federal and state
16 regulations for the quality of care of residents.

17 **Sec. 219.** 2017 3rd sp.s. c 1 s 219 (uncodified) is amended to
18 read as follows:

19 **FOR THE DEPARTMENT OF HEALTH**

20	General Fund—State Appropriation (FY 2018)	(((71,759,000)))
21		<u>\$69,919,000</u>
22	General Fund—State Appropriation (FY 2019)	(((72,148,000)))
23		<u>\$78,065,000</u>
24	General Fund—Federal Appropriation	(((550,186,000)))
25		<u>\$550,304,000</u>
26	General Fund—Private/Local Appropriation	(((185,189,000)))
27		<u>\$186,316,000</u>
28	Hospital Data Collection Account—State Appropriation	\$348,000
29	Health Professions Account—State Appropriation	(((129,629,000)))
30		<u>\$131,281,000</u>
31	Aquatic Lands Enhancement Account—State Appropriation	\$623,000
32	Emergency Medical Services and Trauma Care Systems	
33	Trust Account—State Appropriation	\$9,247,000
34	Safe Drinking Water Account—State Appropriation	(((5,678,000)))
35		<u>\$5,676,000</u>
36	Drinking Water Assistance Account—Federal	
37	Appropriation	(((16,016,000)))
38		<u>\$16,006,000</u>

1	Waterworks Operator Certification—State Appropriation	((\$1,671,000))
2		<u>\$1,839,000</u>
3	Drinking Water Assistance Administrative Account—State	
4	Appropriation	\$372,000
5	Site Closure Account—State Appropriation	\$169,000
6	Biotoxin Account—State Appropriation	((\$1,972,000))
7		<u>\$1,971,000</u>
8	State Toxics Control Account—State Appropriation	((\$4,259,000))
9		<u>\$4,258,000</u>
10	Medicaid Fraud Penalty Account—State Appropriation	\$938,000
11	Medical Test Site Licensure Account—State	
12	Appropriation	\$2,594,000
13	Youth Tobacco and Vapor Products Prevention Account—State	
14	Appropriation	((\$4,963,000))
15		<u>\$3,363,000</u>
16	Dedicated Marijuana Account—State Appropriation	
17	(FY 2018).	\$9,761,000
18	Dedicated Marijuana Account—State Appropriation	
19	(FY 2019).	\$9,766,000
20	Public Health Supplemental Account—Private/Local	
21	Appropriation	\$3,248,000
22	<u>Pension Funding Stabilization Account—State</u>	
23	<u>Appropriation.</u>	<u>\$3,821,000</u>
24	Accident Account—State Appropriation	\$344,000
25	Medical Aid Account—State Appropriation	\$53,000
26	Suicide-Safer Homes Project Account—State Appropriation.	\$50,000
27	TOTAL APPROPRIATION.	((\$1,080,983,000))
28		<u>\$1,090,332,000</u>

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

31 (1) The department of health shall not initiate any services that
32 will require expenditure of state general fund moneys unless
33 expressly authorized in this act or other law. The department of
34 health and the state board of health shall not implement any new or
35 amended rules pertaining to primary and secondary school facilities
36 until the rules and a final cost estimate have been presented to the
37 legislature, and the legislature has formally funded implementation
38 of the rules through the omnibus appropriations act or by statute.
39 The department may seek, receive, and spend, under RCW 43.79.260

1 through 43.79.282, federal moneys not anticipated in this act as long
2 as the federal funding does not require expenditure of state moneys
3 for the program in excess of amounts anticipated in this act. If the
4 department receives unanticipated unrestricted federal moneys, those
5 moneys shall be spent for services authorized in this act or in any
6 other legislation that provides appropriation authority, and an equal
7 amount of appropriated state moneys shall lapse. Upon the lapsing of
8 any moneys under this subsection, the office of financial management
9 shall notify the legislative fiscal committees. As used in this
10 subsection, "unrestricted federal moneys" includes block grants and
11 other funds that federal law does not require to be spent on
12 specifically defined projects or matched on a formula basis by state
13 funds.

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

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

32 (4)(a) \$5,000,000 of the general fund—state appropriation for
33 fiscal year 2018 and \$5,000,000 of the general fund—state
34 appropriation for fiscal year 2019 are provided solely for the
35 department to support the local health jurisdictions to improve their
36 ability to address (i) communicable disease monitoring and prevention
37 and (ii) chronic disease and injury prevention. The department and
38 representatives of local health jurisdictions must work together to
39 arrive at a mutually acceptable allocation and distribution of funds

1 and to determine the best accountability measures to ensure efficient
2 and effective use of funds, emphasizing the use of shared services.

3 (b) By December 31, 2017, the department shall provide a
4 preliminary report, and by November 30, 2018, a final report, to the
5 appropriate committees of the legislature regarding:

6 (i) The allocation of funding, as provided in this subsection, to
7 the local health jurisdictions;

8 (ii) Steps taken by the local health jurisdictions that received
9 funding to improve communicable disease monitoring and prevention and
10 chronic disease and injury prevention;

11 (iii) An assessment of the effectiveness of the steps taken by
12 local health jurisdictions and the criteria measured; and

13 (iv) Any recommendations for future models for service delivery
14 to address communicable and chronic diseases.

15 (5)(a) \$1,000,000 of the general fund—state appropriation for
16 fiscal year 2018 and \$1,000,000 of the general fund—state
17 appropriation for fiscal year 2019 are provided solely for the
18 department, as part of foundational public health services, to
19 implement strategies to control the spread of communicable diseases
20 and other health threats. These strategies may include updating or
21 replacing equipment in the state public health laboratory; addressing
22 health inequities among state residents; reporting on the root cause
23 analyses of adverse events at medical facilities; performing critical
24 activities to prevent adverse health consequences of hepatitis C; or
25 assessing information technology system consolidation and
26 modernization opportunities for statewide public health data systems.

27 (b) By November 30, 2018, the department shall develop a
28 statewide governmental public health improvement plan and provide it
29 to the appropriate committees of the legislature.

30 (6) \$26,000 of the general fund—state appropriation for fiscal
31 year 2018 and \$10,000 of the general fund—state appropriation for
32 fiscal year 2019 are provided solely for the implementation of
33 chapter 295, Laws of 2017 (SHB 1258) (first responders/disability).

34 (7) Within amounts appropriated in this section, funding is
35 provided to implement chapter 312, Laws of 2017 (SSB 5046) (language
36 of public notices).

37 (8) \$39,000 of the general fund—local appropriation is provided
38 solely for the implementation of chapter 249, Laws of 2017 (ESHB
39 1714) (nurse staffing plans).

1 (9) \$27,000 of the health professions account—state appropriation
2 and \$50,000 of the Suicide-Safer Homes Project account are provided
3 solely for the implementation of chapter 262, Laws of 2017 (E2SHB
4 1612) (reducing access to lethal means).

5 (10) \$269,000 of the health professions account—state
6 appropriation is provided solely for the implementation of chapter
7 297, Laws of 2017 (ESHB 1427) (opioid treatment program).

8 (11) \$350,000 of the general fund—state appropriation for fiscal
9 year 2018 and \$350,000 of the general fund—state appropriation for
10 fiscal year 2019 are provided to the department solely to cover costs
11 of providing increased capacity under existing contracts with suicide
12 prevention lines to respond to calls to the national suicide
13 prevention lifeline.

14 (12) \$40,000 of the general fund—state appropriation for fiscal
15 year 2018 and (~~(\$40,000)~~) \$90,000 of the general fund—state
16 appropriation for fiscal year 2019 are provided solely for the
17 midwifery licensure and regulatory program to supplement revenue from
18 fees. The department shall charge no more than five hundred twenty-
19 five dollars annually for new or renewed licenses for the midwifery
20 program.

21 (13)(a) Within amounts appropriated in this section, the
22 department, in consultation with advocacy groups and experts that
23 focus on hunger and poverty issues, shall produce a report regarding
24 ongoing nutrition assistance programs funded by the United States
25 department of agriculture and administered in Washington state. The
26 report must be a compilation, by program, of data already collected
27 by the department of social and health services, the department of
28 health, the office of the superintendent of public instruction, and
29 the Washington state department of agriculture, and it must include,
30 where available, but is not limited to:

31 (i) The number of people in Washington who are eligible for the
32 program;

33 (ii) The number of people in Washington who participated in the
34 program;

35 (iii) The average annual participation rate in the program;

36 (iv) Participation rates by geographic distribution; and

37 (v) The annual federal funding of the program in Washington.

1 (b) The department shall report to the appropriate committees of
2 the legislature and to the governor. An initial report is due by
3 April 30, 2018, and a second report is due by April 30, 2019.

4 (14) Information technology projects or investments and proposed
5 projects or investments impacting time capture, payroll and payment
6 processes and systems eligibility, case management, and authorization
7 systems within the department of health are subject to technical
8 oversight by the office of the state chief information officer.

9 (15) \$2,604,000 of the health professions account—state
10 appropriation is provided solely for the medical quality assurance
11 commission to address increased workload.

12 (16) \$896,000 of the health professions account—state
13 appropriation is provided solely for the pharmacy commission to
14 improve research and communication to pharmacies regarding the
15 development and implementation of new and changing rules.

16 (17) \$9,000,000 of the general fund—federal appropriation is
17 provided solely for the department to implement projects and
18 activities during the 2017-2019 fiscal biennium that are designed to
19 improve the health and well-being of individuals living with human
20 immunodeficiency virus, including:

21 (a) A health disparity project to increase access to dental,
22 mental health, and housing services for populations that have
23 historically experienced limited access to needed services, including
24 Latino individuals in central Washington;

25 (b) A project to establish a peer-to-peer network for individuals
26 living with human immunodeficiency virus. Trained navigators will
27 work to link individuals living with human immunodeficiency virus to
28 medical care, housing support, training, and other needed services;

29 (c) A project to expand the MAX clinic within Harborview hospital
30 to serve an increased number of high-need clients and establishing a
31 MAX clinic to serve high-need clients in Pierce county. This project
32 shall also provide statewide training for staff of the department, of
33 local health jurisdictions, and of providers of services for persons
34 with human immunodeficiency virus;

35 (d) The development of a single eligibility portal to allow
36 statewide usage and streamlined case management for individuals who
37 are living with human immunodeficiency virus and receiving public
38 health services; and

1 (e) An assessment and evaluation of the effectiveness of each of
2 the projects outlined in subsections (a) through (d) of this
3 subsection.

4 (18) \$6,096,000 of the general fund—local appropriation is
5 provided solely for the department to target its efforts in the HIV
6 early intervention program toward populations with health
7 disparities.

8 (19) \$1,118,000 of the general fund—local appropriation is
9 provided solely for equipment, testing supplies, and materials
10 necessary to add x-linked adrenoleukodystrophy to the mandatory
11 newborn screening panel. The department is authorized to increase the
12 newborn screening fee by \$8.10.

13 (20) \$1,500,000 of the general fund—state appropriation for
14 fiscal year 2018 and \$1,500,000 of the general fund—state
15 appropriation for fiscal year 2019 are provided solely for:

16 (a) Increased screening, case management, and an electronic data
17 reporting system to identify children who are at the highest risk of
18 having elevated levels of lead in their blood, prioritizing children
19 who live in areas where the risk is highest; and

20 (b) Sampling and testing of drinking water and water fixtures in
21 public schools. The department, in collaboration with the educational
22 service districts, must prioritize testing within elementary schools
23 where drinking water and water fixtures have not been tested for
24 contaminants at any time, and elementary schools where drinking water
25 and water fixtures have not been tested within the past three years.
26 Consistent with the United States environmental protection agency's
27 manual, "3Ts for Reducing Lead in Drinking Water in Schools—Revised
28 Technical Guidance," the department must develop guidance and testing
29 protocols for the lead action level for drinking water and for
30 testing drinking water and drinking water fixtures in public and
31 private schools. The guidance must include:

32 (i) Actions to take if test results exceed the federal action
33 level or public drinking water standard;

34 (ii) Recommendations to schools on prioritizing fixture
35 replacement, and options for further reducing lead, including
36 replacement of fixtures or use of certified filters when results are
37 below the federal action level for schools, but exceed the maximum
38 level recommended by the American Academy of Pediatrics; and

1 (iii) Recommendations for communicating test results and risk to
2 parents and the community, including that there is no safe level of
3 lead in water and that action may be warranted even if levels are
4 below the action level.

5 (21) \$277,000 of the general fund—local appropriation is provided
6 solely to implement chapter 207, Laws of 2017 (E2SHB 1819)
7 (children's mental health).

8 (22) \$130,000 of the general fund—state appropriation for fiscal
9 year 2018 and \$130,000 of the general fund—state appropriation for
10 fiscal year 2019 are provided solely to increase the funding for the
11 breast, cervical, and colon health program administered by the
12 department.

13 (23) Within the amounts appropriated in this section, and in
14 accordance with RCW 43.20B.110 and 70.41.100, the department shall
15 set fees to include the full costs of the performance of inspections
16 pursuant to RCW 70.41.080.

17 (24) Within the amounts appropriated in this section, and in
18 accordance with RCW 43.70.110 and 71.12.470, the department shall set
19 fees to include the full costs of the performance of inspections
20 pursuant to RCW 71.12.485.

21 (25) (~~(\$250,000 of the general fund state appropriation for~~
22 ~~fiscal year 2018 and~~) \$250,000 of the general fund—state
23 appropriation for fiscal year 2019 (~~are~~) is provided solely for the
24 department to contract with a nongovernmental entity that has
25 experience in adapting global health strategies to underserved
26 communities for a pilot program to develop strategies to address
27 health disparities in rural communities. The program should engage
28 marginalized communities in order to identify barriers and social
29 determinants that most impact health, including access to housing and
30 food and economic stability. The department must report to the
31 legislature by December 1, 2018, regarding identified barriers and
32 any recommendations for interventions.

33 (26) \$27,000 of the general fund—state appropriation for fiscal
34 year 2018 and \$16,000 of the general fund—state appropriation for
35 fiscal year 2019 are provided solely for the implementation of
36 chapter 273, Laws of 2017 (E2SHB 1358) (community assistance referral
37 programs).

1 (27) \$224,000 of the health professions account—state
2 appropriation is provided solely for the implementation of chapter
3 320, Laws of 2017 (SSB 5322) (dentists and third parties).

4 (28) \$93,000 of the health professions account—state
5 appropriation is provided solely for the implementation of chapter
6 101, Laws of 2017 (ESHB 1431) (osteopathic medicine and surgery).

7 (29) \$82,000 of the general fund—local appropriation is provided
8 solely for the implementation of chapter 263, Laws of 2017 (SSB 5152)
9 (pediatric transitional care).

10 (30) \$25,000 of the general fund—state appropriation for fiscal
11 year 2018 is provided solely for the department to prepare and submit
12 a report about the certificate of need program to the governor and
13 the appropriate fiscal and policy committees of the legislature by
14 October 1, 2017. By health care setting, for each of the preceding
15 ten fiscal years, the report must show the total number of
16 applications, the total number of accepted applications, the total
17 number of beds requested, the total number of beds approved, and a
18 summary of the most common reasons for declining an application. The
19 report must include suggestions for modifying the program to increase
20 the number of successful applications. At least one suggestion must
21 address the goal of adding psychiatric beds within hospitals.

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

29 (32) \$28,000 of the general fund—state appropriation for fiscal
30 year 2018 and \$28,000 of the general fund—state appropriation for
31 fiscal year 2019 are provided solely for staffing capacity at the
32 department to support a performance audit of the fee-setting process
33 for each health profession licensed by the department.

34 (33) The appropriations in this section include sufficient
35 funding for the implementation of chapter 294, Laws of 2017 (SSB
36 5835) (health outcomes/pregnancy).

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

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

12 (35) In accordance with RCW 70.96A.090, 71.24.035, 43.20B.110,
13 and 43.135.055, the department is authorized to adopt fees for the
14 review and approval of mental health and substance use disorder
15 treatment programs in fiscal years 2018 and 2019 as necessary to
16 support the costs of the regulatory program. The department's fee
17 schedule must have differential rates for providers with proof of
18 accreditation from organizations that the department has determined
19 to have substantially equivalent standards to those of the
20 department, including but not limited to the joint commission on
21 accreditation of health care organizations, the commission on
22 accreditation of rehabilitation facilities, and the council on
23 accreditation. To reflect the reduced costs associated with
24 regulation of accredited programs, the department's fees for
25 organizations with such proof of accreditation must reflect the lower
26 cost of licensing for these programs than for other organizations
27 which are not accredited.

28 (36) \$29,000 of the health professions account—state
29 appropriation is provided solely for the implementation of chapter
30 22, Laws of 2017 (HB 1198) (substance abuse/podiatric).

31 (37) \$22,000 of the health professions account—state
32 appropriation is provided solely for the implementation of chapter
33 108, Laws of 2017 (HB 1278) (physical therapy licensure compact).

34 (38) \$21,000 of the health professions account—state
35 appropriation is provided solely for the implementation of chapter
36 195, Laws of 2017 (HB 1337) (interstate medical license compact).

37 (39) \$12,000 of the health professions account—state
38 appropriation is provided solely for the implementation of chapter
39 100, Laws of 2017 (SHB 1411) (dental licensure/residency).

1 (40) \$13,000 of the health professions account—state
2 appropriation is provided solely for the implementation of chapter
3 205, Laws of 2017 (SHB 1765) (prescription drug donation).

4 (41) \$10,000 of the health professions account—state
5 appropriation is provided solely for the implementation of chapter
6 212, Laws of 2017 (SSB 5035) (investigational medical products).

7 (42) \$61,000 of the health professions account—state
8 appropriation is provided solely for the implementation of chapter
9 216, Laws of 2017 (SB 5177) (LTC workers/hearing loss training).

10 (43) \$10,000 of the health professions account—state
11 appropriation is provided solely for the implementation of chapter
12 45, Laws of 2017 (SB 5413) (physician limited licenses).

13 (44) \$41,000 of the general fund—state appropriation for fiscal
14 year 2019 is provided solely for the implementation of chapter 56,
15 Laws of 2016 (SB 5689) (diabetes planning/reporting).

16 (45) \$61,000 of the general fund—state appropriation for fiscal
17 year 2019 is provided solely for the implementation of chapter 294,
18 Laws of 2017 (SSB 5835) (health outcomes).

19 (46) \$360,000 of the general fund—state appropriation for fiscal
20 year 2019 is provided solely for integrating the behavioral health
21 certification and licensing program with the other professional
22 management systems and processes at the department of health.

23 (47) \$556,000 of the general fund—state appropriation for fiscal
24 year 2019 is provided solely for replacing the comprehensive hospital
25 abstract reporting system.

26 (48) \$15,000 of the general fund—state appropriation for fiscal
27 year 2018 and \$62,000 of the general fund—state appropriation for
28 fiscal year 2019 are provided solely for continuing the early hearing
29 detection diagnosis and intervention program.

30 (49) \$468,000 of the health professions account—state
31 appropriation is provided solely for completing the online licensing
32 and information collection project.

33 (50) \$168,000 of the waterworks operator certification account—
34 state appropriation is provided solely for making quality
35 improvements to the application and renewal process for drinking
36 water system operators and increasing opportunities for training,
37 internships, and apprenticeships for individuals interested in
38 joining this workforce.

1 (51) \$72,000 of the general fund—state appropriation for fiscal
2 year 2018 and \$206,000 of the general fund—state appropriation for
3 fiscal year 2019 are provided solely to implement Substitute Senate
4 Bill No. 6514 (higher ed. behavioral health). If this bill is not
5 enacted by June 30, 2018, the amounts provided in this subsection
6 shall lapse.

7 (52) \$113,000 of the general fund—local appropriation is provided
8 solely to implement Engrossed Substitute Senate Bill No. 6037
9 (uniform parentage act). If this bill is not enacted by June 30,
10 2018, the amount provided in this subsection shall lapse.

11 (53) \$19,000 of the health professions account—state
12 appropriation is provided solely to implement Substitute Senate Bill
13 No. 6273 (state charity care). If this bill is not enacted by June
14 30, 2018, the amount provided in this subsection shall lapse.

15 (54) \$30,000 of the general fund—state appropriation for fiscal
16 year 2019 is provided solely for the nursing care quality assurance
17 commission to convene a work group to develop strategies that address
18 the shortage of nursing staff in long-term care settings.

19 (55) \$3,000,000 of the general fund—state appropriation for
20 fiscal year 2019 is provided solely for the prevention of
21 communicable diseases, and the response efforts when outbreaks occur
22 in King county.

23 (56) \$670,000 of the general fund—state appropriation for fiscal
24 year 2019 is provided solely for a collaboration between local public
25 health, accountable communities of health, and health care providers
26 to reduce preventable hospitalizations. This one-year initiative will
27 take place in the Tacoma/Pierce county local health jurisdiction.

28 (57) \$200,000 of the general fund—state appropriation for fiscal
29 year 2019 is provided solely for a grant to the Benton-Franklin local
30 health jurisdiction to expand its youth suicide prevention activities
31 and to serve as a case study to identify best practice materials,
32 training, intervention practices, and promotional strategies that can
33 be replicated in other local health jurisdictions. The amounts
34 appropriated must be used for the following activities:

35 (a) Prior to September 1, 2018, the Benton-Franklin local health
36 jurisdiction must document the materials, training, intervention
37 practices, and promotional strategies for youth suicide prevention
38 that are available within Benton county and Franklin county.

1 (b) Prior to October 1, 2018, the Benton-Franklin local health
2 jurisdiction must host a summit about the issue of youth suicide
3 prevention. The summit must include attendees from schools, health
4 care organizations, nonprofit organizations, and other relevant
5 organizations from Benton county and Franklin county. The summit may
6 also include attendees from other areas of the state who have unique
7 knowledge and expertise with the issue of youth suicide prevention.
8 Prior to the summit, the Benton-Franklin local health jurisdiction
9 must share the result of the work described in (a) of this subsection
10 with all attendees. During the summit, the Benton-Franklin local
11 health jurisdiction must survey the attendees to determine best
12 practices for educational materials, training, intervention
13 practices, and promotional strategies.

14 (c) Prior to November 1, 2018, the Benton-Franklin local health
15 jurisdiction must complete a plan for expanding youth suicide
16 prevention that is based primarily on the survey of attendees
17 described in (b) of this subsection. For each investment, the plan
18 must describe the amount of funding utilized, as well as the expected
19 results. The plan must be shared with the office of financial
20 management, and the appropriate fiscal and policy committees of the
21 legislature, by November 10, 2018.

22 (d) Prior to June 15, 2019, the Benton-Franklin local health
23 jurisdiction must complete a final report summarizing the work
24 completed to satisfy (a) through (c) of this subsection. The final
25 report must include a description of outcomes that can be measured
26 and linked to the expansion of youth suicide prevention activities
27 funded by this subsection. The final report will serve as a guide for
28 further expansion of youth suicide prevention in Benton-Franklin, or
29 within other local health jurisdictions. The final report must be
30 shared with the office of financial management, and the appropriate
31 fiscal and policy committees of the legislature, by June 30, 2019.

32 (58) \$967,000 of the general fund—state appropriation for fiscal
33 year 2019 and \$103,000 of the health professions account—state
34 appropriation are provided solely to implement Second Substitute
35 Senate Bill No. 6150 (opioid use disorder) or Engrossed Substitute
36 House Bill No. 2489 (opioid use disorder). If neither bill is enacted
37 by June 30, 2018, the amounts provided in this subsection shall
38 lapse.

1 (59) \$2,000,000 of the health professions account—state
 2 appropriation is provided solely for additional staffing resources to
 3 improve the performance of health profession credentialing, and to
 4 develop a report that outlines the steps necessary to achieve an
 5 adequate fund balance in the health professions account. The plan
 6 must include, but is not limited to, an assessment of the ability for
 7 each health profession to recover the cost of licensure through
 8 licensing fees. The plan must be submitted to the appropriate policy
 9 and fiscal committees of the legislature by December 15, 2018.

10 **Sec. 220.** 2017 3rd sp.s. c 1 s 220 (uncodified) is amended to
 11 read as follows:

12 **FOR THE DEPARTMENT OF CORRECTIONS**

13 The appropriations to the department of corrections in this act
 14 shall be expended for the programs and in the amounts specified in
 15 this act. To the extent that appropriations in this section are
 16 insufficient to fund actual expenditures in excess of caseload
 17 forecasts and utilization assumptions, the department, after May 1,
 18 2018, may transfer general fund—state appropriations for fiscal year
 19 2018 that are provided solely for a specified purpose. The department
 20 may not transfer funds, and the director of the office of financial
 21 management may not approve the transfer, unless the transfer is
 22 consistent with the objective of conserving, to the maximum extent
 23 possible, the expenditure of state funds. The director of the office
 24 of financial management shall notify the appropriate fiscal
 25 committees of the senate and house of representatives in writing
 26 seven days prior to approving any allotment modifications or
 27 transfers under this subsection. The written notification must
 28 include a narrative explanation and justification of changes, along
 29 with expenditures and allotments by budget unit and appropriation,
 30 both before and after any allotment modifications and transfers.

31 (1) ADMINISTRATION AND SUPPORT SERVICES

32	General Fund—State Appropriation (FY 2018)	. . . . .	((\$64,492,000))
33			\$60,651,000
34	General Fund—State Appropriation (FY 2019)	. . . . .	((\$64,219,000))
35			\$59,790,000
36	General Fund—Federal Appropriation.	. . . . .	\$400,000
37	Pension Funding Stabilization Account—State		
38	Appropriation.	. . . . .	\$7,602,000

1 TOTAL APPROPRIATION. ((~~\$128,711,000~~))
2 \$128,443,000

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

5 (a) \$35,000 of the general fund—state appropriation for fiscal
6 year 2018 and \$35,000 of the general fund—state appropriation for
7 fiscal year 2019 are provided solely for the support of a statewide
8 council on mentally ill offenders that includes as its members
9 representatives of community-based mental health treatment programs,
10 current or former judicial officers, and directors and commanders of
11 city and county jails and state prison facilities. The council will
12 investigate and promote cost-effective approaches to meeting the
13 long-term needs of adults and juveniles with mental disorders who
14 have a history of offending or who are at-risk of offending,
15 including their mental health, physiological, housing, employment,
16 and job training needs.

17 (b)(i) During the 2017-2019 fiscal biennium, the department must
18 revise its agreements and contracts with vendors to include a
19 provision to require that each vendor agrees to equality among its
20 workers by ensuring similarly employed individuals are compensated as
21 equals as follows:

22 (A) Employees are similarly employed if the individuals work for
23 the same employer, the performance of the job requires comparable
24 skill, effort, and responsibility, and the jobs are performed under
25 similar working conditions. Job titles alone are not determinative of
26 whether employees are similarly employed;

27 (B) Vendors may allow differentials in compensation for its
28 workers based in good faith on any of the following:

29 (I) A seniority system; a merit system; a system that measures
30 earnings by quantity or quality of production; a bona fide job-
31 related factor or factors; or a bona fide regional difference in
32 compensation levels.

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

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

1 (ii) The provision must allow for the termination of the contract
2 if the department or department of enterprise services determines
3 that the vendor is not in compliance with this agreement or contract
4 term.

5 (iii) The department must implement this provision with any new
6 contract and at the time of renewal of any existing contract.

7 (c) \$865,000 of the general fund—state appropriation for fiscal
8 year 2018 and \$587,000 of the general fund—state appropriation for
9 fiscal year 2019 are provided solely for information technology
10 business solutions and are subject to the conditions, limitations,
11 and review provided in section 724 of this act.

12 (d) The department, in collaboration with the health care
13 authority, shall work to ensure that a single platform provider
14 credentialing system is implemented. The authority and department
15 shall ensure that appropriate cost offsets and cost avoidance are
16 assumed for reduced staff time required for provider credentialing
17 activity and reductions in improper billing activity when
18 implementing provider credentialing systems.

19 (e) \$51,000 of the general fund—state appropriation for fiscal
20 year 2018 is provided solely for the implementation of Substitute
21 Senate Bill No. 6277 (graduated reentry program). If the bill is not
22 enacted by June 30, 2018, the amount in this subsection shall lapse.

23 (2) CORRECTIONAL OPERATIONS

24	General Fund—State Appropriation (FY 2018)	. . . .	((\$541,061,000))
25			<u>\$499,459,000</u>
26	General Fund—State Appropriation (FY 2019)	. . . .	((\$562,878,000))
27			<u>\$517,850,000</u>
28	General Fund—Federal Appropriation	. . . . .	\$818,000
29	Washington Auto Theft Prevention Authority Account—State		
30	Appropriation	. . . . .	((\$4,608,000))
31			<u>\$4,597,000</u>
32	<u>Pension Funding Stabilization Account—State</u>		
33	<u>Appropriation.</u>	. . . . .	<u>\$62,831,000</u>
34	TOTAL APPROPRIATION.	. . . . .	((\$1,109,365,000))
35			<u>\$1,085,555,000</u>

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

38 (a) The department may contract for beds statewide to the extent
39 that it is at no net cost to the department. The department shall

1 calculate and report the average cost per offender per day, inclusive
2 of all services, on an annual basis for a facility that is
3 representative of average medium or lower offender costs. The
4 duration of the contracts may be for up to four years. The department
5 shall not pay a rate greater than \$85 per day per offender for all
6 costs associated with the offender while in the local correctional
7 facility to include programming and health care costs, or the
8 equivalent of \$85 per day per bed including programming and health
9 care costs for full units. The capacity provided at local
10 correctional facilities must be for offenders whom the department of
11 corrections defines as medium or lower security offenders.
12 Programming provided for inmates held in local jurisdictions is
13 included in the rate, and details regarding the type and amount of
14 programming, and any conditions regarding transferring offenders must
15 be negotiated with the department as part of any contract. Local
16 jurisdictions must provide health care to offenders that meet
17 standards set by the department. The local jail must provide all
18 medical care including unexpected emergent care. The department must
19 utilize a screening process to ensure that offenders with existing
20 extraordinary medical/mental health needs are not transferred to
21 local jail facilities. If extraordinary medical conditions develop
22 for an inmate while at a jail facility, the jail may transfer the
23 offender back to the department, subject to terms of the negotiated
24 agreement. Health care costs incurred prior to transfer are the
25 responsibility of the jail.

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

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

36 ~~(d) ((\$250,000 of the general fund—state appropriation for fiscal~~
37 ~~year 2018 and \$250,000 of the general fund—state appropriation for~~
38 ~~fiscal year 2019 are provided solely for the department to enter into~~
39 ~~an agreement to purchase electricity for the Monroe correctional~~

1 ~~complex from a sawmill waste cogeneration system that is connected to~~
2 ~~a lumber mill that employs at least 150 people. The agreement cannot~~
3 ~~increase the total cost for the purchase of electricity for the~~
4 ~~entire complex.~~

5 (e)) Within the amounts appropriated in this section, funding is
6 provided to implement chapter 335, Laws of 2017 (SB 5037) (DUI 4th
7 offense/felony).

8 ((f)) (e) The appropriations in this section include sufficient
9 funding for the implementation of chapter 226, Laws of 2017 (HB 1153)
10 (vulnerable persons/crimes).

11 ((g) ~~The appropriations in this section include sufficient~~
12 ~~funding for the implementation of Senate Bill No. 5934 (concerning~~
13 ~~convicted persons).~~

14 (i)) (f) Within the amounts appropriated in this section, the
15 department of corrections must review the use of full body scanners
16 at state correctional facilities for women to reduce the frequency of
17 strip and body cavity searches and report with recommendations to the
18 governor and the appropriate legislative committees by November 15,
19 2017. The report must address the cost of technology, installation,
20 and maintenance; the benefits to personnel and inmates; information
21 regarding accumulated exposure to radiation; and general guidelines
22 for implementation at a pilot facility.

23 (g) \$44,000 of the general fund—state appropriation for fiscal
24 year 2019 is provided solely for the implementation of Senate Bill
25 No. 5588 (racial disproportionality). If the bill is not enacted by
26 June 30, 2018, the amount in this subsection shall lapse.

27 (h) \$240,000 of the general fund—state appropriation for fiscal
28 year 2019 is provided solely for the department to install a body
29 scanner at the Washington corrections center for women as a pilot
30 project to reduce strip searches. The department must collect data on
31 its change in practices, the benefits or issues with utilizing body
32 scanners in the prison, and provide a report to the legislature and
33 the appropriate fiscal committees of the legislature by October 15,
34 2019.

35 (i) \$250,000 of the general fund—state appropriation for fiscal
36 year 2019 is provided solely for the department to enter an agreement
37 to purchase electricity for the Monroe correctional complex from a
38 source located within Snohomish county that is fueled using

1 commercial or industrial waste from an on-site lumber mill that
2 employs at least 150 people.

3 (3) COMMUNITY SUPERVISION

4	General Fund—State Appropriation (FY 2018)	. . . . .	((\$181,670,000))
5			<u>\$179,692,000</u>
6	General Fund—State Appropriation (FY 2019)	. . . . .	((\$187,807,000))
7			<u>\$187,012,000</u>
8	General Fund—Federal Appropriation	. . . . .	((\$2,368,000))
9			<u>\$2,902,000</u>
10	<u>Pension Funding Stabilization Account—State</u>		
11	<u>Appropriation.</u>	. . . . .	<u>\$12,791,000</u>
12	TOTAL APPROPRIATION.	. . . . .	((\$371,845,000))
13			<u>\$382,397,000</u>

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

16 (a) The department of corrections shall contract with local and
17 tribal governments for the provision of jail capacity to house
18 offenders who violate the terms of their community supervision. A
19 contract shall not have a cost of incarceration in excess of \$85 per
20 day per offender. A contract shall not have a year-to-year increase
21 in excess of three percent per year. The contracts may include rates
22 for the medical care of offenders which exceed the daily cost of
23 incarceration and the limitation on year-to-year increases, provided
24 that medical payments conform to the department's offender health
25 plan and pharmacy formulary, and all off-site medical expenses are
26 preapproved by department utilization management staff.

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

31 (c) By January 1, 2018, the department of corrections shall
32 provide a report to the office of financial management and the
33 appropriate fiscal and policy committees of the legislature to
34 include a review of the department's policies and procedures related
35 to swift and certain sanctioning, and identification of legal
36 decisions that impact caseload and operations. The report shall
37 include recommendations for improving public and staff safety while
38 decreasing recidivism through improved alignment of the department's
39 policies and procedures with current best practices concerning swift

1 and certain sanctioning. The report shall include a review of
2 department practices, legal decisions that impact caseload and
3 operations, an analysis of current best practices in other
4 jurisdictions that have adopted swift and certain sanctioning, and
5 recommendations to improve the department's practices and procedures.

6 (d) Within the amounts appropriated in this section, funding is
7 provided to implement chapter 335, Laws of 2017 (SB 5037) (DUI 4th
8 offense/felony).

9 (e) ~~((The appropriations in this section include sufficient
10 funding for the implementation of Senate Bill No. 5934 (concerning
11 convicted persons).))~~ \$1,742,000 of the general fund—state
12 appropriation for fiscal year 2019 is provided solely for the
13 implementation of Substitute Senate Bill No. 6277 (graduated reentry
14 program). If the bill is not enacted by June 30, 2018, the amount in
15 this subsection shall lapse.

16 (4) CORRECTIONAL INDUSTRIES

17	General Fund—State Appropriation (FY 2018)	. . . . .	((\$5,985,000))
18			<u>\$6,278,000</u>
19	General Fund—State Appropriation (FY 2019)	. . . . .	((\$6,085,000))
20			<u>\$5,979,000</u>
21	<u>Pension Funding Stabilization Account—State</u>		
22	<u>Appropriation.</u>	. . . . .	\$510,000
23	TOTAL APPROPRIATION.	. . . . .	((\$12,070,000))
24			<u>\$12,767,000</u>

25 (5) INTERAGENCY PAYMENTS

26	General Fund—State Appropriation (FY 2018)	. . . . .	((\$44,091,000))
27			<u>\$44,806,000</u>
28	General Fund—State Appropriation (FY 2019)	. . . . .	((\$41,176,000))
29			<u>\$42,085,000</u>
30	TOTAL APPROPRIATION.	. . . . .	((\$85,267,000))
31			<u>\$86,891,000</u>

32 The appropriations in this subsection are subject to the
33 following conditions and limitations: \$13,000 of the general fund—
34 state appropriation for fiscal year 2019 is provided solely for the
35 implementation of Substitute Senate Bill No. 6277 (graduated reentry
36 program). If the bill is not enacted by June 30, 2018, the amount in
37 this subsection shall lapse.

38 (6) OFFENDER CHANGE

1	General Fund—State Appropriation (FY 2018)	. . . . .	((\$55,170,000))
2			<u>\$52,713,000</u>
3	General Fund—State Appropriation (FY 2019)	. . . . .	((\$56,426,000))
4			<u>\$54,020,000</u>
5	<u>Pension Funding Stabilization Account—State</u>		
6	<u>Appropriation.</u>	. . . . .	\$4,434,000
7	TOTAL APPROPRIATION.	. . . . .	((\$111,596,000))
8			<u>\$111,167,000</u>

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

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

19 (b) 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 (c) \$334,000 of the general fund—state appropriation for fiscal
23 year 2019 is provided solely for the implementation of Substitute
24 Senate Bill No. 6277 (graduated reentry program). If the bill is not
25 enacted by June 30, 2018, the amount in this subsection shall lapse.

26 (7) HEALTH CARE SERVICES

27	General Fund—State Appropriation (FY 2018).	. . . . .	((\$128,680,000))
28			<u>\$144,512,000</u>
29	General Fund—State Appropriation (FY 2019).	. . . . .	((\$127,782,000))
30			<u>\$146,638,000</u>
31	TOTAL APPROPRIATION.	. . . . .	((\$256,462,000))
32			<u>\$291,150,000</u>

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

1	Appropriation	((\$53,555,000))
2		<u>\$53,543,000</u>
3	Family and Medical Leave Insurance Account—State	
4	Appropriation.	\$82,000,000
5	TOTAL APPROPRIATION.	((\$679,003,000))
6		<u>\$668,496,000</u>

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

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

12 (2) \$4,152,000 of the unemployment compensation administration
13 account—federal appropriation is provided solely to the unemployment
14 tax and benefits systems and is subject to the conditions,
15 limitations, and review provided in section 724 of this act.

16 (3) \$82,000,000 of the family and medical leave insurance account
17 —state appropriation is provided solely for implementation of
18 Substitute House Bill No. 1116 (family and medical leave insurance),
19 Senate Bill No. 5975 (paid family and medical leave), or Senate Bill
20 No. 5032 (family and medical leave insurance). If none of the bills
21 are enacted by July 31, 2017, the amount provided in this subsection
22 shall lapse.

23 **Sec. 223.** 2017 3rd sp.s. c 1 s 223 (uncodified) is amended to
24 read as follows:

25 **FOR THE DEPARTMENT OF CHILDREN, YOUTH, AND FAMILIES**

26 The appropriations to the department of children, youth, and
27 families in this act shall be expended for the programs and in the
28 amounts specified in this act. To the extent that appropriations in
29 this section are insufficient to fund actual expenditures in excess
30 of caseload forecasts and utilization assumptions, the department,
31 after May 1, 2018, may transfer general fund—state appropriations for
32 fiscal year 2018 that are provided solely for a specified purpose.
33 The department may not transfer funds, and the director of the office
34 of financial management may not approve the transfer, unless the
35 transfer is consistent with the objective of conserving, to the
36 maximum extent possible, the expenditure of state funds. The director
37 of the office of financial management shall notify the appropriate
38 fiscal committees of the senate and house of representatives in

1 writing seven days prior to approving any allotment modifications or
2 transfers under this subsection. The written notification must
3 include a narrative explanation and justification of changes, along
4 with expenditures and allotments by budget unit and appropriation,
5 both before and after any allotment modifications and transfers.

6 (1) CHILDREN AND FAMILIES SERVICES PROGRAM

7	General Fund—State Appropriation (FY 2019).	((\$366,467,000))
8		<u>\$361,564,000</u>
9	General Fund—Federal Appropriation.	((\$236,770,000))
10		<u>\$246,471,000</u>
11	General Fund—Private/Local Appropriation.	\$1,477,000
12	Domestic Violence Prevention Account—State	
13	Appropriation.	\$1,002,000
14	<u>Pension Funding Stabilization Account—State</u>	
15	<u>Appropriation.</u>	<u>\$13,976,000</u>
16	TOTAL APPROPRIATION.	((\$605,716,000))
17		<u>\$624,490,000</u>

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

20 (a) \$748,000 of the general fund—state appropriation for fiscal
21 year 2019 is provided solely to contract for the operation of one
22 pediatric interim care center. The center shall provide residential
23 care for up to thirteen children through two years of age. Seventy-
24 five percent of the children served by the center must be in need of
25 special care as a result of substance abuse by their mothers. The
26 center shall also provide on-site training to biological, adoptive,
27 or foster parents. The center shall provide at least three months of
28 consultation and support to the parents accepting placement of
29 children from the center. The center may recruit new and current
30 foster and adoptive parents for infants served by the center. The
31 department shall not require case management as a condition of the
32 contract.

33 (b) \$253,000 of the general fund—state appropriation for fiscal
34 year 2019 is provided solely for the costs of hub home foster
35 families that provide a foster care delivery model that includes a
36 licensed hub home. Use of the hub home model is intended to support
37 foster parent retention, improve child outcomes, and encourage the
38 least restrictive community placements for children in out-of-home
39 care.

1 (c) \$579,000 of the general fund—state appropriation for fiscal
2 year 2019 and \$55,000 of the general fund—federal appropriation are
3 provided solely for a receiving care center east of the Cascade
4 mountains.

5 (d) \$990,000 of the general fund—state appropriation for fiscal
6 year 2019 is provided solely for services provided through children's
7 advocacy centers.

8 (e) \$1,351,000 of the general fund—state appropriation for fiscal
9 year 2019 is provided solely for implementation of performance-based
10 contracts for family support and related services pursuant to RCW
11 74.13B.020.

12 (f) \$7,173,000 of the general fund—state appropriation for fiscal
13 year 2019 and \$6,022,000 of the general fund—federal appropriation
14 are provided solely for family assessment response.

15 (g) \$94,000 of the general fund—state appropriation for fiscal
16 year 2019 is provided solely for a contract with a child advocacy
17 center in Spokane to provide continuum of care services for children
18 who have experienced abuse or neglect and their families.

19 (h) \$2,933,000 of the general fund—state appropriation for fiscal
20 year 2019 and \$876,000 of the general fund—federal appropriation are
21 provided solely for the department to reduce the caseload ratios of
22 social workers serving children in foster care to promote decreased
23 lengths of stay and to make progress towards achievement of the Braam
24 settlement caseload outcome.

25 (i)(A) \$540,000 of the general fund—state appropriation for
26 fiscal year 2019, \$328,000 of the general fund private/local
27 appropriation, and \$126,000 of the general fund—federal appropriation
28 are provided solely for a contract with an educational advocacy
29 provider with expertise in foster care educational outreach. The
30 amounts in this subsection are provided solely for contracted
31 education coordinators to assist foster children in succeeding in
32 K-12 and higher education systems and to assure a focus on education
33 during the department's transition to performance-based contracts.
34 Funding must be prioritized to regions with high numbers of foster
35 care youth, or regions where backlogs of youth that have formerly
36 requested educational outreach services exist. The department is
37 encouraged to use private matching funds to maintain educational
38 advocacy services.

1 (B) The department shall contract with the office of the
2 superintendent of public instruction, which in turn shall contract
3 with a nongovernmental entity or entities to provide educational
4 advocacy services pursuant to RCW 28A.300.590.

5 (j) The department shall continue to implement policies to reduce
6 the percentage of parents requiring supervised visitation, including
7 clarification of the threshold for transition from supervised to
8 unsupervised visitation prior to reunification.

9 (k) \$111,000 of the general fund—state appropriation for fiscal
10 year 2019 and \$26,000 of the general fund—federal appropriation are
11 provided solely for a base rate increase for licensed family child
12 care providers. In addition, \$45,000 of the general fund—state
13 appropriation for fiscal year 2019 and \$11,000 of the general fund—
14 federal appropriation are provided solely for increasing paid
15 professional days from three days to five days for licensed family
16 child care providers. Amounts in this subsection are provided solely
17 for the 2017-2019 collective bargaining agreement covering family
18 child care providers as set forth in section 940 of this act. Amounts
19 provided in this subsection are contingent on the enactment of Senate
20 Bill No. 5969 (transparency in public employee collective
21 bargaining). If the bill is not enacted by July 31, 2017, the amounts
22 provided in this subsection (k) shall lapse.

23 (l) \$321,000 of the general fund—state appropriation for fiscal
24 year 2019 and \$133,000 of the general fund—federal appropriation are
25 provided solely to implement chapter 265, Laws of 2017 (SHB 1867)
26 (ext. foster care transitions).

27 (m) \$400,000 of the general fund—state appropriation for fiscal
28 year 2019 is provided solely for a contract with a national nonprofit
29 organization to, in partnership with private matching funds,
30 subcontract with a community organization for specialized, enhanced
31 adoption placement services for legally free children in state
32 custody. The contract must supplement, but not supplant, the work of
33 the department to secure permanent adoptive homes for children.

34 (n) \$375,000 of the general fund—state appropriation for fiscal
35 year 2019 and \$56,000 of the general fund—federal appropriation are
36 provided solely for the department to develop, implement, and expand
37 strategies to improve the capacity, reliability, and effectiveness of
38 contracted visitation services for children in temporary out-of-home
39 care and their parents and siblings. Strategies may include, but are

1 not limited to, increasing mileage reimbursement for providers,
2 offering transportation-only contract options, and mechanisms to
3 reduce the level of parent-child supervision when doing so is in the
4 best interest of the child. The department must submit an analysis of
5 the strategies and associated outcomes no later than October 1, 2018.

6 ~~(o) ((\$3,600,000 of the general fund state appropriation for~~
7 ~~fiscal year 2019 is provided solely for state supplemental payments~~
8 ~~for the state maintenance of effort requirement to qualify for~~
9 ~~medicaid federal financial participation.))~~ For purposes of meeting
10 the state's maintenance of effort for the state supplemental payment
11 program, the department of children, youth, and families shall track
12 and report to the department of social and health services the
13 monthly state supplemental payment amounts attributable to foster
14 care children who meet eligibility requirements specified in the
15 state supplemental payment state plan. Such expenditures must equal
16 at least \$3,100,000 annually and may not be claimed toward any other
17 federal maintenance of effort requirement. Annual state supplemental
18 payment expenditure targets must continue to be established by the
19 department of social and health services. Attributable amounts must
20 be communicated by the department of children, youth, and families to
21 the department of social and health services on a monthly basis.

22 (p) \$1,018,000 of the general fund—state appropriation for fiscal
23 year 2019 and \$195,000 of the general fund—federal appropriation are
24 provided solely for a six percent base rate increase for child care
25 center providers, effective September 1, 2017.

26 (q) \$1,230,000 of the general fund—state appropriation for fiscal
27 year 2019 and \$78,000 of the general fund—federal appropriation are
28 provided solely to increase the travel reimbursement for in-home
29 service providers.

30 (r) The department is encouraged to control exceptional
31 reimbursement decisions so that the child's needs are met without
32 excessive costs.

33 (s) \$1,342,000 of the general fund—state appropriation for fiscal
34 year 2019 and \$959,000 of the general fund—federal appropriation are
35 provided solely to implement Engrossed Substitute Senate Bill No.
36 5890 (foster care and adoption). Within the amounts provided in this
37 section, \$366,000 of the general fund—state appropriation for fiscal
38 year 2019 and \$174,000 of the general fund—federal appropriation are
39 provided solely for short-term care for licensed foster families. If

1 the bill is not enacted by July 31, 2017, the amounts provided in
2 this subsection shall lapse.

3 (t) \$197,000 of the general fund—state appropriation for fiscal
4 year 2019 is provided solely for the department to conduct biennial
5 inspections and certifications of facilities, both overnight and day
6 shelters, that serve those who are under 18 years old and are
7 homeless.

8 (u) The appropriations in this section include sufficient funding
9 for the department to operate emergent placement contracts. The
10 department shall not include the costs to operate emergent placement
11 contracts in the calculations for family foster home maintenance
12 payments.

13 (v) The appropriations in this section include sufficient funding
14 for the implementation of Second Substitute Senate Bill No. 6453
15 (kinship caregiver legal support).

16 (w) The appropriations in this section include sufficient funding
17 for the implementation of Substitute Senate Bill No. 6309 (family
18 assessment response).

19 (x) \$692,000 of the general fund—state appropriation for fiscal
20 year 2019 and \$487,000 of the general fund—federal appropriation are
21 provided solely for the department to implement an enhanced rate add-
22 on for providers who increase bed capacity for behavioral
23 rehabilitation services as measured against the provider's average
24 bed capacity as of the first six months of fiscal year 2018. The
25 department must report to the legislature no later than January 1,
26 2019, on the effect of this enhanced rate add-on on increasing
27 behavioral rehabilitation services bed capacity and rates of
28 placement.

29 (y) \$100,000 of the general fund—state appropriation for fiscal
30 year 2019 is provided solely for implementation of Substitute Senate
31 Bill No. 6013 (behavioral rehabilitation services). If the bill is
32 not enacted by June 30, 2018, the amount provided in this subsection
33 shall lapse.

34 (z) \$87,000 of the general fund—state appropriation for fiscal
35 year 2019 and \$38,000 of the general fund—state appropriation are
36 provided solely for implementation of Substitute Senate Bill No. 6222
37 (extended foster care eligibility). If the bill is not enacted by
38 June 30, 2018, the amount provided in this subsection shall lapse.

39 (2) EARLY LEARNING PROGRAM

1	General Fund—State Appropriation (FY 2019)	. . . . .	((\$126,721,000))
2			<u>\$128,070,000</u>
3	General Fund—Federal Appropriation	. . . . .	((\$148,179,000))
4			<u>\$149,016,000</u>
5	Education Legacy Trust Account—State Appropriation	. . . . .	\$14,192,000
6	Home Visiting Services Account—State Appropriation	. . . . .	\$3,191,000
7	Home Visiting Services Account—Federal		
8	Appropriation	. . . . .	\$11,708,000
9	WA Opportunity Pathways Account—State Appropriation	. . . . .	\$40,000,000
10	<u>Pension Funding Stabilization Account—State</u>		
11	<u>Appropriation.</u>	. . . . .	<u>\$468,000</u>
12	TOTAL APPROPRIATION.	. . . . .	((\$343,991,000))
13			<u>\$346,645,000</u>

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

16 (a) \$67,938,000 of the general fund—state appropriation for
17 fiscal year 2019, \$12,125,000 of the education legacy trust account—
18 state appropriation, and \$40,000,000 of the opportunity pathways
19 account appropriation are provided solely for the early childhood
20 education and assistance program. These amounts shall support at
21 least 13,491 slots in fiscal year 2019.

22 (b) \$200,000 of the general fund—state appropriation for fiscal
23 year 2019 is provided solely to develop and provide culturally
24 relevant supports for parents, family, and other caregivers.

25 (c) The department is the lead agency for and recipient of the
26 federal child care and development fund grant. Amounts within this
27 grant shall be used to fund child care licensing, quality
28 initiatives, agency administration, and other costs associated with
29 child care subsidies. The department shall transfer a portion of this
30 grant to the department of social and health services to fund the
31 child care subsidies paid by the department of social and health
32 services on behalf of the department.

33 (d)(i) ((~~\$76,650,000~~)) \$78,090,000 of the general fund—federal
34 appropriation is provided solely for the working connections child
35 care program under RCW 43.215.135. In order to not exceed the
36 appropriated amount, the department shall manage the program so that
37 the average monthly caseload does not exceed 33,000 households. The
38 department shall give prioritized access into the program according
39 to the following order:

1 (A) Families applying for or receiving temporary assistance for
2 needy families (TANF);

3 (B) TANF families curing sanction;

4 (C) Foster children;

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

6 (E) Families in which a parent of a child in care is a minor who
7 is not living with a parent or guardian and who is a full-time
8 student in a high school that has a school-sponsored on-site child
9 care center;

10 (F) Families with a child residing with a biological parent or
11 guardian who have received child protective services, child welfare
12 services, or a family assessment response from the department in the
13 past six months, and has received a referral for child care as part
14 of the family's case management;

15 (G) Families that received subsidies within the last thirty days
16 and:

17 (I) Have reapplied for subsidies; and

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

20 (H) All other eligible families.

21 (ii) The department, in collaboration with the department of
22 social and health services, must submit a final report by December 1,
23 2018, to the governor and the appropriate fiscal and policy
24 committees of the legislature on quality control measures for the
25 working connections child care program. The report must include:

26 (A) A detailed narrative of the procurement and implementation of
27 an improved time and attendance system, including a detailed
28 accounting of the costs of procurement and implementation;

29 (B) A comprehensive description of all processes, including
30 computer algorithms and additional rule development, that the
31 department and the department of social and health services plan to
32 establish prior to and after full implementation of the time and
33 attendance system. At a minimum, processes must be designed to:

34 (I) Ensure the department's auditing efforts are informed by
35 regular and continuous alerts of the potential for overpayments;

36 (II) Avoid overpayments to the maximum extent possible and
37 expediently recover overpayments that have occurred;

38 (III) Withhold payment from providers when necessary to
39 incentivize receipt of the necessary documentation to complete an
40 audit;

1 (IV) Establish methods for reducing future payments or
2 establishing repayment plans in order to recover any overpayments;

3 (V) Sanction providers, including termination of eligibility, who
4 commit intentional program violations or fail to comply with program
5 requirements, including compliance with any established repayment
6 plans; and

7 (VI) Consider pursuit of prosecution in cases with fraudulent
8 activity; and

9 (C) A description of the process by which fraud is identified and
10 how fraud investigations are prioritized and expedited.

11 (iii) Beginning July 1, 2018, and annually thereafter, the
12 department, in collaboration with the department of social and health
13 services, must report to the governor and the appropriate fiscal and
14 policy committees of the legislature on the status of overpayments in
15 the working connections child care program. The report must include
16 the following information for the previous fiscal year:

17 (A) A summary of the number of overpayments that occurred;

18 (B) The reason for each overpayment;

19 (C) The total cost of overpayments;

20 (D) A comparison to overpayments that occurred in the past two
21 preceding fiscal years; and

22 (E) Any planned modifications to internal processes that will
23 take place in the coming fiscal year to further reduce the occurrence
24 of overpayments.

25 (e) Within available amounts, the department in consultation with
26 the office of financial management and the department of social and
27 health services shall report enrollments and active caseload for the
28 working connections child care program to the legislative fiscal
29 committees and the legislative-executive WorkFirst oversight task
30 force on an agreed upon schedule. The report shall also identify the
31 number of cases participating in both temporary assistance for needy
32 families and working connections child care. The department must also
33 report on the number of children served through contracted slots.

34 (f) \$1,560,000 of the general fund—state appropriation for fiscal
35 year 2019 and \$6,712,000 of the general fund—federal appropriation
36 are provided solely for the seasonal child care program. If federal
37 sequestration cuts are realized, cuts to the seasonal child care
38 program must be proportional to other federal reductions made within
39 the department.

1 (g) \$2,522,000 of the general fund—state appropriation for fiscal
2 year 2019 is provided solely for the early childhood intervention
3 prevention services (ECLIPSE) program. The department shall contract
4 for ECLIPSE services to provide therapeutic child care and other
5 specialized treatment services to abused, neglected, at-risk, and/or
6 drug-affected children. The department shall ensure that contracted
7 providers pursue receipt of federal funding associated with the early
8 support for infants and toddlers program. Priority for services shall
9 be given to children referred from the department.

10 (h) \$45,359,000 of the general fund—state appropriation for
11 fiscal year 2019 and \$13,954,000 of the general fund—federal
12 appropriation are provided solely to maintain the requirements set
13 forth in chapter 7, Laws of 2015, 3rd sp. sess. The department shall
14 place a ten percent administrative overhead cap on any contract
15 entered into with the University of Washington. In its annual report
16 to the governor and the legislature, the department shall report the
17 total amount of funds spent on the quality rating and improvements
18 system and the total amount of funds spent on degree incentives,
19 scholarships, and tuition reimbursements. Of the amounts provided in
20 this subsection (h), \$577,000 of the general fund—state appropriation
21 for fiscal year 2019 is provided solely for a six percent base rate
22 increase for child care center providers.

23 (i) \$1,728,000 of the general fund—state appropriation for fiscal
24 year 2019 is provided solely for reducing barriers for low-income
25 providers to participate in the early achievers program.

26 (j) \$300,000 of the general fund—state appropriation for fiscal
27 year 2019 is provided solely for a contract with a nonprofit entity
28 experienced in the provision of promoting early literacy for children
29 through pediatric office visits.

30 (k) \$2,000,000 of the education legacy trust account—state
31 appropriation is provided solely for early intervention assessment
32 and services.

33 (l) \$3,445,000 of the general fund—federal appropriation for
34 fiscal year 2019 is provided solely for the department to procure a
35 time and attendance system and are subject to the conditions,
36 limitations, and review provided in section 724 of this act.

37 (m) Information technology projects or investments and proposed
38 projects or investments impacting time capture, payroll and payment
39 processes and systems, eligibility, case management and authorization

1 systems within the department are subject to technical oversight by
2 the office of the chief information officer. The department must
3 collaborate with the office of the chief information officer to
4 develop a strategic business and technology architecture plan for a
5 child care attendance and billing system that supports a statewide
6 architecture.

7 (n)(i)(A) The department is required to provide to the education
8 research and data center, housed at the office of financial
9 management, data on all state-funded early childhood programs. These
10 programs include the early support for infants and toddlers, early
11 childhood education and assistance program (ECEAP), and the working
12 connections and seasonal subsidized childcare programs including
13 license exempt facilities or family, friend, and neighbor care. The
14 data provided by the department to the education research data center
15 must include information on children who participate in these
16 programs, including their name and date of birth, and dates the child
17 received services at a particular facility.

18 (B) ECEAP early learning professionals must enter any new
19 qualifications into the department's professional development
20 registry starting in the 2015-16 school year, and every school year
21 thereafter. By October 2017, and every October thereafter, the
22 department must provide updated ECEAP early learning professional
23 data to the education research data center.

24 (C) The department must request federally funded head start
25 programs to voluntarily provide data to the department and the
26 education research data center that is equivalent to what is being
27 provided for state-funded programs.

28 (D) The education research and data center must provide an
29 updated report on early childhood program participation and K-12
30 outcomes to the house of representatives appropriations committee and
31 the senate ways and means committee using available data by March
32 2018 for the school year ending in 2017.

33 (ii) The department, in consultation with the department of
34 social and health services, must withhold payment for services to
35 early childhood programs that do not report on the name, date of
36 birth, and the dates a child received services at a particular
37 facility.

38 (o) The department shall work with state and local law
39 enforcement, federally recognized tribal governments, and tribal law
40 enforcement to develop a process for expediting fingerprinting and

1 data collection necessary to conduct background checks for tribal
2 early learning and child care providers.

3 (p) \$2,651,000 of the general fund—state appropriation for fiscal
4 year 2019 is provided solely for the 2017-2019 collective bargaining
5 agreement covering family child care providers as set forth in
6 section 940 of this act. Amounts provided in this subsection (p) are
7 contingent upon the enactment of Senate Bill No. 5969 (transparency
8 in public employee collective bargaining). If the bill is not enacted
9 by July 31, 2017, the amount provided in this subsection shall lapse.

10 Of the amounts provided in this subsection:

11 (i) \$273,000 is for a base rate increase;

12 (ii) \$55,000 is for increasing paid professional development days
13 from three days to five days;

14 (iii) \$1,708,000 is for the family child care providers 501(c)(3)
15 organization for the substitute pool, training and quality
16 improvement support services, and administration;

17 (iv) \$114,000 is for increasing licensing incentive payments; and

18 (v) \$500,000 is for needs based grants.

19 (q) \$175,000 of the general fund—state appropriation for fiscal
20 year 2019 is provided solely for the department to contract with a
21 nonprofit entity that provides quality improvement services to
22 participants in the early achievers program to implement a community-
23 based training module that supports licensed child care providers who
24 have been rated in early achievers and who are specifically
25 interested in serving children in the early childhood education and
26 assistance program. The module must be functionally translated into
27 Spanish and Somali. The module must prepare trainees to administer
28 all aspects of the early childhood education and assistance program
29 for eligible children in their licensed program and must be offered
30 to 105 child care providers to serve children eligible for the early
31 childhood education and assistance program by June 30, 2019.

32 (r) \$219,000 of the general fund—state appropriation for fiscal
33 year 2019 is provided solely for implementation of chapter 236, Laws
34 of 2017 (SHB 1445) (dual language in early learning & K-12).

35 (s) \$100,000 of the general fund—state appropriation for fiscal
36 year 2019 is provided solely for implementation of chapter 202, Laws
37 of 2017 (E2SHB 1713) (children's mental health).

1 (t) \$317,000 of the general fund—state appropriation for fiscal
2 year 2019 are provided solely for implementation of chapter 162, Laws
3 of 2017 (SSB 5357) (outdoor early learning programs).

4 (3) PROGRAM SUPPORT

5	General Fund—State Appropriation (FY 2019)	\$50,448,000
6	General Fund—Federal Appropriation.	\$15,928,000
7	TOTAL APPROPRIATION.	\$66,376,000

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

10 (a) The appropriations provided in this subsection are provided
11 solely for implementation of Engrossed Second Substitute House Bill
12 No. 1661 (child, youth, families department). If the bill is not
13 enacted by July 31, 2017, the amount provided in this subsection
14 shall lapse.

15 (b)(i) During the 2017-2019 fiscal biennium, the department must
16 revise its agreements and contracts with vendors to include a
17 provision to require that each vendor agrees to equality among its
18 workers by ensuring similarly employed individuals are compensated as
19 equals as follows:

20 (A) Employees are similarly employed if the individuals work for
21 the same employer, the performance of the job requires comparable
22 skill, effort, and responsibility, and the jobs are performed under
23 similar working conditions. Job titles alone are not determinative of
24 whether employees are similarly employed;

25 (B) Vendors may allow differentials in compensation for its
26 workers based in good faith on any of the following:

27 (I) A seniority system; a merit system; a system that measures
28 earnings by quantity or quality of production; a bona fide job-
29 related factor or factors; or a bona fide regional difference in
30 compensation levels.

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

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

38 (ii) The provision must allow for the termination of the contract
39 if the department or department of enterprise services determines

1 that the vendor is not in compliance with this agreement or contract
2 term.

3 (iii) The department must implement this provision with any new
4 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)	((\$485,000))
	<u>\$462,000</u>
General Fund—State Appropriation (FY 2019)	((\$507,000))
	<u>\$483,000</u>
General Fund—Federal Appropriation	\$32,000
General Fund—Private/Local Appropriation	((\$960,000))
	<u>\$959,000</u>
<u>Pension Funding Stabilization Account—State</u>	
<u>Appropriation</u>	<u>\$46,000</u>
TOTAL APPROPRIATION	((\$1,984,000))
	<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)	((\$20,877,000))
	<u>\$19,714,000</u>
General Fund—State Appropriation (FY 2019)	((\$21,411,000))
	<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	((\$2,175,000))
	<u>\$4,175,000</u>
State Emergency Water Projects Revolving Account—State	
Appropriation	\$40,000
Waste Reduction/Recycling/Litter Control—State	
Appropriation	((\$13,736,000))
	<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	(\$147,806,000)
9		<u>\$149,093,000</u>
10	State Toxics Control Account—Private/Local	
11	Appropriation	\$499,000
12	Local Toxics Control Account—State Appropriation	(\$4,845,000)
13		<u>\$4,869,000</u>
14	Water Quality Permit Account—State Appropriation	(\$44,119,000)
15		<u>\$44,421,000</u>
16	Underground Storage Tank Account—State Appropriation	(\$3,635,000)
17		<u>\$3,666,000</u>
18	Biosolids Permit Account—State Appropriation	\$2,207,000
19	Environmental Legacy Stewardship Account—State	
20	Appropriation	(\$41,259,000)
21		<u>\$41,440,000</u>
22	Hazardous Waste Assistance Account—State	
23	Appropriation	(\$6,466,000)
24		<u>\$6,519,000</u>
25	Radioactive Mixed Waste Account—State Appropriation	(\$18,170,000)
26		<u>\$18,436,000</u>
27	Air Pollution Control Account—State Appropriation	(\$3,437,000)
28		<u>\$3,463,000</u>
29	Oil Spill Prevention Account—State Appropriation	(\$8,469,000)
30		<u>\$9,749,000</u>
31	Air Operating Permit Account—State Appropriation	(\$3,787,000)
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.	(\$492,774,000)

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 (11) \$1,143,000 of the oil spill prevention account—state
33 appropriation is provided solely for implementing the provisions of
34 Second Substitute Senate Bill No. 6269 (strengthening oil
35 transportation safety). If the bill is not enacted by June 30, 2018,
36 the amount provided in this subsection shall lapse.

37 **Sec. 303.** 2017 3rd sp.s. c 1 s 303 (uncodified) is amended to
38 read as follows:

1 **FOR THE STATE PARKS AND RECREATION COMMISSION**

2	General Fund—State Appropriation (FY 2018)	((\$9,645,000))
3		<u>\$9,993,000</u>
4	General Fund—State Appropriation (FY 2019)	((\$9,945,000))
5		<u>\$10,388,000</u>
6	General Fund—Federal Appropriation	\$6,981,000
7	Winter Recreation Program Account—State Appropriation . . .	\$3,293,000
8	ORV and Nonhighway Vehicle Account—State Appropriation . . .	((\$232,000))
9		<u>\$392,000</u>
10	Snowmobile Account—State Appropriation	\$5,633,000
11	Aquatic Lands Enhancement Account—State Appropriation . . .	\$367,000
12	((Outdoor Education and Recreation Account—State	
13	Appropriation.	\$1,500,000))
14	Recreation Access Pass Account—State Appropriation.	\$50,000
15	Parks Renewal and Stewardship Account—State	
16	Appropriation	((\$124,759,000))
17		<u>\$123,374,000</u>
18	Parks Renewal and Stewardship Account—Private/Local	
19	Appropriation	((\$318,000))
20		<u>\$420,000</u>
21	<u>Pension Funding Stabilization Account—State</u>	
22	<u>Appropriation.</u>	<u>\$1,498,000</u>
23	TOTAL APPROPRIATION.	((\$162,723,000))
24		<u>\$162,389,000</u>

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

27 (1) \$129,000 of the general fund—state appropriation for fiscal
 28 year 2018 and \$129,000 of the general fund—state appropriation for
 29 fiscal year 2019 are provided solely for a grant for the operation of
 30 the Northwest weather and avalanche center.

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

35 (3) \$700,000 of the parks renewal and stewardship account—state
 36 appropriation is provided solely for the commission to replace 32
 37 existing automated pay stations and to install 38 additional
 38 automated pay stations within state parks.

1 (4) (~~(\$500,000 of the outdoor education and recreation account—~~
2 ~~state appropriation is provided solely for the commission to partner~~
3 ~~with organizations that have at least one veteran on staff in~~
4 ~~implementation of the no child left inside program.~~

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

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

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

27 (c) Opportunities to develop a comprehensive and consistent
28 statewide approach to recreational fee discounts and exemptions to
29 social and other groups including, but not limited to, disabled
30 persons, seniors, disabled veterans, foster families, low-income
31 residents, and volunteers. This analysis must examine the cost of
32 such a program, and should consider how recreational fee discounts
33 fit into the broader set of benefits provided by the state to these
34 social groups. This includes a review of the efficacy, purpose, and
35 cost of existing recreational fee discounts and exemptions, as well
36 as opportunities for new or modified social group discounts and
37 exemptions. The department of veterans affairs and the department of
38 social and health services must be included in this portion of the
39 process.

1 (5) \$100,000 of the general fund—state appropriation for fiscal
2 year 2019 is provided solely for the commission to carry out forest
3 health related activities at the Squilchuck state park.

4 **Sec. 304.** 2017 3rd sp.s. c 1 s 304 (uncodified) is amended to
5 read as follows:

6 **FOR THE RECREATION AND CONSERVATION FUNDING BOARD**

7	General Fund—State Appropriation (FY 2018)	. . . . .	((\$1,441,000))
8			<u>\$1,401,000</u>
9	General Fund—State Appropriation (FY 2019)	. . . . .	((\$1,398,000))
10			<u>\$1,483,000</u>
11	General Fund—Federal Appropriation	. . . . .	\$3,646,000
12	General Fund—Private/Local Appropriation	. . . . .	\$24,000
13	Aquatic Lands Enhancement Account—State Appropriation	. . . . .	\$495,000
14	Firearms Range Account—State Appropriation	. . . . .	\$37,000
15	Recreation Resources Account—State Appropriation	. . . . .	((\$3,615,000))
16			<u>\$3,614,000</u>
17	NOVA Program Account—State Appropriation	. . . . .	\$1,054,000
18	<u>Pension Funding Stabilization Account—State</u>		
19	<u>Appropriation.</u>	. . . . .	<u>\$80,000</u>
20	TOTAL APPROPRIATION.	. . . . .	((\$11,710,000))
21			<u>\$11,834,000</u>

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

24 (1) \$156,000 of the general fund—state appropriation for fiscal
25 year 2018 and \$156,000 of the general fund—state appropriation for
26 fiscal year 2019 are provided solely for the board to grant to the
27 Nisqually River Foundation for implementation of the Nisqually
28 watershed stewardship plan.

29 (2) \$375,000 of the general fund—state appropriation for fiscal
30 year 2018 and \$375,000 of the general fund—state appropriation for
31 fiscal year 2019 are provided solely for the salmon recovery funding
32 board to grant to the Hood Canal coordinating council for the sole
33 purpose of conducting an ecosystem impact assessment on the Hood
34 Canal. The assessment is to study any causal relationship between the
35 Hood Canal bridge and migrating steelhead and salmon. The board shall
36 amend the grant to specify that all assessment activities conducted
37 as a result of this subsection must be coordinated with the United
38 States Navy.

1 responsible for appointing participating members of the food policy
2 forum in consultation with the director of the department of
3 agriculture. In making appointments, the director of the commission
4 must attempt to ensure a diversity of knowledge, experience, and
5 perspectives by building on the representation established by the
6 food system roundtable initiated by executive order No. 10-02.

7 (b) In addition to members appointed by the director of the state
8 conservation commission, four legislators may serve on the food
9 policy forum in an ex officio capacity. Legislative participants must
10 be appointed as follows:

11 (i) The speaker of the house of representatives shall appoint one
12 member from each of the two largest caucuses of the house of
13 representatives; and

14 (ii) The president of the senate shall appoint one member from
15 each of the two largest caucuses of the senate.

16 (c) The commission shall coordinate with the office of farmland
17 preservation and the department of agriculture to avoid duplication
18 of effort. The commission must report to the appropriate committees
19 of the legislature, consistent with RCW 43.01.036, with the forum's
20 recommendations by October 31, 2018.

21 (3) \$375,000 of the general fund—state appropriation for fiscal
22 year 2018 and \$375,000 of the general fund—state appropriation for
23 fiscal year 2019 are provided solely for grants and technical
24 assistance. Of the amounts provided in this subsection, \$125,000 in
25 each fiscal year is provided solely for activities related to water
26 quality improvements and fecal coliform DNA speciation statewide.

27 **Sec. 307.** 2017 3rd sp.s. c 1 s 307 (uncodified) is amended to
28 read as follows:

29 **FOR THE DEPARTMENT OF FISH AND WILDLIFE**

30	General Fund—State Appropriation (FY 2018)	. . . . .	((\$46,860,000))
31			<u>\$45,200,000</u>
32	General Fund—State Appropriation (FY 2019)	. . . . .	((\$46,483,000))
33			<u>\$47,425,000</u>
34	General Fund—Federal Appropriation	. . . . .	((\$118,809,000))
35			<u>\$130,476,000</u>
36	General Fund—Private/Local Appropriation	. . . . .	((\$63,920,000))
37			<u>\$63,988,000</u>
38	ORV and Nonhighway Vehicle Account—State Appropriation	. . . . .	((\$437,000))

1		<u>\$699,000</u>
2	Aquatic Lands Enhancement Account—State	
3	Appropriation	\$10,460,000
4	Recreational Fisheries Enhancement—State	
5	Appropriation	((\$3,084,000))
6		<u>\$3,122,000</u>
7	Warm Water Game Fish Account—State Appropriation	((\$2,773,000))
8		<u>\$2,668,000</u>
9	Eastern Washington Pheasant Enhancement Account—State	
10	Appropriation	\$675,000
11	State Wildlife Account—State Appropriation	((\$118,033,000))
12		<u>\$117,903,000</u>
13	Special Wildlife Account—State Appropriation	((\$71,000))
14		<u>\$3,234,000</u>
15	Special Wildlife Account—Federal Appropriation	\$505,000
16	Special Wildlife Account—Private/Local Appropriation	\$3,576,000
17	Wildlife Rehabilitation Account—State Appropriation	\$361,000
18	Ballast Water <u>and Biofouling</u> Management Account—State Appropriation	
19	\$10,000	
20	Hydraulic Project Approval Account—State Appropriation	((\$690,000))
21		<u>\$31,000</u>
22	Environmental Legacy Stewardship Account—State	
23	Appropriation	\$2,765,000
24	Regional Fisheries Enhancement Salmonid Recovery Account—	
25	Federal Appropriation	\$5,001,000
26	Oil Spill Prevention Account—State Appropriation	\$1,122,000
27	Oyster Reserve Land Account—State Appropriation	\$527,000
28	Performance Audits of Government Account—State	
29	Appropriation.	\$325,000
30	Aquatic Invasive Species Management Account—State	
31	Appropriation.	\$1,658,000
32	<u>Pension Funding Stabilization Account—State</u>	
33	<u>Appropriation.</u>	<u>\$5,178,000</u>
34	TOTAL APPROPRIATION.	((\$428,145,000))
35		<u>\$446,909,000</u>

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

1 (1) (~~(\$467,000)~~) \$67,000 of the general fund—state appropriation
2 for fiscal year 2018 and \$467,000 of the general fund—state
3 appropriation for fiscal year 2019 are provided solely to pay for
4 emergency fire suppression costs. These amounts may not be used to
5 fund agency indirect and administrative expenses.

6 (2) (~~(\$1,098,000)~~) \$1,109,000 of the general fund—state
7 appropriation for fiscal year 2018 and (~~(\$1,098,000)~~) \$1,109,000 of
8 the general fund—state appropriation for fiscal year 2019 are
9 provided solely for payments in lieu of real property taxes to
10 counties that elect to receive the payments for department-owned game
11 lands within the county.

12 (3) \$415,000 of the general fund—state appropriation for fiscal
13 year 2018, \$415,000 of the general fund—state appropriation for
14 fiscal year 2019, and \$440,000 of the general fund—federal
15 appropriation are provided solely for county assessments.

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

28 (b) The department shall contract with the hatchery scientific
29 review group (HSRG) to create a prioritized list of actions that are
30 needed to recover salmon, including what types of actions to take and
31 how best to conduct them. The list should also include the role
32 hatcheries should play in salmon recovery, specifically hatchery
33 locations that are providing positive outcomes, those producing
34 negative outcomes, and locations within the state where new
35 hatcheries may be beneficial. The prioritized list shall be provided
36 to the appropriate committees of the legislature by December 1, 2018.

37 (5) \$400,000 of the general fund—state appropriation for fiscal
38 year 2018 and \$400,000 of the general fund—state appropriation for
39 fiscal year 2019 are provided solely for a state match to support the

1 Puget Sound nearshore partnership between the department and the
2 United States army corps of engineers. Prior to implementation of any
3 Puget Sound nearshore ecosystem restoration projects in Whatcom
4 county, the department must consult with and seek, to the maximum
5 extent practicable, consensus on those projects among appropriate
6 landowners, federally recognized Indian tribes, agencies, and
7 community and interest groups.

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

13 (7) \$525,000 of the general fund—state appropriation for fiscal
14 year 2018 and \$425,000 of the general fund—state appropriation for
15 fiscal year 2019 are provided solely for training for a work unit to
16 engage and empower diverse stakeholders in decisions about fish and
17 wildlife, ~~((and))~~ the continued conflict transformation with the wolf
18 advisory group, and for cost share partnerships with livestock owners
19 and use of range riders to reduce the potential for depredation of
20 livestock from wolves. The department shall cooperate with the
21 department of agriculture to shift the responsibility of implementing
22 cost-sharing contracts with livestock producers to use nonlethal
23 actions to minimize livestock loss from wolves and other carnivores
24 to the department of agriculture.

25 (8) \$1,259,000 of the state wildlife account—state appropriation
26 is provided solely for the fish program, including implementation of
27 Substitute House Bill No. 1597 (commercial fishing). If the bill is
28 not enacted by July 31, 2017, the amount provided in this subsection
29 shall lapse.

30 (9) \$1,630,000 of the aquatic invasive species management
31 account, \$600,000 of the general fund—federal appropriation, \$62,000
32 of the state wildlife account—state appropriation, and \$10,000 of the
33 ballast water management account—state appropriation are provided
34 solely for activities related to aquatic invasive species, including
35 implementation of Substitute House Bill No. 1429 or Substitute Senate
36 Bill No. 5303 (aquatic invasive species). If neither bill is enacted
37 by July 31, 2017, the amounts provided in this subsection shall
38 lapse.

1 (10) Within amounts provided in this section, the department must
2 consult with affected tribes and landowners in Skagit county to
3 develop and implement a plan designed to address elk-related
4 agricultural damage and vehicular collisions by using all available
5 and appropriate methods including, but not limited to, cooperative
6 fencing projects and harvest in order to minimize elk numbers on
7 private lands and maximize the number of elk located on state and
8 federal lands. The plan must be implemented by September 1, 2018.

9 (11) Within the appropriations of this section, the department
10 shall initiate outreach with recreational fishing stakeholders so
11 that recreational fishing guide and non-guided angler data can be
12 collected and analyzed to evaluate changes in the structure of guide
13 licensing, with the objectives of: (a) Improving the fishing
14 experience and ensuring equitable opportunity for both guided and
15 non-guided river anglers, (b) managing fishing pressure to protect
16 wild steelhead and other species; and (c) ensuring that recreational
17 fish guiding remains a sustainable economic contributor to rural
18 economies. The department shall convene public meetings in the North
19 Olympic Peninsula and Klickitat River areas, and may include other
20 areas of the state, and shall provide the appropriate standing
21 committees of the legislature a summary of its findings, by December
22 31, 2017.

23 (12) \$450,000 of the general fund—state appropriation for fiscal
24 year 2018 and \$450,000 of the general fund—state appropriation for
25 fiscal year 2019 are provided solely for the department to grant to
26 the regional fisheries enhancement groups.

27 (13)(a) \$5,500,000 of the general fund—state appropriation for
28 fiscal year 2018, \$5,500,000 of the general fund—state appropriation
29 for fiscal year 2019, and \$325,000 of the performance audits of
30 government account—state appropriation are provided solely as one-
31 time funding to support the department in response to its budget
32 shortfall. In order to address this shortfall on a long-term basis,
33 the department must develop a plan for balancing projected revenue
34 and expenditures and improving the efficiency and effectiveness of
35 agency operations, including:

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

1 (ii) Additional revenue options and an associated outreach plan
2 designed to ensure that the public, stakeholders, the commission, and
3 legislators have the opportunity to understand and impact the design
4 of the revenue options.

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

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

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

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

20 (iii) Executive management, program management, and regional
21 management structures, specifically addressing accountability.

22 (c) In carrying out these planning requirements, the department
23 must provide quarterly updates to the commission, office of financial
24 management, and appropriate legislative committees. The department
25 must provide a final summary of its process and plan by (~~May~~)
26 September 1, 2018.

27 (d) The department, in cooperation with the office of financial
28 management shall conduct a zero-based budget review of its operating
29 budget and activities to be submitted with the department's 2019-2021
30 biennial budget submittal. Information and analysis submitted by the
31 department for the zero-based review under this subsection shall
32 include:

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

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

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

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

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

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

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

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

13 (14) \$373,000 of the general fund—state appropriation for fiscal
14 year 2018 and \$417,000 of the general fund—state appropriation for
15 fiscal year 2019 are provided solely for the department to complete
16 the third and final phase of the Puget Sound steelhead research
17 project.

18 (15) \$100,000 of the general fund—state appropriation for fiscal
19 year 2018 and \$400,000 of the general fund—state appropriation for
20 fiscal year 2019 are provided solely for the department to add a
21 veterinarian, microbiologist, and make laboratory upgrades to ensure
22 the hatchery program complies with recent changes in water quality
23 and health laws.

24 (16) \$490,000 of the general fund—state appropriation for fiscal
25 year 2018 and \$123,000 of the general fund—state appropriation for
26 fiscal year 2019 are provided solely for restoration costs that are a
27 result of wildfire damage.

28 (17) \$300,000 of the general fund—state appropriation for fiscal
29 year 2019 is provided solely for the department to implement and
30 enforce chapter 2, Laws of 2016 (Initiative Measure No. 1401).

31 (18) \$76,000 of the general fund—state appropriation for fiscal
32 year 2018 and \$472,000 of the general fund—state appropriation for
33 fiscal year 2019 are provided solely for the department to increase
34 enforcement of vessel traffic near orca whales, especially commercial
35 and recreational whale watchers and shipping, and to reduce
36 underwater noise levels that interfere with feeding and
37 communication. While the patrol focus is to be on orca whale
38 protection when the animals are present, nothing prohibits responses
39 to emergent public safety or in-progress poaching incidents. In the

1 event that orca whales are not present in marine waters of Puget
2 Sound, emphasis will be placed on patrols that protect living marine
3 resources in northern Puget Sound.

4 (19) \$837,000 of the general fund—state appropriation for fiscal
5 year 2019 is appropriated for the department to increase hatchery
6 production of key prey species fish throughout the Puget Sound,
7 coast, and Columbia river. The department shall work with the
8 governor, federal partners, tribal co-managers, the hatchery
9 scientific review group, and other interested parties to develop a
10 biennial hatchery production plan by December 31, 2018, that will:
11 (a) Identify, within hatchery standards and endangered species act
12 constraints, hatchery programs and specific facilities to contribute
13 to the dietary needs of orca whales; (b) consider prey species
14 preferences and migratory patterns of orca whales; and (c) include
15 adaptive management provisions to ensure the conservation and
16 enhancement of wild stocks. The final plan will be reviewed by the
17 hatchery scientific review group and submitted to the appropriate
18 committees of the legislature by December 31, 2018.

19 (20) \$115,000 of the general fund—state appropriation for fiscal
20 year 2019 is provided solely for an interagency agreement with the
21 office of financial management for facilitation services and support
22 the governor's efforts to develop a long-term action plan for orca
23 whale recovery.

24 (21) \$580,000 of the general fund—state appropriation for fiscal
25 year 2019 is provided solely for the department to assist the
26 department of ecology in developing watershed restoration and
27 enhancement plans in fifteen different watersheds, as well as provide
28 information to a joint legislative task force, as specified in
29 chapter 1, Laws of 2018, (Engrossed Substitute Senate Bill No. 6091,
30 water availability).

31 (22) \$55,000 of the state wildlife account—state appropriation is
32 provided solely for implementing the provisions of Engrossed
33 Substitute Senate Bill No. 6127 (halibut fishery). If the bill is not
34 enacted by June 30, 2018, the amount provided in this subsection
35 shall lapse.

36 **Sec. 308.** 2017 3rd sp.s. c 1 s 308 (uncodified) is amended to
37 read as follows:

38 **FOR THE DEPARTMENT OF NATURAL RESOURCES**

1	General Fund—State Appropriation (FY 2018)	((\$48,463,000))
2		<u>\$73,919,000</u>
3	General Fund—State Appropriation (FY 2019)	((\$48,264,000))
4		<u>\$47,309,000</u>
5	General Fund—Federal Appropriation	((\$27,329,000))
6		<u>\$36,503,000</u>
7	General Fund—Private/Local Appropriation	((\$2,372,000))
8		<u>\$3,230,000</u>
9	Forest Development Account—State Appropriation	((\$56,643,000))
10		<u>\$50,206,000</u>
11	ORV and Nonhighway Vehicle Account—State	
12	Appropriation	((\$8,449,000))
13		<u>\$7,854,000</u>
14	Surveys and Maps Account—State Appropriation	((\$3,462,000))
15		<u>\$2,480,000</u>
16	Aquatic Lands Enhancement Account—State	
17	Appropriation	((\$13,262,000))
18		<u>\$16,199,000</u>
19	Resources Management Cost Account—State	
20	Appropriation	((\$121,559,000))
21		<u>\$121,715,000</u>
22	Surface Mining Reclamation Account—State	
23	Appropriation	((\$4,130,000))
24		<u>\$4,123,000</u>
25	Disaster Response Account—State Appropriation.	\$23,076,000
26	Forest and Fish Support Account—State Appropriation.	\$12,790,000
27	Aquatic Land Dredged Material Disposal Site Account—State	
28	Appropriation.	\$400,000
29	Natural Resources Conservation Areas Stewardship Account—State	
30	Appropriation	((\$34,000))
31		<u>\$232,000</u>
32	State Toxics Control Account—State Appropriation.	((\$10,705,000))
33		<u>\$10,704,000</u>
34	Forest Practices Application Account—State	
35	Appropriation	((\$2,158,000))
36		<u>\$1,900,000</u>
37	Air Pollution Control Account—State Appropriation	\$872,000
38	NOVA Program Account—State Appropriation	\$734,000
39	Derelict Vessel Removal Account—State Appropriation.	\$1,946,000

1	Community Forest Trust Account—State Appropriation.	\$52,000
2	Agricultural College Trust Management Account—State	
3	Appropriation	((\$3,056,000))
4		<u>\$3,064,000</u>
5	<u>Pension Funding Stabilization Account—State</u>	
6	<u>Appropriation.</u>	<u>\$3,239,000</u>
7	TOTAL APPROPRIATION.	((\$389,756,000))
8		<u>\$422,547,000</u>

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

11 (1) \$1,420,000 of the general fund—state appropriation for fiscal
12 year 2018 and \$1,352,000 of the general fund—state appropriation for
13 fiscal year 2019 are provided solely for deposit into the
14 agricultural college trust management account and are provided solely
15 to manage approximately 70,700 acres of Washington State University's
16 agricultural college trust lands.

17 (2) ((~~\$16,546,000~~)) \$27,165,000 of the general fund—state
18 appropriation for fiscal year 2018, \$16,546,000 of the general fund—
19 state appropriation for fiscal year 2019, and \$16,050,000 of the
20 disaster response account—state appropriation are provided solely for
21 emergency fire suppression. The general fund—state appropriations
22 provided in this subsection may not be used to fund the department's
23 indirect and administrative expenses. The department's indirect and
24 administrative costs shall be allocated among its remaining accounts
25 and appropriations.

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

34 (4) \$1,640,000 of the general fund—state appropriation for fiscal
35 year 2018 and \$1,640,000 of the general fund—state appropriation for
36 fiscal year 2019 are provided solely for the department to carry out
37 the forest practices adaptive management program pursuant to RCW
38 76.09.370 and the May 24, 2012, settlement agreement entered into by
39 the department and the department of ecology. Scientific research

1 must be carried out according to the master project schedule and work
2 plan of cooperative monitoring, evaluation, and research priorities
3 adopted by the forest practices board. The forest practices board
4 shall submit a report to the legislature following review, approval,
5 and solicitation of public comment on the cooperative monitoring,
6 evaluation, and research master project schedule, to include:
7 Cooperative monitoring, evaluation, and research science and related
8 adaptive management expenditure details, accomplishments, the use of
9 cooperative monitoring, evaluation, and research science in decision-
10 making, and funding needs for the coming biennium. (~~For new or~~
11 ~~amended forest practices rules adopted or new or amended board manual~~
12 ~~provisions approved under chapter 76.09 RCW, the forest practices~~
13 ~~board shall also report on its evaluation of the scientific basis for~~
14 ~~the rule or board manual provisions including a technical assessment~~
15 ~~of the value added benefits for aquatic resources and the~~
16 ~~corresponding economic impact to the regulated community from the~~
17 ~~rule or board manual.)) The report shall be provided to the
18 appropriate committees of the legislature by November 1, 2018.~~

19 (5) \$147,000 of the general fund—state appropriation for fiscal
20 year 2018 and \$147,000 of the general fund—state appropriation for
21 fiscal year 2019 are provided solely for chapter 280, Laws of 2017
22 (ESHB 2010) (homelessness/wildfire areas), including local capacity
23 for wildfire suppression in any county located east of the crest of
24 the Cascade mountain range that shares a common border with Canada
25 and has a population of one hundred thousand or fewer. The funding
26 provided in this subsection must be provided to these counties for
27 radio communication equipment, or to fire protection service
28 providers within these counties for residential wildfire risk
29 reduction activities, including education and outreach, technical
30 assistance, fuel mitigation, and other residential risk reduction
31 measures. For the purposes of this subsection, fire protection
32 service providers include fire departments, fire districts, emergency
33 management services, and regional fire protection service
34 authorities. The department must prioritize funding to counties
35 authorized in this subsection, and fire protection service providers
36 within those counties that serve a disproportionately higher
37 percentage of low-income residents as defined in RCW 84.36.042, that
38 are located in areas of higher wildfire risk, and whose fire
39 protection service providers have a shortage of reliable equipment

1 and resources. Of the amount provided in this subsection, \$7,000 per
2 fiscal year is provided for department administration costs.

3 (6) Sufficient funding is provided in this section and the
4 capital appropriations act to implement chapter 248, Laws of 2017
5 (E2SHB 1711) (forest health treatments).

6 (7) \$211,000 of the general fund—state appropriation for fiscal
7 year 2018 is provided solely for implementation of chapter 319, Laws
8 of 2017 (ESSB 5198) (fire retardant use). The department shall study
9 and report on the types and efficacy of fire retardants used in fire
10 suppression activities, their potential impact on human health and
11 natural resources, and make recommendations to the legislature by
12 December 31, 2017.

13 (8) \$505,000 of the general fund—state appropriation for fiscal
14 year 2018 and \$486,000 of the general fund—state appropriation for
15 fiscal year 2019 are provided solely for implementation of chapter
16 95, Laws of 2017 (2SSB 5546) (forest health treatment assessment).
17 The department shall establish a forest health assessment and
18 treatment framework that consists of biennial forest health
19 assessments, treatments, and progress review and reporting.

20 (9) \$150,000 of the aquatic lands enhancement account—state
21 appropriation is provided solely for continued facilitation and
22 support services for the marine resources advisory council.

23 (10) \$250,000 of the aquatic lands enhancement account—state
24 appropriation is provided solely for implementation of the state
25 marine management plan and ongoing costs of the Washington coastal
26 marine advisory council to serve as a forum and provide
27 recommendations on coastal management issues.

28 (11) \$406,000 of the general fund—state appropriation for fiscal
29 year 2018 and \$350,000 of the general fund—state appropriation for
30 fiscal year 2019 are provided solely for Teanaway community forest
31 operations management costs, such as management plan oversight and
32 forest health.

33 (12) \$150,000 of the state toxics control account—state
34 appropriation is provided solely for the department to meet its
35 obligations as a potentially liable party under the Washington model
36 toxics control act at Whitmarsh landfill and the east waterway site.

37 (13) \$25,000 of the general fund—state appropriation for fiscal
38 year 2018 is provided solely for conducting an aerial survey of the

1 Washington coast forests to monitor the occurrence and spread of
2 Swiss needle cast disease.

3 (14) \$25,000 of the general fund—state appropriation for fiscal
4 year 2018 is provided solely for the department to grant to the
5 University of Washington, Olympic natural resources center to develop
6 a plan to mitigate the effects of Swiss needle cast disease on
7 douglas fir tree species.

8 (15) Within existing resources, the department, in collaboration
9 with the emergency management division of the military department,
10 must develop agreements with other state agencies to recruit state
11 employees to voluntarily participate in the wildfire suppression
12 program. Other agency staff are eligible to receive training, fire
13 gear, and any other necessary items to be ready for deployment to
14 fight wildfires when called. The department shall cover agency staff
15 costs directly or through reimbursement and must submit a request for
16 an appropriation in the next legislative session to fulfill this
17 requirement. The department must provide a report detailing the
18 opportunities, challenges, and recommendations for increasing state
19 employee voluntary participation in the wildfire suppression program
20 to the appropriate committees of the legislature by December 1, 2017.

21 (16) \$37,000 of the aquatic land enhancement account—state
22 appropriation and \$37,000 of the resource management cost account—
23 state appropriation are provided solely for implementation of Second
24 Substitute Senate Bill No. 6086 (nonnative finfish release). If the
25 bill is not enacted by June 30, 2018, the amounts provided in this
26 subsection shall lapse.

27 (17) \$2,900,000 of the aquatics land enhancement account—state
28 appropriation is provided solely for the department's share of the
29 costs to clean up the Fairview avenue site near Lake Union.

30 (18) \$543,000 of the general fund—state appropriation for fiscal
31 year 2019 is provided solely for the department to produce new and
32 improved earthquake and tsunami hazard maps, a seismic inventory of
33 critical facilities, and a geologic hazard database.

34 (19) \$198,000 of the natural resources conservation areas
35 stewardship account—state appropriation is provided solely for weed
36 control and maintenance of public access at natural areas.

37 (20) \$150,000 of the general fund—state appropriation for fiscal
38 year 2019 is provided solely for the department to research and map
39 sites for potential development of geothermal resource production.

1 (21) \$160,000 of the general fund—state appropriation for fiscal
2 year 2019 is provided solely for implementing the provisions of
3 Engrossed Substitute Senate Bill No. 6109 (wildland urban interface).
4 If the bill is not enacted by June 30, 2018, the amount provided in
5 this subsection shall lapse.

6 (22) \$73,000 of the forest development account—state
7 appropriation, \$170,000 of the resource management cost account—state
8 appropriation, and \$8,000 of the agricultural college trust account—
9 state appropriation are provided solely for implementing the
10 provisions of Engrossed Senate Bill No. 6140 (state managed lands).
11 If the bill is not enacted by June 30, 2018, the amounts provided in
12 this subsection shall lapse.

13 (23) Within existing appropriations, the department shall submit
14 Alternative B as outlined in the draft environmental impact statement
15 for the marbled murrelet long-term conservation strategy dated
16 December 2016, to the United States fish and wildlife service, if the
17 service allows more than one alternative to be submitted. Alternative
18 B shall be submitted for evaluation to determine if the alternative
19 meets the requirements of the 1997 Washington state lands habitat
20 conservation plan and other applicable federal law in a manner
21 consistent with the department's legal and fiduciary obligations to
22 trust beneficiaries.

23 **Sec. 309.** 2017 3rd sp.s. c 1 s 309 (uncodified) is amended to
24 read as follows:

25 **FOR THE DEPARTMENT OF AGRICULTURE**

26	General Fund—State Appropriation (FY 2018)	. . . . .	((\$17,281,000))
27			<u>\$16,885,000</u>
28	General Fund—State Appropriation (FY 2019)	. . . . .	((\$17,525,000))
29			<u>\$17,285,000</u>
30	General Fund—Federal Appropriation	. . . . .	((\$31,424,000))
31			<u>\$32,149,000</u>
32	General Fund—Private/Local Appropriation	. . . . .	\$193,000
33	Aquatic Lands Enhancement Account—State Appropriation		((\$2,565,000))
34			<u>\$2,566,000</u>
35	State Toxics Control Account—State Appropriation	. . .	((\$5,534,000))
36			<u>\$5,536,000</u>
37	Water Quality Permit Account—State Appropriation	. . . . .	\$73,000
38	<u>Pension Funding Stabilization Account—State</u>		

1	<u>Appropriation.</u>	<u>\$1,041,000</u>
2	TOTAL APPROPRIATION.	((\$74,595,000))
3		<u>\$75,728,000</u>

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

6 (1) \$6,108,445 of the general fund—state appropriation for fiscal
7 year 2018 and \$6,102,905 of the general fund—state appropriation for
8 fiscal year 2019 are provided solely for implementing the food
9 assistance program as defined in RCW 43.23.290.

10 (2) Within amounts appropriated in this section, the department
11 shall provide to the department of health, where available, the
12 following data for all nutrition assistance programs that are funded
13 by the United States department of agriculture and administered by
14 the department. The department must provide the report for the
15 preceding federal fiscal year by February 1, 2018, and February 1,
16 2019. The report must provide:

- 17 (a) The number of people in Washington who are eligible for the
18 program;
- 19 (b) The number of people in Washington who participated in the
20 program;
- 21 (c) The average annual participation rate in the program;
- 22 (d) Participation rates by geographic distribution; and
- 23 (e) The annual federal funding of the program in Washington.

24 (3) \$132,000 of the general fund—state appropriation for fiscal
25 year 2019 is provided solely for the department to fund an
26 aquaculture coordinator. The aquaculture coordinator will work with
27 shellfish growers and federal, state, and local governments to
28 improve the efficiency and effectiveness of shellfish farm
29 permitting. Many of those improvements will come directly from the
30 shellfish interagency permitting team recommendations.

31 (4) \$238,000 of the general fund—state appropriation for fiscal
32 year 2019 is provided solely for the eradication of European gypsy
33 moths following established federal protocols.

34 (5) \$100,000 of the general fund—state appropriation for fiscal
35 year 2019 is provided solely for the department to continue the
36 industrial hemp research pilot project.

37 (6) \$14,000 of the general fund—state appropriation for fiscal
38 year 2019 is provided solely for implementing Substitute Senate Bill

1 No. 6055 (apple maggot/outdoor burning). If the bill is not enacted
2 by June 30, 2018, the amount provided in this subsection shall lapse.

3 (7) \$2,000 of the general fund—state appropriation for fiscal
4 year 2018 and \$18,000 of the general fund—state appropriation for
5 fiscal year 2019 are provided solely for the department to assist the
6 department of ecology in developing watershed restoration and
7 enhancement plans in fifteen different watersheds, as well as provide
8 information to a joint legislative task force, as specified in
9 chapter 1, Laws of 2018 (Engrossed Substitute Senate Bill No. 6091,
10 water availability).

11 (8) \$20,000 of the general fund—state appropriation for fiscal
12 year 2019 is provided solely to implement Engrossed Second Substitute
13 Senate Bill No. 6529 (pesticide application safety). If this bill is
14 not enacted by June 30, 2018, the amount provided in this subsection
15 shall lapse.

16 **Sec. 310.** 2017 3rd sp.s. c 1 s 310 (uncodified) is amended to
17 read as follows:

18 **FOR THE WASHINGTON POLLUTION LIABILITY INSURANCE PROGRAM**

19 Underground Storage Tank Revolving Account—State

20 Appropriation. ((~~\$10,000~~))
21 \$90,000

22 Pollution Liability Insurance Program Trust Account—State

23 Appropriation ((~~\$1,338,000~~))
24 \$1,339,000

25 TOTAL APPROPRIATION. ((~~\$1,348,000~~))
26 \$1,429,000

27 **Sec. 311.** 2017 3rd sp.s. c 1 s 311 (uncodified) is amended to
28 read as follows:

29 **FOR THE PUGET SOUND PARTNERSHIP**

30 General Fund—State Appropriation (FY 2018) ((~~\$2,922,000~~))
31 \$2,782,000

32 General Fund—State Appropriation (FY 2019) ((~~\$2,668,000~~))
33 \$2,526,000

34 General Fund—Federal Appropriation ((~~\$8,102,000~~))
35 \$10,336,000

36 Aquatic Lands Enhancement Account—State

37 Appropriation. ((~~\$1,420,000~~))

1		<u>\$1,419,000</u>
2	State Toxics Control Account—State Appropriation	\$721,000
3	<u>Pension Funding Stabilization Account—State</u>	
4	<u>Appropriation.</u>	<u>\$277,000</u>
5	TOTAL APPROPRIATION.	((\$15,833,000))
6		<u>\$18,061,000</u>

7 The appropriations in this section are subject to the following
8 conditions and limitations: By October 15, 2018, the Puget Sound
9 partnership shall provide the governor a single, prioritized list of
10 state agency 2019-2021 capital and operating budget requests related
11 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)	(((\$1,460,000)))
	<u>\$1,655,000</u>
General Fund—State Appropriation (FY 2019)	(((\$1,530,000)))
	<u>\$1,870,000</u>
Architects' License Account—State Appropriation	(((\$995,000)))
	<u>\$1,205,000</u>
Professional Engineers' Account—State Appropriation	(((\$3,922,000)))
	<u>\$3,932,000</u>
Real Estate Commission Account—State Appropriation	(((\$11,045,000)))
	<u>\$11,575,000</u>
Uniform Commercial Code Account—State Appropriation	(((\$3,448,000)))
	<u>\$3,472,000</u>
Real Estate Education Program Account—State Appropriation	\$276,000
Real Estate Appraiser Commission Account—State Appropriation	(((\$1,870,000)))
	<u>\$1,875,000</u>
Business and Professions Account—State Appropriation	(((\$19,302,000)))
	<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	(((\$44,607,000)))
	<u>\$48,737,000</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 (4) \$60,000 of the general fund—state appropriation for fiscal
14 year 2019 is provided solely to implement Senate Bill No. 6298
15 (domestic violence harassment/firearms). If the bill is not enacted
16 by June 30, 2018, the amount provided in this subsection shall lapse.

17 **Sec. 402.** 2017 3rd sp.s. c 1 s 402 (uncodified) is amended to
18 read as follows:

19 **FOR THE STATE PATROL**

20	General Fund—State Appropriation (FY 2018)	. . . . .	((\$44,994,000))
21			<u>\$43,785,000</u>
22	General Fund—State Appropriation (FY 2019)	. . . . .	((\$45,986,000))
23			<u>\$46,209,000</u>
24	General Fund—Federal Appropriation	. . . . .	\$16,260,000
25	General Fund—Private/Local Appropriation	. . . . .	\$3,085,000
26	Death Investigations Account—State Appropriation	. . . . .	((\$7,087,000))
27			<u>\$8,217,000</u>
28	County Criminal Justice Assistance Account—State		
29	Appropriation	. . . . .	\$3,755,000
30	Municipal Criminal Justice Assistance Account—State		
31	Appropriation	. . . . .	\$1,521,000
32	Fire Service Trust Account—State Appropriation	. . . . .	\$131,000
33	Vehicle License Fraud Account—State Appropriation	. . . . .	\$110,000
34	Disaster Response Account—State Appropriation	. . . . .	((\$8,000,000))
35			<u>\$16,400,000</u>
36	Fire Service Training Account—State Appropriation	. . . . .	\$11,126,000
37	Aquatic Invasive Species Management Account—State		
38	Appropriation	. . . . .	\$54,000

1	<u>Pension Funding Stabilization Account—State</u>	
2	<u>Appropriation.</u>	<u>\$3,295,000</u>
3	State Toxics Control Account—State Appropriation	\$549,000
4	Fingerprint Identification Account—State	
5	Appropriation	\$15,768,000
6	TOTAL APPROPRIATION.	((\$158,426,000))
7		<u>\$170,265,000</u>

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

10 (1) \$270,000 of the fire service training account—state
11 appropriation is provided solely for two FTEs in the office of the
12 state director of fire protection to exclusively review K-12
13 construction documents for fire and life safety in accordance with
14 the state building code. It is the intent of this appropriation to
15 provide these services only to those districts that are located in
16 counties without qualified review capabilities.

17 (2) (~~(\$8,000,000)~~) \$16,400,000 of the disaster response account—
18 state appropriation is provided solely for Washington state fire
19 service resource mobilization costs incurred in response to an
20 emergency or disaster authorized under RCW 43.43.960 through
21 43.43.964. The state patrol shall submit a report quarterly to the
22 office of financial management and the legislative fiscal committees
23 detailing information on current and planned expenditures from this
24 account. This work shall be done in coordination with the military
25 department.

26 (3) \$700,000 of the fire service training account—state
27 appropriation is provided solely for the firefighter apprenticeship
28 training program.

29 (4) \$41,000 of the general fund—state appropriation for fiscal
30 year 2018 and \$41,000 of the general fund—state appropriation for
31 fiscal year 2019 are provided solely for implementation of chapter
32 272, Laws of 2017 (E2SHB 1163) (domestic violence).

33 (5) \$125,000 of the general fund—state appropriation for fiscal
34 year 2018 and \$116,000 of the general fund—state appropriation for
35 fiscal year 2019 are provided solely for implementation of chapter
36 261, Laws of 2017 (SHB 1501) (attempts to obtain firearms).

37 (6) \$104,000 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 implementation of chapter
2 308, Laws of 2017 (SHB 1863) (fire incident reporting system).

3 (7) \$3,421,000 of the fingerprint identification account—state
4 appropriation is provided solely for the completion of the state
5 patrol's plan to upgrade the criminal history system, and is subject
6 to the conditions, limitations, and review provided in section 724 of
7 this act.

8 (8) \$1,039,000 of the fingerprint identification account—state
9 appropriation is provided solely for the implementation of a sexual
10 assault kit tracking database project and is subject to the
11 conditions, limitations, and review provided in section 724 of this
12 act.

13 (9) \$495,000 of the general fund—state appropriation for fiscal
14 year 2019 is provided solely for the costs related to the 1995 king
15 air maintenance. By June 30, 2019, the state patrol is directed to
16 sell the 1983 king air and proceeds generated from the sale of the
17 1983 king air must be deposited into the state patrol highway
18 account.

19 (10) \$45,000 of the general fund—state appropriation for fiscal
20 year 2019 is provided solely for implementation of Substitute Senate
21 Bill No. 6473 (rental dwelling unit fires). If the bill is not
22 enacted by June 30, 2018, the amount provided in this subsection
23 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)	((\$49,844,000))
	<u>\$49,040,000</u>
General Fund—State Appropriation (FY 2019)	((\$47,888,000))
	<u>\$57,052,000</u>
General Fund—Federal Appropriation	((\$68,460,000))
	<u>\$83,460,000</u>
General Fund—Private/Local Appropriation	((\$8,051,000))
	<u>\$8,101,000</u>
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.	((\$176,067,000))
	<u>\$201,603,000</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 eight public schools across Washington, with four of
25 the eight 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 (62) \$10,000 of the general fund—state appropriation for fiscal
4 year 2019 is provided solely for the civic education travel grant
5 program pursuant to RCW 28A.300.480.

6 (63) Within the amounts appropriated in this section, the office
7 of the superintendent of public instruction may develop
8 recommendations to amend long-standing provisos within Part V of the
9 omnibus operating budget. The office of the superintendent of public
10 instruction shall submit recommendations, to include rationale why
11 each proposed change should be made, to the office of financial
12 management and the fiscal committees of the legislature by July 1,
13 2018.

14 (64) Within the amounts appropriated in this section, the office
15 of the superintendent of public instruction shall coordinate with
16 school districts and educational service districts that contract for
17 transportation bus services and report the following information to
18 the appropriate fiscal committees of the legislature by December 1,
19 2018:

20 (a) The number of transportation contract employees by job
21 category;

22 (b) The total cost of the transportation contract, including the
23 amount held by the school district or educational service district
24 for administration of the contract;

25 (c) Information about the retirement benefit for transportation
26 contract employees, including the name of the provider, the aggregate
27 amount provided, and the amounts provided by employees;

28 (d) Information about the total health care benefit provided to
29 transportation contract employees, including the name of the provider
30 and the summary of benefits; and

31 (e) A copy of the transportation contract.

32 (65) Within the amounts appropriated in this section, the office
33 of the superintendent of public instruction shall:

34 (a) Make recommendations on the best methods to provide and fund
35 vocational funding enhancement for career and technical education and
36 career-connected learning through alternative learning experience
37 courses;

38 (b) Solicit and incorporate input received from the online
39 learning advisory committee in making its report recommendations; and

1 (c) Submit a report of recommendations to the education and
2 fiscal committees of the legislature by December 15, 2018.

3 (66) \$722,000 of the general fund—state appropriation for fiscal
4 year 2019 is provided solely for the superintendent of public
5 instruction to provide grants to educational service districts and
6 school districts to develop or expand regional safety programs to
7 address student safety. At a minimum, programs must implement a
8 multitier threat assessment system; develop a process for notifying
9 schools, including private schools, of safety emergencies; and make
10 recommendations or implement appropriate safety technology consistent
11 with regional need.

12 **Sec. 502.** 2017 3rd sp.s. c 1 s 502 (uncodified) is amended to
13 read as follows:

14 **FOR THE SUPERINTENDENT OF PUBLIC INSTRUCTION—FOR GENERAL**
15 **APPORTIONMENT**

16	General Fund—State Appropriation (FY 2018)	. . .	((\$7,183,886,000))
17			<u>\$7,239,334,000</u>
18	General Fund—State Appropriation (FY 2019)	. . .	((\$7,412,055,000))
19			<u>\$7,391,036,000</u>
20	Education Legacy Trust Account—State Appropriation	. . .	\$345,730,000
21	TOTAL APPROPRIATION.	. . . . .	((\$14,941,671,000))
22			<u>\$14,976,100,000</u>

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

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

28 (b) For the 2017-18 and 2018-19 school years, the superintendent
29 shall allocate general apportionment funding to school districts as
30 provided in the funding formulas and salary allocations in sections
31 502 and 503 of this act, excluding (c) of this subsection, and in
32 House Bill No. 2242 (fully funding the program of basic education).

33 (c) From July 1, 2017, to August 31, 2017, the superintendent
34 shall allocate general apportionment funding to school districts
35 programs as provided in sections 502 and 503, chapter 4, Laws of 2015
36 3rd sp. sess., as amended.

37 (d) The enrollment of any district shall be the annual average
38 number of full-time equivalent students and part-time students as

1 provided in RCW 28A.150.350, enrolled on the fourth day of school in
2 September and on the first school day of each month October through
3 June, including students who are in attendance pursuant to RCW
4 28A.335.160 and 28A.225.250 who do not reside within the servicing
5 school district. Any school district concluding its basic education
6 program in May must report the enrollment of the last school day held
7 in May in lieu of a June enrollment.

8 (e)(i) Funding provided in part V of this act is sufficient to
9 provide each full-time equivalent student with the minimum hours of
10 instruction required under RCW 28A.150.220.

11 (ii) The office of the superintendent of public instruction shall
12 align the agency rules defining a full-time equivalent student with
13 the increase in the minimum instructional hours under RCW
14 28A.150.220, as amended by the legislature in 2014.

15 (f) The superintendent shall adopt rules requiring school
16 districts to report full-time equivalent student enrollment as
17 provided in RCW 28A.655.210.

18 (g) For the 2017-18 and 2018-19 school years, school districts
19 must report to the office of the superintendent of public instruction
20 the monthly actual average district-wide class size across each grade
21 level of kindergarten, first grade, second grade, and third grade
22 classes. The superintendent of public instruction shall report this
23 information to the education and fiscal committees of the house of
24 representatives and the senate by September 30th of each year.

25 (h) For the 2018-19 school year, a school district qualifies for
26 a hold harmless payment if the sum of the school district's state
27 basic education allocations plus its enrichment levy and local effort
28 assistance under chapter 13, Laws of 2017 3rd sp. sess. is less than
29 the sum of state basic education allocations, local maintenance and
30 operation levy, and local effort assistance provided under the law as
31 it existed on January 1, 2017. For the purposes of this section, the
32 local levy is limited to the lesser of the voter-approved levy as of
33 January 1, 2017, or the maximum levy allowed under the law as of
34 January 1, 2017.

35 (2) CERTIFICATED INSTRUCTIONAL STAFF ALLOCATIONS

36 Allocations for certificated instructional staff salaries for the
37 2017-18 and 2018-19 school years are determined using formula-
38 generated staff units calculated pursuant to this subsection.

(a) Certificated instructional staff units, as defined in RCW 28A.150.410, shall be allocated to reflect the minimum class size allocations, requirements, and school prototypes assumptions as provided in RCW 28A.150.260. The superintendent shall make allocations to school districts based on the district's annual average full-time equivalent student enrollment in each grade.

(b) Additional certificated instructional staff units provided in this subsection (2) that exceed the minimum requirements in RCW 28A.150.260 are enhancements outside the program of basic education, except as otherwise provided in this section.

(c)(i) The superintendent shall base allocations for each level of prototypical school on the following regular education average class size of full-time equivalent students per teacher, except as provided in (c)(ii) of this subsection:

General education class size:

Grade	RCW 28A.150.260	2017-18 School Year	2018-19 School Year
Grade K		17.00	17.00
Grade 1		17.00	17.00
Grade 2		17.00	17.00
Grade 3		17.00	17.00
Grade 4		27.00	27.00
Grades 5-6		27.00	27.00
Grades 7-8		28.53	28.53
Grades 9-12		28.74	28.74

The superintendent shall base allocations for: Laboratory science average class size as provided in RCW 28A.150.260; career and technical education (CTE) class size of 23.0; and skill center program class size of 20.0.

(ii) For each level of prototypical school at which more than fifty percent of the students were eligible for free and reduced-price meals in the prior school year, the superintendent shall allocate funding based on the following average class size of full-time equivalent students per teacher:

General education class size in high poverty schools:

Grade	RCW 28A.150.260	2017-18 School Year	2018-19 School Year
Grade K		17.00	17.00
Grade 1		17.00	17.00
Grade 2		17.00	17.00
Grade 3		17.00	17.00
Grade 4		27.00	27.00
Grades 5-6		27.00	27.00
Grades 7-8		28.53	28.53
Grades 9-12		28.74	28.74

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

(iv) Advanced placement and international baccalaureate courses are funded at the same class size assumptions as general education schools in the same grade; and

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

(ii) Students in approved career and technical education and skill center programs generate certificated instructional staff units to provide for the services of teacher librarians, school nurses, social workers, school psychologists, and guidance counselors at the following combined rate per 1000 student full-time equivalent enrollment:

	2017-18 School Year	2018-19 School Year
Career and Technical Education	3.07	3.07
Skill Center	3.41	3.41

(3) ADMINISTRATIVE STAFF ALLOCATIONS

(a) Allocations for school building-level certificated administrative staff salaries for the 2017-18 and 2018-19 school years for general education students are determined using the formula generated staff units calculated pursuant to this subsection. The

1 superintendent shall make allocations to school districts based on
2 the district's annual average full-time equivalent enrollment in each
3 grade. The following prototypical school values shall determine the
4 allocation for principals, assistance principals, and other
5 certificated building level administrators:

6 Prototypical School Building:

7 Elementary School	1.253
8 Middle School	1.353
9 High School	1.880

10 (b) Students in approved career and technical education and skill
11 center programs generate certificated school building-level
12 administrator staff units at per student rates that are a multiple of
13 the general education rate in (a) of this subsection by the following
14 factors: Career and Technical Education students. 1.025
15 Skill Center students. 1.198

16 (4) CLASSIFIED STAFF ALLOCATIONS

17 Allocations for classified staff units providing school building-
18 level and district-wide support services for the 2017-18 and 2018-19
19 school years are determined using the formula-generated staff units
20 provided in RCW 28A.150.260 and pursuant to this subsection, and
21 adjusted based on each district's annual average full-time equivalent
22 student enrollment in each grade.

23 (5) CENTRAL OFFICE ALLOCATIONS

24 In addition to classified and administrative staff units
25 allocated in subsections (3) and (4) of this section, classified and
26 administrative staff units are provided for the 2017-18 and 2018-19
27 school years for the central office administrative costs of operating
28 a school district, at the following rates:

29 (a) The total central office staff units provided in this
30 subsection (5) are calculated by first multiplying the total number
31 of eligible certificated instructional, certificated administrative,
32 and classified staff units providing school-based or district-wide
33 support services, as identified in RCW 28A.150.260(6)(b) and the
34 increased allocations provided pursuant to subsections (2) and (4) of
35 this section, by 5.3 percent.

36 (b) Of the central office staff units calculated in (a) of this
37 subsection, 74.53 percent are allocated as classified staff units, as

1 generated in subsection (4) of this section, and 25.47 percent shall
2 be allocated as administrative staff units, as generated in
3 subsection (3) of this section.

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

9 (d) For students in approved career-technical and skill center
10 programs, central office classified units are allocated at the same
11 staff unit per student rate as those generated for general education
12 students of the same grade in this subsection (5), and central office
13 administrative staff units are allocated at staff unit per student
14 rates that exceed the general education rate established for students
15 in the same grade in this subsection (5) by 12.29 percent in the
16 2017-18 school year and 12.29 percent in the 2018-19 school year for
17 career and technical education students, and 17.61 percent in the
18 2017-18 school year and 17.61 percent in the 2018-19 school year for
19 skill center students.

20 (6) FRINGE BENEFIT ALLOCATIONS

21 Fringe benefit allocations shall be calculated at a rate of 23.49
22 percent in the 2017-18 school year and 23.49 percent in the 2018-19
23 school year for certificated salary allocations provided under
24 subsections (2), (3), and (5) of this section, and a rate of 24.60
25 percent in the 2017-18 school year and 24.60 percent in the 2018-19
26 school year for classified salary allocations provided under
27 subsections (4) and (5) of this section.

28 (7) INSURANCE BENEFIT ALLOCATIONS

29 Insurance benefit allocations shall be calculated at the
30 maintenance rate specified in section 504 of this act, based on the
31 number of benefit units determined as follows:

32 (a) The number of certificated staff units determined in
33 subsections (2), (3), and (5) of this section; and

34 (b) The number of classified staff units determined in
35 subsections (4) and (5) of this section multiplied by 1.152. This
36 factor is intended to adjust allocations so that, for the purpose of
37 distributing insurance benefits, full-time equivalent classified
38 employees may be calculated on the basis of 1,440 hours of work per

1 year, with no individual employee counted as more than one full-time
2 equivalent.

3 (8) MATERIALS, SUPPLIES, AND OPERATING COSTS (MSOC) ALLOCATIONS
4 Funding is allocated per annual average full-time equivalent
5 student for the materials, supplies, and operating costs (MSOC)
6 incurred by school districts, consistent with the requirements of RCW
7 28A.150.260.

8 (a)(i) MSOC funding for general education students are allocated
9 at the following per student rates:

10 MSOC RATES/STUDENT FTE

12 MSOC Component	2017-18	2018-19
13	School Year	School Year
15 Technology	\$130.76	(\$132.85) <u>\$133.24</u>
16 Utilities and Insurance	\$355.30	(\$360.98) <u>\$362.05</u>
17 Curriculum and Textbooks	\$140.39	(\$142.64) <u>\$143.06</u>
18 Other Supplies and Library Materials	\$298.05	(\$302.82) <u>\$303.71</u>
19 Instructional Professional Development for Certificated 20 and Classified Staff	\$21.71	(\$22.06) <u>\$22.12</u>
21 Facilities Maintenance	\$176.01	(\$178.83) <u>\$179.36</u>
22 Security and Central Office	\$121.94	(\$123.89) <u>\$124.26</u>
23 TOTAL BASIC EDUCATION MSOC/STUDENT FTE	\$1,244.16	(\$1,264.07) <u>\$1,267.80</u>

25 (ii) For the 2017-18 school year and 2018-19 school year, as part
26 of the budget development, hearing, and review process required by
27 chapter 28A.505 RCW, each school district must disclose: (A) The
28 amount of state funding to be received by the district under (a) and
29 (d) of this subsection (8); (B) the amount the district proposes to
30 spend for materials, supplies, and operating costs; (C) the
31 difference between these two amounts; and (D) if (A) of this
32 subsection (8)(a)(ii) exceeds (B) of this subsection (8)(a)(ii), any
33 proposed use of this difference and how this use will improve student
34 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:

MSOC Component	2017-18 School Year	2018-19 School Year
Technology	\$37.60	(\$38.20) <u>\$38.31</u>
Curriculum and Textbooks	\$41.02	(\$41.67) <u>\$41.80</u>
Other Supplies and Library Materials	\$85.46	(\$86.82) <u>\$87.08</u>
Instructional Professional Development for Certified and Classified Staff	\$6.83	(\$6.95) <u>\$6.97</u>
TOTAL GRADE 9-12 BASIC EDUCATION MSOC/STUDENT FTE	\$170.91	(\$173.64) <u>\$174.16</u>

(9) SUBSTITUTE TEACHER ALLOCATIONS

For the 2017-18 and 2018-19 school years, funding for substitute costs for classroom teachers is based on four (4) funded substitute days per classroom teacher unit generated under subsection (2) of this section, at a daily substitute rate of \$151.86.

(10) ALTERNATIVE LEARNING EXPERIENCE PROGRAM FUNDING

(a) Amounts provided in this section from July 1, 2017, to August 31, 2017, are adjusted to reflect provisions of chapter 4, Laws of 2015 3rd sp. sess., as amended (allocation of funding for students enrolled in alternative learning experiences).

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

1 (11) DROPOUT REENGAGEMENT PROGRAM

2 The superintendent shall adopt rules to require students claimed
3 for general apportionment funding based on enrollment in dropout
4 reengagement programs authorized under RCW 28A.175.100 through
5 28A.175.115 to meet requirements for at least weekly minimum
6 instructional contact, academic counseling, career counseling, or
7 case management contact. Districts must also provide separate
8 financial accounting of expenditures for the programs offered by the
9 district or under contract with a provider, as well as accurate
10 monthly headcount and full-time equivalent enrollment claimed for
11 basic education, including separate enrollment counts of resident and
12 nonresident students.

13 (12) ALL DAY KINDERGARTEN PROGRAMS

14 Funding in this section is sufficient to fund all day
15 kindergarten programs in all schools in the 2017-18 school year and
16 2018-19 school year, pursuant to RCW 28A.150.220 and 28A.150.315.

17 (13) ADDITIONAL FUNDING FOR SMALL SCHOOL DISTRICTS AND REMOTE AND
18 NECESSARY PLANTS

19 For small school districts and remote and necessary school plants
20 within any district which have been judged to be remote and necessary
21 by the superintendent of public instruction, additional staff units
22 are provided to ensure a minimum level of staffing support.
23 Additional administrative and certificated instructional staff units
24 provided to districts in this subsection shall be reduced by the
25 general education staff units, excluding career and technical
26 education and skills center enhancement units, otherwise provided in
27 subsections (2) through (5) of this section on a per district basis.

28 (a) For districts enrolling not more than twenty-five average
29 annual full-time equivalent students in grades K-8, and for small
30 school plants within any school district which have been judged to be
31 remote and necessary by the superintendent of public instruction and
32 enroll not more than twenty-five average annual full-time equivalent
33 students in grades K-8:

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

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

6 (b) For specified enrollments in districts enrolling more than
7 twenty-five but not more than one hundred average annual full-time
8 equivalent students in grades K-8, and for small school plants within
9 any school district which enroll more than twenty-five average annual
10 full-time equivalent students in grades K-8 and have been judged to
11 be remote and necessary by the superintendent of public instruction:

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

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

19 (c) For districts operating no more than two high schools with
20 enrollments of less than three hundred average annual full-time
21 equivalent students, for enrollment in grades 9-12 in each such
22 school, other than alternative schools, except as noted in this
23 subsection:

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

29 (ii) For all other small high schools under this subsection, nine
30 certificated instructional staff units and one-half of a certificated
31 administrative staff unit for the first sixty average annual full-
32 time equivalent students, and additional staff units based on a ratio
33 of 0.8732 certificated instructional staff units and 0.1268
34 certificated administrative staff units per each additional forty-
35 three and one-half average annual full-time equivalent students;

36 (iii) Districts receiving staff units under this subsection shall
37 add students enrolled in a district alternative high school and any
38 grades nine through twelve alternative learning experience programs
39 with the small high school enrollment for calculations under this
40 subsection;

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

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

11 (f)(i) For enrollments generating certificated staff unit
12 allocations under (a) through (e) of this subsection, one classified
13 staff unit for each 2.94 certificated staff units allocated under
14 such subsections;

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

19 (g) School districts receiving additional staff units to support
20 small student enrollments and remote and necessary plants under this
21 subsection ~~((+12+))~~ shall generate additional MSOC allocations
22 consistent with the nonemployee related costs (NERC) allocation
23 formula in place for the 2010-11 school year as provided section 502,
24 chapter 37, Laws of 2010 1st sp. sess. (2010 supplemental budget),
25 adjusted annually for inflation.

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

35 (15) The superintendent may distribute funding for the following
36 programs outside the basic education formula during fiscal years 2018
37 and 2019 as follows:

38 (a) \$638,000 of the general fund—state appropriation for fiscal
39 year 2018 and \$648,000 of the general fund—state appropriation for
40 fiscal year 2019 are provided solely for fire protection for school

1 districts located in a fire protection district as now or hereafter
2 established pursuant to chapter 52.04 RCW.

3 (b) \$436,000 of the general fund—state appropriation for fiscal
4 year 2018 and \$436,000 of the general fund—state appropriation for
5 fiscal year 2019 are provided solely for programs providing skills
6 training for secondary students who are enrolled in extended day
7 school-to-work programs, as approved by the superintendent of public
8 instruction. The funds shall be allocated at a rate not to exceed
9 \$500 per full-time equivalent student enrolled in those programs.

10 (16) \$225,000 of the general fund—state appropriation for fiscal
11 year 2018 and \$229,000 of the general fund—state appropriation for
12 fiscal year 2019 are provided solely for school district emergencies
13 as certified by the superintendent of public instruction. Funding
14 provided must be conditioned upon the written commitment and plan of
15 the school district board of directors to repay the grant with any
16 insurance payments or other judgments that may be awarded, if
17 applicable. At the close of the fiscal year the superintendent of
18 public instruction shall report to the office of financial management
19 and the appropriate fiscal committees of the legislature on the
20 allocations provided to districts and the nature of the emergency.

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

24 (18) Students participating in running start programs may be
25 funded up to a combined maximum enrollment of 1.2 FTE including
26 school district and institution of higher education enrollment
27 consistent with the running start course requirements provided in
28 chapter 202, Laws of 2015 (dual credit education opportunities). In
29 calculating the combined 1.2 FTE, the office of the superintendent of
30 public instruction may average the participating student's September
31 through June enrollment to account for differences in the start and
32 end dates for courses provided by the high school and higher
33 education institution. Additionally, the office of the superintendent
34 of public instruction, in consultation with the state board for
35 community and technical colleges, the student achievement council,
36 and the education data center, shall annually track and report to the
37 fiscal committees of the legislature on the combined FTE experience
38 of students participating in the running start program, including

1 course load analyses at both the high school and community and
2 technical college system.

3 (19) If two or more school districts consolidate and each
4 district was receiving additional basic education formula staff units
5 pursuant to subsection ~~((12))~~ (13) of this section, the following
6 apply:

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

11 (b) For the fourth through eighth school years following
12 consolidation, the difference between the basic education formula
13 staff units received by the districts for the school year prior to
14 consolidation and the basic education formula staff units after
15 consolidation pursuant to subsection ~~((12))~~ (13) of this section
16 shall be reduced in increments of twenty percent per year.

17 (20)(a) Indirect cost charges by a school district to approved
18 career and technical education middle and secondary programs shall
19 not exceed ~~((5-percent))~~ the lesser of five percent or the cap
20 established in federal law of the combined basic education and career
21 and technical education program enhancement allocations of state
22 funds. Middle and secondary career and technical education programs
23 are considered separate programs for funding and financial reporting
24 purposes under this section.

25 (b) Career and technical education program full-time equivalent
26 enrollment shall be reported on the same monthly basis as the
27 enrollment for students eligible for basic support, and payments
28 shall be adjusted for reported career and technical education program
29 enrollments on the same monthly basis as those adjustments for
30 enrollment for students eligible for basic support.

31 (21) Funding in this section is sufficient to provide full
32 general apportionment payments to school districts eligible for
33 federal forest revenues as provided in RCW 28A.520.020. For the
34 2017-2019 biennium only, general apportionment payments are not
35 reduced for school districts receiving federal forest revenues.

36 **Sec. 503.** 2017 3rd sp.s. c 1 s 503 (uncodified) is amended to
37 read as follows:

38 **FOR THE SUPERINTENDENT OF PUBLIC INSTRUCTION—BASIC EDUCATION EMPLOYEE**
39 **COMPENSATION**

1 (1) The following calculations determine the salaries used in the
2 state allocations for certificated instructional, certificated
3 administrative, and classified staff units as provided in House Bill
4 No. 2242 (fully funding the program of basic education), RCW
5 28A.150.260, and under section 502 of this act:

6 (a) For the 2017-18 school year, salary allocations for
7 certificated instructional staff units are determined for each
8 district by multiplying the district's certificated instructional
9 total base salary shown on LEAP Document 2 by the district's average
10 staff mix factor for certificated instructional staff in that school
11 year, computed using LEAP document 1.

12 (b) For the 2017-18 school year, salary allocations for
13 certificated administrative staff units and classified staff units
14 for each district are determined based on the district's certificated
15 administrative and classified salary allocation amounts shown on LEAP
16 Document 2.

17 (c) For the 2018-19 school year salary allocations for
18 certificated instructional staff, certificated administrative staff,
19 and classified staff units are determined for each school district by
20 multiplying the statewide minimum salary allocation for each staff
21 type by the school district's regionalization factor shown in LEAP
22 Document 3.

23 Statewide Minimum Salary Allocation

24 For School Year 2018-19

25	Certificated Instructional Staff	((\$59,333.55))
26		<u>\$65,216.05</u>
27	Certificated Administrative Staff	((\$79,127.50))
28		<u>\$96,805.00</u>
29	Classified Staff	((\$39,975.50))
30		<u>\$46,784.33</u>

31 (2) For the purposes of this section:

32 (a) "LEAP Document 1" means the staff mix factors for
33 certificated instructional staff according to education and years of
34 experience, as developed by the legislative evaluation and
35 accountability program committee on June 22, 2017, at 1:14 hours; and

36 (b) "LEAP Document 2" means the school year salary allocations
37 for certificated administrative staff and classified staff and
38 derived and total base salaries for certificated instructional staff

1 as developed by the legislative evaluation and accountability program
 2 committee on June 22, 2017, at 1:14 hours.

3 (c) "LEAP Document 3" means the school district regionalization
 4 factors for certificated instructional, certificated administrative,
 5 and classified staff, as developed by the legislative evaluation and
 6 accountability program committee on (~~June 22, 2017, at 1:14 hours~~)
 7 February 16, 2018, at 15:56 hours.

8 (3) Incremental fringe benefit factors are applied to salary
 9 adjustments at a rate of 22.85 percent for school year 2017-18 and
 10 22.85 percent for school year 2018-19 for certificated instructional
 11 and certificated administrative staff and 21.10 percent for school
 12 year 2017-18 and 21.10 percent for the 2018-19 school year for
 13 classified staff.

14 (4)(a) Pursuant to RCW 28A.150.410, the following state-wide
 15 salary allocation schedule for certificated instructional staff are
 16 established for basic education salary allocations for the 2017-18
 17 school year:

18 **Table Of Total Base Salaries For Certificated Instructional Staff**

19 **For School Year 2017-18**

20 *** Education Experience ***

21	Years	MA+90								
22	of	OR								
23	Service	BA	BA+15	BA+30	BA+45	BA+90	BA+135	MA	MA+45	Ph.D.
24	0	36,521	37,507	38,529	39,554	42,840	44,957	43,785	47,072	49,191
25	1	37,013	38,013	39,048	40,117	43,438	45,543	44,272	47,593	49,697
26	2	37,481	38,491	39,537	40,688	44,000	46,127	44,762	48,073	50,201
27	3	37,964	38,983	40,040	41,229	44,534	46,712	45,227	48,529	50,709
28	4	38,437	39,501	40,565	41,794	45,119	47,313	45,714	49,038	51,234
29	5	38,926	39,995	41,069	42,367	45,679	47,918	46,209	49,522	51,760
30	6	39,428	40,474	41,585	42,948	46,244	48,494	46,716	50,013	52,262
31	7	40,312	41,373	42,498	43,935	47,280	49,593	47,666	51,010	53,324
32	8	41,604	42,724	43,876	45,431	48,822	51,219	49,161	52,552	54,949
33	9		44,122	45,332	46,943	50,413	52,892	50,672	54,143	56,623
34	10			46,805	48,533	52,049	54,611	52,263	55,780	58,340
35	11				50,169	53,761	56,375	53,899	57,492	60,104
36	12				51,753	55,520	58,211	55,600	59,250	61,942

1	13	57,322	60,093	57,360	61,052	63,823
2	14	59,132	62,046	59,172	62,981	65,776
3	15	60,671	63,660	60,710	64,618	67,486
4	16 or	61,884	64,932	61,924	65,910	68,836
5	more					

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

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

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

16 (5) For the purposes of this section:

17 (a) "BA" means a baccalaureate degree.

18 (b) "MA" means a masters degree.

19 (c) "PHD" means a doctorate degree.

20 (d) "Years of service" shall be calculated under the same rules
21 adopted by the superintendent of public instruction.

22 (e) "Credits" means college quarter hour credits and equivalent
23 in-service credits computed in accordance with RCW 28A.415.020 and
24 28A.415.023.

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

30 (a) The employee has a masters degree; or

31 (b) The credits were used in generating state salary allocations
32 before January 1, 1992.

33 (7) The salary allocations established in this section are for
34 allocation purposes only except as provided in this subsection, and
35 do not entitle an individual staff position to a particular paid
36 salary except as provided in RCW 28A.400.200, as amended by House
37 Bill No. 2242 (fully funding the program of basic education).

1 (8) For school year 2018-19, the salary allocations for each
2 district shall be the greater of:

3 (a) The derived school year 2018-19 salary allocations in
4 subsection (1) of this section; or

5 (b) The derived salary allocations for school year 2017-18
6 increased by 2.3 percent.

7 **Sec. 504.** 2017 3rd sp.s. c 1 s 504 (uncodified) is amended to
8 read as follows:

9 **FOR THE SUPERINTENDENT OF PUBLIC INSTRUCTION—FOR SCHOOL EMPLOYEE**
10 **COMPENSATION ADJUSTMENTS**

11	General Fund—State Appropriation (FY 2018).	((\$216,086,000))
12		<u>\$206,149,000</u>
13	General Fund—State Appropriation (FY 2019).	((\$1,360,536,000))
14		<u>\$2,101,845,000</u>
15	TOTAL APPROPRIATION.	((\$1,576,622,000))
16		<u>\$2,307,994,000</u>

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

19 (1) The appropriations in this part reflect the implementation of
20 Engrossed Second Substitute Senate Bill No. 6362 (basic education
21 funding), with the exception of section 409. With the recent influx
22 of revenues in the February 2018 official economic and revenue
23 forecast, the legislature finds the proposed changes to the
24 apportionment payment schedule are no longer necessary and intends to
25 retain the current apportionment schedule contained in RCW
26 28A.510.250 with payments due in February at 9 percent, March at 9
27 percent, April at 9 percent, and August at 10 percent.

28 (2) The salary increases provided in this section are inclusive
29 of and above the annual cost-of-living adjustments pursuant to RCW
30 28A.400.205.

31 ~~((2) In addition to salary allocations specified in this~~
32 ~~subsection (1) funding in this subsection includes one day of~~
33 ~~professional learning for each of the funded full-time equivalent~~
34 ~~certificated instructional staff units in school year 2018-19.~~
35 ~~Nothing in this section entitles an individual certificated~~
36 ~~instructional staff to any particular number of professional learning~~
37 ~~days.))~~

1 (3)(a) The appropriations in this section include associated
2 incremental fringe benefit allocations at 22.85 percent for the
3 2017-18 school year and 22.85 percent for the 2018-19 school year for
4 certificated instructional and certificated administrative staff and
5 21.10 percent for the 2017-18 school year and 21.10 percent for the
6 2018-19 school year for classified staff.

7 (b) The appropriations in this section include the increased or
8 decreased portion of salaries and incremental fringe benefits for all
9 relevant state-funded school programs in part V of this act. Changes
10 for general apportionment (basic education) are based on the salary
11 allocations and methodology in sections 502 and 503 of this act.
12 Changes for special education result from changes in each district's
13 basic education allocation per student. Changes for educational
14 service districts and institutional education programs are determined
15 by the superintendent of public instruction using the methodology for
16 general apportionment salaries and benefits in sections 502 and 503
17 of this act.

18 (c) The appropriations in this section include no salary
19 adjustments for substitute teachers.

20 ~~((4))~~ (5) The maintenance rate for insurance benefit
21 allocations is \$780.00 per month for the 2017-18 and 2018-19 school
22 years. The appropriations in this section reflect the incremental
23 change in cost of allocating rates of \$820.00 per month for the
24 2017-18 school year and ~~((840.00))~~ \$845.18 per month for the 2018-19
25 school year.

26 ~~((5))~~ (6) The rates specified in this section are subject to
27 revision each year by the legislature.

28 (7) \$750,790,000 of the general fund—state appropriation for
29 fiscal year 2019 is provided solely for implementation of Engrossed
30 Second Substitute Senate Bill No. 6362 (basic education funding). If
31 the bill is not enacted by June 30, 2018, the amount provided in this
32 subsection shall lapse.

33 **Sec. 505.** 2017 3rd sp.s. c 1 s 505 (uncodified) is amended to
34 read as follows:

35 **FOR THE SUPERINTENDENT OF PUBLIC INSTRUCTION—FOR PUPIL TRANSPORTATION**
36 General Fund—State Appropriation (FY 2018) ~~((502,599,000))~~
37 \$518,512,000
38 General Fund—State Appropriation (FY 2019) ~~((497,940,000))~~

1 \$519,533,000
2 TOTAL APPROPRIATION. ((~~\$1,000,539,000~~))
3 \$1,038,045,000

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

6 (1) Each general fund fiscal year appropriation includes such
7 funds as are necessary to complete the school year ending in the
8 fiscal year and for prior fiscal year adjustments.

9 (2)(a) For the 2017-18 and 2018-19 school years, the
10 superintendent shall allocate funding to school district programs for
11 the transportation of eligible students as provided in RCW
12 28A.160.192. Funding in this section constitutes full implementation
13 of RCW 28A.160.192, which enhancement is within the program of basic
14 education. Students are considered eligible only if meeting the
15 definitions provided in RCW 28A.160.160.

16 (b) From July 1, 2017, to August 31, 2017, the superintendent
17 shall allocate funding to school districts programs for the
18 transportation of students as provided in section 505, chapter 4,
19 Laws of 2015 3rd sp. sess., as amended.

20 (3) Within amounts appropriated in this section, up to
21 \$10,000,000 of the general fund—state appropriation for fiscal year
22 2018 and up to \$10,000,000 of the general fund—state appropriation
23 for fiscal year 2019 are for a transportation alternate funding grant
24 program based on the alternate funding process established in RCW
25 28A.160.191. The superintendent of public instruction must include a
26 review of school district efficiency rating, key performance
27 indicators and local school district characteristics such as unique
28 geographic constraints in the grant award process.

29 (4) A maximum of \$913,000 of this fiscal year 2018 appropriation
30 and a maximum of (~~\$937,000~~) \$939,000 of the fiscal year 2019
31 appropriation may be expended for regional transportation
32 coordinators and related activities. The transportation coordinators
33 shall ensure that data submitted by school districts for state
34 transportation funding shall, to the greatest extent practical,
35 reflect the actual transportation activity of each district.

36 (5) The office of the superintendent of public instruction shall
37 provide reimbursement funding to a school district for school bus
38 purchases only after the superintendent of public instruction
39 determines that the school bus was purchased from the list

1 established pursuant to RCW 28A.160.195(2) or a comparable
2 competitive bid process based on the lowest price quote based on
3 similar bus categories to those used to establish the list pursuant
4 to RCW 28A.160.195.

5 (6) The superintendent of public instruction shall base
6 depreciation payments for school district buses on the presales tax
7 five-year average of lowest bids in the appropriate category of bus.
8 In the final year on the depreciation schedule, the depreciation
9 payment shall be based on the lowest bid in the appropriate bus
10 category for that school year.

11 (7) Funding levels in this section reflect waivers granted by the
12 state board of education for four-day school weeks as allowed under
13 RCW 28A.305.141.

14 (8) The office of the superintendent of public instruction shall
15 annually disburse payments for bus depreciation in August.

16 **Sec. 506.** 2017 3rd sp.s. c 1 s 507 (uncodified) is amended to
17 read as follows:

18 **FOR THE SUPERINTENDENT OF PUBLIC INSTRUCTION—FOR SPECIAL EDUCATION**
19 **PROGRAMS**

20	General Fund—State Appropriation (FY 2018)	. . . . .	((\$956,055,000))
21			<u>\$965,613,000</u>
22	General Fund—State Appropriation (FY 2019)	. . . . .	((\$989,284,000))
23			<u>\$991,736,000</u>
24	General Fund—Federal Appropriation	. . . . .	((\$470,673,000))
25			<u>\$485,054,000</u>
26	Education Legacy Trust Account—State Appropriation	. . .	\$54,694,000
27	<u>Pension Funding Stabilization Account—State</u>		
28	<u>Appropriation.</u>	. . . . .	<u>\$20,000</u>
29	<u>Dedicated McCleary Penalty Account—State</u>		
30	<u>Appropriation.</u>	. . . . .	<u>\$25,201,000</u>
31	TOTAL APPROPRIATION.	. . . . .	((\$2,470,706,000))
32			<u>\$2,522,318,000</u>

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

35 (1)(a) Funding for special education programs is provided on an
36 excess cost basis, pursuant to RCW 28A.150.390. School districts
37 shall ensure that special education students as a class receive their
38 full share of the general apportionment allocation accruing through

1 sections 502 and 504 of this act. To the extent a school district
2 cannot provide an appropriate education for special education
3 students under chapter 28A.155 RCW through the general apportionment
4 allocation, it shall provide services through the special education
5 excess cost allocation funded in this section.

6 (b) Funding provided within this section is sufficient for
7 districts to provide school principals and lead special education
8 teachers annual professional development on the best-practices for
9 special education instruction and strategies for implementation.
10 Districts shall annually provide a summary of professional
11 development activities to the office of the superintendent of public
12 instruction.

13 (2)(a) The superintendent of public instruction shall ensure
14 that:

15 (i) Special education students are basic education students
16 first;

17 (ii) As a class, special education students are entitled to the
18 full basic education allocation; and

19 (iii) Special education students are basic education students for
20 the entire school day.

21 (b) The superintendent of public instruction shall continue to
22 implement the full cost method of excess cost accounting, as designed
23 by the committee and recommended by the superintendent, pursuant to
24 section 501(1)(k), chapter 372, Laws of 2006.

25 (3) Each fiscal year appropriation includes such funds as are
26 necessary to complete the school year ending in the fiscal year and
27 for prior fiscal year adjustments.

28 (4)(a) For the 2017-18 and 2018-19 school years, the
29 superintendent shall allocate funding to school district programs for
30 special education students as provided in RCW 28A.150.390, except
31 that the calculation of the base allocation also includes allocations
32 provided under section 502 (2) and (4) of this act, which enhancement
33 is within the program of basic education.

34 (b) From July 1, 2017, to August 31, 2017, the superintendent
35 shall allocate funding to school district programs for special
36 education students as provided in section 507, chapter 4, Laws of
37 2015 3rd sp. sess., as amended.

38 (5) The following applies throughout this section: The
39 definitions for enrollment and enrollment percent are as specified in
40 RCW 28A.150.390(3). Each district's general fund—state funded special

1 education enrollment shall be the lesser of the district's actual
2 enrollment percent or 13.5 percent.

3 (6) At the request of any interdistrict cooperative of at least
4 15 districts in which all excess cost services for special education
5 students of the districts are provided by the cooperative, the
6 maximum enrollment percent shall be calculated in accordance with RCW
7 28A.150.390(3) (c) and (d), and shall be calculated in the aggregate
8 rather than individual district units. For purposes of this
9 subsection, the average basic education allocation per full-time
10 equivalent student shall be calculated in the aggregate rather than
11 individual district units.

12 (7) ~~\$31,087,000~~ of the general fund—state appropriation for
13 fiscal year 2018, (~~(\$31,087,000)~~) \$25,952,000 of the general fund—
14 state appropriation for fiscal year 2019, and (~~(\$31,024,000)~~)
15 \$29,574,000 of the general fund—federal appropriation are provided
16 solely for safety net awards for districts with demonstrated needs
17 for special education funding beyond the amounts provided in
18 subsection (4) of this section. If the federal safety net awards
19 based on the federal eligibility threshold exceed the federal
20 appropriation in this subsection (7) in any fiscal year, the
21 superintendent shall expend all available federal discretionary funds
22 necessary to meet this need. At the conclusion of each school year,
23 the superintendent shall recover safety net funds that were
24 distributed prospectively but for which districts were not
25 subsequently eligible.

26 (a) For the 2017-18 and 2018-19 school years, safety net funds
27 shall be awarded by the state safety net oversight committee as
28 provided in section 109(1) chapter 548, Laws of 2009 (ESHB 2261).

29 (b) The office of the superintendent of public instruction shall
30 make award determinations for state safety net funding in August of
31 each school year, except that the superintendent of public
32 instruction shall make award determinations for state safety net
33 funding in July of each school year for the Washington state school
34 for the blind and for the center for childhood deafness and hearing
35 loss. Determinations on school district eligibility for state safety
36 net awards shall be based on analysis of actual expenditure data from
37 the current school year.

38 (8) (~~(A maximum of \$931,000 may be expended from the general fund~~
39 ~~—state appropriations))~~ \$465,500 of the general fund—state

1 appropriation for fiscal year 2018 and \$465,500 of the general fund—
2 state appropriation for fiscal year 2019 may be expended to fund 5.43
3 full-time equivalent teachers and 2.1 full-time equivalent aides at
4 children's orthopedic hospital and medical center. This amount is in
5 lieu of money provided through the home and hospital allocation and
6 the special education program.

7 (9) The superintendent shall maintain the percentage of federal
8 flow-through to school districts at 85 percent. In addition to other
9 purposes, school districts may use increased federal funds for high-
10 cost students, for purchasing regional special education services
11 from educational service districts, and for staff development
12 activities particularly relating to inclusion issues.

13 (10) A school district may carry over from one year to the next
14 year up to 10 percent of the general fund—state funds allocated under
15 this program; however, carryover funds shall be expended in the
16 special education program.

17 (11) \$256,000 of the general fund—state appropriation for fiscal
18 year 2018 and \$256,000 of the general fund—state appropriation for
19 fiscal year 2019 are provided solely for two additional full-time
20 equivalent staff to support the work of the safety net committee and
21 to provide training and support to districts applying for safety net
22 awards.

23 (12) \$50,000 of the general fund—state appropriation for fiscal
24 year 2018, \$50,000 of the general fund—state appropriation for fiscal
25 year 2019, and \$100,000 of the general fund—federal appropriation are
26 provided solely for a special education family liaison position
27 within the office of the superintendent of public instruction.

28 (13) \$25,201,000 of the dedicated McCleary penalty account—state
29 appropriations is provided solely for basic education special
30 education allocations pursuant to Engrossed Second Substitute Senate
31 Bill No. 6362 (basic education funding), subject to supreme court
32 approval. If the bill is not enacted by June 30, 2018, the amount
33 provided in this subsection shall lapse.

34 **Sec. 507.** 2017 3rd sp.s. c 1 s 508 (uncodified) is amended to
35 read as follows:

36 **FOR THE SUPERINTENDENT OF PUBLIC INSTRUCTION—FOR EDUCATIONAL SERVICE**
37 **DISTRICTS**

38 General Fund—State Appropriation (FY 2018) (~~(\$8,534,000)~~)

1		<u>\$8,549,000</u>
2	General Fund—State Appropriation (FY 2019)	((\$8,558,000))
3		<u>\$8,565,000</u>
4	TOTAL APPROPRIATION.	((\$17,092,000))
5		<u>\$17,114,000</u>

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

8 (1) The educational service districts shall continue to furnish
9 financial services required by the superintendent of public
10 instruction and RCW 28A.310.190 (3) and (4).

11 (2) Funding within this section is provided for regional
12 professional development related to mathematics and science
13 curriculum and instructional strategies aligned with common core
14 state standards and next generation science standards. Funding shall
15 be distributed among the educational service districts in the same
16 proportion as distributions in the 2007-2009 biennium. Each
17 educational service district shall use this funding solely for salary
18 and benefits for a certificated instructional staff with expertise in
19 the appropriate subject matter and in professional development
20 delivery, and for travel, materials, and other expenditures related
21 to providing regional professional development support.

22 (3) The educational service districts, at the request of the
23 state board of education pursuant to RCW 28A.310.010 and 28A.305.130,
24 may receive and screen applications for school accreditation, conduct
25 school accreditation site visits pursuant to state board of education
26 rules, and submit to the state board of education post-site visit
27 recommendations for school accreditation. The educational service
28 districts may assess a cooperative service fee to recover actual plus
29 reasonable indirect costs for the purposes of this subsection.

30 **Sec. 508.** 2017 3rd sp.s. c 1 s 510 (uncodified) is amended to
31 read as follows:

32 **FOR THE SUPERINTENDENT OF PUBLIC INSTRUCTION—FOR INSTITUTIONAL**
33 **EDUCATION PROGRAMS**

34	General Fund—State Appropriation (FY 2018)	((\$13,565,000))
35		<u>\$13,895,000</u>
36	General Fund—State Appropriation (FY 2019)	((\$13,689,000))
37		<u>\$14,092,000</u>
38	TOTAL APPROPRIATION.	((\$27,254,000))

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

(1) Each general fund—state fiscal year appropriation includes such funds as are necessary to complete the school year ending in the fiscal year and for prior fiscal year adjustments.

(2) State funding provided under this section is based on salaries and other expenditures for a 220-day school year. The superintendent of public instruction shall monitor school district expenditure plans for institutional education programs to ensure that districts plan for a full-time summer program.

(3) State funding for each institutional education program shall be based on the institution's annual average full-time equivalent student enrollment. Staffing ratios for each category of institution shall remain the same as those funded in the 1995-97 biennium.

(4) The funded staffing ratios for education programs for juveniles age 18 or less in department of corrections facilities shall be the same as those provided in the 1997-99 biennium.

(5) \$701,000 of the general fund—state appropriation for fiscal year 2018 and \$701,000 of the general fund—state appropriation for fiscal year 2019 are provided solely to maintain at least one certificated instructional staff and related support services at an institution whenever the K-12 enrollment is not sufficient to support one full-time equivalent certificated instructional staff to furnish the educational program. The following types of institutions are included: Residential programs under the department of social and health services for developmentally disabled juveniles, programs for juveniles under the department of corrections, programs for juveniles under the juvenile rehabilitation administration, and programs for juveniles operated by city and county jails.

(6) Ten percent of the funds allocated for each institution may be carried over from one year to the next.

Sec. 509. 2017 3rd sp.s. c 1 s 509 (uncodified) is amended to read as follows:

FOR THE SUPERINTENDENT OF PUBLIC INSTRUCTION—FOR LOCAL EFFORT ASSISTANCE

General Fund—State Appropriation (FY 2018) (~~(\$449,808,000)~~)
\$451,423,000

1	General Fund—State Appropriation (FY 2019)	. . . . .	((\$454,876,000))
2			<u>\$425,973,000</u>
3	TOTAL APPROPRIATION.	. . . . .	((\$904,684,000))
4			<u>\$877,396,000</u>

5 The appropriations in this section are subject to the following
6 conditions and limitations: For purposes of RCW 84.52.0531, the
7 increase per full-time equivalent student is 5.85 percent from the
8 2016-17 school year to the 2017-18 school year.

9 **Sec. 510.** 2017 3rd sp.s. c 1 s 511 (uncodified) is amended to
10 read as follows:

11 **FOR THE SUPERINTENDENT OF PUBLIC INSTRUCTION—FOR PROGRAMS FOR HIGHLY**
12 **CAPABLE STUDENTS**

13	General Fund—State Appropriation (FY 2018)	. . . . .	((\$21,265,000))
14			<u>\$21,447,000</u>
15	General Fund—State Appropriation (FY 2019)	. . . . .	((\$24,306,000))
16			<u>\$24,220,000</u>
17	TOTAL APPROPRIATION.	. . . . .	((\$45,571,000))
18			<u>\$45,667,000</u>

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

21 (1) Each general fund fiscal year appropriation includes such
22 funds as are necessary to complete the school year ending in the
23 fiscal year and for prior fiscal year adjustments.

24 (2) For the 2017-18 and 2018-19 school years, the superintendent
25 shall allocate funding to school district programs for highly capable
26 students as provided in RCW 28A.150.260(10)(c) except that
27 allocations must be based on 5.0 percent of each school district's
28 full-time equivalent enrollment. In calculating the allocations, the
29 superintendent shall assume the following: (i) Additional instruction
30 of 2.1590 hours per week per funded highly capable program student;
31 (ii) fifteen highly capable program students per teacher; (iii) 36
32 instructional weeks per year; (iv) 900 instructional hours per
33 teacher; and (v) the compensation rates as provided in sections 503
34 and 504 of this act.

35 (b) From July 1, 2017, to August 31, 2017, the superintendent
36 shall allocate funding to school districts programs for highly
37 capable students as provided in section 511, chapter 4, Laws of 2015
38 3rd sp. sess., as amended.

1 (3) \$85,000 of the general fund—state appropriation for fiscal
2 year 2018 and \$85,000 of the general fund—state appropriation for
3 fiscal year 2019 are provided solely for the centrum program at Fort
4 Worden state park.

5 **Sec. 511.** 2017 3rd sp.s. c 1 s 512 (uncodified) is amended to
6 read as follows:

7 **FOR THE SUPERINTENDENT OF PUBLIC INSTRUCTION—FOR MISCELLANEOUS—EVERY**
8 **STUDENT SUCCEEDS ACT**

9 General Fund—Federal Appropriation (~~(\$4,802,000)~~)
10 \$5,802,000

11 **Sec. 512.** 2017 3rd sp.s. c 1 s 513 (uncodified) is amended to
12 read as follows:

13 **FOR THE SUPERINTENDENT OF PUBLIC INSTRUCTION—EDUCATION REFORM**
14 **PROGRAMS**

15 General Fund—State Appropriation (FY 2018) (~~(\$134,741,000)~~)
16 \$125,042,000

17 General Fund—State Appropriation (FY 2019) (~~(\$155,464,000)~~)
18 \$149,217,000

19 General Fund—Federal Appropriation (~~(\$93,320,000)~~)
20 \$94,820,000

21 General Fund—Private/Local Appropriation \$1,451,000

22 Education Legacy Trust Account—State Appropriation \$1,619,000

23 Pension Funding Stabilization Account—State
24 Appropriation. \$765,000

25 TOTAL APPROPRIATION. (~~(\$386,595,000)~~)
26 \$372,914,000

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

29 (1) (~~(\$30,421,000)~~) \$21,104,000 of the general fund—state
30 appropriation for fiscal year 2018, (~~(\$26,975,000)~~) \$21,104,000 of
31 the general fund—state appropriation for fiscal year 2019, \$1,350,000
32 of the education legacy trust account—state appropriation, and
33 \$15,868,000 of the general fund—federal appropriation are provided
34 solely for development and implementation of the Washington state
35 assessment system.

1 (2) \$356,000 of the general fund—state appropriation for fiscal
2 year 2018 and \$356,000 of the general fund—state appropriation for
3 fiscal year 2019 are provided solely for the Washington state
4 leadership and assistance for science education reform (LASER)
5 regional partnership activities (~~coordinated at the Pacific science~~
6 ~~center~~)), including instructional material purchases, teacher and
7 principal professional development, and school and community
8 engagement events.

9 (3) \$3,935,000 of the general fund—state appropriation for fiscal
10 year 2018 and \$3,935,000 of the general fund—state appropriation for
11 fiscal year 2019 are provided solely for implementation of a new
12 performance-based evaluation for certificated educators and other
13 activities as provided in chapter 235, Laws of 2010 (education
14 reform) and chapter 35, Laws of 2012 (certificated employee
15 evaluations).

16 (4) (~~(\$62,672,000)~~) \$62,674,000 of the general fund—state
17 appropriation for fiscal year 2018 and (~~(\$82,665,000)~~) \$82,670,000 of
18 the general fund—state appropriation for fiscal year 2019 are
19 provided solely for the following bonuses for teachers who hold
20 valid, unexpired certification from the national board for
21 professional teaching standards and who are teaching in a Washington
22 public school, subject to the following conditions and limitations:

23 (a) For national board certified teachers, a bonus of \$5,296 per
24 teacher in the 2017-18 school year and a bonus of \$5,381 per teacher
25 in the 2018-19 school year;

26 (b) An additional \$5,000 annual bonus shall be paid to national
27 board certified teachers who teach in either: (A) High schools where
28 at least 50 percent of student headcount enrollment is eligible for
29 federal free or reduced-price lunch, (B) middle schools where at
30 least 60 percent of student headcount enrollment is eligible for
31 federal free or reduced-price lunch, or (C) elementary schools where
32 at least 70 percent of student headcount enrollment is eligible for
33 federal free or reduced-price lunch;

34 (c) The superintendent of public instruction shall adopt rules to
35 ensure that national board certified teachers meet the qualifications
36 for bonuses under (b) of this subsection for less than one full
37 school year receive bonuses in a prorated manner. All bonuses in this
38 subsection will be paid in July of each school year. Bonuses in this
39 subsection shall be reduced by a factor of 40 percent for first year

1 NBPTS certified teachers, to reflect the portion of the instructional
2 school year they are certified; and

3 (d) During the 2017-18 and 2018-19 school years, and within
4 available funds, certificated instructional staff who have met the
5 eligibility requirements and have applied for certification from the
6 national board for professional teaching standards may receive a
7 conditional loan of two thousand dollars or the amount set by the
8 office of the superintendent of public instruction to contribute
9 toward the current assessment fee, not including the initial up-front
10 candidacy payment. The fee shall be an advance on the first annual
11 bonus under RCW 28A.405.415. The conditional loan is provided in
12 addition to compensation received under a district's salary
13 allocation and shall not be included in calculations of a district's
14 average salary and associated salary limitation under RCW
15 28A.400.200. Recipients who fail to receive certification after three
16 years are required to repay the conditional loan. The office of the
17 superintendent of public instruction shall adopt rules to define the
18 terms for initial grant of the assessment fee and repayment,
19 including applicable fees. To the extent necessary, the
20 superintendent may use revenues from the repayment of conditional
21 loan scholarships to ensure payment of all national board bonus
22 payments required by this section in each school year.

23 (5) \$477,000 of the general fund—state appropriation for fiscal
24 year 2018 and \$477,000 of the general fund—state appropriation for
25 fiscal year 2019 are provided solely for the leadership internship
26 program for superintendents, principals, and program administrators.

27 (6) \$950,000 of the general fund—state appropriation for fiscal
28 year 2018 and \$950,000 of the general fund—state appropriation for
29 fiscal year 2019 are provided solely for the Washington reading
30 corps. The superintendent shall allocate reading corps members to
31 schools identified for comprehensive or targeted support and school
32 districts that are implementing comprehensive, proven, research-based
33 reading programs. Two or more schools may combine their Washington
34 reading corps programs.

35 (7) \$810,000 of the general fund—state appropriation for fiscal
36 year 2018 and \$810,000 of the general fund—state appropriation for
37 fiscal year 2019 are provided solely for the development of a
38 leadership academy for school principals and administrators. The
39 superintendent of public instruction shall contract with an

1 independent organization to operate a state-of-the-art education
2 leadership academy that will be accessible throughout the state.
3 Semiannually the independent organization shall report on amounts
4 committed by foundations and others to support the development and
5 implementation of this program. Leadership academy partners shall
6 include the state level organizations for school administrators and
7 principals, the superintendent of public instruction, the
8 professional educator standards board, and others as the independent
9 organization shall identify.

10 (8) \$3,000,000 of the general fund—state appropriation for fiscal
11 year 2018 and \$3,000,000 of the general fund—state appropriation for
12 fiscal year 2019 are provided solely for a statewide information
13 technology (IT) academy program. This public-private partnership will
14 provide educational software, as well as IT certification and
15 software training opportunities for students and staff in public
16 schools.

17 (9) \$1,802,000 of the general fund—state appropriation for fiscal
18 year 2018 and \$1,802,000 of the general fund—state appropriation for
19 fiscal year 2019 are provided solely for secondary career and
20 technical education grants pursuant to chapter 170, Laws of 2008. If
21 equally matched by private donations, \$825,000 of the 2018
22 appropriation and \$825,000 of the 2019 appropriation shall be used to
23 support FIRST robotics programs. Of the amounts in this subsection,
24 \$100,000 of the fiscal year 2018 appropriation and \$100,000 of the
25 fiscal year 2019 appropriation are provided solely for the purpose of
26 statewide supervision activities for career and technical education
27 student leadership organizations.

28 (10) \$125,000 of the general fund—state appropriation for fiscal
29 year 2018 and \$125,000 of the general fund—state appropriation for
30 fiscal year 2019 are provided solely for (a) staff at the office of
31 the superintendent of public instruction to coordinate and promote
32 efforts to develop integrated math, science, technology, and
33 engineering programs in schools and districts across the state; and
34 (b) grants of \$2,500 to provide twenty middle and high school
35 teachers each year with professional development training for
36 implementing integrated math, science, technology, and engineering
37 programs in their schools.

38 (11) \$135,000 of the general fund—state appropriation for fiscal
39 year 2018 and \$135,000 of the general fund—state appropriation for

1 fiscal year 2019 are provided solely for science, technology,
2 engineering and mathematics lighthouse projects, consistent with
3 chapter 238, Laws of 2010.

4 (12) \$10,500,000 of the general fund—state appropriation for
5 fiscal year 2018 and \$10,500,000 of the general fund—state
6 appropriation for fiscal year 2019 are provided solely for a
7 beginning educator support program. The program shall prioritize
8 first year teachers in the mentoring program. School districts and/or
9 regional consortia may apply for grant funding. The program provided
10 by a district and/or regional consortia shall include: A paid
11 orientation; assignment of a qualified mentor; development of a
12 professional growth plan for each beginning teacher aligned with
13 professional certification; release time for mentors and new teachers
14 to work together; and teacher observation time with accomplished
15 peers. Funding may be used to provide statewide professional
16 development opportunities for mentors and beginning educators.

17 (13) \$250,000 of the general fund—state appropriation for fiscal
18 year 2018 and \$250,000 of the general fund—state appropriation for
19 fiscal year 2019 are provided solely for advanced project lead the
20 way courses at ten high schools. To be eligible for funding in 2018,
21 a high school must have offered a foundational project lead the way
22 course during the 2016-17 school year. The 2018 funding must be used
23 for one-time start-up course costs for an advanced project lead the
24 way course, to be offered to students beginning in the 2017-18 school
25 year. To be eligible for funding in 2019, a high school must have
26 offered a foundational project lead the way course during the 2017-18
27 school year. The 2018 funding must be used for one-time start-up
28 course costs for an advanced project lead the way course, to be
29 offered to students beginning in the 2018-19 school year. The office
30 of the superintendent of public instruction and the education
31 research and data center at the office of financial management shall
32 track student participation and long-term outcome data.

33 (14) \$9,352,000 of the general fund—state appropriation for
34 fiscal year 2018 and \$14,352,000 of the general fund—state
35 appropriation for fiscal year 2019 are provided solely for
36 implementation of chapter 159, Laws of 2013. By January 15, 2018, the
37 superintendent of public instruction shall submit a plan to the
38 fiscal committees of the legislature outlining the additional school
39 accountability supports that will be implemented as a result of the

1 increased appropriation provided in fiscal year 2019. Of the amount
2 provided in this subsection, \$5,000,000 of the general fund—state
3 appropriation for fiscal year 2019 is provided solely for expenditure
4 contingent upon legislative approval of the superintendent's plan for
5 additional school accountability supports, and the superintendent may
6 not spend that amount until approval is received.

7 (15) \$450,000 of the general fund—state appropriation for fiscal
8 year 2018 and \$450,000 of the general fund—state appropriation for
9 fiscal year 2019 are provided solely for annual start-up, expansion,
10 or maintenance of existing programs in aerospace and advanced
11 manufacturing programs. To be eligible for funding, the skills center
12 and high schools must agree to engage in developing local business
13 and industry partnerships for oversight and input regarding program
14 components. Program instructors must also agree to participate in
15 professional development leading to student employment, or
16 certification in aerospace or advanced manufacturing industries as
17 determined by the superintendent of public instruction. The office of
18 the superintendent of public instruction and the education research
19 and data center shall report annually student participation and long-
20 term outcome data.

21 (16) \$5,000,000 of the general fund—state appropriation for
22 fiscal year 2018 and \$4,000,000 of the general fund—state
23 appropriation for fiscal year 2019 are provided solely for the
24 provision of training for teachers in the performance-based teacher
25 principal evaluation program.

26 (17) \$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 to promote the financial
29 literacy of students. The effort will be coordinated through the
30 financial literacy public-private partnership.

31 (18) \$2,194,000 of the general fund—state appropriation for
32 fiscal year 2018 and \$2,194,000 of the general fund—state
33 appropriation for fiscal year 2019 are provided solely to implement
34 chapter 18, Laws of 2013 2nd sp. sess. (Engrossed Substitute Senate
35 Bill No. 5946) (strengthening student educational outcomes).

36 (19) \$36,000 of the general fund—state appropriation for fiscal
37 year 2018 and \$36,000 of the general fund—state appropriation for
38 fiscal year 2019 are provided solely for chapter 212, Laws of 2014

1 (Substitute Senate Bill No. 6074) (homeless student educational
2 outcomes).

3 (20) \$80,000 of the general fund—state appropriation for fiscal
4 year 2018 and \$40,000 of the general fund—state appropriation for
5 fiscal year 2019 are provided solely for chapter 219, Laws of 2014
6 (Second Substitute Senate Bill No. 6163) (expanded learning).

7 (21) \$10,000 of the general fund—state appropriation for fiscal
8 year 2018 and \$10,000 of the general fund—state appropriation for
9 fiscal year 2019 are provided solely for chapter 102, Laws of 2014
10 (Senate Bill No. 6424) (biliteracy seal).

11 (22) \$500,000 of the general fund—state appropriation for fiscal
12 year 2018 and \$500,000 of the general fund—state appropriation for
13 fiscal year 2019 are provided solely for the office of the
14 superintendent of public instruction to contract with a nonprofit
15 organization to integrate the state learning standards in English
16 language arts, mathematics, and science with FieldSTEM outdoor field
17 studies and project-based and work-based learning opportunities
18 aligned with the environmental, natural resource, and agricultural
19 sectors.

20 (23) Within the amounts provided in this section, the
21 superintendent of public instruction shall obtain an existing student
22 assessment inventory tool that is free and openly licensed and
23 distribute the tool to every school district. Each school district
24 shall use the student assessment inventory tool to identify all
25 state-level and district-level assessments that are required of
26 students. The state-required assessments should include: Reading
27 proficiency assessments used for compliance with RCW 28A.320.202; the
28 required statewide assessments under chapter 28A.655 RCW in grades
29 three through eight and at the high school level in English language
30 arts, mathematics, and science, as well as the practice and training
31 tests used to prepare for them; and the high school end-of-course
32 exams in mathematics under RCW 28A.655.066. District-required
33 assessments should include: Any screenings of students for indicators
34 of dyslexia in accordance with section 5, chapter . . . (Engrossed
35 Second Substitute Senate Bill No. 6162, dyslexia screening), Laws of
36 2018; the second grade reading assessment used to comply with RCW
37 28A.300.320; interim smarter balanced assessments, if required; the
38 measures of academic progress assessment, if required; and other
39 required interim, benchmark, or summative standardized assessments,

1 including assessments used in social studies, the arts, health, and
2 physical education in accordance with RCW 28A.230.095, and for
3 educational technology in accordance with RCW 28A.655.075. The
4 assessments identified should not include assessments used to
5 determine eligibility for any categorical program including the
6 transitional bilingual instruction program, learning assistance
7 program, highly capable program, special education program, or any
8 formative or diagnostic assessments used solely to inform teacher
9 instructional practices, other than those already identified. By
10 October 15th of each year, each district shall report to the
11 superintendent the amount of student time in the previous school year
12 that is spent taking each assessment identified. By December 15th of
13 each year, the superintendent shall summarize the information
14 reported by the school districts and report to the education
15 committees of the house of representatives and the senate.

16 (24) Sufficient amounts are appropriated in this section for the
17 office of the superintendent of public instruction to create a
18 process and provide assistance to school districts in planning for
19 future implementation of the summer knowledge improvement program
20 grants.

21 (25) \$125,000 of the general fund—state appropriation for fiscal
22 year 2018 and \$125,000 of the general fund—state appropriation for
23 fiscal year 2019 are provided solely for the office of the
24 superintendent of public instruction to contract with a nonprofit
25 501(c)(3) that provides direct services to children exclusively
26 through one-to-one volunteer mentoring with a child for the life of
27 the mentoring partnership. The mentor, student, and parent must each
28 receive monthly coaching from professional staff in the first year,
29 and bimonthly coaching from professional staff in subsequent years. A
30 majority of the children supported through this program must be
31 higher risk children and a significant number of these programs
32 offered to these children must be in rural areas of the state.

33 **Sec. 513.** 2017 3rd sp.s. c 1 s 514 (uncodified) is amended to
34 read as follows:

35 **FOR THE SUPERINTENDENT OF PUBLIC INSTRUCTION—FOR TRANSITIONAL**
36 **BILINGUAL PROGRAMS**

37 General Fund—State Appropriation (FY 2018) (~~(\$147,948,000)~~)
38 \$151,022,000

1	General Fund—State Appropriation (FY 2019)	. . . . .	((\$157,744,000))
2			<u>\$158,574,000</u>
3	General Fund—Federal Appropriation	. . . . .	((\$92,244,000))
4			<u>\$97,244,000</u>
5	<u>Pension Funding Stabilization Account—State</u>		
6	<u>Appropriation.</u>	. . . . .	\$4,000
7	TOTAL APPROPRIATION.	. . . . .	((\$397,936,000))
8			<u>\$406,844,000</u>

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

11 (1) Each general fund fiscal year appropriation includes such
12 funds as are necessary to complete the school year ending in the
13 fiscal year and for prior fiscal year adjustments.

14 (2)(a) For the 2017-18 and 2018-19 school years, the
15 superintendent shall allocate funding to school districts for
16 transitional bilingual programs under RCW 28A.180.010 through
17 28A.180.080, including programs for exited students, as provided in
18 RCW 28A.150.260(10)(b) and the provisions of this section. In
19 calculating the allocations, the superintendent shall assume the
20 following averages: (i) Additional instruction of 4.7780 hours per
21 week per transitional bilingual program student in grades
22 kindergarten through six and 6.7780 hours per week per transitional
23 bilingual program student in grades seven through twelve in school
24 years 2017-18 and 2018-19; (ii) additional instruction of 3.0000
25 hours per week in school years 2017-18 and 2018-19 for the head count
26 number of students who have exited the transitional bilingual
27 instruction program within the previous two years based on their
28 performance on the English proficiency assessment; (iii) fifteen
29 transitional bilingual program students per teacher; (iv) 36
30 instructional weeks per year; (v) 900 instructional hours per
31 teacher; and (vi) the compensation rates as provided in sections 503
32 and 504 of this act. Pursuant to RCW 28A.180.040(1)(g), the
33 instructional hours specified in (a)(ii) of this subsection (2) are
34 within the program of basic education.

35 (b) From July 1, 2017, to August 31, 2017, the superintendent
36 shall allocate funding to school districts for transitional bilingual
37 instruction programs as provided in section 514, chapter 4, Laws of
38 2015, 3rd sp. sess., as amended.

1 (3) The superintendent may withhold allocations to school
2 districts in subsection (2) of this section solely for the central
3 provision of assessments as provided in RCW 28A.180.090 (1) and (2)
4 up to the following amounts: (~~2.55~~) 2.50 percent for school year
5 2017-18 and 2.57 percent for school year 2018-19.

6 (4) The general fund—federal appropriation in this section is for
7 migrant education under Title I Part C and English language
8 acquisition, and language enhancement grants under Title III of the
9 elementary and secondary education act.

10 (5) \$35,000 of the general fund—state appropriation for fiscal
11 year 2018 and \$35,000 of the general fund—state appropriation for
12 fiscal year 2019 are provided solely to track current and former
13 transitional bilingual program students.

14 **Sec. 514.** 2017 3rd sp.s. c 1 s 515 (uncodified) is amended to
15 read as follows:

16 **FOR THE SUPERINTENDENT OF PUBLIC INSTRUCTION—FOR THE LEARNING**
17 **ASSISTANCE PROGRAM**

18	General Fund—State Appropriation (FY 2018)	. . . .	((\$326,233,000))
19			<u>\$323,386,000</u>
20	General Fund—State Appropriation (FY 2019)	. . . .	((\$355,633,000))
21			<u>\$348,116,000</u>
22	General Fund—Federal Appropriation	. . . . .	((\$505,487,000))
23			<u>\$519,487,000</u>
24	TOTAL APPROPRIATION.	. . . . .	((\$1,187,353,000))
25			<u>\$1,190,989,000</u>

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

28 (1) The general fund—state appropriations in this section are
29 subject to the following conditions and limitations:

30 (a) The appropriations include such funds as are necessary to
31 complete the school year ending in the fiscal year and for prior
32 fiscal year adjustments.

33 (b)(i) For the 2017-18 and 2018-19 school years, the
34 superintendent shall allocate funding to school districts for
35 learning assistance programs as provided in RCW 28A.150.260(10)(a),
36 except that the allocation for the additional instructional hours
37 shall be enhanced as provided in this section, which enhancements are
38 within the program of the basic education. In calculating the

1 allocations, the superintendent shall assume the following averages:
2 (A) Additional instruction of 2.3975 hours per week per funded
3 learning assistance program student for the 2017-18 and 2018-19
4 school years; (B) additional instruction of 1.1 hours per week per
5 funded learning assistance program student for the 2017-18 and
6 2018-19 school years in qualifying high-poverty school building; (C)
7 fifteen learning assistance program students per teacher; (D) 36
8 instructional weeks per year; (E) 900 instructional hours per
9 teacher; and (F) the compensation rates as provided in sections 503
10 and 504 of this act.

11 (ii) From July 1, 2017, to August 31, 2017, the superintendent
12 shall allocate funding to school districts for learning assistance
13 programs as provided in section 515, chapter 4, Laws of 2015, 3rd sp.
14 sess., as amended.

15 (c) A school district's funded students for the learning
16 assistance program shall be the sum of the district's full-time
17 equivalent enrollment in grades K-12 for the prior school year
18 multiplied by the district's percentage of October headcount
19 enrollment in grades K-12 eligible for free or reduced-price lunch in
20 the prior school year. The prior school year's October headcount
21 enrollment for free and reduced-price lunch shall be as reported in
22 the comprehensive education data and research system.

23 (2) Allocations made pursuant to subsection (1) of this section
24 shall be adjusted to reflect ineligible applications identified
25 through the annual income verification process required by the
26 national school lunch program, as recommended in the report of the
27 state auditor on the learning assistance program dated February,
28 2010.

29 (3) The general fund—federal appropriation in this section is
30 provided for Title I Part A allocations of the every student succeeds
31 act of 2016.

32 (4) A school district may carry over from one year to the next up
33 to 10 percent of the general fund—state funds allocated under this
34 program; however, carryover funds shall be expended for the learning
35 assistance program.

36 (5) Within existing resources, during the 2017-18 and 2018-19
37 school years, school districts are authorized to use funds allocated
38 for the learning assistance program to also provide assistance to
39 high school students who have not passed the state assessment in
40 science.

1 (2) To the maximum extent practicable, when adopting new or
2 revised rules or policies relating to the administration of
3 allocations in part V of this act that result in fiscal impact, the
4 office of the superintendent of public instruction shall attempt to
5 seek legislative approval through the budget request process.

6 (3) Appropriations made in this act to the office of the
7 superintendent of public instruction shall initially be allotted as
8 required by this act. Subsequent allotment modifications shall not
9 include transfers of moneys between sections of this act except as
10 expressly provided in subsection (4) of this section.

11 (4) The appropriations to the office of the superintendent of
12 public instruction in this act shall be expended for the programs and
13 amounts specified in this act. However, after May 1, 2018, unless
14 specifically prohibited by this act and after approval by the
15 director of financial management, the superintendent of public
16 instruction may transfer state general fund appropriations for fiscal
17 year 2018 among the following programs to meet the apportionment
18 schedule for a specified formula in another of these programs:
19 General apportionment, employee compensation adjustments, pupil
20 transportation, special education programs, institutional education
21 programs, transitional bilingual programs, highly capable, and
22 learning assistance programs.

23 (5) The director of financial management shall notify the
24 appropriate legislative fiscal committees in writing prior to
25 approving any allotment modifications or transfers under this
26 section.

27 (6) As required by RCW 28A.710.110, the office of the
28 superintendent of public instruction shall transmit the charter
29 school authorizer oversight fee for the charter school commission to
30 the charter school oversight account.

31 **Sec. 517.** 2017 3rd sp.s. c 1 s 519 (uncodified) is amended to
32 read as follows:

33 **FOR THE OFFICE OF THE SUPERINTENDENT OF PUBLIC INSTRUCTION—FOR**
34 **CHARTER SCHOOLS**

35 Washington Opportunity Pathways Account—State

36 Appropriation. ((~~\$62,713,000~~))
37 \$55,542,000

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

3 (1) The superintendent shall distribute funding appropriated in
4 this section to charter schools under chapter 28A.710 RCW. Within
5 amounts provided in this section the superintendent may distribute
6 funding for safety net awards for charter schools with demonstrated
7 needs for special education funding beyond the amounts provided under
8 chapter 28A.710 RCW.

9 (2) \$2,372,000 of the Washington opportunity pathways account—
10 state appropriation is provided solely for implementation of
11 Engrossed Second Substitute Senate Bill No. 6362 (basic education
12 funding). If the bill is not enacted by June 30, 2018, the amount
13 provided in this subsection shall lapse.

14 **Sec. 518.** 2017 3rd sp.s. c 1 s 520 (uncodified) is amended to
15 read as follows:

16 **FOR THE OFFICE OF THE SUPERINTENDENT OF PUBLIC INSTRUCTION—FOR THE**
17 **WASHINGTON STATE CHARTER SCHOOL COMMISSION**

18 Washington Opportunity Pathways Account—State

19 Appropriation	((\$477,000))
	<u>\$862,000</u>
21 Charter Schools Oversight Account—State Appropriation	((\$1,958,000))
	<u>\$1,572,000</u>
23 TOTAL APPROPRIATION.	((\$2,435,000))
	<u>\$2,434,000</u>

25 The appropriations in this section are subject to the following
26 conditions and limitations: The entire Washington opportunity
27 pathways account—state appropriation in this section is provided to
28 the superintendent of public instruction solely for the operations of
29 the Washington state charter school commission under chapter 28A.710
30 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)	(((\$662,672,000)))
	<u>\$631,269,000</u>
General Fund—State Appropriation (FY 2019)	(((\$668,368,000)))
	<u>\$648,003,000</u>
Community/Technical College Capital Projects	
Account—State Appropriation.	(((\$23,841,000)))
	<u>\$21,618,000</u>
Education Legacy Trust Account—State Appropriation	(((\$138,314,000)))
	<u>\$138,318,000</u>
<u>Pension Funding Stabilization Account—State</u>	
<u>Appropriation.</u>	<u>\$67,897,000</u>
TOTAL APPROPRIATION.	(((\$1,493,195,000)))
	<u>\$1,507,105,000</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 (27) \$50,000 of the general fund—state appropriation for fiscal
30 year 2019 is provided solely for the state board to identify at least
31 two high school equivalency tests that are at least as rigorous as
32 the 2013 general educational test in that sixty percent of high
33 school seniors can pass the test. At least one of the two test
34 options must not require computer proficiency and at least one of the
35 test options must be low cost to the student. At least one of the
36 test options must be fairly normed to the actual academic ability of
37 current high school seniors such that at least sixty percent of high
38 school seniors can pass the high school equivalency test. The state
39 board must identify at least one test option that is appropriate for

1 students who have been in the workforce, need a high school diploma
 2 for employment reasons, have been incarcerated, or were in the
 3 military. The state board must communicate the availability of the
 4 two test options to public and private test administrators. The state
 5 board must report to the legislature and the public the number of
 6 students who have received a high school equivalency certificate
 7 during the prior month of each year by posting this information on a
 8 public page on its web site. The board must also post on a public
 9 page on its web site a norming study for every high school
 10 equivalency test confirming that the test is within the actual
 11 academic ability of recent high school seniors. The norming study
 12 must be similar in scope and methods to the norming studies of the
 13 2002 and 2007 GED tests.

14 **Sec. 602.** 2017 3rd sp.s. c 1 s 606 (uncodified) is amended to
 15 read as follows:

16 **FOR THE UNIVERSITY OF WASHINGTON**

17	General Fund—State Appropriation (FY 2018)	. . . . .	((\$336,712,000))
18			<u>\$310,414,000</u>
19	General Fund—State Appropriation (FY 2019)	. . . . .	((\$353,811,000))
20			<u>\$326,556,000</u>
21	Aquatic Lands Enhancement Account—State Appropriation	. . . . .	\$1,350,000
22	UW Building Account—State Appropriation	. . . . .	\$1,052,000
23	Education Legacy Trust Account—State Appropriation	. . . . .	((\$30,050,000))
24			<u>\$33,050,000</u>
25	Economic Development Strategic Reserve Account—State		
26	Appropriation	. . . . .	\$3,035,000
27	Biotoxin Account—State Appropriation	. . . . .	\$597,000
28	Dedicated Marijuana Account—State Appropriation		
29	(FY 2018)	. . . . .	\$247,000
30	Dedicated Marijuana Account—State Appropriation		
31	(FY 2019)	. . . . .	\$247,000
32	<u>Pension Funding Stabilization Account—State</u>		
33	<u>Appropriation</u>	. . . . .	<u>\$51,068,000</u>
34	Accident Account—State Appropriation	. . . . .	((\$7,436,000))
35			<u>\$7,686,000</u>
36	Medical Aid Account—State Appropriation	. . . . .	((\$7,042,000))
37			<u>\$7,283,000</u>
38	<u>Geoduck Aquaculture Research Account—State</u>		

1	<u>Appropriation.</u>	<u>\$200,000</u>
2	TOTAL APPROPRIATION.	((\$741,579,000))
3		<u>\$742,785,000</u>

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

6 (1) \$52,000 of the general fund—state appropriation for fiscal
7 year 2018 and \$52,000 of the general fund—state appropriation for
8 fiscal year 2019 are provided solely for the center for international
9 trade in forest products in the college of forest resources.

10 (2) (~~\$38,581,000~~) \$38,807,000 of the general fund—state
11 appropriation for fiscal year 2018 and (~~\$39,353,000~~) \$39,777,000 of
12 the general fund—state appropriation for fiscal year 2019 are
13 provided solely for the implementation of the college affordability
14 program as set forth in RCW 28B.15.066.

15 (3) \$200,000 of the general fund—state appropriation for fiscal
16 year 2018 and \$200,000 of the general fund—state appropriation for
17 fiscal year 2019 are provided solely for labor archives of
18 Washington. The university shall work in collaboration with the state
19 board for community and technical colleges.

20 (4) \$8,000,000 of the education legacy trust account—state
21 appropriation is provided solely for the family medicine residency
22 network at the university to expand the number of residency slots
23 available in Washington.

24 (5) The university must continue work with the education research
25 and data center to demonstrate progress in computer science and
26 engineering enrollments. By September 1st of each year, the
27 university shall provide a report including but not limited to the
28 cost per student, student completion rates, and the number of low-
29 income students enrolled in each program, any process changes or
30 best-practices implemented by the university, and how many students
31 are enrolled in computer science and engineering programs above the
32 prior academic year.

33 (6) \$1,350,000 of the aquatic lands enhancement account—state is
34 provided solely for ocean acidification monitoring, forecasting, and
35 research and for operation of the Washington ocean acidification
36 center. By September 1, 2017, the center must provide a biennial work
37 plan and begin quarterly progress reports to the Washington marine
38 resources advisory council created under RCW 43.06.338.

1 (7) (~~(\$8,000,000)~~) \$11,000,000 of the education legacy trust
2 account—state appropriation is provided solely for the expansion of
3 degrees in the department of computer science and engineering at the
4 Seattle campus.

5 (8) \$1,000,000 of the general fund—state appropriation for fiscal
6 year 2018 and \$1,000,000 of the general fund—state appropriation for
7 fiscal year 2019 are provided solely for the university to increase
8 resident undergraduate enrollments in science, technology,
9 engineering, and math majors. The university is expected to increase
10 full-time equivalent enrollment by approximately 60 additional
11 students.

12 (9) \$3,000,000 of the economic development strategic reserve
13 account appropriation is provided solely to support the joint center
14 for aerospace innovation technology.

15 (10) The University of Washington shall not use funds
16 appropriated in this section to support intercollegiate athletics
17 programs.

18 (11) \$250,000 of the general fund—state appropriation for fiscal
19 year 2018 and \$250,000 of the general fund—state appropriation for
20 fiscal year 2019 are provided solely for the Latino health center.

21 (12) \$200,000 of the general fund—state appropriation for fiscal
22 year 2018 and \$200,000 of the general fund—state appropriation for
23 fiscal year 2019 are provided solely for the climate impacts group in
24 the college of the environment.

25 (13) \$8,400,000 of the general fund—state appropriation for
26 fiscal year 2018 and \$7,400,000 of the general fund—state
27 appropriation for fiscal year 2019 are provided solely for the
28 continued operations and expansion of the Washington, Wyoming,
29 Alaska, Montana, Idaho medical school program.

30 (14) \$3,200,000 of the general fund—state appropriation for
31 fiscal year 2019 is provided solely for the university to host the
32 Special Olympics USA Games in July 2018.

33 (15) \$5,000 of the general fund—state appropriation for fiscal
34 year 2018 and \$80,000 of the general fund—state appropriation for
35 fiscal year 2019 are provided solely for implementation of chapter
36 262, Laws of 2017 (E2SHB 1612) (lethal means, reduce access).

37 (16) \$400,000 of the general fund—state appropriation for fiscal
38 year 2018 and \$400,000 of the general fund—state appropriation for
39 fiscal year 2019 are provided solely for a contract with the center

1 for sensorimotor neural engineering to advance research on spinal
2 cord injuries.

3 (17) \$2,250,000 of the general fund—state appropriation for
4 fiscal year 2018 and \$2,250,000 of the general fund—state
5 appropriation for fiscal year 2019 are provided solely for the
6 institute for stem cell and regenerative medicine. Funds appropriated
7 in this subsection must be dedicated to research utilizing
8 pluripotent stem cells and related research methods.

9 (18) \$500,000 of the general fund—state appropriation for fiscal
10 year 2018 and \$500,000 of the general fund—state appropriation for
11 fiscal year 2019 are provided to the University of Washington to
12 support youth and young adults experiencing homelessness in the
13 university district of Seattle. Funding is provided for the
14 university to work with community service providers and university
15 colleges and departments to plan for and implement a comprehensive
16 one-stop center with navigation services for homeless youth; the
17 university may contract with the department of commerce to expand
18 services that serve homeless youth in the university district.

19 (19) \$125,000 of the general fund—state appropriation for fiscal
20 year 2018 and \$125,000 of the general fund—state appropriation for
21 fiscal year 2019 are provided solely for the University of Washington
22 school of public health to study the air quality implications of air
23 traffic at the international airport in the state that has the
24 highest total annual number of arrivals and departures. The study
25 must include an assessment of the concentrations of ultrafine
26 particulate matter in areas surrounding and directly impacted by air
27 traffic generated by the airport, including areas within ten miles of
28 the airport in the directions of aircraft flight paths and within ten
29 miles of the airport where public agencies operate an existing air
30 monitoring station. The study must attempt to distinguish between
31 aircraft and other sources of ultrafine particulate matter, and must
32 compare concentrations of ultrafine particulate matter in areas
33 impacted by high volumes of air traffic with concentrations of
34 ultrafine particulate matter in areas that are not impacted by high
35 volumes of air traffic. The university must coordinate with local
36 governments in areas addressed by the study to share results and
37 inclusively solicit feedback from community members. By December 1,
38 2019, the university must report study findings, including any gaps
39 and uncertainties in health information associated with ultrafine

1 particulate matter, and recommend to the legislature whether
2 sufficient information is available to proceed with a second phase of
3 the study.

4 (20) The appropriations in this section include sufficient
5 funding for the implementation of chapter 154, Laws of 2017 (SSB
6 5022) (education loan information).

7 (21) The appropriations in this section include sufficient
8 funding for the implementation of chapter 177, Laws of 2017 (SSB
9 5100) (financial literacy seminars).

10 (22) Within the funds appropriated in this section, the
11 University of Washington shall:

12 (a) Review the scholarly literature on the short-term and long-
13 term effects of marijuana use to assess if other states or private
14 entities are conducting marijuana research in areas that may be
15 useful to the state.

16 (b) Provide as part of its budget request for the 2019-2021
17 biennium:

18 (i) A list of intended state, federal, and privately funded
19 marijuana research, including cost, duration, and scope; and

20 (ii) Plans for partnerships with other universities, state
21 agencies, or private entities, including entities outside the state,
22 for purposes related to researching short-term and long-term effects
23 of marijuana use.

24 (23) General fund—state appropriations in this section are
25 reduced to reflect a reduction in state-supported tuition waivers for
26 graduate students. When reducing tuition waivers, the university will
27 not change its practices and procedures for providing eligible
28 veterans with tuition waivers.

29 (24) \$45,000 of the general fund—state appropriation for fiscal
30 year 2018 is provided solely for the university to conduct research
31 and analysis of military officers who are attending or have completed
32 the command and general staff college, intermediate level education,
33 or advanced operations course as part of their military education.
34 The purpose of the research and analysis is to examine possible
35 graduate level degree programs to be offered in partnership with the
36 university and the U.S. army's command and general staff college. The
37 research and analysis shall include stakeholder meetings with the
38 U.S. army's command and general staff college. The university shall
39 submit a report to the appropriate legislative higher education
40 committees and the joint committee on veterans and military affairs

1 by December 31, 2018. The report shall include the results of the
2 research and analysis and plans for possible next steps with other
3 service schools for field grade officers.

4 (25)(a) \$140,000 of the general fund—state appropriation for
5 fiscal year 2018 is provided solely for the University of Washington
6 school of law to convene a study on the Washington state supreme
7 court decision *Volk v. DeMeerleer*, 386 P.3d 254 (Wash. 2016), and
8 whether or not it substantially changed the law on the duty of care
9 for mental health providers and whether it has had an impact on
10 access to mental health care services in the state. The study shall
11 include:

12 (i) Comprehensive review of duty to warn and duty to protect case
13 law and laws in the United States, including a description of how
14 Washington state's law compares to other states and to what extent,
15 if any, the Volk decision changed the law in this state;

16 (ii) Comprehensive review and assessment of the involuntary and
17 voluntary treatment capacity available in the state, including
18 information and data available from the select committee on quality
19 improvement in state hospitals, related contractors, and other
20 sources;

21 (iii) An analysis of lawsuits brought in the state as a result of
22 the Volk decision, including the outcome of any such cases and any
23 harm alleged in each lawsuit;

24 (iv) An analysis of lawsuits brought in the state prior to the
25 issuance of the Volk decision, and since the issuance of the decision
26 in *Petersen v. State*, against outpatient mental health providers
27 alleged to have breached either the duty to warn or the duty to take
28 reasonable precautions established in *Petersen*, including the outcome
29 of any such cases and the harm alleged in each lawsuit;

30 (v) An analysis of insurance claims filed as a result of the Volk
31 decision, including the outcome of any such cases and any harm
32 alleged in each claim filed;

33 (vi) Whether insurance policy provisions and rates have been
34 affected due to the Volk decision;

35 (vii) Assessment of the number of mental health service providers
36 available to provide treatment to voluntary mental health patients in
37 the state, whether that capacity has changed, and whether any such
38 change is a result of the Volk decision, and a description of any
39 changes as a result of the Volk decision;

1 (viii) Assessment of whether mental health service providers may
2 be changing practice to limit exposure to the potential risks created
3 by the Volk decision;

4 (ix) Assessment of legal and practice implications state legal
5 standards regarding duty to warn and duty to protect in the voluntary
6 and involuntary treatment context; and

7 (x) Comprehensive review of practices where the practice has been
8 consistently shown to have achieved the results it seeks to achieve
9 and that those results are superior to those achieved by other means.

10 (b) When performing the study under this subsection, the
11 University of Washington school of law shall consult with subject-
12 matter experts including, but not limited to, individuals
13 representing the following organizations:

14 (i) Attorneys with experience representing defendants in personal
15 injury cases or wrongful death cases related to the issues raised by
16 duty to warn cases;

17 (ii) Washington state association for justice, representing
18 attorneys with experience representing plaintiffs in personal injury
19 cases or wrongful death cases related to the issues raised by duty to
20 warn cases;

21 (iii) Department of social and health services;

22 (iv) Washington academy of family physicians;

23 (v) Washington association for mental health treatment
24 protection;

25 (vi) Office of the insurance commissioner;

26 (vii) Washington council for behavioral health;

27 (viii) Washington state hospital association;

28 (ix) Washington state medical association;

29 (x) Washington state psychiatric association;

30 (xi) Washington state psychological association;

31 (xii) Washington state society for clinical social work;

32 (xiii) Washington association of police chiefs and sheriffs;

33 (xiv) Victim support services;

34 (xv) NW health law advocates;

35 (xvi) National alliance on mental illness;

36 (xvii) American civil liberties union; and

37 (xviii) A sample of families who testified or presented evidence
38 of their cases to the legislature.

39 (c) The University of Washington school of law shall consult each
40 listed organization separately. Following collection and analysis of

1 relevant data, they shall hold at least one meeting of all listed
2 organizations to discuss the data, analysis, and recommendations. The
3 University of Washington school of law must submit the final report
4 to the appropriate committees of the legislature by December 1, 2017.

5 (26) \$200,000 of the geoduck aquaculture research account—state
6 appropriation is provided solely for the Washington sea grant program
7 at the University of Washington to complete a three-year study to
8 identify best management practices related to shellfish production.
9 The University of Washington must submit an annual report detailing
10 any findings and outline the progress of the study, consistent with
11 RCW 43.01.036, to the office of the governor and the appropriate
12 legislative committees by December 1st of each year.

13 (27) Any public-private partnership, business venture,
14 affiliation, or joint venture with a public or private entity, except
15 the government of the United States, for which the University of
16 Washington partners or participates to provide services to the
17 general public is subject to financial and accountability audits by
18 the Washington state auditor. The university must cooperate and
19 comply with all state auditor requests for information to conduct
20 these audits. The university must also include in any contract or
21 agreement with a private party to provide services to the general
22 public a clause to require the production of any financial
23 information necessary to conduct the financial and accountability
24 audits to the state auditor on demand. If University of Washington
25 believes that any law, regulation, or contract provision prevents
26 production of information for the state auditor, the university must
27 produce the information to the solicitor general's office of the
28 office of the attorney general for their review. If the solicitor
29 general's office determines there is no legal or contractual basis to
30 prevent production, the office must transmit the information to the
31 state auditor.

32 (28) \$250,000 of the accident account—state appropriation and
33 \$241,000 of the medical aid—state appropriation are provided solely
34 for implementation of Substitute Senate Bill No. 6343 (energy workers
35 task force). If the bill is not enacted by June 30, 2018, the amounts
36 provided in this subsection shall lapse.

37 (29) \$135,000 of the general fund—state appropriation for fiscal
38 year 2019 is provided solely for Washington MESA to continue the
39 First Nations MESA program in the Yakima Valley.

1 (30) \$128,000 of the general fund—state appropriation for fiscal
2 year 2019 is provided solely for implementation of Senate Bill No.
3 5028 (Native American curriculum). If the bill is not enacted by June
4 30, 2018, the amount provided in this subsection shall lapse.

5 (31) \$1,000,000 of the general fund—state appropriation for
6 fiscal year 2019 is provided solely for the extension for community
7 healthcare outcomes project.

8 **Sec. 603.** 2017 3rd sp.s. c 1 s 607 (uncodified) is amended to
9 read as follows:

10 **FOR WASHINGTON STATE UNIVERSITY**

11	General Fund—State Appropriation (FY 2018)	. . . . .	((\$215,329,000))
12			<u>\$200,486,000</u>
13	General Fund—State Appropriation (FY 2019)	. . . . .	((\$227,266,000))
14			<u>\$213,024,000</u>
15	WSU Building Account—State Appropriation.	. . . . .	\$792,000
16	<u>Pension Funding Stabilization Account—State</u>		
17	<u>Appropriation.</u>	. . . . .	<u>\$30,983,000</u>
18	Education Legacy Trust Account—State Appropriation	. . . . .	\$33,995,000
19	Dedicated Marijuana Account—State Appropriation		
20	(FY 2018)	. . . . .	\$138,000
21	Dedicated Marijuana Account—State Appropriation		
22	(FY 2019)	. . . . .	\$138,000
23	TOTAL APPROPRIATION.	. . . . .	((\$477,658,000))
24			<u>\$479,556,000</u>

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

27 (1) \$90,000 of the general fund—state appropriation for fiscal
28 year 2018 and \$90,000 of the general fund—state appropriation for
29 fiscal year 2019 are provided solely for a rural economic development
30 and outreach coordinator.

31 (2) The university must continue work with the education research
32 and data center to demonstrate progress in computer science and
33 engineering enrollments. By September 1st of each year, the
34 university shall provide a report including but not limited to the
35 cost per student, student completion rates, and the number of low-
36 income students enrolled in each program, any process changes or
37 best-practices implemented by the university, and how many students

1 are enrolled in computer science and engineering programs above the
2 prior academic year.

3 (3) \$500,000 of the general fund—state appropriation for fiscal
4 year 2018 and \$500,000 of the general fund—state appropriation for
5 fiscal year 2019 are provided solely for state match requirements
6 related to the federal aviation administration grant.

7 (4) Washington State University shall not use funds appropriated
8 in this section to support intercollegiate athletic programs.

9 (5) The appropriations in this section include sufficient funding
10 for the implementation of chapter 154, Laws of 2017 (SSB 5022)
11 (education loan information).

12 (6) The appropriations in this section include sufficient funding
13 for the implementation of chapter 177, Laws of 2017 (SSB 5100)
14 (financial literacy seminars).

15 (7) \$3,000,000 of the general fund—state appropriation for fiscal
16 year 2018 and \$7,000,000 of the general fund—state appropriation for
17 fiscal year 2019 are provided solely for the continued development
18 and operations of a medical school program in Spokane.

19 (8) Within the funds appropriated in this section, Washington
20 State University is required to provide administrative support to the
21 sustainable aviation biofuels work group authorized under RCW
22 28B.30.904.

23 (9) \$135,000 of the general fund—state appropriation for fiscal
24 year 2018 and \$135,000 of the general fund—state appropriation for
25 fiscal year 2019 are provided solely for a honey bee biology research
26 position.

27 (10) (~~(\$27,425,000)~~) \$27,585,000 of the general fund—state
28 appropriation for fiscal year 2018 and (~~(\$27,973,000)~~) \$28,275,000 of
29 the general fund—state appropriation for fiscal year 2019 are
30 provided solely for the implementation of the college affordability
31 program as set forth in RCW 28B.15.066.

32 (11) \$230,000 of the general fund—state appropriation for fiscal
33 year 2018 and \$376,000 of the general fund—state appropriation for
34 fiscal year 2019 are provided solely for chapter 202, Laws of 2017
35 (2SHB 1713) (children's mental health).

36 (12) \$300,000 of the general fund—state appropriation for fiscal
37 year 2018 and \$300,000 of the general fund—state appropriation for
38 fiscal year 2019 are provided solely for the William D. Ruckelshaus
39 center to collaborate with groups and organizations, including

1 associations of local governments, associations of the business, real
2 estate and building industries, state agencies, environmental
3 organizations, state universities, public health and planning
4 organizations, and tribal governments, to create a "Road Map to
5 Washington's Future." The road map shall identify areas of agreement
6 on ways to adapt Washington's growth management framework of
7 statutes, institutions, and policies to meet future challenges in
8 view of robust forecasted growth and the unique circumstances and
9 urgent priorities in the diverse regions of the state. The center
10 shall, in conjunction with state universities and other sponsors,
11 conduct regional workshops to:

12 (a) Engage Washington residents in identifying a desired
13 statewide vision for Washington's future;

14 (b) Partner with state universities on targeted research to
15 inform future alternatives;

16 (c) Facilitate deep and candid interviews with representatives of
17 the above named groups and organizations; and

18 (d) Convene parties for collaborative conversations and potential
19 agreement seeking.

20 The center must submit a final report to the appropriate committees
21 of the legislature by June 30, 2019.

22 (13) \$580,000 of the general fund—state appropriation for fiscal
23 year 2018 and \$580,000 of the general fund—state appropriation for
24 fiscal year 2019 are provided solely for the development of an
25 organic agriculture systems degree program located at the university
26 center in Everett.

27 (14) Within the funds appropriated in this section, Washington
28 State University shall:

29 (a) Review the scholarly literature on the short-term and long-
30 term effects of marijuana use to assess if other states or private
31 entities are conducting marijuana research in areas that may be
32 useful to the state.

33 (b) Provide as part of its budget request for the 2019-2021
34 fiscal biennium:

35 (i) A list of intended state, federal, and privately funded
36 marijuana research, including cost, duration, and scope;

37 (ii) Plans for partnerships with other universities, state
38 agencies, or private entities, including entities outside the state,
39 for purposes related to researching short-term and long-term effects
40 of marijuana use.

1 (15) \$760,000 of the general fund—state appropriation for fiscal
2 year 2018 and \$760,000 of the general fund—state appropriation for
3 fiscal year 2019 are provided solely for implementation of chapter
4 159, Laws of 2017 (2SSB 5474) (elk hoof disease).

5 (16) \$630,000 of the general fund—state appropriation for fiscal
6 2018 and \$630,000 of the general fund—state appropriation for fiscal
7 year 2019 are provided solely for the creation of an electrical
8 engineering program located in Bremerton. At full implementation, the
9 university is expected to increase degree production by 25 new
10 bachelor's degrees per year. The university must identify these
11 students separately when providing data to the education research
12 data center as required in subsection (2) of this section.

13 (17) \$1,370,000 of the general fund—state appropriation for
14 fiscal year 2018 and \$1,370,000 of the general fund—state
15 appropriation for fiscal year 2019 are provided solely for the
16 creation of software engineering and data analytic programs at the
17 university center in Everett. At full implementation, the university
18 is expected to enroll 50 students per academic year. The university
19 must identify these students separately when providing data to the
20 education research data center as required in subsection (2) of this
21 section.

22 (18) General fund—state appropriations in this section are
23 reduced to reflect a reduction in state-supported tuition waivers for
24 graduate students. When reducing tuition waivers, the university will
25 not change its practices and procedures for providing eligible
26 veterans with tuition waivers.

27 (19) \$500,000 of the general fund—state appropriation for fiscal
28 year 2019 is provided solely for the joint center for deployment and
29 research in earth abundant materials.

30 (20) \$768,000 of the general fund—state appropriation for fiscal
31 year 2018 and \$504,000 of the general fund—state appropriation for
32 fiscal year 2019 are provided solely for implementation of chapter
33 36, Laws of 2017 3rd sp. sess. (renewable energy, tax incentives).

34 (21) \$75,000 of the general fund—state appropriation for fiscal
35 year 2019 is provided solely for the Washington State University tree
36 fruit research and extension center in Wenatchee to create a plan for
37 expansion of graduate research in the greater Wenatchee Valley. This
38 plan may include proposals for new research programs, new or expanded

1 facilities, and other elements necessary to facilitate expansion of
2 graduate research in the greater Wenatchee Valley.

3 (22) \$20,000 of the general fund—state appropriation for fiscal
4 year 2019 is provided solely for implementation of Senate Bill No.
5 6563 (aviation biofuels work group). If the bill is not enacted by
6 June 30, 2018, the amount provided in this subsection shall lapse.

7 (23) \$30,000 of the general fund—state appropriation for fiscal
8 year 2019 is provided solely for implementation of Senate Bill No.
9 5028 (Native American curriculum). If the bill is not enacted by June
10 30, 2018, the amount provided in this subsection shall lapse.

11 **Sec. 604.** 2017 3rd sp.s. c 1 s 608 (uncodified) is amended to
12 read as follows:

13 **FOR EASTERN WASHINGTON UNIVERSITY**

14	General Fund—State Appropriation (FY 2018)	. . . . .	((\$50,064,000))
15			<u>\$50,090,000</u>
16	General Fund—State Appropriation (FY 2019)	. . . . .	((\$51,985,000))
17			<u>\$52,080,000</u>
18	Education Legacy Trust Account—State Appropriation	. . .	\$16,598,000
19	TOTAL APPROPRIATION.	. . . . .	((\$118,647,000))
20			<u>\$118,768,000</u>

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

23 (1) At least \$200,000 of the general fund—state appropriation for
24 fiscal year 2018 and at least \$200,000 of the general fund—state
25 appropriation for fiscal year 2019 must be expended on the Northwest
26 autism center.

27 (2) The university must continue work with the education research
28 and data center to demonstrate progress in computer science and
29 engineering enrollments. By September 1st of each year, the
30 university shall provide a report including but not limited to the
31 cost per student, student completion rates, and the number of low-
32 income students enrolled in each program, any process changes or
33 best-practices implemented by the university, and how many students
34 are enrolled in computer science and engineering programs above the
35 prior academic year.

36 (3) Eastern Washington University shall not use funds
37 appropriated in this section to support intercollegiate athletics
38 programs.

1 (4) (~~(\$9,851,000)~~) \$9,909,000 of the general fund—state
2 appropriation for fiscal year 2018 and (~~(\$10,048,000)~~) \$10,157,000 of
3 the general fund—state appropriation for fiscal year 2019 are
4 provided solely for the implementation of the college affordability
5 program as set forth in RCW 28B.15.066.

6 (5) The appropriations in this section include sufficient funding
7 for the implementation of chapter 154, Laws of 2017 (SSB 5022)
8 (education loan information).

9 (6) The appropriations in this section include sufficient funding
10 for the implementation of chapter 177, Laws of 2017 (SSB 5100)
11 (financial literacy seminars).

12 (7) Within amounts appropriated in this section, the university
13 is encouraged to increase the number of tenure-track positions
14 created and hired.

15 (8) \$20,000 of the general fund—state appropriation for fiscal
16 year 2019 is provided solely for implementation of Senate Bill No.
17 5028 (Native American curriculum). If the bill is not enacted by June
18 30, 2018, the amount provided in this subsection shall lapse.

19 **Sec. 605.** 2017 3rd sp.s. c 1 s 609 (uncodified) is amended to
20 read as follows:

21 **FOR CENTRAL WASHINGTON UNIVERSITY**

22	General Fund—State Appropriation (FY 2018)	. . . . .	((\$49,969,000))
23			<u>\$48,136,000</u>
24	General Fund—State Appropriation (FY 2019)	. . . . .	((\$52,303,000))
25			<u>\$50,699,000</u>
26	CWU Capital Projects Account—State Appropriation.	. . . . .	\$76,000
27	Education Legacy Trust Account—State Appropriation	. . .	\$19,076,000
28	<u>Pension Funding Stabilization Account—State</u>		
29	<u>Appropriation.</u>	. . . . .	<u>\$3,921,000</u>
30	TOTAL APPROPRIATION.	. . . . .	((\$121,424,000))
31			<u>\$121,908,000</u>

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

34 (1) The university must continue work with the education research
35 and data center to demonstrate progress in engineering enrollments.
36 By September 1st of each year, the university shall provide a report
37 including but not limited to the cost per student, student completion
38 rates, and the number of low-income students enrolled in each

1 program, any process changes or best-practices implemented by the
2 university, and how many students are enrolled in engineering
3 programs above the prior academic year.

4 (2) Central Washington University shall not use funds
5 appropriated in this section to support intercollegiate athletics
6 programs.

7 (3) (~~(\$11,104,000)~~) \$11,169,000 of the general fund—state
8 appropriation for fiscal year 2018 and (~~(\$11,326,000)~~) \$11,448,000 of
9 the general fund—state appropriation for fiscal year 2019 are
10 provided solely for the implementation of the college affordability
11 program as set forth in RCW 28B.15.066.

12 (4) The appropriations in this section include sufficient funding
13 for the implementation of chapter 154, Laws of 2017 (SSB 5022)
14 (education loan information).

15 (5) The appropriations in this section include sufficient funding
16 for the implementation of chapter 177, Laws of 2017 (SSB 5100)
17 (financial literacy seminars).

18 (6) Within amounts appropriated in this section, the university
19 is encouraged to increase the number of tenure-track positions
20 created and hired.

21 (7) \$130,000 of the general fund—state appropriation for fiscal
22 year 2019 is provided solely for Central Washington University to
23 partner with the office of the lieutenant governor, and employers and
24 labor representatives from the building and construction trades to
25 create a bachelor's degree program for individuals who have completed
26 or are completing certain registered apprenticeship programs. The
27 program shall be inclusive of prior learning, specifically tailored
28 to experience gained through apprenticeships and work in the building
29 and construction trades, and use an affordable online delivery model.
30 The program's financial model must be designed to make this degree
31 program self-sustaining without state support.

32 (8) \$46,000 of the general fund—state appropriation for fiscal
33 year 2019 is provided solely for implementation of Senate Bill No.
34 5028 (Native American curriculum). If the bill is not enacted by June
35 30, 2018, the amount provided in this subsection shall lapse.

36 **Sec. 606.** 2017 3rd sp.s. c 1 s 610 (uncodified) is amended to
37 read as follows:

38 **FOR THE EVERGREEN STATE COLLEGE**

1	General Fund—State Appropriation (FY 2018)	. . . . .	((\$26,543,000))
2			<u>\$26,627,000</u>
3	General Fund—State Appropriation (FY 2019)	. . . . .	((\$27,146,000))
4			<u>\$27,810,000</u>
5	TESC Capital Projects Account—State Appropriation.	. . . . .	\$80,000
6	<u>Pension Funding Stabilization Account—State Appropriation.</u>	. . . . .	\$2,000
7	Education Legacy Trust Account—State Appropriation	. . . . .	\$5,450,000
8	((Liquor Revolving Account—State Appropriation.	. . . . .	\$250,000))
9	TOTAL APPROPRIATION.	. . . . .	((\$59,469,000))
10			<u>\$59,969,000</u>

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

13 (1) ((~~\$3,377,000~~)) \$3,397,000 of the general fund—state
14 appropriation for fiscal year 2018 and ((~~\$3,445,000~~)) \$3,482,000 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 (2) Funding provided in this section is sufficient for The
19 Evergreen State College to continue operations of the Longhouse
20 Center and the Northwest Indian applied research institute.

21 (3) Notwithstanding other provisions in this section, the board
22 of directors for the Washington state institute for public policy may
23 adjust due dates for projects included on the institute's 2017-19
24 work plan as necessary to efficiently manage workload.

25 (4) The Evergreen State College shall not use funds appropriated
26 in this section to support intercollegiate athletics programs.

27 (5) \$33,000 of the general fund—state appropriation for fiscal
28 year 2018 and ((~~\$65,000~~)) \$95,000 of the general fund—state
29 appropriation for fiscal year 2019 are provided solely for
30 implementation of chapter 265, Laws of 2017 (SHB 1867) (ext. foster
31 care transitions).

32 (6) \$62,000 of the general fund—state appropriation for fiscal
33 year 2018 are provided solely for implementation of chapter 237, Laws
34 of 2017 (ESHB 1115) (paraeducators).

35 (7) \$17,000 of the general fund—state appropriation for fiscal
36 year 2018 and ((~~\$34,000~~)) \$41,000 of the general fund—state
37 appropriation for fiscal year 2019 are provided solely for the
38 Washington institute for public policy to conduct a study regarding

1 the implementation of certain aspects of the involuntary treatment
2 act, pursuant to chapter 29, Laws of 2016, sp. sess. (E3SHB 1713).

3 (8) The appropriations in this section include sufficient funding
4 for the implementation of chapter 154, Laws of 2017 (SSB 5022)
5 (education loan information).

6 (9) The appropriations in this section include sufficient funding
7 for the implementation of chapter 177, Laws of 2017 (SSB 5100)
8 (financial literacy seminars).

9 (10) \$72,000 of the general fund—state appropriation for fiscal
10 year 2018 and \$43,000 of the general fund—state appropriation for
11 fiscal year 2019 is provided solely for the Washington institute for
12 public policy to update its previous meta-analysis on the effect of
13 the national board for professional teaching standards certification
14 on student outcomes by December 15, 2018. The institute shall also
15 report on the following:

16 (a) Does the certification improve teacher retention in
17 Washington state?;

18 (b) Has the additional bonus provided under RCW 28A.405.415 to
19 certificated instructional staff who have attained national board
20 certification to work in high poverty schools acted as an incentive
21 for such teachers to actually work in high poverty schools?; and

22 (c) Have other states provided similar incentives to achieve a
23 more equitable distribution of staff with national board
24 certification?

25 (11) \$122,000 of the general fund—state appropriation for fiscal
26 year 2018 and (~~(\$40,000)~~) \$141,000 of the general fund—state
27 appropriation for fiscal year 2019 are provided solely for the
28 implementation of chapter 244, Laws of 2015 (college bound).

29 (12) \$1,000 of the general fund—state appropriation for fiscal
30 year 2018 and (~~(\$1,000)~~) \$7,000 of the general fund—state
31 appropriation for fiscal year 2019 are provided solely for the
32 implementation of chapter 7, Laws of 2015, 3rd sp.s. (early start
33 act).

34 (~~(14)~~) (13) Within amounts appropriated in this section, the
35 college is encouraged to increase the number of tenure-track
36 positions created and hired.

37 (~~(15)~~) (14) \$16,000 of the general fund—state appropriation for
38 fiscal year 2018 and (~~(\$22,000)~~) \$50,000 of the general fund—state
39 appropriation for fiscal year 2019 are provided solely for

1 implementation of Engrossed Substitute Senate Bill No. 5890 (foster
2 care and adoption). If the bill is not enacted by July 31, 2017, the
3 amounts provided in this subsection shall lapse.

4 (15) \$111,000 of the general fund—state appropriation for fiscal
5 year 2018 and \$20,000 of the general fund—state appropriation for
6 fiscal year 2019 are provided solely for implementation of chapter
7 205, Laws of 2016 (2SHB 2449) (truancy reduction).

8 (16)(a) \$100,000 of the general fund—state appropriation for
9 fiscal year 2019 is provided solely for the Washington state
10 institute for public policy shall conduct a statewide study on the
11 needs of dually involved females. To the extent possible, the study
12 must review available data for the following purposes:

13 (i) Understanding the prevalence and demographics of the dually
14 involved female population and their families;

15 (ii) Tracking outcomes for this population including, but not
16 limited to, academic, social, and vocational achievement; and

17 (iii) Surveying other states' systems that address and treat the
18 needs of this population.

19 (b) To the extent possible, the data should be disaggregated by
20 race and ethnicity, gender, sexual orientation and gender identity,
21 county of residence, and other relevant variables.

22 (c) The study should include a cost-benefit analysis of programs
23 for dually involved females that would show evidence of avoidance of
24 costs associated with public welfare programs or would demonstrate
25 higher educational attainment.

26 (d) By July 1, 2019, the Washington state institute for public
27 policy shall submit its study findings to the legislative fiscal and
28 policy committees with responsibility for child welfare and juvenile
29 justice issues.

30 (17) \$23,000 of the general fund—state appropriation for fiscal
31 year 2019 is provided solely for the Washington institute for public
32 policy to review, study, and report to the legislature on policy
33 recommendations for protecting consumers against excessive
34 prescription drug price increases. The study must include a two year
35 look back at prescription drug price increases where the wholesale
36 acquisition cost increased by a percentage equal to or greater than
37 one hundred percent, at any one time, or in the aggregate in any
38 twelve-month period. The study only applies to prescription drugs
39 costing twenty-five dollars or more for a thirty-day supply, and does

1 not pertain to price increases for new prescription drugs. For the
2 purposes of the study, the wholesale acquisition cost means the price
3 for each dosage, size, or concentration of the prescription drug
4 offered or sold by the drug manufacturer. The report with policy
5 recommendations must be submitted to the appropriate committees of
6 the legislature by November 30, 2018.

7 (18) \$57,000 of the general fund—state appropriation for fiscal
8 year 2019 is provided solely for the Washington institute for public
9 policy to conduct a review of the available research literature on
10 step therapy protocol usage, including any rigorous evidence
11 concerning positive or negative health outcomes resulting from step
12 therapy protocol usage. The institute must also review any rigorous
13 evidence regarding the effectiveness of exceptions to the use of step
14 therapy in improving health outcomes and reducing adverse events, and
15 provide a summary of step therapy protocol exceptions that have been
16 codified in other states. The institute must submit a report on its
17 findings to the appropriate committees of the senate and house of
18 representatives by December 1, 2018.

19 (19)(a) \$25,000 of the general fund—state appropriation for
20 fiscal year 2018 and \$55,000 of the general fund—state appropriation
21 for fiscal year 2019 are provided solely for the Washington state
22 institute of public policy to review the higher education funding
23 models in ten states with higher education systems that are similar
24 to Washington state, and report to the legislature by November 1,
25 2018. The review must include a breakdown of:

26 (i) The method used to determine state funding levels for
27 institutions of higher education;

28 (ii) The proportion of state funding that comes from the state
29 general fund or that state's equivalent accounts for salary and
30 benefit increases at institutions of higher education;

31 (iii) The manner in which salary and benefit increases are
32 determined at or on behalf of employees at institutions of higher
33 education;

34 (iv) The total proportion of state funding that comes from the
35 state general fund or that state's equivalent accounts for
36 institutions of higher education.

37 (b) The office of financial management in consultation with the
38 state board for community and technical colleges and the council of
39 presidents, may use information in the report to present funding

1 options to the legislature. The legislature shall consider any
2 options that are made available by the office of financial management
3 under this subsection when making future decisions about funding for
4 salaries and benefits during the 2019-2021 biennium.

5 (20) \$20,000 of the general fund—state appropriation for fiscal
6 year 2018 and \$140,000 of the general fund—state appropriation for
7 fiscal year 2019 are provided solely for implementation of Second
8 Substitute Senate Bill No. 6029 (student loan bill of rights). If the
9 bill is not enacted by June 30, 2018, the amounts provided in this
10 subsection shall lapse.

11 **Sec. 607.** 2017 3rd sp.s. c 1 s 611 (uncodified) is amended to
12 read as follows:

13 **FOR WESTERN WASHINGTON UNIVERSITY**

14	General Fund—State Appropriation (FY 2018)	. . . . .	((\$70,456,000))
15			<u>\$70,474,000</u>
16	General Fund—State Appropriation (FY 2019)	. . . . .	((\$72,950,000))
17			<u>\$74,376,000</u>
18	Education Legacy Trust Account—State Appropriation	. . .	\$13,831,000
19	Western Washington University Capital Projects		
20	Account—State Appropriation (FY 2018)	. . . . .	\$771,000
21	Western Washington University Capital Projects Account—State		
22	Appropriation (FY 2019)	. . . . .	\$712,000
23	TOTAL APPROPRIATION	. . . . .	((\$158,720,000))
24			<u>\$160,164,000</u>

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

27 (1) The university must continue work with the education research
28 and data center to demonstrate progress in computer science and
29 engineering enrollments. By September 1st of each year, the
30 university shall provide a report including but not limited to the
31 cost per student, student completion rates, and the number of low-
32 income students enrolled in each program, any process changes or
33 best-practices implemented by the university, and how many students
34 are enrolled in computer science and engineering programs above the
35 prior academic year.

36 (2) \$630,000 of the general fund—state appropriation for fiscal
37 year 2018 and \$630,000 of the general fund—state appropriation for
38 fiscal year 2019 are provided solely for the computer and information

1 systems security program located at Olympic college - Poulsbo. The
2 university is expected to enroll 30 students each academic year
3 beginning in fiscal year 2017. The university must identify these
4 students separately when providing data to the educational data
5 centers as required in (1) of this section.

6 (3) Western Washington University shall not use funds
7 appropriated in this section to support intercollegiate athletics
8 programs.

9 (4) (~~(\$15,326,000)~~) \$15,416,000 of the general fund—state
10 appropriation for fiscal year 2018 and (~~(\$15,632,000)~~) \$15,801,000 of
11 the general fund—state appropriation for fiscal year 2019 are
12 provided solely for the implementation of the college affordability
13 program as set forth in RCW 28B.15.066.

14 (5) The appropriations in this section include sufficient funding
15 for the implementation of chapter 154, Laws of 2017 (SSB 5022)
16 (education loan information).

17 (6) The appropriations in this section include sufficient funding
18 for the implementation of chapter 177, Laws of 2017 (SSB 5100)
19 (financial literacy seminars).

20 (7) \$500,000 of the general fund—state appropriation for fiscal
21 year 2018 and \$500,000 of the general fund—state appropriation for
22 fiscal year 2019 are provided solely for programs or initiatives
23 designed to improve student academic success and increase degree
24 completion.

25 (8) Within amounts appropriated in this section, the university
26 is encouraged to increase the number of tenure-track positions
27 created and hired.

28 (9) \$24,000 of the general fund—state appropriation for fiscal
29 year 2019 is provided solely for implementation of Senate Bill No.
30 5028 (Native American curriculum). If the bill is not enacted by June
31 30, 2018, the amount provided in this subsection shall lapse.

32 (10) \$1,306,000 of the general fund—state appropriation for
33 fiscal year 2019 is provided solely for Western Washington University
34 to develop a new program in marine, coastal, and watershed sciences.

35 **Sec. 608.** 2017 3rd sp.s. c 1 s 612 (uncodified) is amended to
36 read as follows:

37 **FOR THE STUDENT ACHIEVEMENT COUNCIL—POLICY COORDINATION AND**
38 **ADMINISTRATION**

1	General Fund—State Appropriation (FY 2018)	. . . . .	((\$5,640,000))
2			<u>\$5,370,000</u>
3	General Fund—State Appropriation (FY 2019)	. . . . .	((\$5,791,000))
4			<u>\$6,089,000</u>
5	General Fund—Federal Appropriation	. . . . .	\$4,892,000
6	<u>Pension Funding Stabilization Account—State</u>		
7	<u>Appropriation.</u>	. . . . .	\$535,000
8	TOTAL APPROPRIATION.	. . . . .	((\$16,323,000))
9			<u>\$16,886,000</u>

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

12 (1) \$20,000 of the general fund—state appropriation for fiscal
13 year 2018 is provided solely for administrative costs to implement
14 the expansion of the college bound scholarship program for foster
15 youth, pursuant to Engrossed Substitute Senate Bill No. 5890 (foster
16 care and adoption). If the bill is not enacted by July 31, 2017, the
17 amount provided in this subsection shall lapse.

18 (2) \$130,000 of the general fund—state appropriation for fiscal
19 year 2019 is provided solely for implementation of Engrossed
20 Substitute Senate Bill No. 6486 (registered apprenticeships). If the
21 bill is not enacted by June 30, 2018, the amount provided in this
22 subsection shall lapse.

23 (3) \$68,000 of the general fund—state appropriation for fiscal
24 year 2019 is provided solely for implementation of Substitute Senate
25 Bill No. 6514 (higher education behavioral health). If the bill is
26 not enacted by June 30, 2018, the amount provided in this subsection
27 shall lapse.

28 (4) \$245,000 of the general fund—state appropriation for fiscal
29 year 2019 is provided solely for implementation of Second Substitute
30 Senate Bill No. 6029 (student loan bill of rights). If the bill is
31 not enacted by June 30, 2018, the amount provided in this subsection
32 shall lapse.

33 **Sec. 609.** 2017 3rd sp.s. c 1 s 613 (uncodified) is amended to
34 read as follows:

35 **FOR THE STUDENT ACHIEVEMENT COUNCIL—OFFICE OF STUDENT FINANCIAL**
36 **ASSISTANCE**

37	General Fund—State Appropriation (FY 2018)	. . . . .	((\$238,397,000))
38			<u>\$238,388,000</u>

1	General Fund—State Appropriation (FY 2019)	. . . . .	((\$242,726,000))
2			<u>\$253,118,000</u>
3	General Fund—Federal Appropriation	. . . . .	((\$11,906,000))
4			<u>\$11,905,000</u>
5	General Fund—Private/Local Appropriation	. . . . .	\$300,000
6	Education Legacy Trust Account—State Appropriation	. . . . .	((\$99,955,000))
7			<u>\$104,291,000</u>
8	WA Opportunity Pathways Account—State		
9	Appropriation	. . . . .	((\$117,389,000))
10			<u>\$122,350,000</u>
11	Aerospace Training Student Loan Account—State		
12	Appropriation	. . . . .	\$208,000
13	<u>Pension Funding Stabilization Account—State</u>		
14	<u>Appropriation.</u>	. . . . .	<u>\$18,000</u>
15	Health Professionals Loan Repayment and Scholarship		
16	Program Account—State Appropriation	. . . . .	\$4,720,000
17	TOTAL APPROPRIATION.	. . . . .	((\$715,601,000))
18			<u>\$735,298,000</u>

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

21 (1) \$229,157,000 of the general fund—state appropriation for
22 fiscal year 2018, ((~~\$233,928,000~~)) \$243,770,000 of the general fund—
23 state appropriation for fiscal year 2019, \$69,376,000 of the
24 education legacy trust account—state appropriation, and \$88,000,000
25 of the Washington opportunity pathways account—state appropriation
26 are provided solely for student financial aid payments under the
27 state need grant and state work study programs, including up to four
28 percent administrative allowance for the state work study program.

29 (2)(a) For the 2017-2019 fiscal biennium, state need grant awards
30 given to private for-profit institutions shall be the same amount as
31 the prior year.

32 (b) For the 2017-2019 fiscal biennium, grant awards given to
33 private four-year not-for-profit institutions shall be set at the
34 same level as the average grant award for public research
35 universities. Increases in awards given to private four-year not-for-
36 profit institutions shall align with annual tuition increases for
37 public research institutions.

38 (3) Changes made to the state work study program in the 2009-2011
39 and 2011-2013 fiscal biennia are continued in the 2017-2019 fiscal

1 biennium including maintaining the increased required employer share
2 of wages; adjusted employer match rates; discontinuation of
3 nonresident student eligibility for the program; and revising
4 distribution methods to institutions by taking into consideration
5 other factors such as off-campus job development, historical
6 utilization trends, and student need.

7 (4) Within the funds appropriated in this section, eligibility
8 for the state need grant includes students with family incomes at or
9 below 70 percent of the state median family income (MFI), adjusted
10 for family size, and shall include students enrolled in three to five
11 credit-bearing quarter credits, or the equivalent semester credits.
12 Awards for students with incomes between 51 and 70 percent of the
13 state median shall be prorated at the following percentages of the
14 award amount granted to those with incomes below 51 percent of the
15 MFI: 70 percent for students with family incomes between 51 and 55
16 percent MFI; 65 percent for students with family incomes between 56
17 and 60 percent MFI; 60 percent for students with family incomes
18 between 61 and 65 percent MFI; and 50 percent for students with
19 family incomes between 66 and 70 percent MFI.

20 (5) Of the amounts provided in subsection (1) of this section,
21 \$100,000 of the general fund—state appropriation for fiscal year 2018
22 and \$100,000 of the general fund—state appropriation for fiscal year
23 2019 are provided for the council to process an alternative financial
24 aid application system pursuant to RCW 28B.92.010.

25 (6) Students who are eligible for the college bound scholarship
26 shall be given priority for the state need grant program. These
27 eligible college bound students whose family incomes are in the 0-65
28 percent median family income ranges must be awarded the maximum state
29 need grant for which they are eligible under state policies and may
30 not be denied maximum state need grant funding due to institutional
31 policies or delayed awarding of college bound scholarship students.
32 The council shall provide directions to institutions to maximize the
33 number of college bound scholarship students receiving the maximum
34 state need grant for which they are eligible with a goal of 100
35 percent coordination. Institutions shall identify all college bound
36 scholarship students to receive state need grant priority. If an
37 institution is unable to identify all college bound scholarship
38 students at the time of initial state aid packaging, the institution
39 should reserve state need grant funding sufficient to cover the
40 projected enrollments of college bound scholarship students.

1 (7) \$15,849,000 of the education legacy trust account—state
2 appropriation and (~~(\$29,389,000)~~) \$34,350,000 of the Washington
3 opportunity pathways account—state appropriation are provided solely
4 for the college bound scholarship program and may support
5 scholarships for summer session. The office of student financial
6 assistance and the institutions of higher education shall consider
7 awards made by the opportunity scholarship program to be state-funded
8 for the purpose of determining the value of an award amount under RCW
9 28B.118.010.

10 (8) \$2,236,000 of the general fund—state appropriation for fiscal
11 year 2018 and \$2,236,000 of the general fund—state appropriation for
12 fiscal year 2019 are provided solely for the passport to college
13 program. The maximum scholarship award is up to \$5,000. The council
14 shall contract with a nonprofit organization to provide support
15 services to increase student completion in their postsecondary
16 program and shall, under this contract, provide a minimum of \$500,000
17 in fiscal years 2018 and 2019 for this purpose.

18 (9) (~~(\$14,730,000)~~) \$19,066,000 of the education legacy trust
19 account—state appropriation is provided solely to meet state match
20 requirements associated with the opportunity scholarship program. The
21 legislature will evaluate subsequent appropriations to the
22 opportunity scholarship program based on the extent that additional
23 private contributions are made, program spending patterns, and fund
24 balance.

25 (10) \$2,325,000 of the general fund—state appropriation for
26 fiscal year 2018 and \$2,325,000 of the general fund—state
27 appropriation for fiscal year 2019 are provided solely for
28 expenditure into the health professionals loan repayment and
29 scholarship program account. These amounts and \$4,720,000
30 appropriated from the health professionals loan repayment and
31 scholarship program account must be used to increase the number of
32 licensed primary care health professionals to serve in licensed
33 primary care health professional critical shortage areas. The office
34 of student financial assistance and the department of health shall
35 prioritize a portion of any nonfederal balances in the health
36 professional loan repayment and scholarship fund for conditional loan
37 repayment contracts with psychiatrists and with advanced registered
38 nurse practitioners for work at one of the state-operated psychiatric
39 hospitals. The office and department shall designate the state

1 hospitals as health professional shortage areas if necessary for this
2 purpose. The office shall coordinate with the department of social
3 and health services to effectively incorporate three conditional loan
4 repayments into the department's advanced psychiatric professional
5 recruitment and retention strategies. The office may use these
6 targeted amounts for other program participants should there be any
7 remaining amounts after eligible psychiatrists and advanced
8 registered nurse practitioners have been served. The office shall
9 also work to prioritize loan repayments to professionals working at
10 health care delivery sites that demonstrate a commitment to serving
11 uninsured clients.

12 (11) \$42,000 of the general fund—state appropriation for fiscal
13 year 2018 and \$42,000 of the general fund—state appropriation for
14 fiscal year 2019 are provided solely for the council to design and
15 implement a program that provides customized information to high-
16 achieving (as determined by local school districts), low-income, high
17 school students. "Low-income" means students who are from low-income
18 families as defined by the education data center in RCW 43.41.400.
19 For the purposes of designing, developing, and implementing the
20 program, the council shall partner with a national entity that offers
21 aptitude tests and shall consult with institutions of higher
22 education with a physical location in Washington. The council shall
23 implement the program no later than fall 2016, giving consideration
24 to spring mailings in order to capture early action decisions offered
25 by institutions of higher education and nonprofit baccalaureate
26 degree-granting institutions. The information packet for students
27 must include at a minimum:

28 (a) Materials that help students to choose colleges;

29 (b) An application guidance booklet;

30 (c) Application fee waivers, if available, for four-year
31 institutions of higher education and independent nonprofit
32 baccalaureate degree-granting institutions in the state that enable
33 students receiving a packet to apply without paying application fees;

34 (d) Information on college affordability and financial aid that
35 includes information on the net cost of attendance for each four-year
36 institution of higher education and each nonprofit baccalaureate
37 degree-granting institution, and information on merit and need-based
38 aid from federal, state, and institutional sources; and

1 (e) A personally addressed cover letter signed by the governor
2 and the president of each four-year institution of higher education
3 and nonprofit baccalaureate degree-granting institution in the state.

4 (12) \$559,000 of the general fund—state appropriation for fiscal
5 year 2019 is provided solely for implementation of Second Substitute
6 Senate Bill No. 6274 (apprenticeships/foster, etc.). If the bill is
7 not enacted by June 30, 2018, the amount provided in this subsection
8 shall lapse.

9 **Sec. 610.** 2017 3rd sp.s. c 1 s 614 (uncodified) is amended to
10 read as follows:

11 **FOR THE WORKFORCE TRAINING AND EDUCATION COORDINATING BOARD**

12	General Fund—State Appropriation (FY 2018)	. . . . .	((\$1,881,000))
13			<u>\$1,845,000</u>
14	General Fund—State Appropriation (FY 2019)	. . . . .	((\$1,795,000))
15			<u>\$2,214,000</u>
16	General Fund—Federal Appropriation	. . . . .	\$55,279,000
17	<u>Pension Funding Stabilization Account—State</u>		
18	<u>Appropriation.</u>	. . . . .	<u>\$176,000</u>
19	General Fund—Private/Local Appropriation	. . . . .	\$208,000
20	TOTAL APPROPRIATION.	. . . . .	((\$59,163,000))
21			<u>\$59,722,000</u>

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

24 (1) For the 2017-2019 fiscal biennium the board shall not
25 designate recipients of the Washington award for vocational
26 excellence or recognize them at award ceremonies as provided in RCW
27 28C.04.535.

28 (2) The health workforce council of the state workforce training
29 and education coordinating board, in partnership with work underway
30 with the office of the governor, shall, within resources available
31 for such purpose, but not to exceed \$250,000, assess workforce
32 shortages across behavioral health disciplines. The board shall
33 create a recommended action plan to address behavioral health
34 workforce shortages and to meet the increased demand for services
35 now, and with the integration of behavioral health and primary care
36 in 2020. The analysis and recommended action plan shall align with
37 the recommendations of the adult behavioral health system task force
38 and related work of the healthier Washington initiative. The board

1 shall consider workforce data, gaps, distribution, pipeline,
2 development, and infrastructure, including innovative high school,
3 postsecondary, and postgraduate programs to evolve, align, and
4 respond accordingly to our state's behavioral health and related and
5 integrated primary care workforce needs. The board will continue its
6 work and submit final recommendations in calendar year 2017.

7 (3) \$22,000 of the general fund—state appropriation for fiscal
8 year 2018 is provided solely for implementation of chapter 154, Laws
9 of 2017 (SSB 5022) (education loan information).

10 (4) \$114,000 of the general fund—state appropriation for fiscal
11 year 2018 and \$57,000 of the general fund—state appropriation for
12 fiscal year 2019 are provided solely for implementation of chapter
13 182, Laws of 2017 (2SSB 5285) (workforce employment sectors study).

14 (5) \$147,000 of the general fund—state appropriation for fiscal
15 year 2019 is provided solely for implementation of Engrossed
16 Substitute Senate Bill No. 6486 (registered apprenticeships). If the
17 bill is not enacted by June 30, 2018, the amount provided in this
18 subsection shall lapse.

19 (6) \$350,000 of the general fund—state appropriation for fiscal
20 year 2019 is provided solely for implementation of Substitute Senate
21 Bill No. 6544 (future of work task force). If the bill is not enacted
22 by June 30, 2018, the amount provided in this subsection shall lapse.

23 (7) \$9,000 of the general fund—state appropriation for fiscal
24 year 2019 is provided solely for implementation of Second Substitute
25 Senate Bill No. 6236 (economic growth commission). If the bill is not
26 enacted by June 30, 2018, the amount provided in this subsection
27 shall lapse.

28 **Sec. 611.** 2017 3rd sp.s. c 1 s 615 (uncodified) is amended to
29 read as follows:

30 **FOR THE DEPARTMENT OF EARLY LEARNING**

31	General Fund—State Appropriation (FY 2018)	. . . . .	((\$119,174,000))
32			<u>\$116,758,000</u>
33	General Fund—Federal Appropriation	. . . . .	((\$171,032,000))
34			<u>\$171,805,000</u>
35	Education Legacy Trust Account—State Appropriation	. . .	\$14,091,000
36	Home Visiting Services Account—State Appropriation	. . . .	\$3,133,000
37	Home Visiting Services Account—Federal		
38	Appropriation	. . . . .	\$12,153,000

1	WA Opportunity Pathways Account—State Appropriation . . .	\$40,000,000
2	<u>Pension Funding Stabilization Account—State</u>	
3	<u>Appropriation.</u>	<u>\$468,000</u>
4	TOTAL APPROPRIATION.	((\$359,583,000))
5		<u>\$358,408,000</u>

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

8 (1) \$58,185,000 of the general fund—state appropriation for
9 fiscal year 2018, \$12,125,000 of the education legacy trust account—
10 state appropriation, and \$40,000,000 of the opportunity pathways
11 account appropriation are provided solely for the early childhood
12 education and assistance program. These amounts shall support at
13 least 12,491 slots in fiscal year 2018.

14 (2) \$200,000 of the general fund—state appropriation for fiscal
15 year 2018 is provided solely to develop and provide culturally
16 relevant supports for parents, family, and other caregivers.

17 (3) The department is the lead agency for and recipient of the
18 federal child care and development fund grant. Amounts within this
19 grant shall be used to fund child care licensing, quality
20 initiatives, agency administration, and other costs associated with
21 child care subsidies. The department shall transfer a portion of this
22 grant to the department of social and health services to fund the
23 child care subsidies paid by the department of social and health
24 services on behalf of the department of early learning.

25 (4)(a) ((~~\$76,650,000~~)) \$78,026,000 of the general fund—federal
26 appropriation is provided solely for the working connections child
27 care program under RCW 43.215.135. In order to not exceed the
28 appropriated amount, the department shall manage the program so that
29 the average monthly caseload does not exceed 33,000 households. The
30 department shall give prioritized access into the program according
31 to the following order:

- 32 (i) Families applying for or receiving temporary assistance for
- 33 needy families (TANF);
- 34 (ii) TANF families curing sanction;
- 35 (iii) Foster children;
- 36 (iv) Families that include a child with special needs;
- 37 (v) Families in which a parent of a child in care is a minor who
- 38 is not living with a parent or guardian and who is a full-time

1 student in a high school that has a school-sponsored on-site child
2 care center;

3 (vi) Families with a child residing with a biological parent or
4 guardian who have received child protective services, child welfare
5 services, or a family assessment response from the department of
6 social and health services in the past six months, and has received a
7 referral for child care as part of the family's case management; and

8 (vii) Families that received subsidies within the last thirty
9 days and:

10 (A) Have reapplied for subsidies; and

11 (B) Have household income of two hundred percent federal poverty
12 level or below; and

13 (viii) All other eligible families.

14 (b) The department of early learning and the department of social
15 and health services must take immediate action to reduce fraud and
16 overpayments in the working connections child care program. By
17 December 1, 2017, the department must adopt rules to:

18 (i) Require verification of the applicant's household composition
19 in determining eligibility for the working connections child care
20 program. At a minimum, the department of social and health services
21 must consult agency records for the temporary assistance for needy
22 families program, food assistance, medical assistance, and child
23 support enforcement to verify the applicant's household composition
24 and other applicable eligibility criteria whenever possible. In cases
25 where only one parent's name appears on the application and the
26 department of social and health services cannot verify an open child
27 support case or verify household composition through internal agency
28 records, then the applicant must:

29 (A) Provide the name and address of the other parent or indicate,
30 under penalty of perjury, that the other parent's identity or address
31 are unknown to the applicant; and

32 (B) Document the presence or absence of the other parent through
33 acceptable documentation as defined by the department in rule.

34 The department must exempt an applicant from providing
35 information about the other parent if the department of social and
36 health services determines the applicant has good cause not to
37 cooperate. For the purposes of this subsection, "good cause" must
38 include, at a minimum, consideration of the safety of domestic
39 violence victims;

1 (ii) Authorize working connections child care payments to
2 licensed and certified providers and in-home relative child care
3 providers serving eligible consumers who participate in one hundred
4 ten hours or more of approved work or related activities per calendar
5 month within the following categories: (A) Full day care for a non-
6 school-age child, (B) half-day care for a school-age child during the
7 school year, and (C) full day care for a school-age child during
8 school holidays;

9 (iii) Define the occurrence of fraud, an intentional program
10 violation, an unintentional program violation and an administrative
11 error;

12 (iv) Outline the administrative process for determining fraud or
13 an intentional program violation; and

14 (v) Define the progressive disqualification process for providers
15 who commit fraud or intentional program violation(s).

16 (c) The department, in collaboration with the department of
17 social and health services, must submit a preliminary report by
18 December 1, 2017, and a final report by December 1, 2018, to the
19 governor and the appropriate fiscal and policy committees of the
20 legislature on quality control measures for the working connections
21 child care program. The reports must each include:

22 (i) A detailed narrative of the procurement and implementation of
23 an improved time and attendance system, including a detailed
24 accounting of the costs of procurement and implementation;

25 (ii) A comprehensive description of all processes, including
26 computer algorithms and additional rule development, that the
27 department and the department of social and health services plan to
28 establish prior to and after full implementation of the time and
29 attendance system. At a minimum, processes must be designed to:

30 (A) Ensure the department's auditing efforts are informed by
31 regular and continuous alerts of the potential for overpayments;

32 (B) Avoid overpayments to the maximum extent possible and
33 expediently recover overpayments that have occurred;

34 (C) Withhold payment from providers when necessary to incentivize
35 receipt of the necessary documentation to complete an audit;

36 (D) Establish methods for reducing future payments or
37 establishing repayment plans in order to recover any overpayments;

38 (E) Sanction providers, including termination of eligibility, who
39 commit intentional program violations or fail to comply with program

1 requirements, including compliance with any established repayment
2 plans;

3 (F) Consider pursuit of prosecution in cases with fraudulent
4 activity; and

5 (iii) A description of the process by which fraud is identified
6 and how fraud investigations are prioritized and expedited.

7 (d) Beginning July 1, 2018, and annually thereafter, the
8 department, in collaboration with the department of social and health
9 services, must report to the governor and the appropriate fiscal and
10 policy committees of the legislature on the status of overpayments in
11 the working connections child care program. The report must include
12 the following information for the previous fiscal year:

13 (i) A summary of the number of overpayments that occurred;

14 (ii) The reason for each overpayment;

15 (iii) The total cost of overpayments;

16 (iv) A comparison to overpayments that occurred in the past two
17 preceding fiscal years; and

18 (v) Any planned modifications to internal processes that will
19 take place in the coming fiscal year to further reduce the occurrence
20 of overpayments.

21 (5) Within available amounts, the department in consultation with
22 the office of financial management and the department of social and
23 health services shall report enrollments and active caseload for the
24 working connections child care program to the legislative fiscal
25 committees and the legislative-executive WorkFirst oversight task
26 force on an agreed upon schedule. The report shall also identify the
27 number of cases participating in both temporary assistance for needy
28 families and working connections child care. The department must also
29 report on the number of children served through contracted slots.

30 (6) \$1,560,000 of the general fund—state appropriation for fiscal
31 year 2018 and \$6,712,000 of the general fund—federal appropriation
32 are provided solely for the seasonal child care program. If federal
33 sequestration cuts are realized, cuts to the seasonal child care
34 program must be proportional to other federal reductions made within
35 the department.

36 (7) (~~(\$4,674,000)~~) \$2,522,000 of the general fund—state
37 appropriation for fiscal year 2018 is provided solely for the early
38 childhood intervention prevention services (ECLIPSE) program. The
39 department shall contract for ECLIPSE services to provide therapeutic

1 child care and other specialized treatment services to abused,
2 neglected, at-risk, and/or drug-affected children. The department
3 shall ensure that contracted providers pursue receipt of federal
4 funding associated with the early support for infants and toddlers
5 program. Priority for services shall be given to children referred
6 from the department of social and health services children's
7 administration.

8 (8) \$44,663,000 of the general fund—state appropriation for
9 fiscal year 2018 and \$13,954,000 of the general fund—federal
10 appropriation are provided solely to maintain the requirements set
11 forth in chapter 7, Laws of 2015 3rd sp. sess. The department shall
12 place a ten percent administrative overhead cap on any contract
13 entered into with the University of Washington. In its annual report
14 to the governor and the legislature, the department shall report the
15 total amount of funds spent on the quality rating and improvements
16 system and the total amount of funds spent on degree incentives,
17 scholarships, and tuition reimbursements. Of the amounts provided in
18 this subsection, \$386,000 of the general fund—state appropriation for
19 fiscal year 2018 is provided solely for a six percent base rate
20 increase for child care center providers.

21 (9) \$1,728,000 of the general fund—state appropriation for fiscal
22 year 2018 is provided solely for reducing barriers for low-income
23 providers to participate in the early achievers program.

24 (10) \$300,000 of the general fund—state appropriation for fiscal
25 year 2018 is provided solely for a contract with a nonprofit entity
26 experienced in the provision of promoting early literacy for children
27 through pediatric office visits.

28 (11) \$2,000,000 of the education legacy trust account—state
29 appropriation is provided solely for early intervention assessment
30 and services.

31 (12) \$7,979,000 of the general fund—federal appropriation for
32 fiscal year 2018 is provided solely for the department to procure a
33 time and attendance system and are subject to the conditions,
34 limitations, and review provided in section 724 of this act.

35 (13) Information technology projects or investments and proposed
36 projects or investments impacting time capture, payroll and payment
37 processes and systems, eligibility, case management and authorization
38 systems within the department of early learning are subject to
39 technical oversight by the office of the chief information officer.

1 The department must collaborate with the office of the chief
2 information officer to develop a strategic business and technology
3 architecture plan for a child care attendance and billing system that
4 supports a statewide architecture.

5 (14)(a)(i) The department of early learning is required to
6 provide to the education research and data center, housed at the
7 office of financial management, data on all state-funded early
8 childhood programs. These programs include the early support for
9 infants and toddlers, early childhood education and assistance
10 program (ECEAP), and the working connections and seasonal subsidized
11 childcare programs including license exempt facilities or family,
12 friend, and neighbor care. The data provided by the department to the
13 education research data center must include information on children
14 who participate in these programs, including their name and date of
15 birth, and dates the child received services at a particular
16 facility.

17 (ii) ECEAP early learning professionals must enter any new
18 qualifications into the department's professional development
19 registry starting in the 2015-16 school year, and every school year
20 thereafter. By October 2017, and every October thereafter, the
21 department must provide updated ECEAP early learning professional
22 data to the education research data center.

23 (iii) The department must request federally funded head start
24 programs to voluntarily provide data to the department and the
25 education research data center that is equivalent to what is being
26 provided for state-funded programs.

27 (iv) The education research and data center must provide an
28 updated report on early childhood program participation and K-12
29 outcomes to the house of representatives appropriations committee and
30 the senate ways and means committee using available data by November
31 2017 for the school year ending in 2016 and again in March 2018 for
32 the school year ending in 2017.

33 (b) The department, in consultation with the department of social
34 and health services, must withhold payment for services to early
35 childhood programs that do not report on the name, date of birth, and
36 the dates a child received services at a particular facility.

37 (15) The department shall work with state and local law
38 enforcement, federally recognized tribal governments, and tribal law
39 enforcement to develop a process for expediting fingerprinting and

1 data collection necessary to conduct background checks for tribal
2 early learning and child care providers.

3 (16) \$2,651,000 of the general fund—state appropriation for
4 fiscal year 2018 is provided solely for the 2017-2019 collective
5 bargaining agreement covering family child care providers as set
6 forth in section 940 of this act. Funding is contingent upon
7 enactment of Senate Bill No. 5969 (transparency in public employee
8 collective bargaining). If the bill is not enacted by July 31, 2017,
9 the amount provided in this subsection shall lapse. Of the amounts
10 provided in this subsection:

11 (a) \$273,000 is for a base rate increase;

12 (b) \$55,000 is for increasing paid professional development days
13 from three days to five days;

14 (c) \$1,708,000 is for the family child care providers 501c3
15 organization for the substitute pool, training and quality
16 improvement support services, and administration;

17 (d) \$114,000 is for increasing licensing incentive payments; and

18 (e) \$500,000 is for needs based grants.

19 (17) \$175,000 of the general fund—state appropriation for fiscal
20 year 2018 is provided solely for the department to contract with a
21 nonprofit entity that provides quality improvement services to
22 participants in the early achievers program to implement a community-
23 based training module that supports licensed child care providers who
24 have been rated in early achievers and who are specifically
25 interested in serving children in the early childhood education and
26 assistance program. The module must be functionally translated into
27 Spanish and Somali. The module must prepare trainees to administer
28 all aspects of the early childhood education and assistance program
29 for eligible children in their licensed program and must be offered
30 to 105 child care providers to serve children eligible for the early
31 childhood education and assistance program by June 30, 2019.

32 (18) \$750,000 of the general fund—state appropriation for fiscal
33 year 2018 is provided solely for the implementation of the early
34 achievers expanded learning opportunity quality initiative pursuant
35 to RCW 43.215.100(3)(d).

36 (19) \$267,000 of the general fund—state appropriation for fiscal
37 year 2018 is provided solely for implementation of chapter 236, Laws
38 of 2017 (SHB 1445) (dual language in early learning & K-12).

1 (20) \$100,000 of the general fund—state appropriation for fiscal
2 year 2018 is provided solely for implementation of chapter 202, Laws
3 of 2017 (E2SHB 1713) (children's mental health).

4 (21) \$5,000 of the general fund—state appropriation for fiscal
5 year 2018 is provided solely for a child care workforce development
6 technical work group to develop recommendations to support increased
7 child care workforce wages, reduce turnover, enable child care
8 providers to recruit more qualified educators, and maintain the
9 diversity of the current workforce.

10 (a) The department shall convene and provide staff support for
11 the technical work group. The department shall consult with advocates
12 and stakeholders of the early learning workforce when selecting
13 members for the technical work group. Membership of the work group
14 must consist of representatives from the following organizations and
15 entities:

- 16 (i) The statewide child care resource and referral network;
- 17 (ii) The department;
- 18 (iii) The department of commerce;
- 19 (iv) The economic opportunity institute;
- 20 (v) A coalition of organizations representing nonprofits,
21 professional associations, businesses, and industries in early
22 learning;
- 23 (vi) The state board for community and technical colleges;
- 24 (vii) A union representing child care workers;
- 25 (viii) The small business administration;
- 26 (ix) A member consisting of either an economist or a
27 representative of the workforce development councils;
- 28 (x) A representative from an early childhood education and
29 assistance program;
- 30 (xi) A representative from a nonprofit child care center;
- 31 (xii) A representative from a private child care center; and
- 32 (xiii) A representative from an organization that provides
33 culturally responsive services for early learning programs in
34 communities with high numbers of families whose primary language is
35 not English.

36 (b) Members of the work group may be reimbursed for travel
37 expenses as provided in RCW 43.03.050 and 43.03.060. Funding in this
38 subsection is provided solely for travel reimbursement of work group
39 members and other costs to conduct the meetings. Funding provided in
40 this subsection may not be used to contract for facilitation.

1 (c) The work group shall issue a report with recommendations and
2 an implementation plan to the governor and appropriate committees of
3 the legislature by December 1, 2018.

4 (22) \$317,000 of the general fund—state appropriation for fiscal
5 year 2018 is provided solely for implementation of chapter 162, Laws
6 of 2017 (SSB 5357) (outdoor early learning programs).

7 (23)(a) During the 2017-2019 fiscal biennium, the department must
8 revise its agreements and contracts with vendors to include a
9 provision to require that each vendor agrees to equality among its
10 workers by ensuring similarly employed individuals are compensated as
11 equals as follows:

12 (i) Employees are similarly employed if the individuals work for
13 the same employer, the performance of the job requires comparable
14 skill, effort, and responsibility, and the jobs are performed under
15 similar working conditions. Job titles alone are not determinative of
16 whether employees are similarly employed;

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

19 (A) A seniority system; a merit system; a system that measures
20 earnings by quantity or quality of production; a bona fide job-
21 related factor or factors; or a bona fide regional difference in
22 compensation levels.

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

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

30 (b) The provision must allow for the termination of the contract
31 if the department or department of enterprise services determines
32 that the vendor is not in compliance with this agreement or contract
33 term.

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

36 **Sec. 612.** 2017 3rd sp.s. c 1 s 616 (uncodified) is amended to
37 read as follows:

38 **FOR THE STATE SCHOOL FOR THE BLIND**

39 General Fund—State Appropriation (FY 2018) \$6,976,000

1	General Fund—State Appropriation (FY 2019)	. . . . .	((\$7,427,000))
2			<u>\$7,600,000</u>
3	General Fund—Private/Local Appropriation	. . . . .	\$34,000
4	<u>Pension Funding Stabilization Account—State</u>		
5	<u>Appropriation.</u>	. . . . .	<u>\$591,000</u>
6	TOTAL APPROPRIATION.	. . . . .	((\$14,437,000))
7			<u>\$15,201,000</u>

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

10 (1) Funding provided in this section is sufficient for the school
11 to offer to students enrolled in grades nine through twelve for full-
12 time instructional services at the Vancouver campus with the
13 opportunity to participate in a minimum of one thousand eighty hours
14 of instruction and the opportunity to earn twenty-four high school
15 credits.

16 (2) \$78,000 of the general fund—state appropriation for fiscal
17 year 2018 and \$22,000 of the general fund—state appropriation for
18 fiscal year 2019 are provided solely for the purchase of electronic
19 Braille technology for Braille-reading students.

20 (3) \$49,000 of the general fund—state appropriation for fiscal
21 year 2018 and \$50,000 of the general fund—state appropriation for
22 fiscal year 2019 are provided solely for employees who have requested
23 and received approval for reasonable accommodation in the workplace.

24 (4) \$105,000 of the general fund—state appropriation for fiscal
25 year 2018 and \$136,000 of the general fund—state appropriation for
26 fiscal year 2019 are provided solely for the transportation of
27 students to and from the home campus in Vancouver.

28 **Sec. 613.** 2017 3rd sp.s. c 1 s 617 (uncodified) is amended to
29 read as follows:

30 **FOR THE WASHINGTON STATE CENTER FOR CHILDHOOD DEAFNESS AND HEARING**
31 **LOSS**

32	General Fund—State Appropriation (FY 2018)	. . . . .	((\$10,646,000))
33			<u>\$10,290,000</u>
34	General Fund—State Appropriation (FY 2019)	. . . . .	((\$11,679,000))
35			<u>\$11,621,000</u>
36	<u>Pension Funding Stabilization Account—State</u>		
37	<u>Appropriation.</u>	. . . . .	<u>\$727,000</u>
38	TOTAL APPROPRIATION.	. . . . .	((\$22,325,000))

1 \$22,638,000

2 The appropriations in this section are subject to the following
3 conditions and limitations: Funding provided in this section is
4 sufficient for the center to offer to students enrolled in grades
5 nine through twelve for full-time instructional services at the
6 Vancouver campus with the opportunity to participate in a minimum of
7 one thousand eighty hours of instruction and the opportunity to earn
8 twenty-four high school credits.

9 **Sec. 614.** 2017 3rd sp.s. c 1 s 618 (uncodified) is amended to
10 read as follows:

11 **FOR THE WASHINGTON STATE ARTS COMMISSION**

12	General Fund—State Appropriation (FY 2018)	. . . . .	((\$1,497,000))
13			<u>\$1,417,000</u>
14	General Fund—State Appropriation (FY 2019)	. . . . .	((\$1,514,000))
15			<u>\$1,567,000</u>
16	General Fund—Federal Appropriation	. . . . .	\$2,124,000
17	General Fund—Private/Local Appropriation	. . . . .	((\$16,000))
18			<u>\$50,000</u>
19	<u>Pension Funding Stabilization Account—State</u>		
20	<u>Appropriation.</u>	. . . . .	\$122,000
21	TOTAL APPROPRIATION.	. . . . .	((\$5,151,000))
22			<u>\$5,280,000</u>

23 The appropriations in this section are subject to the following
24 conditions and limitations: ((~~\$78,000~~)) \$58,000 of the general fund—
25 state appropriation for fiscal year 2018 and ((~~\$78,000~~)) \$98,000 of
26 the general fund—state appropriation for fiscal year 2019 are
27 provided solely to implement chapter 240, Laws of 2017 (creative
28 districts).

29 **Sec. 615.** 2017 3rd sp.s. c 1 s 619 (uncodified) is amended to
30 read as follows:

31 **FOR THE WASHINGTON STATE HISTORICAL SOCIETY**

32	General Fund—State Appropriation (FY 2018)	. . . . .	((\$2,505,000))
33			<u>\$2,469,000</u>
34	General Fund—State Appropriation (FY 2019)	. . . . .	((\$2,603,000))
35			<u>\$2,831,000</u>
36	<u>Pension Funding Stabilization Account—State</u>		

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 Health District	FY 2018	FY 2019	2017-2019
			Biennium
29 ((Adams County Health District)) <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 ((Clark County Health District)) <u>Clark County Public</u>	\$1,767,341	\$1,767,341	\$3,534,682
36 <u>Health</u>			

1	((Skamania County Health Department)) <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	((Cowlitz County Health Department)) <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	((Grays Harbor Health Department)) <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	((Jefferson County Health and Human Services))	\$184,080	\$184,080	\$368,160
12	<u>Jefferson County Public Health</u>			
13	((Seattle-King County Department of Public Health))	\$12,685,521	\$12,685,521	\$25,371,042
14	<u>Public Health - Seattle & King County</u>			
15	((Bremerton-Kitsap County Health District)) <u>Kitsap</u>	\$997,476	\$997,476	\$1,994,952
16	<u>Public Health District</u>			
17	Kittitas County <u>Public Health</u> ((Department))	\$198,979	\$198,979	\$397,958
18	Klickitat County <u>Public Health</u> ((Department))	\$153,784	\$153,784	\$307,568
19	((Lewis County Health Department)) <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	((Mason County Department of Health Services))	\$227,448	\$227,448	\$454,896
23	<u>Mason County Public Health and Human Services</u>			
24	((Okanogan County Health District)) <u>Okanogan County</u>	\$169,882	\$169,882	\$339,764
25	<u>Public Health</u>			
26	((Pacific County Health Department)) <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	((Spokane County Health District)) <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)	(\$352,000)
28		<u>\$2,652,000</u>
29	Dedicated Marijuana Account—State Appropriation	
30	(FY 2019)	\$352,000
31	TOTAL APPROPRIATION.	(\$704,000)
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)	(\$9,712,000)
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>((\$8,226,000))</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)	. . . . .	(\$73,350,000)
19			<u>\$75,750,000</u>
20	TOTAL APPROPRIATION.	. . . . .	(\$143,400,000)
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.

1 NEW SECTION. **Sec. 733.** A new section is added to 2017 3rd sp.s.
2 c 1 (uncodified) to read as follows:

3 **FOR THE GAMBLING COMMISSION**

4 General Fund—State Appropriation (FY 2019). \$50,000

5 The appropriation in this section is subject to the following
6 conditions and limitations: The appropriation in this section is
7 provided solely for the gambling commission to contract with a third
8 party to conduct a problem gambling study to determine the scope of
9 pathological or problem gambling in the state. The study shall
10 include, but not be limited to, identifying: (1) The prevalence of
11 gambling-related problems among the adult and juvenile populations in
12 the state; (2) which populations are most impacted by problem
13 gambling; (3) services offered for individuals with gambling-related
14 problems; (4) funding available for problem gambling programs and
15 services; and (5) any deficit related to in-state problem gambling
16 funding, services, or programs based on the calculated need
17 determined in the study. The gambling commission shall submit results
18 of the study to the legislature by December 31, 2018.

(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.	((\$9,731,000))
	<u>\$9,730,000</u>
General Fund Appropriation for prosecuting attorney distributions.	((\$6,786,000))
	<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.	((\$60,611,000))
	<u>\$30,230,000</u>
Death Investigations Account Appropriation for distribution to counties for publicly funded autopsies.	((\$3,556,000))
	<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.	((\$77,367,000))
	<u>\$68,009,000</u>
County Criminal Justice Assistance Appropriation.	((\$96,145,000))
	<u>\$93,628,000</u>
Municipal Criminal Justice Assistance Appropriation.	((\$38,126,000))
	<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.	((\$20,012,000))
	<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		<u>\$30,000,000</u>
11	General Fund Appropriation for Habitat Conservation	
12	Program distributions.	\$5,347,000
13	TOTAL APPROPRIATION.	((\$529,471,000))
14		<u>\$503,096,000</u>

15 The total expenditures from the state treasury under the
16 appropriations in this section shall not exceed the funds available
17 under statutory distributions for the stated purposes.

18 **Sec. 802.** 2017 3rd sp.s. c 1 s 805 (uncodified) is amended to
19 read as follows:

20 **FOR THE STATE TREASURER—TRANSFERS**

21	Criminal Justice Treatment Account: For transfer to	
22	the state general fund, \$4,450,000 for fiscal	
23	year 2018 and \$4,450,000 for fiscal year 2019.	\$8,900,000
24	Dedicated Marijuana Account: For transfer to	
25	the basic health plan trust account, the lesser	
26	of the amount determined pursuant to RCW 69.50.540	
27	or this amount for fiscal year 2018, ((\$170,000,000))	
28	<u>\$180,000,000</u> and this amount for fiscal year 2019,	
29	((\$180,000,000)) <u>\$186,000,000</u>	((\$350,000,000))
30		<u>\$366,000,000</u>
31	Dedicated Marijuana Account: For transfer to	
32	the state general fund, the lesser of the	
33	amount determined pursuant to RCW 69.50.540	
34	or this amount for fiscal year 2018, \$120,000,000	
35	and this amount for fiscal year 2019,	
36	((\$130,000,000)) <u>\$127,000,000</u>	((\$239,239,000))
37		<u>\$247,000,000</u>
38	Aquatic Lands Enhancement Account: For transfer to	

1 the clean up settlement account as repayment of
2 the loan provided in section 3022(2) chapter 2,
3 Laws of 2012, 2nd sp. sess. (ESB 6074 2012
4 supplemental capital budget), \$620,000 for fiscal
5 year 2018 and \$620,000 for fiscal year 2019. \$1,240,000
6 Tobacco Settlement Account: For transfer to the
7 state general fund, in an amount not to exceed the
8 actual amount of the annual base payment to the
9 tobacco settlement account for fiscal year 2018. . . \$101,639,000
10 Tobacco Settlement Account: For transfer to the
11 state general fund, in an amount not to exceed the
12 actual amount of the annual base payment to the
13 tobacco settlement account for fiscal year 2019. . . \$101,639,000
14 State Toxics Control Account: For transfer to the
15 cleanup settlement account as repayment of the
16 loan provided in section 3022(2) chapter 2,
17 Laws of 2012, 2nd sp. sess. (ESB 6074, 2012
18 supplemental capital budget), \$620,000 for
19 fiscal year 2018 and \$620,000 for fiscal
20 year 2019. \$1,240,000
21 General Fund: For transfer to the streamlined sales
22 and use tax account, (~~(\$11,171,000)~~) \$12,913,000
23 for fiscal year 2018 and (~~(\$8,641,000)~~) \$7,674,000
24 for fiscal year 2019. (~~(\$20,012,000)~~)
25 \$20,587,000
26 Aerospace Training and Student Loan Account: For
27 transfer to the state general fund, \$750,000
28 for fiscal year 2018 and \$750,000 for fiscal
29 year 2019. \$1,500,000
30 Disaster Response Account: For transfer to the state
31 general fund, \$42,000,000 for fiscal year 2018. . . . \$42,000,000
32 State Treasurer's Service Account: For transfer to the state
33 general fund, \$6,000,000 for fiscal year 2018 and
34 \$6,000,000 for fiscal year 2019. \$12,000,000
35 Statewide Information Tech System Maintenance and
36 Operations Revolving Account: For transfer to the
37 consolidated technology services revolving account,
38 \$5,500,000 for fiscal year 2018. \$5,500,000
39 General Fund: For transfer to the family and medical
40 leave insurance account as start-up costs for

1 the family and medical leave insurance program
2 pursuant to enactment of Substitute House Bill
3 No. 1116 (family and medical leave insurance),
4 Senate Bill No. 5975 (paid family and medical
5 leave insurance), or Senate Bill No. 5032
6 (family and medical leave insurance),
7 \$82,000,000 for fiscal year 2018. \$82,000,000
8 Family and Medical Leave Insurance Account: For
9 transfer to the General Fund as repayment for
10 start-up costs for the family and medical leave
11 insurance program pursuant to implementation of
12 Substitute House Bill No. 1116 (family and
13 medical leave insurance), Senate Bill No. 5975
14 (paid family and medical leave insurance),
15 or Senate Bill No. 5032 (family and medical
16 leave insurance), the lesser of the amount
17 determined by the treasurer for full repayment
18 of the \$82,000,000 transferred from the general
19 fund in fiscal year 2018 for start-up costs
20 with any related interest or this amount for
21 fiscal year 2019, \$90,000,000. \$90,000,000
22 Public Works Assistance Account: For transfer to the
23 education legacy trust account, \$136,998,000 for
24 fiscal year 2018 and \$117,017,000 for fiscal
25 year 2019. \$254,015,000
26 General Fund: For transfer to the firearms range
27 account for fiscal year 2018. \$75,000
28 (~~Death Investigations Account: For transfer to~~
29 ~~the state general fund, \$1,186,000 for~~
30 ~~fiscal year 2018. \$1,186,000~~)
31 New Motor Vehicle Arbitration Account: For transfer
32 to the state general fund, \$2,000,000 for fiscal
33 year 2018. \$2,000,000
34 Local Toxics Control Account: For transfer to the
35 state toxics control account, \$9,000,000 for
36 fiscal year 2018 and \$12,000,000 for fiscal
37 year 2019. \$21,000,000
38 State Toxics Control Account: For transfer to water
39 pollution control revolving account, \$3,000 for
40 fiscal year 2018. \$3,000

1	<u>Aquatic Lands Enhancement Account: For transfer to</u>	
2	<u>the geoduck aquaculture research account for</u>	
3	<u>fiscal year 2019.</u>	<u>\$200,000</u>
4	<u>Public Works Administration Account: For transfer to</u>	
5	<u>the state general fund for fiscal year 2018.</u>	<u>\$2,500,000</u>
6	<u>General Fund: For transfer to the statewide tourism</u>	
7	<u>marketing account for fiscal year 2019.</u>	<u>\$1,500,000</u>
8	<u>Oil Spill Response Account: For transfer to the oil</u>	
9	<u>spill prevention account: \$1,748,000 for fiscal year</u>	
10	<u>2018 and \$2,973,000 for fiscal year 2019.</u>	<u>\$4,721,000</u>

(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 **Sec. 918.** RCW 90.56.500 and 2015 c 274 s 6 are each amended to
11 read as follows:

12 (1) The state oil spill response account is created in the state
13 treasury. All receipts from RCW 82.23B.020(1) shall be deposited in
14 the account. All costs reimbursed to the state by a responsible party
15 or any other person for responding to a spill of oil shall also be
16 deposited in the account. Moneys in the account shall be spent only
17 after appropriation. The account is subject to allotment procedures
18 under chapter 43.88 RCW.

19 (2)(a) The account shall be used exclusively to pay for:

20 (i) The costs associated with the response to spills or imminent
21 threats of spills of crude oil or petroleum products into the waters
22 of the state; and

23 (ii) The costs associated with the department's use of an
24 emergency response towing vessel.

25 (b) During the 2015-2017 biennium, the legislature may transfer
26 up to two million two hundred twenty-five thousand dollars from the
27 account to the oil spill prevention account created in RCW 90.56.510.

28 (c) During the 2017-2019 fiscal biennium, the legislature may
29 transfer up to four million seven hundred twenty-one thousand dollars
30 from the account to the oil spill prevention account created in RCW
31 90.56.510.

32 (3) Payment of response costs under subsection (2)(a)(i) of this
33 section shall be limited to spills which the director has determined
34 are likely to exceed one thousand dollars.

35 (4) Before expending moneys from the account, but without
36 delaying response activities, the director shall make reasonable
37 efforts to obtain funding for response costs under subsection (2) of
38 this section from the person responsible for the spill and from other
39 sources, including the federal government.

1 (5) Reimbursement for response costs from this account shall be
2 allowed only for costs which are not covered by funds appropriated to
3 the agencies responsible for response activities. Costs associated
4 with the response to spills of crude oil or petroleum products shall
5 include:

6 (a) Natural resource damage assessment and related activities;

7 (b) Spill related response, containment, wildlife rescue,
8 cleanup, disposal, and associated costs;

9 (c) Interagency coordination and public information related to a
10 response; and

11 (d) Appropriate travel, goods and services, contracts, and
12 equipment.

13 **Sec. 919.** RCW 77.12.203 and 2017 3rd sp.s. c 1 s 984 are each
14 amended to read as follows:

15 (1) Except as provided in subsection (5) of this section and
16 notwithstanding RCW 84.36.010 or other statutes to the contrary, the
17 director must pay by April 30th of each year on game lands,
18 regardless of acreage, in each county, if requested by an election
19 under RCW 77.12.201, an amount in lieu of real property taxes equal
20 to that amount paid on similar parcels of open space land taxable
21 under chapter 84.34 RCW or the greater of seventy cents per acre per
22 year or the amount paid in 1984 plus an additional amount for control
23 of noxious weeds equal to that which would be paid if such lands were
24 privately owned. This amount may not be assessed or paid on
25 department buildings, structures, facilities, game farms, fish
26 hatcheries, water access sites, tidelands, or public fishing areas.

27 (2) "Game lands," as used in this section and RCW 77.12.201,
28 means those tracts, regardless of acreage, owned in fee by the
29 department and used for wildlife habitat and public recreational
30 purposes. All lands purchased for wildlife habitat, public access, or
31 recreation purposes with federal funds in the Snake River drainage
32 basin are considered game lands regardless of acreage.

33 (3) This section does not apply to lands transferred after April
34 23, 1990, to the department from other state agencies.

35 (4) The county must distribute the amount received under this
36 section in lieu of real property taxes to all property taxing
37 districts except the state in appropriate tax code areas the same way
38 it would distribute local property taxes from private property. The

1 county must distribute the amount received under this section for
2 weed control to the appropriate weed district.

3 (5) For the 2013-2015 and 2015-2017 fiscal biennia, the director
4 must pay by April 30th of each year on game lands in each county, if
5 requested by an election under RCW 77.12.201, an amount in lieu of
6 real property taxes and must be distributed as follows:

7	County
8	Adams.....1,909
9	Asotin..... 36,123
10	Chelan.....24,757
11	Columbia..... 7,795
12	Ferry..... 6,781
13	Garfield.....4,840
14	Grant..... 37,443
15	Kittitas..... 143,974
16	Klickitat..... 21,906
17	Lincoln..... 13,535
18	Okanogan..... 151,402
19	Pend Oreille..... 3,309
20	Yakima..... 126,225

21 These amounts may not be assessed or paid on department buildings,
22 structures, facilities, game farms, fish hatcheries, water access
23 sites, tidelands, or public fishing areas.

24 (6) For the 2017-2019 fiscal biennium, the director must pay by
25 April 30th of each year on game lands in each county, if requested by
26 an election under RCW 77.12.201, an amount in lieu of real property
27 taxes and must be distributed as follows:

28	County
29	Adams..... ((1,235)) <u>1,909</u>
30	Asotin..... ((26,425)) <u>36,123</u>
31	Chelan.....39,858
32	Columbia..... 20,713
33	Ferry..... 22,798
34	Garfield..... 12,744

1	Grant.....	71,930
2	Kittitas.....	382,638
3	Klickitat.....	51,019
4	Lincoln.....	((13,000)) 13,535
5	Okanogan.....	264,036
6	Pend Oreille.....	5,546
7	Yakima.....	186,056

8 These amounts may not be assessed or paid on department buildings,
9 structures, facilities, game farms, fish hatcheries, water access
10 sites, tidelands, or public fishing areas.

11 NEW SECTION. **Sec. 920.** A new section is added to 2017 3rd sp.s.
12 c 1 (uncodified) to read as follows:

13 (1) A joint legislative task force is created to develop
14 strategies for identification and intervention against potential
15 perpetrators of mass shootings and to report on recommendations for
16 their prevention.

17 (2) The task force is composed of members as provided in this
18 subsection.

19 (a) The president of the senate shall appoint one member from
20 each of the two largest caucuses of the senate.

21 (b) The speaker of the house of representatives shall appoint one
22 member from each of the two largest caucuses of the house of
23 representatives.

24 (c) The president of the senate and the speaker of the house of
25 representatives jointly shall appoint members representing:

- 26 (i) The Washington association of sheriffs and police chiefs;
- 27 (ii) The Washington state patrol;
- 28 (iii) The superintendent of public instruction;
- 29 (iv) The Washington association of prosecuting attorneys;
- 30 (v) The Washington association of criminal defense attorneys or
- 31 the Washington defender association;
- 32 (vi) The Washington state association of counties;
- 33 (vii) The office of the attorney general;
- 34 (viii) The American civil liberties union of Washington;
- 35 (ix) Two colleges or universities in Washington state;
- 36 (x) The superior court judges' association; and
- 37 (xii) The administrative office for the courts.

1 (d) No less than two family members of victims of mass shootings
2 must be invited to sit on the task force.

3 (3) The task force shall assess and make recommendations
4 regarding:

5 (a) Strategies to identify persons who may commit mass shootings
6 associated with K-12 schools and colleges and universities;

7 (b) A survey of services around the state available for those
8 experiencing a mental health crisis;

9 (c) A survey of state and federal laws related to intervening
10 against potential perpetrators or confiscating their firearms; and

11 (d) Strategies used by other states or recommended nationally to
12 address the problem of mass shootings.

13 (4) The legislative membership shall convene the initial meeting
14 of the task force no later than June 2018.

15 (5) The task force shall submit a report, which may include
16 findings, recommendations, and proposed legislation, to the
17 appropriate committees of the legislature by December 1, 2018. The
18 report shall consider the following strategies:

19 (a) Promoting to the public the availability of extreme risk
20 protection orders as a means of avoiding mass shootings;

21 (b) A rapid response interdisciplinary team comprised of law
22 enforcement, mental health experts, and other appropriate parties who
23 could be mobilized to intervene and prevent a potential crisis at a
24 school or institution of higher learning; and

25 (c) Whether reasonable restrictions should be imposed on the
26 access to firearms by those suffering from a mental illness that are
27 consistent with the individual right to bear arms.

28 (6) Staff support for the task force must be provided by the
29 senate committee services and the house of representatives office of
30 program research.

31 (7) Legislative members of the task force are reimbursed for
32 travel expenses in accordance with RCW 44.04.120. Nonlegislative
33 members are not entitled to be reimbursed for travel expenses if they
34 are elected officials or are participating on behalf of an employer,
35 governmental entity, or other organization. Any reimbursement for
36 other nonlegislative members is subject to chapter 43.03 RCW.

37 (8) The expenses of the task force shall be paid jointly by the
38 senate and the house of representatives. Task force expenditures are
39 subject to approval by the senate facilities and operations committee

1 and the house of representatives executive rules committee, or their
2 successor committees.

3 (9) This section expires July 1, 2019.

4 **Sec. 921.** RCW 82.19.040 and 2017 3rd sp.s. c 1 s 989 are each
5 amended to read as follows:

6 (1) To the extent applicable, all of the definitions of chapter
7 82.04 RCW and all of the provisions of chapter 82.32 RCW apply to the
8 tax imposed in this chapter.

9 (2) (~~Until June 30, 2019,~~) Taxes collected under this chapter
10 shall be distributed (~~as follows: (a) Five million dollars per
11 fiscal year must be deposited in equal monthly amounts to the state
12 parks renewal and stewardship account under RCW 79A.05.215; and (b)
13 the remainder~~) to the waste reduction, recycling, and litter control
14 account under RCW 70.93.180.

15 **Sec. 922.** RCW 82.19.040 and 2017 3rd sp.s. c 1 s 990 are each
16 amended to read as follows:

17 (1) To the extent applicable, all of the definitions of chapter
18 82.04 RCW and all of the provisions of chapter 82.32 RCW apply to the
19 tax imposed in this chapter.

20 (2) (~~Beginning June 30, 2019,~~) Taxes collected under this
21 chapter shall be deposited in the waste reduction, recycling, and
22 litter control account under RCW 70.93.180.

23 NEW SECTION. **Sec. 923.** Section 921 of this act expires June 30,
24 2019.

25 NEW SECTION. **Sec. 924.** Section 922 of this act takes effect
26 June 30, 2019.

27 NEW SECTION. **Sec. 925.** If any provision of this act or its
28 application to any person or circumstance is held invalid, the
29 remainder of the act or the application of the provision to other
30 persons or circumstances is not affected.

31 NEW SECTION. **Sec. 926.** Except for section 922 of this act, this
32 act is necessary for the immediate preservation of the public peace,
33 health, or safety, or support of the state government and its
34 existing public institutions, and takes effect immediately.

(End of part)

(End of Bill)

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